FREE REFERENCE

Missouri business taxes, explained for 2026

Small businesses in Missouri register with the state revenue agency for income tax withholding and sales tax, and with the Missouri Division of Employment Security for unemployment tax. Missouri has income tax rates from 2% to 4.7%, a 4.23% state sales tax and a $9,000 unemployment wage base for 2026.

QUICK FACTS

- **Income tax.** Income tax rates from 2% to 4.7% for 2026
- **Sales tax.** 4.23% state rate, about 8.44% combined with local
- **Unemployment.** Employers pay Missouri unemployment tax on the first $9,000 of each worker's 2026 wages

What taxes does a small business pay in Missouri?

Most Missouri businesses deal with four: federal and state payroll taxes once they hire, sales tax if they sell taxable items, income tax on profit, and the state's annual report or franchise filing for an LLC or corporation, filed with the Secretary of State.

How do I register for payroll taxes in Missouri?

Before your first payroll in Missouri:

1. Get a federal EIN and enroll in EFTPS for federal deposits.
2. Open a Missouri withholding account with the Missouri revenue agency, so you can withhold and pay state income tax.
3. Register for unemployment insurance with the Missouri Division of Employment Security. For 2026, the tax applies to the first $9,000 of each employee's wages, at a rate the state sets for new employers and then adjusts to your history.
4. Report each new hire to Missouri's new hire registry, usually within 20 days.

Our state payroll registration guide explains each step, and our payroll service handles it for you.

General information, not tax advice for your situation.

Do I need a Missouri sales tax permit?

If you sell taxable goods or services in Missouri, yes. Register with the Missouri revenue agency before your first taxable sale. Out-of-state sellers need one once they pass Missouri's economic nexus threshold.

SALES TAX IN MISSOURI, MIDYEAR 2026	RATE
State rate	4.23%
Average local rate	4.22%
Average combined rate	8.44%
Highest local rate	6.25%

The state sets how often you file. Our sales tax permit guide covers what to have ready, and the sales tax calculator adds tax to a price.

How does Missouri tax business owners?

Profit from a sole proprietorship, LLC, partnership or S-Corp passes through to the owners, who pay Missouri income tax on it at the personal rates: income tax rates from 2% to 4.7%. Missouri allows a standard deduction of $16,100 single and $32,200 joint. Kansas City and St. Louis add a 1% earnings tax.

Estimate yours with the Missouri income tax calculator.

Where are Missouri's tax forms and refund status?

- Missouri tax forms
- Missouri revenue agency
- Missouri refund status
- Missouri Division of Employment Security

Every state's links are on our state tax forms page.

Which calculators work for Missouri?

- Missouri paycheck calculator: take-home pay after every deduction
- Missouri income tax calculator: your 2026 state income tax
- Payroll cost calculator: what a hire costs you, with Missouri unemployment

Common questions

Do I need a sales tax permit in Missouri?
Yes, if you sell taxable goods or services there. Register with the Missouri revenue agency before your first taxable sale.

What is the Missouri unemployment wage base for 2026?

$9,000. Employers pay Missouri unemployment tax on that much of each employee's wages, at a rate the state assigns.

Does Missouri have a state income tax?

Yes. Missouri has income tax rates from 2% to 4.7% for 2026.

Who runs payroll taxes in Missouri?

The Missouri revenue agency handles income tax withholding, and the Missouri Division of Employment Security handles unemployment tax.

Want payroll handled?

We set it up, run it and file the returns. Book a free 30-minute call at eminenttax.com/contact or call (972) 347-4590.

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