



Scott Fitzpatrick

Missouri State Auditor

Review of Article X,
Sections 16 Through 24,
Constitution of Missouri
Year Ended June 30, 2025

Report No. 2026-051

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auditor.mo.gov



Scott Fitzpatrick
Missouri State Auditor

CITIZENS SUMMARY

Conclusions in the review of Article X, Sections 16 through 24

Background

On November 4, 1980, the voters of Missouri passed Constitutional Amendment No. 5, which added Article X, Sections 16 through 24 to the Constitution of Missouri. The amendment is commonly referred to as the Hancock Amendment.

Section 18(a-d) of the Hancock Amendment requires annual total state revenue limits. The amendment limits the amount of personal income that may be used to fund state government to no greater than the portion used to do so in 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues.

A 1996 amendment added Section 18(e) to the Hancock Amendment, which imposes an additional revenue limit on tax and fee increases. Section 18(e) states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or 1 percent of total state revenue for the second fiscal year prior to the general assembly's action, whichever is less.

Fiscal Year 2025 Conclusions

For the year ended June 30, 2025, no refunds are due to taxpayers. Total state revenue (TSR) was approximately \$6.6 billion under the refund threshold. This revenue limit has not been exceeded since the year ended June 30, 1999.

For the year ended June 30, 2025, the Office of Administration, Division of Budget and Planning determined based on fiscal notes prepared for each bill by the Committee on Legislative Research - Oversight Division, as a result of general assembly legislative actions, net taxes and fees are projected to decrease by a total of \$855 million, which is under the tax and fee increase revenue limit of \$150.5 million. The projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected. Actual compliance with the Section 18(e) revenue limit is determined by measuring the aggregate actual new annual revenues produced in the first fiscal year each tax and fee increase and decrease is fully effective. Since Section 18(e) was added to the Hancock Amendment in 1996, the 2016 legislative session was the only year the limit has been projected to be exceeded.

Because of the nature of this audit, no rating is provided.

Review of Article X, Sections 16 Through 24, Constitution of Missouri

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SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

Honorable Mike Kehoe, Governor
and
Members of the General Assembly
and
Kenneth J. Zellers, Commissioner
Office of Administration
Jefferson City, Missouri

We have conducted a review of revenues of the state of Missouri for the year ended June 30, 2025, and the application to those revenues of Article X, Sections 16 through 24, Missouri Constitution, more commonly referred to as the Hancock Amendment (included as an Appendix). We previously reported on revenues of the state for the years ended June 30, 1982 through 2024. The amendment, which was adopted by the voters of Missouri on November 4, 1980, limits the growth of state revenues collected in any fiscal year. The objectives of this review were to:

1. Evaluate the formulas to calculate the state's revenue limits.
2. Determine the specific items included in total state revenue.
3. Verify the accuracy of the revenue limit computations and compare the limits to total state revenue and projected tax and fee increases from legislative actions.
4. Review the state's overall compliance with the provisions of the amendment.

Our review included only the application of the revenue limit to state revenues and, accordingly, did not include a review of the effects of the amendment on any local governmental unit.

Our methodology to accomplish these objectives included discussions with personnel of the Office of Administration, Division of Budget and Planning, inspecting relevant records and reports compiled by that office, and reviewing data and reports from the statewide accounting system.

The Executive Summary and the Background and Methodology present our comments and conclusions concerning the state's overall compliance with the provisions of Article X, Sections 16 through 24, Missouri Constitution.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive, flowing style.

Scott Fitzpatrick
State Auditor

Review of Article X, Sections 16 Through 24, Constitution of Missouri Executive Summary

Executive Summary

The amendment, commonly referred to as the Hancock Amendment, limits annual state revenues, and tax and fee increases, and requires refunds to taxpayers if revenue or tax increases exceed prescribed limits.

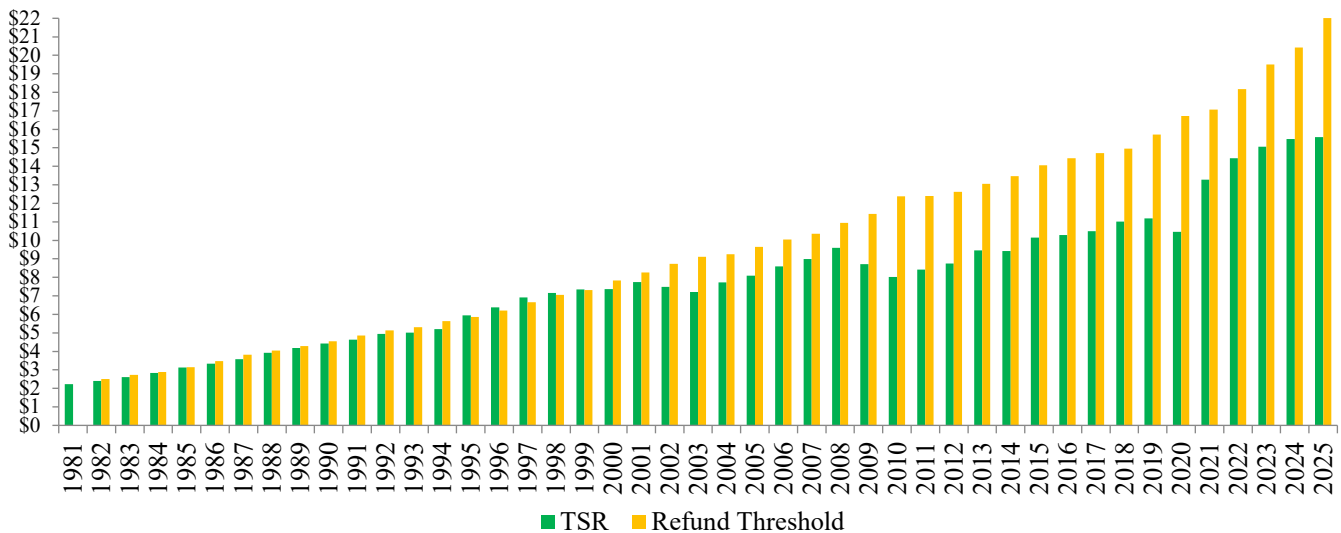
For the year ended June 30, 2025, no refunds are due to taxpayers. Total state revenue (TSR) was approximately \$6.6 billion under the refund threshold. In addition, the tax and fee increase limit for fiscal year 2025 was \$150.5 million, while net taxes and fees are projected to decrease by a total of \$855.0 million when fully implemented, primarily due to tax cuts enacted by the legislature.¹

Total State Revenue (TSR) Section 18(a-d)

Section 18(a-d) of the Hancock Amendment requires no greater portion of Missourians' personal income (MPI) be used in any future year to fund state government than was the case in fiscal year 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues. Figure 1 shows TSR for fiscal year 1981 to 2025, and the Hancock Amendment refund threshold from fiscal year 1982 to 2025.

Since TSR was below the refund threshold by approximately \$6.6 billion in fiscal year 2025, no refund is required. The TSR refund threshold limit has not been exceeded since fiscal year 1999. Over the last 5 years, the amount of TSR under the refund threshold has ranged from \$3.7 billion to \$6.6 billion.

Figure 1: Total State Revenue compared to Hancock Amendment refund threshold, fiscal years 1982 to 2025, dollars in billions



Source: This chart was prepared using the Office of Administration, Division of Budget and Planning's analysis of TSR prepared using data from the Statewide Advantage for Missouri (SAM II) system.

¹ When fully implemented, House Bills 121, 594, and 754, First Regular Session, and Senate Bill 3, First Extraordinary Session, 103rd General Assembly (2025), are estimated to reduce state revenue by approximately \$75 million, \$666 million, \$53 million, and \$65 million, respectively. The fiscal impact of House Bill 594 was updated from the original fiscal note from an original cost estimate of \$266 million to an estimated \$666 million based on updated income tax information provided by the Internal Revenue Service.

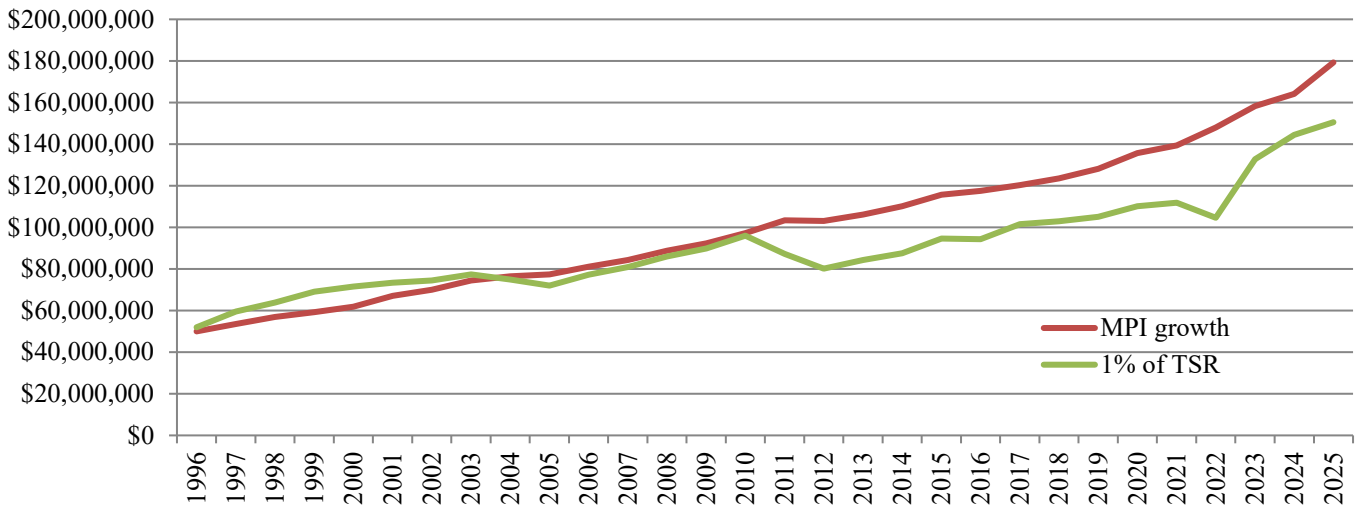


Review of Article X, Sections 16 through 24, Constitution of Missouri
Executive Summary

Tax and fee increases
Section 18(e)

Section 18(e) of the Hancock Amendment states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million, adjusted annually by the percentage change in Missouri personal income (MPI) for the second previous year, or 1 percent of TSR for the second fiscal year prior to the general assembly's action, whichever is less. See additional information on page 8. Figure 2 shows the historical calculation of the tax and fee increase limit. For fiscal year 2025, this tax and fee increase limit was determined to be \$150.5 million.

Figure 2: Section 18(e) Tax and Fee Limit Calculation, Fiscal Year 1996 through 2025; Missouri's personal income each year compared to 1 percent of Total State Revenue for the second fiscal year prior (fiscal years 1994 to 2023).



Source: Missouri personal income (MPI) data was obtained from the federal Bureau of Economic Analysis, while TSR data was obtained from the Office of Administration, Division of Budget and Planning's analysis prepared using data from the Statewide Advantage for Missouri (SAM II) system.

For the year ended June 30, 2025, the Office of Administration, Division of Budget and Planning (OA-BP) determined based on fiscal notes prepared for each bill, net taxes and fees are projected to decrease by a total of \$855.0 million when fully implemented, which is under the tax and fee increase revenue limit of \$150.5 million. The projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected.

Actual compliance with the Section 18(e) revenue limit is determined by measuring the aggregate actual new annual revenues produced in the first fiscal year each tax and fee increase and decrease is fully effective. Since Section 18(e) was added to the Hancock Amendment in 19/96, the 2016 legislative session was the only year the limit has been projected to be exceeded.

Review of Article X, Sections 16 Through 24, Constitution of Missouri Background and Methodology

On November 4, 1980, the voters of Missouri passed Constitutional Amendment No. 5, which added Article X, Sections 16 through 24 to the Constitution of Missouri. The amendment is commonly referred to as the Hancock Amendment.

This review addresses the components of the amendment that relate to state revenues, primarily the requirements outlined in Section 18(a-d) which limit annual state revenues and Section 18(e) which limits tax and fee increases.

Total State Revenue Section 18(a-d)

Section 18(a-d) of the Hancock Amendment requires annual total state revenue limits. The amendment limits the amount of personal income that may be used to fund state government to no greater than the portion used to do so in 1981, except as authorized by a vote of the people. The amendment provides for taxpayer refunds of excess revenues.

The Office of Administration, Division of Budget and Planning (OA-BP) calculates annual total state revenue (TSR), revenue limits, refund thresholds, and refund amounts.

Calculation

The following table summarizes the calculated TSR, revenue limits, refund thresholds, and refund calculations for the 5 years ended June 30, 2025.

	Year Ended June 30,				
	2021	2022	2023	2024	2025
	(in millions)				
TOTAL STATE REVENUE (TSR)					
Total revenues	\$ 34,300.73	40,708.88	42,614.08	42,729.91	42,308.03
Less excluded revenue	(19,505.91)	(24,938.31)	(25,950.64)	(25,657.70)	(24,978.46)
Less expenditure refunds	(1,536.58)	(1,384.82)	(1,649.01)	(1,667.38)	(1,777.39)
Add refundable tax credits	24.05	54.61	39.90	63.83	33.98
TSR	\$ 13,282.29	14,440.36	15,054.33	15,468.66	15,586.16
Missouri personal income (MPI)	\$ 298,619.75	318,019.08	341,253.93	357,194.75	387,904.73
Base year ratio (BYR)	x 0.056395	0.056395	0.056395	0.056395	0.056395
Base limit	16,840.66	17,934.69	19,245.02	20,144.00	21,875.89
Judicial article amendment	58.16	58.70	64.20	68.16	70.25
Revenue limit	16,898.82	17,993.39	19,309.22	20,212.16	21,946.13
1 percent adjustment	168.99	179.93	193.09	202.12	219.46
Refund threshold	\$ 17,067.81	18,173.32	19,502.31	20,414.28	22,165.59
TSR	\$ 13,282.29	14,440.36	15,054.33	15,468.66	15,586.16
Less refund threshold	17,067.81	18,173.32	19,502.31	20,414.28	22,165.59
Over (under) threshold	(3,785.52)	(3,732.96)	(4,447.98)	(4,945.62)	(6,579.44)
1 percent adjustment	0.00	0.00	0.00	0.00	0.00
Refund	\$ 0.00	0.00	0.00	0.00	0.00



Review of Article X, Sections 16 Through 24,
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Background and Methodology

The calculation shows for the year ended June 30, 2025, TSR was approximately \$6.6 billion under the refund threshold. As a result, no refund is due for the year ended June 30, 2025. This revenue limit has not been exceeded since the year ended June 30, 1999.

Revenue limit formula

The OA-BP calculated the 1981 base year ratio of personal income to TSR as 5.6 percent, and uses this ratio to calculate the annual revenue limit.

Section 18(a) establishes the revenue limit formula as follows:

$$\begin{array}{l} \text{Revenue limit} \\ \text{for fiscal year} \\ \text{(FY) 20XX} \end{array} = \frac{\text{Total state revenue (TSR)} \\ \text{in FY 1981}}{\text{CY 1979 Missouri} \\ \text{personal income (MPI)}} \times \begin{array}{l} \text{The greater of MPI in the} \\ \text{calendar year (CY) prior} \\ \text{to the CY in which} \\ \text{appropriations are made} \\ \text{for FY 20XX or Average} \\ \text{MPI for 3 CYs preceding} \\ \text{FY 20XX.} \end{array}$$

The formula is composed of two principal parts. The first part of the formula, the base year ratio (BYR), is as follows:

$$\frac{\text{TSR in FY 1981}}{\text{CY 1979 MPI}}$$

The application of this ratio to the second part of the formula (future years' MPI) sets the revenue limit to ensure no greater portion of a future year's personal income will be used to fund state government than was the case at the time of passage of the amendment.

The MPI amounts used in the formula for the base year and subsequent years are reported by the U.S. Department of Commerce (DOC). The OA-BP uses the MPI first officially published by the DOC after the close of the calendar year to calculate the revenue limit for the applicable fiscal year. The OA-BP does not adjust the MPI used in the BYR or the second part of the formula for subsequent adjustments to the MPI by the DOC. Section 17(2) refers to ". . . total income . . . as defined and officially reported by" the DOC. Even though the amendment does not specifically refer to such adjustments, this wording suggests the revenue limit should be recalculated each time the MPI is adjusted by the DOC. For example, the BYR would be adjusted whenever the CY 1979 MPI is adjusted by the DOC. The use of the initial reporting of MPI provides at least two benefits. First, by having a consistent and unchanging BYR, the state can more easily plan and make appropriate adjustments to stay under the revenue limit. Second, if the initial MPI is subsequently adjusted, retroactive refunds are a possibility. That is, an adjustment to MPI for any prior year (including the base year) could reduce the revenue limit for a prior year below that year's TSR, providing a refund where one previously was not due. Therefore, we find this approach reasonable if it is followed consistently.



Review of Article X, Sections 16 Through 24,
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Background and Methodology

The BYR was calculated by the OA-BP as follows (dollar amounts are in millions):

$$\begin{array}{r} \$ 2,232.204096 \\ \$ 39,581.0 \end{array} = .05639584891$$

In its calculations of the revenue limit, the OA-BP rounded the BYR to .056395. To determine the revenue limit for the fiscal year, this amount is multiplied by the MPI in the calendar year preceding the calendar year in which appropriations were made for the fiscal year or the average MPI for the 3 calendar years preceding the fiscal year. For the fiscal year 2025 revenue limit calculation, the OA-BP used the CY 2023 MPI which was greater than the average MPI for the preceding 3 calendar years.

Adjustments

Section 18(d) provides the revenue limit may be adjusted, "[i]f responsibility for funding a program or programs is transferred from one level of government to another, as a consequence of constitutional amendment, . . . provided that the total revenue authorized for collection by both state and local governments does not exceed that amount which would have been authorized without such a change."

The OA-BP has adjusted the revenue limit for the transfer of deputy circuit clerks from the county payroll to the state payroll under Section 483.245, RSMo, effective on July 1, 1981. In *Kelly v. Hanson*, 959 S.W.2d 107 (Mo. banc 1997), the Supreme Court of Missouri held that this adjustment to the revenue limit is appropriate.

Refund threshold

Section 18(b) allows the state to exceed the revenue limit by less than 1 percent before a refund is due. Therefore, to determine the point at which the refund provision takes effect (the refund threshold) the revenue limit is adjusted upward by 1 percent. However, should TSR exceed the refund threshold, all revenues in excess of the revenue limit are subject to refund.

TSR

An integral part in applying the provisions of the amendment to state revenues is to determine what constitutes TSR. The amendment does not specify the methodology to be used to determine TSR. Consequently, procedures to calculate TSR have been established and certain decisions as to items that would be either included or excluded have been made, except for items ruled on by the Attorney General or the Missouri courts.

TSR includes all revenues recorded in the Statewide Advantage for Missouri (SAM II) system and receipted by the state treasurer, which may only be withdrawn pursuant to an appropriation or which stand appropriated by the Constitution of Missouri. Various funds not in the state treasury are not included in TSR. These funds include university local funds; Department of



Review of Article X, Sections 16 Through 24,
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Revenue local sales and use tax fund collections; various funds held in trust for inmates, patients, etc.; and funds of various quasi-governmental agencies such as the Board of Public Buildings, the Housing Development Commission, the Higher Education Loan Authority, the Health and Educational Facilities Authority, and the state's retirement and other employee benefit plans. The Hancock Amendment states the composition of TSR is, "defined in the budget message of the governor for fiscal year 1980-81." The funds described above were not addressed in the governor's budget message for that year since the funds were not in the state treasury and not appropriated. Thus, it is reasonable to conclude these funds should not be included in TSR.

From the revenue amounts obtained from SAM II, 8 funds are entirely excluded and 29 types of revenues are excluded to arrive at TSR, as defined in Section 17(1). These excluded funds and revenue types, and other exclusions and limits considered to arrive at TSR are described at Appendix B. A detailed schedule of SAM II revenue, adjustments for excluded funds and revenue types and other exclusions and limits, and resulting TSR for the 5 years ended June 30, 2025, is shown at Appendix A.

Tax and Fee Increases Section 18(e)

A 1996 amendment added Section 18(e) to the Hancock Amendment, which imposes an additional revenue limit on tax and fee increases.

Section 18(e) states the general assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce new annual revenues greater than \$50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or 1 percent of TSR for the second fiscal year prior to the general assembly's action, whichever is less. Sections 18(e) and 23 provide any taxpayer can bring suit in a court of law to enforce the provisions of the Hancock Amendment.

The OA-BP calculates the limits and monitors new legislation for tax and fee increases and decreases for each legislative session.

Calculation

The following table summarizes the OA-BP's annual projected net increases/decreases from legislative actions based on fiscal notes prepared for each bill by the Committee on Legislative Research - Oversight Division, OA-BP analysis, calculated revenue limits, and projected amounts over/under revenue limits for the 5 years ended June 30, 2025.



Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Background and Methodology

	Year Ended June 30,					
	2021	2022	2023 ¹	2024	2025 ²	
	(in millions)					
LEGISLATIVE ACTIONS³						
Net tax and fee increases/decreases	\$	Up to 24.55	At least (44.74)	At least (773.18)	At least (199.49)	At least (854.98)
REVENUE LIMIT						
By MPI growth	\$	139.41	147.93	158.28	164.15	179.29
By 1 percent of TSR	\$	111.82	104.63	132.82	144.40	150.54
Revenue limit (lesser amount)	\$	111.82	104.63	132.82	144.40	150.54
DIFFERENCE						
Over (under) limit	\$	Up to (82.27)	N/A	N/A	N/A	N/A

1 Includes the projected increases/decrease from 2 bills passed during the fiscal year 2022 1st extraordinary legislative session.

2 Includes the projected decrease from 1 bill passed during the fiscal year 2025 1st extraordinary legislative session.

3 Legislative action amounts do not include bills for which Section 18(e) fiscal impact could not be projected.

N/A For fiscal years 2022 through 2025, the projections showed a net decrease in taxes and fees.

For the year ended June 30, 2025, the OA-BP determined based on fiscal notes prepared for each bill by the Oversight Division and OA-BP analysis, as a result of general assembly legislative actions, net taxes and fees could decrease by a total of \$855.0 million when fully implemented, which is under the tax and fee increase revenue limit of \$150.5 million. As noted in the Legislative actions section, the projected net decrease does not include 4 bills for which the Section 18(e) fiscal impact could not be projected. As noted in the Compliance section, actual compliance can be determined after each bill is fully effective. The 2016 legislative session was the only year the limit has been projected to be exceeded.

Revenue limit formula

Section 18(e) establishes the revenue limit as the lesser of (1) \$50 million adjusted annually by the percentage change in MPI for the second previous year, or (2) 1 percent of TSR for the second fiscal year prior to the legislative session.

For fiscal year 2025, the OA-BP calculated the MPI growth limit at \$179.3 million by multiplying the fiscal year 2024 MPI growth limit (\$164.2 million) by the percentage change in the MPI for fiscal year 2023 (9.22 percent). The OA-BP calculated the TSR limit at \$150.5 million by multiplying the fiscal year 2023 TSR (\$15.1 billion) by 1 percent. The revenue limit was established at the lessor of these amounts, or the TSR limit of \$150.5 million.

Legislative actions

After each legislative session, OA-BP personnel prepare a spreadsheet to quantify the potential fiscal impact of tax and fee increases and decreases from legislation enacted during the session. In accordance with Section 18(e),



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the OA-BP includes each House Bill and Senate Bill truly agreed and finally passed during the session, except bills vetoed by the governor and not overridden by the general assembly, and the estimated fiscal impact amount.

The OA-BP determines estimated Section 18(e) fiscal impact amounts by compiling information and amounts in fiscal notes for each bill. The fiscal notes are prepared by the Oversight Division with input from state agencies and local political subdivisions. In accordance with Section 18(e), the OA-BP compiles an amount for the first fiscal year the bill is fully effective. For most bills with Section 18(e) fiscal impact, the OA-BP determines an increase or decrease amount based on information in the fiscal note and OA-BP analysis. For some bills, the fiscal note indicates the fiscal impact is "unknown." Accordingly, the OA-BP lists "unknown," rather than a dollar amount, in the legislative actions spreadsheet for these bills. OA-BP personnel indicated they did not attempt to develop a more precise estimate for this calculation because in some cases, it is not possible to quantify the potential impact of the legislation. The legislative actions spreadsheet contains a net total tax and fee increase/decrease for all bills combined. That information is compared to the calculated revenue limit to determine potential Section 18(e) compliance. The netting of the tax and fee increases and decreases is reasonable and in compliance with the amendment language.

The OA-BP legislative actions spreadsheet for the fiscal year 2025 included 52 bills, 17 of which the OA-BP determined had potential Section 18(e) fiscal impact. For 4 of these bills, the Section 18(e) fiscal impact could not be projected.

Compliance

Section 18(e)(4) provides compliance with Section 18(e) shall be measured by calculating the aggregate actual new annual revenues produced in the first fiscal year each individual tax or fee change is fully effective. For the fiscal year 2025 legislative session, actual compliance can be measured after each 2025 legislative session bill is fully effective.

Section 18(e)(5) provides any taxpayer or statewide elected official may bring action under Section 23 of the Hancock Amendment to enforce compliance with the provisions of Section 18(e). For actions brought by any statewide elected official, the Missouri Supreme Court has original jurisdiction. In such enforcement actions, the court will invalidate the taxes and fees that should have received a public vote. The court will order remedies in the amount of excess revenues collected, such as refunds or reductions in future taxes and/or fees.

Appendix A

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1001	Sales and use tax	\$ 2,424,264,621	2,742,803,435	2,940,429,452	3,180,605,616	3,218,189,402
1003	(8) Parks sales and use tax	53,504,858	59,371,983	63,913,459	68,548,887	69,924,091
1005	(7) Soil and water sales and use tax	53,504,880	59,371,998	63,913,175	68,548,916	69,924,123
1007	General revenue reimbursements - local sales and use tax	3,257,697	4,215,470	4,429,223	4,528,390	4,690,125
1009	(24) Motor vehicle sales tax - Amendment 3	394,495,234	356,604,383	390,742,080	402,214,498	423,385,217
1009	Motor vehicle sales tax	4,902,146	8,660,017	7,881,784	8,161,792	8,375,395
1011	(16) Conservation sales and use tax	133,764,426	148,433,000	159,908,628	170,578,762	174,811,348
1013	(2) Proposition C sales and use tax	1,049,142,733	1,168,462,074	1,257,577,473	1,349,949,424	1,376,366,799
1015	Sales and use taxes paid under protest	(9,172)	(17,533)	(1,422)	-	-
1016	(26) Suspense holding	2,382,243	(2,488,697)	(175,327)	88,237	722,469
1022	Individual income tax	8,930,181,581	9,985,344,133	9,996,963,029	9,060,726,332	9,176,116,699
1026	Corporate income tax	798,041,088	908,671,615	1,058,839,758	1,050,710,284	994,172,335
1030	Pass through entity tax	-	-	4,730	746,421,200	717,952,358
1033	County foreign insurance tax	303,722,106	301,546,691	351,806,280	394,094,587	410,400,302
1037	Worker's compensation insurance tax	16,846,189	17,783,855	23,625,600	28,138,452	29,133,451
1039	Worker's compensation insurance tax - second injury	79,869,463	87,746,682	74,423,947	58,253,471	56,277,483
1041	Excess lines of insurance tax	47,503,916	58,842,298	66,624,949	71,226,212	96,649,885
1049	Heavy beer tax	7,538,239	7,306,914	7,198,812	6,860,660	6,543,633
1051	Light beer tax	-	19	-	-	-
1053	Liquor tax	32,128,355	33,584,957	34,106,823	36,651,757	38,882,036
1055	Wine tax	6,650,263	6,301,467	5,780,715	5,516,778	5,374,037
1056	(27) Recreational marijuana tax	-	-	17,338,766	67,913,887	78,849,219
1057	Cigarette tax	72,200,590	67,995,264	63,622,252	58,328,787	54,019,868
1058	(F) Medical Marijuana Tax	2,004,425	11,655,657	15,966,948	8,840,293	7,268,116
1059	Tobacco product tax	27,216,892	28,115,948	28,582,471	29,563,125	28,937,004
1060	(24) Motor vehicle fuel tax - Amendment 3	149,830,153	177,004,492	216,459,418	247,792,263	271,633,785
1060	(3) Motor vehicle fuel tax	168,604,482	175,076,680	171,312,079	170,800,834	187,240,028
1060	Motor vehicle fuel tax	390,302,899	459,402,644	517,480,478	619,865,913	674,994,665
1062	(24) Special fuel non-gas tax - Amendment 3	113,723	136,320	127,058	100,673	114,487
1062	Special fuel non-gas tax	466,070	491,197	236,767	34,562	132,280
1064	Aviation fuel tax	230,868	244,211	266,558	201,308	248,019
1070	Corporation franchise tax	69,548	-	-	-	-
1073	Estate tax	2,854	-	-	-	-
1074	(12) Bingo tax	901,050	1,370,782	1,445,122	1,438,393	1,393,472
1076	(13) Gaming commission gross receipts tax	325,963,707	359,721,128	362,354,603	355,062,249	361,137,598
1080	Real and personal property tax	34,929,745	31,255,359	38,427,026	40,737,661	41,619,745
1082	Delinquent real and personal property tax	2,487,967	8,335,748	3,338,974	5,397,789	5,926,223
1084	Hazardous waste fees	2,490,394	3,244,394	3,438,766	3,389,160	2,156,068
1086	Miscellaneous taxes protested	420	-	-	-	-
1087	DOR Warrant intercept	110	-	-	-	-
1088	Nursing facility reimbursement allowance	16,798,968	16,769,688	16,103,873	15,926,892	16,145,602
1089	Pharmacy reimbursement allowance	103,900,606	46,964,705	30,032,295	33,855,533	19,451,480
1090	Federal reimbursement allowance	57,567,593	40,801,514	74,492,348	86,116,416	82,793,324
1093	Athletic events tax	34,347	357,690	269,753	341,071	454,029
1094	Ambulance service reimbursement allowance	2,175,594	125,000	12,847,616	10,284,910	8,396,583
1095	Surcharges	-	-	125,630	134,840	107,518
1096	Special taxes and assessments	-	14,369	-	-	-
1097	Agency collected sales taxes	157,333	240,165	256,238	229,613	267,554
1099	Other taxes	46,032	72,278	4,441,939	4,516,804	4,233,982
1100	Professional licenses or permits	34,755,697	30,550,009	40,476,544	35,347,529	44,381,789
1102	Recreational licenses or permits	9,842,929	8,693,191	9,045,742	9,436,982	9,082,181
1104	ATV license or permit	6	-	1	1	-
1106	(24) Motor vehicle licenses or permits - Amendment 3	63,920,471	58,734,704	59,407,471	53,862,781	57,482,461
1106	Motor vehicle licenses or permits	154,736,154	138,347,905	151,587,800	139,471,069	145,269,819
1108	(24) Interstate transportation licenses or permits - Amendment 3	29,160,709	30,955,821	31,827,934	31,657,931	31,388,560
1108	Interstate transportation licenses or permits	64,291,482	68,129,818	70,148,911	69,704,885	69,194,136
1110	(24) Driver's licenses or permits - Amendment 3	8,157,049	7,479,036	6,611,967	7,412,000	7,554,633
1110	Driver's licenses or permits	7,653,870	7,014,758	6,635,859	7,286,051	7,601,770
1112	Land reclamation commission permits	791,266	836,060	828,141	844,289	816,763
1114	Salesman licenses or permits	1,939,489	1,389,100	1,026,600	963,350	1,030,835
1116	Vehicle and boat manufacturer and dealer licenses	446,625	1,168,723	438,403	1,023,257	657,640
1118	Liquor licenses or permits	6,508,676	6,127,476	6,296,376	6,324,759	6,369,102
1120	Gaming commission licenses	1,349,845	1,395,280	1,453,565	1,745,671	1,890,654
1121	Fantasy sports licenses	10,000	10,000	10,000	13,000	17,500
1124	Motor carrier licenses	2,525,392	2,366,851	2,365,350	2,366,206	2,364,965
1126	Hunting and fishing licenses and commission permits	39,515,434	39,368,206	39,939,845	41,629,173	43,702,505
1127	Hunting and fishing special tags	1,687,249	1,509,584	1,484,603	1,576,627	1,685,044

Appendix A

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1128	Hazardous waste transporter licenses	344,604	327,122	380,500	357,621	426,688
1130	Water pollution control permits	5,464,355	6,201,296	5,448,441	5,433,359	5,217,402
1132	(24) Overdimension/overweight permits - Amendment 3	11,813,438	10,973,589	11,098,094	11,433,952	12,022,107
1134	Merchant licenses	1,869,604	1,932,278	2,088,583	1,889,497	1,941,886
1136	Tobacco licenses	24,100	27,900	30,200	31,500	33,100
1138	Temporary licenses	1,125	750	300	125	275
1140	Duplicate plates	1,532,660	1,493,551	1,511,652	1,466,644	1,508,852
1142	Duplicate driver license	1,422,231	1,428,304	1,535,726	1,486,220	1,605,177
1149	(24) Other licenses and permits - Amendment 3	964,092	1,114,824	1,554,084	903,913	753,530
1149	Other licenses and permits	5,247,293	5,548,098	5,680,548	5,722,347	5,825,217
1150	Lobbyist registration fees	9,793	9,610	9,490	9,580	9,460
1152	Motorboat fees	17,981,893	16,287,136	16,253,394	15,389,556	16,026,366
1154	Narcotics and dangerous drugs fees	980,919	974,871	1,043,749	1,034,754	1,052,576
1156	Occupational boards exam fees - individual exam fees	141,651	159,466	158,882	117,449	78,035
1157	Motor vehicle dealer administration fee	-	7,938,485	18,260,223	23,225,428	25,674,258
1160	(24) Non-motor fuel decal fees - Amendment 3	585,417	817,443	1,309,192	2,038,556	2,873,666
1162	Filing fees	21,402,706	22,952,885	23,939,111	22,202,687	22,569,629
1163	Certifying/authenticating fees	534,169	127,302	120,930	53,181	78,019
1164	Transfer fees	32,764	27,164	26,024	28,304	27,648
1165	Service contract registration fee	165,100	176,183	178,400	185,999	192,950
1169	Other registration fees	13,899,303	15,192,331	15,860,505	16,103,740	16,350,539
1172	(13) Fantasy sports operation fees	489,056	370,534	788,865	131,035	440,059
1174	Asbestos fees	584,427	562,457	603,395	606,397	614,004
1176	Egg license fees	33,448	30,797	34,075	17,603	69,277
1178	Milk control fees	161,277	14,234	98,183	134,924	107,704
1180	Home health care license fees	104,300	94,201	87,580	85,815	91,050
1182	Nursing home license fees	146,255	146,744	144,665	144,154	144,127
1184	Title V emissions fees	5,436,432	6,136,238	6,135,756	5,407,204	5,541,494
1185	Emission fees/non Title V facilities	412,678	445,978	478,290	470,954	471,577
1186	Boarding home license fees	730,562	746,457	736,700	724,137	710,092
1188	Public utilities fees	19,056,119	18,441,565	21,612,467	23,944,172	24,200,478
1190	Hospital license fees	85,287	80,193	84,459	85,501	78,567
1192	Grain warehouse license fees	63,006	61,855	60,449	60,598	54,333
1194	Missouri primacy fees	5,087,776	5,389,613	9,245,728	11,457,161	11,975,137
1198	Transport load fees	15,960,933	16,180,936	16,524,639	15,827,685	18,635,184
1200	Storage tank registration fees	188,680	65,505	51,645	167,380	170,815
1202	Tourist cabin permit fees	173,773	186,372	189,754	220,984	164,803
1206	Solid waste disposal fees	14,678,651	14,090,832	13,993,163	14,732,725	14,553,690
1208	New tire fees	2,007,200	3,033,999	2,785,012	2,596,794	2,652,750
1209	Battery fee	842,282	864,578	850,550	933,236	905,878
1210	Ground water protection fees	723,767	870,824	941,290	911,005	836,711
1211	(F) Radioactive waste transport fee - Fund 606	(460)	-	-	-	-
1211	Radioactive waste transport fee	102,723	181,275	132,675	144,350	135,925
1214	Insurance regulatory fees, renewals and purchasing groups	5,078,514	5,721,623	6,306,198	6,902,186	7,761,798
1216	Air conservation commission permit fees	490,432	499,616	632,219	540,694	597,401
1218	Bingo license fees	20,435	22,280	23,995	27,715	22,310
1220	Lab fees	8,368,059	8,773,440	8,895,952	9,207,312	11,043,160
1221	(F) Medical marijuana fee	11,887,562	14,187,428	9,599,367	2,051,380	776,473
1222	Program administration fees	1,345,568	1,843,707	1,564,187	2,508,114	3,497,990
1223	Confined animal feed operation indemnity fees	(4)	-	-	-	-
1224	Railroad assessments	1,142,510	1,207,401	1,125,296	1,238,849	1,856,051
1225	Recreational marijuana fee	-	-	4,862,658	10,777,481	5,093,543
1227	Enhanced vehicle emission inspection fees	2,296,152	2,148,194	2,085,097	2,060,953	2,058,568
1233	Grain warehouse inspection fees	3,499,957	3,434,471	3,103,913	3,615,119	4,538,071
1235	Milk inspection fees	1,110,594	1,019,326	957,808	904,422	933,733
1237	Ice cream products inspection fees	32,165	23,405	1,815	-	-
1239	Mine inspection fees	62,248	63,407	50,340	99,050	139,032
1241	Mobile home and recreational vehicle inspection fees	511,831	572,712	878,816	1,064,966	1,261,720
1243	Oil inspection fees	3,315,819	3,345,867	3,255,460	3,083,674	4,539,850
1244	Oil and gas resources fees	45,031	47,749	57,171	51,066	41,386
1249	Other inspection fees	2,796,839	2,703,961	2,995,280	3,434,793	3,519,113
1250	(F) Collection fees	-	2,091	80	(80)	-
1250	Collection fees	39,649,517	45,394,252	49,645,980	53,304,504	54,565,881
1251	Bankruptcy collections	-	-	50	-	-
1252	(13) Admission fees - riverboat gambling	27,563,139	29,761,613	28,886,032	28,027,992	27,541,523
1252	Admission fees	161,026	1,497,847	1,650,719	1,708,675	1,657,676
1254	State auditor fees	226,896	157,166	110,029	117,570	140,648

Appendix A

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1260	Grade crossing safety fees	1,430,492	1,312,524	1,360,565	1,306,056	1,407,895
1262	Loan administration fees	6,759,655	6,255,154	6,287,038	6,068,994	5,837,917
1263	Contract fees	4,109,736	4,431,349	6,262,675	7,756,744	8,066,830
1264	Court fees	25,832,244	28,173,785	29,630,000	30,400,210	31,236,207
1266	Financial institutions examination fees	11,638,758	11,845,682	13,623,486	15,018,336	16,717,963
1268	Consumer finance license fees	1,227,654	983,711	1,078,393	1,124,475	1,169,394
1270	Transcript fees	79,817	115,479	103,625	121,612	134,642
1274	Marketing development fees	19,931	29,769	27,077	15,172	16,363
1276	Miscellaneous insurance fees	104,500	99,230	98,950	88,110	101,940
1278	Gaming commission administrative income	-	-	-	603	-
1279	(A) Lottery commission fees - Fund 682	371,094	285,605	284,815	294,885	278,235
1280	Motor vehicle inspection sticker fees	2,997,570	2,749,600	2,823,274	2,836,448	2,927,666
1282	Logo sign advertising fees	3,750,058	5,480,220	6,596,739	5,365,636	5,162,323
1284	Public defender fees	359,942	238,285	215,818	189,444	171,598
1286	Witness fees	2,646	4,039	2,981	4,036	3,583
1288	County recorders fees	8,198,495	6,842,333	7,506,125	5,725,136	5,903,549
1290	Training or conference fees	37,420	83,724	135,308	145,460	87,077
1294	Electronic monitoring fee	44,384	26,656	17,289	13,765	13,921
1295	Intervention fees	9,464,786	8,226,120	7,763,768	7,661,842	7,474,235
1298	Substance abuse offender program fees	3,861,043	3,844,675	3,947,593	3,920,101	3,866,007
1301	AG Anhydrous Ammon Fee	-	-	-	-	641,987
1302	Criminal records check fees	11,505,047	13,171,052	13,994,757	13,303,814	12,947,165
1303	Other fees	11,513,924	13,082,027	13,135,719	15,613,716	16,089,844
1305	(4) Bond sales proceeds	-	160,287,560	500,000,000	390,204,140	-
1306	Proceeds from capital leases	53,735	13,438	-	-	-
1307	Other debt proceeds	-	-	867	25,000	-
1310	Land sales	1,819,489	2,290,349	1,853,382	1,374,892	2,790,589
1312	Sales of natural resources products	3,093,372	3,942,171	4,178,369	3,700,692	3,656,011
1314	Sales of agriculture products	1,878,195	1,746,394	2,052,642	1,924,995	1,876,579
1316	Manufactured product sales	5,061,799	5,119,576	6,181,295	5,346,114	5,536,806
1318	Information sales	2,364,612	1,696,308	1,610,236	1,678,588	1,649,078
1320	Souvenir sales	714,420	865,653	883,671	875,899	839,381
1322	(22) Surplus property sales - state - Fund 710	2,227,537	2,861,776	2,227,383	2,854,746	5,046,045
1322	Surplus property sales - state	2,359,771	1,864,122	2,705,304	3,545,461	1,513,235
1324	Surplus property sales - federal	1,025,877	870,004	1,052,716	1,078,942	817,194
1328	Sales of fixed assets - control	9,586,445	12,042,379	11,249,820	13,716,165	18,981,984
1330	Vital records sales	1,357,874	1,594,703	1,340,759	1,301,907	1,432,637
1332	(A) Lottery ticket sales - Fund 682	637,654,846	609,016,229	641,461,245	633,544,880	539,335,333
1334	Cafeteria sales	362,526	414,146	436,426	522,632	552,563
1335	Canteen sales	28,714,625	29,665,433	26,353,083	25,892,710	27,062,135
1338	Other sales	154,125	239,397	250,289	181,806	165,165
1342	Supply sales	17	10	-	-	-
1401	Land rentals/leases	34,836	38,491	35,401	32,851	32,651
1403	State facilities rentals/leases	780,069	852,870	894,159	1,025,624	1,137,280
1404	Parking rentals/leases	3,233	5,172	5,650	16,473	8,015
1405	Concessions and recreational rentals/leases	2,940,421	3,340,148	3,362,328	3,744,732	3,713,104
1407	Housing/building rentals/leases	247,536	247,893	269,410	266,848	251,261
1409	Other leases and rentals	1,060,698	1,261,428	1,690,829	1,243,640	1,115,117
1414	(1) Medicare	5,827,589	6,315,971	5,861,283	5,505,285	4,490,998
1418	(1) Medicaid	66,692,768	69,001,746	74,463,977	87,720,897	98,243,618
1420	(1) Medicaid - community based	453,616,181	444,948,931	491,902,586	614,846,697	619,186,790
1422	Private payments	3,956,374	3,967,626	3,821,202	3,634,889	3,645,787
1424	Insurance payments	224,022	119,831	111,712	9,942	82,946
1426	Other payments	800,500	732,034	949,518	996,273	355,806
1434	Institutional support fees	1,700	-	-	-	-
1436	Room and care	16,140,932	13,346,138	13,769,496	16,740,583	17,436,835
1442	Mail/freight services	45	-	-	-	-
1446	Printing service	89,045	140,321	107,633	89,403	95,925
1448	Computer services	779,931	646,732	627,622	411,992	614,373
1450	Administration services	7,062	3,772	2,635	4,159	5,713
1501	Private donations	6,354,874	3,974,683	6,276,723	3,017,005	7,532,906
1502	Other governmental entity donations	4,394,450	6,000,000	6,040,005	6,000,575	6,011,591
1507	(1) NASAO (airport inspections)	24,700	24,760	21,550	23,100	26,600
1509	(1) US Department of Commerce	-	-	13,949,196	20,277,561	7,168,700
1510	(1) US Department of Agriculture	674,692,911	838,266,725	648,256,385	587,111,262	610,683,892
1512	(1) US Department of Defense	40,361,119	41,490,807	32,353,807	47,921,553	43,437,728
1513	(1) US Department of Homeland Security	2,233,367	2,424,837	2,965,486	2,733,359	2,571,127

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Review of Article X, Sections 16 Through 24,
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 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1514	(1) US Department of Housing and Urban Development	59,242,773	63,475,486	53,111,629	76,821,561	71,743,220
1516	(1) US Department of Interior	33,895,420	36,224,502	41,695,116	59,689,273	58,176,895
1518	(1) US Department of Justice	57,199,125	55,774,030	55,143,306	32,614,467	23,921,517
1520	(1) US Department of Labor	137,768,876	116,064,454	109,470,899	100,813,700	103,734,418
1522	(1) US Department of Education	1,030,743,720	1,538,256,133	1,601,446,907	1,521,408,862	1,136,353,398
1522	(C) US Department of Education - Fund 880	983,239	-	261,324	-	-
1522	(C) US Department of Education - Fund 881	2,360,154	-	12,851,041	-	-
1524	(1) US Department of Transportation	1,348,590,993	999,716,885	1,243,229,608	1,492,957,405	1,617,170,094
1526	(1) National Foundation for the Arts and Humanities	4,274,019	6,741,115	5,760,707	4,281,519	4,225,080
1528	(1) US Veterans Administration	66,101,644	55,104,542	59,600,206	71,005,653	86,717,339
1529	(1) US General Services Administration	37,532	36,171	29,889	48,198	63,890
1530	(1) US Environmental Protection Agency	67,517,176	92,962,046	47,314,328	159,537,963	81,432,568
1532	(1) US Department of Energy	7,100,380	10,546,278	10,951,731	18,156,502	21,364,861
1534	(1) Federal Emergency Management Agency	230,030,786	197,013,434	154,638,249	220,506,008	239,934,915
1536	(1) US Department of Health and Human Services	9,665,372,089	11,602,241,728	14,713,594,957	13,859,271,269	13,846,372,772
1538	(1) National/community services	6,123,374	6,273,263	7,002,030	7,695,507	9,538,014
1540	(1) US Social Security Administration	49,313,469	49,742,174	55,654,287	61,154,099	53,800,401
1542	(1) National Archives and Records	11,310	2,750	3,479	13,044	-
1544	(1) Elections Assistance Commission	64,469	1,219,482	1,219,482	1,000,000	272,727
1546	(1) US Department of Treasury	457,369,819	3,199,511,432	261,455,320	47,656,021	45,181,464
1549	(1) Miscellaneous federal revenues	58,852,371	68,065,258	50,694,128	73,575,611	48,506,091
1551	County mental health programs	4,907,653	3,662,172	3,879,263	4,180,193	1,684,528
1557	(1) American Recovery and Reinvestment Act	9,882,134	12,150,890	357,053	636	-
1560	(1) Federal pass-through grants	15,279,018	17,352,574	16,669,148	15,584,179	16,279,691
1601	(13) Time deposits interest - Fund 285	6,499	2,573	19,139	55,442	53,570
1601	(12) Time deposits interest - Fund 289	200	37	142	79	114
1601	(F) Time deposits interest - Fund 606	10,285	2,523	7,237	17,210	17,167
1601	(16) Time deposits interest - Fund 609	38,061	11,305	36,945	75,861	90,466
1601	(8) Time deposits interest - Fund 613	9,294	2,942	11,639	29,207	44,765
1601	(7) Time deposits interest - Fund 614	11,944	3,481	13,534	30,614	46,756
1601	(A) Time deposits interest - Fund 657	2,551	606	1,608	3,073	4,220
1601	(A) Time deposits interest - Fund 682	24,577	7,047	8,182	16,541	18,214
1601	(2) Time deposits interest - Fund 688	40,283	11,039	33,408	79,077	114,821
1601	(C) Time deposits interest - Fund 880	5,849	1,543	5,188	10,558	17,581
1601	(C) Time deposits interest - Fund 881	13,495	2,430	1,150	2,804	880
1601	(B) Time deposits interest - Fund 905	2,796	644	1,614	3,973	5,303
1601	(D) Time deposits interest - Fund 963	529	123	317	674	956
1601	Time deposits interest	2,953,507	1,110,295	4,763,563	12,170,020	15,936,106
1603	(13) U.S./agency securities interest - Fund 285	42,929	83,403	1,048,183	2,357,842	1,990,109
1603	(12) U.S./agency securities interest - Fund 289	1,377	730	7,491	3,236	4,325
1603	(F) U.S./agency securities interest - Fund 606	69,000	68,318	417,063	718,127	585,891
1603	(16) U.S./agency securities interest - Fund 609	267,980	317,372	2,097,134	3,203,990	2,970,106
1603	(8) U.S./agency securities interest - Fund 613	71,017	83,768	656,505	1,247,117	1,445,496
1603	(7) U.S./agency securities interest - Fund 614	89,182	99,915	755,520	1,303,356	1,476,874
1603	(A) U.S./agency securities interest - Fund 657	17,018	15,735	92,531	128,921	135,933
1603	(A) U.S./agency securities interest - Fund 682	164,149	154,606	484,520	689,591	560,234
1603	(2) U.S./agency securities interest - Fund 688	440,144	303,452	1,975,792	3,479,076	3,826,627
1603	(E) U.S./agency securities interest - Fund 727	-	-	2	3	3
1603	(C) U.S./agency securities interest - Fund 880	39,493	44,147	289,281	442,775	550,039
1603	(C) U.S./agency securities interest - Fund 881	90,010	52,017	82,437	120,450	45,431
1603	(B) U.S./agency securities interest - Fund 905	18,775	16,750	92,544	168,253	172,577
1603	(D) U.S./agency securities interest - Fund 963	6,577	6,468	21,581	31,981	34,737
1603	U.S./agency securities interest	34,213,613	43,612,876	316,073,346	532,301,317	546,647,890
1605	Other investment interest	2,600,000	735,000	1,600,000	1,650,000	825,000
1610	Interest on loans	42,472,890	1,523,228	669,105	734,970	2,845,598
1612	(25) Interest - federal	-	-	-	-	-
1614	Interest on receivables	4,528	4,288	19,891	29,832	15,776
1616	Interest on settlements	505	4,553	1,596	8,603	-
1618	Other interest	6,124	25,572	38,930	36,805	45,542
1621	(C) Penalties - Fund 881	203	99	29	-	-
1621	(F) Penalties - Fund 606	-	45,039	165,285	108,472	376,000
1621	Penalties	11,008,947	13,973,552	8,402,256	13,335,886	12,734,044
1622	Penalties - control	20,106	-	-	-	1,993,510
1624	(A) Settlements - Fund 657	3,459	-	-	27,091	-
1624	(C) Settlements - Fund 880	-	-	42	-	-
1624	Settlements ¹	27,544,074	10,046,920	150,750,979	45,545,661	98,080,888

Appendix A

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1626	Court awards	493,040,550	6,825,291	8,226,084	12,033,029	8,435,192
1628	Insufficient funds charges	1,840	2,693	5,348	3,485	3,058
1629	Insufficient funds charges - Control	100	-	-	(3,755)	(11,332)
1634	Estates	3,646	5,633	37	306	32
1636 (A)	Unclaimed properties - state - Fund 682	-	-	690	-	960
1636	Unclaimed properties	99,282,273	115,142,505	132,352,225	142,303,070	152,453,455
1700 (5)	Salary refunds - federal	253,899	210,425	310,265	219,201	359,071
1701 (5)	Salary refunds - state	69,210	7,450	3,061	20,811	18,544
1702 (5)	Salary refunds - local/other	15	31	158	-	-
1703 (5)	General relief pension refunds	700	-	-	-	-
1704 (5)	Blind pension refunds	12,225	4,959	9,900	2,600	20,539
1706 (5)	Dependent children pension refunds	142,182	167,458	172,791	206,662	228,570
1715 (5)	Day care refunds	116,638	56,080	63,951	66,767	32,084
1717 (5)	Medicare - Medicaid refunds	823,648,251	974,049,512	1,144,846,707	1,375,795,701	1,299,918,411
1719 (5)	Cost in criminal cases refunds	277,619	295,632	387,782	357,200	291,679
1721 (5)	Vendor refunds - federal	1,805,763	1,534,031	3,036,383	5,301,115	3,678,970
1722 (5)	Vendor refunds - state	1,994,037	2,507,647	2,126,208	5,181,468	3,397,228
1722 (A)	Vendor refunds - state - Fund 682	2,364	-	94	57	500
1723 (5)	Vendor refunds - local/other	1,785,324	1,745,223	1,242,206	2,425,490	1,258,794
1724 (5)	Political subdivision refunds	70,012	-	-	-	-
1725 (5)	Excess court payment refunds	-	716	-	-	-
1727 (5)	School refunds	4,406,475	5,606,680	4,829,889	5,294,863	32,693,671
1728 (5)	Scholarship refunds	1,091,078	1,856,316	1,365,615	1,509,846	2,026,798
1731 (5)	Audit findings - local/other	104,965	-	76,249	710	71
1732 (5)	Utility refunds	110,032	461,517	555,254	1,041,169	335,883
1733 (5)	Fuel tax refunds	61,376	989	187,069	138,903	163,526
1735 (5)	Tax increment financing (TIF) refund	-	-	890,755	994	1,716
1737 (5)	Other refunds	2,849,991	6,721,538	3,471,598	3,761,383	4,086,435
1806 (18)	Recovery costs ¹	154,110,560	154,723,921	16,304,052	120,274,668	118,560,147
1806 (A)	Recovery costs - Fund 682	6,390	-	-	-	-
1806 (A)	Recovery costs - Fund 657	94	-	-	-	-
1808	Deposit of surplus property funds	-	366	-	-	-
1811 (21)	Local match	42,091,015	46,251,050	47,860,504	58,221,842	26,375,446
1812 (19)	Cost reimbursements - federal	1,104,350	1,254,137	726,714	2,251,168	707,694
1812 (A)	Cost reimbursements - federal - Fund 657	2,234	-	-	-	-
1813 (A)	Cost reimbursements - state (included) - Fund 682	-	-	960	-	-
1813 (19)	Cost reimbursements - state	10,516,181	11,492,104	32,619,146	38,714,698	62,920,561
1813	Cost reimbursements - state (included)	17,947,130	16,875,134	18,774,509	15,864,807	20,119,000
1814 (19)	Cost reimbursements - local/other	202,935,423	181,636,070	178,021,288	120,067,324	138,979,595
1814 (B)	Cost reimbursements - local/other - Fund 905	200,309	-	-	-	-
1816	Bond account	(109,486)	312,783	(104,359)	(162,346)	(543,129)
1818 (17)	Employee expense reimbursement - federal	-	-	1,189	1,174	-
1819 (17)	Employee expense reimbursement - state	594	134	611	549	1,150
1820 (17)	Employee expense reimbursement - local/other	-	-	261	-	-
1821 (17)	Employee personal expense reimbursement	19,539	69,717	34,166	52,710	29,552
1822 (10)	Outlawed checks	20,856,430	21,171,130	25,128,359	26,267,086	24,217,260
1822 (B)	Outlawed checks - Fund 905	14,489	-	77,151	24,931	29,624
1824 (20)	Canceled checks	19,964,623	33,832,910	8,531,266	5,507,828	6,573,749
1824 (B)	Canceled checks - Fund 905	598	-	3,329	1,334	132
1826 (9)	Redeposit of investments principal	-	-	-	-	319
1828 (11)	Redeposit of loan principal	104,841,201	114,456,397	125,642,398	122,093,933	129,446,185
1830	Telephone commissions	1,779,361	1,832,717	1,883,003	1,934,656	967,328
1832	Commission on sales	1,009,906	1,136,824	1,173,656	1,081,022	1,144,012
1834 (23)	Rebates - WIC	60,338,593	29,788,958	33,995,306	11,885,190	25,881,147
1834	Rebates	1,903,712	2,211,380	2,169,094	2,153,502	2,331,071
1834 (A)	Rebates - Fund 682	3,127	5,567	9,097	5,779	7,871
1834 (C)	Rebates - Fund 880	87	89	115	-	-
1836	Housing and maintenance receipts	-	-	-	62	-
1838	Loan defaults	289,137	172,960	156,887	134,262	210,951
1840 (15)	Loan proceeds	-	-	24,395,890	24,828,085	13,276,025
1842 (11)	Loan repayment	352,848	11,547,210	331,952	307,179	357,540
1842 (C)	Loan repayment - Fund 881	17,333,379	-	683,233	1,776,792	-
1843 (11)	Loans receivable contra account	5,692,682	13,082,619	15,934,134	17,056,781	9,878,133
1844	Insurance proceeds	46,345	25,894	32,292	23	68,457
1844 (A)	Insurance proceeds - Fund 682	4,300	4,228	-	-	-
1846	Capital credits/dividends	150,201	161,377	154,107	151,855	166,939

Appendix A

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
1848	Recycling receipts	130,506	277,496	167,727	130,953	216,303
1850	Forfeitures	1,106,794	2,133,541	2,049,167	1,181,927	1,297,605
1852	(A) Overpayments - Fund 682	-	-	-	2,879	4,731
1852	Overpayments	331,850	233,937	6,950,303	335,368	399,461
1856	(1) Other miscellaneous receipts - federal	6,609,148	5,813,685	4,421,461	3,865,776	2,984,527
1858	(A) Other miscellaneous receipts - local/other - Fund 682	274	1,978	150	267	2,926
1858	(B) Other miscellaneous receipts - state - Fund 905	14,511,647	14,545,415	14,023,642	12,158,082	12,185,928
1858	Other miscellaneous receipts - state	3,355,828	2,847,650	3,450,427	4,964,512	4,328,002
1860	(A) Other miscellaneous receipts - local/other - Fund 682	9,299,573	9,217,555	7,089,463	5,717,700	7,849,202
1860	(C) Other miscellaneous receipts - local/other - Fund 880	-	-	2,303	-	-
1860	Other miscellaneous receipts - local/other	10,140,446	7,405,438	8,164,803	9,890,262	5,980,932
1862	Fees for copying public records	294,965	315,861	392,929	454,273	485,050
1866	Federal share of grantee sales	197,323	82,118	298,751	-	-
1868	Receivable overpayment - federal	-	-	-	-	-
1870	Receivable overpayment - state	9	1	155	101	1,706
6001	(6) Supply sales	223,438	244,519	100,904	101,109	79,827
6002	(6) Open records fees	17,033	3,757	28	185	1,718
6003	(6) Fleet services operations/maintenance	1,342,387	1,349,068	1,810,782	1,860,317	1,913,086
6005	(6) Fleet services replacement	736,213	820,714	2,217,827	1,251,567	1,591,085
6006	(6) Criminal records check fees	149,328	247,103	253,435	248,368	218,584
6007	(6) Mail/freight services	10,204,399	10,492,151	9,962,564	11,577,435	11,373,541
6009	(6) Telephone billing	41,872,421	38,556,391	35,219,487	40,029,604	37,839,218
6011	(6) Printing service	3,773,457	4,178,058	5,285,550	5,871,364	4,922,363
6013	(A) IAB Reimbursement/recovery cost - Fund 682	1,481	-	-	-	-
6013	(6) Reimbursement/recovery cost	31,412,198	32,423,594	29,980,374	32,591,204	60,250,509
6015	(6) Leased facility	61,473,427	65,059,761	76,619,586	86,189,710	134,492,271
6017	(6) Sale of material, supplies, and services	496,592	584,674	616,410	742,159	641,845
6019	(6) Training	66,778	87,912	97,016	108,432	35,975
6021	(6) Computer services	40,835,010	41,297,364	43,029,288	44,264,837	45,928,269
6023	(6) Administration services	494,573	612,783	583,310	762,255	698,836
6025	(6) Flight operations services	204,018	374,925	307,605	281,859	209,859
6027	(6) Sale of manufactured products	15,210,421	15,765,394	21,061,368	25,728,376	25,999,465
6029	(6) Interagency receipts	35,564,890	32,039,560	44,986,342	47,227,386	41,965,114
6030	(6) Sampling &/or analysis	833,125	1,129,239	844,856	1,059,768	880,634
6031	(14) Redeposit of state funds	243,774	253,195	118,045	116,255	111,597
6032	(6) Deposit of unclaimed property	-	100	-	-	-
6033	(6) Permits	45,277	51,120	55,586	47,597	5,861
6034	(6) Registration fees	96,807	119,245	162,128	77,011	84,210
6035	(6) Taxes	8,004,451	7,438,121	6,582,817	6,630,068	8,084,903
6036	(6) Transcript fees	9,015	9,291	28,072	17,736	8,809
	Total Revenues	34,300,730,388	40,708,883,341	42,614,088,249	42,729,911,149	42,308,030,993
Fund Exclusions (See Appendix B for additional details):						
(A)	Lottery Funds - Fund 657 and 682	647,557,637	618,709,156	649,433,355	640,431,664	548,198,359
(B)	Alternative Care Trust Fund - Fund 905	14,748,614	14,562,809	14,198,280	12,356,573	12,393,564
(C)	Student Loan Funds - Funds 880 and 881	20,825,909	100,325	14,176,143	2,353,379	613,931
(D)	Fund 963	7,106	6,591	21,898	32,655	35,693
(E)	Division of Youth Services Child Benefits Fund - Fund 727	-	-	2	3	3
(F)	Veterans' Health and Care Fund - Fund 606	13,970,812	25,961,056	26,155,980	11,735,402	9,023,647
Revenue Source Exclusions (See Appendix B for additional details):						
(1)	Federal funds	14,554,828,280	19,536,762,089	19,763,238,190	19,193,796,968	18,853,583,335
(2)	Proposition C sales and use tax/interest	1,049,623,160	1,168,776,565	1,259,586,673	1,353,507,577	1,380,308,247
(3)	Proposition A gas tax and license fee increases	168,604,482	175,076,680	171,312,079	170,800,834	187,240,028
(4)	Bond sales	-	160,287,560	500,000,000	390,204,140	-
(5)	Refunds	838,799,688	995,226,204	1,163,575,841	1,401,324,883	1,348,511,990
(6)	Interagency sales and receipts	253,065,260	252,884,844	279,805,335	306,668,347	377,225,982
(7)	Soil and water sales and use tax/interest	53,606,005	59,475,394	64,682,229	69,882,886	71,447,753
(8)	Parks sales and use tax/interest	53,585,169	59,458,693	64,581,603	69,825,211	71,414,352
(9)	Redeposit of investment principal	-	-	-	-	319
(10)	Outlawed checks	20,856,430	21,171,130	25,128,359	26,267,086	24,217,260
(11)	Redeposit of loan principal	110,886,731	139,086,226	141,908,484	139,457,893	139,681,858
(12)	Bingo	902,629	1,371,549	1,452,755	1,441,708	1,397,911
(13)	Riverboat gambling	354,065,330	389,939,251	393,096,822	385,634,560	391,162,858
(14)	Redeposit of state funds	243,774	253,195	118,045	116,255	111,597
(15)	Loan proceeds	-	-	24,395,890	24,828,085	13,276,025
(16)	Conservation sales and use tax/interest	134,070,469	148,761,676	162,042,707	173,858,613	177,871,920

Appendix A

Review of Article X, Sections 16 Through 24,
Constitution of Missouri
Schedule of Total State Revenue

Revenue Source Code	SAM II Revenues	Year Ended June 30,				
		2021	2022	2023	2024	2025
(17)	State employee expense reimbursement	20,133	69,851	36,227	54,433	30,702
(18)	Recovery costs ¹	154,110,560	154,723,921	16,304,052	120,274,668	118,560,147
(19)	Cost reimbursements	214,555,955	194,382,311	211,367,148	161,033,190	202,607,850
(20)	Canceled checks	19,964,623	33,832,910	8,531,266	5,507,828	6,573,749
(21)	Local match	42,091,015	46,251,050	47,860,504	58,221,842	26,375,446
(22)	Proceeds of surplus property sales - Fund 710	2,227,537	2,861,776	2,227,383	2,854,746	5,046,045
(23)	DHSS program rebates	60,338,593	29,788,958	33,995,306	11,885,190	25,881,147
(24)	Amendment 3 revenue derived from highway users	509,210,133	643,820,612	719,137,298	757,416,567	807,208,446
(25)	Interest - federal	-	-	-	-	-
(26)	Suspense holding	152,212,397	(2,488,697)	(175,327)	88,237	722,469
(27)	Recreational marijuana fee	-	-	17,338,766	67,913,887	78,849,219
(28)	Recreational marijuana tax	-	-	4,862,658	10,777,481	5,093,543
(29)	Other debt proceeds	-	-	867	25,000	-
Other Exclusions and Limits:						
	CMA interest payment to the federal government	442,007	319,720	323,428	5,106,986	6,837,384
	Agency remitted sales tax	131,791	235,134	227,853	216,323	226,707
	Abandoned funds claim payments	44,603,811	46,412,390	52,471,927	55,236,632	55,412,436
	Circuit courts escrow	24,093	2,918,144	3,425,989	3,547,168	3,347,248
	Debt offset escrow	15,732,099	17,309,869	19,832,706	23,016,401	27,973,693
	Coding errors ¹	-	-	93,965,615	-	-
	Total exclusions	19,505,912,232	24,938,308,942	25,950,644,336	25,657,701,301	24,978,462,863
	Total revenues after exclusions	14,794,818,156	15,770,574,399	16,663,443,913	17,072,209,848	17,329,568,130
	Less SAM II expenditure refunds (Appendix C)	(1,536,579,798)	(1,384,822,732)	(1,649,011,931)	(1,667,383,388)	(1,777,386,789)
	Add refundable tax credits:					
	Missouri Works	15,611,763	34,844,512	30,662,653	48,329,281	25,306,179
	BUILD	-	14,631,418	3,468,010	10,437,535	1,856,683
	Missouri Quality Jobs	3,919,781	1,444,093	3,417,545	-	-
	Self-employed Health Insurance	2,579,205	2,144,118	613,597	-	-
	Public Safety Officer Surviving Spouse ²	78,430	61,640	61,133	80,236	79,835
	Refundable Adoption Credit	-	-	-	-	80,002
	New Enhanced Enterprise Zone ³ , Residential Dwelling Accessibility, Missouri Quality Jobs, Biodiesel Producer,					
	Monetary					
	Donations, and Sporting Event Credit	1,860,194	1,481,060	1,682,904	4,979,484	6,653,549
	Total State Revenue	\$ 13,282,287,731	14,440,358,508	15,054,337,824	15,468,652,996	15,586,157,589

Revenue amounts excluded from SAM II revenue amounts to arrive at Total State Revenue are discussed at Appendix B.

Source: This appendix was prepared using revenue data obtained from the Statewide Advantage for Missouri (SAM II) system.

¹ In fiscal year 2023, \$93,965,615 of \$94,295,438 received from tobacco companies under the Tobacco Master Settlement Agreement were coded in error to revenue source code 1624 - settlements rather than revenue source code 1806 - recovery costs. See Appendix B for further details.

² Public Safety Officer Surviving Spouse was previously reported with Residential Dwelling Accessibility, Sporting Event Credit, and Business Facility Credit in each annual report since 20

³ New Enhanced Enterprise Zone Credit was previously reported separately from other refundable tax credits in each annual report since the credit began in 2008.

Review of Article X, Sections 16 Through 24, Constitution of Missouri

Appendix B - Total State Revenue Exclusions

TSR Exclusions

Various revenue amounts are excluded from Statewide Accounting System for Missouri (SAM II) revenue amounts to arrive at Total State Revenue (TSR), as shown on Appendix A. These exclusions, which include certain funds, certain revenue types, and other exclusions and limits, are discussed below.

Excluded Funds

From the revenue amounts obtained from SAM II, certain funds are entirely excluded to arrive at TSR, as defined in Article X, Section 17(1), Missouri Constitution, as follows:

(A) Lottery Funds

In November 1984, the voters approved Article III, Section 39(b), Missouri Constitution, which authorized the creation of the Missouri State Lottery. This provision states that revenues produced from the conduct of a state lottery shall not be a part of TSR. Since the voters approved the state lottery, all revenue and expenditure refunds related to the state lottery are excluded. Beginning in fiscal year 2017, lottery proceeds are deposited in the State Lottery Fund. In prior fiscal years, they were deposited in the Lottery Enterprise Fund.

(B) Alternative Care Trust Fund

The Alternative Care Trust Fund was established in 1989 under Section 210.560, RSMo. The Department of Social Services uses this fund to account for funds held in trust for the benefit of children who have been placed in the legal custody of the state. The Department of Corrections, Department of Mental Health, and the Missouri Veterans Commission hold funds in trust for inmates and patients. Funds held in trust are not state funds since the funds remain the property of the individual. Since the Alternative Care Trust Fund does not account for state funds, it is excluded.

(C) Student Loan Funds

Federal legislation passed in 1997 made changes in the accounting required for federal education loans. Starting in federal fiscal year 1998, the federal government considers all monies in these funds as property of the federal government or guaranty agency. As a result, the state excludes the two student loan funds held in trust.

(D) Pansy Johnson-Travis Memorial State Gardens Trust Fund

The state received an endowment in 1987 for the purpose of establishing a memorial state garden. The state is to invest the endowment for 100 years before using the funds to establish the memorial garden. Since the funds cannot be appropriated until 2087, the revenue is excluded from TSR.

(E) Division of Youth Services Child Benefits Fund

The Division of Youth Services (DYS) Child Benefits Fund was administratively created to account for payments from the Social Security Administration held in trust for the benefit of youth in the DHS custody. Funds held in trust are not deemed to be state funds, and are therefore excluded. This fund was added as an excluded fund in fiscal year 2016. In prior years, most of the fund revenues were excluded as federal funds.



Review of Article X, Sections 16 Through 24,
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Appendix B - Total State Revenue Exclusions

- (F) Veterans' Health and Care Fund
- In November 2018, the voters approved Article XIV, Section 1.4, Missouri Constitution, which authorized the creation of the Missouri Veterans' Health and Care Fund. The fund is used to account for various taxes and fees also authorized by that section for the regulation of medical marijuana licensing and distribution. Since voters directly approved these taxes and fees, the fund is excluded from TSR.

Excluded Revenues

From the revenue amounts obtained from SAM II, certain types of revenues are excluded to arrive at TSR, as defined in Article X, Section 17(1), Missouri Constitution, as follows:

- (1) Federal Funds
- Article X, Section 17, Missouri Constitution, specifically excludes federal funds.
- (2) Proposition C Sales and Use Tax/Interest
- In November 1982, the voters approved Proposition C, which increased the state sales and use tax by 1 percent. Since Proposition C received direct voter approval as provided in Article X, Section 16, Missouri Constitution, the proceeds from the additional 1 percent sales and use tax, including any interest earned on the investment of such taxes, are excluded.
- (3) Proposition A Gas Tax and License Fee Increases
- In April 1987, the voters approved Proposition A, which increased the motor fuel tax by 4 cents per gallon and increased the annual registration fee for certain motor vehicles, effective July 1, 1987. Since the increase in tax and fees received direct voter approval, these revenues are excluded. Also, see item (24).
- (4) Bond Sales
- Attorney General Opinion 22-1982 concluded that proceeds of the state's general obligation bonds were not to be included in TSR.
- (5) Refunds
- Refunds received due to the overpayment of obligations by the state, as identified by certain revenue source codes, are excluded. Refunds also include cost recoveries and prescription drug rebates received through the Medicaid and Children's Health Insurance programs.
- (6) Interagency Sales and Receipts
- Since interagency transactions do not generate additional revenue for the state as a whole, interagency sales and receipts, as identified by certain revenue source codes, are excluded.
- (7) Soil and Water Sales and Use Tax/Interest
and
(8) Parks Sales and Use Tax/Interest
- In August 1984, the voters approved a one-tenth of 1 percent sales tax for soil and water conservation and state parks. Article IV, Section 47(c), Missouri Constitution, states that the additional revenue provided by the tax shall not be part of TSR. Since the voters approved the sales tax, the sales tax and any interest earned on the investment of the balance in these funds are excluded.
- (9) Redeposit of Investment Principal
- The redeposit of investment principal is excluded.



Review of Article X, Sections 16 Through 24,
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Appendix B - Total State Revenue Exclusions

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- (10) Outlawed Checks Outlawed checks (issued checks not cashed by the payee within the time allowed) are redeposited in the state treasury and are excluded.
- (11) Redeposit of Loan Principal Redeposits of loan principal are excluded.
- (12) Bingo Tax The August 1992 amendment to Article III, Section 39(d), Missouri Constitution, related to gaming activities also applies to bingo games, in that all state revenues derived from the conduct of gaming activities shall be appropriated beginning July 1, 1993, solely for public education and shall not be included in TSR. Section 313.007, RSMo, requires the bingo tax to be deposited in the Bingo Proceeds for Education Fund. The bingo tax, certain fees, and the interest earned on the investment of the fund are excluded from TSR.
- (13) Riverboat Gambling and
Other Gaming Proceeds In August 1992, voters approved an amendment to Article III, Section 39(d), Missouri Constitution, that requires all state gaming revenues be appropriated for public education and excludes these revenues from TSR.
- In 1993, the state enacted Senate Bills 10 and 11. This comprehensive gaming legislation established riverboat gaming in the state. The legislation repealed House Bill (HB) 149 related to riverboat gaming, which had been enacted by voters as Proposition A in November 1992.
- Under Senate Bills 10 and 11, the state imposed a 20 percent tax on adjusted gross receipts from gambling games. In November 2008, the voters approved increasing the tax to 21 percent. The state treats 90 percent of this revenue as state gaming revenues under Article III, Section 39(d), Missouri Constitution, and earmarks the revenues to the Gaming Proceeds for Education Fund. The remaining 10 percent of this revenue is allocated to the home dock city or county. Under Article III, Section 39(d), Missouri Constitution, the 90 percent portion of the adjusted gross receipts tax is exempted from TSR. The remaining 10 percent portion of the adjusted gross receipts tax is also excluded from TSR because these funds are distributed by the Department of Revenue without deposit in the state treasury and without appropriation.
- Under Senate Bills 10 and 11, the legislature also established a Gaming Commission Fund in the state treasury and authorized gaming commission license fees, penalties, administrative fees, reimbursements, and admission fees to be deposited in this fund and expended pursuant to state appropriation for various purposes.
- On November 24, 1998, the Missouri Court of Appeals, Western District, entered its final decision in *Kelly v. Hanson*, 984 S.W. 2d 540 (Mo. App. W.D. 1998). The Missouri Court of Appeals, Western District, held that revenue from the \$1 portion of the state-imposed \$2 admission fee payable to the state is excluded from TSR, while the revenue from the payments to the



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state to recoup public safety and regulatory enforcement costs is included in TSR. The remaining \$1 portion of the \$2 admission fee is also excluded from TSR because these funds are distributed by the Department of Revenue without deposit in the state treasury and without appropriation.

In 2016, the state enacted HB 1941 that requires licensed fantasy sports contest operators to pay an annual operation fee equal to 11.5 percent of the operator's net revenue from the previous calendar year. These revenues are deposited in the Gaming Proceeds for Education Fund. Section 313.822, RSMo, provides all monies deposited in the Gaming Proceeds for Education Fund are to be treated as proceeds of river boat gambling. Under Article III, Section 39(d), Missouri Constitution, these annual operation fees are excluded from TSR.

- (14) Redeposit of State Funds The redeposit of state funds for which a state expenditure was originally incurred, such as from closing a petty cash fund and returning the funds to the state treasury, is excluded.
- (15) Loan Proceeds The state periodically receives loans or advancements from the federal government, local governments, or private sources, to finance the acceleration of state projects. Since the loans must be repaid in the future, they are excluded.
- (16) Conservation Sales and Use Tax/Interest In *Conservation Federation of Missouri v. Richard Hanson*, 994 S.W. 2d 27 (Mo. Banc. 1999), the Supreme Court held that the revenue derived from the one-eighth of 1 percent conservation sales tax, and any interest earned on the investment of these funds, are excluded.
- (17) State Employee Expense Reimbursement The state receives reimbursement from private individuals, firms, partnerships, corporations, etc., for state employee expenses incurred in providing testimony in a court of law, for which the employee has already been reimbursed by a state expense account. These reimbursements are excluded.
- (18) Recovery Costs Monies received from others for costs incurred by the state or to be incurred by the state are excluded. Monies received from tobacco companies under the Tobacco Master Settlement Agreement are included in the recovery costs exclusion. See Tobacco Master Settlement Agreement Proceeds section. Also, see item (19).
- (19) Cost Reimbursements Monies received from other governments for reimbursements of costs incurred by the state are excluded.

Regarding items (18) and (19), the state has excluded from TSR receipts for cost reimbursements since fiscal year 1982 and receipts for recovery costs since fiscal year 1988. Although the constitution does not specifically



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mention cost reimbursements and recovery costs and they have not been the subject of a court decision, we have agreed with such exclusions because from an accounting standpoint, they would not be considered revenue.

- (20) Canceled Checks Receipts derived from the redeposit of state checks that have been canceled are excluded.
- (21) Local Match Local governments provided funds to the state to use as a local match to qualify for federal or state funding. Since these funds are not state funds, they are excluded.
- (22) Proceeds of Surplus Property Sales The proceeds from some sales of surplus property are excluded. Although the constitution does not specifically mention proceeds of surplus property sales and they have not been the subject of a court decision, we have agreed with such exclusions because from an accounting standpoint, they would not be considered revenue.
- (23) DHSS Program Rebates The Department of Health and Senior Services (DHSS) receives rebates through various federal programs, including the Special Supplemental Nutrition Program for Women, Infants, and Children and the HIV Care Formula Grants. These rebates are related to purchases made with federal funds and are therefore excluded.
- (24) Amendment 3 Revenue Derived From Highway Users In November 2004, the voters approved an amendment to Article IV, Sections 29 and 30(a) through 30(c) and added Section 30(d), Missouri Constitution, effective July 1, 2005.
- Section 30(a)(4) provides for the apportionment and distribution of net proceeds of motor fuel tax. This section further provides that, "The net proceeds of fuel taxes apportioned, distributed and deposited under this section to the state road fund, counties, cities, towns and villages shall not be included within the definition of 'total state revenues'"
- Section 30(b) provides for the use and distribution of revenue derived from highway users as an incident to their use or right to use the highways of the state (including all state license fees and taxes on motor vehicles, trailers and motor vehicle fuels and excepting sales tax on motor vehicles and trailers which are not distributed to the state road fund). This section further provides that, "The moneys apportioned or distributed under this section to the state road fund, the state transportation fund, the state road bond fund, counties, cities, towns or villages shall not be included within the definition of 'total state revenues'"
- As a result, motor vehicle sales tax and special fuel non-gas tax, and fees from motor vehicle licenses or permits, interstate transportation licenses or permits, driver's licenses or permits, overdimension/overweight permits, other



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licenses and permits, and non-motor fuel decals credited to the State Road Fund, State Road Bond Fund, and/or State Transportation Fund are excluded from TSR.

The increase in interstate transportation license or permits for certain motor vehicles excluded under this section were previously excluded and, as a result, have no impact on TSR. (See item (3))

Sections 29, 30(c), and 30(d) have no Hancock implications.

(25) Interest - Federal

Interest assessed and received on advances made to the state by the federal government. Since the interest is due to the federal government, it is excluded from TSR.

(26) Suspense Holding

The collection of unidentified funds for both state and non-state entities. Since these monies have not been identified, they are excluded from TSR.

(27) Recreational Marijuana Tax
and
(28) Recreational Marijuana Fee

In November 2022, the voters approved an amendment to Article XIV, Section 2. The amendment, which was effective December 8, 2022, includes a 6 percent sales tax on the retail price of marijuana to benefit various programs and various licensing fees. Since the sales tax and licensing fees received direct voter approval, the sales tax and any interest earned on the investment of the balance in these funds are excluded from TSR.

(29) Other Debt Proceeds

Receipts from the issuance of other debt, such as notes. Since the debt must be repaid in the future, these receipts are excluded from TSR.

Other Exclusions and
Limits

Other exclusions and limits have been considered to arrive at TSR, as follows:

Cash Management Improvement
Act (CMIA)

The state has to enter into an agreement with the federal government that governs the timing of when the state can obtain federal grant monies. If the state holds federal funds longer than needed, the state has to reimburse the federal government for interest earnings. Since the interest was earned on federal funds and has to be returned to the federal government, it is excluded from TSR.

Agency Remitted Sales Tax

Some state agencies sell goods or services to the public and collect sales tax. To avoid counting the same receipts in TSR twice, the sales tax remitted by state agencies to the Department of Revenue is excluded from TSR.

Abandoned Funds Claim
Payments

Under Section 447.543, RSMo, the state receives abandoned funds from various sources (banks, businesses, insurance companies, etc.). These funds are placed in the state Abandoned Fund Account. The rightful owner may receive these funds if properly claimed. The state includes the receipts in TSR. Starting in fiscal year 1998, the state excludes from TSR amounts paid to the rightful owner.



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Circuit Courts Escrow and Debt
Offset Escrow

Under Section 488.5028, RSMo, the Department of Revenue and State Lottery Commission make setoffs of income tax refunds and lottery prize payouts, respectively, for amounts owed to circuit courts. Similarly, under Section 143.784, RSMo, the Department of Revenue makes setoffs of income tax refunds for amounts due to state agencies. Amounts setoff under both provisions are placed in escrow accounts until any review hearings are held and the matter is resolved. As a result, this revenue is not included in TSR.

Expenditure Refunds

Under Article X, Section 17(1), Missouri Constitution, TSR shall exclude the amount of any credits based on actual tax liabilities. Refunds disbursed due to the excess collection by the state of liabilities owed the state, largely tax refunds, as identified by certain expenditure object codes are excluded. The method used to determine expenditure refunds is not specified in the amendment. Although the OA-BP initially used the appropriation basis to determine expenditures refunds, during fiscal year 1984, the OA-BP changed to the cash basis. In *Kelly v. Hanson*, 959 S.W.2d 107 (Mo. Banc 1997), the Supreme Court held that a cash basis of accounting should be used to determine compliance with the Hancock Amendment. A schedule of expenditure refunds is included at Appendix C.

Federal Reimbursement
Allowance and Nursing Facility
Reimbursement Allowance

The majority of the Federal Reimbursement Allowance and the Nursing Facility Reimbursement Allowance tax imposed by the state to pay the state's share of the costs of the Medicaid program is collected by an offset against Medicaid claims, and is not directly deposited in the state treasury. As a result, this revenue is not included in TSR. This exclusion is pursuant to the Missouri Supreme Court's decision in *Kelly v. Hanson*, 984 S.W. 2d 540 (Mo. App. W.D. 1998). A small portion of the tax is not collected by an offset and is deposited in the state treasury and is, therefore, included in TSR.

Tobacco Master Settlement
Agreement Proceeds

The OA-BP excluded \$101,722,200 received from tobacco companies during fiscal year 2025. The Master Settlement Agreement was entered into effective November 23, 1998, between the major cigarette manufacturers and the states' Attorneys General. Missouri received its first payments under the settlement agreement during fiscal year 2001 and future payments from tobacco companies extend in perpetuity. The payment received in 2001 included amounts under the settlement agreement for 1998, 2000, and 2001. The settlement agreement did not require a payment for 1999. Payments for fiscal years 2001 through 2025 were as follows:



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Fiscal Year	Amount
2001	\$ 338,230,653
2002	172,679,543
2003	166,895,179
2004	142,829,966
2005	144,964,644
2006	133,078,222
2007	139,292,616
2008	153,277,453
2009	168,066,958
2010	140,318,927
2011	132,631,552
2012	135,246,224
2013	135,166,246
2014	66,085,418
2015	132,261,643
2016	123,645,603
2017	191,261,135
2018	138,311,530
2019	134,225,943
2020	129,544,993
2021	138,571,552
2022	139,365,296
2023	94,295,438
2024	104,918,358
2025	101,722,200

The amounts received in fiscal years 2001 through 2022 and 2024 through 2025 were coded in the state's accounting system to revenue source code 1806 - recovery costs, which is excluded from TSR. Recovery costs are defined under revenue source code 1806 as, "*all money recovered from others for costs incurred by the state or to be incurred by the state.*" In fiscal year 2023, \$329,223 was coded correctly to revenue source code 1806; however, \$93,965,615 was coded in error to revenue source code 1624 - settlements. The OA-BP has concluded these receipts should be excluded from TSR because the amounts represent a recovery of health care costs previously incurred or to be incurred by the state attributable to smoking.

Public information was not readily available to determine if the amounts recovered from the tobacco companies under the master settlement agreement were more or less than the health care costs incurred. For our fiscal year 2001 report, we reviewed three extensive research projects conducted by experts. We limited our analysis to Medicaid costs incurred in fiscal years 1998 through 2001. We did not consider Medicaid costs prior to fiscal year 1998. In addition, we did not consider other costs incurred by the state, such as employee health care costs attributable to smoking. These research projects



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showed that Medicaid costs attributable to smoking were higher than the amount the state received from the tobacco companies under the settlement agreement. As a result, in our 2001 report we concluded it was proper for the OA-BP to exclude the amounts received from the tobacco companies as a recovery cost.

A study, "Tobacco Damages to the State of Missouri" by Glenn W. Harrison, was commissioned by the Missouri Attorney General's Office for use in a lawsuit against tobacco companies filed May 12, 1997. This lawsuit was dropped because Missouri joined a consortium of states in December 1998, in the Master Settlement Agreement with the tobacco companies. As a result, the Harrison study was not fully completed. However, the draft report provided an estimate of Medicaid costs attributable to smoking for 1970 through 2007 and an estimate of state employee health care costs attributable to smoking for 1970 through 1997. This study estimates that state costs attributable to smoking were higher than the amount the state received. OA officials could not locate any current studies, but they believe continued exclusion is reasonable.

Appendix C

Review of Article X, Sections 16 Through 24,
 Constitution of Missouri
 Schedule of Expenditure Refunds

Object Code	SAM II Expenditure Refunds	Year Ended June 30,				
		2021	2022	2023	2024	2025
3200	Bond refunds	\$ 339,768	180,011	3,214,839	1,476,048	474,408
3206	Deposit and escrow refunds	18,337	19,418	54,299	51,193	56,242
3213	Tax credit debt offset	96,145	141,380	194,453	145,103	287,681
3215	Debt offset refunds	59,168	2,165,600	38,361	46,446	6,840,545
3218	Motor vehicle license fee refunds	585,404	560,099	839,313	1,144,114	1,083,506
3221	Driver's license fee refunds	40,641	37,158	39,341	37,847	15,275
3227	License and permit fee refunds	1,093,446	1,155,001	1,192,042	1,279,015	1,361,476
3230	Registration fee refunds	917	67	20	77	54
3233	Regulatory fee refunds	17,264	15,136	22,967	19,031	47,091
3236	Inspection fee refunds	50,107	63,593	46,959	55,853	62,501
3239	Miscellaneous fee refunds	826,089	363,536	340,392	355,898	303,129
3242	Sales refunds	4,677	4,358	4,821	13,716	549
3245	Lease and rentals refunds	9,811	3,815	1,270	895	-
3248	Medical services refunds	11,643,031	10,384,612	9,323,010	8,909,534	9,457,160
3254	Federal refunds	3,895,939	567,699	826,189	778,173	1,670,252
3257	Penalty and court award refunds	55	1,436	27	105	-
3260	Interagency billing refunds	-	-	7,300	2,801	-
3261	Receivable overpayment refunds	320,383	334,323	285,593	299,175	276,124
3267	Deferred revenue refunds	1,283,565	3,254,499	3,168,271	1,668,160	745,907
3269	Other refunds	3,638,185	1,093,874	3,816,223	2,386,411	3,444,467
3270	Pass Through Entity refunds	-	-	-	32,611,309	39,380,778
3278	Corporate Income Tax Protested refunds	-	-	-	588	-
3281	County foreign insurance tax refunds	66,804,142	28,667,957	22,860,454	24,702,702	43,817,288
3287	Worker's compensation insurance tax refunds	142,460	21,810	15,496	338,209	232,303
3291	Surplus lines insurance tax refund	90,228	23,069	25,510	77,218	429,614
3293	Cigarette tax refunds	27,800	23,440	99	198	8,609
3296	Tobacco products tax refunds	-	-	188	-	-
3299	Aviation fuel tax refunds	3,638	2,832	2,449	3,037	1,064
3302	Local Use Tax refunds	-	-	13,937	-	-
3305	Special fuel (non-gas) tax refunds	19,343,037	20,974,241	25,002,393	24,301,827	23,372,327
3308	Fuel tax refunds	13,543,056	9,333,091	10,375,541	12,424,064	20,661,787
3317	General sales and use tax refunds	71,578,135	54,819,928	63,797,701	73,149,788	81,578,344
3326	Motor vehicle sales tax refunds	7,350,520	9,315,288	9,874,462	10,216,576	10,892,854
3329	Motor vehicle use tax refunds	63	258	380	-	-
3335	Boat tax refunds	3,409	1,459	653	-	80
3338	Individual tax refunds	1,127,470,528	961,471,287	1,243,028,875	1,247,588,350	1,333,988,845
3341	Senior citizens tax refunds	87,279,419	81,211,385	76,149,913	65,602,580	58,881,417
3344	Corporation tax refunds	119,020,431	198,608,938	174,448,190	157,697,347	138,015,112
3356	Other tax refunds	-	2,134	-	-	-
	Total SAM II Expenditure Refunds	\$ 1,536,579,798	1,384,822,732	1,649,011,931	1,667,383,388	1,777,386,789

Source: This appendix was prepared using expenditure refunds data obtained from the Statewide Advantage for Missouri (SAM II) system.

Review of Article X, Sections 16 Through 24, Constitution of Missouri Appendix D - Constitutional Language

Article X, Sections 16 through 24, Constitution of Missouri (Adopted November 4, 1980, Amended April 2, 1996)

TAXATION

Section 16. Taxes and state spending to be limited--state to support certain local activities--emergency spending and bond payments to be authorized. Property taxes and other local taxes and state taxation and spending may not be increased above the limitations specified herein without direct voter approval as provided by this constitution. The state is prohibited from requiring any new or expanded activities by counties and other political subdivisions without full state financing, or from shifting the tax burden to counties and other political subdivisions. A provision for emergency conditions is established and the repayment of voter approved bonded indebtedness is guaranteed. Implementation of this section is specified in sections 17 through 24, inclusive of this article.

Section 17. Definitions. As used in sections 16 through 24 of Article X:

(1) **"Total state revenues"** includes all general and special revenues, license and fees, excluding federal funds, as defined in the budget message of the governor for fiscal year 1980-1981. Total state revenues shall exclude the amount of any credits based on actual tax liabilities or the imputed tax components of rental payments, but shall include the amount of any credits not related to actual tax liabilities.

(2) **"Personal income of Missouri"** is the total income received by persons in Missouri from all sources, as defined and officially reported by the United States Department of Commerce or its successor agency.

(3) **"General price level"** means the Consumer Price Index for All Urban Consumers for the United States, or its successor publications, as defined and officially reported by the United States Department of Labor, or its successor agency.

Section 18. Limitation on taxes which may be imposed by general assembly--exclusions--refund of excess revenue--adjustments authorized.

(a) There is hereby established a limit on the total amount of taxes which may be imposed by the general assembly in any fiscal year on the taxpayers of this state. Effective with fiscal year 1981-1982, and for each fiscal year thereafter, the general assembly shall not impose taxes of any kind which, together with all other revenues of the state, federal funds excluded, exceed the revenue limit established in this section. The revenue limit shall be calculated for each fiscal year and shall be equal to the product of the ratio of total state revenues in fiscal year 1980-1981 divided by the personal income of Missouri in calendar year 1979 multiplied by the personal income of Missouri in either the calendar year prior to the calendar year in which appropriations for the



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fiscal year for which the calculation is being made, or the average of personal income of Missouri in the previous three calendar years, whichever is greater.

(b) For any fiscal year in the event that total state revenues exceed the revenue limit established in this section by one percent or more, the excess revenues shall be refunded pro rata based on the liability reported on the Missouri state income tax (or its successor tax or taxes) annual returns filed following the close of such fiscal year. If the excess is less than one percent, this excess shall be transferred to the general revenue fund.

(c) The revenue limitation established in this section shall not apply to taxes imposed for the payment of principal and interest on bonds, approved by the voters and authorized under the provisions of this constitution.

(d) If responsibility for funding a program or programs is transferred from one level of government to another, as a consequence of constitutional amendment, the state revenue and spending limits may be adjusted to accommodate such change, provided that the total revenue authorized for collection by both state and local governments does not exceed that amount which would have been authorized without such change.

(e). Voter approval required for taxes or fees, when, exceptions--definitions--compliance procedure, remedies.¹

1. In addition to the revenue limit imposed by section 18 of this article, the general assembly in any fiscal year shall not increase taxes or fees without voter approval that in total produce new annual revenues greater than either fifty million dollars adjusted annually by the percentage change in the personal income of Missouri for the second previous fiscal year, or one percent of total state revenues for the second fiscal year prior to the general assembly's action, whichever is less. In the event that an individual or series of tax or fee increases exceed the ceiling established in this subsection, the taxes or fees shall be submitted by the general assembly to a public vote starting with the largest increase in the given year, and including all increases in descending order, until the aggregate of the remaining increases and decreases is less than the ceiling provided in this subsection.

2. The term "new annual revenues" means the net increase in annual revenues produced by the total of all tax or fee increases enacted by the general assembly in a fiscal year, less applicable refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year, and shall not include interest earnings on the proceeds of the tax or fee increase. For purposes of this calculation, "enacted by the general assembly"

¹ The 1996 amendment added section 18(e).



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shall include any and all bills that are truly agreed to and finally passed within that fiscal year, except bills vetoed by the governor and not overridden by the general assembly. Each individual tax or fee increase shall be measured by the estimated new annual revenues collected during the first fiscal year that it is fully effective. The term "increase taxes or fees" means any law or laws passed by the general assembly after May 2, 1996, that increase the rate of an existing tax or fee, impose a new tax or fee, or broaden the scope of a tax or fee to include additional class of property, activity, or income, but shall not include the extension of an existing tax or fee which was set to expire.

3. In the event of an emergency, the general assembly may increase taxes, licenses or fees for one year beyond the limit in this subsection under the same procedure specified in section 19 of this article.

4. Compliance with the limit in this section shall be measured by calculating the aggregate actual new annual revenues produced in the first fiscal year that each individual tax or fee change is fully effective.

5. Any taxpayer or statewide elected official may bring an action under the provisions of section 23 of this article to enforce compliance with the provisions of this section. The Missouri supreme court shall have original jurisdiction to hear any challenge brought by any statewide elected official to enforce this section. In such enforcement actions, the court shall invalidate the taxes and fees which should have received a public vote as defined in subsection 1 of this section. The court shall order remedies of the amount of revenue collected in excess of the limit in this subsection as the court finds appropriate in order to allow such excess amounts to be refunded or to reduce taxes and/or fees in the future to offset the excess monies collected.

Section 19. Limits may be exceeded, when, how. The revenue limit of section 18 of this article may be exceeded only if all of the following conditions are met: (1) The governor requests the general assembly to declare an emergency; (2) the request is specific as to the nature of the emergency, the dollar amount of the emergency, and the method by which the emergency will be funded; and (3) the general assembly thereafter declares an emergency in accordance with the specifics of the governor's request by a majority vote for fiscal year 1981-1982, thereafter a two-thirds vote of the members elected to and serving in each house. The emergency must be declared in accordance with this section prior to incurring any of the expenses which constitute the emergency request. The revenue limit may be exceeded only during the fiscal year for which the emergency is declared. In no event shall any part of the amount representing a refund under section 18 of this article be the subject of an emergency request.

Section 20. Limitation on state expenses. No expenses of state government shall be incurred in any fiscal year which exceed the sum of the revenue limit



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established in sections 18 and 19 of this article plus federal funds and any surplus from a previous fiscal year.

Section 21. State support to local governments not to be reduced, additional activities and services not to be imposed without full state funding. The state is hereby prohibited from reducing the state financed proportion of the costs of any existing activity or service required of counties and other political subdivisions. A new activity or service or an increase in the level of any activity or service beyond that required by existing law shall not be required by the general assembly or any state agency of counties or other political subdivision, unless a state appropriation is made and disbursed to pay the county or other political subdivision for any increased costs.

Section 22. Political subdivisions to receive voter approval for increases in taxes and fees--rollbacks may be required--limitation not applicable to taxes for bonds.

(a) Counties and other political subdivisions are hereby prohibited from levying any tax, license or fees, not authorized by law, charter or self-enforcing provisions of the constitution when this section is adopted or from increasing the current levy of an existing tax, license or fees, above that current levy authorized by law or charter when this section is adopted without the approval of the required majority of the qualified voters of that county or other political subdivision voting thereon. If the definition of the base of an existing tax, license or fees, is broadened, the maximum authorized current levy of taxation on the new base in each county or other political subdivision shall be reduced to yield the same estimated gross revenue as on the prior base. If the assessed valuation of property as finally equalized, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the general price level from the previous year, the maximum authorized current levy applied thereto in each county or other political subdivision shall be reduced to yield the same gross revenue from existing property, adjusted for changes in the general price level, as could have been collected at the existing authorized levy on the prior assessed value.

(b) The limitations of this section shall not apply to taxes imposed for the payment of principal and interest on bonds or other evidence of indebtedness or for the payment of assessments on contract obligations in anticipation of which bonds are issued which were authorized prior to the effective date of this section.

Section 23. Taxpayers may bring actions for interpretations of limitations. Notwithstanding other provisions of this constitution or other law, any taxpayer of the state, county or other political subdivision shall have standing to bring suit in a circuit court of proper venue and additionally, when the state is involved, in the Missouri supreme court, to enforce the provisions of sections 16 through 22, inclusive, of this article and, if the suit is sustained,



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shall receive from the applicable unit of government his costs, including reasonable attorneys' fees incurred in maintaining such suit.

Section 24. Voter approval requirements not exclusive--self-enforceability.

(a) The provisions for voter approval contained in sections 16 through 23, inclusive, of this article do not abrogate and are in addition to other provisions of the constitution requiring voter approval to incur bonded indebtedness and to authorize certain taxes.

(b) The provisions contained in sections 16 through 23, inclusive, of this article are self-enforcing; provided, however, that the general assembly may enact laws implementing such provisions which are not inconsistent with the purposes of said sections.