



STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

GRETCHEN WHITMER  
GOVERNOR

JENNIFER L. FLOOD  
DIRECTOR

March 28, 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 February 28, 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**  
**February 28, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 1,901.7</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
January 2025 Consensus Revenue	\$ 14,715.5
Local Government Program Payments	\$ (552.2)
Public Safety Trust Fund	\$ (75.0)
Revenue Sharing Trust Fund	\$ (75.0)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 14,013.3</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>\$ 14,080.2</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>\$ 1,029.2</b>

<sup>1</sup> 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**  
**February 28, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 404.3</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
January 2025 Consensus Forecast	\$ 18,459.6
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
<b>Subtotal Ongoing Revenue</b>	<b>\$ 20,823.4</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
MPSERS 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>\$ 21,619.6</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>\$ 330.2</b>

<sup>1</sup> 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.

<sup>2</sup> 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**  
February 28, 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 (2)	Total Authorization	Expenditures & Encumbrances Year to Date FY 2025
68.9	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	75.2
59.9	131.8	Attorney General	127.3	0.0	47.0	174.2	52.4
220.6	702.5	Capital Outlay (3)	523.8	0.0	3,507.1	4,030.9	268.1
10.0	23.4	Civil Rights	29.2	2.0	15.5	46.6	12.4
869.0	1,992.6	Colleges and Universities	2,193.1	8.3	183.8	2,385.2	1,024.8
1,014.3	2,079.1	Corrections	2,137.2	0.0	654.3	2,791.5	977.6
312.9	843.0	Education	232.3	0.0	824.8	1,057.1	110.5
518.6	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	322.5
4.3	9.4	Executive Office	9.3	0.0	0.2	9.6	4.6
14,275.7	36,294.7	Health and Human Services	37,582.3	0.0	4,908.0	42,490.2	15,230.6
35.0	72.6	Insurance and Financial Service	78.6	1.3	0.8	80.7	29.5
105.2	335.9	Judiciary	373.4	0.0	178.0	551.5	127.5
857.1	2,057.0	Labor and Economic Opportunity	1,141.2	553.5	5,283.4	6,978.1	782.1
12.0	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	11.8
73.5	186.3	Legislature	196.7	0.0	249.5	446.2	72.1
311.8	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	318.6
0.0	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	148.1	802.4	342.6
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
434.4	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	224.6
23.3	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
79.0	125.4	Military and Veterans Affairs	120.9	15.5	16.9	153.3	83.9
80.2	214.6	Natural Resources	161.7	5.0	138.6	305.2	115.8
112.5	286.6	State	291.8	10.2	139.0	441.0	107.3
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
437.7	1,038.4	State Police	951.2	126.6	851.9	1,929.8	478.0
539.9	1,152.2	Technology, Management and Budget (4)	542.9	1,290.0	908.0	2,740.9	250.5
42.7	67.7	Transportation	36.6	552.0	70.4	659.0	33.2
1,295.3	5,059.3	Treasury	2,604.5	154.4	548.7	3,307.6	1,263.8
<b>\$21,793.6</b>	<b>\$55,709.2</b>		<b>\$52,062.2</b>	<b>\$2,919.9</b>	<b>\$23,603.2</b>	<b>\$78,585.3</b>	<b>\$22,367.1</b>

(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 March 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  
February 28, 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**  
February 28, 2025  
(\$ in thousands)

**ASSETS**

Current Assets:		
Equity in common cash	\$	<u>2,022,586</u>
Total Assets	\$	<u><u>2,022,586</u></u>

**LIABILITIES**

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

**FUND BALANCES**

Committed		<u>2,022,586</u>
Total Fund Balances		<u>2,022,586</u>
Total Liabilities and Fund Balances	\$	<u><u>2,022,586</u></u>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
October 1, 2024 through February 28, 2025  
(\$ in thousands)

**REVENUES**

Miscellaneous	\$ 26,068
	<hr/>
Total Revenues	26,068
	<hr/>

**EXPENDITURES**

Current:	
General government	-
	<hr/>
Total Expenditures	-
	<hr/>
Excess of Revenues over (under) Expenditures	26,068
	<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	\$ 26,068 <sup>1</sup>
	<hr/> <hr/>

<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**

February 28, 2025

(\$ in thousands)

**ASSETS**

Current Assets:

Equity in common cash	\$ 68,110
Investments	-
Other current assets	-
Total Current Assets	<u>68,110</u>

Noncurrent Assets:

Investments	<u>755,335</u>
-------------	----------------

Total Assets	<u><u>\$ 823,445</u></u>
--------------	--------------------------

**LIABILITIES**

Current Liabilities:

Accounts payable and other liabilities	\$ 7,007
Amounts due to other funds	-
Total Current Liabilities	<u>7,007</u>

Total Liabilities	<u>7,007</u>
-------------------	--------------

**FUND BALANCES**

Nonspendable	500,000
Restricted	<u>316,438</u>

Total Fund Balances	<u>816,438</u>
---------------------	----------------

Total Liabilities and Fund Balances	<u><u>\$ 823,445</u></u>
-------------------------------------	--------------------------

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 1, 2024 through February 28, 2025  
(\$ in thousands)

**REVENUES**

Taxes	\$ -
From federal agencies	-
From licenses and permits	-
Miscellaneous	12,644
	12,644
Total Revenues	12,644

**EXPENDITURES**

Current:	
General government	3,484
Conservation, environment, recreation, and agriculture	6,459
Capital outlay	1,359
	11,302
Total Expenditures	11,302
Excess of Revenues over (under) Expenditures	1,342

**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	\$ 1,342 <sup>1</sup>

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

## REVENUE OVERVIEW

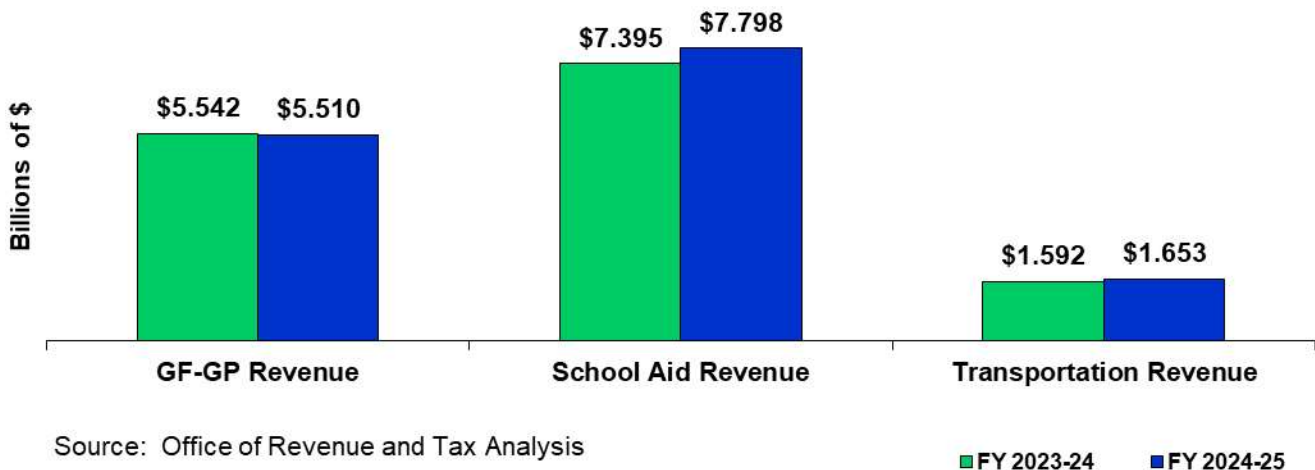
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

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

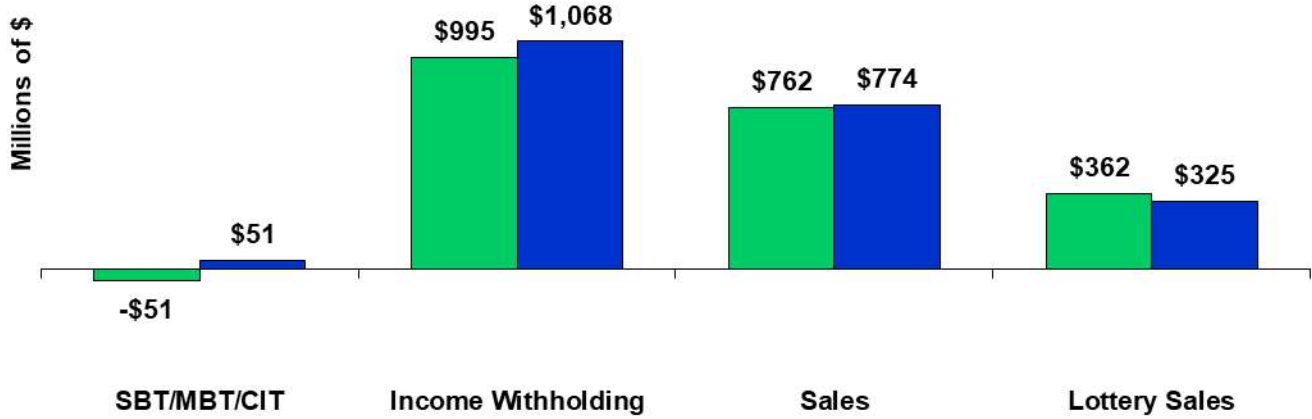
Total General Fund - General Purpose (GF-GP) cash collections were \$62.7 million (179.4 percent) higher in February 2025 than in February 2024. February 2025 School Aid Fund cash collections were \$11.4 million (1.1 percent) higher than in February 2024. February 2025 transportation collections were \$8.7 million (2.5 percent) higher than in February 2024 (see revenue summary table). February is the fifth 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 down \$32.3 million (0.6 percent) from a year ago. School Aid Fund cash collections are up \$403.7 million (5.5 percent), and transportation collections are up \$61.7 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 January 10, 2025. The revenue estimate for net GF-GP revenue for FY 2024-25 is \$14,715.5 million and the net School Aid revenue forecast is \$18,459.6 million. The Transportation Funds revenue forecast is \$4,281.2 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

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



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



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

### October through February 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: February 28, 2025**

Month-End Cash Collections Data				October Through February Cash Collections Data					Revenue Projections		
February		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	January 2025 Forecast
<b>Income Taxes</b>											
\$994,811	\$1,067,593	\$72,782	7.3%	Withholding	\$5,324,061	\$5,705,512	\$381,452	7.2%	\$12,581,900	\$12,997,800	\$13,379,500
13,503	10,951	(2,552)	-18.9%	Quarterlies	381,055	424,527	43,472	11.4%	999,000	1,010,700	1,145,000
12,614	14,456	1,842	14.6%	Flow Through Entity Tax	299,656	261,745	(37,910)	-12.7%	972,800	1,014,800	960,000
32,465	39,766	7,301	22.5%	Annuals	186,475	179,727	(6,748)	-3.6%	1,152,500	1,268,900	1,318,000
\$1,053,393	\$1,132,765	\$79,372	7.5%	Gross Collections	\$6,191,246	\$6,571,512	\$380,266	6.1%	\$15,706,200	\$16,292,200	\$16,802,500
996,103	1,119,296	123,194	12.4%	Less: Refunds	1,223,742	1,404,201	180,459	14.7%	3,317,000	3,251,700	3,150,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$57,290	\$13,469	(\$43,821)	-76.5%	Net Personal Income	\$4,967,504	\$5,167,311	\$199,806	4.0%	\$12,388,400	\$13,039,700	\$13,651,700
50,000	50,000	0	0.0%	Less: Disbursements to MTF	250,000	250,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	28,750	28,750	0	0.0%	69,000	69,000	69,000
250,818	269,711	18,893	7.5%	Less: Disbursements to SAF	1,474,004	1,564,636	90,631	6.1%	3,785,700	3,922,500	4,104,800
(\$249,278)	(\$311,992)	(\$62,715)	-25.2%	<b>Net Personal Income To GF-GP</b>	<b>\$3,214,750</b>	<b>\$3,323,925</b>	<b>\$109,175</b>	<b>3.4%</b>	<b>\$7,933,700</b>	<b>\$8,448,200</b>	<b>\$8,877,900</b>
<b>Consumption Taxes</b>											
\$115,725	\$123,671	\$7,947	6.9%	Sales (a)	\$689,935	\$692,826	\$2,891	0.4%	\$1,566,200	\$1,609,800	\$1,637,300
68,336	76,210	7,874	11.5%	Use (a) (h)	513,340	501,892	(11,449)	-2.2%	1,280,400	1,308,200	1,245,200
10,570	9,658	(912)	-8.6%	Tobacco	55,687	51,677	(4,010)	-7.2%	137,300	134,400	129,200
931	919	(12)	-1.3%	Beer, Wine & Mixed Spirits	21,734	21,420	(314)	-1.4%	46,000	47,000	45,600
6,014	5,884	(130)	-2.2%	Liquor Specific	30,096	30,312	216	0.7%	65,600	66,400	69,100
\$201,576	\$216,342	\$14,766	7.3%	<b>Total Consumption Taxes</b>	<b>\$1,310,792</b>	<b>\$1,298,127</b>	<b>(\$12,665)</b>	<b>-1.0%</b>	<b>\$3,095,500</b>	<b>\$3,165,800</b>	<b>\$3,126,400</b>
<b>Other Taxes</b>											
\$1	\$1	\$0	47.1%	Single Business	\$11	\$9	(\$2)	-18.7%	\$0	\$0	\$0
30,641	32,520	1,879	6.1%	Insurance Premiums Taxes	\$271,538	271,752	214	0.1%	523,000	541,300	563,500
30,642	32,521	1,879	6.1%	Sub-total SBT & Insurance	271,549	271,761	212	0.1%	523,000	541,300	563,500
(148,354)	(2,902)	145,452	98.0%	Michigan Business Tax	(348,911)	(427,969)	(79,058)	-22.7%	(494,600)	(503,400)	(496,900)
97,698	53,604	(44,094)	-45.1%	Corporate Income Tax	795,229	751,469	(43,761)	-5.5%	1,625,000	1,598,300	1,620,000
72	3	(70)	-96.2%	Telephone & Telegraph	13,426	11,042	(2,385)	-17.8%	34,000	33,000	42,000
1,466	1,432	(33)	-2.3%	Oil & Gas Severance	11,392	9,074	(2,318)	-20.3%	27,000	28,000	22,000
7,464	7,965	501	6.7%	Penalties & Interest	39,852	38,391	(1,462)	-3.7%	143,000	147,000	157,000
136	151	15	10.9%	Essential Services Assessment	(328)	1,787	2,116	na	150,000	159,000	157,000
213	14	(199)	-93.3%	Miscellaneous Other/Railroad	490	43	(447)	-91.2%	15,000	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(63,750)	(62,917)	833	1.3%	(151,000)	(152,000)	(150,000)
(\$23,163)	\$80,204	\$103,367	446.3%	<b>Total Other Taxes</b>	<b>\$718,950</b>	<b>\$592,681</b>	<b>(\$126,269)</b>	<b>-17.6%</b>	<b>\$1,871,400</b>	<b>\$1,866,200</b>	<b>\$1,922,600</b>
(\$70,865)	(\$15,446)	\$55,419	78.2%	<b>Subtotal GF-GP Taxes</b>	<b>\$5,244,492</b>	<b>\$5,214,733</b>	<b>(\$29,758)</b>	<b>-0.6%</b>	<b>\$12,900,600</b>	<b>\$13,480,200</b>	<b>\$13,926,900</b>

continued

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

**For The Month Ended: February 28, 2025**

Month-End Cash Collections Data				October Through February Cash Collections Data					Revenue Projections		
February		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	January 2025 Forecast
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$4,167	\$4,167	\$0	0.0%	\$10,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	42	42	0	0.0%	100	100	100
583	583	0	0.0%	Services	2,917	2,917	0	0.0%	7,000	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	5,833	5,833	0	0.0%	14,000	14,000	14,000
0	0	0	na	Investments/Interest Costs	118,025	79,211	(38,814)	-32.9%	550,000	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	4,167	4,167	0	0.0%	35,000	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	125,000	143,750	18,750	15.0%	298,100	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	37,500	55,000	17,500	46.7%	134,000	134,000	144,000
\$35,925	\$43,175	\$7,250	20.2%	<b>Total Non-Tax Revenue</b>	\$297,650	\$295,086	(\$2,564)	-0.9%	\$1,048,200	\$777,600	\$788,600
(\$34,940)	\$27,729	\$62,669	179.4%	<b>Total GF-GP Revenue</b>	\$5,542,142	\$5,509,819	(\$32,323)	-0.6%	\$13,948,800	\$14,257,800	\$14,715,500
<b>School Aid Fund</b>											
\$306,306	\$319,211	\$12,906	4.2%	Sales Tax 4%	\$1,786,560	\$1,786,487	(\$74)	0.0%	\$4,307,100	\$4,347,900	\$4,387,900
251,363	242,236	(9,127)	-3.6%	Sales Tax 2%	1,358,501	1,415,064	56,562	4.2%	3,375,800	3,409,600	3,442,900
63,550	61,833	(1,717)	-2.7%	Use Tax 2%	379,795	369,765	(10,030)	-2.6%	972,900	991,400	959,800
20,198	16,788	(3,411)	-16.9%	State Education Property Tax	1,647,825	1,902,821	254,996	15.5%	2,715,000	2,812,600	2,870,000
22,686	28,153	5,467	24.1%	Real Estate Transfer Tax	159,813	177,438	17,625	11.0%	370,000	385,000	412,000
100,000	90,000	(10,000)	-10.0%	Lottery Transfer (b)	391,981	393,577	1,596	0.4%	1,270,000	1,270,000	1,255,000
8,486	7,939	(546)	-6.4%	Casino Wagering Tax	39,009	42,816	3,807	9.8%	479,200	499,000	527,000
5,850	5,713	(138)	-2.4%	Liquor Excise Tax	26,390	25,786	(604)	-2.3%	77,100	78,500	80,900
21,458	19,607	(1,851)	-8.6%	Cigarette/Tobacco Tax	113,052	104,912	(8,140)	-7.2%	242,100	235,700	223,300
1,517	2,391	873	57.6%	Indus. & Comm. Facilities Taxes	14,468	12,309	(2,159)	-14.9%	45,000	45,000	50,000
487	546	59	12.1%	Specific Other	3,367	2,811	(557)	-16.5%	143,600	149,700	146,000
250,818	269,711	18,893	7.5%	Income Tax Earmarking	1,474,004	1,564,636	90,631	6.1%	3,785,700	3,922,500	4,104,800
\$1,052,720	\$1,064,128	\$11,409	1.1%	<b>Total School Aid Fund</b>	\$7,394,767	\$7,798,422	\$403,655	5.5%	\$17,783,600	\$18,146,900	\$18,459,600
<b>Multi-Fund Revenue Summary</b>											
\$761,872	\$774,255	\$12,382	1.6%	Sales Tax 6%	\$4,336,102	\$4,392,541	\$56,439	1.3%	\$10,487,300	\$10,588,800	\$10,688,800
510,509	532,019	21,509	4.2%	Sales Tax 4% (d)	2,977,601	2,977,478	(123)	0.0%	7,111,500	7,179,200	7,245,900
251,363	242,236	(9,127)	-3.6%	Sales Tax 2%	1,358,501	1,415,064	56,562	4.2%	3,375,800	3,409,600	3,442,900
190,650	185,500	(5,150)	-2.7%	Use Tax 6% (g)	1,139,384	1,109,295	(30,089)	-2.6%	2,815,000	2,869,400	2,849,800
12,363	15,857	3,494	28.3%	Recreational Marihuana	139,033	143,520	4,487	3.2%	330,300	347,700	337,100
53,113	48,532	(4,582)	-8.6%	Tobacco Taxes	279,833	259,684	(20,149)	-7.2%	691,000	676,800	650,000
0	0	0	na	Tobacco Settlement	0	13	13	na	na	na	

continued

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

**For The Month Ended: February 28, 2025**

Month-End Cash Collections Data				October Through February Cash Collections Data						Revenue Projections		
February		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25	
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	January 2025 Forecast	
<b>Major Transportation Revenues</b>												
\$18,018	\$22,176	\$4,158	23.1%	Diesel Fuel / Motor Carrier Fuel Tax	\$108,823	\$116,233	\$7,410	6.8%	\$273,000	\$279,000	\$279,000	
95,916	105,722	9,805	10.2%	Gasoline	505,173	540,259	35,086	6.9%	1,259,000	1,297,000	1,303,000	
167,979	163,706	(4,273)	-2.5%	Motor Vehicle Registration	651,573	676,069	24,497	3.8%	1,542,000	1,585,000	1,532,000	
3,642	3,697	55	1.5%	Other Taxes, Fees & Misc.	18,827	18,822	(5)	0.0%	372,757	379,471	381,787	
11,481	10,417	(1,065)	-9.3%	Comprehensive Transportation (c)	57,406	52,083	(5,323)	-9.3%	181,279	186,147	185,447	
50,000	50,000	0	0.0%	Income Tax Earmarking	250,000	250,000	0	0.0%	600,000	600,000	600,000	
<b>\$347,037</b>	<b>\$355,717</b>	<b>\$8,680</b>	<b>2.5%</b>	<b>Total Major Trans. Revenues</b>	<b>\$1,591,802</b>	<b>\$1,653,467</b>	<b>\$61,665</b>	<b>3.9%</b>	<b>\$4,228,036</b>	<b>\$4,326,618</b>	<b>\$4,281,234</b>	
<b>Lottery Sales By Games</b>												
\$191,185	\$172,120	(\$19,066)	-10.0%	Instant Games (f)	\$1,026,979	\$954,490	(\$72,490)	-7.1%	na	na	na	
73,756	69,106	(4,650)	-6.3%	Daily Games	388,268	375,696	(12,572)	-3.2%	na	na	na	
33,628	25,527	(8,101)	-24.1%	Lotto and Big Game (f)	208,757	172,657	(36,099)	-17.3%	na	na	na	
578	552	(26)	-4.4%	Keno Game	3,018	2,827	(191)	-6.3%	na	na	na	
2,994	2,871	(122)	-4.1%	Lucky For Life	15,719	15,416	(303)	-1.9%	na	na	na	
6,543	12,628	6,084	93.0%	Other (f)	29,859	58,374	28,515	95.5%	na	na	na	
53,780	42,634	(11,146)	-20.7%	Club Games	260,066	235,544	(24,521)	-9.4%	na	na	na	
<b>\$362,465</b>	<b>\$325,437</b>	<b>(\$37,027)</b>	<b>-10.2%</b>	<b>Total Lottery Sales</b>	<b>\$1,932,666</b>	<b>\$1,815,005</b>	<b>(\$117,661)</b>	<b>-6.1%</b>	<b>na</b>	<b>na</b>	<b>na</b>	

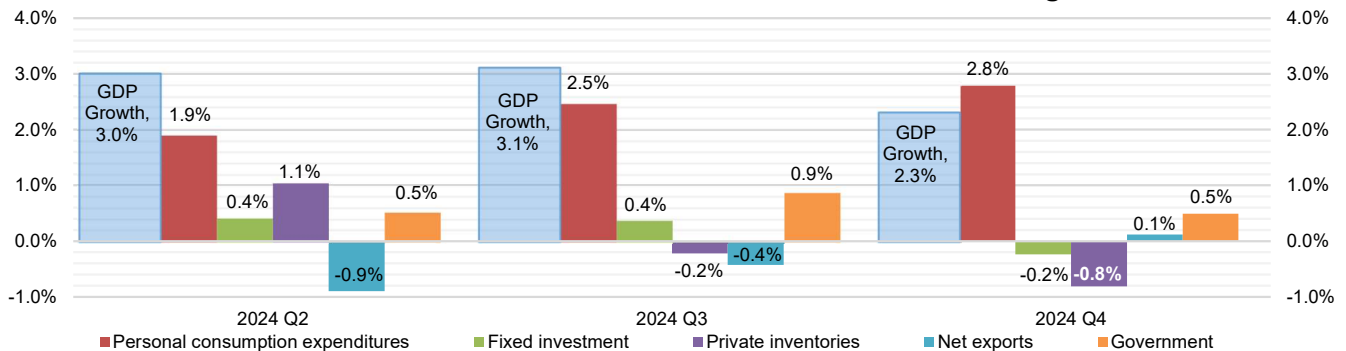
- (a) GF-GP Sales has been adjusted based on Comprehensive Transportation Fund, Health Initiative, Constitutional Revenue Sharing, and Aviation Fund. GF-GP Use has been adjusted based on Aviation Fund.
- (b) The statutory estimate does not include an estimate of lottery sales. It only includes an estimate 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 \$246.2 million and the year-to date 2025 revenues are \$237.6 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 \$246.2 million and the year-to-date 2025 LCSS revenues are \$237.6million.

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 2.3 percent annual rate in the fourth quarter of 2024, according to the second estimate released by the Bureau of Economic Analysis, down from the 3.1 percent annual rate in the third 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**



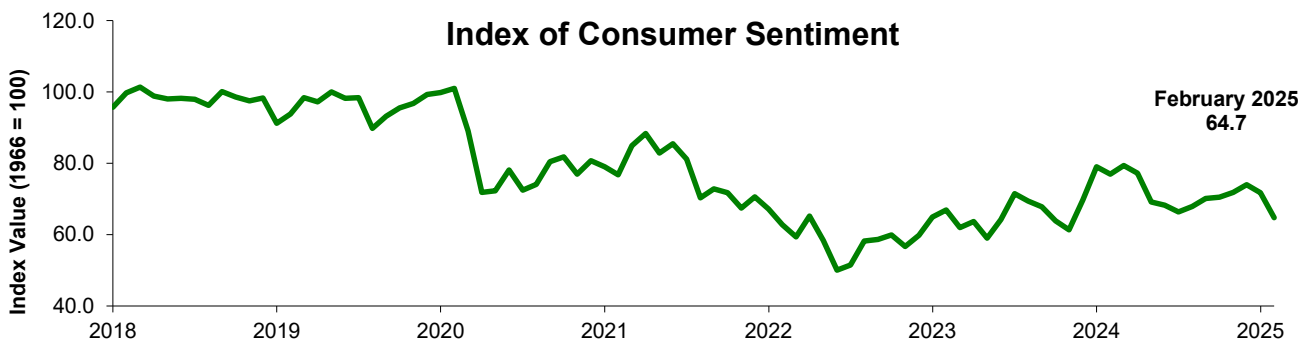
Source: Bureau of Economic Analysis

Personal consumption expenditures drove the increase in GDP in the fourth quarter of 2024, while government and net exports made smaller contributions. Declines in private inventories and fixed investment reduced the fourth quarter GDP growth. Real final sales increased by 3.2 percent in the fourth quarter, while the implicit price deflator increased by 2.4 percent in the same period.

**U.S. wage and salary employment** increased by 151,000 jobs in February 2025, with total employment 6.9 million above the February 2020 pre-pandemic level. In February, the sectors with the largest employment increases include private education and health services with a gain of 73,000 jobs, financial services with an increase of 21,000 jobs, and construction with 19,000 additional jobs. Employment decreases in February were observed in leisure and hospitality with a loss of 16,000 jobs, retail trade with a decrease of 6,000 jobs, and professional and business services with 2,000 fewer jobs.

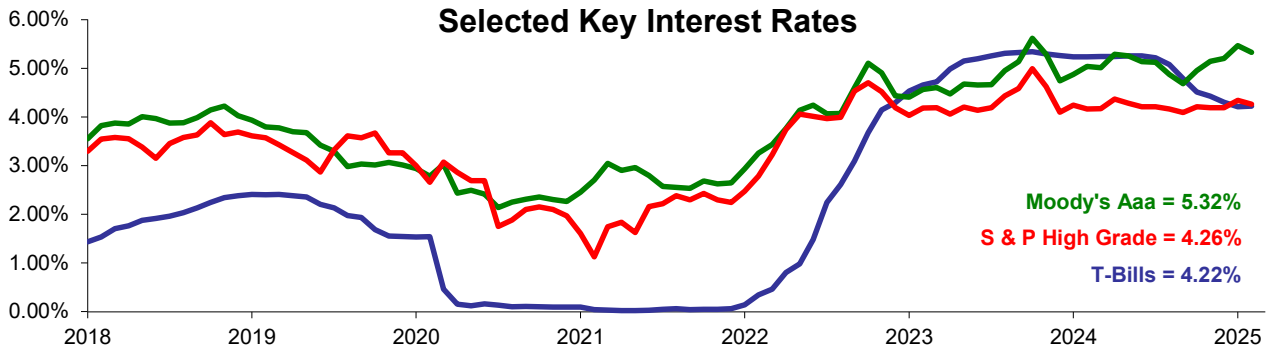
In February, the U.S. unemployment rate increased to 4.1 percent. Civilian employment decreased to 163.3 million, down 588,000 from January. The number of unemployed increased 203,000 from January, to 7.1 million in February. The labor force participation rate edged down to 62.4 percent in February, 0.9 percentage points below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** decreased to 64.7 index points in February, down by 7.0 index-points from January's revised index of 71.7. Consumer sentiment is 12.2 index-points below the year-ago level and represents the lowest reading since November 2023.



Source: University of Michigan, Survey Research Center

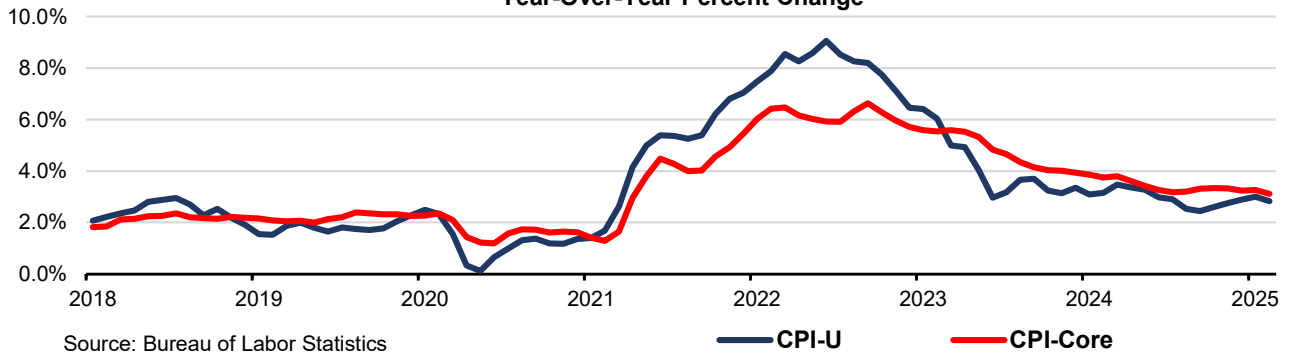
Short-term **interest rates** increased in February, with a 3-month Treasury bill (T-bill) rate of 4.22 percent. The T-bill rate is 101 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.23 percent rate in February 2024. The Aaa corporate bond rate decreased by 14 basis points in February to an interest rate of 5.32 percent, up 29 basis points from a year ago. The interest rate on S&P high-grade municipal bonds increased in February to an interest rate of 4.26 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 2.8 percent from February 2024 to February 2025, a 0.2 percentage points decrease from January'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 February, a 0.2 percentage points increase from the prior month's rate. CPI-U and CPI-Core data are not seasonally adjusted.

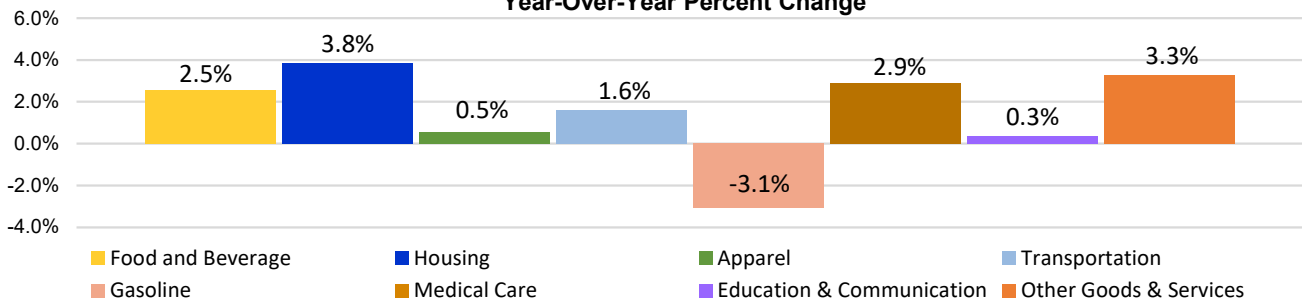
### U.S. Consumer Price Index from 2018 to 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Housing exhibited the largest year-over-year price increase at 3.8 percent for February, followed by other goods and services with a 3.3 percent increase, and medical care with a 2.9 percent increase. Gasoline experienced a year-over-year price decline of 3.1 percent in February. These sector data are seasonally adjusted.

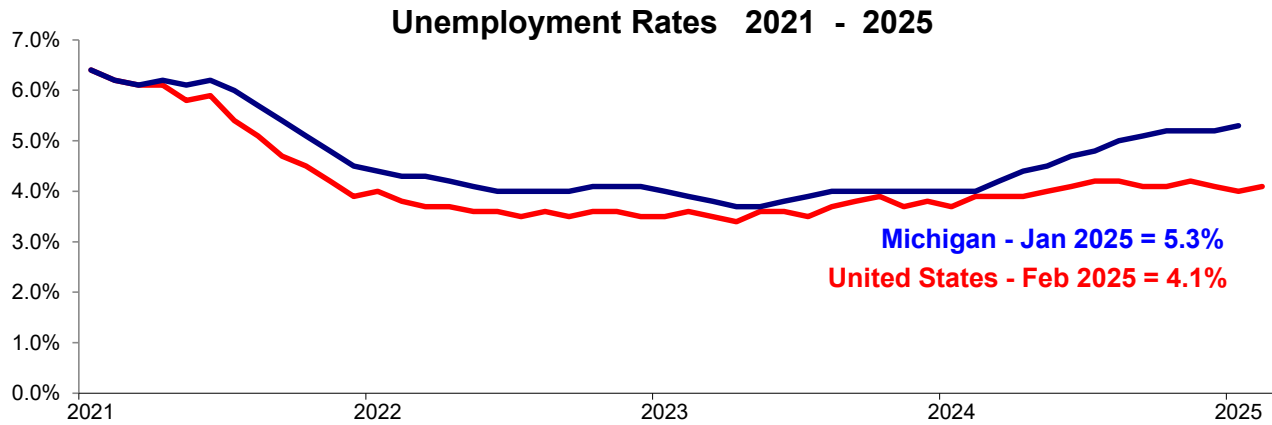
### Consumer Price Index, February 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

## Michigan Economy

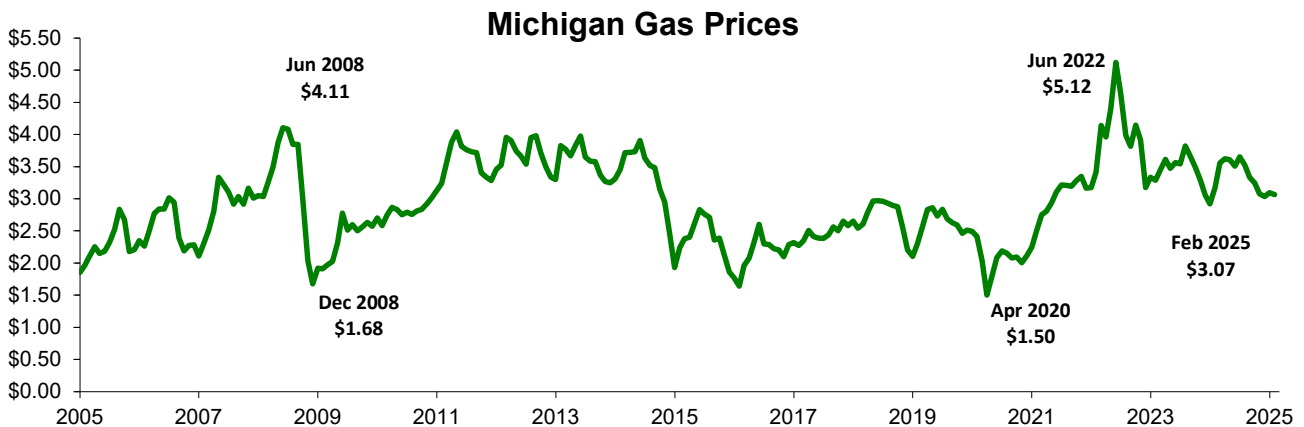
The **Michigan jobless rate** was 5.3 percent in January, according to the most recent published data. The national unemployment rate was 4.1 percent in February, 0.1 percentage points above January's rate. Michigan's January unemployment rate of 5.3 percent is 1.5 percentage points higher than the February 2020 pre-pandemic revised rate of 3.8 percent.



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

**Michigan wage and salary employment** increased by 9,000 jobs in January from the prior month to a total of 4.5 million jobs. Compared to last year, employment in January was up 44,900 jobs, or 1.0 percent from January 2024. The sectors with the largest employment increases in January were private education and health services with a gain of 7,000 jobs, other services with an increase of 3,000 jobs, and government with 2,000 additional jobs. Employment losses in January were observed in manufacturing with 4,000 jobs lost, and trade, transportation, and utilities with 1,000 fewer jobs.

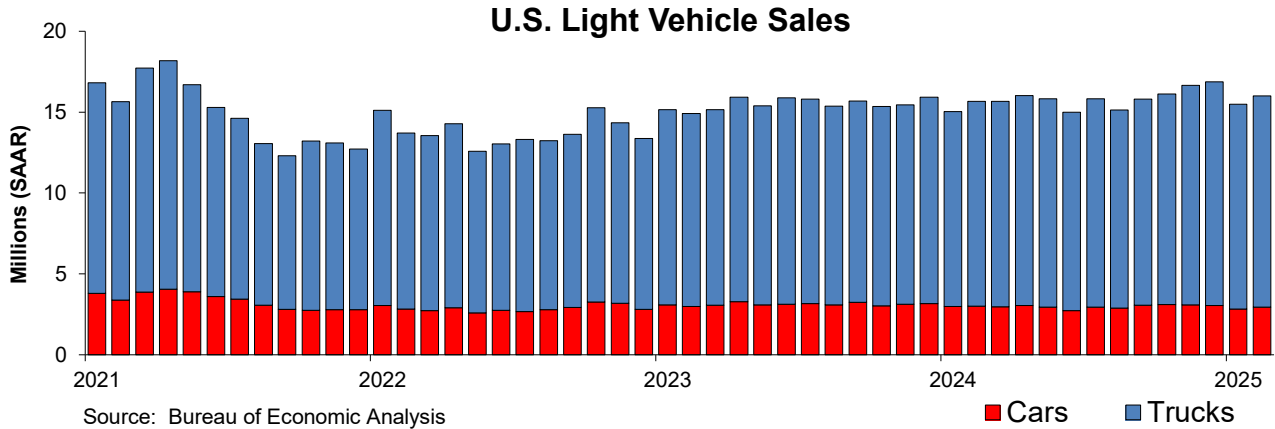
**Michigan gasoline prices** decreased in February to \$3.07 per gallon, 3.2 cents a gallon below last month's average. Year-over-year gasoline prices were 11.1 cents per gallon lower than in February 2024. Diesel prices were \$3.56 per gallon in February, virtually unchanged from January. Diesel prices were down 44.0 cents per gallon from the February 2024 price of \$4.00 per gallon.



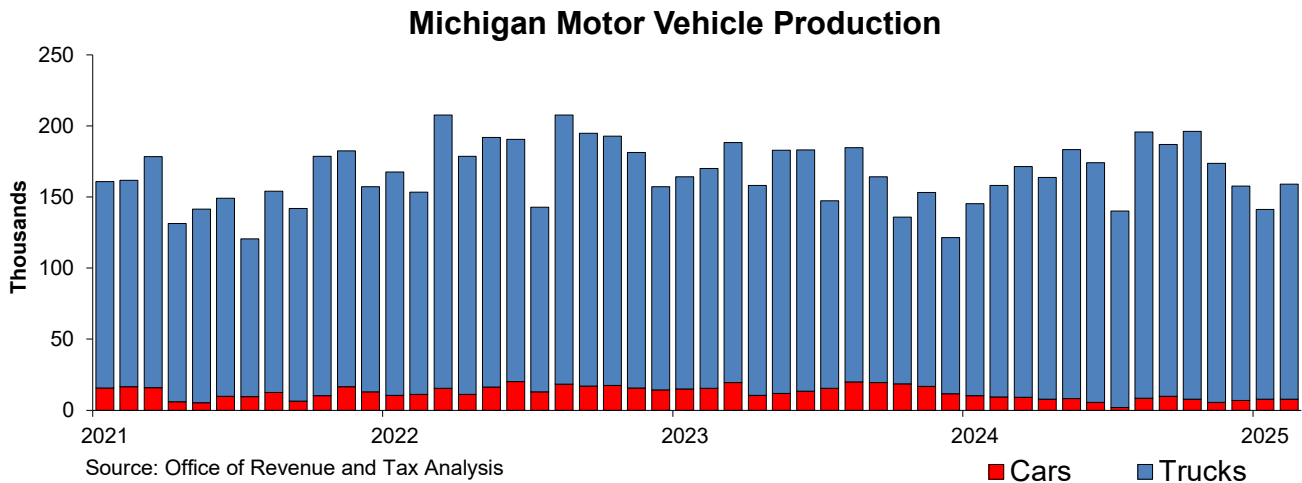
Source: AAA Michigan

## Motor Vehicle Sector

**U.S. light vehicle sales** (cars and light trucks) increased by 3.2 percent in February from January, selling at a 16.0 million unit seasonally adjusted annual rate. Domestic car sales increased 10.3 percent while light truck sales increased 4.8 percent from January. Import car sales decreased 5.3 percent while import light truck sales decreased 3.1 percent from January. Compared to February 2024, light vehicle sales were up 2.1 percent. Domestic car sales decreased 6.2 percent while light truck sales increased 1.9 percent from the year ago levels. February import car sales increased 9.1 percent while import light truck sales increased 7.2 percent from last year. Domestic light vehicles recorded a 76.4 percent share of February 2025 sales, down 1.2 percentage points from February 2024.



**Michigan motor vehicle production** decreased in January to 141,307 units before rebounding in February to 158,980 total units. The January production was 10.4 percent lower than December's output, while February's production increased 12.5 percent and finished 0.5 percent higher than the level in February 2024. Nationally, motor vehicle production increased in January (780,688 total units) and February (872,678 total units), but remained 65,620 units below the 938,298 total units from February a year ago. From January to February, Michigan's car production decreased from 7,713 units to 7,693 units, while the State's truck production increased from 133,594 units to 151,287 units. Michigan motor vehicle production data are not seasonally adjusted.



**Summary Estimates of the Constitutional Revenue Limit  
Based on the January 10, 2025 Consensus Revenue Agreement  
(Article IX, Section 26)  
(in millions)**

	<u>Fiscal Year 2023-24 Estimate</u>	<u>Fiscal Year 2024-25 Estimate</u>	<u>Fiscal Year 2025-26 Estimate</u>
Applicable Calendar Year Personal Income	\$582,021	\$613,719	\$643,791
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$55,233.8</u>	<u>\$58,241.9</u>	<u>\$61,095.8</u>
Revenue Limit	\$55,233.8	\$58,241.9	\$61,095.8
State Revenue Subject to Limit	<u>\$44,597.0</u>	<u>\$45,216.5</u>	<u>\$46,511.1</u>
<b>Amount Under (Over) Limit</b>	<b>\$10,636.8</b>	<b>\$13,025.4</b>	<b>\$14,584.6</b>

Sources:

Personal Income Estimate

The FY 2023-24 calculation uses the January 10, 2025 Consensus Revenue Agreement.  
The FY 2024-25 calculation uses the January 10, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the January 10, 2025 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2023-24 calculation uses the January 10, 2025 Consensus Revenue Agreement.  
The FY 2024-25 calculation uses the January 10, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the January 10, 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