



Making Sure Municipal Courts Are Not Tax Collectors

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In recent sessions, [the Missouri State Legislature has made great strides](#) toward reducing the perverse incentives and effects of [taxation by citation](#) — the practice of using court-assessed fines and fees as a source of municipal operating revenue. Just last year the legislature passed, and Governor Nixon signed, SB 5, which strengthened and expanded protections against such practices.

However, last March [a Cole County judge invalidated much of SB5](#), ruling that several of its most important provisions were unconstitutional. Although [the decision will be appealed](#), it has jeopardized the protections that SB 5 had provided to Missourians.

Regardless of the fate of SB5, concern about court fines and fees should extend beyond traffic tickets and percentages of budgets. State Senator Eric Schmitt (the sponsor of SB5) [sponsored legislation](#) in the recently completed session to extend the protections against taxation by citation.

[SB 572](#) (passed by the legislature this session) lowers and caps fines applicable to both municipal traffic *and* ordinance violations and adds municipal ordinance violations to the calculation of the 20% municipal revenue cap allowed to come from municipal fines and fees.

The use of taxation by citation in any form invites unpredictability and conflicts of interest

among the courts and law enforcers. For the benefit of government and the people of Missouri, tax policies should be set so that revenue is reasonably stable and predictable.

The first step to solving any problem is admitting that one could exist. The legislature has recognized that funding municipalities using traffic fine collections, and now municipal ordinance violations, is bad policy—and that’s a great start. The next step is to fully address taxation by citation in all its forms.

About the Author



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Jonathan Brown is an intern at the Show-Me Institute.

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[2] <http://showmeinstitute.org/blog/local-government/governor-signs-sb-5-law>

[3] http://www.stlamerican.com/news/columnists/guest_columnists/article_642a1904-25d9-11e5-8ce4-b3e6fabdbf65.html

[4] <http://themissouritimes.com/27981/supporters-sb-5-plot-course-court-ruling/>

[5] <http://themissouritimes.com/27985/koster-to-appeal-ruling-on-sb-5/>

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