



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

August 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 July 31, 2025. This report is submitted pursuant to MCL 18.1386. This report can also be found on the Internet at the following address:

www.michigan.gov/budget 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
July 31, 2025
(\$ in millions)

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

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

	FISCAL 2025
Beginning Balance	\$ 1,257.7
Revenues	
Ongoing:	
May 2025 Consensus Forecast	\$ 18,545.2
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
Subtotal Ongoing Revenue	\$ 20,909.0
One-Time:	
General Fund	\$ 28.9
General Fund - Community District Trust Fund Revenue Deposit	\$ 77.2
Enrollment Stability Reserve Fund - Public Act 120 of 2024	\$ 71.0
MPERS Reserve Fund - Public Act 120 of 2024	\$ 334.1
Transportation Reserve Fund - Public Act 120 of 2024	\$ 125.0
School Meals Reserve Fund - Public Act 120 of 2024	\$ 30.0
GSRP Reserve Fund - Public Act 120 of 2024	\$ 18.0
Educator Fellowship Fund - Public Act 120 of 2024	\$ 30.0
Revenue Deposits - Sec. 11z - Public Act 120 of 2024	\$ (25.0)
Work Project Lapse - September 25, 2024	\$ 107.1
Subtotal One-Time Revenue	\$ 796.2
Total Revenue	\$ 21,705.2
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	\$ 1,269.2

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

July 31, 2025
(\$ in millions)

Fiscal Year 2024

Fiscal Year 2025

Expenditures & Encumbrances Year to Date FY 2024	Expenditures & Encumbrances Fiscal Year End SEP 30, 2024	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2025
150.2	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	145.9
109.2	131.8	Attorney General	127.3	3.0	47.0	177.2	107.5
554.8	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	580.8
18.6	23.4	Civil Rights	29.2	2.0	15.5	46.6	24.3
1,844.6	1,992.6	Colleges and Universities	2,193.1	14.3	184.4	2,391.8	1,656.6
1,756.5	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	1,813.6
636.3	843.0	Education	232.3	74.5	824.8	1,131.5	228.8
1,133.4	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	747.2
8.0	9.4	Executive Office	9.3	0.0	0.2	9.6	8.3
28,712.7	36,296.7	Health and Human Services	37,582.3	0.0	4,940.2	42,522.4	28,925.3
61.1	72.6	Insurance and Financial Services	78.6	1.3	0.8	80.7	59.6
240.7	335.9	Judiciary	373.4	0.0	178.0	551.5	282.2
1,457.5	2,057.0	Labor and Economic Opportunity	1,141.2	554.3	5,280.3	6,975.8	1,243.0
22.9	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	23.5
142.1	186.3	Legislature	196.7	0.0	249.5	446.2	140.4
508.9	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	495.7
0.5	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	151.1	805.4	562.9
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
466.9	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	251.6
37.8	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
112.1	124.3	Military and Veterans Affairs	120.9	15.5	15.8	152.2	123.5
165.3	214.6	Natural Resources	161.7	5.4	130.8	297.9	181.4
218.8	286.6	State	291.8	10.2	139.0	441.0	219.5
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
797.3	1,038.4	State Police	951.2	128.7	851.9	1,931.8	840.8
777.6	1,152.2	Technology, Management and Budget (3)	542.9	1,340.0	908.0	2,790.9	715.9
50.1	67.7	Transportation	36.6	552.0	70.4	659.0	32.0
2,104.2	5,059.3	Treasury	2,604.5	157.3	548.7	3,310.5	2,179.3
\$42,087.9	\$55,710.2		\$52,062.2	\$3,059.6	\$23,658.0	\$78,779.7	\$41,636.7

(1) Includes boilerplate appropriations.

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

(3) Includes Civil Service Commission.

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

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 2,125,779</u>
Total Assets	<u><u>\$ 2,125,779</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>2,125,779</u>
Total Fund Balances	<u>2,125,779</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,125,779</u></u>

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

REVENUES

Miscellaneous	\$ 87,943
	<hr/>
Total Revenues	87,943
	<hr/>

EXPENDITURES

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

OTHER FINANCING SOURCES (USES)

Transfers from other funds	41,667
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	41,667
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 129,261 ¹
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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

July 31, 2025
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	\$ 63,857
Investments	-
Other current assets	-
Total Current Assets	<u>63,857</u>
Noncurrent Assets:	
Investments	<u>784,940</u>
Total Assets	<u><u>\$ 848,798</u></u>

LIABILITIES

Current Liabilities:	
Accounts payable and other liabilities	\$ 4,792
Amounts due to other funds	-
Total Current Liabilities	<u>4,792</u>
Total Liabilities	<u>4,792</u>

FUND BALANCES

Nonspendable	500,000
Restricted	<u>344,006</u>
Total Fund Balances	<u>844,006</u>
Total Liabilities and Fund Balances	<u><u>\$ 848,798</u></u>

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

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

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		46,640
		46,640
Total Revenues		46,640

EXPENDITURES

Current:		
General government		4,909
Conservation, environment, recreation, and agriculture		10,529
Capital outlay		2,269
		2,269
Total Expenditures		17,707
Excess of Revenues over (under) Expenditures		28,933

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		3
Transfers from other funds		-
Transfers to other funds		(26)
		(26)
Total Other Financing Sources (Uses)		(23)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 28,910 ¹

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

REVENUE OVERVIEW

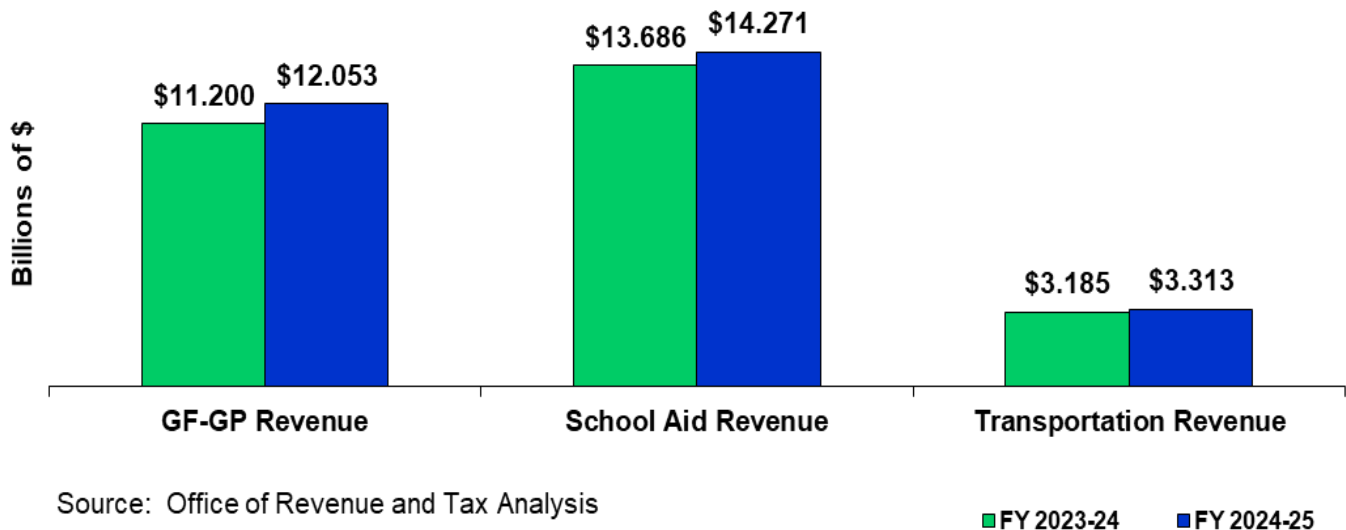
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

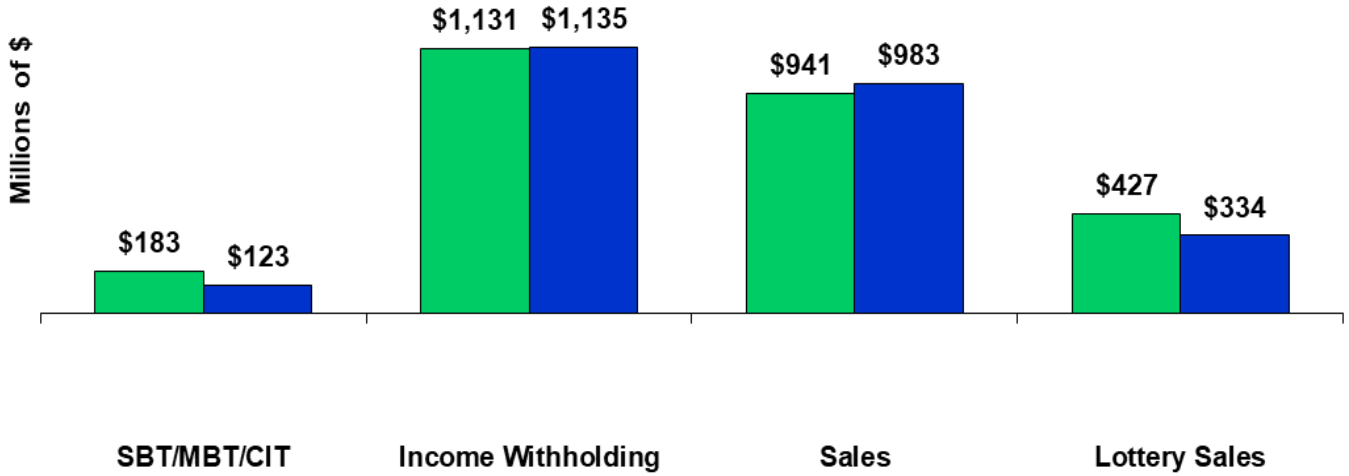
Total General Fund - General Purpose (GF-GP) cash collections were \$50.5 million (3.3 percent) lower in July 2025 than in July 2024. July 2025 School Aid Fund cash collections were \$37.6 million (3.0 percent) higher than in July 2024. July 2025 transportation collections were \$15.0 million (4.6 percent) higher than in July 2024 (see revenue summary table). July is the tenth 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 \$850.9 million (7.6 percent) from a year ago. School Aid Fund cash collections are up \$585.4 million (4.3 percent), and transportation collections are up \$127.6 million (4.0 percent).

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

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



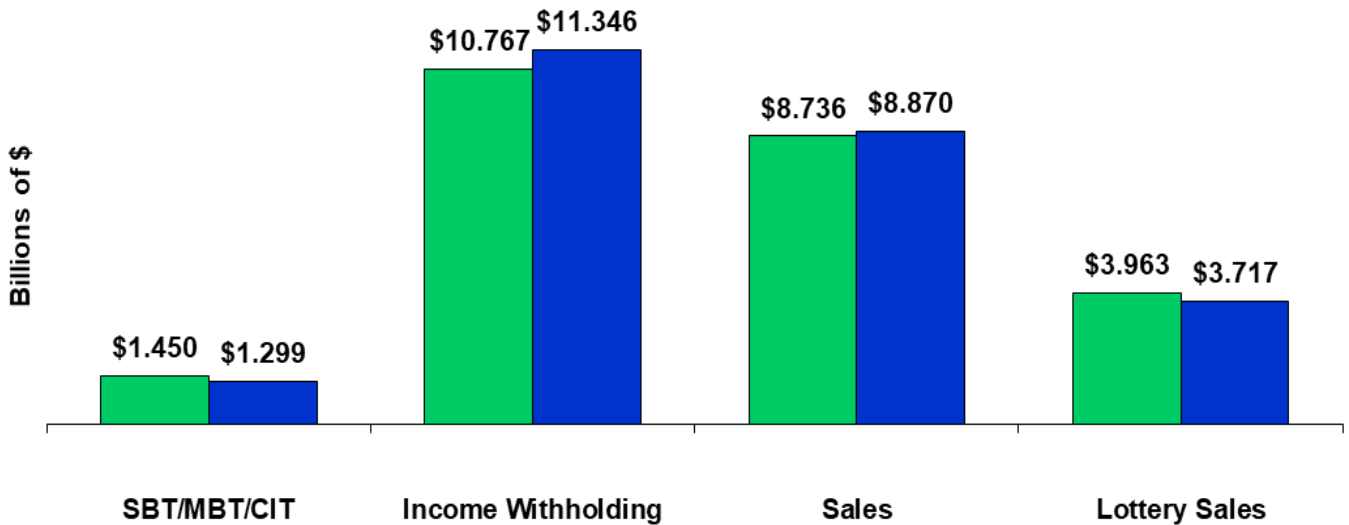
July Revenue Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

October through July 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: July 31, 2025

Month-End Cash Collections Data				October Through July Cash Collections Data					Revenue Projections		
July		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽ⁱ⁾	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
Income Taxes											
\$1,131,314	\$1,135,446	\$4,132	0.4%	Withholding	\$10,767,172	\$11,345,723	\$578,551	5.4%	\$12,817,900	\$12,997,800	\$13,571,900
44,422	29,743	(14,679)	-33.0%	Quarterlies	824,319	1,000,131	175,812	21.3%	1,111,400	1,010,700	1,233,000
(4,039)	(2,432)	1,607	39.8%	Flow Through Entity Tax	759,940	757,531	(2,409)	-0.3%	957,400	1,014,800	1,000,000
28,434	30,096	1,662	5.8%	Annuals	1,163,880	1,447,255	283,374	24.3%	1,201,500	1,268,900	1,518,000
\$1,200,131	\$1,192,854	(\$7,277)	-0.6%	Gross Collections	\$13,515,312	\$14,550,641	\$1,035,329	7.7%	\$16,088,200	\$16,292,200	\$17,322,900
85,887	88,795	2,909	3.4%	Less: Refunds	3,875,535	3,646,788	(228,747)	-5.9%	3,120,100	3,251,700	3,650,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	500	800	800
\$1,114,244	\$1,104,058	(\$10,186)	-0.9%	Net Personal Income	\$9,639,777	\$10,903,853	\$1,264,076	13.1%	\$12,967,600	\$13,039,700	\$13,672,100
50,000	50,000	0	0.0%	Less: Disbursements to MTF	500,000	500,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	57,500	57,500	0	0.0%	71,700	69,000	69,000
279,408	277,722	(1,686)	-0.6%	Less: Disbursements to SAF	3,203,849	3,449,577	245,728	7.7%	3,962,600	3,922,500	4,231,900
\$779,086	\$770,586	(\$8,500)	-1.1%	Net Personal Income To GF-GP	\$5,878,428	\$6,896,775	\$1,018,348	17.3%	\$8,333,300	\$8,448,200	\$8,771,200
Consumption Taxes											
\$146,934	\$154,704	\$7,770	5.3%	Sales (a)	\$1,388,530	\$1,404,703	\$16,173	1.2%	\$1,572,400	\$1,609,800	\$1,638,700
134,940	133,543	(1,397)	-1.0%	Use (a) (h)	1,057,542	1,015,910	(41,632)	-3.9%	1,188,200	1,308,200	1,178,500
11,296	10,772	(523)	-4.6%	Tobacco	109,905	101,231	(8,674)	-7.9%	132,000	134,400	125,100
9,434	9,276	(158)	-1.7%	Beer, Wine & Mixed Spirits	42,164	40,769	(1,394)	-3.3%	44,900	47,000	44,600
9,104	8,932	(172)	-1.9%	Liquor Specific	64,293	63,752	(541)	-0.8%	68,700	66,400	67,100
\$311,708	\$317,226	\$5,519	1.8%	Total Consumption Taxes	\$2,662,434	\$2,626,366	(\$36,068)	-1.4%	\$3,006,200	\$3,165,800	\$3,054,000
Other Taxes											
\$1	\$3	\$2	379.0%	Single Business	(\$275)	\$226	\$501	182.4%	(\$300)	\$0	\$0
121,855	120,995	(860)	-0.7%	Insurance Premiums Taxes	510,247	507,647	(2,600)	-0.5%	537,400	541,300	548,500
121,855	120,998	(858)	-0.7%	Sub-total SBT & Insurance	509,973	507,874	(2,099)	-0.4%	537,100	541,300	548,500
18,890	(6,958)	(25,848)	-136.8%	Michigan Business Tax	(338,830)	(430,461)	(91,631)	-27.0%	(356,900)	(503,400)	(496,900)
164,317	129,666	(34,651)	-21.1%	Corporate Income Tax	1,789,023	1,729,484	(59,540)	-3.3%	1,574,000	1,598,300	1,592,500
22,696	22,219	(476)	-2.1%	Telephone & Telegraph	43,361	33,684	(9,677)	-22.3%	43,000	33,000	42,000
1,574	1,592	18	1.1%	Oil & Gas Severance	20,200	16,956	(3,244)	-16.1%	21,900	28,000	22,000
4,444	10,785	6,341	143.0%	Penalties & Interest	110,217	129,631	19,414	17.6%	171,900	147,000	157,000
26,296	28,990	2,694	10.2%	Essential Services Assessment	40,670	47,163	6,493	16.0%	147,300	159,000	157,000
1,893	1,501	(392)	-20.7%	Miscellaneous Other/Railroad	2,473	1,743	(730)	-29.5%	10,800	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(126,250)	(125,833)	417	0.3%	(147,200)	(152,000)	(150,000)
\$349,465	\$296,211	(\$53,254)	-15.2%	Total Other Taxes	\$2,050,837	\$1,910,239	(\$140,597)	-6.9%	\$2,001,900	\$1,866,200	\$1,880,100
\$1,440,259	\$1,384,024	(\$56,236)	-3.9%	Subtotal GF-GP Taxes	\$10,591,698	\$11,433,381	\$841,682	7.9%	\$13,341,400	\$13,480,200	\$13,705,300

continued

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

For The Month Ended: July 31, 2025

Month-End Cash Collections Data				October Through July Cash Collections Data				Revenue Projections			
July		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽ⁱ⁾	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
Non-Tax Revenue (e)											
\$833	\$833	\$0	0.0%	Federal Aid	\$8,333	\$8,333	\$0	0.0%	\$14,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	83	83	0	0.0%	100	100	100
583	583	0	0.0%	Services	5,833	5,833	0	0.0%	4,200	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	11,667	11,667	0	0.0%	10,700	14,000	14,000
43,137	41,592	(1,545)	-3.6%	Investments/Interest Costs	249,399	186,109	(63,290)	-25.4%	593,300	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	8,333	8,333	0	0.0%	54,500	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	250,000	287,500	37,500	15.0%	301,200	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	75,000	110,000	35,000	46.7%	207,700	134,000	144,000
\$79,062	\$84,767	\$5,705	7.2%	Total Non-Tax Revenue	\$608,649	\$617,859	\$9,210	1.5%	\$1,185,700	\$777,600	\$788,600
\$1,519,321	\$1,468,791	(\$50,531)	-3.3%	Total GF-GP Revenue	\$11,200,347	\$12,051,239	\$850,892	7.6%	\$14,527,100	\$14,257,800	\$14,493,900
School Aid Fund											
\$380,742	\$398,397	\$17,655	4.6%	Sales Tax 4%	\$3,580,889	\$3,616,684	\$35,795	1.0%	\$4,352,100	\$4,347,900	\$4,403,800
306,182	319,104	12,923	4.2%	Sales Tax 2%	2,767,480	2,841,808	74,329	2.7%	3,405,700	3,409,600	3,456,300
82,101	81,322	(779)	-0.9%	Use Tax 2%	762,877	745,436	(17,441)	-2.3%	940,200	991,400	926,500
11,870	21,547	9,676	81.5%	State Education Property Tax	1,787,717	2,040,081	252,364	14.1%	2,756,800	2,812,600	2,880,000
44,583	40,109	(4,474)	-10.0%	Real Estate Transfer Tax	321,949	350,819	28,870	9.0%	404,500	385,000	424,500
90,000	90,000	0	0.0%	Lottery Transfer (b)	841,981	823,577	(18,404)	-2.2%	1,249,000	1,270,000	1,155,000
8,611	8,623	12	0.1%	Casino Wagering Tax	83,967	87,120	3,153	3.8%	500,700	499,000	579,200
6,690	6,276	(414)	-6.2%	Liquor Excise Tax	56,513	54,706	(1,807)	-3.2%	75,500	78,500	80,900
22,932	21,869	(1,063)	-4.6%	Cigarette/Tobacco Tax	223,124	205,514	(17,610)	-7.9%	229,800	235,700	214,600
3,154	8,383	5,229	166.0%	Indus. & Comm. Facilities Taxes	41,019	40,692	(327)	-0.8%	53,700	45,000	50,000
7,008	7,568	560	8.0%	Specific Other	14,542	15,267	725	5.0%	143,800	149,700	142,500
279,408	277,722	(1,686)	-0.6%	Income Tax Earmarking	3,203,849	3,449,577	245,728	7.7%	3,962,600	3,922,500	4,231,900
\$1,243,281	\$1,280,921	\$37,640	3.0%	Total School Aid Fund	\$13,685,908	\$14,271,282	\$585,374	4.3%	\$18,074,500	\$18,146,900	\$18,545,200
Multi-Fund Revenue Summary											
\$940,751	\$983,099	\$42,348	4.5%	Sales Tax 6%	\$8,735,629	\$8,869,615	\$133,987	1.5%	\$10,577,100	\$10,588,800	\$10,728,800
634,570	663,995	29,425	4.6%	Sales Tax 4% (d)	5,968,149	6,027,807	59,658	1.0%	7,171,400	7,179,200	7,272,500
306,182	319,104	12,923	4.2%	Sales Tax 2%	2,767,480	2,841,808	74,329	2.7%	3,405,700	3,409,600	3,456,300
246,304	243,967	(2,337)	-0.9%	Use Tax 6% (g)	2,288,632	2,236,308	(52,324)	-2.3%	2,765,100	2,869,400	2,749,800
51,198	48,492	(2,706)	-5.3%	Recreational Marihuana	277,562	280,077	2,515	0.9%	315,000	347,700	322,100
56,762	54,131	(2,630)	-4.6%	Tobacco Taxes	552,288	508,699	(43,589)	-7.9%	667,900	676,800	629,000
4	0	(4)	-100.0%	Tobacco Settlement	242,986	187,656	(55,330)	-22.8%	na	na	na

continued

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

For The Month Ended: July 31, 2025

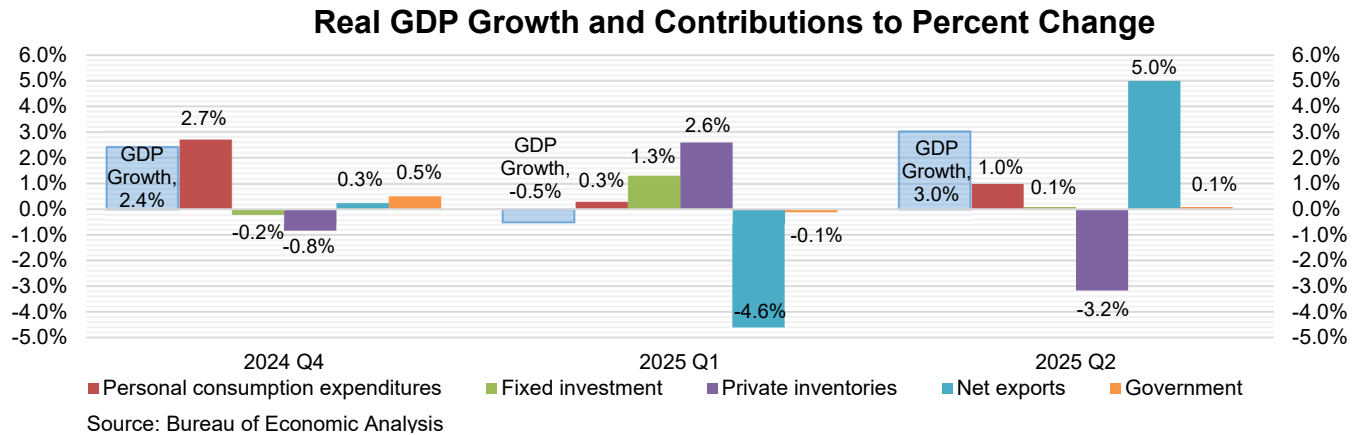
Month-End Cash Collections Data				October Through July Cash Collections Data				Revenue Projections			
July		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽ⁱ⁾	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
Major Transportation Revenues											
\$25,046	\$24,601	(\$445)	-1.8%	Diesel Fuel / Motor Carrier Fuel Tax	\$221,888	\$234,270	\$12,381	5.6%	\$272,400	\$279,000	\$279,000
111,414	115,589	4,175	3.7%	Gasoline	1,039,758	1,085,069	45,311	4.4%	1,282,800	1,297,000	1,303,000
120,621	132,925	12,303	10.2%	Motor Vehicle Registration	1,264,982	1,344,411	79,430	6.3%	1,490,400	1,585,000	1,532,000
5,046	5,289	243	4.8%	Other Taxes, Fees & Misc.	43,436	45,048	1,612	3.7%	382,200	379,471	378,287
11,650	10,417	(1,233)	-10.6%	Comprehensive Transportation (c)	115,318	104,167	(11,152)	-9.7%	193,100	186,147	185,447
50,000	50,000	0	0.0%	Income Tax Earmarking	500,000	500,000	0	0.0%	600,000	600,000	600,000
<u>\$323,777</u>	<u>\$338,820</u>	<u>\$15,043</u>	<u>4.6%</u>	Total Major Trans. Revenues	<u>\$3,185,382</u>	<u>\$3,312,965</u>	<u>\$127,583</u>	<u>4.0%</u>	<u>\$4,220,900</u>	<u>\$4,326,618</u>	<u>\$4,277,734</u>
Lottery Sales By Games											
\$224,767	\$177,660	(\$47,107)	-21.0%	Instant Games (f)	\$2,071,050	\$1,996,032	(\$75,019)	-3.6%	na	na	na
89,372	74,040	(15,332)	-17.2%	Daily Games	804,174	782,031	(22,143)	-2.8%	na	na	na
37,647	27,825	(9,821)	-26.1%	Lotto and Big Game (f)	435,062	319,352	(115,711)	-26.6%	na	na	na
647	520	(126)	-19.5%	Keno Game	6,023	5,952	(71)	-1.2%	na	na	na
3,844	2,887	(957)	-24.9%	Lucky For Life	33,204	31,518	(1,686)	-5.1%	na	na	na
6,697	11,362	4,666	69.7%	Other (f)	59,388	115,805	56,417	95.0%	na	na	na
64,347	39,914	(24,433)	-38.0%	Club Games	553,849	466,495	(87,354)	-15.8%	na	na	na
<u>\$427,319</u>	<u>\$334,209</u>	<u>(\$93,110)</u>	<u>-21.8%</u>	Total Lottery Sales	<u>\$3,962,750</u>	<u>\$3,717,184</u>	<u>(\$245,566)</u>	<u>-6.2%</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 \$468.1 million and the year-to date 2025 revenues are \$474.9 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 \$468.1 million and the year-to-date 2025 LCSS revenues are \$474.9 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

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

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

U.S. real **Gross Domestic Product** increased at a 3.0 percent annual rate in the second quarter of 2025, according to the advance estimate released by the Bureau of Economic Analysis, up from the -0.5 percent annual rate in the first quarter of 2025. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

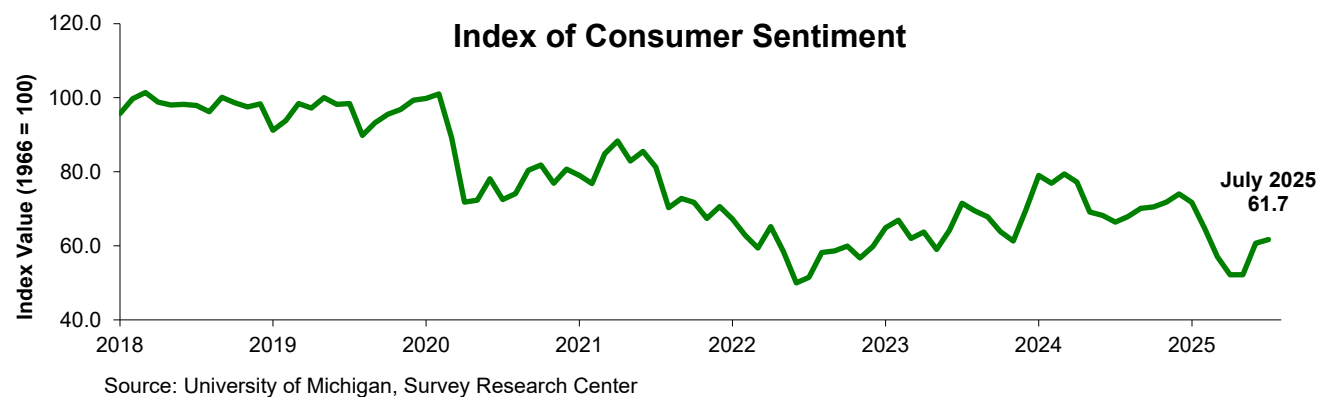


Net exports and consumer spending drove the increase in GDP in the second quarter of 2025, offsetting the decline in private inventories. Real final sales increased by 6.3 percent in the second quarter, while the implicit price deflator increased by 2.0 percent in the same period.

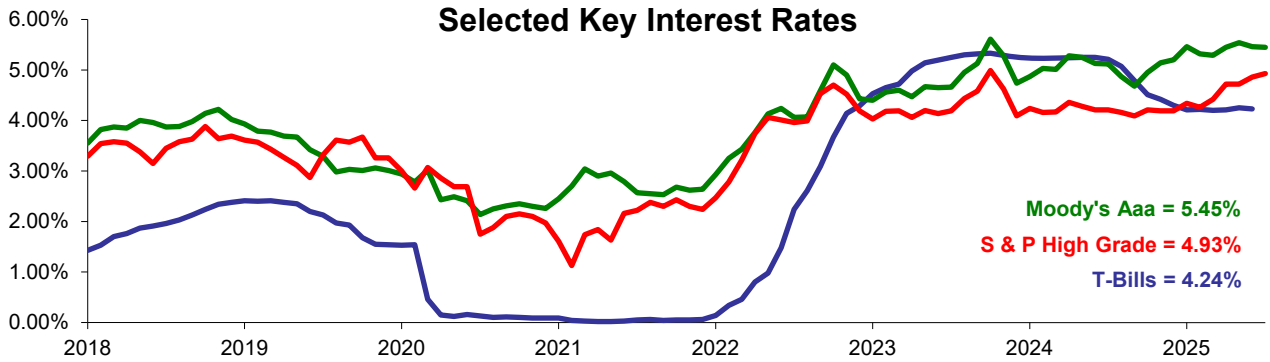
U.S. wage and salary employment increased by 73,000 jobs in July 2025 to total employment of 7.2 million, or 4.8 percent above its February 2020 pre-pandemic level. In July, the sectors with the largest employment increases include private education and health services with a gain of 79,000 jobs, retail trade with an increase of 16,000 jobs, and financial activities with 15,000 additional jobs. The largest employment declines in July were observed in the professional and business services sector with 14,000 jobs lost, manufacturing with a decrease of 11,000 jobs, and government with 10,000 fewer jobs.

In July, the **U.S. unemployment rate** increased to 4.2 percent, 0.1 percentage point higher than the prior month rate. Civilian employment decreased 260,000 to 163.1 million. The number of unemployed increased 221,000 from June, to 7.2 million. The labor force participation rate edged down to 62.2 percent, 1.1 percentage point below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** increased to 61.7 in July, 1.0 index-point higher than the prior month and the second increase of the index in the year. Despite July's gain, consumer sentiment remains 4.7 index-points below the year-ago level.



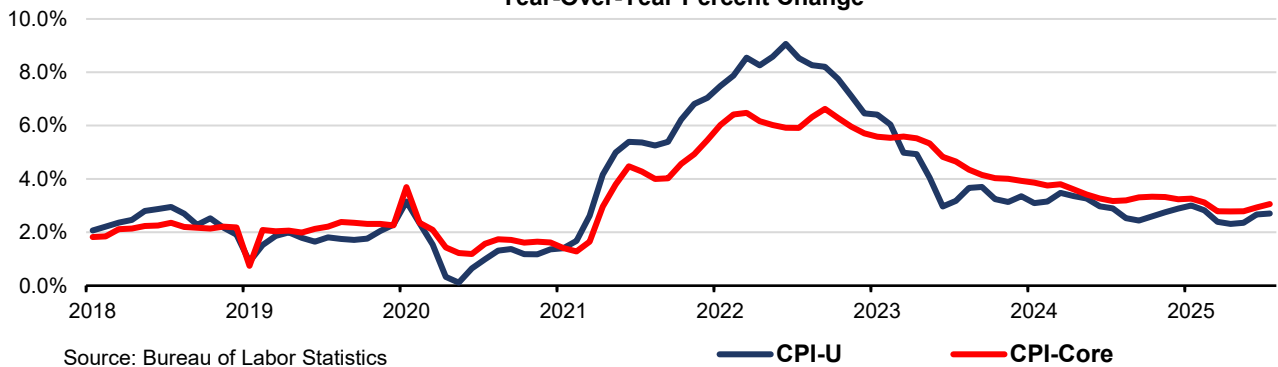
Short-term **interest rates** increased by 1 basis point in July (where one basis point equals one-hundredth of one percent) to a 3-month Treasury bill (T-bill) rate of 4.24 percent. The T-bill rate is 97 basis points lower than the 5.21 percent rate in July 2024. The Aaa corporate bond rate decreased by 1 basis point in July to an interest rate of 5.45 percent, up 33 basis points from a year ago. The interest rate on S&P high-grade municipal bonds increased to 4.93 percent in July, up 7 basis points from the prior month's rate, and 72 basis points higher than a year ago.



Source: Economic Indicators

U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 2.7 percent from July 2024 to July 2025, unchanged from June'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 July, up 0.2 percentage points from the prior month's rates. CPI-U and CPI-Core data are not seasonally adjusted.

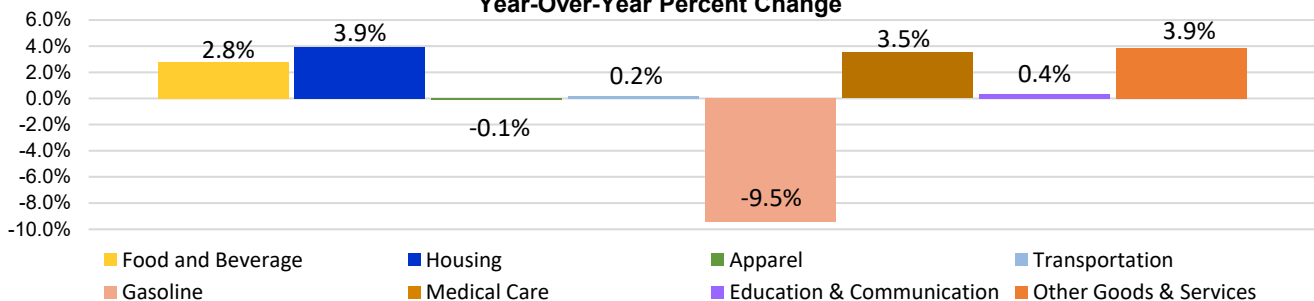
U.S. Consumer Price Index from 2018 to 2025
Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Housing, and other goods and services exhibited the largest year-over-year price increases at 3.9 percent each for July, followed by medical care with a 3.5 percent increase, and food and beverage with a 2.8 percent increase. Gasoline experienced a year-over-year price decline of 9.5 percent in July. These sector data are seasonally adjusted.

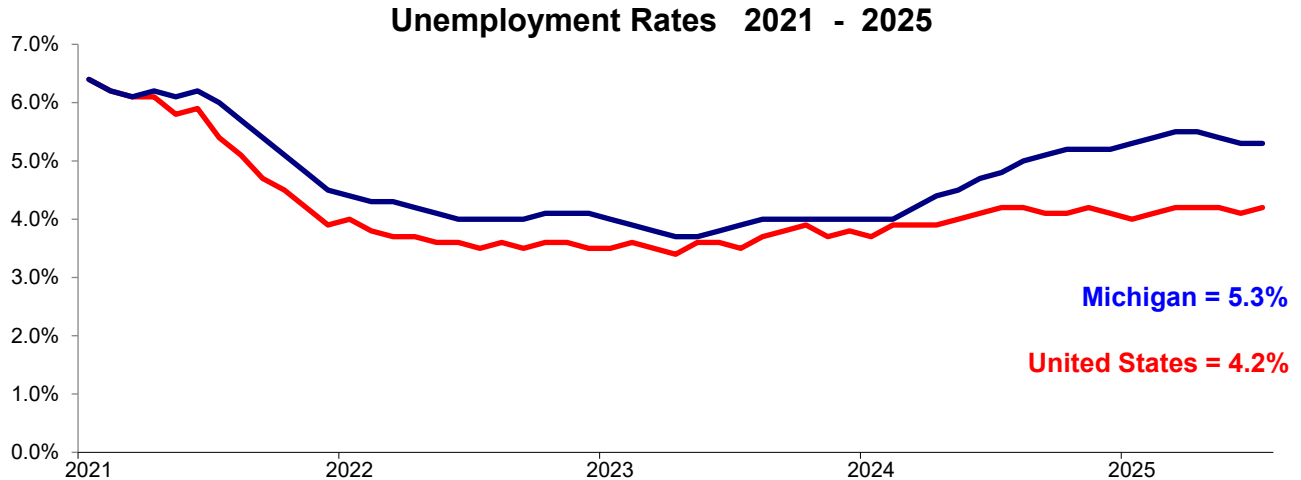
Consumer Price Index, July 2025
Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Michigan Economy

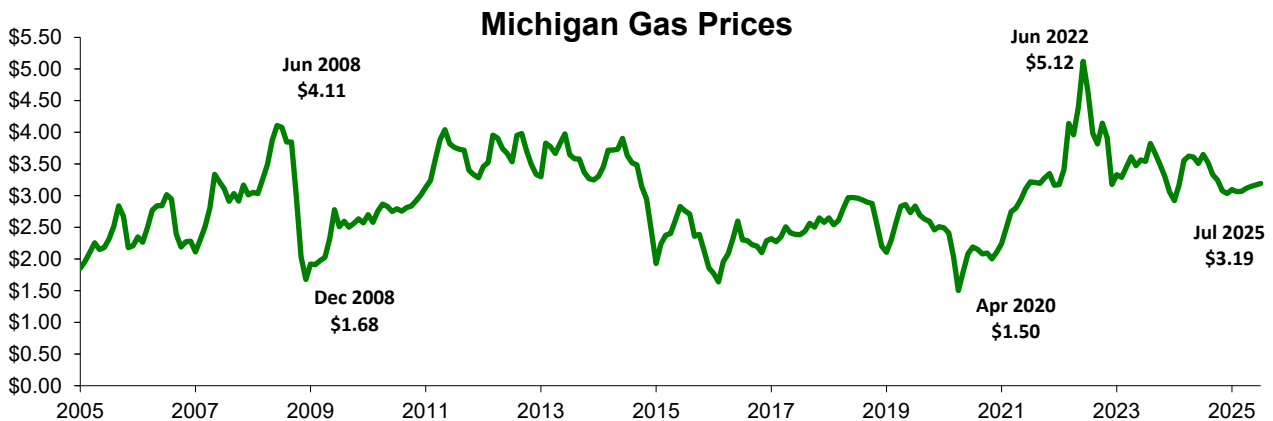
The **Michigan jobless rate** was 5.3 percent in July, unchanged from June. The national unemployment rate was 4.2 percent in July, 0.1 percentage points above the prior month's rate. Michigan's July unemployment rate is 0.5 percentage points higher than a year ago.



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

Michigan wage and salary employment increased by 3,000 in July from the prior month to a total of 4.5 million jobs. Compared to last year, employment in July was up 58,000 jobs, or 1.3 percent from July 2024. The sectors with employment increases in July were government services with a gain of 3,000 jobs, manufacturing, and private education and health services with 2,000 additional jobs each, while other services, and trade, transportation and utilities services tied with an increase of 1,000 jobs each. Employment declines in July were concentrated in professional and business services with 3,000 jobs lost, and leisure and hospitality with 2,000 fewer jobs.

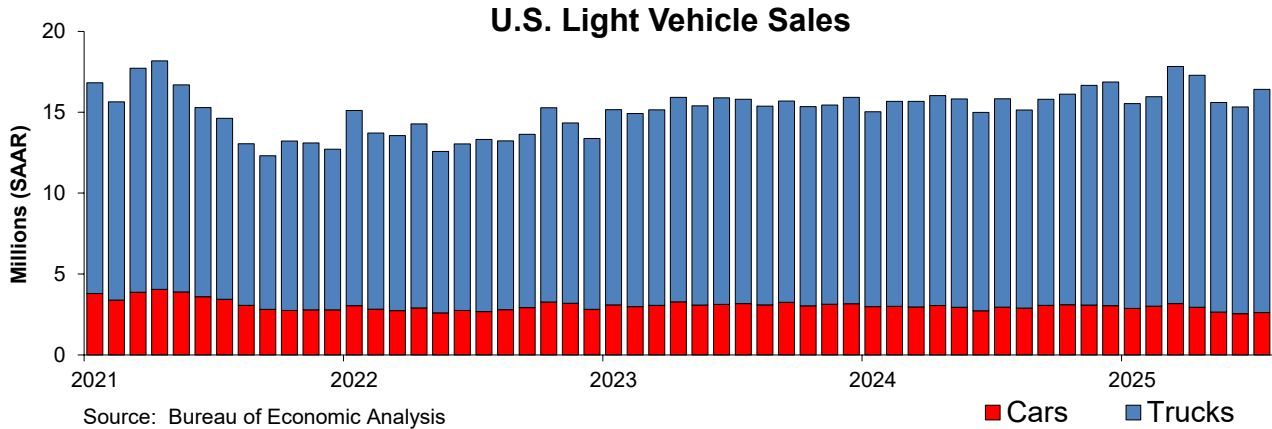
Michigan gasoline prices in July increased to \$3.19 per gallon, 2.2 cents higher than last month's average. Year-over-year gasoline prices were 45.9 cents per gallon lower than in July 2024. Diesel prices were \$3.71 per gallon in July, 20.5 cents higher than June's average. Diesel prices were down 19.1 cents per gallon from the July 2024 average price of \$3.90 per gallon.



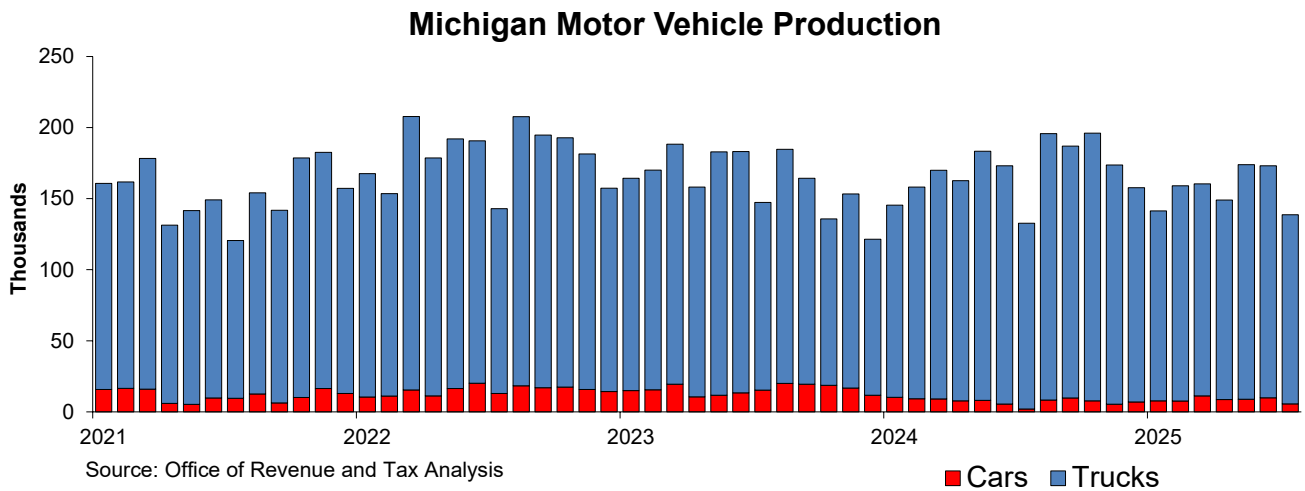
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) increased by 7.1 percent in July from June, selling at a 16.4 million unit seasonally adjusted annual rate. Domestic car sales increased 4.0 percent while light truck sales increased 6.9 percent from June. Import car sales remained flat while import light truck sales increased 12.3 percent from June. Compared to July 2024, light vehicle sales were up 3.7 percent. Domestic car sales decreased 13.8 percent while light truck sales increased 9.6 percent from the year ago levels. July import car sales decreased 6.6 percent while import light truck sales decreased 1.5 percent from last year. Domestic light vehicles recorded a 77.9 percent share of July 2025 sales, up from the 76.4 percent share registered in July 2024.



Michigan motor vehicle production decreased in July to 138,683 units, 19.9 percent lower than June's production, and 4.6 percent higher than its year ago level. Nationally, motor vehicle production also declined in July to 767,430 total units, or 15.9 percent lower than the prior month, but above its year ago level by 8.3 percent. From June to July, Michigan's car production declined from 9,915 units to 5,597, while the State's truck production declined from 163,195 units to 133,086. Michigan motor vehicle production data are not seasonally adjusted.



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

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

Sources:

Personal Income Estimate

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

Revenue Subject to the Limit

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

Column detail may not add to totals due to rounding

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