



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

January 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 December 31, 2024. 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 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
December 31, 2024
(\$ in millions)

	FISCAL 2025
Beginning Balance	\$ 1,901.7
Revenues	
Ongoing:	
May 2024 Consensus Revenue	\$ 14,257.8
Local Government Program Payments	\$ (552.2)
Public Safety Trust Fund	\$ (75.0)
Revenue Sharing Trust Fund	\$ (75.0)
Subtotal Ongoing Revenue	\$ 13,555.6
One-Time:	
One-time Revenue Adjustments	\$ 51.9
Subtotal One-Time Revenue	\$ 51.9
Total Revenue	\$ 13,607.5
Expenditures	
Ongoing:	
Public Acts 120 and 121 of 2024	\$ 13,605.7
Community District Trust Fund	\$ 70.2
Subtotal Ongoing Expenditures	\$ 13,675.9
One-Time:	
Public Acts 120 and 121 of 2024	\$ 1,269.8
Subtotal One-Time Expenditures	\$ 1,269.8
Total Expenditures	\$ 14,945.7
Ending Balance	\$ 563.5

¹ This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2024. Final year-end activity will be reflected in the fiscal year 2024 Annual Comprehensive Financial Report.

SCHOOL AID FUND
Fiscal Year 2025
Projected Revenues and Expenditures
December 31, 2024
(\$ in millions)

	FISCAL 2025
Beginning Balance	\$ 404.3
Revenues	
Ongoing:	
May 2024 Consensus Forecast	\$ 18,146.9
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
Subtotal Ongoing Revenue	\$ 20,510.7
One-Time:	
General Fund	\$ 28.9
General Fund - Community District Trust Fund Revenue Deposit	\$ 70.2
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
Subtotal One-Time Revenue	\$ 789.2
Total Revenue	\$ 21,299.9
Expenditures	
Ongoing:	
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
Subtotal Ongoing Expenditures	\$ 20,368.7
One-Time:	
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
Subtotal One-Time Expenditures	\$ 1,325.0
Total Expenditures	\$ 21,693.7
Ending Balance	\$ 10.5

¹ This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2024. Final year-end activity will be reflected in the fiscal year 2024 Annual Comprehensive Financial Report.

² Legislation will be effective the 91st day after the final adjournment of the 2024 Regular Session.

SUMMARY OF EXPENDITURES AND ENCUMBRANCES
GENERAL FUND - ALL PURPOSE
December 31, 2024
(\$ 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 (2)	Total Authorization	Expenditures & Encumbrances Year to Date FY 2025
46.9	172.4	Agriculture and Rural Development	156.9	5.2	172.7	334.9	44.4
38.0	131.8	Attorney General	127.3	0.0	47.0	174.2	30.3
128.5	702.5	Capital Outlay (3)	523.8	0.0	3,507.1	4,030.9	189.5
3.9	23.4	Civil Rights	29.2	2.0	15.5	46.6	6.0
481.3	1,995.3	Colleges and Universities	2,193.1	0.0	183.8	2,376.9	581.7
679.6	2,079.1	Corrections	2,137.2	0.0	572.5	2,709.7	644.5
178.7	843.0	Education	232.3	0.0	824.8	1,057.1	88.8
199.9	1,557.6	Environment, Great Lakes, and Energy	976.8	0.0	4,477.4	5,454.3	186.9
2.7	9.4	Executive Office	9.3	0.0	0.2	9.6	2.8
7,911.1	36,267.6	Health and Human Services	37,582.3	0.0	4,644.5	42,226.7	8,782.9
23.2	72.6	Insurance and Financial Service	78.6	1.2	0.8	80.6	17.8
60.4	335.9	Judiciary	373.4	0.0	178.0	551.5	64.4
639.3	2,059.4	Labor and Economic Opportunity	1,141.2	553.5	5,420.9	7,115.6	435.4
6.7	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	6.5
46.7	186.3	Legislature	196.7	0.0	249.5	446.2	44.9
228.0	621.2	Licensing and Regulatory Affairs	608.4	82.9	229.5	920.8	249.2
0.0	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	11.1	665.4	220.6
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
421.9	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	198.3
37.8	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
62.7	125.4	Military and Veterans Affairs	120.9	15.5	16.9	153.3	56.8
58.3	214.6	Natural Resources	161.7	5.0	138.6	305.2	89.1
71.7	286.6	State	291.8	10.2	139.0	441.0	66.3
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
267.4	1,038.4	State Police	951.2	99.9	851.9	1,903.0	273.1
159.7	1,152.2	Technology, Management and Budget (4)	542.9	1,290.0	908.0	2,740.9	142.7
45.1	67.7	Transportation	36.6	552.0	70.4	659.0	31.9
922.6	5,057.3	Treasury	2,604.5	154.4	551.8	3,310.7	832.1
\$12,721.9	\$55,685.0		\$52,062.2	\$2,771.8	\$23,259.5	\$78,093.4	\$13,333.8

(1) Includes boilerplate appropriations.

(2) Carryforward amounts do not include authorization related to amounts appropriated for the fiscal year 2024. Entry of these amounts is expected in January 2025 and February 2025.

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

(4) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS
TO LOCAL UNITS OF GOVERNMENT
Fiscal Year 2025
December 31, 2024
(\$ in millions)**

	INITIAL APPROPRIATIONS	EXEC. ORDER and SUPPLEMENTALS	TOTAL APPROPRIATIONS YEAR-TO-DATE
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
Surplus/(deficit)	\$1,997.7	\$0.0	\$1,997.7

STATE OF MICHIGAN
YEAR-TO-DATE BALANCE SHEET
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
December 31, 2024
(\$ in thousands)

ASSETS

Current Assets:		
Equity in common cash	\$	1,996,518
Total Assets	\$	1,996,518

LIABILITIES

Current Liabilities:		
Total Current Liabilities	\$	-
Total Liabilities		-

FUND BALANCES

Committed		1,996,518
Total Fund Balances		1,996,518
Total Liabilities and Fund Balances	\$	1,996,518

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

REVENUES

Miscellaneous	\$ -
	<hr/>
Total Revenues	-
	<hr/>

EXPENDITURES

Current:	
General government	-
	<hr/>
Total Expenditures	-
	<hr/>
Excess of Revenues over (under) Expenditures	-
	<hr/>

OTHER FINANCING SOURCES (USES)

Transfers from other funds	-
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	-
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ - ¹
	<hr/> <hr/>

¹ 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

December 31, 2024

(\$ in thousands)

ASSETS

Current Assets:

Equity in common cash	\$ 63,424
Investments	-
Other current assets	-
Total Current Assets	<u>63,424</u>

Noncurrent Assets:

Investments	<u>781,389</u>
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Total Assets	<u><u>\$ 844,813</u></u>
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LIABILITIES

Current Liabilities:

Accounts payable and other liabilities	\$ 8,127
Amounts due to other funds	-
Total Current Liabilities	<u>8,128</u>

Total Liabilities	<u>8,128</u>
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FUND BALANCES

Nonspendable	500,000
Restricted	<u>336,685</u>

Total Fund Balances	<u>836,685</u>
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Total Liabilities and Fund Balances	<u><u>\$ 844,813</u></u>
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STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
MICHIGAN NATURAL RESOURCES TRUST FUND
October 1, 2024 through December 31, 2024
(\$ in thousands)

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		27,409
		27,409
Total Revenues		27,409

EXPENDITURES

Current:		
General government		397
Conservation, environment, recreation, and agriculture		4,150
Capital outlay		1,273
		5,820
Total Expenditures		5,820
Excess of Revenues over (under) Expenditures		21,589

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		-
Transfers from other funds		-
Transfers to other funds		-
		-
Total Other Financing Sources (Uses)		-
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 21,589 ¹

¹ Balance does not reflect closing adjustments such as accounts receivable, accounts payable, etc.

REVENUE OVERVIEW

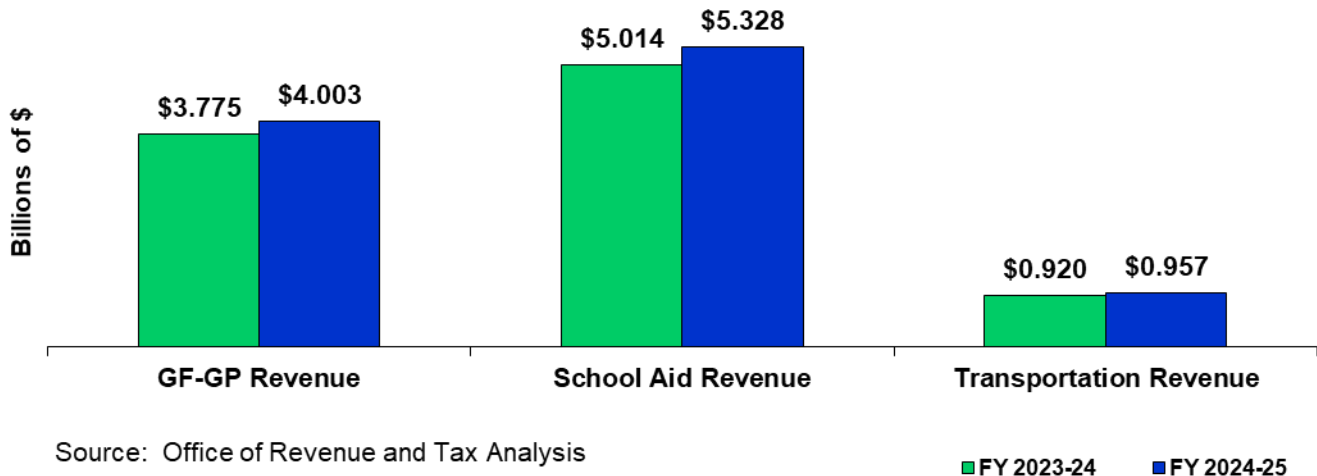
Office of Revenue and Tax Analysis
Michigan Department of Treasury

This Monthly Financial Report to the Legislature presents the Michigan State government's economic situation and cash collections for December 2024, representing some November and some December economic activity in Michigan.

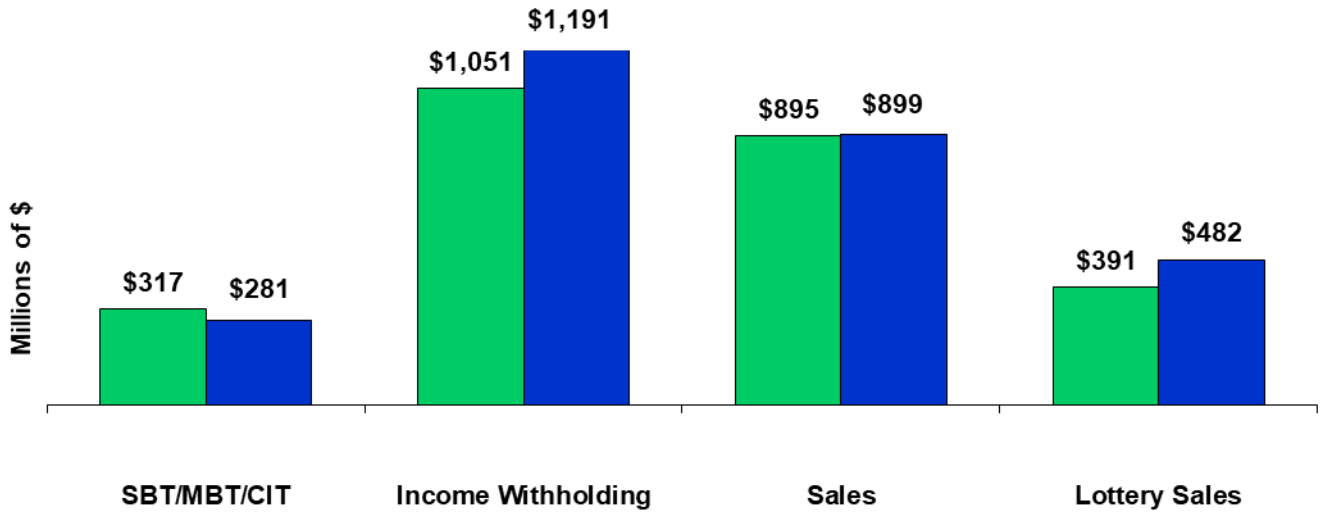
Total General Fund - General Purpose (GF-GP) cash collections were \$83.9 million (5.3 percent) higher in December 2024 than in December 2023. The December 2024 School Aid Fund cash collections were \$37.4 million (2.9 percent) higher than in December 2023. December 2024 transportation collections were \$11.8 million (4.0 percent) higher than in December 2023 (see revenue summary table). December is the third 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 \$227.8 million (6.0 percent) from a year ago. School Aid Fund cash collections are up \$313.4 million (6.3 percent), and transportation collections are up \$37.3 million (4.1 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 17, 2024. The revenue estimate for net GF-GP revenue for FY 2024-25 is \$14,257.8 million and the net School Aid revenue forecast is \$18,146.9 million. The Transportation Funds revenue forecast is \$4,326.6 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

October through December Collections FY 2023-24 and FY 2024-25



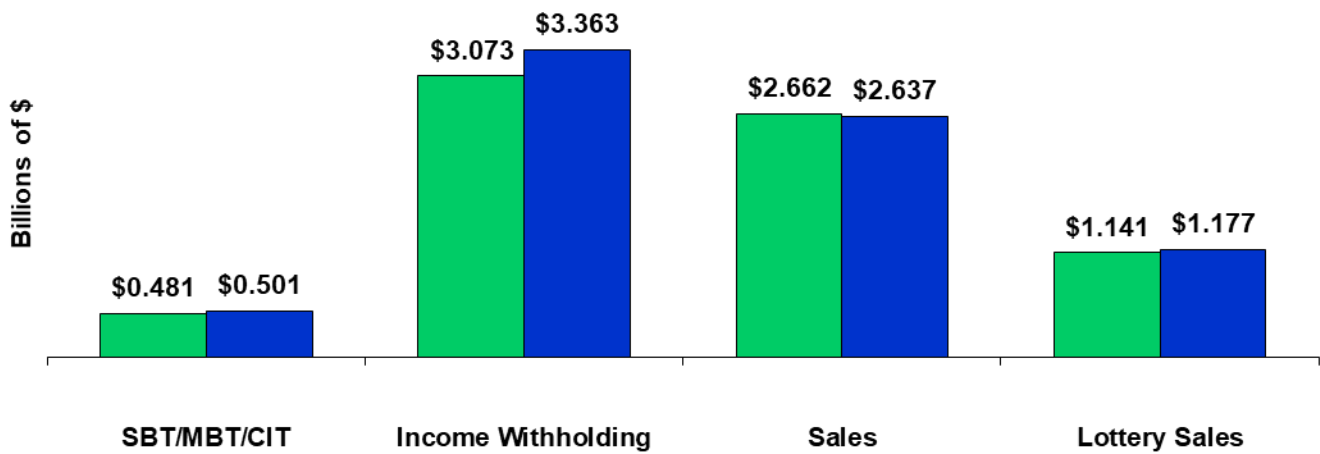
December Revenue Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

October through December 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: December 31, 2024

Month-End Cash Collections Data				October Through December Cash Collections Data					Revenue Projections		
December		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2023	2024	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	May 2024 Forecast
Income Taxes											
\$1,051,031	\$1,191,487	\$140,456	13.4%	Withholding	\$3,072,788	\$3,363,001	\$290,213	9.4%	\$12,581,900	\$12,997,800	\$12,997,800
57,497	68,620	11,123	19.3%	Quarterlies	103,695	117,016	13,321	12.8%	999,000	1,010,700	1,010,700
155,134	184,501	29,367	18.9%	Flow Through Entity Tax	146,689	133,600	(13,089)	-8.9%	972,800	1,014,800	1,014,800
22,159	19,964	(2,195)	-9.9%	Annuals	145,461	130,771	(14,689)	-10.1%	1,152,500	1,268,900	1,268,900
\$1,285,821	\$1,464,573	\$178,751	13.9%	Gross Collections	\$3,468,632	\$3,744,388	\$275,756	7.9%	\$15,706,200	\$16,292,200	\$16,292,200
36,039	40,232	4,193	11.6%	Less: Refunds	187,513	206,906	19,393	10.3%	3,317,000	3,251,700	3,251,700
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$1,249,782	\$1,424,341	\$174,559	14.0%	Net Personal Income	\$3,281,119	\$3,537,482	\$256,363	7.8%	\$12,388,400	\$13,039,700	\$13,039,700
50,000	50,000	0	0.0%	Less: Disbursements to MTF	150,000	150,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	17,250	17,250	0	0.0%	69,000	69,000	69,000
306,025	348,713	42,688	13.9%	Less: Disbursements to SAF	825,756	891,532	65,775	8.0%	3,785,700	3,922,500	3,922,500
\$888,007	\$1,019,877	\$131,870	14.9%	Net Personal Income To GF-GP	\$2,288,113	\$2,478,700	\$190,587	8.3%	\$7,933,700	\$8,448,200	\$8,448,200
Consumption Taxes											
\$141,846	\$142,599	\$753	0.5%	Sales (a)	\$431,237	\$416,425	(\$14,813)	-3.4%	\$1,566,200	\$1,609,800	\$1,609,800
164,260	145,884	(18,376)	-11.2%	Use (a) (h)	277,973	290,855	12,882	4.6%	1,280,400	1,308,200	1,308,200
10,772	10,068	(704)	-6.5%	Tobacco	34,350	32,130	(2,220)	-6.5%	137,300	134,400	134,400
1,220	1,114	(107)	-8.7%	Beer, Wine & Mixed Spirits	11,973	11,616	(358)	-3.0%	46,000	47,000	47,000
7,928	6,434	(1,494)	-18.8%	Liquor Specific	15,979	16,146	167	1.0%	65,600	66,400	66,400
\$326,027	\$306,099	(\$19,928)	-6.1%	Total Consumption Taxes	\$771,513	\$767,171	(\$4,342)	-0.6%	\$3,095,500	\$3,165,800	\$3,165,800
Other Taxes											
\$1	\$3	\$3	269.0%	Single Business	\$6	\$7	\$1	11.8%	\$0	\$0	\$0
4,464	4,582	118	2.6%	Insurance Premiums Taxes	\$117,920	125,838	7,918	6.7%	523,000	541,300	541,300
4,465	4,585	120	2.7%	Sub-total SBT & Insurance	117,926	125,845	7,919	6.7%	523,000	541,300	541,300
(10,664)	(19,933)	(9,270)	-86.9%	Michigan Business Tax	(31,418)	(56,697)	(25,279)	-80.5%	(494,600)	(503,400)	(503,400)
328,106	300,999	(27,107)	-8.3%	Corporate Income Tax	512,431	557,603	45,172	8.8%	1,625,000	1,598,300	1,598,300
318	2,958	2,640	na	Telephone & Telegraph	13,297	11,036	(2,261)	-17.0%	34,000	33,000	33,000
2,470	736	(1,734)	-70.2%	Oil & Gas Severance	7,445	4,244	(3,200)	-43.0%	27,000	28,000	28,000
7,545	7,275	(270)	-3.6%	Penalties & Interest	25,745	21,225	(4,521)	-17.6%	143,000	147,000	147,000
48	35	(13)	-27.2%	Essential Services Assessment	428	1,473	1,045	244.0%	150,000	159,000	159,000
0	36	35	na	Miscellaneous Other/Railroad	256	188	(68)	-26.6%	15,000	15,000	15,000
(12,917)	(12,583)	333	2.6%	Treasury Enforcement Programs (e)	(38,750)	(37,750)	1,000	2.6%	(151,000)	(152,000)	(152,000)
\$319,371	\$284,106	(\$35,265)	-11.0%	Total Other Taxes	\$607,360	\$627,167	\$19,807	3.3%	\$1,871,400	\$1,866,200	\$1,866,200
\$1,533,405	\$1,610,082	\$76,677	5.0%	Subtotal GF-GP Taxes	\$3,666,986	\$3,873,038	\$206,052	5.6%	\$12,900,600	\$13,480,200	\$13,480,200

continued

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

For The Month Ended: December 31, 2024

Month-End Cash Collections Data				October Through December Cash Collections Data					Revenue Projections		
December		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2023	2024	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	May 2024 Forecast
Non-Tax Revenue (e)											
\$833	\$833	\$0	0.0%	Federal Aid	\$2,500	\$2,500	\$0	0.0%	\$10,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	25	25	0	0.0%	100	100	100
583	583	0	0.0%	Services	1,750	1,750	0	0.0%	7,000	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	3,500	3,500	0	0.0%	14,000	14,000	14,000
0	0	0	na	Investments/Interest Costs	0	0	0	na	550,000	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	2,500	2,500	0	0.0%	35,000	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	75,000	86,250	11,250	15.0%	298,100	292,500	292,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	22,500	33,000	10,500	46.7%	134,000	134,000	134,000
<u>\$35,925</u>	<u>\$43,175</u>	<u>\$7,250</u>	<u>20.2%</u>	Total Non-Tax Revenue	<u>\$107,775</u>	<u>\$129,525</u>	<u>\$21,750</u>	<u>20.2%</u>	<u>\$1,048,200</u>	<u>\$777,600</u>	<u>\$777,600</u>
\$1,569,330	\$1,653,257	\$83,927	5.3%	Total GF-GP Revenue	\$3,774,761	\$4,002,563	\$227,802	6.0%	\$13,948,800	\$14,257,800	\$14,257,800
School Aid Fund											
\$362,830	\$364,637	\$1,807	0.5%	Sales Tax 4%	\$1,107,344	\$1,072,817	(\$34,526)	-3.1%	\$4,307,100	\$4,347,900	\$4,347,900
289,869	291,757	1,888	0.7%	Sales Tax 2%	815,972	848,730	32,758	4.0%	3,375,800	3,409,600	3,409,600
82,130	72,942	(9,188)	-11.2%	Use Tax 2%	230,251	230,643	391	0.2%	972,900	991,400	991,400
40,841	43,761	2,920	7.1%	State Education Property Tax	1,607,287	1,856,450	249,163	15.5%	2,715,000	2,812,600	2,812,600
32,917	29,754	(3,163)	-9.6%	Real Estate Transfer Tax	105,212	107,869	2,657	2.5%	370,000	385,000	385,000
111,981	118,577	6,596	5.9%	Lottery Transfer (b)	201,981	203,577	1,596	0.8%	1,270,000	1,270,000	1,270,000
9,204	8,865	(339)	-3.7%	Casino Wagering Tax	22,898	26,495	3,597	15.7%	479,200	499,000	499,000
7,847	6,305	(1,542)	-19.7%	Liquor Excise Tax	13,722	13,204	(519)	-3.8%	77,100	78,500	78,500
21,869	20,439	(1,430)	-6.5%	Cigarette/Tobacco Tax	69,736	65,228	(4,507)	-6.5%	242,100	235,700	235,700
3,141	247	(2,894)	-92.1%	Indus. & Comm. Facilities Taxes	11,893	9,303	(2,590)	-21.8%	45,000	45,000	45,000
544	606	62	11.3%	Specific Other	2,258	1,881	(377)	-16.7%	143,600	149,700	149,700
306,025	348,713	42,688	13.9%	Income Tax Earmarking	825,756	891,532	65,775	8.0%	3,785,700	3,922,500	3,922,500
<u>\$1,269,199</u>	<u>\$1,306,604</u>	<u>\$37,405</u>	<u>2.9%</u>	Total School Aid Fund	<u>\$5,014,311</u>	<u>\$5,327,730</u>	<u>\$313,419</u>	<u>6.3%</u>	<u>\$17,783,600</u>	<u>\$18,146,900</u>	<u>\$18,146,900</u>
Multi-Fund Revenue Summary											
\$894,586	\$899,486	\$4,900	0.5%	Sales Tax 6%	\$2,661,545	\$2,636,759	(\$24,786)	-0.9%	\$10,487,300	\$10,588,800	\$10,588,800
604,717	607,728	3,012	0.5%	Sales Tax 4% (d)	1,845,573	1,788,029	(57,544)	-3.1%	7,111,500	7,179,200	7,179,200
289,869	291,757	1,888	0.7%	Sales Tax 2%	815,972	848,730	32,758	4.0%	3,375,800	3,409,600	3,409,600
246,391	218,826	(27,564)	-11.2%	Use Tax 6% (g)	690,754	691,928	1,174	0.2%	2,815,000	2,869,400	2,869,400
11,140	15,166	4,026	36.1%	Recreational Marihuana	73,603	80,994	7,391	10.0%	330,300	347,700	347,700
54,132	50,592	(3,540)	-6.5%	Tobacco Taxes	172,613	161,456	(11,157)	-6.5%	691,000	676,800	676,800
0	13	13	na	Tobacco Settlement	0	13	13	na	na	na	na

continued

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

For The Month Ended: December 31, 2024

Month-End Cash Collections Data				October Through December Cash Collections Data					Revenue Projections		
December		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2023	2024	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	May 2024 Forecast
Major Transportation Revenues											
\$22,107	\$21,972	(\$136)	-0.6%	Diesel Fuel / Motor Carrier Fuel Tax	\$69,010	\$73,935	\$4,924	7.1%	\$273,000	\$279,000	\$279,000
99,605	105,335	5,730	5.8%	Gasoline	312,288	330,086	17,797	5.7%	1,259,000	1,297,000	1,297,000
110,610	117,858	7,248	6.6%	Motor Vehicle Registration	342,782	360,718	17,935	5.2%	1,542,000	1,585,000	1,585,000
3,567	3,549	(18)	-0.5%	Other Taxes, Fees & Misc.	11,473	11,274	(199)	-1.7%	372,757	379,471	379,471
11,481	10,417	(1,065)	-9.3%	Comprehensive Transportation (c)	34,444	31,250	(3,194)	-9.3%	181,279	186,147	186,147
50,000	50,000	0	0.0%	Income Tax Earmarking	150,000	150,000	0	0.0%	600,000	600,000	600,000
<u>\$297,370</u>	<u>\$309,130</u>	<u>\$11,760</u>	<u>4.0%</u>	Total Major Trans. Revenues	<u>\$919,997</u>	<u>\$957,262</u>	<u>\$37,264</u>	<u>4.1%</u>	<u>\$4,228,036</u>	<u>\$4,326,618</u>	<u>\$4,326,618</u>
Lottery Sales By Games											
\$222,202	\$252,157	\$29,954	13.5%	Instant Games (f)	\$609,501	\$616,864	\$7,363	1.2%	na	na	na
76,375	92,005	15,630	20.5%	Daily Games	225,649	238,885	13,236	5.9%	na	na	na
37,134	64,431	27,297	73.5%	Lotto and Big Game (f)	132,036	122,729	(9,307)	-7.0%	na	na	na
567	668	102	17.9%	Keno Game	1,730	1,736	6	0.4%	na	na	na
2,992	3,737	745	24.9%	Lucky For Life	8,946	9,624	678	7.6%	na	na	na
4,739	12,860	8,122	171.0%	Other (f)	17,830	36,973	19,143	107.0%	na	na	na
47,307	56,339	9,032	19.1%	Club Games	145,504	150,555	5,051	3.5%	na	na	na
<u>\$391,316</u>	<u>\$482,199</u>	<u>\$90,882</u>	<u>23.2%</u>	Total Lottery Sales	<u>\$1,141,197</u>	<u>\$1,177,366</u>	<u>\$36,170</u>	<u>3.2%</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 \$182.5 million and the year-to date 2025 revenues are \$170.4 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 \$182.5 million and the year-to-date 2025 LCSS revenues are \$170.4 million.

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.

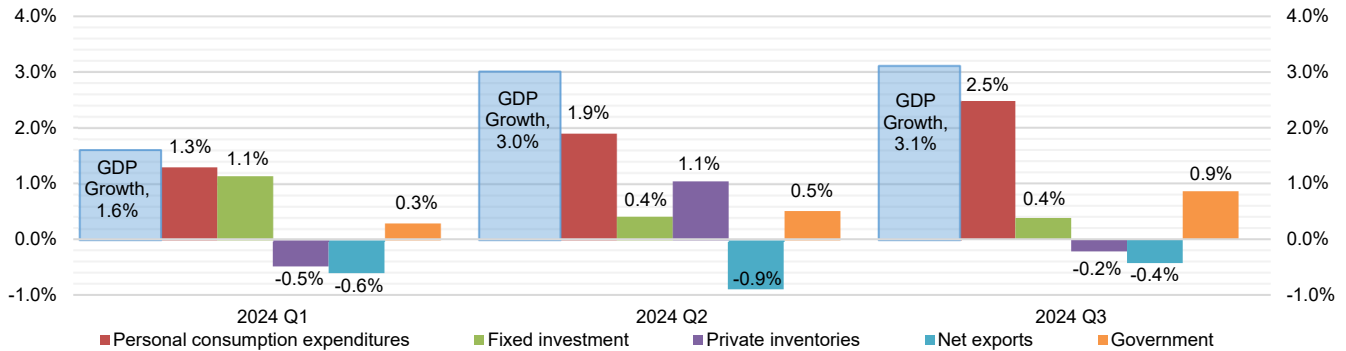
Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 3.1 percent annual rate in the third quarter of 2024, according to the “third” estimate released by the Bureau of Economic Analysis, slightly up from the 3.0 percent annual rate in the second quarter of 2024. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

Real GDP Growth and Contributions to Percent Change



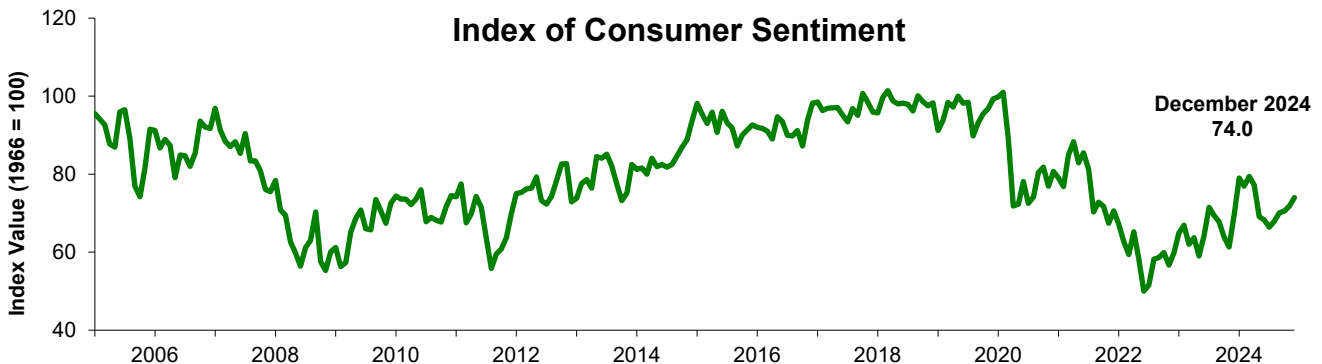
Source: Bureau of Economic Analysis

Personal consumption expenditures and government drove the increase in GDP in the third quarter of 2024, while fixed investment made a smaller contribution. Decline in net exports and private inventories reduced the third quarter GDP growth. Real final sales increased by 3.3 percent in the third quarter, while the implicit price deflator increased by 1.9 percent in the same period.

U.S. wage and salary employment increased by 256,000 jobs in December 2024, with total employment 7.2 million above the February 2020 pre-pandemic level. In December, the sectors with the largest increases in employment include private education and health services with a gain of 84,000 jobs, government with an increase of 55,000 jobs, and retail trade with 43,000 additional jobs. Employment decrease in December was observed only in the other services sector with a loss of 1,000 jobs.

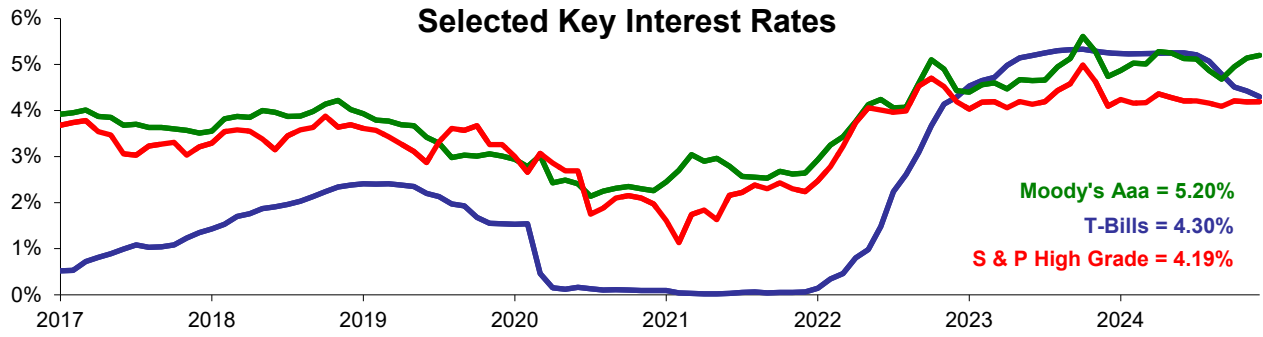
In December, the U.S. unemployment rate decreased to 4.1 percent. Civilian employment decreased to 161.2 million, down 273,000 from November. The number of unemployed decreased 235,000 from November, to 6.9 million in December. The labor force participation rate remained unchanged at 62.5 percent in December, 0.8 percentage points below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** increased to 74.0 index-points in December, up 2.2 index-points from the prior month. Consumer sentiment is 4.3 index-points below the year-ago level.



Source: University of Michigan, Survey Research Center

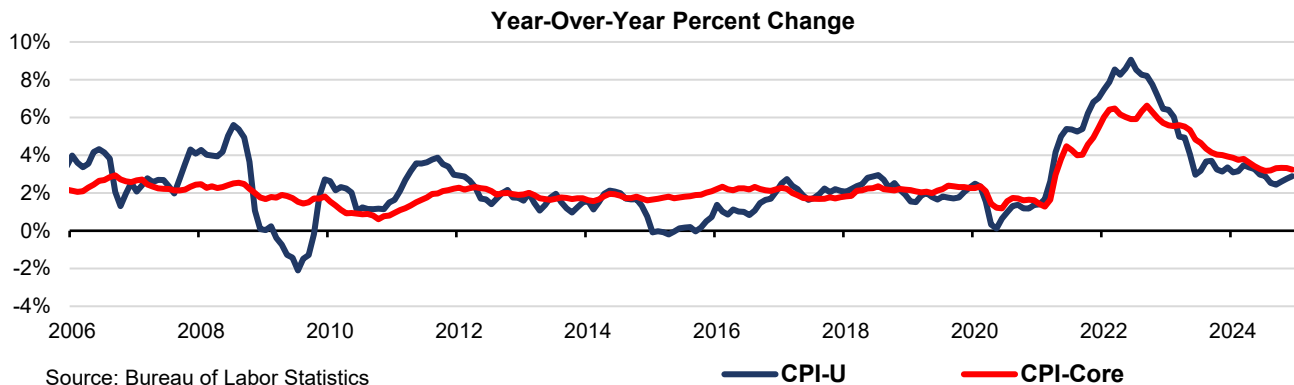
Short-term **interest rates** decreased in December, with a 3-month Treasury bill (T-bill) rate of 4.30 percent. The T-bill rate is 96 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.26 percent rate in December 2023. The Aaa corporate bond rate increased by 6 basis points in December to an interest rate of 5.20 percent, up 46 basis points from a year ago. The interest rate on S&P high-grade municipal bonds remained unchanged in December at an interest rate of 4.19 percent, up 10 basis points from 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 December 2023 to December 2024, a 0.2 percentage points increase from November's 2.7 percent. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 3.2 percent year-over-year in December, a 0.1 percentage points decrease from the prior month's rate. CPI-U and CPI-Core data are not seasonally adjusted.

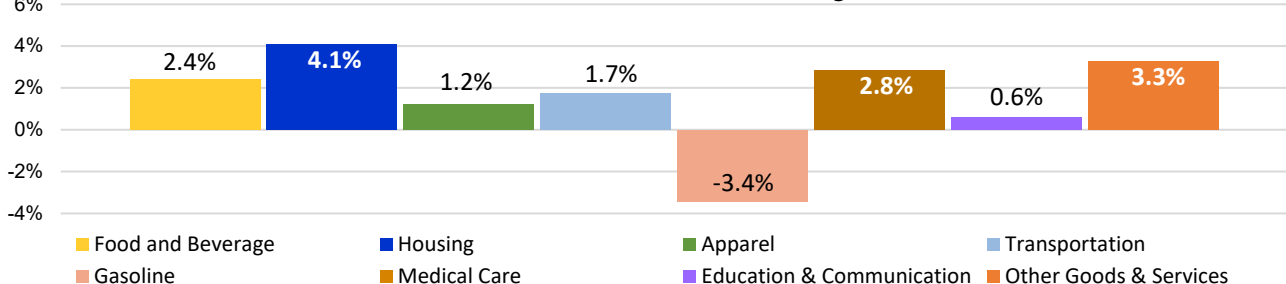
U.S. Consumer Price Index from 2006 to 2024



Source: Bureau of Labor Statistics

Housing exhibited the largest year-over-year price increase at 4.1 percent for December, followed by other goods and services with a 3.3 percent increase, and medical care with a 2.8 percent increase. Gasoline experienced a year-over-year price decline of 3.4 percent in December. These sector data are seasonally adjusted.

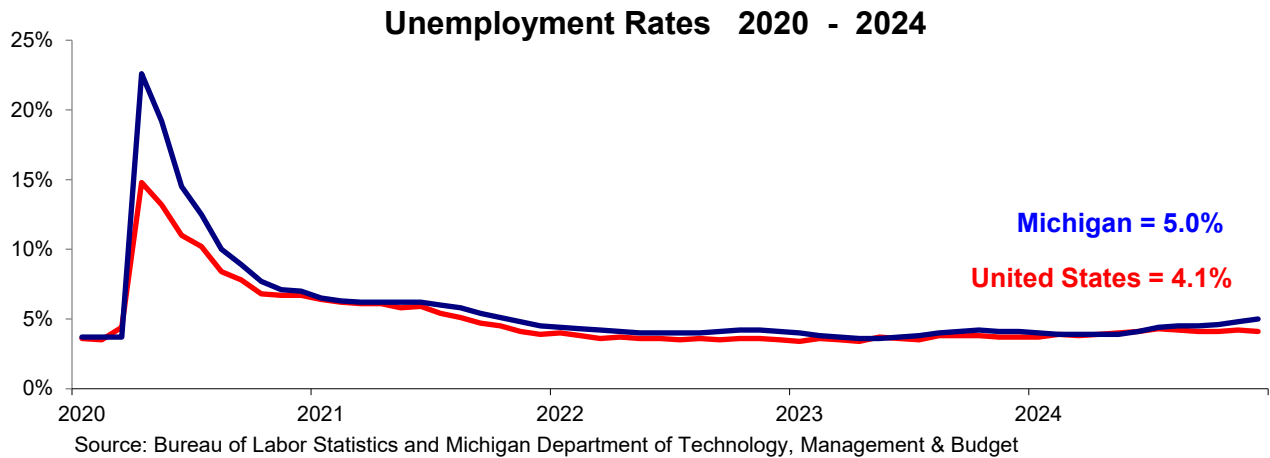
Consumer Price Index, December 2024



Source: Bureau of Labor Statistics

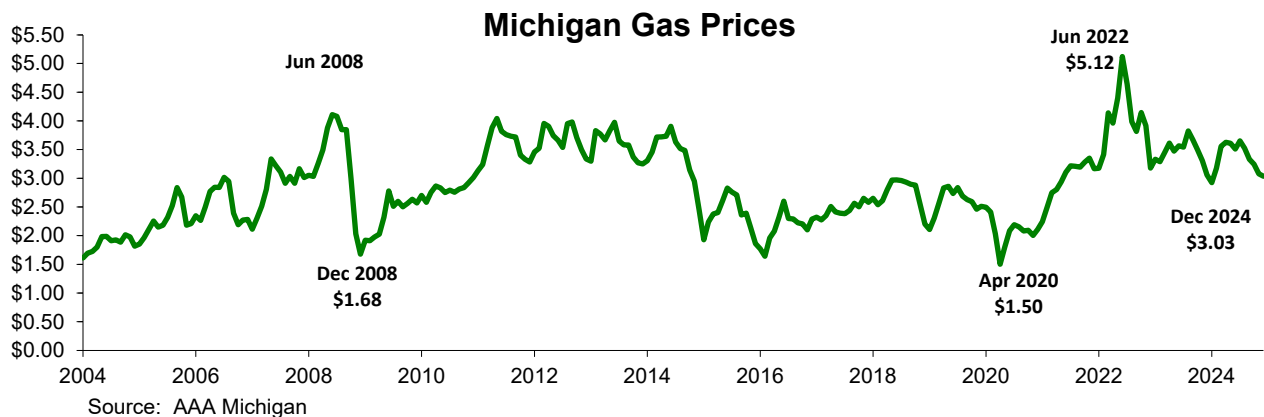
Michigan Economy

The **Michigan jobless rate** increased from the November rate of 4.8 percent to 5.0 percent in December. The national unemployment rate was 4.1 percent in December, 0.1 percentage points below November's rate. The number of employed in Michigan decreased by 11,000 from November's levels, while the number of unemployed in December increased by 8,000 from the prior month. The number of employed is 0.8 percent lower, while the number of unemployed is 21.7 percent higher than in December 2023. Michigan's unemployment rate of 5.0 percent is 1.3 percentage points higher than the February 2020 pre-pandemic rate of 3.7 percent.



Michigan wage and salary employment increased by 6,000 jobs from November to a total of 4.5 million jobs in December. Compared to last year, employment in December was up 43,000 jobs, or 1.0 percent from December 2023. The sectors with the largest employment increases in December were leisure and hospitality services with a gain of 3,000 jobs, while financial activities, private education and health services, and government tied with an increase of 2,000 jobs each. Employment losses in December were observed in manufacturing with 2,000 jobs lost, and construction services with 1,000 fewer jobs.

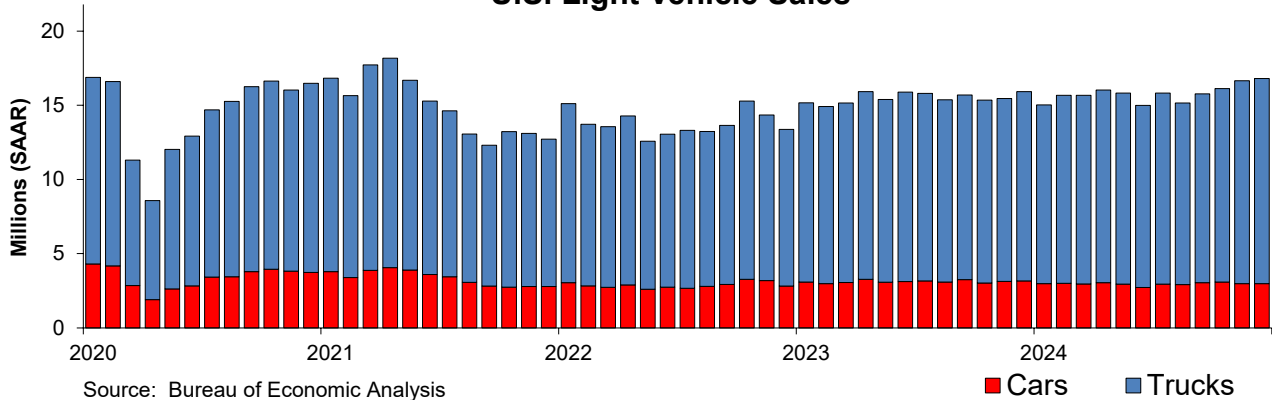
Michigan gasoline prices decreased in December to \$3.03 per gallon, 4.2 cents a gallon below last month's average. Year-over-year gasoline prices were 2.4 cents per gallon lower than in December 2023. Diesel prices of \$3.60 per gallon in December decreased by 4.2 cents a gallon from November. Diesel prices were down 48.8 cents per gallon from the December 2023 price of \$4.09 per gallon.



Motor Vehicle Sector

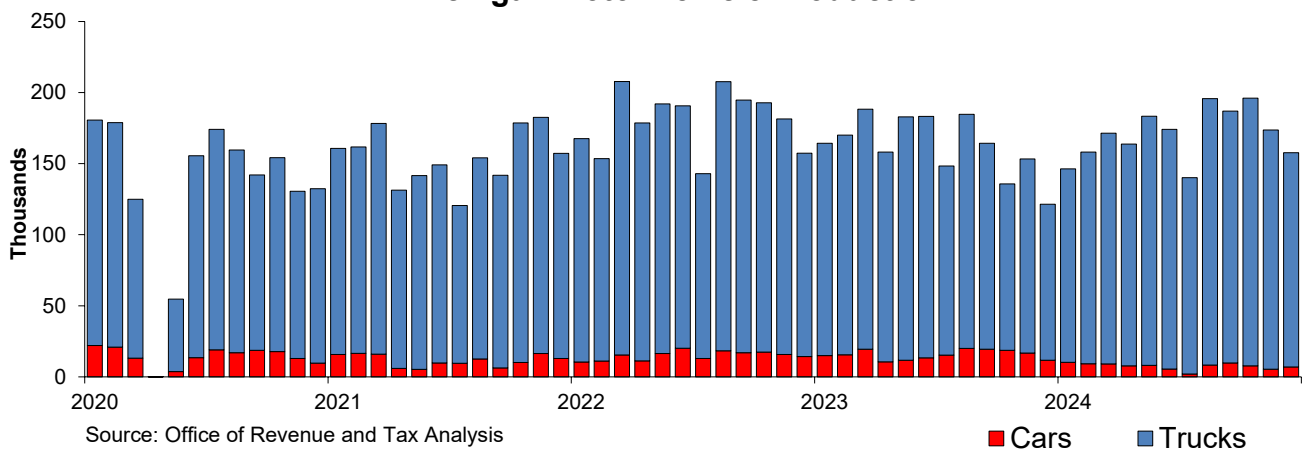
U.S. light vehicle sales (cars and light trucks) increased by 0.9 percent in December from November, selling at a 16.8 million unit seasonally adjusted annual rate. Domestic car sales decreased 0.2 percent while light truck sales increased 0.7 percent from November. Import car sales increased 0.6 percent while import light truck sales increased 2.4 percent from November. Compared to December 2023, light vehicle sales were up 5.5 percent. Domestic car sales decreased 15.9 percent while light truck sales increased 8.6 percent from the year ago levels. December import car sales increased 20.6 percent while import light truck sales increased 7.2 percent from last year. Domestic light vehicles recorded a 76.6 percent share of December 2024 sales, down 1.1 percentage points from December 2023.

U.S. Light Vehicle Sales



Michigan motor vehicle production decreased in December to 157,665 total units. Michigan’s December production was 9.2 percent lower than November’s production and 29.9 percent above the level in December 2023. Nationally, motor vehicle production totaled 750,971 units, 7,418 units higher than the 743,553 units from a year ago. In December, Michigan’s car production was 6,981 units while the State’s truck production was 150,684 units. Michigan motor vehicle production data are not seasonally adjusted.

Michigan Motor Vehicle Production



**Summary Estimates of the Constitutional Revenue Limit
Based on the May 17, 2024 Consensus Revenue Agreement
(Article IX, Section 26)
(in millions)**

	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Estimate	Fiscal Year 2024-25 Estimate
Applicable Calendar Year Personal Income	\$567,807	\$572,325	\$599,366
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$53,884.9</u>	<u>\$54,313.6</u>	<u>\$56,879.8</u>
Revenue Limit	\$53,884.9	\$54,313.6	\$56,879.8
State Revenue Subject to Limit	<u>\$43,610.7</u>	<u>\$43,677.3</u>	<u>\$44,445.0</u>
Amount Under (Over) Limit	\$10,274.2	\$10,636.3	\$12,434.8

Sources:

Personal Income Estimate

The FY 2022-23 calculation uses the official personal income estimate for calendar year 2021 (Survey of Current Business, October 2022).
The FY 2023-24 calculation uses the official personal income estimate for calendar year 2022 (Survey of Current Business, October 2023).
The FY 2024-25 calculation uses the uses the May 17, 2024 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2022-23 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2023
The FY 2023-24 calculation uses the May 17, 2024 Consensus Revenue Agreement.
The FY 2024-25 calculation uses the May 17, 2024 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