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MISSOURI BUDGET PROJECT

Advocacy and the State Budget

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Our Tax Dollars At Work



Roads & Infrastructure
Building bridges, filling potholes, salting highways



Schools & Higher Ed
K-12 school districts, colleges, and technical schools



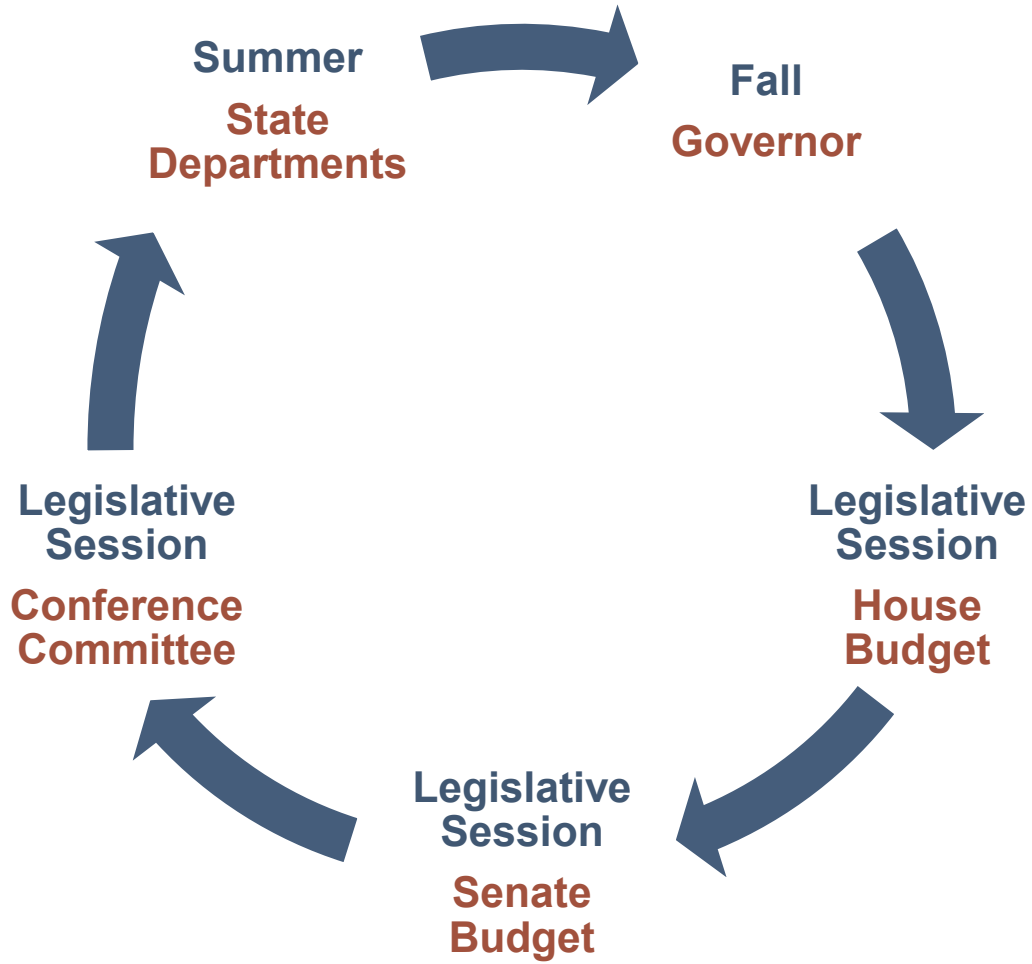
Parks
From Johnson's Shut-Ins to Lake of the Ozarks to Weston Bend



Healthcare
Rural hospitals, senior meals, disability services and more

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Advocating on the Budget is Year-Round



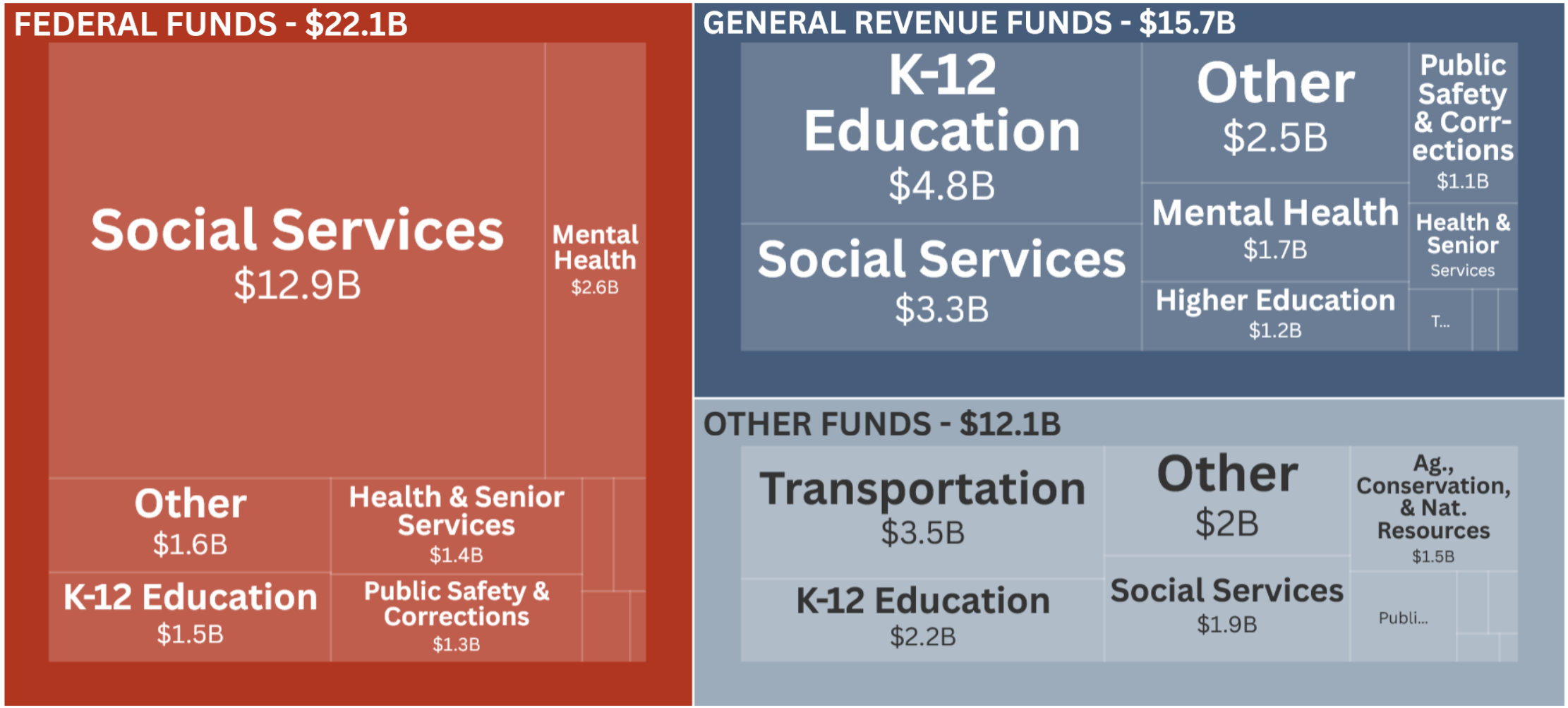
Fiscal Year: July 1st to June 30th

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

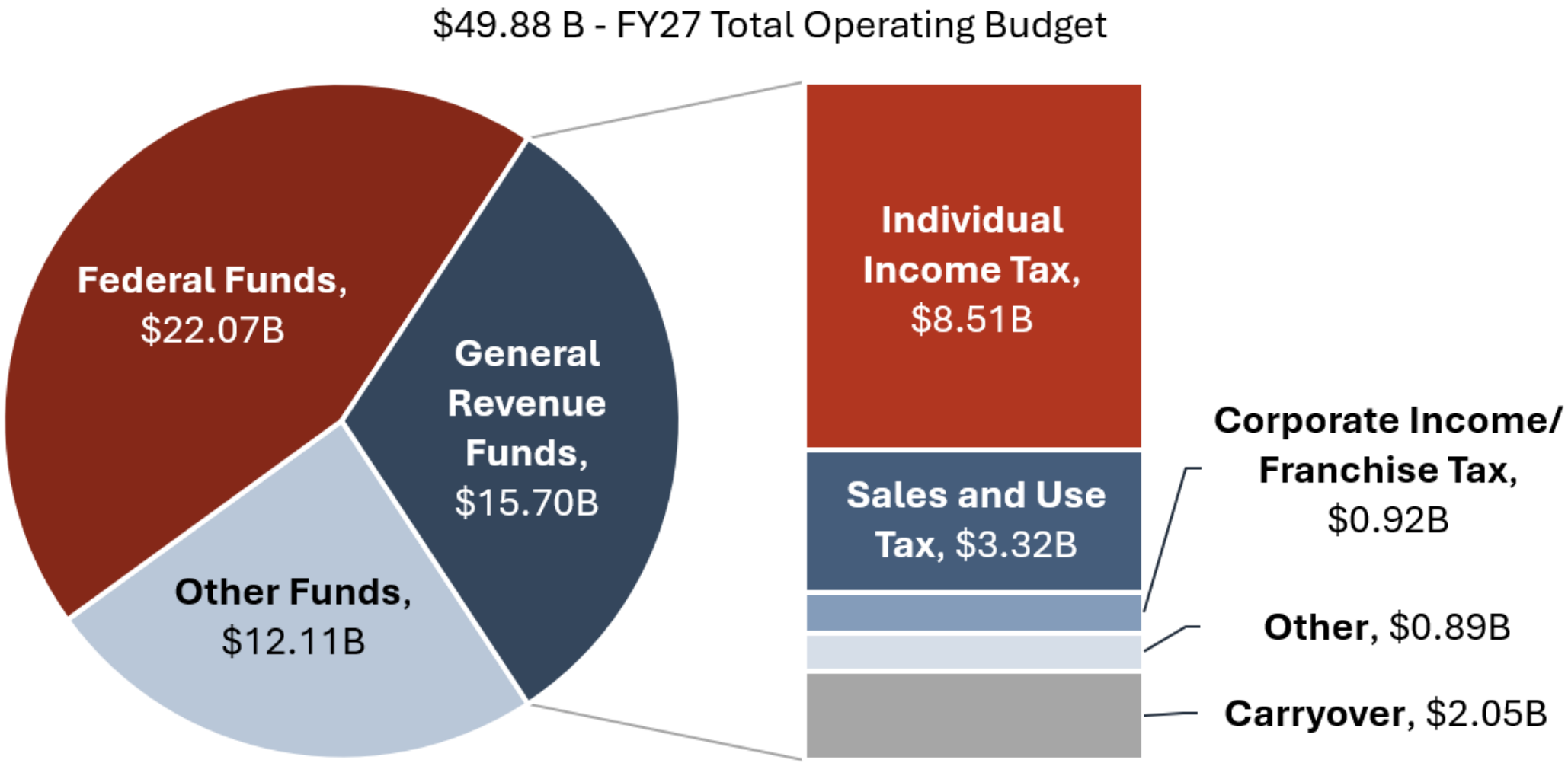
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Missouri's FY2027 Operating Budget: Spending



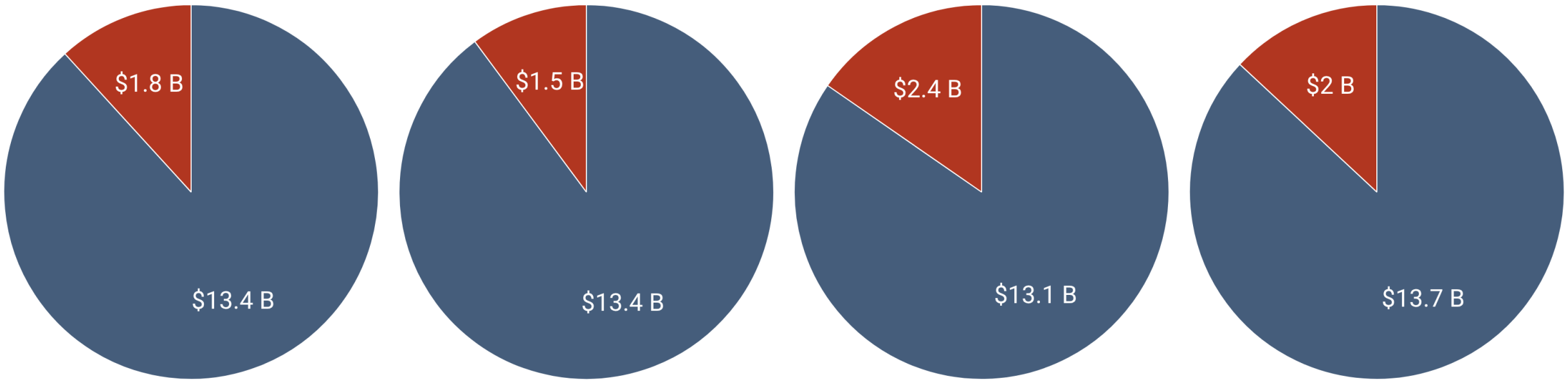
FY27 Total Operating Budget - $49.9B

Missouri's FY2027 Operating Budget: Revenue



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STATE BUDGET CLIFF



FY2024
General Revenue Budget:
$15.2 B

FY2025
General Revenue Budget:
$14.9 B

FY2026
General Revenue Budget:
$15.4 B

FY2027
General Revenue Budget:
$15.7 B

Net General Revenue Collections Gap in General Revenue

Net General Revenue Collections: FY24-FY26 based on actual collections, FY27 based on Consensus Revenue Estimate

Chart: Missouri Budget Project • Created with Datawrapper

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FY2027 Budget

FY2027 budget includes painful cuts to critical services

- K-12 public education underfunded by ~$200 million - first time in nearly a decade.
- Eliminates FQHC line item for Community Health Workers & Double-Up Food Bucks
- 20% cut to AAA funding for infrastructure that supports meal delivery to older adults.

Some proposed cuts were restored, but could still face significant cuts

- Funding for childcare, Domestic Violence Shelters restored; partial restoration of VOCA, developmental disability services.
- BUT – mid-year budget restrictions are likely. Continued advocacy will be needed.

Lawmakers avoided addressing ongoing shortfalls, used temporary funds to fill gaps.

- COVID Savings: Over $2 B in savings set aside during COVID used in FY2027 budget.
- Blind Pension Fund: $72 M to K-12 Foundation Formula
- Capitol Commission Fund: $74 M to K-12 Foundation Formula + $15 M to school transportation

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How Did We Get Here?

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STATE BUDGET CLIFF

General Revenue Collections Have Flatlined as Tax Cuts are Implemented

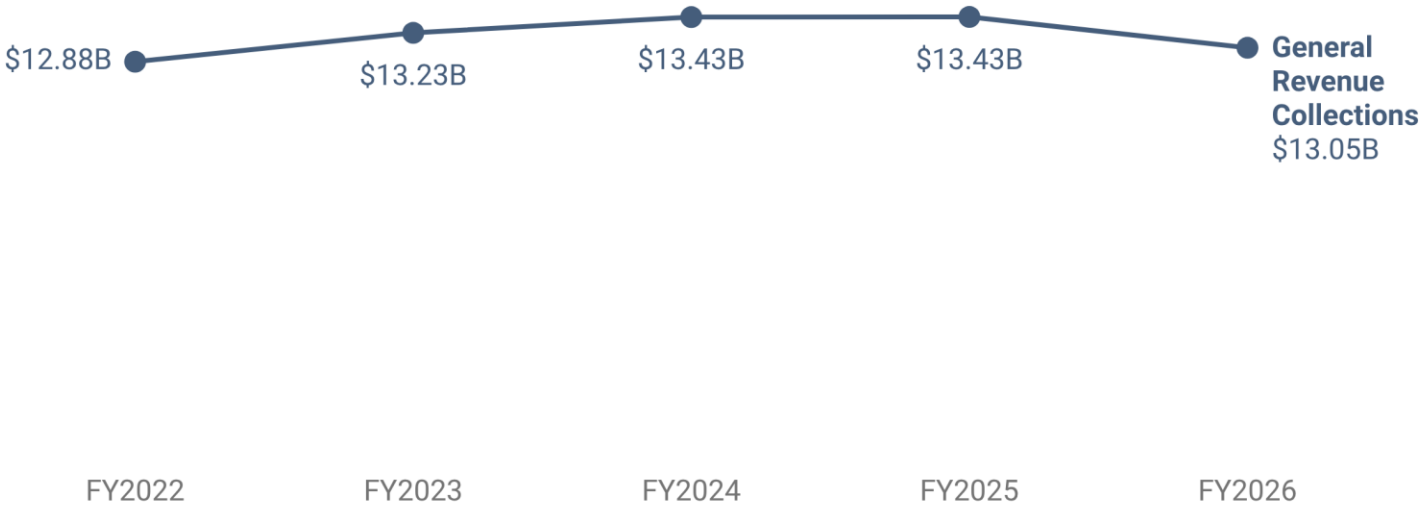


Chart: Missouri Budget Project • Source: Executive Budget Summary; Monthly Revenue Report June 2026 • Created with Datawrapper

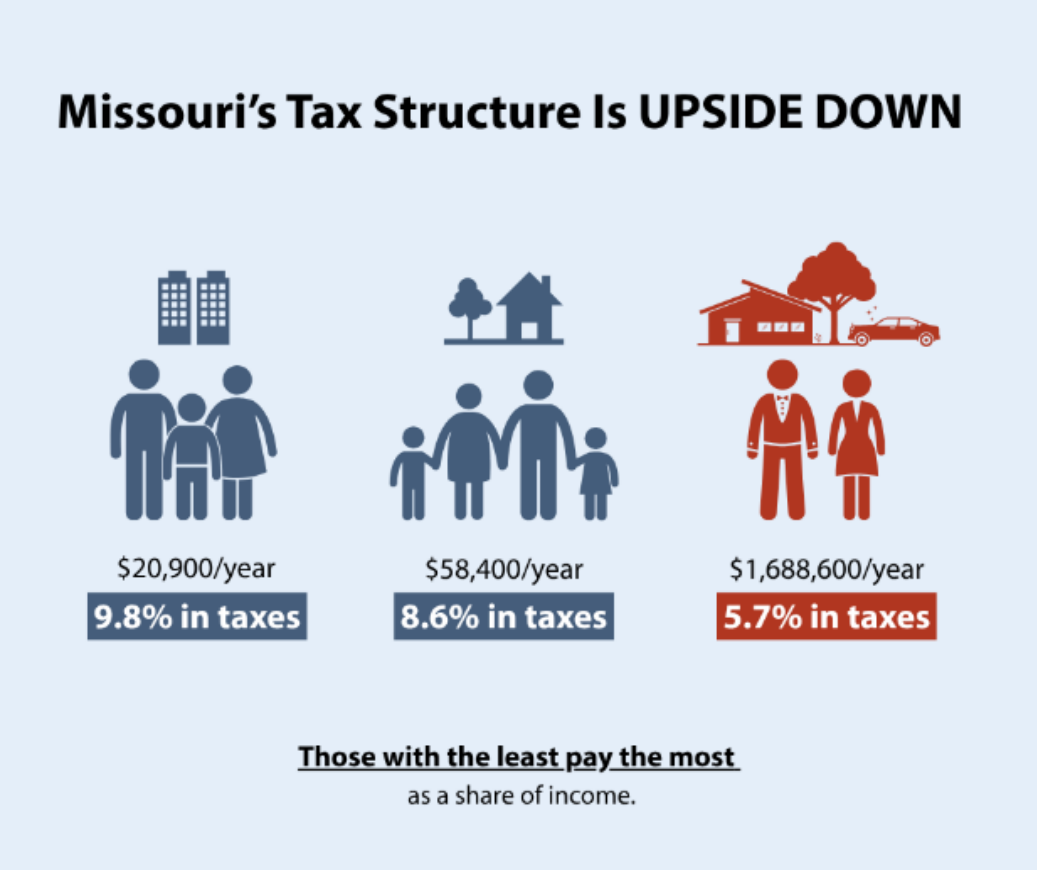
Since 2014 lawmakers have passed tax cuts that cost ***$3.8 billion each year.***

Federal tax cuts trigger automatic cuts in Missouri's tax code; further reducing general revenue.

Cuts to federal funding mean Missouri will need more state funding to fill the budget gap.

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How Missouri Stacks Up: Taxes



Income Tax Top Rate:
Cut from 6% to 4.5%

LLC Loophole:
First 20% Exempt

Capital Gains Tax:
Eliminated

Corporate Tax Rate:
Cut from 6.25% to 4%

Data Centers:
Sales Tax Exemption

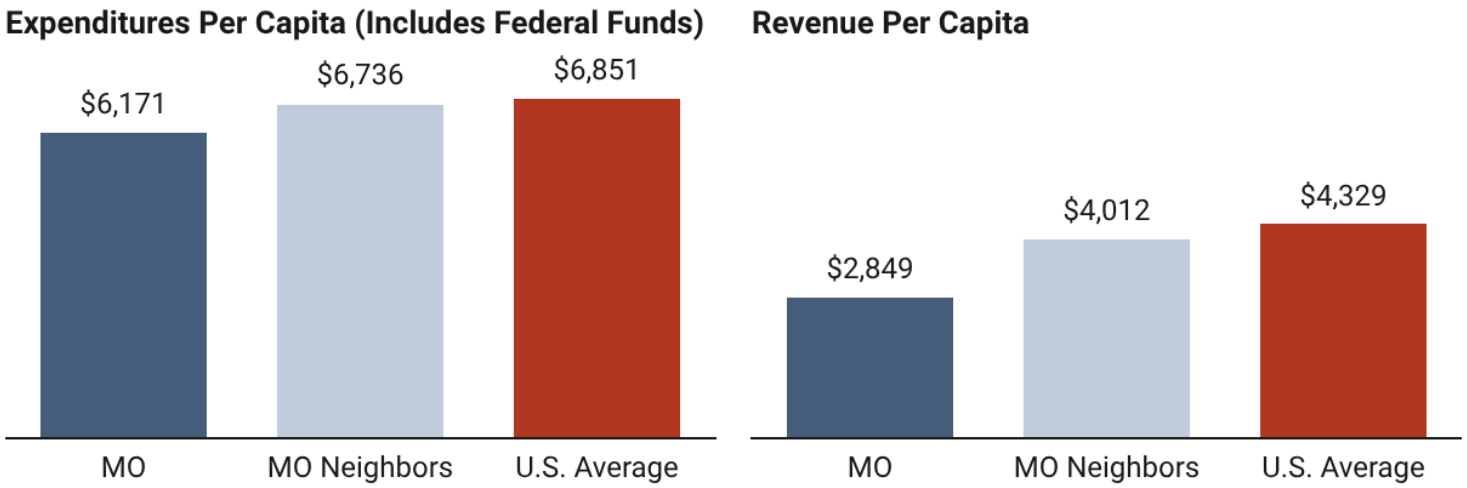
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How Missouri Stacks Up: Services

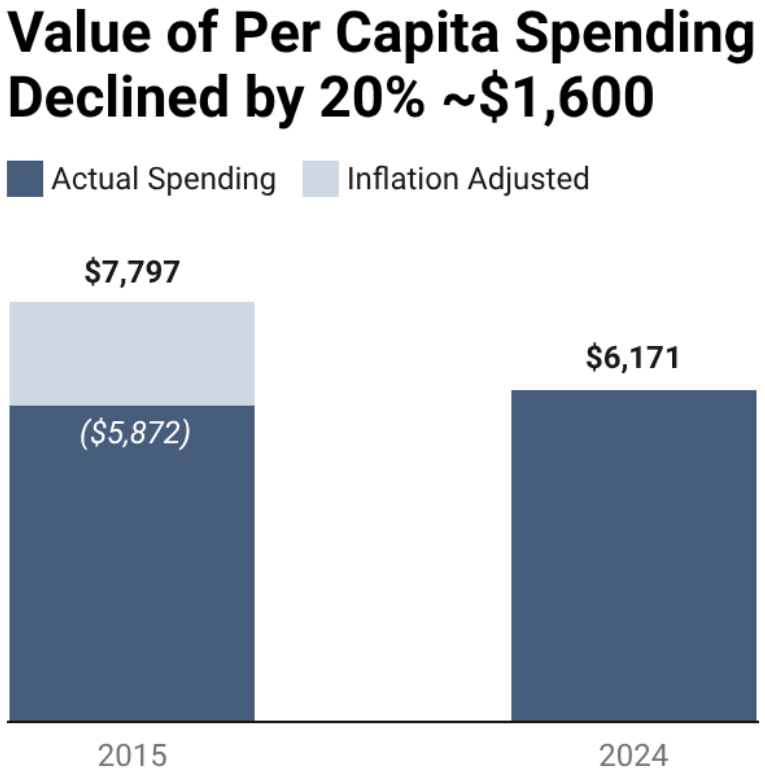
MISSOURI'S NATIONAL RANKINGS FOR KEY STATE INDICATORS

39th FUNDING SPENT PER CAPITA

46th REVENUE COLLECTED PER CAPITA



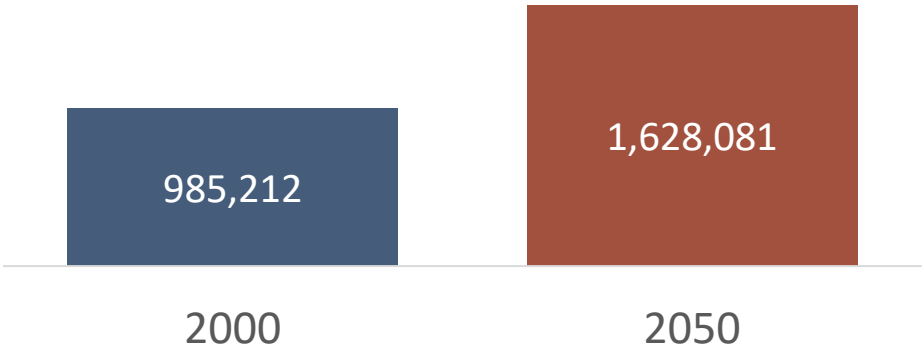
Source: Missouri Senate Appropriations Committee Annual Fiscal Report • Created with Datawrapper



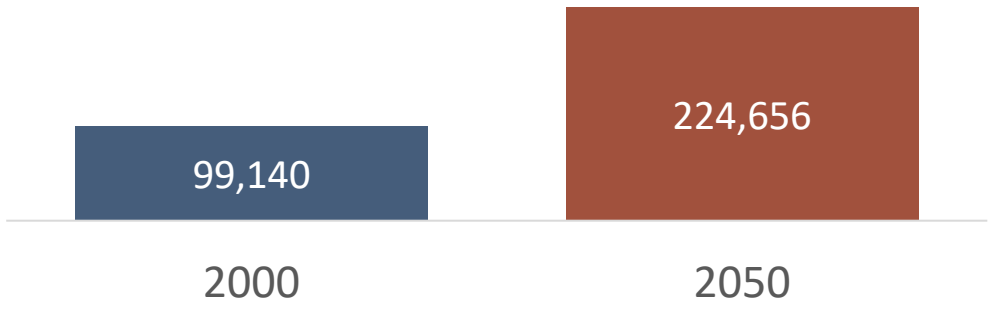
Source: Missouri Senate Appropriations Annual Fiscal Reports • Created with Datawrapper

How Missouri Stacks Up: Older Adults

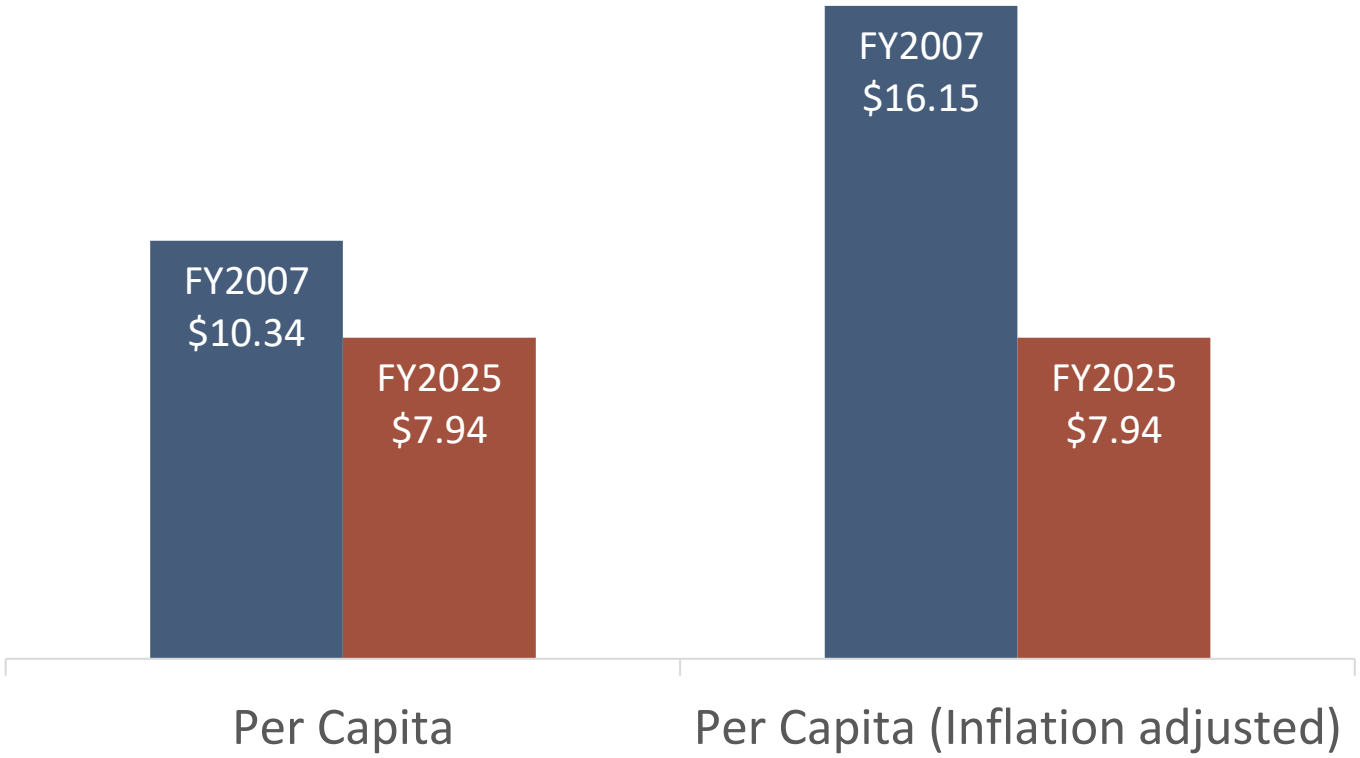
Number of Missourians 60+



Number of Missourians 85+



Investment Per Missourian 60+:
Core Funding for Missouri Area Agencies on Aging



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What's Next?

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HR1 "One Big Beautiful Bill"



170,000

Missourians are expected to lose Medicaid

58,000

Missourians are at risk of losing food assistance



Barriers and Red Tape + Restrictions on State Funding + Cuts to federal funding + Increased state costs

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COST SHIFT TO MISSOURI

SNAP



SNAP Admin

$34 million



State Share of Benefits

$180-254 million

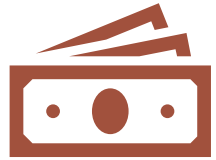
Medicaid



Provider Tax Caps

$675 million

$1.9 billion state & federal



PERM Penalties

$1.2 billion

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FY2028 AND BEYOND

Advocate to protect against cuts to critical services

- Programs that rely heavily on GR (like K-12 & higher education).
- Programs not mandated by federal law (such as Medicaid “optional” services).
- New programs & programs with recent increases (such as childcare; Circuit Breaker Tax Credit).

Address Missouri’s growing revenue shortfall

- Defend against additional tax cuts for the wealthy and corporations.
- Identify new revenue sources and close existing loopholes.

Get Involved

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Join MBP's Weekly Calls

Lindsey Baker
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Contact MBP With Questions

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