

Missouri Estate Tax

From 1917 to 1980, Missouri had an inheritance tax. However, the inheritance tax was repealed in 1981 and replaced with a “pick-up” tax equal to the state death tax credit allowed under the Internal Revenue Code.¹

The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) reduced the amount of the state death tax credit taken against the federal estate tax to 75% for deaths occurring in 2002, 50% for deaths in 2003, 25% for deaths in 2004, and 0% for deaths occurring in 2005 and thereafter. Thus, the Missouri estate tax was effectively repealed by EGTRRA.

In 2001, Missouri enacted Section 145.1000 RSMo., which specifically provides:

145.1000. Other provisions of this chapter to the contrary notwithstanding, if the federal estate tax imposed pursuant to Section 2011 of the Internal Revenue Code, as amended, is repealed, then no tax shall be imposed on the transfer of a decedent's estate in Missouri. The provisions of this section shall become effective on the same date as the effective date of the repeal of the federal estate tax.

If at any point the IRS reinstates the state death tax credit, a Missouri estate tax return will be required in accordance with Sections 145.011 to 145.1000 RSMo.

Missouri Interest and Penalty

Interest is due on tax not paid on time. For calendar year 2019, interest is computed at 5% per annum from the date due until the date paid.² Additions to tax for failure to pay on time is assessed at 5% of the tax due. For failure to file on time, additions to tax of 5% per month, not to exceed 25%, is assessed.

Missouri Income Tax Rates

The Missouri income tax rates are the same for individuals, estates and trusts. The following is a table of the current Missouri tax rates:

If the Missouri taxable income is:	The tax is:
\$0 to \$104	\$0
At least \$105 but not over \$1,053	1.5% of the Missouri taxable income
Over \$1,053 but not over \$2,106	\$16 plus 2.0% of excess over \$1,053
Over \$2,106 but not over \$3,159	\$37 plus 2.5% of excess over \$2,106
Over \$3,159 but not over \$4,212	\$63 plus 3.0% of excess over \$3,159
Over \$4,212 but not over \$5,265	\$95 plus 3.5% of excess over \$4,212
Over \$5,265 but not over \$6,318	\$132 plus 4.0% of excess over \$5,265

¹ RSMo 145.009 to 145.1000

² <https://dor.mo.gov/inrates.php>

Over \$6,318 but not over \$7,371	\$174 plus 4.5% of excess over \$6,318
Over \$7,371 but not over \$8,424	\$221 plus 5.0% of excess over \$7,371
Over \$8,424	\$274 plus 5.4% of excess over \$8,424

Missouri Fiduciary Income Tax

Missouri imposes a fiduciary tax on income earned by a resident estate or trust or a nonresident estate or trust with income from sources within Missouri.

A Missouri fiduciary income tax return is required for a resident estate or trust if a federal Form 1041, or equivalent, is required to be filed, and a return is required for a nonresident estate or trust if the gross income for the estate or trust from sources within Missouri is \$600 or more.³

³ <https://dor.mo.gov/personal/fiduciary/>