

Community Improvement Districts

A Community Improvement District (CID) is a tool used by communities to form (within a specified area) either a not-for-profit corporation or a political subdivision. CIDs can raise revenue via special assessments and taxes to fund transportation infrastructure improvements.

Neighborhood Improvement Districts

A Neighborhood Improvement District (NID) may be created in an area that seeks to build, maintain or improve transportation (as well as other public) infrastructure. These activities are paid for by special tax assessments levied on property owners in the area in which the improvements are made. Projects funded through a NID must be public in nature and be beneficial to property in the NID. NIDS are authorized by a resolution of the governing body of the municipality in which the NID is proposed.

Tax Increment Financing

Missouri communities can use Tax Increment Financing (TIF) to fund transportation infrastructure as well. TIF is a financing and development tool that allows future real property taxes and other taxes generated by new development to pay for costs of construction of public infrastructure and other improvements.

Economic Development Sales Tax

A relatively new alternative is the Economic Development Sales Tax. This option allows communities to enact a voter-approved tax of up to one-half of one percent tax on retail sales made in the community. These funds can be used for a variety of purposes, including transportation infrastructure.