



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

CHRISTOPHER M. HARKINS  
DIRECTOR

March 2, 2022

The Honorable Jim Stamas, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Thomas Albert, 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 January 31, 2022. 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,

Christopher M. Harkins  
State Budget Director

Attachment

cc: Mike Shirkey, Senate Maj. Leader  
Jim Ananich, Senate Min. Leader  
Jason Wentworth, Speaker of the House  
Donna Lasinski, House Min. Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Jim Runestad, Chair, Senate Finance Com.  
Matt Hall, Chair, House Tax Policy Com.  
JoAnne Huls, Executive Office  
Tricia Foster, Executive Office  
Jen Flood, Executive Office  
Bethany Wicksall, Deputy State Budget Director  
Heather Boyd, Office of Financial Mgmt.  
Internal State Budget Office Distribution

**GENERAL FUND, GENERAL PURPOSE**  
**Fiscal Year 2022**  
**Projected Revenues and Expenditures**  
**January 31, 2022**  
(\$ in millions)

**FISCAL**  
**2022**

<b>Beginning Balance</b>	<b>\$ 3,873.2</b>
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<b>Revenues</b>	
<b>Ongoing:</b>	
January 2022 Consensus Forecast	\$ 12,449.7
Local Government Program Payments	\$ (500.3)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 11,949.4</b>
<b>One-Time:</b>	
Miscellaneous Adjustments	\$ (2.6)
<b>Subtotal One-Time Revenue</b>	<b>\$ (2.6)</b>
<b>Total Revenue</b>	<b>\$ 11,946.8</b>

<b>Expenditures</b>	
<b>Ongoing:</b>	
Public Acts 48, 86, and 87 of 2021	\$ 10,996.4
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 10,996.4</b>
<b>One-Time:</b>	
Public Acts 48, 86, 87, 132, and 133 of 2021	\$ 1,926.4
Extension of enhanced FMAP through FY22 3rd Quarter	\$ (440.3)
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,486.1</b>
<b>Total Expenditures</b>	<b>\$ 12,482.5</b>

<b>Ending Balance</b>	<b>\$ 3,337.5</b>
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<sup>1</sup> This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2021. Final year-end activity will be reflected in the fiscal year 2021 Annual Comprehensive Financial Report.

**SCHOOL AID FUND**  
**Fiscal Year 2022**  
**Projected Revenues and Expenditures**  
**January 31, 2022**  
(\$ in millions)

	<b>FISCAL 2022</b>
<b>Beginning Balance</b>	<b>\$ 2,728.2</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
January 2022 Consensus Forecast	\$ 16,078.2
General Fund	\$ 40.0
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 1,822.5
<b>Subtotal Ongoing Revenue</b>	<b>\$ 18,012.7</b>
<b>One-Time:</b>	
General Fund	\$ 45.4
Federal Revenue - ARP	\$ 202.0
<b>Subtotal One-Time Revenue</b>	<b>\$ 247.4</b>
<b>Total Revenue</b>	<b>\$ 18,260.1</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
School Aid - Public Act 48 of 2021	\$ 16,230.5
Community Colleges - Public Act 86 of 2021	\$ 428.2
Universities - Public Act 86 of 2021	\$ 361.4
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 17,020.1</b>
<b>One-Time:</b>	
School Aid - Public Act 48 of 2021	\$ 747.6
Community Colleges - Public Act 86 of 2021	\$ 3.2
<b>Subtotal One-Time Expenditures</b>	<b>\$ 750.8</b>
<b>Total Expenditures</b>	<b>\$ 17,770.9</b>
<b>Ending Balance</b>	<b>\$ 3,217.4</b>

1 This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2021. Final year-end activity will be reflected in the fiscal year 2021 Annual Comprehensive Financial Report.

**SUMMARY OF EXPENDITURES AND ENCUMBRANCES**

**GENERAL FUND - ALL PURPOSE**

January 31, 2022

(\$ in millions)

Fiscal Year 2021

Fiscal Year 2022

Expenditures & Encumbrances Year to Date FY 2021	Fiscal Year End SEP 30, 2021	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 2022
48.3	118.5	Agriculture and Rural Development	155.6	5.3	35.3	196.2	60.2
29.1	96.8	Attorney General	106.8	2.1	20.7	129.7	31.1
125.6	306.5	Capital Outlay (3)	314.7	0.0	793.6	1,108.3	116.9
4.1	15.6	Civil Rights	17.8	1.5	2.5	21.8	4.4
563.6	1,470.9	Colleges and Universities	1,446.3	0.0	110.7	1,557.0	582.6
784.4	1,939.3	Corrections	2,055.8	2.5	365.3	2,423.5	771.3
221.6	571.7	Education	2,214.9	6.0	174.6	2,395.6	546.7
132.9	606.6	Environment, Great Lakes, and Energy	630.1	3.0	850.8	1,483.9	166.9
4.7	7.8	Executive Office	7.3	0.0	0.1	7.4	3.8
9,829.8	30,310.2	Health and Human Services	31,586.5	372.4	2,068.7	34,027.6	10,555.0
17.0	83.8	Insurance and Financial Service	73.0	1.6	25.0	99.6	23.7
63.9	272.2	Judiciary	320.5	0.3	7.7	328.5	69.5
187.2	1,011.6	Labor and Economic Opportunity	877.2	1,175.9	3,369.8	5,422.9	218.2
8.2	25.6	Legislative Auditor General	27.1	0.0	7.2	34.3	7.9
53.8	160.5	Legislature	183.2	3.0	126.1	312.3	66.1
208.2	375.8	Licensing and Regulatory Affairs	484.2	58.6	95.1	637.8	176.8
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
97.0	178.7	Michigan Strategic Fund	323.3	22.0	0.0	345.3	300.6
21.3	42.5	Michigan Veterans' Facility Authority	35.5	3.5	0.0	39.0	35.5
55.1	121.4	Military and Veterans Affairs	104.5	17.3	10.2	132.1	64.7
52.0	120.2	Natural Resources	141.7	5.0	62.3	209.1	47.4
77.2	251.3	State	252.2	12.1	88.8	353.0	75.3
0.0	0.0	State Land Bank Authority	0.0	0.0	0.0	0.0	0.0
190.3	1,281.3	State Police	828.6	337.7	592.6	1,758.9	224.9
279.2	1,329.1	Technology, Management and Budget (4)	503.4	12.9	453.7	970.1	136.2
0.0	9.8	Transportation	0.0	47.0	29.5	76.5	0.3
862.3	4,189.5	Treasury	2,098.6	551.9	245.2	2,895.8	871.5
<b>\$13,916.5</b>	<b>\$44,897.2</b>		<b>\$44,788.9</b>	<b>\$2,641.5</b>	<b>\$9,565.9</b>	<b>\$56,996.3</b>	<b>\$15,157.5</b>

(1) Includes boilerplate appropriations.

(2) Carryforward amounts do not include authorization related to amounts appropriated for fiscal year 2021. Entry of these amounts is expected in February 2022.

(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 2022  
January 31, 2022  
(\$ 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	21,429.0	77.0	21,506.0
Total state spending from state resources	37,930.7	1,150.1	39,080.8
Percentage of state spending from state resources paid to local units	56.50%	6.70%	55.03%
Required payments to local units (48.97%)	18,574.7	563.2	19,137.9
<b>Surplus/(deficit)</b>	<b>\$2,854.3</b>	<b>(\$486.2)</b>	<b>\$2,368.1</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
 January 31, 2022  
 (\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	<u>\$ 1,382,750</u>
Total Assets	<u><u>\$ 1,382,750</u></u>

**LIABILITIES**

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

**FUND BALANCES**

Committed	<u>1,382,750</u>
Total Fund Balances	<u>1,382,750</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,382,750</u></u>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
 October 1, 2021 through January 31, 2022  
 (\$ in thousands)

**REVENUES**

Miscellaneous	\$ 401
	401
Total Revenues	401

**EXPENDITURES**

Current:	
General government	-
	-
Total Expenditures	-
Excess of Revenues over (under) Expenditures	401

**OTHER FINANCING SOURCES (USES)**

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	\$ 401 <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**

January 31, 2022

(\$ in thousands)

**ASSETS**

Current Assets:

Equity in common cash	\$ 41,920
Investments	-
Other current assets	-
Total Current Assets	<u>41,920</u>

Noncurrent Assets:

Investments	<u>691,177</u>
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Total Assets	<u><u>\$ 733,098</u></u>
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**LIABILITIES**

Current Liabilities:

Accounts payable and other liabilities	\$ 10,811
Amounts due to other funds	-
Total Current Liabilities	<u>10,811</u>

Total Liabilities	<u>10,811</u>
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**FUND BALANCES**

Nonspendable	500,000
Restricted	<u>222,286</u>

Total Fund Balances	<u>722,286</u>
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Total Liabilities and Fund Balances	<u><u>\$ 733,098</u></u>
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**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 1, 2021 through January 31, 2022  
(\$ in thousands)

**REVENUES**

Taxes	\$ -
From federal agencies	-
From licenses and permits	-
Miscellaneous	<u>(63,282)</u>
Total Revenues	<u>(63,282)</u>

**EXPENDITURES**

Current:	
General government	441
Conservation, environment, recreation, and agriculture	8,338
Capital outlay	<u>2,350</u>
Total Expenditures	<u>11,129</u>
Excess of Revenues over (under) Expenditures	<u>(74,411)</u>

**OTHER FINANCING SOURCES (USES)**

Proceeds from bond issues	-
Proceeds from sale of capital assets	28
Transfers from other funds	-
Transfers to other funds	<u>-</u>
Total Other Financing Sources (Uses)	<u>28</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	<u><u>\$ (74,383)</u></u> <sup>1</sup>

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

## REVENUE OVERVIEW

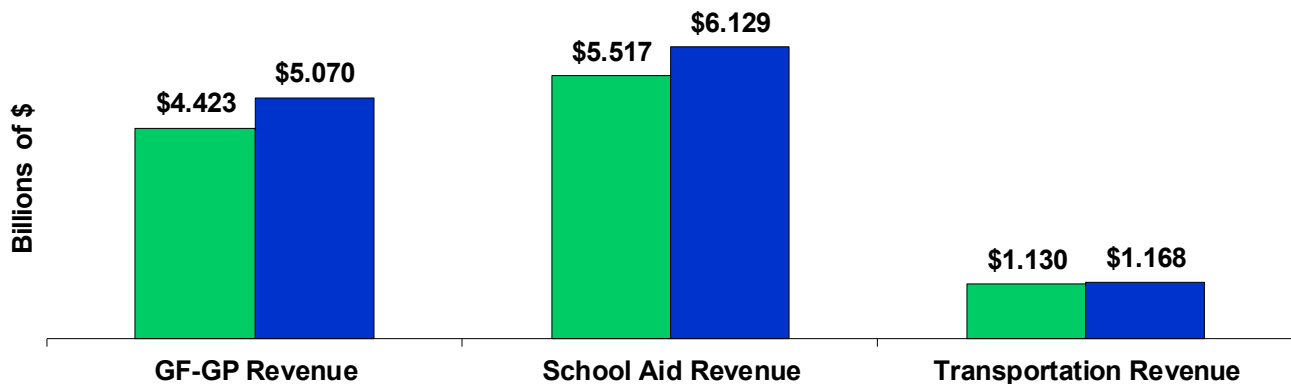
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

This Monthly Financial Report to the Legislature presents the Michigan State government's economic situation and cash collections for January 2022, representing some December and some January economic activity in Michigan.

Total General Fund - General Purpose cash collections were \$36.9 million (2.6 percent) lower in January 2022 than in January 2021. The January 2022 School Aid Fund cash collections were \$111.1 million (9.1 percent) higher than in January 2021. January 2022 transportation collections were \$2.6 million (0.8 percent) higher than in January 2021 (see revenue summary table). January is the fourth 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 General Fund - General Purpose cash collections are up \$646.9 million (14.6 percent) from a year ago. School Aid Fund cash collections are up \$612.1 million (11.1 percent) and transportation collections are up \$38.8 million (3.4 percent).

The FY 2021-22 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on January 14, 2022. The revenue estimate for net General Fund – General Purpose revenue for FY 2021-22 is \$12,449.7 million and the net School Aid revenue forecast is \$16,078.2 million. The Transportation Funds revenue forecast is \$3,838.2 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

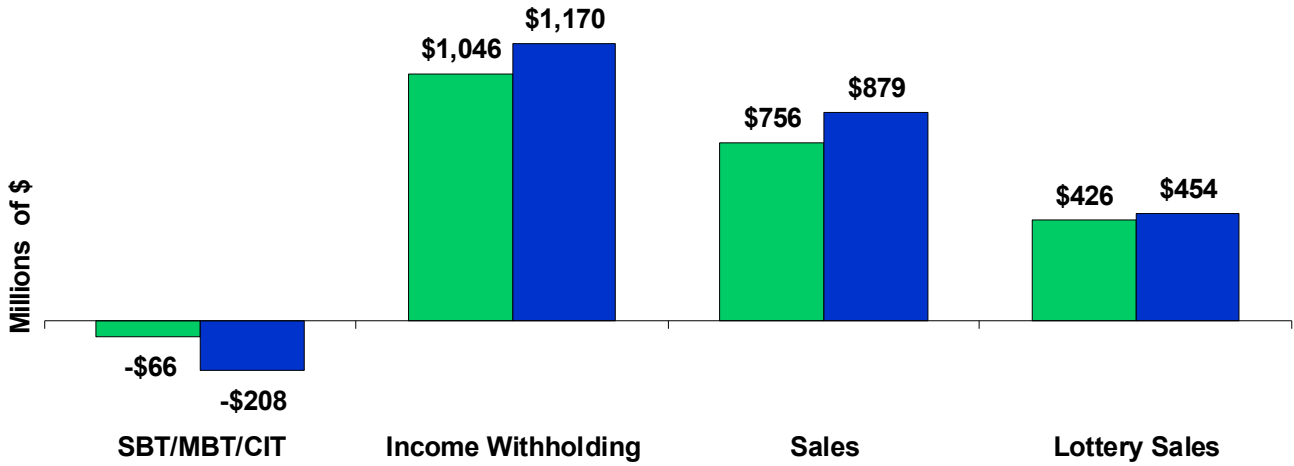
### October through January Collections FY 2020-21 and FY 2021-22



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

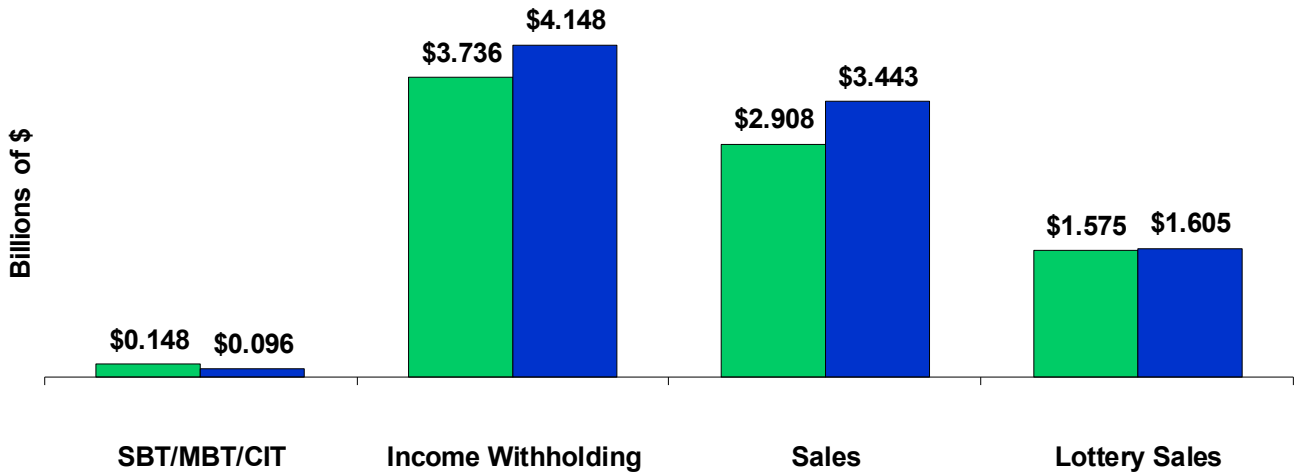
**January Revenue Collections  
FY 2020-21 and FY 2021-22**



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

**October through January Collections  
FY 2020-21 and FY 2021-22**



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: January 31, 2022**

Month-End Cash Collections Data				October Through January Cash Collections Data					Revenue Projections		
January		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2021	2022	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	Jan 2022 Forecast
<b>Income Taxes</b>											
\$1,045,862	\$1,170,091	\$124,229	11.9%	Withholding	\$3,735,971	\$4,147,542	\$411,571	11.0%	\$11,014,500	\$11,182,000	\$11,564,500
388,220	352,214	(36,007)	-9.3%	Quarterlies	518,400	496,770	(21,630)	-4.2%	1,358,400	1,331,500	785,200
0	69,316	69,316	na	Flow Through Entity Tax	0	479,436	479,436	na	na	na	1,193,500
31,275	14,716	(16,559)	-52.9%	Annuals	143,568	119,164	(24,404)	-17.0%	1,017,400	1,118,100	1,184,000
\$1,465,357	\$1,606,337	\$140,979	9.6%	Gross Collections	\$4,397,940	\$5,242,912	\$844,972	19.2%	\$13,390,300	\$13,631,600	\$14,727,200
17,893	38,378	20,485	114.0%	Less: Refunds	144,634	183,474	38,840	26.9%	2,738,400	2,427,300	2,838,200
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$1,447,465	\$1,567,959	\$120,494	8.3%	Net Personal Income	\$4,253,305	\$5,059,437	\$806,132	19.0%	\$10,651,100	\$11,203,500	\$11,888,200
50,000	50,000	0	0.0%	Less: Disbursements to MTF	200,000	200,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disbursements to Renew Michigan	23,000	23,000	0	0.0%	69,000	69,000	69,000
341,138	373,941	32,803	9.6%	Less: Disbursements to SAF	1,023,844	1,228,889	205,045	20.0%	3,188,200	3,245,400	3,506,300
\$1,050,577	\$1,138,268	\$87,691	8.3%	<b>Net Personal Income To GF-GP</b>	<b>\$3,006,461</b>	<b>\$3,607,549</b>	<b>\$601,088</b>	<b>20.0%</b>	<b>\$6,793,900</b>	<b>\$7,289,100</b>	<b>\$7,712,900</b>
<b>Consumption Taxes</b>											
\$117,776	\$138,135	\$20,360	17.3%	Sales (a)	\$475,323	\$547,607	\$72,284	15.2%	\$1,356,900	\$1,407,700	\$1,449,300
178,082	175,611	(2,471)	-1.4%	Use (a) (h)	390,517	405,150	14,633	3.7%	1,158,300	1,124,100	1,169,100
14,913	13,147	(1,766)	-11.8%	Tobacco	60,111	55,449	(4,661)	-7.8%	176,200	172,600	175,000
10,144	10,023	(121)	-1.2%	Beer, Wine & Mixed Spirits	23,687	23,510	(178)	-0.8%	53,000	53,000	52,000
329	8,530	8,200	na	Liquor Specific	13,816	21,950	8,134	58.9%	68,000	69,000	77,000
\$321,244	\$345,446	\$24,202	7.5%	<b>Total Consumption Taxes</b>	<b>\$963,454</b>	<b>\$1,053,665</b>	<b>\$90,211</b>	<b>9.4%</b>	<b>\$2,812,400</b>	<b>\$2,826,400</b>	<b>\$2,922,400</b>
<b>Other Taxes</b>											
(\$791)	(\$563)	\$228	-28.8%	Single Business	(\$359)	\$756	\$1,116	na	\$0	\$0	\$0
90,130	80,273	(9,858)	-10.9%	Insurance Premiums Taxes	\$186,306	183,621	(2,685)	-1.4%	390,000	405,000	380,000
89,339	79,710	(9,629)	-10.8%	Sub-total SBT & Insurance	185,946	184,377	(1,569)	-0.8%	390,000	405,000	380,000
(174,301)	(352,127)	(177,825)	102.0%	Michigan Business Tax	(368,419)	(524,806)	(156,387)	-42.4%	(626,900)	(592,900)	(594,300)
109,376	145,131	35,755	32.7%	Corporate Income Tax	516,704	620,341	103,637	20.1%	1,384,100	1,197,900	1,461,600
0	0	0	na	Inheritance / Estate	0	0	0	na	0	0	0
795	0	(795)	-100.0%	Telephone & Telegraph	11,087	10,199	(888)	-8.0%	32,000	32,000	32,000
1,603	2,594	990	61.8%	Oil & Gas Severance	5,216	11,876	6,660	128.0%	14,000	18,500	22,000
8,713	8,875	162	1.9%	Penalties & Interest	32,835	25,637	(7,199)	-21.9%	130,000	132,000	136,000
132	1	(132)	-99.5%	Essential Services Assessment	1,120	1,880	760	67.8%	126,000	135,000	135,000
2	69	66	na	Miscellaneous Other/Railroad	81	349	268	329.0%	2,000	2,000	3,000
(12,667)	(12,917)	(250)	-2.0%	Treasury Enforcement Programs (e)	(50,667)	(51,667)	(1,000)	-2.0%	(152,000)	(155,000)	(150,000)
\$22,993	(\$128,664)	(\$151,657)	na	<b>Total Other Taxes</b>	<b>\$333,904</b>	<b>\$278,187</b>	<b>(\$55,717)</b>	<b>-16.7%</b>	<b>\$1,299,200</b>	<b>\$1,174,500</b>	<b>\$1,425,300</b>
\$1,394,814	\$1,355,049	(\$39,764)	-2.9%	<b>Subtotal GF-GP Taxes</b>	<b>\$4,303,818</b>	<b>\$4,939,401</b>	<b>\$635,582</b>	<b>14.8%</b>	<b>\$10,905,500</b>	<b>\$11,290,000</b>	<b>\$12,060,600</b>

continued

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: January 31, 2022**

Month-End Cash Collections Data				October Through January Cash Collections Data					Revenue Projections		
January		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2021	2022	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	Jan 2022 Forecast
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$3,333	\$3,333	\$0	0.0%	\$10,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	33	33	0	0.0%	100	100	100
583	583	0	0.0%	Services	2,333	2,333	0	0.0%	7,000	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	4,667	4,667	0	0.0%	14,000	14,000	14,000
3,474	3,474	0	0.0%	Investments/Interest Costs	3,474	3,474	0	0.0%	2,000	2,000	2,000
833	833	0	0.0%	Misc. Non-tax Revenue	3,333	3,333	0	0.0%	10,000	10,000	10,000
18,750	21,383	2,633	14.0%	Liquor Purchase Revolving Fund	75,000	85,533	10,533	14.0%	250,000	256,600	260,000
6,750	6,958	208	3.1%	From Other Funds-Lottery & Escheats	27,000	27,833	833	3.1%	78,200	83,500	86,000
<u>\$32,399</u>	<u>\$35,240</u>	<u>\$2,842</u>	<u>8.8%</u>	<b>Total Non-Tax Revenue</b>	<u>\$119,174</u>	<u>\$130,540</u>	<u>\$11,367</u>	<u>9.5%</u>	<u>\$371,300</u>	<u>\$383,200</u>	<u>\$389,100</u>
\$1,427,213	\$1,390,290	(\$36,923)	-2.6%	<b>Total GF-GP Revenue</b>	\$4,422,992	\$5,069,941	\$646,949	14.6%	\$11,276,800	\$11,673,100	\$12,449,700
<b>School Aid Fund</b>											
\$308,607	\$358,190	\$49,584	16.1%	Sales Tax 4%	\$1,230,718	\$1,409,772	\$179,053	14.5%	\$3,644,400	\$3,683,200	\$3,834,800
241,281	281,531	40,250	16.7%	Sales Tax 2%	856,442	1,092,962	236,520	27.6%	2,852,000	2,882,900	3,022,900
89,049	87,813	(1,236)	-1.4%	Use Tax 2%	301,657	289,748	(11,908)	-3.9%	827,900	824,900	847,900
25,181	40,388	15,208	60.4%	State Education Property Tax	1,447,707	1,449,860	2,152	0.1%	2,267,600	2,324,300	2,360,000
37,977	59,259	21,282	56.0%	Real Estate Transfer Tax	163,642	185,687	22,045	13.5%	433,600	402,400	487,500
141,983	90,000	(51,983)	-36.6%	Lottery Transfer (b)	321,983	288,308	(33,675)	-10.5%	1,208,100	1,093,900	1,280,000
7,183	8,090	907	12.6%	Casino Wagering Tax	21,375	35,394	14,019	65.6%	134,900	181,700	227,000
0	8,138	8,138	na	Liquor Excise Tax	12,863	20,645	7,783	60.5%	67,600	68,600	76,600
30,275	26,690	(3,585)	-11.8%	Cigarette/Tobacco Tax	122,034	112,570	(9,463)	-7.8%	325,300	318,200	318,200
637	519	(118)	-18.6%	Indus. & Comm. Facilities Taxes	11,658	12,061	404	3.5%	37,000	37,000	40,000
756	649	(107)	-14.2%	Specific Other	2,961	3,124	163	5.5%	45,800	68,500	77,000
341,138	373,941	32,803	9.6%	Income Tax Earmarking	1,023,844	1,228,889	205,045	20.0%	3,188,200	3,245,400	3,506,300
<u>\$1,224,066</u>	<u>\$1,335,208</u>	<u>\$111,142</u>	<u>9.1%</u>	<b>Total School Aid Fund</b>	<u>\$5,516,885</u>	<u>\$6,129,020</u>	<u>\$612,135</u>	<u>11.1%</u>	<u>\$15,032,400</u>	<u>\$15,131,000</u>	<u>\$16,078,200</u>
<b>Multi-Fund Revenue Summary</b>											
\$755,626	\$878,515	\$122,889	16.3%	Sales Tax 6%	\$2,907,640	\$3,442,582	\$534,942	18.4%	\$8,906,000	\$9,000,800	\$9,412,600
514,345	596,984	82,639	16.1%	Sales Tax 4% (d)	2,051,197	2,349,620	298,422	14.5%	6,054,000	6,117,900	6,389,700
241,281	281,531	40,250	16.7%	Sales Tax 2%	856,442	1,092,962	236,520	27.6%	2,852,000	2,882,900	3,022,900
267,147	263,439	(3,708)	-1.4%	Use Tax 6% (g)	904,970	869,244	(35,725)	-3.9%	2,477,700	2,470,300	2,539,300
13,015	31,311	18,296	141.0%	Recreational Marihuana	29,066	68,769	39,703	137.0%	75,000	120,000	142,900
74,937	66,064	(8,873)	-11.8%	Tobacco Taxes	302,064	278,640	(23,424)	-7.8%	886,000	868,000	878,000
0	0	0	na	Tobacco Settlement	0	0	0	na	na	na	na

continued

**Revenue Summary FY 2021-22**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: January 31, 2022**

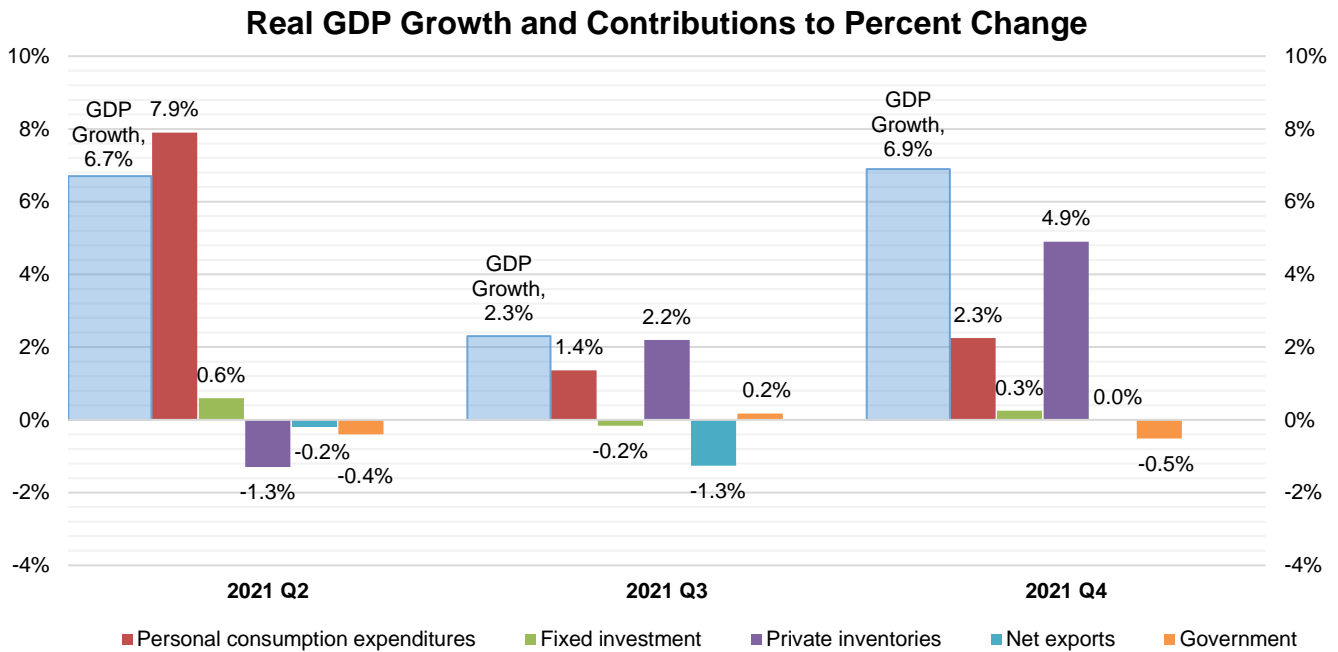
Month-End Cash Collections Data				October Through January Cash Collections Data					Revenue Projections		
January		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2021	2022	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	May 2021 Forecast	Statutory Estimate	Jan 2022 Forecast
<b>Major Transportation Revenues</b>											
\$22,181	\$23,481	\$1,299	5.9%	Diesel Fuel / Motor Carrier Fuel Tax	\$84,200	\$84,035	(\$165)	-0.2%	\$238,000	\$241,500	\$245,000
85,269	95,806	10,536	12.4%	Gasoline	348,693	375,567	26,873	7.7%	1,155,000	1,196,000	1,165,200
144,790	133,641	(11,149)	-7.7%	Motor Vehicle Registration	445,371	447,950	2,578	0.6%	1,373,000	1,402,000	1,445,800
4,553	3,556	(997)	-21.9%	Other Taxes, Fees & Misc.	17,310	15,019	(2,291)	-13.2%	182,419	216,258	239,357
8,537	11,481	2,945	34.5%	Comprehensive Transportation (c)	34,146	45,925	11,778	34.5%	136,123	137,774	142,840
50,000	50,000	0	0.0%	Income Tax Earmarking	200,000	200,000	0	0.0%	600,000	600,000	600,000
<u>\$315,330</u>	<u>\$317,965</u>	<u>\$2,635</u>	<u>0.8%</u>	<b>Total Major Trans. Revenues</b>	<u>\$1,129,721</u>	<u>\$1,168,495</u>	<u>\$38,774</u>	<u>3.4%</u>	<u>\$3,684,542</u>	<u>\$3,793,532</u>	<u>\$3,838,197</u>
<b>Lottery Sales By Games</b>											
\$207,959	\$215,708	\$7,750	3.7%	Instant Games (f)	\$829,215	\$806,491	(\$22,725)	-2.7%	na	na	na
87,002	103,569	16,567	19.0%	Daily Games	365,599	371,035	5,436	1.5%	na	na	na
99,657	57,265	(42,392)	-42.5%	Lotto and Big Game (f)	207,815	155,399	(52,416)	-25.2%	na	na	na
683	767	84	12.3%	Keno Game	2,822	2,731	(91)	-3.2%	na	na	na
1,154	3,562	2,408	209.0%	Lucky For Life	4,412	11,807	7,396	168.0%	na	na	na
6,565	10,713	4,148	63.2%	Other (f)	21,674	36,712	15,038	69.4%	na	na	na
23,022	62,398	39,376	171.0%	Club Games	143,248	220,801	77,552	54.1%	na	na	na
<u>\$426,041</u>	<u>\$453,982</u>	<u>\$27,941</u>	<u>6.6%</u>	<b>Total Lottery Sales</b>	<u>\$1,574,786</u>	<u>\$1,604,975</u>	<u>\$30,190</u>	<u>1.9%</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 2021 revenues were \$212.8 million and the year-to-date 2022 revenues are \$174.3 million. Per 2014 Public Act 80, the total fiscal year 2021 Local Community Stabilization Share (LCSS) was \$491.5 million and the total fiscal year 2022 LCSS is \$521.3 million.
- (h) General Fund Use tax collections are net of LCSS revenue. The year-to-date 2021 LCSS revenues were \$212.8 million and the year-to-date 2022 LCSS revenues are \$174.3 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 6.9 percent annual rate in the fourth quarter of 2021, according to the advance estimate, up from the 2.3 percent annual rate in the third quarter and the 6.7 percent annual rate in the second quarter of 2021. The past three quarterly contributions to the percent change in GDP are shown in the graph below.



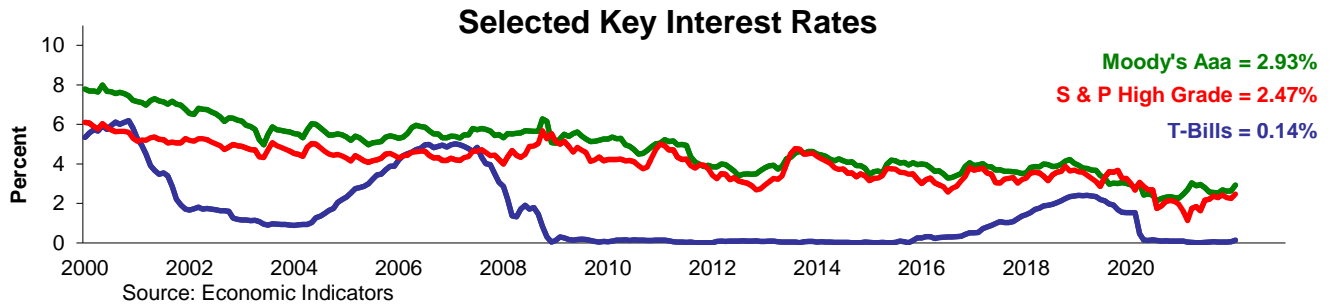
Private inventories and personal consumption expenditures contributed significantly to the increase in GDP in the fourth quarter of 2021. Fixed investments made minor contributions to the increase in GDP. Government spending was a drag on the economy. Real final sales increased 1.9 percent from the preceding period in the fourth quarter, while on the inflation front, the implicit price deflator increased by 7.0 percent.

**U.S. wage and salary employment** increased by 467,000 jobs in January, after gaining 510,000 jobs in December, according to the most recent revised estimates. January employment levels were 2.9 million payroll jobs, or 1.9 percent, below the February 2020 level, prior to the pandemic. In January, sectors with the largest increases in employment include the leisure and hospitality sector with 151,000 jobs, the trade, transportation, and utilities sector with 132,000 jobs, professional and business services with 86,000 jobs, and education and health services with 29,000 jobs.

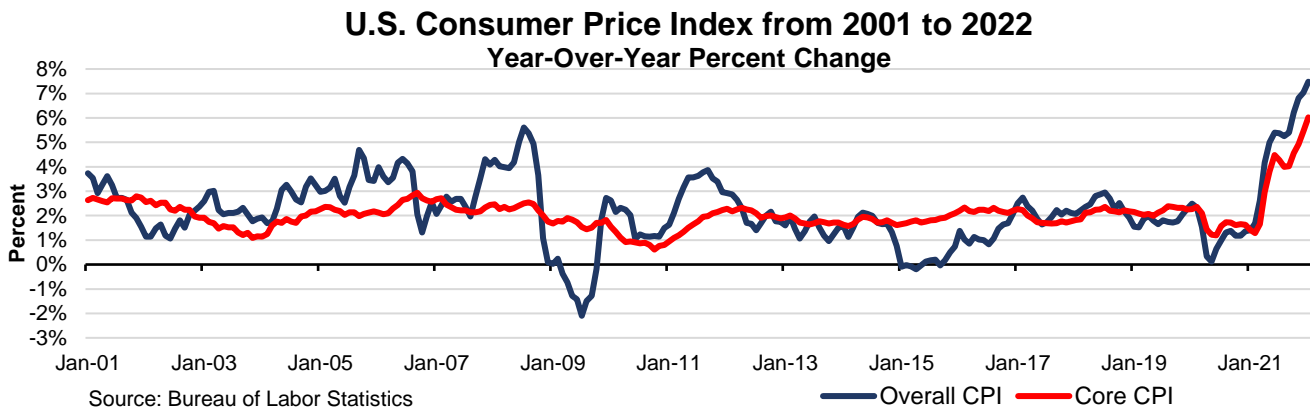
In January, the U.S. unemployment rate remained about the same, increasing slightly to 4.0 percent from December's 3.9 percent. Civilian employment increased slightly to 157.2 million in January, while the number unemployed increased to 6.5 million.

Short-term **interest rates** increased in January, as the 3-month Treasury bill (T-bill) rate increased 0.08 percentage points to 0.14 percent. Compared to one year ago, the T-bill rate increased 0.05 percentage points. The Aaa corporate bond rate increased 0.29 percentage points to an interest yield of 2.93 percent in January and was up 0.48 percentage points from its year-ago level. The interest rate on high-grade

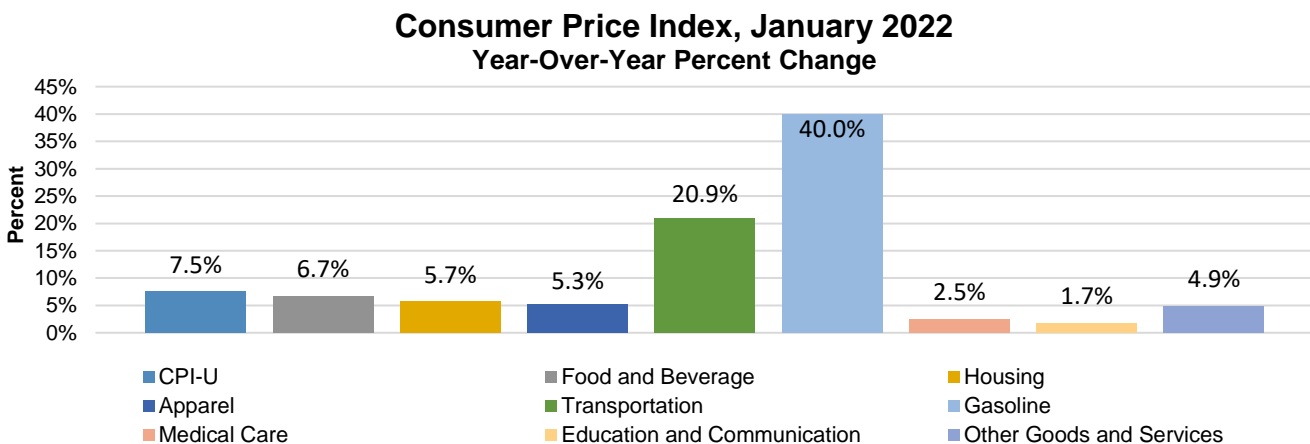
municipal bonds increased 0.23 percentage points to 2.47 percent in January and was up 0.86 percentage points from a year ago.



**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), are up 7.5 percent from January 2021 to January 2022, an increase of 0.4 percentage points from the year-over-year increase in December. The CPI-U year-over-year change was last this high in 1982. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core was up 6.0 percent from January 2021 to January 2022. Prior to the current year, the CPI-Core has not been this high since 1982. CPI data are not seasonally adjusted.



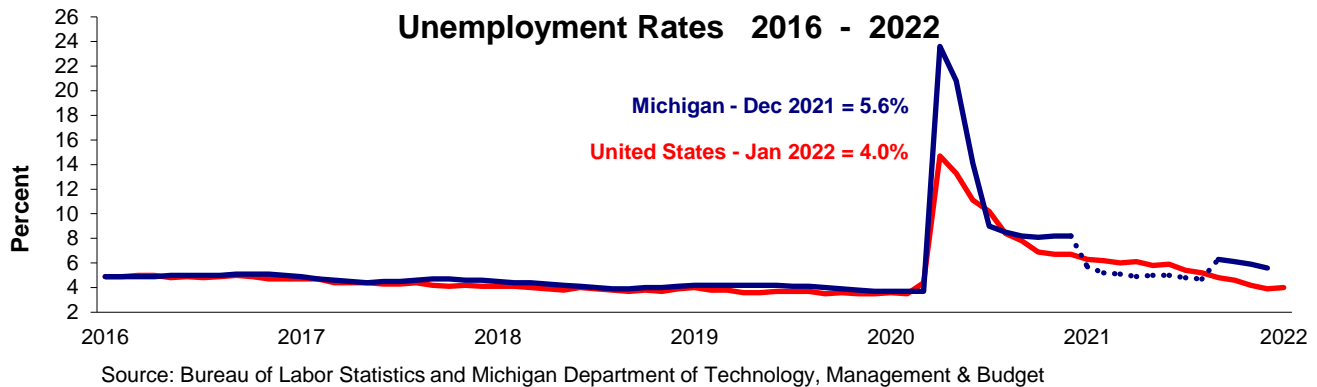
Gasoline experienced the largest year-over-year price increase (40.0 percent) due in part to the decline in gasoline prices during 2020 and into 2021 due to the pandemic. Transportation was the next largest price increase (20.9 percent). Lower year-over-year percent increases can be seen in food and beverage (6.7 percent), housing (5.7 percent), and apparel (5.3 percent).





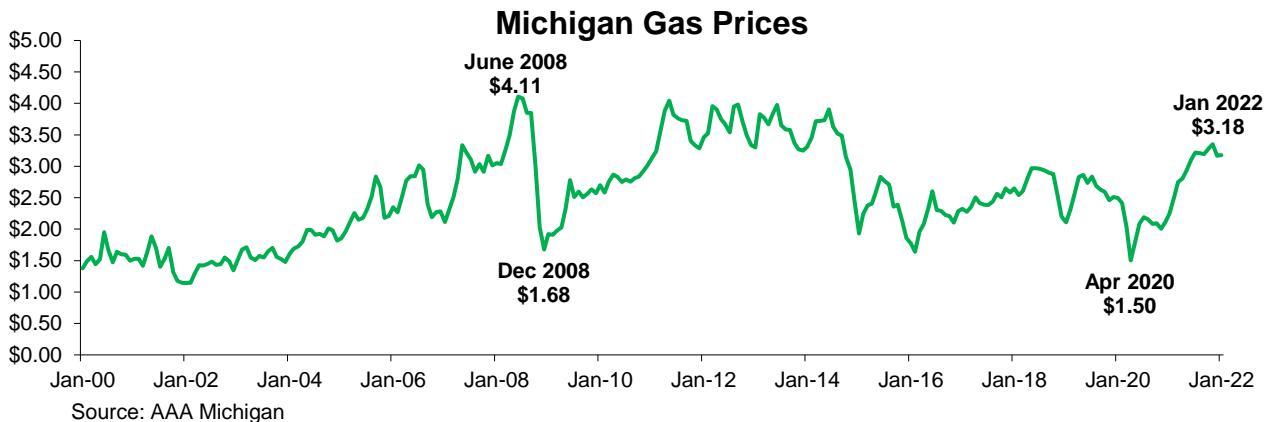
## Michigan Economy

The **Michigan jobless rate** declined slightly in December to 5.6 percent, according to the most recent data, down from November's unemployment rate of 5.9 percent. The national unemployment rate was 3.9 percent in December and increased slightly to 4.0 percent in January. Recently, the U.S. Bureau of Labor Statistics identified a distortion in their statistical estimates and, with the October data release, revised Michigan's September unemployment rate upward. Additional revisions to the unemployment rate for January through August of 2021 will be made during the normal review process and will be available in the spring of 2022. The months still to be revised are presented as the dashed line in the graph below. The civilian labor force remained relatively constant with an increase of only 1,000 in December. The number unemployed decreased by 15,000, a -5.4 percent change, while the number employed increased by 16,000, a 0.4 percent change from November to December. The number unemployed is 33.8 percent lower than in December 2020 during the first year of the pandemic.



**Michigan wage and salary employment** increased in December by 11,000 jobs from November's revised estimate, and was up 220,000 jobs, or 5.5 percent, from December 2020. In December, the sectors with the largest one month increases in employment include professional and business services with 9,000 jobs gained, and trade, transportation, and utilities with 5,000 jobs gained. The leisure and hospitality services sector had the largest one month decrease with 4,000 jobs lost. All other sectors gained or lost 2,000 jobs or less.

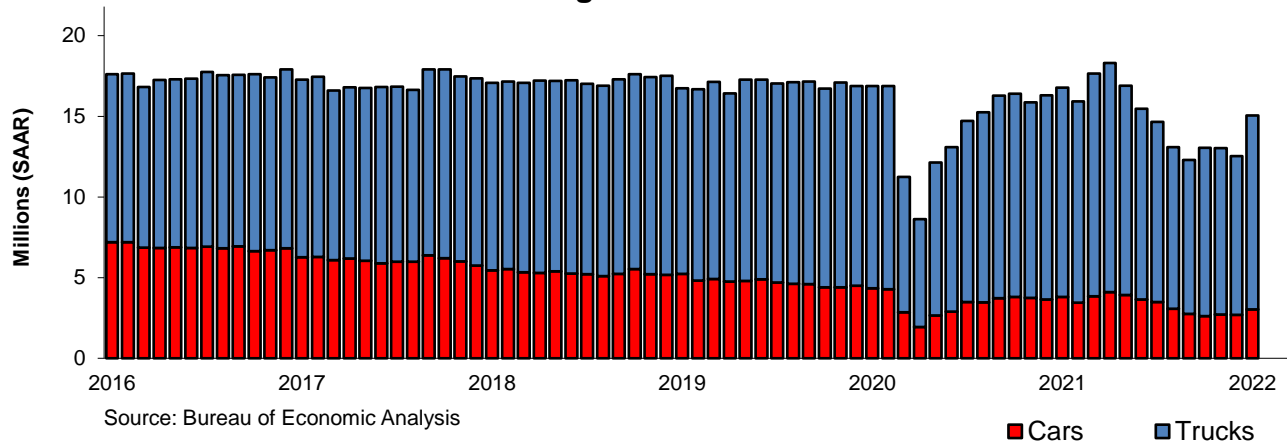
**Michigan gasoline prices** increased slightly in January 2022 to \$3.18 per gallon, up 1.0 cents a gallon from last month's average. Year-over-year gasoline prices are up significantly from the \$2.24 per gallon in January 2021, when they were just beginning to rise due as people began to increase their driving after the pandemic lows. January 2022 gas prices are 68.2 cents a gallon higher than they were two years ago in January 2020 prior to the pandemic.



## Motor Vehicle Sector

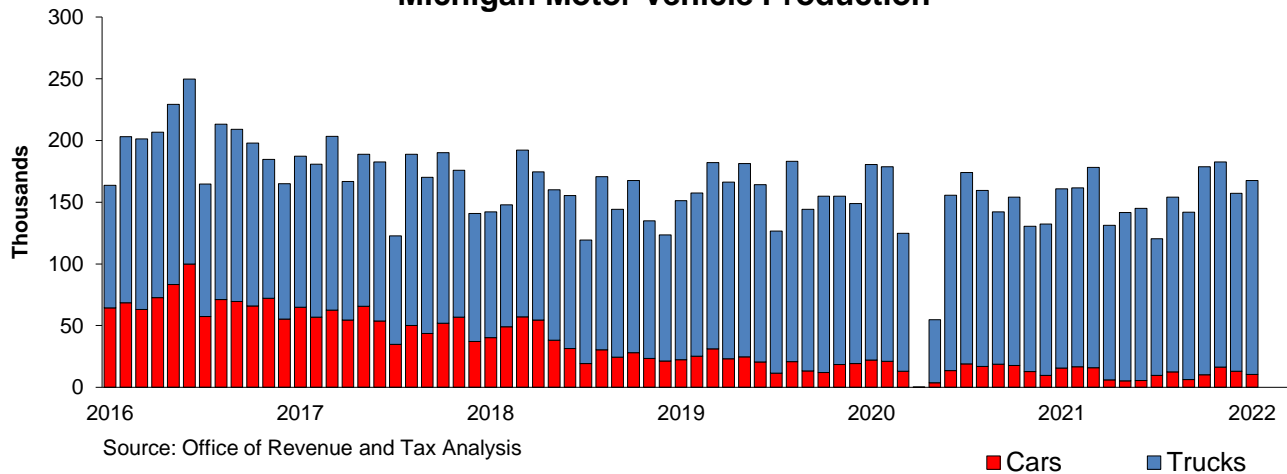
**U.S. light vehicle sales** (cars and light trucks) increased, by 20.0 percent in January from December, selling at a 15.0 million unit seasonally adjusted annual rate. Domestic car sales increased 7.8 percent and light truck sales increased 19.5 percent from December. Import car sales and light truck sales increased 28.8 percent and 31.6 percent, respectively, from December. Compared to January 2021, light vehicle sales were down 10.7 percent. Domestic car sales decreased 20.6 percent while light truck sales decreased 5.4 percent from the year ago levels. January import car sales were down 18.6 percent while import light truck sales were down 14.9 percent from last year. Domestic light vehicles recorded a 78.0 percent share of January 2022 sales, down 1.9 percentage points from December.

### U.S. Light Vehicle Sales



**Michigan motor vehicle production** was up in January, with 167,524 total units. Michigan's January production was 6.6 percent above December's production and 4.2 percent above the level in January 2021. Nationally, motor vehicle production totaled 768,065 units, which was up 4.2 percent from a year ago. In January, Michigan's car production was 10,443 units while the State's truck production was 157,081 units. Michigan motor vehicle production data are not seasonally adjusted.

### Michigan Motor Vehicle Production



**Summary Estimates of the Constitutional Revenue Limit  
Based on the January 14, 2022 Consensus Revenue Agreement  
(Article IX, Section 26)  
(in millions)**

	<u>Fiscal Year 2020-21 Estimate</u>	<u>Fiscal Year 2021-22 Estimate</u>	<u>Fiscal Year 2022-23 Estimate</u>
Applicable Calendar Year Personal Income	\$491,632	\$530,809	\$558,411
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$46,655.9</u>	<u>\$50,373.8</u>	<u>\$52,993.2</u>
Revenue Limit	\$46,655.9	\$50,373.8	\$52,993.2
State Revenue Subject to Limit	<u>\$38,370.1</u>	<u>\$38,208.8</u>	<u>\$38,994.2</u>
<b>Amount Under (Over) Limit</b>	<b>\$8,285.8</b>	<b>\$12,165.0</b>	<b>\$13,999.0</b>

Sources:

Personal Income Estimate

The FY 2020-21 calculation uses the official personal income estimate for calendar year 2019 (Survey of Current Business, October 2020).  
The FY 2021-22 calculation uses the January 14, 2022 Consensus Revenue Agreement.  
The FY 2022-23 calculation uses the January 14, 2022 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2020-21 calculation uses the January 14, 2022 Consensus Revenue Agreement.  
The FY 2021-22 calculation uses the January 14, 2022 Consensus Revenue Agreement.  
The FY 2022-23 calculation uses the January 14, 2022 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