



Taxes and Taxing Districts on the Rise in Missouri

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Back in 2014, then-Governor Jay Nixon referred to Missouri as a “[low-tax state](#).” Nixon was wrong, and [my colleagues pointed it out](#) . Because Nixon was focusing on state income taxes, he ignored a lot of the other taxes that affect people. One area where taxation is on the rise is with special taxing districts, which affect Missourians across the state.

In our new paper, “Overgrown and Noxious, the Abuse of Special Taxing Districts in Missouri,” Graham Renz and I detail the hundreds of micro taxing districts that have collected over a billion dollars from Missourians. Some of these, such as fire protection districts and sewer districts, may be familiar to readers. But explosive proliferation of two other types of district—community improvement districts (CIDs) and transportation development districts (TDDs)—is driving the increase.

Since they were created in the 1990s, the number of CIDs and TDDs in the state has grown to more than 600. Many were created without any public vote and too many lack basic mechanisms of oversight. After a recent report, the [Missouri state auditor stated](#) ,

There need to be protections in place to ensure public dollars are being utilized efficiently, effectively and for the good of the public. It is simply unacceptable that state law allows for self-dealing and conflicts of interest within these taxpayer-supported projects.

Our paper examines the history and growth of these special taxing districts and suggests some

simple reforms that could help increase public accountability and reduce the likelihood that private developers will be allowed to pass on their own private costs to taxpayers.

Listen to our podcast on special taxing districts in Missouri: <https://soundcloud.com/show-me-institute/the-hidden-costs-of-living-in-missouri>

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 [Download 20190401 - Abuse of Special Taxing Districts - Tuohey-Renz.pdf](#) (2.14 MB)

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Advancing liberty with responsibility by promoting market solutions for Missouri public policy.

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