



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

CHRISTOPHER M. HARKINS  
DIRECTOR

July 29, 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 June 30, 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**  
**June 30, 2022**  
(\$ in millions)

	<b>FISCAL 2022</b>
<b>Beginning Balance</b>	<b>\$ 4,362.8</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2022 Consensus Forecast	\$ 14,179.7
Local Government Program Payments	\$ (500.3)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 13,679.4</b>
<b>One-Time:</b>	
Miscellaneous Adjustments	\$ (2.6)
<b>Subtotal One-Time Revenue</b>	<b>\$ (2.6)</b>
<b>Total Revenue</b>	<b>\$ 13,676.8</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
Public Acts 53, 61, and 93 of 2022	\$ 607.8
May 2022 Consensus	\$ (755.4)
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,778.8</b>
<b>Total Expenditures</b>	<b>\$ 12,775.2</b>
<b>Ending Balance</b>	<b>\$ 5,264.5</b>

**SCHOOL AID FUND**  
**Fiscal Year 2022**  
**Projected Revenues and Expenditures**  
**June 30, 2022**  
(\$ in millions)

**FISCAL**  
**2022**

<b>Beginning Balance</b>	<b>\$</b>	<b>2,922.3</b>
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<b>Revenues</b>		
<b>Ongoing:</b>		
May 2022 Consensus Forecast	\$	17,340.6
General Fund	\$	37.3
Community District Trust Fund	\$	72.0
Federal Revenue	\$	1,822.5
<b>Subtotal Ongoing Revenue</b>	<b>\$</b>	<b>19,272.4</b>
<b>One-Time:</b>		
General Fund	\$	60.3
Federal Revenue - ARP	\$	202.0
<b>Subtotal One-Time Revenue</b>	<b>\$</b>	<b>262.3</b>
<b>Total Revenue</b>	<b>\$</b>	<b>19,534.7</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>\$</b>	<b>17,020.1</b>
<b>One-Time:</b>		
School Aid - Public Act 48 of 2021	\$	747.6
School Aid - Public Act 93 of 2022	\$	37.3
Community Colleges - Public Act 86 of 2021	\$	3.2
<b>Subtotal One-Time Expenditures</b>	<b>\$</b>	<b>788.2</b>
<b>Total Expenditures</b>	<b>\$</b>	<b>17,808.2</b>

<b>Ending Balance</b>	<b>\$</b>	<b>4,648.8</b>
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**SUMMARY OF EXPENDITURES AND ENCUMBRANCES**  
**GENERAL FUND - ALL PURPOSE**  
June 30, 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	Total Authorization	Expenditures & Encumbrances Year to Date FY 2022
89.0	118.5	Agriculture and Rural Development	155.6	5.3	35.3	196.2	103.4
68.1	96.8	Attorney General	106.8	6.2	20.7	133.7	70.5
248.5	306.5	Capital Outlay (2)	314.7	614.1	793.6	1,722.4	263.5
10.5	15.6	Civil Rights	17.8	1.5	2.5	21.8	11.6
1,187.6	1,470.9	Colleges and Universities	1,446.3	0.0	110.7	1,557.0	1,184.7
1,468.8	1,939.3	Corrections	2,055.8	2.5	365.3	2,423.5	1,520.0
368.4	571.7	Education	2,214.9	18.5	174.7	2,408.1	1,197.5
387.1	606.6	Environment, Great Lakes, and Energy	630.1	1,967.3	850.8	3,448.2	342.5
6.2	7.8	Executive Office	7.3	0.0	0.1	7.4	6.3
21,238.3	30,300.0	Health and Human Services	31,586.5	1,677.6	2,035.9	35,300.0	22,695.5
44.9	83.8	Insurance and Financial Service	73.0	1.6	25.0	99.6	53.3
174.9	272.2	Judiciary	320.5	0.3	7.7	328.5	181.2
578.3	966.6	Labor and Economic Opportunity	877.2	2,074.9	3,414.9	6,366.9	2,209.4
19.1	25.6	Legislative Auditor General	27.1	0.0	7.2	34.3	19.1
117.8	160.5	Legislature	183.2	3.0	126.1	312.3	132.1
301.9	375.5	Licensing and Regulatory Affairs	484.2	83.6	95.1	662.8	263.9
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
160.6	178.7	Michigan Strategic Fund	323.3	73.0	0.0	396.3	355.5
33.4	42.5	Michigan Veterans' Facility Authority	35.5	3.5	0.0	39.0	35.5
92.8	119.9	Military and Veterans Affairs	104.5	17.3	10.1	131.9	100.0
98.0	120.2	Natural Resources	141.7	5.0	62.3	209.1	92.6
169.4	251.3	State	252.2	12.1	88.8	353.0	170.6
0.0	0.0	State Land Bank Authority	0.0	1.1	0.0	1.1	0.0
479.7	1,281.3	State Police	828.6	364.4	592.6	1,785.6	589.2
470.4	1,329.1	Technology, Management and Budget (3)	503.4	42.9	453.7	1,000.1	357.4
2.4	9.8	Transportation	0.0	47.0	29.5	76.5	0.7
1,855.6	4,189.6	Treasury	2,098.6	1,126.9	245.9	3,471.3	2,274.2
<b>\$29,671.9</b>	<b>\$44,840.3</b>		<b>\$44,788.9</b>	<b>\$8,149.4</b>	<b>\$9,578.7</b>	<b>\$62,516.9</b>	<b>\$34,230.2</b>

(1) Includes boilerplate appropriations.  
(2) Includes all capital outlay activity regardless of agency.  
(3) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS  
TO LOCAL UNITS OF GOVERNMENT  
Fiscal Year 2022  
June 30, 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	20,443.9	210.0	20,653.9
Total state spending from state resources	37,930.7	1,792.0	39,722.7
Percentage of state spending from state resources paid to local units	53.90%	11.72%	52.00%
Required payments to local units (48.97%)	18,574.7	877.5	19,452.2
<b>Surplus/(deficit)</b>	<b>\$1,869.2</b>	<b>(\$667.5)</b>	<b>\$1,201.7</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
June 30, 2022  
(\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	<u>\$ 1,400,610</u>
Total Assets	<u><u>\$ 1,400,610</u></u>

**LIABILITIES**

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

**FUND BALANCES**

Committed	<u>1,400,610</u>
Total Fund Balances	<u>1,400,610</u>
Total Liabilities and Fund Balances	<u><u>\$ 1,400,610</u></u>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
October 1, 2021 through June 30, 2022  
(\$ in thousands)

**REVENUES**

Miscellaneous	\$ 18,524
	<hr/>
Total Revenues	18,524
	<hr/>

**EXPENDITURES**

Current:	
General government	263
	<hr/>
Total Expenditures	263
	<hr/>
Excess of Revenues over (under) Expenditures	18,261
	<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	\$ 18,261 <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**

June 30, 2022  
(\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	\$ 53,516
Investments	-
Other current assets	-
Total Current Assets	53,516
Noncurrent Assets:	
Investments	713,084
Total Assets	\$ 766,600

**LIABILITIES**

Current Liabilities:	
Accounts payable and other liabilities	\$ 8,173
Amounts due to other funds	-
Total Current Liabilities	8,173
Total Liabilities	8,173

**FUND BALANCES**

Nonspendable	500,000
Restricted	258,427
Total Fund Balances	758,427
Total Liabilities and Fund Balances	\$ 766,600



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

October 1, 2021 through June 30, 2022  
(\$ in thousands)

**REVENUES**

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		<u>(19,786)</u>
Total Revenues		<u>(19,786)</u>

**EXPENDITURES**

Current:		
General government		2,753
Conservation, environment, recreation, and agriculture		12,501
Capital outlay		<u>3,207</u>
Total Expenditures		<u>18,460</u>
Excess of Revenues over (under) Expenditures		<u>(38,246)</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>(25)</u>
Total Other Financing Sources (Uses)		<u>3</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		<u><u>\$ (38,243)</u></u> <sup>1</sup>

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

## REVENUE OVERVIEW

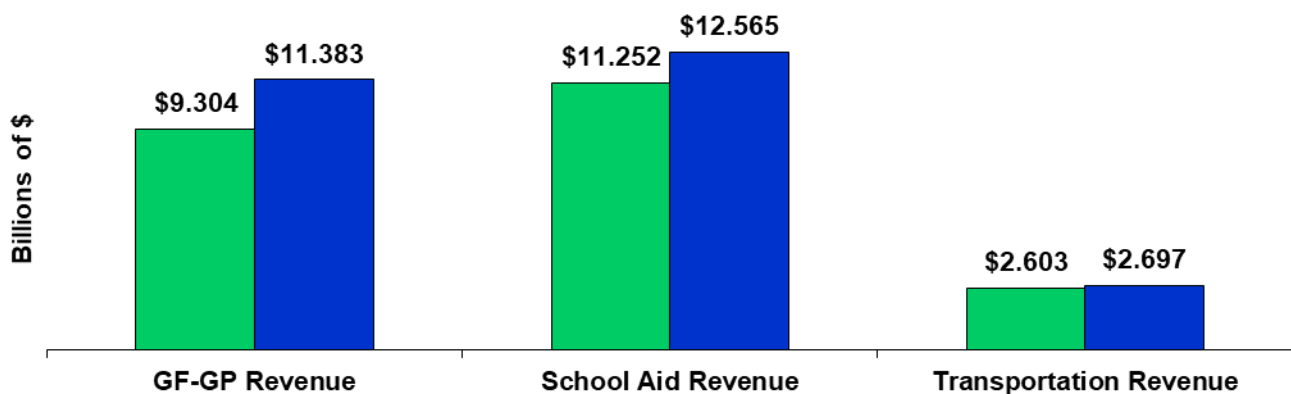
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

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

Total General Fund - General Purpose cash collections were \$203.3 million (14.8 percent) higher in June 2022 than in June 2021. The June 2022 School Aid Fund cash collections were \$111.4 million (9.1 percent) higher than in June 2021. June 2022 transportation collections were \$4.3 million (1.4 percent) higher than in June 2021 (see revenue summary table). June is the ninth month of the State's fiscal year (FY). Year-to-date General Fund - General Purpose cash collections are up \$2,078.4 million (22.3 percent) from a year ago. School Aid Fund cash collections are up \$1,312.8 million (11.7 percent) and transportation collections are up \$93.8 million (3.6 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 May 20, 2022. The revenue estimate for net General Fund – General Purpose revenue for FY 2021-22 is \$14,179.7 million and the net School Aid revenue forecast is \$17,340.6 million. The Transportation Funds revenue forecast is \$3,866.4 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

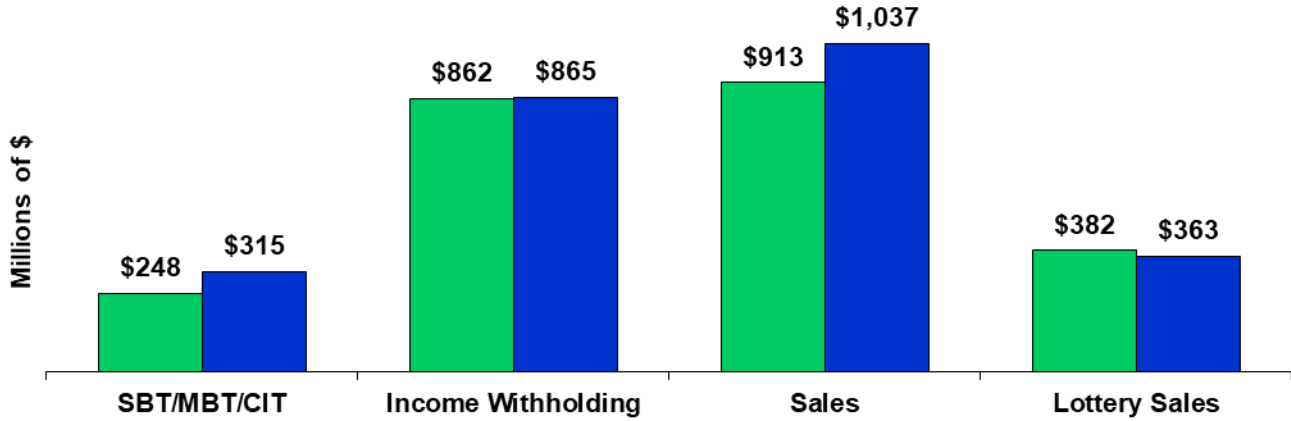
### October through June Collections FY 2020-21 and FY 2021-22



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

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



Source: Office of Revenue and Tax Analysis

■ FY 2020-21 ■ FY 2021-22

**October through June 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: June 30, 2022**

Month-End Cash Collections Data				October Through June Cash Collections Data				Revenue Projections			
June		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	Total <sup>(i)</sup>	Statutory Estimate	May 2022 Forecast
<b>Income Taxes (j)</b>											
\$861,887	\$864,723	\$2,836	0.3%	Withholding	\$8,313,387	\$9,025,076	\$711,689	8.6%	\$11,050,800	\$11,182,000	\$11,954,500
342,455	267,061	(75,395)	-22.0%	Quarterlies	1,251,028	1,025,426	(225,602)	-18.0%	1,706,000	1,331,500	983,900
0	194,917	194,917	na	Flow Through Entity Tax	0	1,633,172	1,633,172	na	na	na	2,048,800
38,808	34,911	(3,897)	-10.0%	Annuals	1,704,818	1,716,443	11,625	0.7%	1,781,600	1,118,100	1,740,000
\$1,243,151	\$1,361,612	\$118,461	9.5%	Gross Collections	\$11,269,233	\$13,400,117	\$2,130,884	18.9%	\$14,538,400	\$13,631,600	\$16,727,200
100,182	80,345	(19,836)	-19.8%	Less: Refunds	2,256,931	2,249,007	(7,924)	-0.4%	2,696,900	2,427,300	3,244,200
0	0	0	na	Less: State Campaign Fund	0	0	0	na	600	800	800
\$1,142,969	\$1,281,267	\$138,298	12.1%	Net Personal Income	\$9,012,302	\$11,151,110	\$2,138,808	23.7%	\$11,840,900	\$11,203,500	\$13,482,200
50,000	50,000	0	0.0%	Less: Disbursements to MTF	450,000	450,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disbursements to Renew Michigan	51,750	51,750	0	0.0%	69,000	69,000	69,000
289,387	316,976	27,589	9.5%	Less: Disbursements to SAF	2,623,439	3,183,356	559,917	21.3%	3,458,300	3,245,400	3,982,500
\$797,832	\$908,541	\$110,709	13.9%	<b>Net Personal Income To GF-GP</b>	<b>\$5,887,113</b>	<b>\$7,466,004</b>	<b>\$1,578,891</b>	<b>26.8%</b>	<b>\$7,713,600</b>	<b>\$7,289,100</b>	<b>\$8,830,700</b>
<b>Consumption Taxes</b>											
\$146,864	\$166,480	\$19,617	13.4%	Sales (a)	\$1,106,099	\$1,241,321	\$135,222	12.2%	\$1,470,700	\$1,407,700	\$1,607,700
131,384	124,625	(6,759)	-5.1%	Use (a) (h)	874,569	854,511	(20,058)	-2.3%	1,258,300	1,124,100	1,212,400
16,519	13,820	(2,699)	-16.3%	Tobacco	130,435	117,968	(12,467)	-9.6%	177,000	172,600	165,500
1,383	1,395	11	0.8%	Beer, Wine & Mixed Spirits	36,767	35,881	(886)	-2.4%	51,500	53,000	52,000
6,494	6,002	(491)	na	Liquor Specific	50,775	51,192	417	0.8%	80,500	69,000	79,000
\$302,644	\$312,322	\$9,678	3.2%	<b>Total Consumption Taxes</b>	<b>\$2,198,645</b>	<b>\$2,300,872</b>	<b>\$102,227</b>	<b>4.6%</b>	<b>\$3,038,000</b>	<b>\$2,826,400</b>	<b>\$3,116,600</b>
<b>Other Taxes</b>											
(\$353)	\$2	\$355	na	Single Business	(\$490)	(\$904)	(\$414)	84.5%	\$0	\$0	\$0
(8,741)	2,322	11,063	na	Insurance Premiums Taxes	\$232,388	291,744	59,356	25.5%	354,800	405,000	385,000
(9,094)	2,324	11,418	na	Sub-total SBT & Insurance	231,898	290,840	58,942	25.4%	354,800	405,000	385,000
13,303	3,331	(9,972)	-75.0%	Michigan Business Tax	(512,904)	(506,625)	6,279	1.2%	(490,500)	(592,900)	(594,300)
234,620	311,863	77,243	32.9%	Corporate Income Tax	1,222,184	1,511,891	289,708	23.7%	1,701,700	1,197,900	1,822,600
0	0	0	na	Inheritance / Estate	0	0	0	na	0	0	0
0	1	1	na	Telephone & Telegraph	11,087	10,238	(848)	-7.7%	32,400	32,000	32,000
1,930	4,324	2,394	124.0%	Oil & Gas Severance	13,605	28,263	14,657	108.0%	20,900	18,500	35,000
9,939	6,277	(3,663)	-36.8%	Penalties & Interest	94,726	95,532	806	0.9%	134,600	132,000	140,000
2,866	5,755	2,890	101.0%	Essential Services Assessment	8,596	12,740	4,144	48.2%	125,800	135,000	135,000
0	0	0	na	Miscellaneous Other/Railroad	111	374	263	236.0%	2,900	2,000	3,000
(12,667)	(12,917)	(250)	-2.0%	Treasury Enforcement Programs (e)	(114,000)	(116,250)	(2,250)	-2.0%	(142,600)	(155,000)	(150,000)
\$240,897	\$320,958	\$80,061	33.2%	<b>Total Other Taxes</b>	<b>\$955,303</b>	<b>\$1,327,004</b>	<b>\$371,701</b>	<b>38.9%</b>	<b>\$1,740,000</b>	<b>\$1,174,500</b>	<b>\$1,808,300</b>
\$1,341,373	\$1,541,821	\$200,448	14.9%	<b>Subtotal GF-GP Taxes</b>	<b>\$9,041,062</b>	<b>\$11,093,880</b>	<b>\$2,052,818</b>	<b>22.7%</b>	<b>\$12,491,600</b>	<b>\$11,290,000</b>	<b>\$13,755,600</b>

continued

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

**For The Month Ended: June 30, 2022**

Month-End Cash Collections Data				October Through June Cash Collections Data					Revenue Projections		
June		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21 Total <sup>(f)</sup>	FY 2021-22 Statutory Estimate	FY 2021-22 May 2022 Forecast
2021	2022	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent			
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$7,500	\$7,500	\$0	0.0%	\$8,300	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	75	75	0	0.0%	100	100	100
583	583	0	0.0%	Services	5,250	5,250	0	0.0%	3,300	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	10,500	10,500	0	0.0%	22,400	14,000	14,000
0	0	0	na	Investments/Interest Costs	2,789	2,789	0	0.0%	400	2,000	2,000
833	833	0	0.0%	Misc. Non-tax Revenue	7,500	7,500	0	0.0%	51,900	10,000	10,000
18,750	21,383	2,633	14.0%	Liquor Purchase Revolving Fund	168,750	192,450	23,700	14.0%	313,600	256,600	295,000
6,750	6,958	208	3.1%	From Other Funds-Lottery & Escheats	60,750	62,625	1,875	3.1%	99,400	83,500	86,000
<b>\$28,925</b>	<b>\$31,767</b>	<b>\$2,842</b>	<b>9.8%</b>	<b>Total Non-Tax Revenue</b>	<b>\$263,114</b>	<b>\$288,689</b>	<b>\$25,575</b>	<b>9.7%</b>	<b>\$499,400</b>	<b>\$383,200</b>	<b>\$424,100</b>
<b>\$1,370,298</b>	<b>\$1,573,587</b>	<b>\$203,290</b>	<b>14.8%</b>	<b>Total GF-GP Revenue</b>	<b>\$9,304,176</b>	<b>\$11,382,569</b>	<b>\$2,078,393</b>	<b>22.3%</b>	<b>\$12,991,000</b>	<b>\$11,673,100</b>	<b>\$14,179,700</b>
<b>School Aid Fund</b>											
\$375,508	\$420,953	\$45,445	12.1%	Sales Tax 4%	\$2,852,490	\$3,186,328	\$333,839	11.7%	\$3,836,000	\$3,683,200	\$4,202,500
286,857	335,294	48,438	16.9%	Sales Tax 2%	2,053,249	2,460,139	406,890	19.8%	3,021,600	2,882,900	3,302,500
65,692	62,312	(3,380)	-5.1%	Use Tax 2%	648,306	630,126	(18,180)	-2.8%	876,100	824,900	869,600
28,863	28,374	(489)	-1.7%	State Education Property Tax	1,560,658	1,586,746	26,088	1.7%	2,256,400	2,324,300	2,396,000
30,282	43,723	13,441	44.4%	Real Estate Transfer Tax	334,843	384,186	49,343	14.7%	490,300	402,400	527,000
90,000	80,000	(10,000)	-11.1%	Lottery Transfer (b)	761,983	728,308	(33,675)	-4.4%	1,419,800	1,093,900	1,240,000
8,657	7,971	(686)	-7.9%	Casino Wagering Tax	63,695	79,177	15,482	24.3%	181,100	181,700	320,800
6,299	5,972	(326)	-5.2%	Liquor Excise Tax	48,682	49,059	377	0.8%	76,700	68,600	78,600
33,537	28,057	(5,480)	-16.3%	Cigarette/Tobacco Tax	264,802	239,492	(25,310)	-9.6%	322,000	318,200	299,900
4,370	3,414	(956)	-21.9%	Indus. & Comm. Facilities Taxes	30,071	30,831	760	2.5%	41,900	37,000	42,000
3,292	1,087	(2,205)	-67.0%	Specific Other	9,687	6,951	(2,736)	-28.2%	76,200	68,500	79,200
289,387	316,976	27,589	9.5%	Income Tax Earmarking	2,623,439	3,183,356	559,917	21.3%	3,458,300	3,245,400	3,982,500
<b>\$1,222,744</b>	<b>\$1,334,135</b>	<b>\$111,391</b>	<b>9.1%</b>	<b>Total School Aid Fund</b>	<b>\$11,251,904</b>	<b>\$12,564,698</b>	<b>\$1,312,794</b>	<b>11.7%</b>	<b>\$16,056,400</b>	<b>\$15,131,000</b>	<b>\$17,340,600</b>
<b>Multi-Fund Revenue Summary</b>											
\$912,703	\$1,036,883	\$124,180	13.6%	Sales Tax 6%	\$6,807,398	\$7,770,685	\$963,287	14.2%	\$9,414,800	\$9,000,800	\$10,299,600
625,847	701,589	75,742	12.1%	Sales Tax 4% (d)	4,754,149	5,310,547	556,398	11.7%	6,393,200	6,117,900	6,997,100
286,857	335,294	48,438	16.9%	Sales Tax 2%	2,053,249	2,460,139	406,890	19.8%	3,021,600	2,882,900	3,302,500
197,076	186,937	(10,139)	-5.1%	Use Tax 6% (g)	1,944,917	1,890,377	(54,540)	-2.8%	2,623,000	2,470,300	2,604,300
2,352	4,241	1,889	80.3%	Recreational Marijuana	58,456	119,705	61,249	105.0%	120,472	120,000	149,100
83,012	69,448	(13,564)	-16.3%	Tobacco Taxes	655,451	592,802	(62,649)	-9.6%	890,145	868,000	830,700
4	0	(4)	-100.0%	Tobacco Settlement	236,821	242,982	6,161	2.6%	na	na	na

continued

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

**For The Month Ended: June 30, 2022**

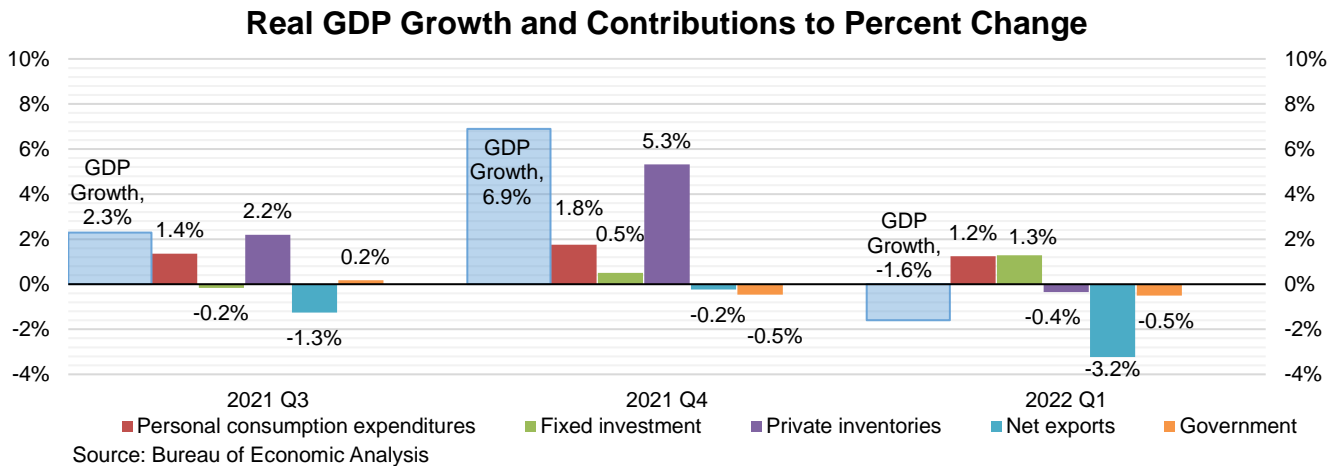
Month-End Cash Collections Data				October Through June Cash Collections Data				Revenue Projections			
June		Difference		Source of Revenue	Year-to-Date		Difference		FY 2020-21	FY 2021-22	FY 2021-22
2021	2022	Amount	Percent		FY 2020-21	FY 2021-22	Amount	Percent	Total <sup>(f)</sup>	Statutory Estimate	May 2022 Forecast
<b>Major Transportation Revenues</b>											
\$19,126	\$20,193	\$1,066	5.6%	Diesel Fuel / Motor Carrier Fuel Tax	\$178,258	\$182,389	\$4,131	2.3%	\$240,846	\$241,500	\$247,000
98,653	102,067	3,414	3.5%	Gasoline	801,684	845,935	44,250	5.5%	1,111,575	1,196,000	1,165,200
117,648	114,259	(3,390)	-2.9%	Motor Vehicle Registration	1,057,161	1,077,122	19,960	1.9%	1,403,514	1,402,000	1,445,800
4,625	4,887	263	5.7%	Other Taxes, Fees & Misc.	39,103	38,050	(1,053)	-2.7%	155,878	216,258	246,214
8,537	11,481	2,945	34.5%	Comprehensive Transportation (c)	76,829	103,331	26,501	34.5%	136,952	137,774	162,211
50,000	50,000	0	0.0%	Income Tax Earmarking	450,000	450,000	0	0.0%	600,000	600,000	600,000
<u>\$298,589</u>	<u>\$302,887</u>	<u>\$4,298</u>	<u>1.4%</u>	<b>Total Major Trans. Revenues</b>	<u>\$2,603,036</u>	<u>\$2,696,826</u>	<u>\$93,790</u>	<u>3.6%</u>	<u>\$3,648,765</u>	<u>\$3,793,532</u>	<u>\$3,866,425</u>
<b>Lottery Sales By Games</b>											
\$203,659	\$188,567	(\$15,092)	-7.4%	Instant Games (f)	\$2,005,463	\$1,829,747	(\$175,716)	-8.8%	na	na	na
91,737	83,364	(8,373)	-9.1%	Daily Games	876,419	809,248	(67,170)	-7.7%	na	na	na
28,028	33,493	5,465	19.5%	Lotto and Big Game (f)	375,291	307,773	(67,518)	-18.0%	na	na	na
676	629	(47)	-7.0%	Keno Game	6,693	6,089	(604)	-9.0%	na	na	na
1,127	2,823	1,696	151.0%	Lucky For Life	10,718	27,187	16,469	154.0%	na	na	na
5,968	5,642	(326)	-5.5%	Other (f)	60,359	80,954	20,596	34.1%	na	na	na
51,030	48,959	(2,071)	-4.1%	Club Games	427,511	494,661	67,150	15.7%	na	na	na
<u>\$382,226</u>	<u>\$363,477</u>	<u>(\$18,749)</u>	<u>-4.9%</u>	<b>Total Lottery Sales</b>	<u>\$3,762,453</u>	<u>\$3,555,658</u>	<u>(\$206,795)</u>	<u>-5.5%</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 \$422.0 million and the year-to date 2022 revenues are \$405.7million. 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 \$422.0 million and the year-to-date 2022 LCSS revenues are \$405.7 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates.
- (j) Implementation of the Flow Through Entity Tax retroactive to January 1, 2021 has resulted in fluctuating totals in Individual Income Tax annuals, quarterlies, and refunds in FY 2022.

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** decreased at a 1.6 percent annual rate in the first quarter of 2022, according to the most recent estimate, down from the 6.9 percent annual rate in the fourth quarter of 2021. This decline in GDP is the first since the second quarter of 2020 at the beginning of the pandemic. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

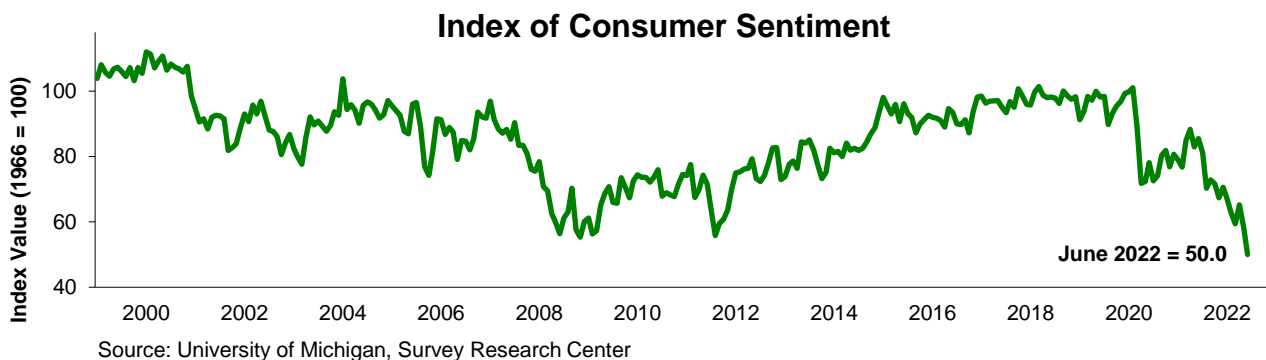


Net exports drove the decline in GDP in the first quarter of 2022, while private inventories and government expenditures made minor contributions to the decline. Real final sales declined by 1.2 percent in the first quarter, while on the inflation front, the implicit price deflator increased by 8.3 percent.

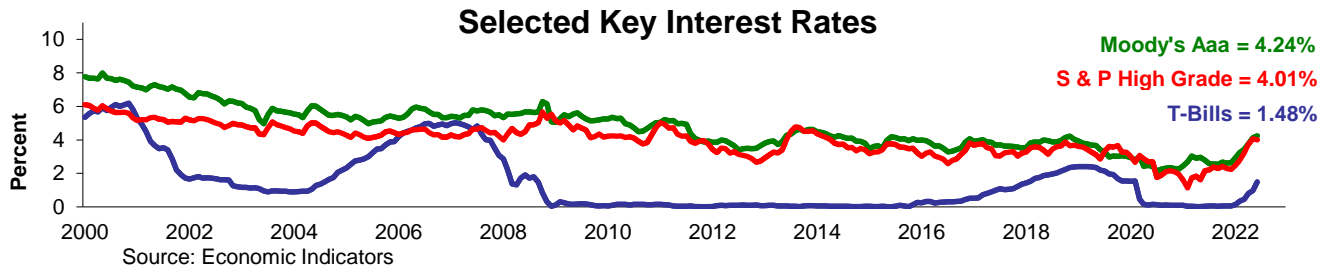
**U.S. wage and salary employment** increased by 372,000 jobs in June, similar to May’s increase of 384,000 jobs, according to the most recent estimates. June employment levels were 524,000 payroll jobs, or 0.3 percent, below the February 2020 levels, prior to the pandemic. In June, sectors with the largest increases in employment include the education and health services sector with 96,000 jobs, professional and business services with 74,000 jobs, trade, transportation and utilities with 68,000 jobs, and the leisure and hospitality sector with 67,000 jobs.

In May, the U.S. unemployment rate remained at 3.6 percent. Civilian employment remained relatively constant at 158.1 million as did the number of unemployed at 5.9 million in June.

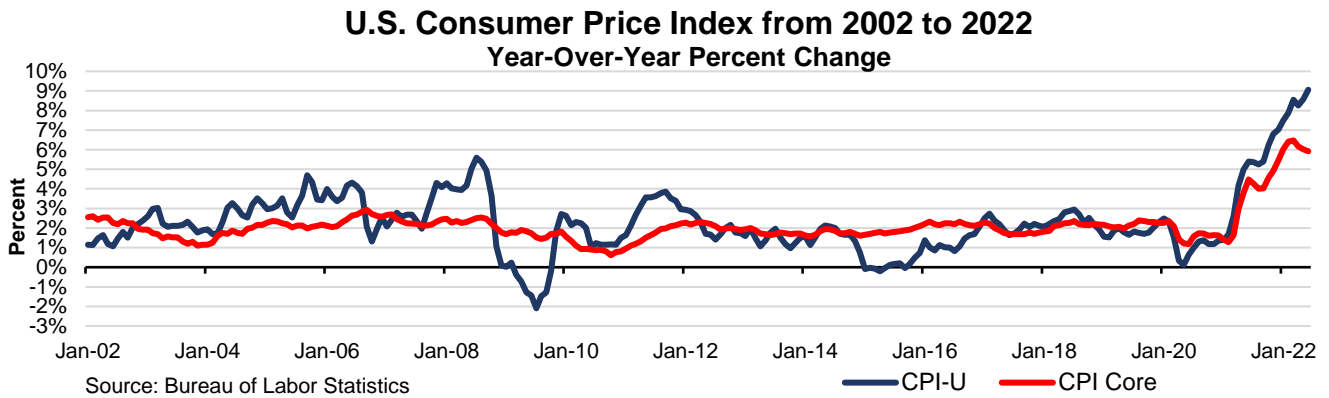
The **Index of Consumer Sentiment** declined 8.4 index-points from May, down to 50.0 in June 2022. This is the lowest level of consumer sentiment since recording began. The year-over-year consumer sentiment is 35.5 index-points below May 2021 levels.



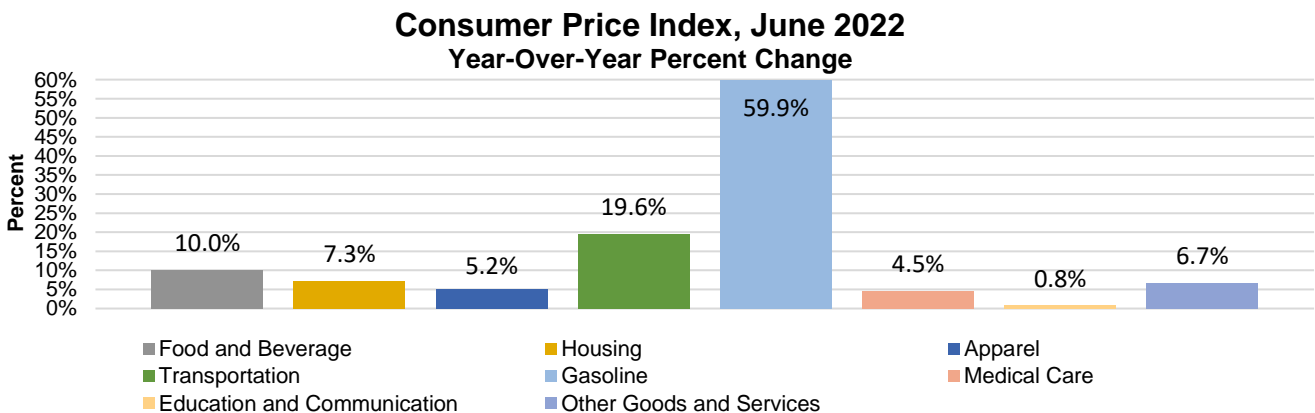
Short-term **interest rates** increased in June, as the 3-month Treasury bill (T-bill) rate increased 0.50 percentage points to 1.48 percent. Compared to one year ago, the T-bill rate increased 1.45 percentage points. The Aaa corporate bond rate increased 0.11 percentage points to an interest yield of 4.24 percent in June and was up 1.45 percentage points from its year-ago level. The interest rate on high-grade municipal bonds decreased 0.05 percentage points to 4.01 percent in June and was up 1.85 percentage points from a year ago.



**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), are up 9.1 percent from June 2021 to June 2022. The CPI-U year-over-year change is at the highest level since 1981. 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 6.2 percent from June 2021 to June 2022. Prior to the current year, growth in the CPI-Core has not been this high since 1982. CPI-U and CPI-Core data are not seasonally adjusted.



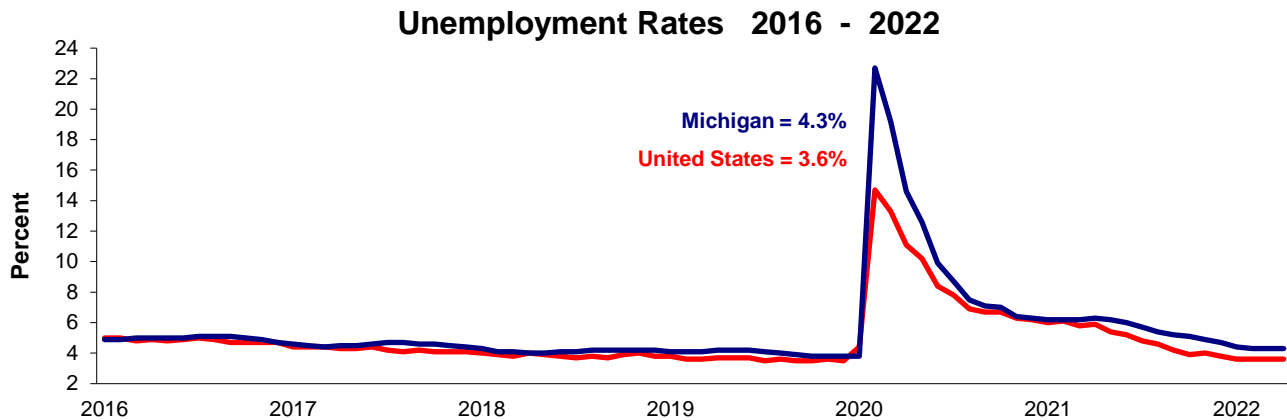
Gasoline continues to exhibit the largest year-over-year price increase, at 59.9 percent in June, followed by transportation with an increase of 19.6 percent. Lower year-over-year percent increases can be seen in food and beverage (10.0 percent), housing (7.3 percent), and other goods and services (6.7 percent). These data are seasonally adjusted.





## Michigan Economy

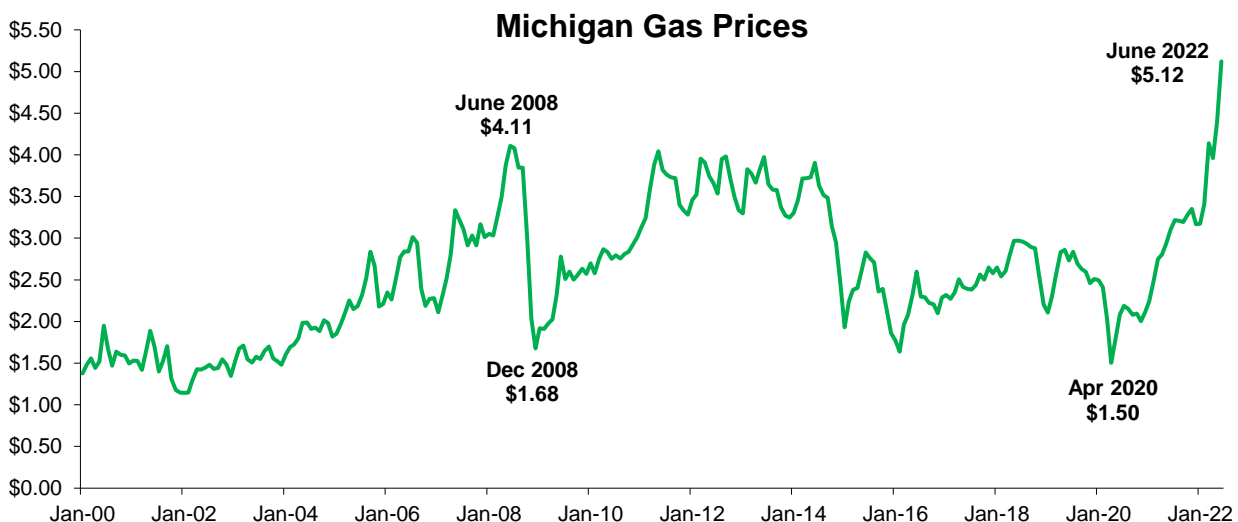
The **Michigan jobless rate** remained at 4.3 percent in June, for the third month in a row, according to the most recent data. The national unemployment rate remained at 3.6 percent in June. The number unemployed in Michigan remained flat while the number employed increased by 7,000, a 0.1 percent change from May to June. The number unemployed is 31.7 percent lower than in June 2021 at the beginning of the second year of the pandemic. In June, Michigan's unemployment rate was 0.5 percentage points above the February 2020 pre-pandemic rate of 3.8 percent.



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

**Michigan wage and salary employment** increased in June by 10,000 jobs from May's revised estimate. Employment was up 147,000 jobs, or 3.5 percent, from June 2021. In June, sectors with the largest increases in employment include the professional and business services sector with 7,000 jobs, manufacturing with 4,000 jobs, and financial activities with 3,000 jobs. The largest decline in employment was in the government sector, which lost 6,000 jobs.

**Michigan gasoline prices** increased in June 2022, up to \$5.12 per gallon, up 72.3 cents a gallon from last month's average. Year-over-year gasoline prices are up significantly from the \$3.11 per gallon in June 2021, when they were rising after the pandemic lows. June 2022 diesel prices were \$5.83 per gallon, an increase of 62.4 cents a gallon from May's average diesel prices. Diesel prices are up \$2.57 per gallon over the June 2021 price of \$3.25 per gallon.

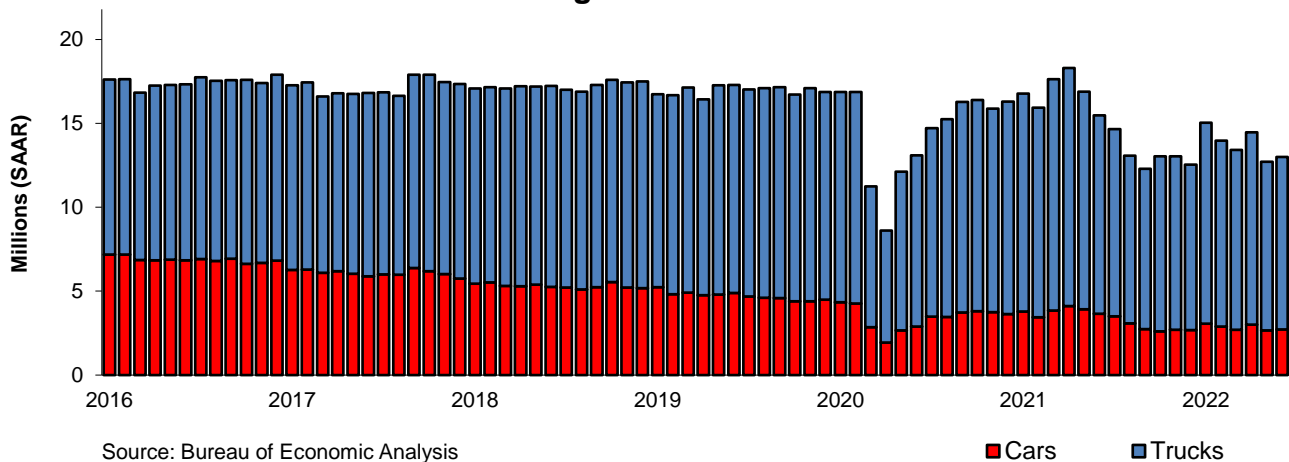


Source: AAA Michigan

## Motor Vehicle Sector

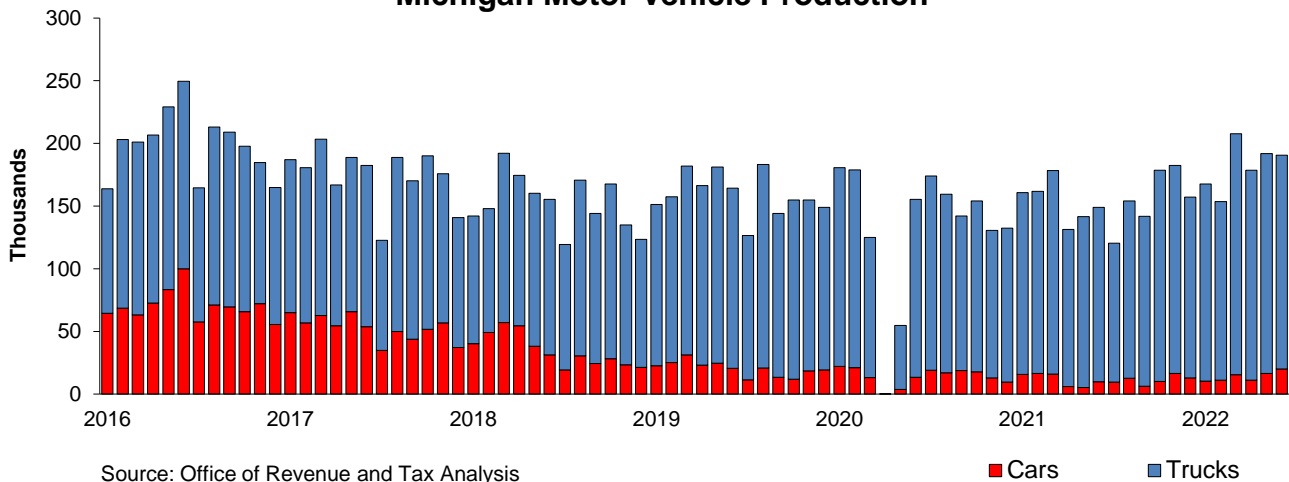
**U.S. light vehicle sales** (cars and light trucks) increased slightly, by 2.4 percent in June from May, selling at a 13.0 million unit seasonally adjusted annual rate. Domestic car sales increased 3.9 percent and light truck sales remained flat, increasing 0.1 percent from May. Import car sales declined 4.1 percent and import light truck sales increased 13.1 percent from May. Compared to June 2021, light vehicle sales were down 16.1 percent. Domestic car sales decreased 20.2 percent while light truck sales decreased 8.5 percent from the year ago levels. June import car sales were down 37.7 percent while import light truck sales were down 27.7 percent from last year. Demand for vehicles remains elevated, with declining sales numbers resulting from supply chain issues, particularly the global semiconductor shortage. High fuel prices are increasing the demand for fuel efficient vehicles. Domestic light vehicles recorded a 79.1 percent share of June 2022 sales, up 4.5 percentage points from June 2021.

### U.S. Light Vehicle Sales



**Michigan motor vehicle production** was flat in June, with 190,574 total units. Michigan's June production was 0.7 percent below May's production and 27.8 percent above the level in June 2021, according to the most recently available data. Nationally, motor vehicle production totaled 890,451 units, which was up 20.4 percent from a year ago. In June, Michigan's car production was 20,096 units while the State's truck production was 170,478 units. Michigan motor vehicle production data are not seasonally adjusted.

### Michigan Motor Vehicle Production



**Summary Estimates of the Constitutional Revenue Limit  
Based on the May 20, 2022 Consensus Revenue Agreement  
(Article IX, Section 26)  
(in millions)**

	<b>Fiscal Year 2020-21 Actual</b>	<b>Fiscal Year 2021-22 Estimate</b>	<b>Fiscal Year 2022-23 Estimate</b>
Applicable Calendar Year Personal Income	\$491,632	\$530,809	\$558,330
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$46,655.9</u>	<u>\$50,373.8</u>	<u>\$52,985.5</u>
Revenue Limit	\$46,655.9	\$50,373.8	\$52,985.5
State Revenue Subject to Limit	<u>\$38,890.0</u>	<u>\$41,615.3</u>	<u>\$41,494.0</u>
<b>Amount Under (Over) Limit</b>	<b>\$7,765.9</b>	<b>\$8,758.5</b>	<b>\$11,491.5</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 2020-21 calculation uses the official personal income estimate for calendar year 2020 (Survey of Current Business, October 2021).  
The FY 2022-23 calculation uses the May 20, 2022 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2020-21 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2021.  
The FY 2021-22 calculation uses the May 20, 2022 Consensus Revenue Agreement.  
The FY 2022-23 calculation uses the May 20, 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