



STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

GRETCHEN WHITMER  
GOVERNOR

JENNIFER L. FLOOD  
DIRECTOR

September 30, 2025

The Honorable Sarah Anthony, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Ann Bollin, Chair  
House Appropriations Committee  
Michigan House of Representatives  
State Capitol  
Lansing, Michigan 48909

Dear Legislators:

Attached is the monthly financial report for the month ending August 31, 2025. This report is submitted pursuant to MCL 18.1386. This report can also be found on the Internet at the following address:

[www.michigan.gov/budget](http://www.michigan.gov/budget) under "Spending and Revenue Reports".

If you have questions concerning the information in this report, please contact this office.

Sincerely,

Jennifer L. Flood  
State Budget Director

Attachment

cc: Winnie Brinks, Senate Maj. Leader  
Aric Nesbitt, Senate Min. Leader  
Matt Hall, Speaker of the House  
Ranjeev Puri, House Min. Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency  
Mary Cavanagh, Chair, Senate Finance,  
Insurance, & Consumer Protection Com.

Mark Tisdell, Chair, House Finance Committee  
JoAnne Huls, Executive Office  
Tricia Foster, Executive Office  
Zack Pohl, Executive Office  
Rachael Eubanks, State Treasurer  
Kyle Guerrant, Deputy State Budget Director  
Heather Boyd, Office of Financial Mgmt.  
Internal State Budget Office Distribution

**GENERAL FUND, GENERAL PURPOSE**  
**Fiscal Year 2025**  
**Projected Revenues and Expenditures**  
**August 31, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 2,149.3</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2025 Consensus Revenue	\$ 14,493.9
Local Government Program Payments	\$ (552.2)
Public Safety Trust Fund	\$ (75.0)
Revenue Sharing Trust Fund	\$ (75.0)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 13,791.7</b>
<b>One-Time:</b>	
One-time Revenue Adjustments	\$ 66.9
<b>Subtotal One-Time Revenue</b>	<b>\$ 66.9</b>
<b>Total Revenue</b>	<b>\$ 13,858.6</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
Public Acts 120 and 121 of 2024	\$ 13,605.7
Community District Trust Fund	\$ 77.2
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 13,682.9</b>
<b>One-Time:</b>	
Public Acts 120 and 121 of 2024	\$ 1,269.8
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,269.8</b>
<b>Total Expenditures</b>	<b>\$ 14,952.7</b>
<b>Ending Balance</b>	<b>\$ 1,055.2</b>

**SCHOOL AID FUND**  
**Fiscal Year 2025**  
**Projected Revenues and Expenditures**  
**August 31, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 1,257.7</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2025 Consensus Forecast	\$ 18,545.2
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
<b>Subtotal Ongoing Revenue</b>	<b>\$ 20,909.0</b>
<b>One-Time:</b>	
General Fund	\$ 28.9
General Fund - Community District Trust Fund Revenue Deposit	\$ 77.2
Enrollment Stability Reserve Fund - Public Act 120 of 2024	\$ 71.0
MPERS Reserve Fund - Public Act 120 of 2024	\$ 334.1
Transportation Reserve Fund - Public Act 120 of 2024	\$ 125.0
School Meals Reserve Fund - Public Act 120 of 2024	\$ 30.0
GSRP Reserve Fund - Public Act 120 of 2024	\$ 18.0
Educator Fellowship Fund - Public Act 120 of 2024	\$ 30.0
Revenue Deposits - Sec. 11z - Public Act 120 of 2024	\$ (25.0)
Work Project Lapse - September 25, 2024	\$ 107.1
<b>Subtotal One-Time Revenue</b>	<b>\$ 796.2</b>
<b>Total Revenue</b>	<b>\$ 21,705.2</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
School Aid - Public Act 120 of 2024	\$ 19,460.4
Community Colleges - Public Act 120 of 2024	\$ 456.7
Universities - Public Act 120 of 2024	\$ 451.7
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 20,368.7</b>
<b>One-Time:</b>	
School Aid - Public Act 120 of 2024	\$ 1,183.9
School Aid - Public Act 148 of 2024	\$ 126.0
Community Colleges - Public Act 120 of 2024	\$ 5.1
Universities - Public Act 120 of 2024	\$ 10.0
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,325.0</b>
<b>Total Expenditures</b>	<b>\$ 21,693.7</b>
<b>Ending Balance</b>	<b>\$ 1,269.2</b>

**SUMMARY OF EXPENDITURES AND ENCUMBRANCES  
GENERAL FUND - ALL PURPOSE**

August 31, 2025

(\$ in millions)

Fiscal Year 2024

Fiscal Year 2025

Expenditures & Encumbrances Year to Date FY 2024	Expenditures & Encumbrances Fiscal Year End SEP 30, 2024	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2025
161.8	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	160.8
122.9	131.8	Attorney General	127.3	3.0	47.0	177.2	118.1
581.7	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	659.8
21.2	23.4	Civil Rights	29.2	2.0	15.5	46.6	26.8
1,978.7	1,992.6	Colleges and Universities	2,193.1	24.8	184.4	2,402.3	2,124.6
1,944.6	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	2,000.9
701.1	843.0	Education	232.3	74.5	824.8	1,131.5	254.0
1,177.3	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	891.4
9.1	9.4	Executive Office	9.3	0.0	0.2	9.6	9.4
31,474.9	36,296.7	Health and Human Services	37,582.3	0.0	4,940.2	42,522.4	32,064.9
67.6	72.6	Insurance and Financial Services	78.6	1.3	0.8	80.7	66.1
270.1	335.9	Judiciary	373.4	0.0	178.0	551.5	311.6
1,780.2	2,057.0	Labor and Economic Opportunity	1,141.2	554.3	5,280.3	6,966.3	1,306.2
25.9	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	26.9
162.8	186.3	Legislature	196.7	0.0	249.5	446.2	158.8
536.3	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	516.5
0.7	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	151.1	814.9	617.6
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
616.9	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	251.6
37.8	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
116.6	124.3	Military and Veterans Affairs	120.9	15.5	15.8	152.2	131.6
192.6	214.6	Natural Resources	161.7	5.4	130.8	297.9	199.2
249.6	286.6	State	291.8	10.2	139.0	441.0	252.7
2.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
900.4	1,038.4	State Police	951.2	128.7	851.9	1,931.8	929.2
829.7	1,152.2	Technology, Management and Budget (3)	542.9	1,340.0	908.0	2,790.9	771.5
59.0	67.7	Transportation	36.6	552.0	70.4	659.0	32.5
2,447.8	5,059.3	Treasury	2,604.5	167.0	548.7	3,320.2	2,484.6
<b>\$46,469.4</b>	<b>\$55,710.2</b>		<b>\$52,062.2</b>	<b>\$3,079.7</b>	<b>\$23,658.0</b>	<b>\$78,799.9</b>	<b>\$46,414.0</b>

(1) Includes boilerplate appropriations.

(2) Includes all capital outlay activity regardless of agency.

(3) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS  
TO LOCAL UNITS OF GOVERNMENT  
Fiscal Year 2025  
August 31, 2025  
(\$ in millions)**

	<b>INITIAL APPROPRIATIONS</b>	<b>EXEC. ORDER and SUPPLEMENTALS</b>	<b>TOTAL APPROPRIATIONS YEAR-TO-DATE</b>
Payments to local units of government	24,924.9	0.0	24,924.9
Total state spending from state resources	46,818.9	0.0	46,818.9
Percentage of state spending from state resources paid to local units	53.24%	0.00%	53.24%
Required payments to local units (48.97%)	22,927.2	0.0	22,927.2
<b>Surplus/(deficit)</b>	<b>\$1,997.7</b>	<b>\$0.0</b>	<b>\$1,997.7</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
August 31, 2025  
(\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	<u>\$ 2,129,946</u>
Total Assets	<u><u>\$ 2,129,946</u></u>

**LIABILITIES**

Current Liabilities:	
Total Current Liabilities	<u>\$ -</u>
Total Liabilities	<u>-</u>

**FUND BALANCES**

Committed	<u>2,129,946</u>
Total Fund Balances	<u>2,129,946</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,129,946</u></u>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
October 1, 2024 through August 31, 2025  
(\$ in thousands)

**REVENUES**

Miscellaneous	\$ 87,943
	87,943
Total Revenues	87,943

**EXPENDITURES**

Current:	
General government	349
	349
Total Expenditures	349
Excess of Revenues over (under) Expenditures	87,595

**OTHER FINANCING SOURCES (USES)**

Transfers from other funds	45,833
Transfers to other funds	-
Total Other Financing Sources (Uses)	45,833
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 133,428 <sup>1</sup>

<sup>1</sup> Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

**STATE OF MICHIGAN  
YEAR-TO-DATE BALANCE SHEET  
MICHIGAN NATURAL RESOURCES TRUST FUND**

August 31, 2025

(\$ in thousands)

**ASSETS**

Current Assets:

Equity in common cash	\$ 72,373
Investments	-
Other current assets	-
Total Current Assets	72,373

Noncurrent Assets:

Investments	781,133
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Total Assets	\$ 853,507
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**LIABILITIES**

Current Liabilities:

Accounts payable and other liabilities	\$ 4,530
Amounts due to other funds	-
Total Current Liabilities	4,530

Total Liabilities	4,530
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**FUND BALANCES**

Nonspendable	500,000
Restricted	348,976

Total Fund Balances	848,976
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Total Liabilities and Fund Balances	\$ 853,507
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**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 1, 2024 through August 31, 2025  
(\$ in thousands)

**REVENUES**

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		54,427
		54,427
Total Revenues		54,427

**EXPENDITURES**

Current:		
General government		5,037
Conservation, environment, recreation, and agriculture		13,220
Capital outlay		2,266
		20,523
Total Expenditures		20,523
Excess of Revenues over (under) Expenditures		33,903

**OTHER FINANCING SOURCES (USES)**

Proceeds from bond issues		-
Proceeds from sale of capital assets		3
Transfers from other funds		1
Transfers to other funds		(27)
		(23)
Total Other Financing Sources (Uses)		(23)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 33,880 <sup>1</sup>

<sup>1</sup> Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

## REVENUE OVERVIEW

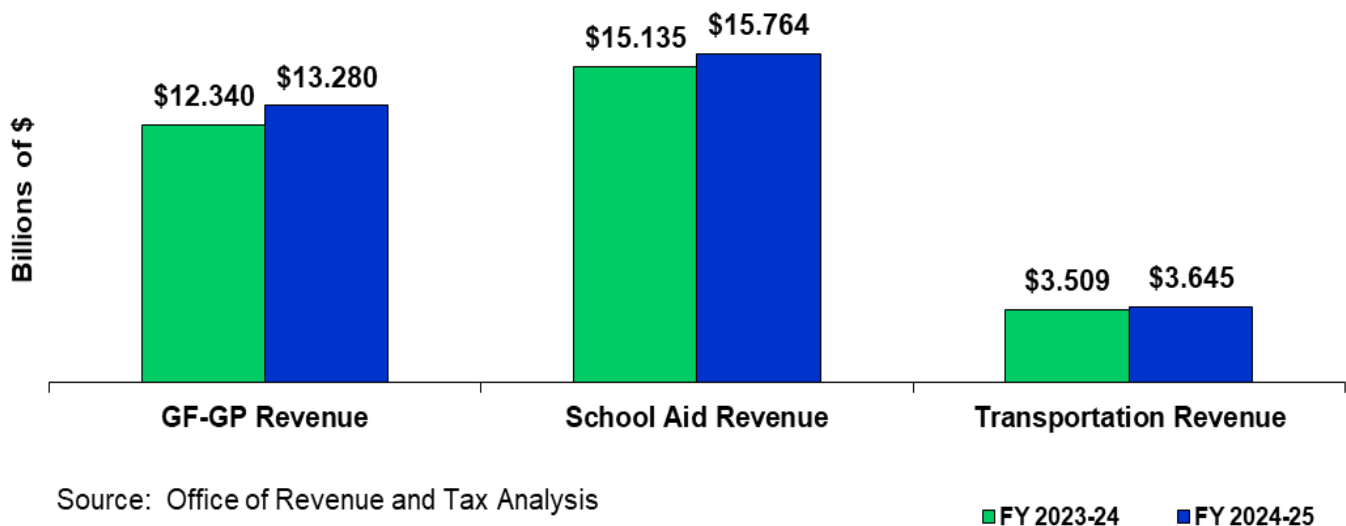
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

This Monthly Financial Report to the Legislature presents the Michigan State government's economic situation and cash collections for August 2025, representing some July and August economic activity in Michigan.

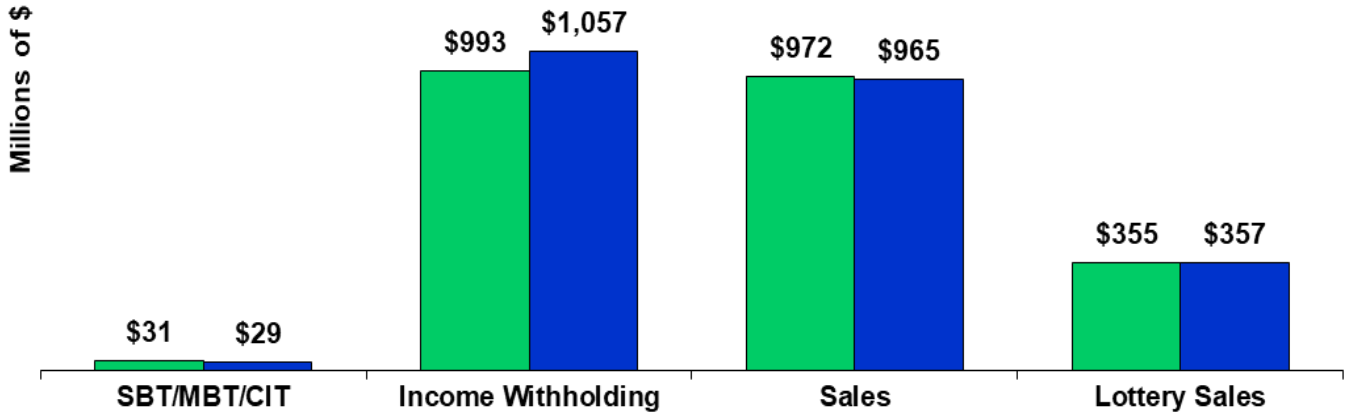
Total General Fund - General Purpose (GF-GP) cash collections were \$88.8 million (7.8 percent) higher in August 2025 than in August 2024. August 2025 School Aid Fund cash collections were \$43.8 million (3.0 percent) higher than in August 2024. August 2025 transportation collections were \$8.8 million (2.7 percent) higher than in August 2024 (see revenue summary table). August is the eleventh month of the State's fiscal year (FY). Year-to-date collection totals generally provide a more accurate view of collections since they are less affected by the timing of payments. Year-to-date GF-GP cash collections are up \$939.7 million (7.6 percent) from a year ago. School Aid Fund cash collections are up \$629.2 million (4.2 percent), and transportation collections are up \$136.4 million (3.9 percent).

The FY 2024-25 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on May 16, 2025. The revenue estimate for net GF-GP revenue for FY 2024-25 is \$14,493.9 million and the net School Aid revenue forecast is \$18,545.2 million. The Transportation Funds revenue forecast is \$4,277.7 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

### October through August Collections FY 2023-24 and FY 2024-25



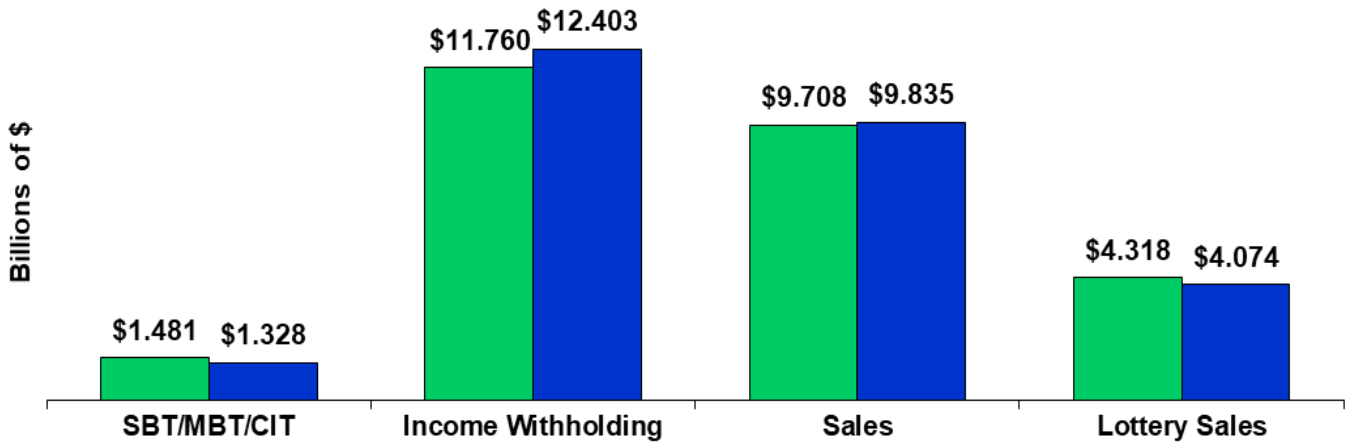
### August Revenue Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

### October through August Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

**Revenue Summary FY 2024-25**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: August 31, 2025**

Month-End Cash Collections Data				October Through August Cash Collections Data						Revenue Projections		
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(i)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast	
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent				
<b>Income Taxes</b>												
\$992,922	\$1,056,789	\$63,867	6.4%	Withholding	\$11,760,094	\$12,402,512	\$642,418	5.5%	\$12,817,900	\$12,997,800	\$13,571,900	
23,839	26,438	2,599	10.9%	Quarterlies	848,158	1,026,570	178,411	21.0%	1,111,400	1,010,700	1,233,000	
2,559	4,709	2,151	84.1%	Flow Through Entity Tax	762,499	762,240	(258)	0.0%	957,400	1,014,800	1,000,000	
23,552	28,091	4,540	19.3%	Annuals	1,187,432	1,475,346	287,914	24.2%	1,201,500	1,268,900	1,518,000	
\$1,042,872	\$1,116,028	\$73,156	7.0%	Gross Collections	\$14,558,183	\$15,666,669	\$1,108,485	7.6%	\$16,088,200	\$16,292,200	\$17,322,900	
77,705	83,745	6,039	7.8%	Less: Refunds	3,953,240	3,730,533	(222,707)	-5.6%	3,120,100	3,251,700	3,650,000	
0	0	0	na	Less: State Campaign Fund	0	0	0	na	500	800	800	
\$965,166	\$1,032,284	\$67,117	7.0%	Net Personal Income	\$10,604,943	\$11,936,136	\$1,331,193	12.6%	\$12,967,600	\$13,039,700	\$13,672,100	
50,000	50,000	0	0.0%	Less: Disbursements to MTF	550,000	550,000	0	0.0%	600,000	600,000	600,000	
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	63,250	63,250	0	0.0%	71,700	69,000	69,000	
242,781	259,811	17,031	7.0%	Less: Disbursements to SAF	3,446,630	3,709,389	262,759	7.6%	3,962,600	3,922,500	4,231,900	
\$666,636	\$716,722	\$50,086	7.5%	<b>Net Personal Income To GF-GP</b>	<b>\$6,545,063</b>	<b>\$7,613,498</b>	<b>\$1,068,434</b>	<b>16.3%</b>	<b>\$8,333,300</b>	<b>\$8,448,200</b>	<b>\$8,771,200</b>	
<b>Consumption Taxes</b>												
\$157,135	\$154,692	(\$2,443)	-1.6%	Sales (a)	\$1,545,666	\$1,559,395	\$13,729	0.9%	\$1,572,400	\$1,609,800	\$1,638,700	
107,390	134,504	27,114	25.2%	Use (a) (h)	1,164,931	1,150,414	(14,517)	-1.2%	1,188,200	1,308,200	1,178,500	
12,367	11,286	(1,080)	-8.7%	Tobacco	122,272	112,517	(9,754)	-8.0%	132,000	134,400	125,100	
1,508	1,372	(136)	-9.0%	Beer, Wine & Mixed Spirits	43,672	42,142	(1,530)	-3.5%	44,900	47,000	44,600	
7,787	7,673	(113)	-1.5%	Liquor Specific	72,079	71,426	(654)	-0.9%	68,700	66,400	67,100	
\$286,186	\$309,528	\$23,342	8.2%	<b>Total Consumption Taxes</b>	<b>\$2,948,620</b>	<b>\$2,935,893</b>	<b>(\$12,726)</b>	<b>-0.4%</b>	<b>\$3,006,200</b>	<b>\$3,165,800</b>	<b>\$3,054,000</b>	
<b>Other Taxes</b>												
\$1	\$1	(\$0)	na	Single Business	(\$273)	\$227	\$501	183.2%	(\$300)	\$0	\$0	
14,515	15,166	651	4.5%	Insurance Premiums Taxes	\$524,762	522,813	(1,949)	-0.4%	537,400	541,300	548,500	
14,516	15,167	650	4.5%	Sub-total SBT & Insurance	524,489	523,040	(1,449)	-0.3%	537,100	541,300	548,500	
(1,285)	91	1,375	107.1%	Michigan Business Tax	(340,114)	(430,370)	(90,256)	-26.5%	(356,900)	(503,400)	(496,900)	
32,629	28,668	(3,961)	-12.1%	Corporate Income Tax	1,821,652	1,758,151	(63,501)	-3.5%	1,574,000	1,598,300	1,592,500	
2,689	9,627	6,937	258.0%	Telephone & Telegraph	46,050	43,311	(2,739)	-5.9%	43,000	33,000	42,000	
1,609	1,624	15	0.9%	Oil & Gas Severance	21,809	18,580	(3,229)	-14.8%	21,900	28,000	22,000	
9,193	9,445	252	2.7%	Penalties & Interest	119,410	139,076	19,666	16.5%	171,900	147,000	157,000	
103,949	106,484	2,536	2.4%	Essential Services Assessment	144,619	153,647	9,028	6.2%	147,300	159,000	157,000	
99	479	380	386.0%	Miscellaneous Other/Railroad	2,571	2,222	(350)	-13.6%	10,800	15,000	8,000	
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(138,750)	(138,417)	333	0.2%	(147,200)	(152,000)	(150,000)	
\$150,899	\$159,001	\$8,102	5.4%	<b>Total Other Taxes</b>	<b>\$2,201,735</b>	<b>\$2,069,240</b>	<b>(\$132,495)</b>	<b>-6.0%</b>	<b>\$2,001,900</b>	<b>\$1,866,200</b>	<b>\$1,880,100</b>	
\$1,103,721	\$1,185,250	\$81,530	7.4%	<b>Subtotal GF-GP Taxes</b>	<b>\$11,695,419</b>	<b>\$12,618,631</b>	<b>\$923,212</b>	<b>7.9%</b>	<b>\$13,341,400</b>	<b>\$13,480,200</b>	<b>\$13,705,300</b>	

continued

**Revenue Summary FY 2024-25**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: August 31, 2025**

Month-End Cash Collections Data				October Through August Cash Collections Data				Revenue Projections			
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(i)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$9,167	\$9,167	\$0	0.0%	\$14,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	92	92	0	0.0%	100	100	100
583	583	0	0.0%	Services	6,417	6,417	0	0.0%	4,200	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	12,833	12,833	0	0.0%	10,700	14,000	14,000
0	0	0	na	Investments/Interest Costs	249,399	186,109	(63,290)	-25.4%	593,300	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	9,167	9,167	0	0.0%	54,500	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	275,000	316,250	41,250	15.0%	301,200	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	82,500	121,000	38,500	46.7%	207,700	134,000	144,000
<u>\$35,925</u>	<u>\$43,175</u>	<u>\$7,250</u>	<u>20.2%</u>	<b>Total Non-Tax Revenue</b>	<u>\$644,574</u>	<u>\$661,034</u>	<u>\$16,460</u>	<u>2.6%</u>	<u>\$1,185,700</u>	<u>\$777,600</u>	<u>\$788,600</u>
\$1,139,646	\$1,228,425	\$88,780	7.8%	<b>Total GF-GP Revenue</b>	\$12,339,993	\$13,279,664	\$939,672	7.6%	\$14,527,100	\$14,257,800	\$14,493,900
<b>School Aid Fund</b>											
\$399,525	\$393,661	(\$5,864)	-1.5%	Sales Tax 4%	\$3,980,414	\$4,010,345	\$29,931	0.8%	\$4,352,100	\$4,347,900	\$4,403,800
306,068	309,358	3,291	1.1%	Sales Tax 2%	3,073,547	3,151,167	77,620	2.5%	3,405,700	3,409,600	3,456,300
77,086	90,980	13,894	18.0%	Use Tax 2%	839,963	836,416	(3,547)	-0.4%	940,200	991,400	926,500
238,422	264,175	25,753	10.8%	State Education Property Tax	2,026,139	2,304,256	278,117	13.7%	2,756,800	2,812,600	2,880,000
41,426	47,616	6,190	14.9%	Real Estate Transfer Tax	363,375	398,434	35,060	9.6%	404,500	385,000	424,500
90,000	80,000	(10,000)	-11.1%	Lottery Transfer (b)	931,981	903,577	(28,404)	-3.0%	1,249,000	1,270,000	1,155,000
9,023	8,607	(417)	-4.6%	Casino Wagering Tax	92,990	95,727	2,736	2.9%	500,700	499,000	579,200
7,345	7,124	(220)	-3.0%	Liquor Excise Tax	63,857	61,830	(2,027)	-3.2%	75,500	78,500	80,900
25,106	22,913	(2,193)	-8.7%	Cigarette/Tobacco Tax	248,231	228,427	(19,803)	-8.0%	229,800	235,700	214,600
3,753	3,887	134	3.6%	Indus. & Comm. Facilities Taxes	44,772	44,579	(193)	-0.4%	53,700	45,000	50,000
8,745	4,958	(3,787)	-43.3%	Specific Other	23,287	20,225	(3,062)	-13.1%	143,800	149,700	142,500
242,781	259,811	17,031	7.0%	Income Tax Earmarking	3,446,630	3,709,389	262,759	7.6%	3,962,600	3,922,500	4,231,900
<u>\$1,449,278</u>	<u>\$1,493,091</u>	<u>\$43,813</u>	<u>3.0%</u>	<b>Total School Aid Fund</b>	<u>\$15,135,186</u>	<u>\$15,764,372</u>	<u>\$629,186</u>	<u>4.2%</u>	<u>\$18,074,500</u>	<u>\$18,146,900</u>	<u>\$18,545,200</u>
<b>Multi-Fund Revenue Summary</b>											
\$971,942	\$965,459	(\$6,483)	-0.7%	Sales Tax 6%	\$9,707,571	\$9,835,075	\$127,504	1.3%	\$10,577,100	\$10,588,800	\$10,728,800
665,874	656,101	(9,774)	-1.5%	Sales Tax 4% (d)	6,634,023	6,683,908	49,884	0.8%	7,171,400	7,179,200	7,272,500
306,068	309,358	3,291	1.1%	Sales Tax 2%	3,073,547	3,151,167	77,620	2.5%	3,405,700	3,409,600	3,456,300
231,258	272,941	41,683	18.0%	Use Tax 6% (g)	2,519,889	2,509,249	(10,640)	-0.4%	2,765,100	2,869,400	2,749,800
14,600	14,601	1	0.0%	Recreational Marihuana	292,162	294,678	2,516	0.9%	315,000	347,700	322,100
62,144	56,715	(5,429)	-8.7%	Tobacco Taxes	614,432	565,414	(49,018)	-8.0%	667,900	676,800	629,000
0	4	4	na	Tobacco Settlement	242,986	187,660	(55,326)	-22.8%	na	na	na

*continued*

**Revenue Summary FY 2024-25**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: August 31, 2025**

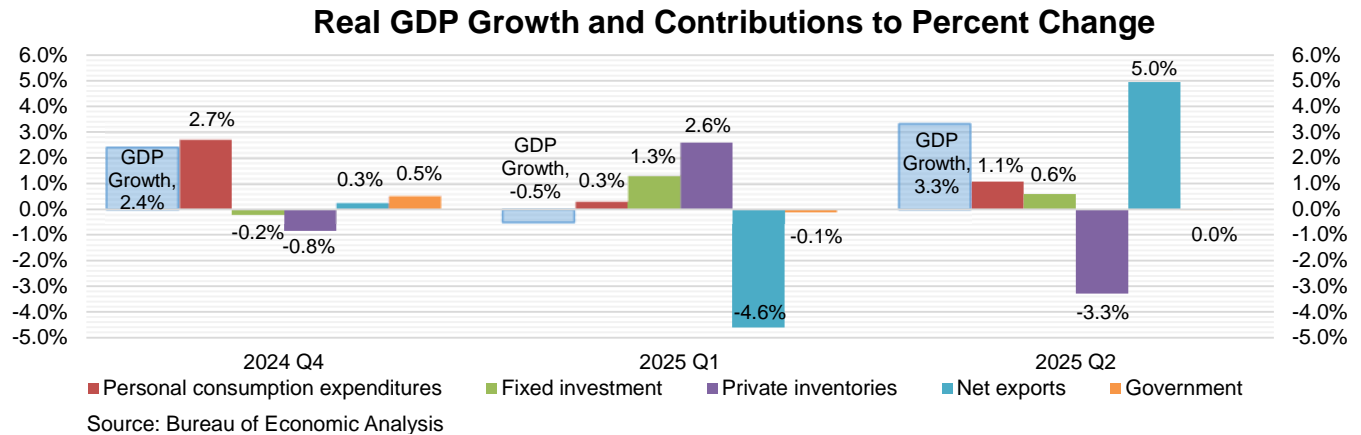
Month-End Cash Collections Data				October Through August Cash Collections Data				Revenue Projections			
August		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(i)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
<b>Major Transportation Revenues</b>											
\$24,230	\$23,461	(\$769)	-3.2%	Diesel Fuel / Motor Carrier Fuel Tax	\$246,119	\$257,731	\$11,612	4.7%	\$272,400	\$279,000	\$279,000
116,986	126,165	9,179	7.8%	Gasoline	1,156,744	1,211,234	54,490	4.7%	1,282,800	1,297,000	1,303,000
114,707	118,433	3,726	3.2%	Motor Vehicle Registration	1,379,689	1,462,844	83,155	6.0%	1,490,400	1,585,000	1,532,000
5,892	3,824	(2,069)	-35.1%	Other Taxes, Fees & Misc.	49,328	48,872	(457)	-0.9%	382,200	379,471	378,287
11,650	10,417	(1,233)	-10.6%	Comprehensive Transportation (c)	126,968	114,583	(12,385)	-9.8%	193,100	186,147	185,447
50,000	50,000	0	0.0%	Income Tax Earmarking	550,000	550,000	0	0.0%	600,000	600,000	600,000
<u>\$323,466</u>	<u>\$332,299</u>	<u>\$8,833</u>	<u>2.7%</u>	<b>Total Major Trans. Revenues</b>	<u>\$3,508,848</u>	<u>\$3,645,264</u>	<u>\$136,416</u>	<u>3.9%</u>	<u>\$4,220,900</u>	<u>\$4,326,618</u>	<u>\$4,277,734</u>
<b>Lottery Sales By Games</b>											
\$189,453	\$183,958	(\$5,495)	-2.9%	Instant Games (f)	\$2,260,504	\$2,179,990	(\$80,514)	-3.6%	na	na	na
70,275	76,526	6,250	8.9%	Daily Games	874,449	858,557	(15,893)	-1.8%	na	na	na
32,169	41,874	9,705	30.2%	Lotto and Big Game (f)	467,231	361,225	(106,006)	-22.7%	na	na	na
520	520	(0)	0.0%	Keno Game	6,543	6,472	(71)	-1.1%	na	na	na
2,978	2,912	(66)	-2.2%	Lucky For Life	36,182	34,430	(1,752)	-4.8%	na	na	na
10,121	11,929	1,808	17.9%	Other (f)	69,509	127,733	58,225	83.8%	na	na	na
49,768	39,404	(10,364)	-20.8%	Club Games	603,617	505,899	(97,718)	-16.2%	na	na	na
<u>\$355,285</u>	<u>\$357,122</u>	<u>\$1,837</u>	<u>0.5%</u>	<b>Total Lottery Sales</b>	<u>\$4,318,035</u>	<u>\$4,074,306</u>	<u>(\$243,729)</u>	<u>-5.6%</u>	<u>na</u>	<u>na</u>	<u>na</u>

- (a) GF-GP Sales has been adjusted based on Comprehensive Transportation Fund, Health Initiative, Constitutional Revenue Sharing, and Aviation Fund. GF-GP Use has been adjusted based on Aviation Fund.
- (b) The statutory estimate does not include an estimate of lottery sales. It only includes an estimate of the School Aid Fund transfer. The transfers shown are actual transfers from Lottery to School Aid Fund.
- (c) The Comprehensive Transportation Fund distributions have been estimated (includes sales tax transfer and other miscellaneous revenues dedicated to the Comprehensive Transportation Fund).
- (d) 2% collections adjusted to reflect exemption on residential utilities.
- (e) Non-tax revenue items other than interest are estimates.
- (f) Lottery Sales include iLottery net win amounts; and Other lottery games includes the new Fast Cash games, which began in July 2017.
- (g) Gross Use tax collections include the transferred amounts to the Local Community Stabilization Authority, which are front-loaded at the beginning of the fiscal year. The year-to-date 2024 revenues were \$514.9 million and the year-to date 2025 revenues are \$522.3 million. Per 2014 Public Act 80, the total fiscal year 2024 Local Community Stabilization Share (LCSS) was \$561.7 million and the total fiscal year 2025 LCSS is \$569.8 million.
- (h) General Fund Use tax collections are net of LCSS revenue. The year-to-date 2024 LCSS revenues were \$514.9 million and the year-to-date 2025 LCSS revenues are \$522.3 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

**Economic Highlights**  
**(All data seasonally adjusted unless otherwise noted.)**  
**U.S. Economy**

U.S. real **Gross Domestic Product** increased at a 3.3 percent annual rate in the second quarter of 2025, according to the second estimate released by the Bureau of Economic Analysis, up from the -0.5 percent annual rate in the first quarter of 2025. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

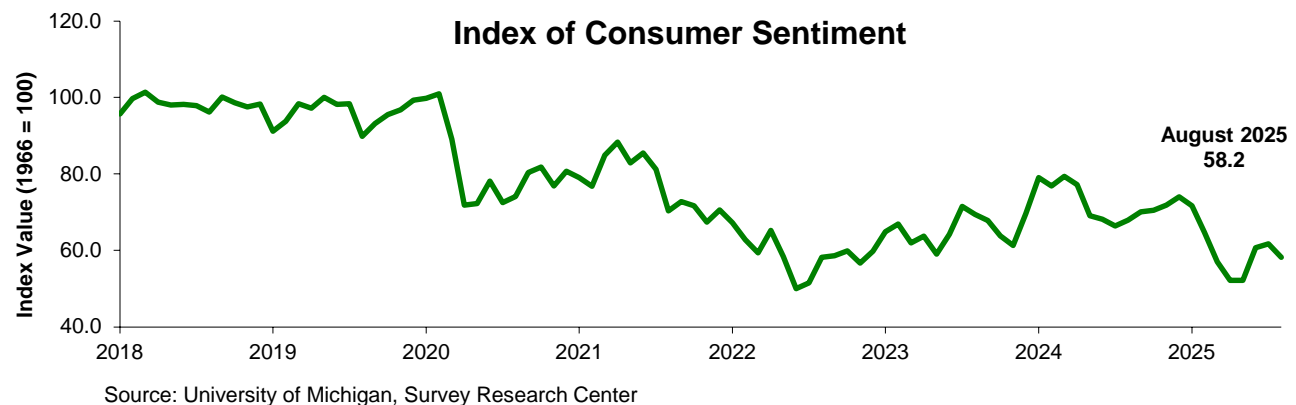


Net exports and consumer spending drove the increase in GDP in the second quarter of 2025, offsetting the decline in private inventories. Real final sales increased by 6.8 percent in the second quarter, while the implicit price deflator increased by 2.0 percent in the same period.

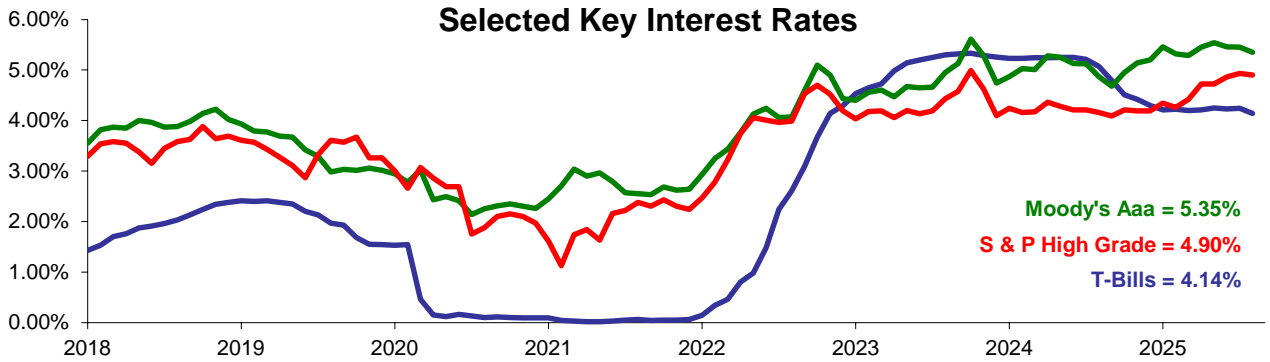
**U.S. wage and salary employment** increased by 22,000 jobs in August to total employment of 7.2 million, or 4.8 percent above its February 2020 pre-pandemic level. In August, the sectors with the largest employment increases include private education and health services with a gain of 46,000 jobs, leisure and hospitality with an increase of 28,000 jobs, and other services with 12,000 additional jobs. The largest employment declines in August were observed in the professional and business services sector with 17,000 jobs lost, government with a decrease of 16,000 jobs, and manufacturing with 12,000 fewer jobs.

In August, the **U.S. unemployment rate** increased to 4.3 percent, 0.1 percentage points higher than the prior month rate. Civilian employment increased 288,000 to 163.4 million. The number of unemployed increased 148,000 from July, to 7.4 million. The labor force participation rate edged up to 62.3 percent, 1.0 percentage point below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** decreased to 58.2 in August, 3.5 index-points lower than the prior month. This month's decrease was visible across groups by age, income, and stock wealth. Consumer sentiment is 9.7 index-points below the year-ago level.



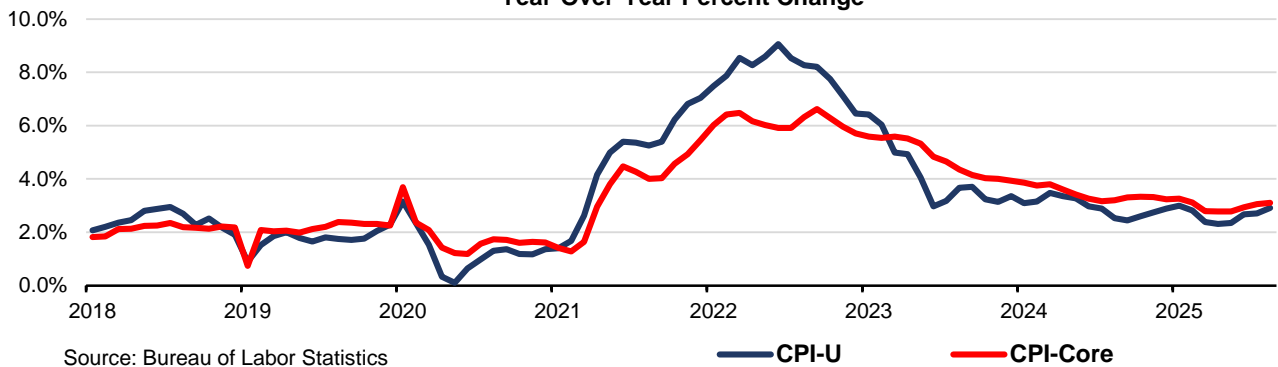
Short-term **interest rates** decreased by 10 basis points in August (where one basis point equals one-hundredth of one percent) to a 3-month Treasury bill (T-bill) rate of 4.14 percent. The T-bill rate is 93 basis points lower than the 5.07 percent rate in August 2024. The Aaa corporate bond rate decreased by 10 basis points in August to an interest rate of 5.35 percent, up 48 basis points from a year ago. The interest rate on S&P high-grade municipal bonds decreased to 4.90 percent in August, down 3 basis points from the prior month's rate, and 74 basis points higher than a year ago.



Source: Economic Indicators

**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), were up 2.9 percent from August 2024 to August 2025, up 0.2 percentage points from July's rate. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 3.1 percent year-over-year in August, unchanged from the prior month's rates. CPI-U and CPI-Core data are not seasonally adjusted.

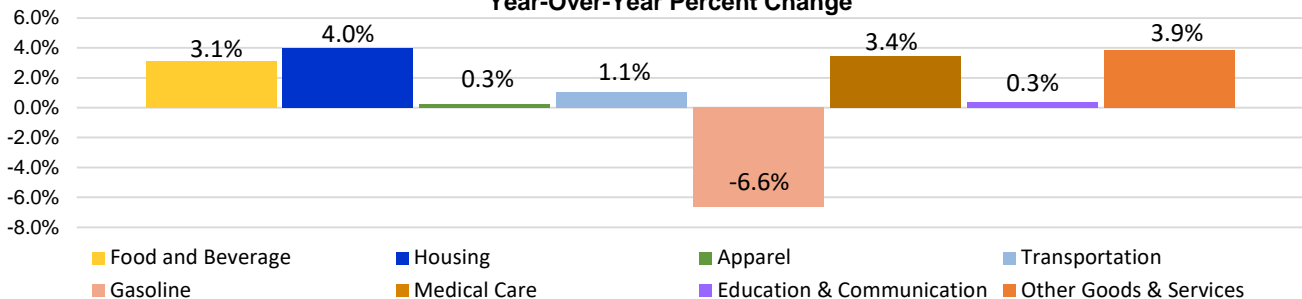
### U.S. Consumer Price Index from 2018 to 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

In August, housing exhibited the largest year-over-year price increase at 4.0 percent, followed by other goods and services with an increase of 3.9 percent, medical care with a 3.4 percent increase, and food and beverage with a 3.1 percent increase. Gasoline experienced a year-over-year price decline of 6.6 percent in August. These sector data are seasonally adjusted.

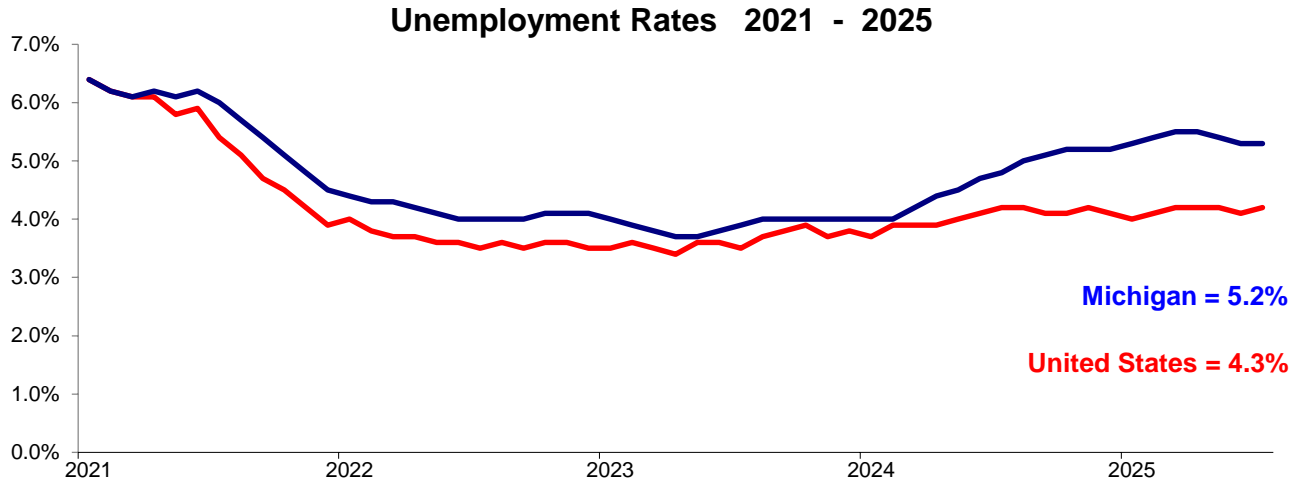
### Consumer Price Index, August 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

## Michigan Economy

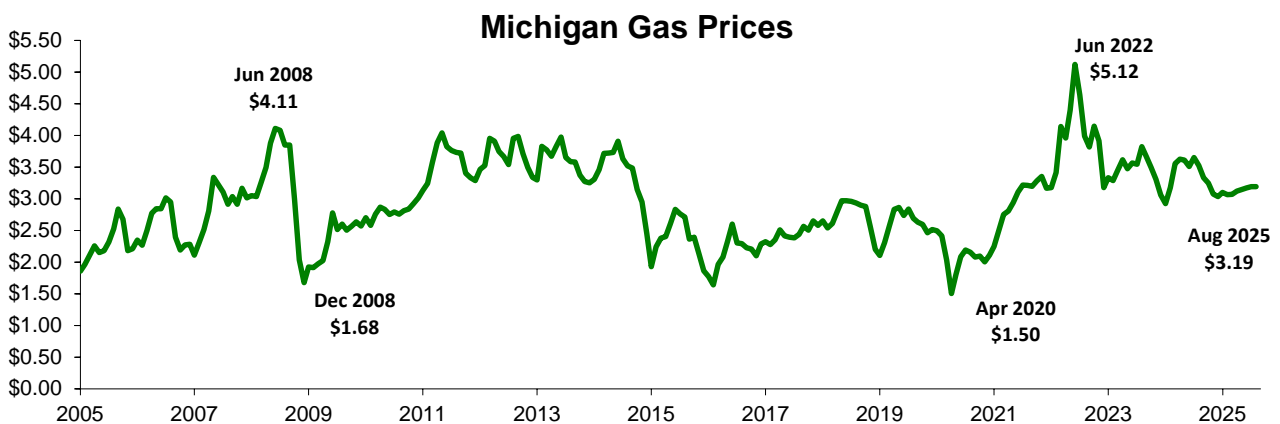
The **Michigan jobless rate** was 5.2 percent in August, down 0.1 percentage points from July. The national unemployment rate was 4.3 percent in August, 0.1 percentage points above the prior month's rate. Michigan's August unemployment rate is 0.2 percentage points higher than a year ago.



Source: Bureau of Labor Statistics and Michigan Department of Technology, Management & Budget

**Michigan wage and salary employment** increased by 5,000 in August from the prior month to a total of 4.5 million jobs. Compared to last year, employment in August was up 44,000 jobs, or 1.0 percent from August 2024. The sectors with employment increases in August were professional and business services with a gain of 4,000 jobs, private education and health services with 2,000 additional jobs, while government, financial activities, leisure and hospitality, and trade, transportation and utilities services tied with an increase of 1,000 jobs each. Employment declines were observed in construction, and manufacturing services in August, with 2,000 fewer jobs in each sector.

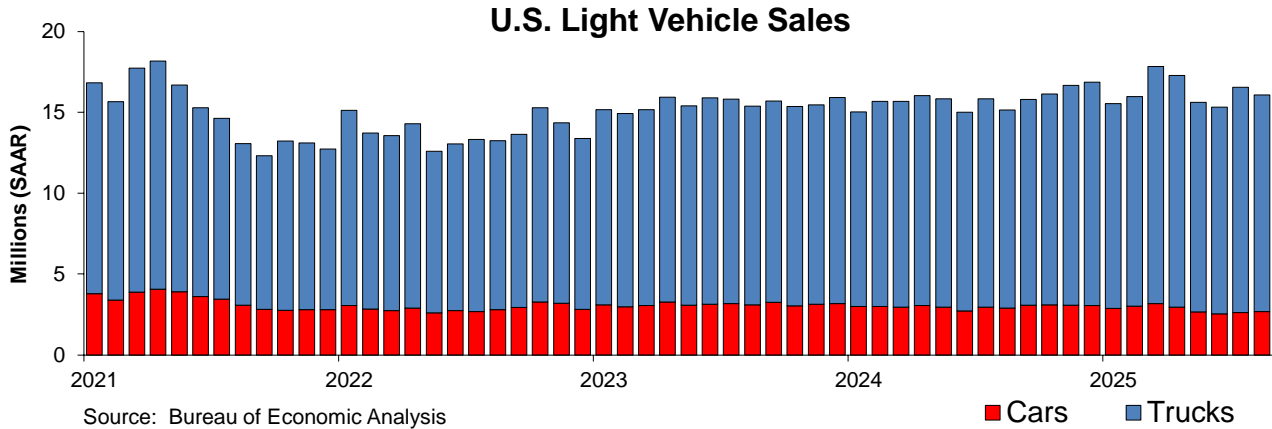
**Michigan gasoline prices** in August were unchanged at \$3.19 per gallon from the prior's month average. Year-over-year gasoline prices were 33.4 cents per gallon lower than in August 2024. Diesel prices were \$3.72 per gallon in August, basically flat from July's average of \$3.71 per gallon. Diesel prices were down 11.4 cents per gallon from the August 2024 average price of \$3.83 per gallon.



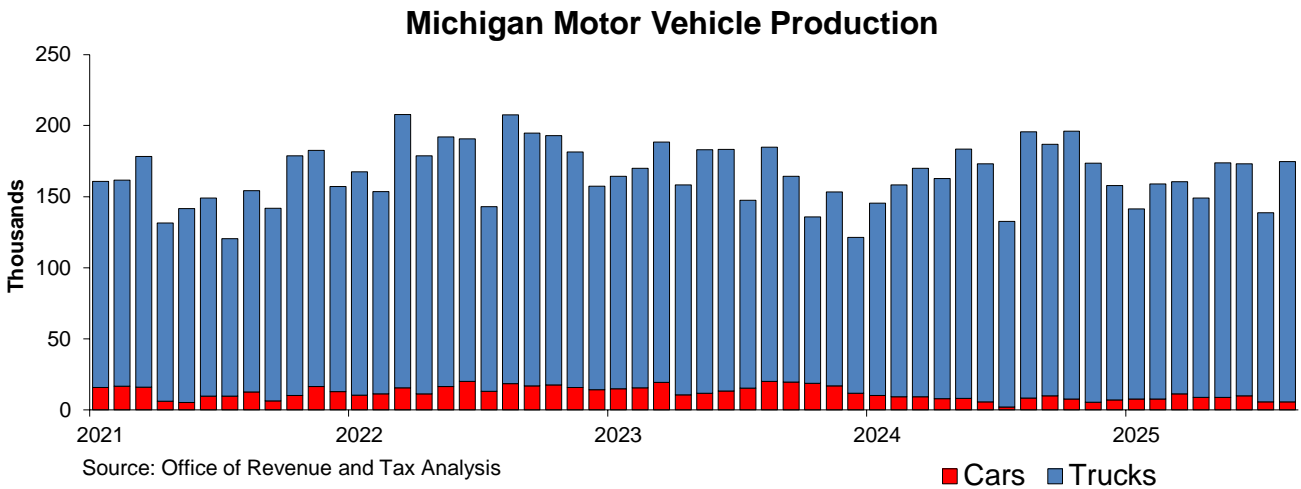
Source: AAA Michigan

## Motor Vehicle Sector

**U.S. light vehicle sales** (cars and light trucks) decreased by 2.9 percent in August from July, selling at a 16.1 million unit seasonally adjusted annual rate. Domestic car sales increased 1.2 percent while light truck sales decreased 2.3 percent from July. Import car sales increased 3.8 percent while import light truck sales decreased 9.4 percent from July. Compared to August 2024, light vehicle sales were up 6.2 percent. Domestic car sales decreased 8.1 percent while light truck sales increased 12.5 percent from the year ago levels. August import car sales decreased 6.6 percent while import light truck sales decreased 1.5 percent from last year. Domestic light vehicles recorded a 78.1 percent share of August 2025 sales, up from the 76.1 percent share registered in August 2024.



**Michigan motor vehicle production** increased in August to 174,692 units, 26.0 percent higher than July's production, and 10.7 percent lower than its year ago level. Nationally, motor vehicle production also increased in August to 950,060 total units, or 23.8 percent higher than the prior month, but below its year ago level by 4.0 percent. From July to August, Michigan's car production increased from 5,597 units to 5,699, while the State's truck production increased from 133,086 units to 168,993. Michigan motor vehicle production data are not seasonally adjusted.



**Summary Estimates of the Constitutional Revenue Limit  
Based on the May 16, 2025 Consensus Revenue Agreement  
(Article IX, Section 26)  
(in millions)**

	<b>Fiscal Year 2023-24 Actual</b>	<b>Fiscal Year 2024-25 Estimate</b>	<b>Fiscal Year 2025-26 Estimate</b>
Applicable Calendar Year Personal Income	\$572,325	\$613,719	\$641,085
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$54,313.6</u>	<u>\$58,241.9</u>	<u>\$60,839.0</u>
Revenue Limit	\$54,313.6	\$58,241.9	\$60,839.0
State Revenue Subject to Limit	<u>\$46,090.3</u>	<u>\$45,089.8</u>	<u>\$46,194.9</u>
<b>Amount Under (Over) Limit</b>	<b>\$8,223.4</b>	<b>\$13,152.1</b>	<b>\$14,644.1</b>

Sources:

Personal Income Estimate

The FY 2023-24 calculation uses the official personal income estimate from the Bureau of Economic Analysis  
The FY 2024-25 calculation uses the May 16, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the May 16, 2025 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2023-24 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2024  
The FY 2024-25 calculation uses the May 16, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the May 16, 2025 Consensus Revenue Agreement.

Column detail may not add to totals due to rounding

Prepared By: Office of Revenue and Tax Analysis, Michigan Department of Treasury