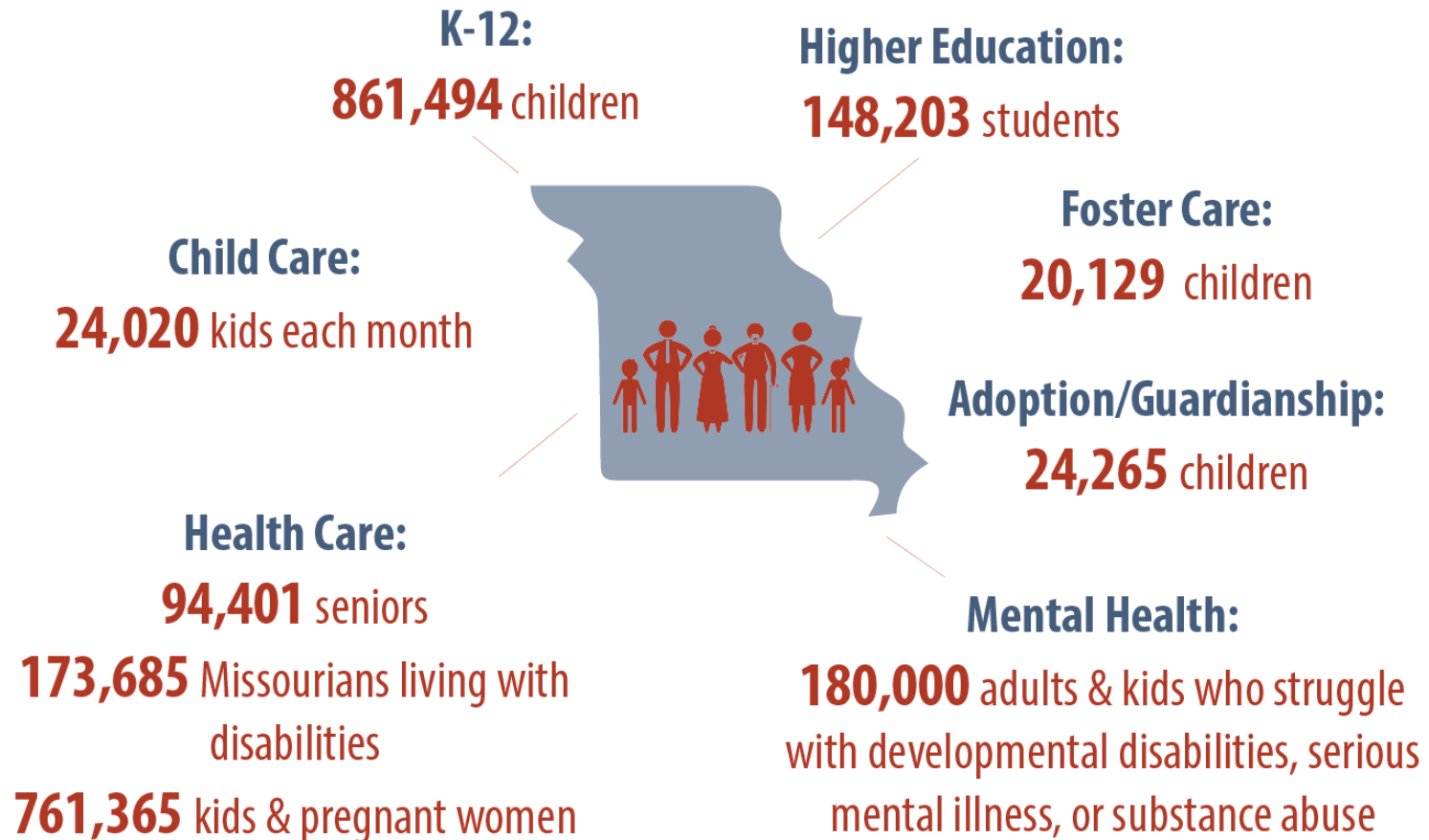




# ***Advocacy and the Missouri State Budget***

*Lindsey Baker, Research Director, Missouri Budget Project*

# State Budget & Taxes: Impact at a Glance



# Advocating on the Budget is Year-Round

Summer  
State  
Departments



Fall  
Governor

*Fiscal Year: July 1st to June 30th*

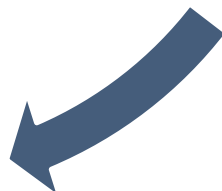
## Key Dates

- **Department Budget Requests:** early October
- **Executive Budget Released:** late January/early February
- **Legislative Session:** early January to mid May
- **Budget Due:** one week prior to end of session



Legislative  
Session  
House  
Budget

Legislative  
Session  
Senate  
Budget

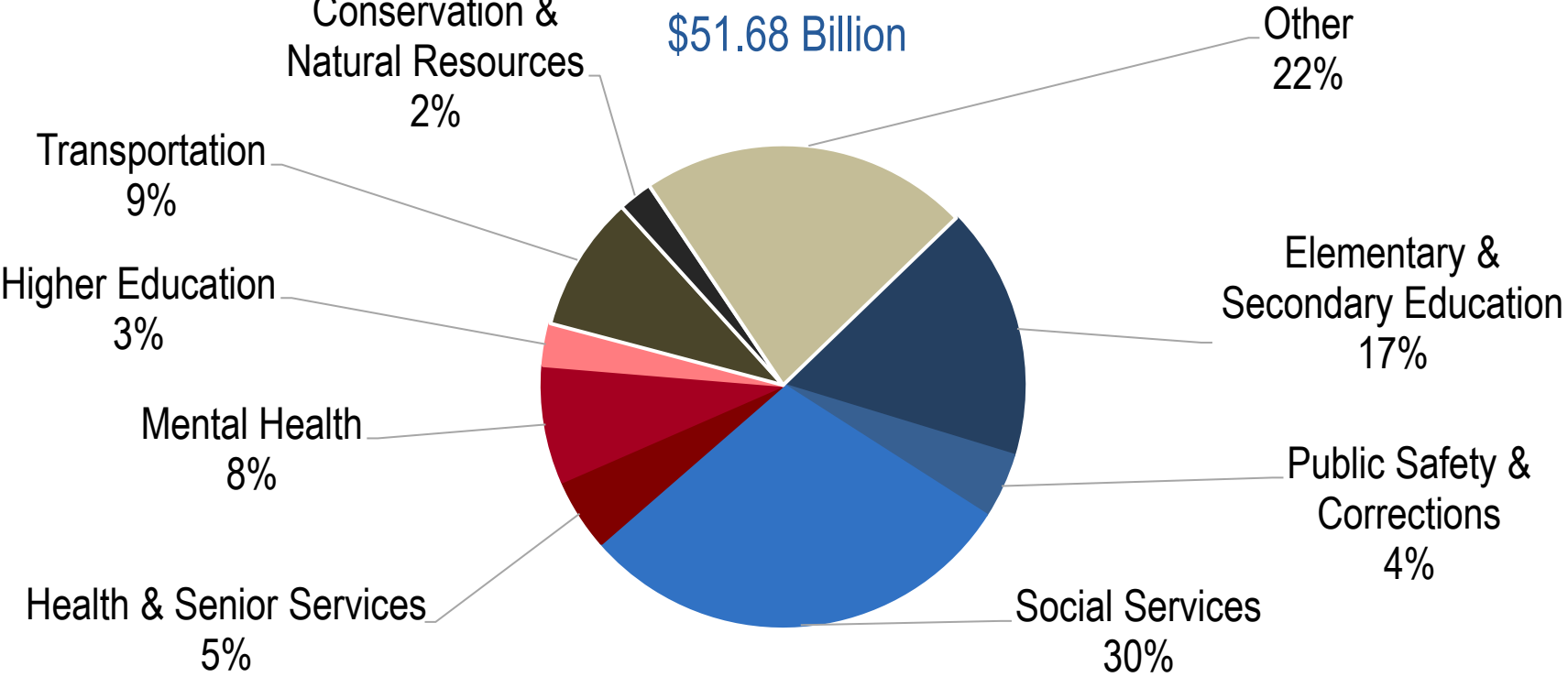


Legislative  
Session  
Conference  
Committee



# What Services are Supported by the State Budget?

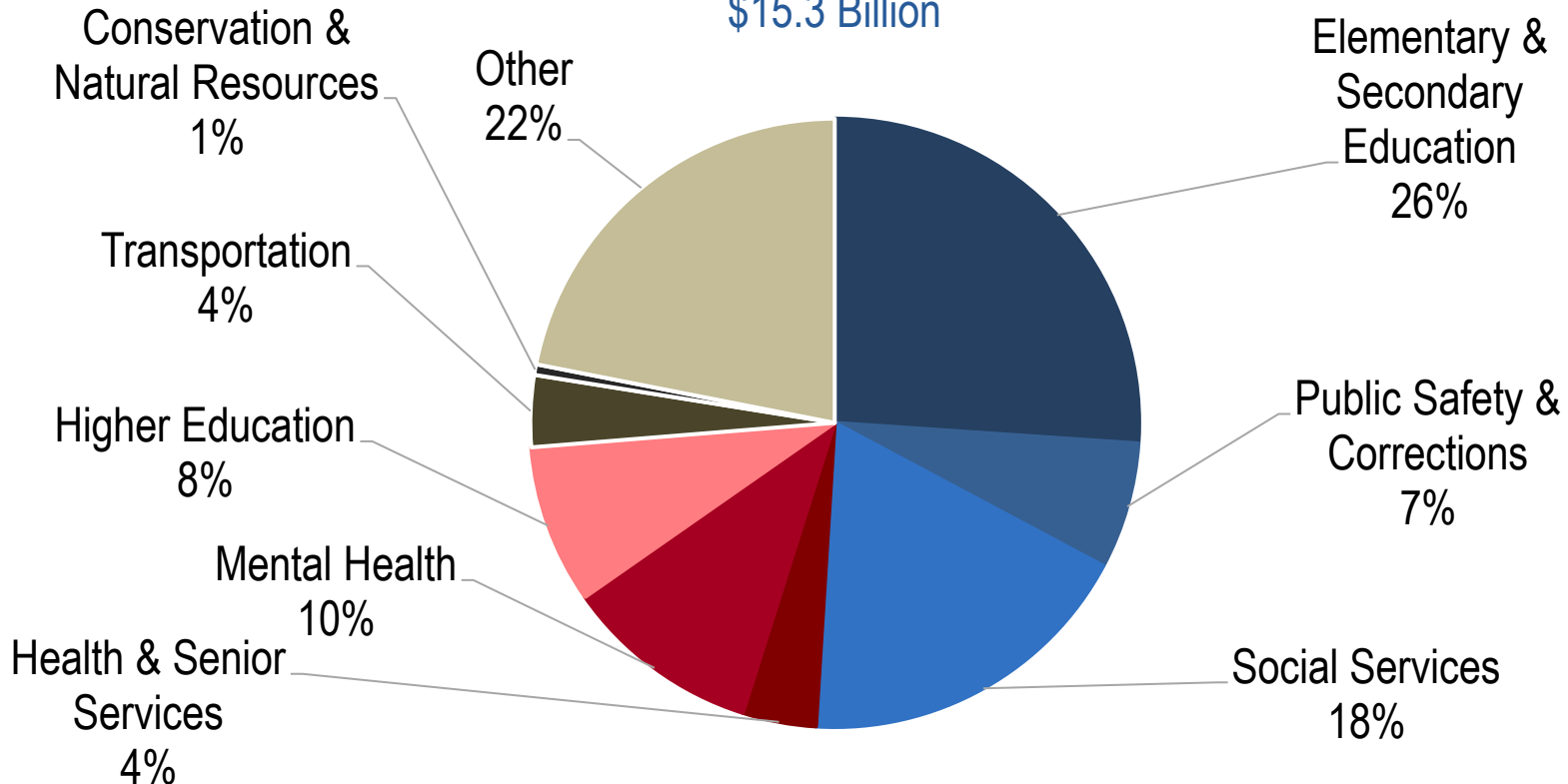
**Fiscal Year 2025 Operating Budget**  
**All Funds- TAFP**  
**\$51.68 Billion**



# What Services are Supported by General Revenue?

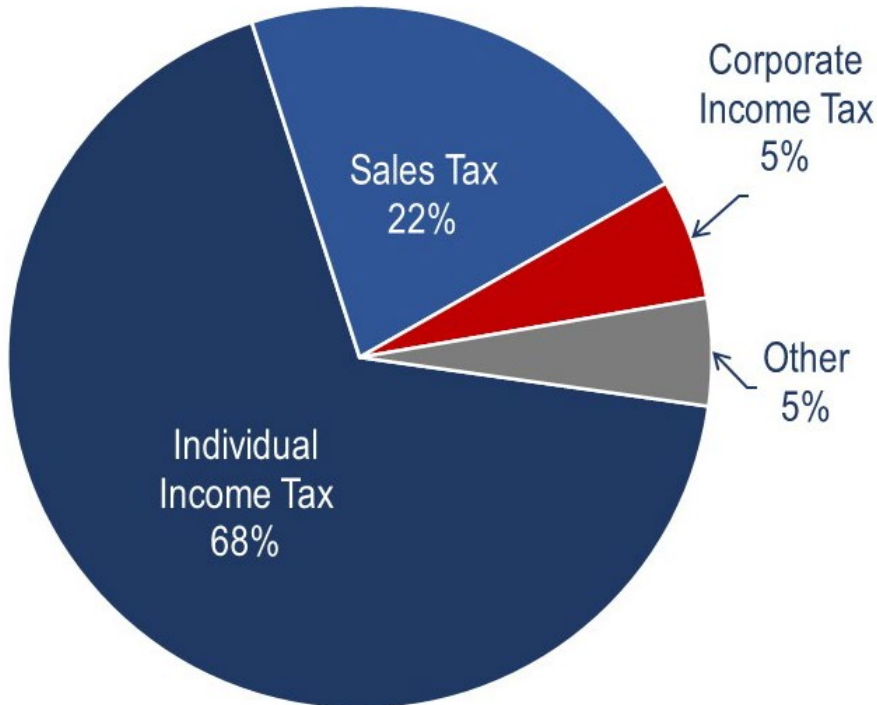
## Fiscal Year 2025 Operating Budget General Revenue - TAFP

\$15.3 Billion

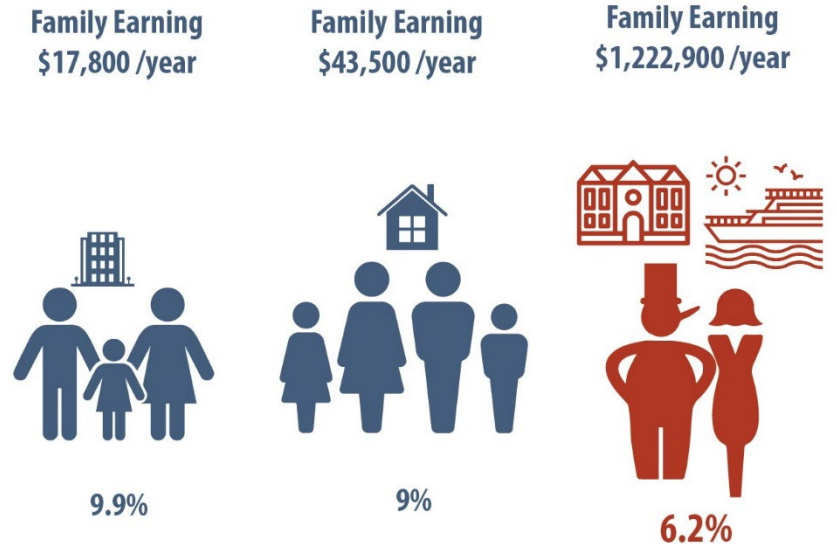


# How We Fund Services Matters

Missouri's General Revenue  
FY 2024  
\$13.152 billion



## Lower Earning Missourians Pay a Higher Portion of Their Income in Taxes than Highest Income Missourians





# Recent Tax Cuts Favor Wealthy & Corporations

Income tax cuts (Top rate cut from 6% to 4.5% & exempt first \$1,000 from tax)	-\$2.716 B
Phase-out deduction for federal income taxes paid based on income	\$390M
Nonrefundable EITC at 20% Federal	-\$15M
LLC pass-through deduction of 20%	-\$204M
Corporate tax rate cut from 6.25% to 4%	-\$272.8M
Wayfair Fix	\$67M
Social Security Exemption for High Income Recipients	-\$309M
<b>Total Impact</b>	<b>- \$3.06 B</b>



## Missouri's FY 2025 Operating Budget and the Governor's Vetoes

- FY2025 budget process was highly unusual, finalized very quickly and very late.
- Governor line-item vetos totaled over \$1B, \$227m GR, but...
  - Actual cuts were much less
  - Ombudsmen program
  - Senior Growth and Development

FY 2025 State Operating Budget		
	TAFP	After Veto
GR	\$15.303	\$15.076
Federal	\$24.463	\$24.202
Other	\$11.910	\$11.892
TOTAL	<b>\$51.676</b>	<b>\$51.170</b>





## Home & Community Based Services

<b>Consumer Directed Services - HB 2010 - Section 10.810</b>		
	<b>FY 2024</b>	<b>FY 2025</b>
<b>Federal</b>	\$502,177,584	\$422,287,092
<b>General Revenue</b>	\$238,198,656	\$242,570,288
<b>TOTAL</b>	\$740,376,240	\$664,857,380
<b>Home and Community Based Services - HB 2010 - Section 10.815</b>		
	<b>FY 2024</b>	<b>FY 2025</b>
<b>Federal</b>	\$503,903,439	\$376,995,889
<b>General Revenue</b>	\$231,269,638	\$238,257,564
<b>TOTAL</b>	\$735,173,077	\$615,253,453



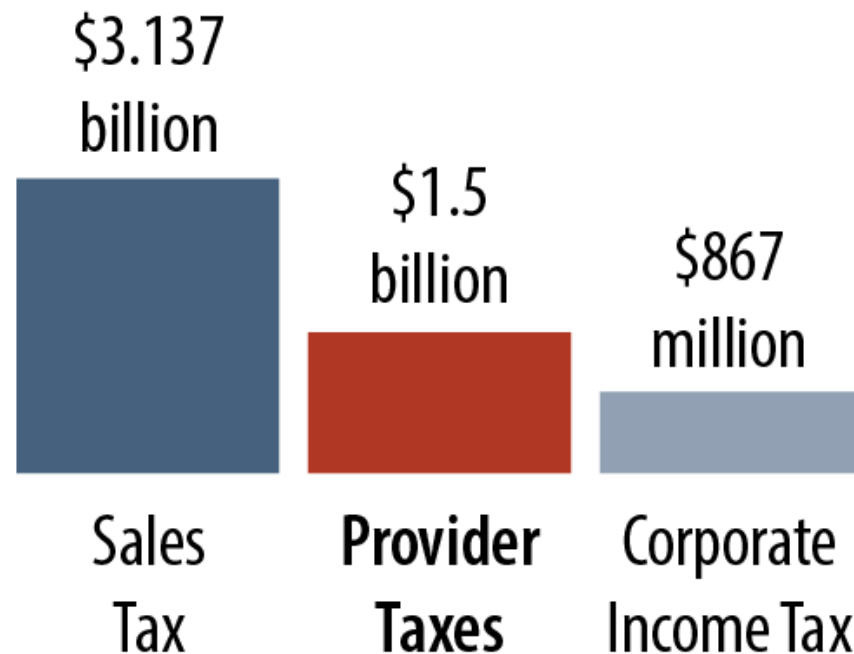
## **Other Legislative Issues Impacting Older Missourians**

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- **FRA/Provider Tax Renewal**
- **COVID savings being depleted**
- **Tax Cut Implementation**
- **Property Tax Bills**
- **Upcoming Ballot Initiative: Minimum wage & paid sick leave**

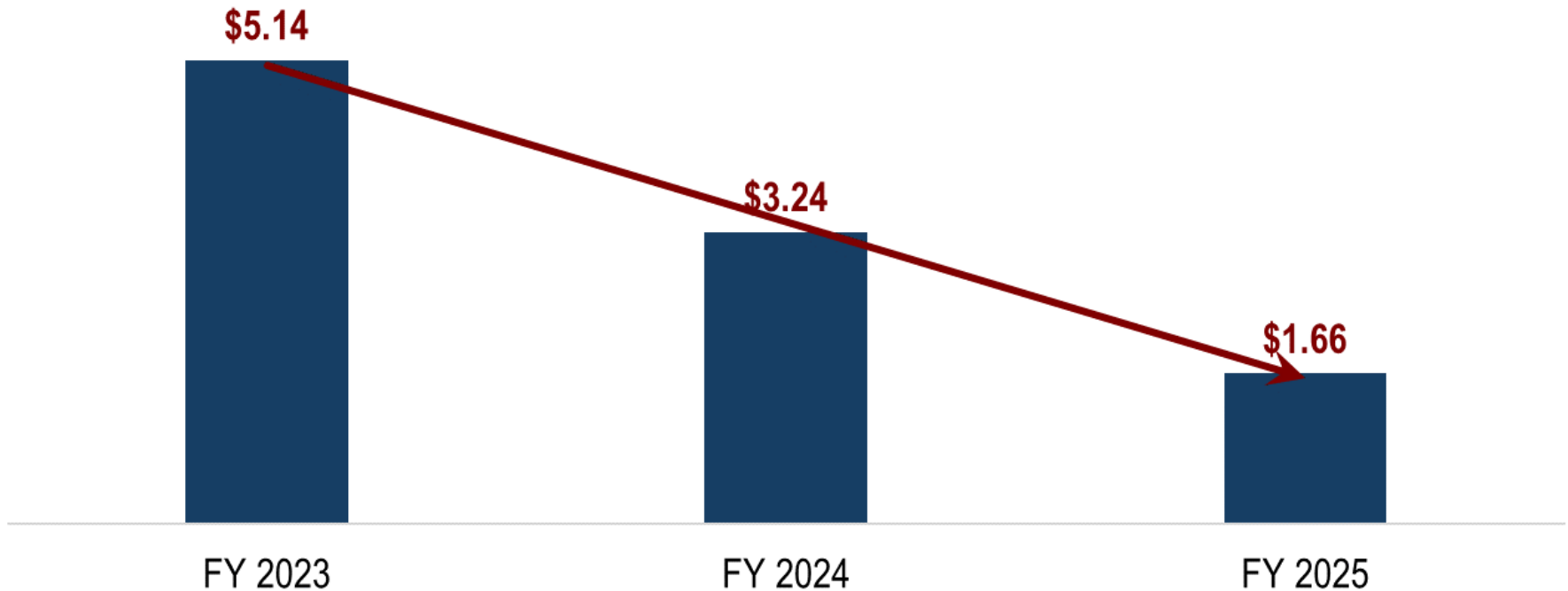
## Provider Tax Renewal

### The FRA Relative to Selected State General Revenue



# COVID SAVINGS

## COVID Savings Being Depleted Amounts in Billions



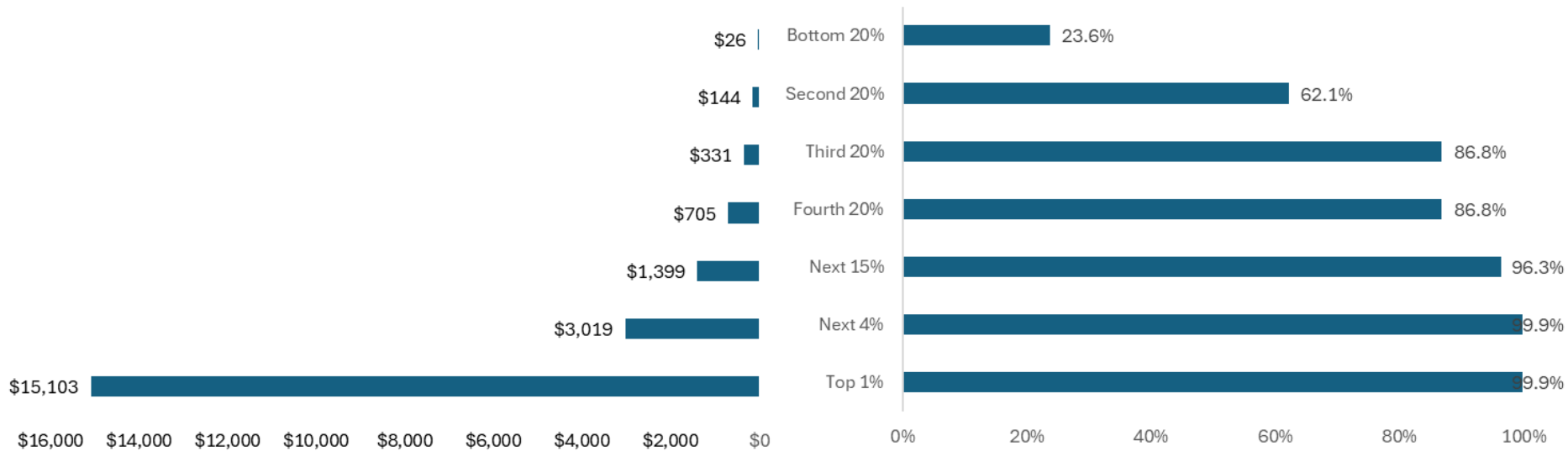
# Impact of Tax Cuts by Income

## Income Tax Rate & Bracket Changes

Average Tax Cut

Income Distribution

Percent Receiving a Tax Cut



## Updating Missouri's Property Tax Credit

**Updating the Missouri Property Tax Credit  
would increase property tax relief for:**

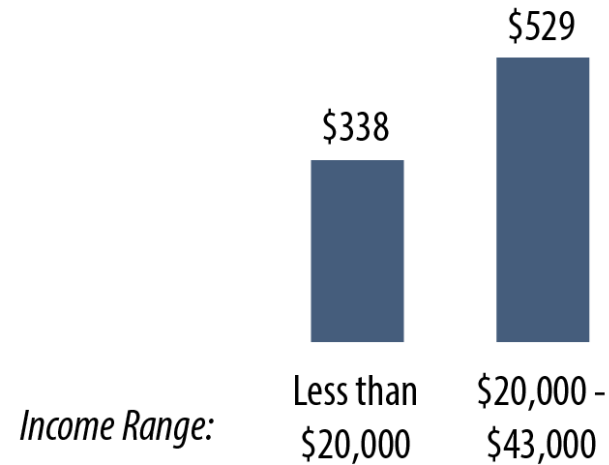


291,700  
Missourians



186,800  
households

**and increase the average credit amount:**



*Average reflects the amount for those recipients seeing an increased credit*

## Upcoming Ballot Initiative would expand paid sick leave family caregivers



- ✓ **Allow Workers to Earn 5-7 Paid Sick Days/Year**
- ✓ **Increase the Minimum Wage to \$15/hour by 2026**

# Get Involved



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  -  @MISSOURIBUDGET
- Join our weekly calls!

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