



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

July 30, 2025

The Honorable Sarah Anthony, Chair
Senate Appropriations Committee
Michigan State Senate
State Capitol
Lansing, Michigan 48909

The Honorable Ann Bollin, Chair
House Appropriations Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48909

Dear Legislators:

Attached is the monthly financial report for the month ending June 30, 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
June 30, 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
June 30, 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**

June 30, 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
125.7	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	130.8
99.6	131.8	Attorney General	127.3	3.0	47.0	177.2	94.5
460.4	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	465.1
16.7	23.4	Civil Rights	29.2	2.0	15.5	46.6	21.7
1,720.9	1,992.6	Colleges and Universities	2,193.1	14.3	184.4	2,391.8	1,536.1
1,622.7	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	1,607.9
562.1	843.0	Education	232.3	74.5	824.8	1,131.5	188.3
1,038.8	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	588.7
7.3	9.4	Executive Office	9.3	0.0	0.2	9.6	7.5
24,836.3	36,296.7	Health and Human Services	37,582.3	0.0	4,940.2	42,522.4	24,935.2
55.7	72.6	Insurance and Financial Services	78.6	1.3	0.8	80.7	53.0
212.9	335.9	Judiciary	373.4	0.0	178.0	551.5	247.3
1,332.6	2,057.0	Labor and Economic Opportunity	1,141.2	554.3	5,280.3	6,975.8	1,139.7
20.7	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	20.8
129.3	186.3	Legislature	196.7	0.0	249.5	446.2	126.8
448.2	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	400.1
0.3	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	151.1	805.4	555.9
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
469.7	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	227.8
37.8	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
105.8	124.3	Military and Veterans Affairs	120.9	15.5	15.8	152.2	116.0
154.3	214.6	Natural Resources	161.7	5.4	130.8	297.9	171.1
197.8	286.6	State	291.8	10.2	139.0	441.0	193.9
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
729.9	1,038.4	State Police	951.2	128.7	851.9	1,931.8	768.0
729.0	1,152.2	Technology, Management and Budget (3)	542.9	1,340.0	908.0	2,790.9	671.0
48.8	67.7	Transportation	36.6	552.0	70.4	659.0	30.0
2,041.2	5,059.3	Treasury	2,604.5	157.3	548.7	3,310.5	2,091.2
\$37,204.6	\$55,710.2		\$52,062.2	\$3,059.6	\$23,658.0	\$78,779.7	\$36,435.5

(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
June 30, 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
June 30, 2025
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 2,081,644</u>
Total Assets	<u><u>\$ 2,081,644</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>2,081,644</u>
Total Fund Balances	<u>2,081,644</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,081,644</u></u>

STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND
 October 1, 2024 through June 30, 2025
 (\$ in thousands)

REVENUES

Miscellaneous	\$ 47,974
	<hr/>
Total Revenues	47,974
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EXPENDITURES

Current:	
General government	349
	<hr/>
Total Expenditures	349
	<hr/>
Excess of Revenues over (under) Expenditures	47,626
	<hr/>

OTHER FINANCING SOURCES (USES)

Transfers from other funds	37,500
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	37,500
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 85,126 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**

June 30, 2025
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	\$ 69,559
Investments	-
Other current assets	-
Total Current Assets	69,559
Noncurrent Assets:	
Investments	763,427
Total Assets	\$ 832,986

LIABILITIES

Current Liabilities:	
Accounts payable and other liabilities	\$ 4,984
Amounts due to other funds	-
Total Current Liabilities	4,984
Total Liabilities	4,984

FUND BALANCES

Nonspendable	500,000
Restricted	328,002
Total Fund Balances	828,002
Total Liabilities and Fund Balances	\$ 832,986

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

October 1, 2024 through June 30, 2025
(\$ in thousands)

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		<u>28,885</u>
Total Revenues		<u>28,885</u>

EXPENDITURES

Current:		
General government		4,502
Conservation, environment, recreation, and agriculture		9,795
Capital outlay		<u>1,659</u>
Total Expenditures		<u>15,956</u>
Excess of Revenues over (under) Expenditures		<u>12,929</u>

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		3
Transfers from other funds		-
Transfers to other funds		<u>(26)</u>
Total Other Financing Sources (Uses)		<u>(23)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$	<u><u>12,907</u></u> ¹

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

REVENUE OVERVIEW

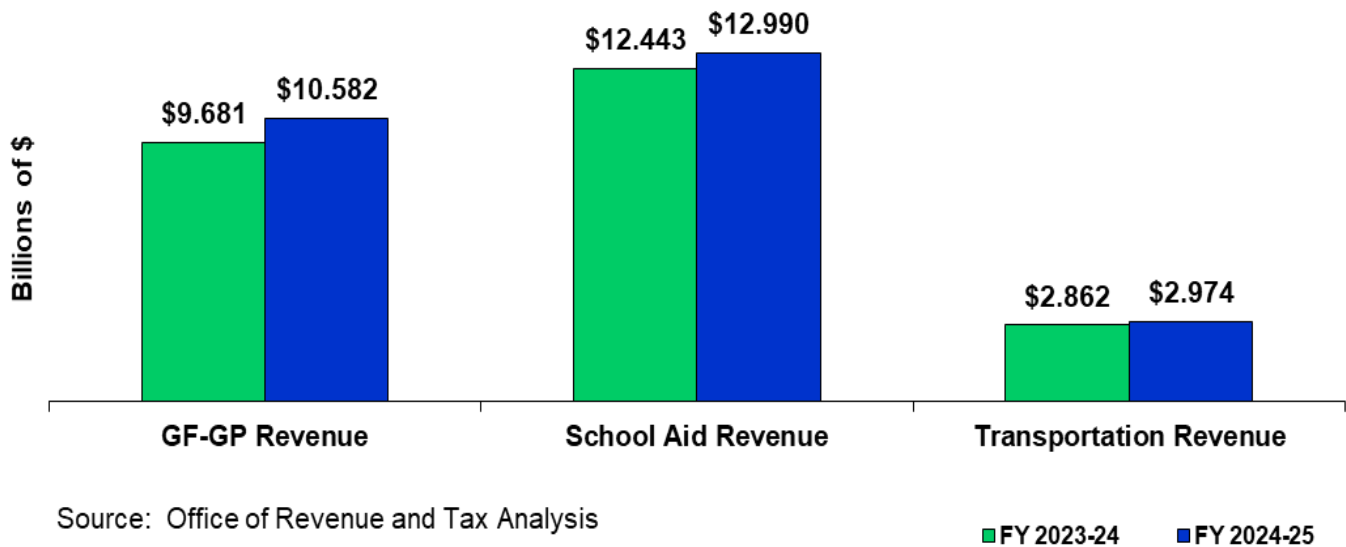
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

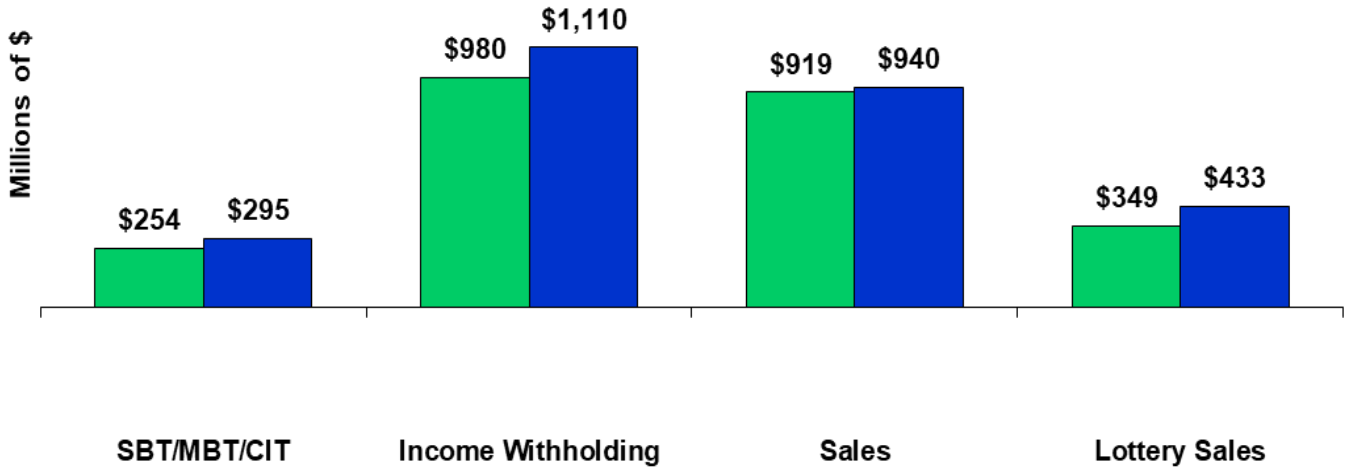
Total General Fund - General Purpose (GF-GP) cash collections were \$201.2 million (12.9 percent) higher in June 2025 than in June 2024. June 2025 School Aid Fund cash collections were \$69.4 million (5.4 percent) higher than in June 2024. June 2025 transportation collections were \$17.7 million (5.5 percent) higher than in June 2024 (see revenue summary table). June is the ninth 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 \$901.4 million (9.3 percent) from a year ago. School Aid Fund cash collections are up \$547.7 million (4.4 percent), and transportation collections are up \$112.5 million (3.9 percent).

The FY 2024-25 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on 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 June Collections FY 2023-24 and FY 2024-25



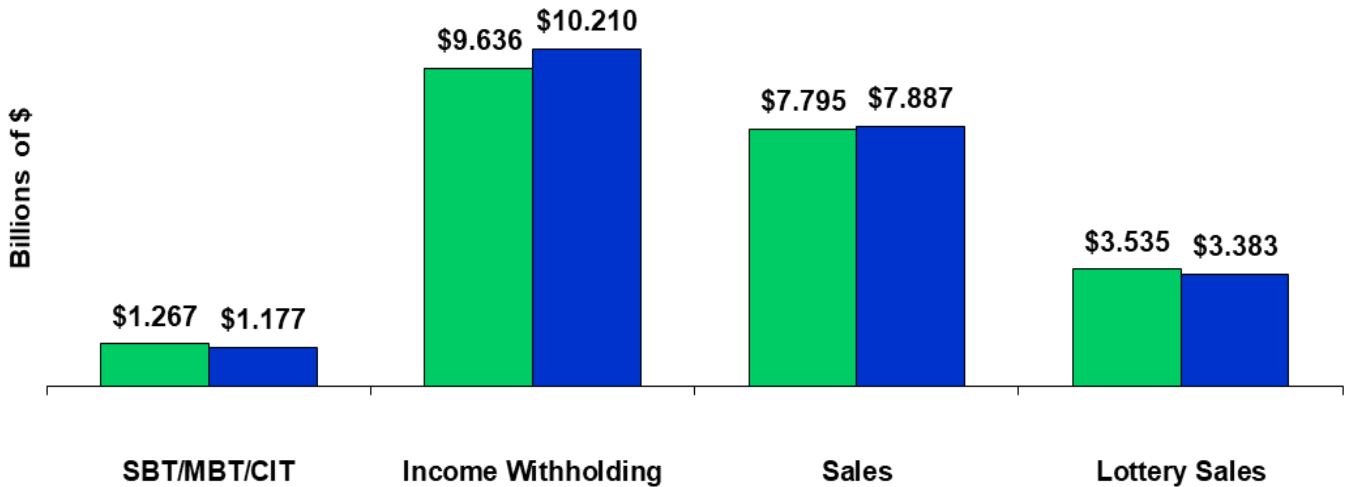
**June Revenue Collections
FY 2023-24 and FY 2024-25**



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

**October through June 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: June 30, 2025

Month-End Cash Collections Data				October Through June Cash Collections Data					Revenue Projections		
June		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											
\$980,091	\$1,109,575	\$129,484	13.2%	Withholding	\$9,635,857	\$10,210,277	\$574,419	6.0%	\$12,817,900	\$12,997,800	\$13,571,900
209,574	286,388	76,814	36.7%	Quarterlies	779,898	970,388	190,491	24.4%	1,111,400	1,010,700	1,233,000
209,635	188,347	(21,289)	-10.2%	Flow Through Entity Tax	763,979	759,963	(4,016)	-0.5%	957,400	1,014,800	1,000,000
40,325	29,096	(11,229)	-27.8%	Annuals	1,135,446	1,417,159	281,712	24.8%	1,201,500	1,268,900	1,518,000
\$1,439,625	\$1,613,406	\$173,780	12.1%	Gross Collections	\$12,315,181	\$13,357,787	\$1,042,606	8.5%	\$16,088,200	\$16,292,200	\$17,322,900
122,367	92,296	(30,071)	-24.6%	Less: Refunds	3,789,648	3,557,992	(231,656)	-6.1%	3,120,100	3,251,700	3,650,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	500	800	800
\$1,317,259	\$1,521,110	\$203,851	15.5%	Net Personal Income	\$8,525,532	\$9,799,794	\$1,274,262	14.9%	\$12,967,600	\$13,039,700	\$13,672,100
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: Disburse to Renew Michigan/GJFM	51,750	51,750	0	0.0%	71,700	69,000	69,000
335,128	375,582	40,454	12.1%	Less: Disbursements to SAF	2,924,441	3,171,855	247,414	8.5%	3,962,600	3,922,500	4,231,900
\$926,380	\$1,089,778	\$163,397	17.6%	Net Personal Income To GF-GP	\$5,099,341	\$6,126,189	\$1,026,848	20.1%	\$8,333,300	\$8,448,200	\$8,771,200
Consumption Taxes											
\$145,975	\$149,334	\$3,359	2.3%	Sales (a)	\$1,241,596	\$1,249,999	\$8,403	0.7%	\$1,572,400	\$1,609,800	\$1,638,700
157,461	151,850	(5,611)	-3.6%	Use (a) (h)	922,602	882,367	(40,234)	-4.4%	1,188,200	1,308,200	1,178,500
12,050	10,769	(1,281)	-10.6%	Tobacco	98,610	90,459	(8,151)	-8.3%	132,000	134,400	125,100
1,441	1,079	(362)	-25.1%	Beer, Wine & Mixed Spirits	32,729	31,493	(1,236)	-3.8%	44,900	47,000	44,600
7,513	6,078	(1,435)	-19.1%	Liquor Specific	55,189	54,821	(369)	-0.7%	68,700	66,400	67,100
\$324,440	\$319,111	(\$5,329)	-1.6%	Total Consumption Taxes	\$2,350,726	\$2,309,139	(\$41,587)	-1.8%	\$3,006,200	\$3,165,800	\$3,054,000
Other Taxes											
\$16	\$1	(\$15)	-91.1%	Single Business	(\$275)	\$224	\$499	181.3%	(\$300)	\$0	\$0
3,034	2,571	(462)	-15.2%	Insurance Premiums Taxes	\$388,392	386,652	(1,740)	-0.4%	537,400	541,300	548,500
3,050	2,573	(477)	-15.6%	Sub-total SBT & Insurance	388,117	386,876	(1,241)	-0.3%	537,100	541,300	548,500
8,529	15,016	6,487	76.1%	Michigan Business Tax	(357,719)	(423,503)	(65,783)	-18.4%	(356,900)	(503,400)	(496,900)
245,100	280,147	35,047	14.3%	Corporate Income Tax	1,624,706	1,599,818	(24,889)	-1.5%	1,574,000	1,598,300	1,592,500
7,235	102	(7,133)	-98.6%	Telephone & Telegraph	20,665	11,465	(9,200)	-44.5%	43,000	33,000	42,000
1,630	1,470	(159)	-9.8%	Oil & Gas Severance	18,626	15,364	(3,263)	-17.5%	21,900	28,000	22,000
9,995	9,684	(311)	-3.1%	Penalties & Interest	105,772	118,845	13,073	12.4%	171,900	147,000	157,000
7,457	9,994	2,537	34.0%	Essential Services Assessment	14,374	18,172	3,798	26.4%	147,300	159,000	157,000
75	3	(72)	-95.8%	Miscellaneous Other/Railroad	580	241	(338)	-58.3%	10,800	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(113,750)	(113,250)	500	0.4%	(147,200)	(152,000)	(150,000)
\$270,571	\$306,405	\$35,835	13.2%	Total Other Taxes	\$1,701,371	\$1,614,028	(\$87,343)	-5.1%	\$2,001,900	\$1,866,200	\$1,880,100
\$1,521,391	\$1,715,294	\$193,903	12.7%	Subtotal GF-GP Taxes	\$9,151,439	\$10,049,357	\$897,918	9.8%	\$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: June 30, 2025

Month-End Cash Collections Data				October Through June Cash Collections Data					Revenue Projections		
June		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	\$7,500	\$7,500	\$0	0.0%	\$14,000	\$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%	4,200	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	10,500	10,500	0	0.0%	10,700	14,000	14,000
0	0	0	na	Investments/Interest Costs	206,262	144,517	(61,745)	-29.9%	593,300	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	7,500	7,500	0	0.0%	54,500	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	225,000	258,750	33,750	15.0%	301,200	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	67,500	99,000	31,500	46.7%	207,700	134,000	144,000
<u>\$35,925</u>	<u>\$43,175</u>	<u>\$7,250</u>	<u>20.2%</u>	Total Non-Tax Revenue	<u>\$529,587</u>	<u>\$533,092</u>	<u>\$3,505</u>	<u>0.7%</u>	<u>\$1,185,700</u>	<u>\$777,600</u>	<u>\$788,600</u>
\$1,557,316	\$1,758,469	\$201,153	12.9%	Total GF-GP Revenue	\$9,681,026	\$10,582,449	\$901,423	9.3%	\$14,527,100	\$14,257,800	\$14,493,900
School Aid Fund											
\$372,739	\$380,801	\$8,062	2.2%	Sales Tax 4%	\$3,200,148	\$3,218,287	\$18,139	0.6%	\$4,352,100	\$4,347,900	\$4,403,800
297,286	305,456	8,170	2.7%	Sales Tax 2%	2,461,298	2,522,704	61,406	2.5%	3,405,700	3,409,600	3,456,300
78,730	75,925	(2,805)	-3.6%	Use Tax 2%	680,776	664,114	(16,662)	-2.4%	940,200	991,400	926,500
33,273	37,094	3,821	11.5%	State Education Property Tax	1,775,847	2,018,535	242,687	13.7%	2,756,800	2,812,600	2,880,000
33,232	37,254	4,022	12.1%	Real Estate Transfer Tax	277,366	310,709	33,344	12.0%	404,500	385,000	424,500
80,000	90,000	10,000	12.5%	Lottery Transfer (b)	751,981	733,577	(18,404)	-2.4%	1,249,000	1,270,000	1,155,000
8,503	8,156	(347)	-4.1%	Casino Wagering Tax	75,356	78,497	3,140	4.2%	500,700	499,000	579,200
7,305	5,742	(1,563)	-21.4%	Liquor Excise Tax	49,822	48,429	(1,393)	-2.8%	75,500	78,500	80,900
24,463	21,863	(2,600)	-10.6%	Cigarette/Tobacco Tax	200,193	183,645	(16,547)	-8.3%	229,800	235,700	214,600
2,879	5,117	2,238	77.8%	Indus. & Comm. Facilities Taxes	37,865	32,309	(5,556)	-14.7%	53,700	45,000	50,000
1,912	1,907	(5)	-0.2%	Specific Other	7,534	7,699	165	2.2%	143,800	149,700	142,500
335,128	375,582	40,454	12.1%	Income Tax Earmarking	2,924,441	3,171,855	247,414	8.5%	3,962,600	3,922,500	4,231,900
<u>\$1,275,450</u>	<u>\$1,344,897</u>	<u>\$69,447</u>	<u>5.4%</u>	Total School Aid Fund	<u>\$12,442,627</u>	<u>\$12,990,361</u>	<u>\$547,733</u>	<u>4.4%</u>	<u>\$18,074,500</u>	<u>\$18,146,900</u>	<u>\$18,545,200</u>
Multi-Fund Revenue Summary											
\$918,518	\$940,125	\$21,607	2.4%	Sales Tax 6%	\$7,794,877	\$7,886,516	\$91,639	1.2%	\$10,577,100	\$10,588,800	\$10,728,800
621,232	634,669	13,437	2.2%	Sales Tax 4% (d)	5,333,579	5,363,812	30,232	0.6%	7,171,400	7,179,200	7,272,500
297,286	305,456	8,170	2.7%	Sales Tax 2%	2,461,298	2,522,704	61,406	2.5%	3,405,700	3,409,600	3,456,300
236,191	227,775	(8,416)	-3.6%	Use Tax 6% (g)	2,042,328	1,992,341	(49,987)	-2.4%	2,765,100	2,869,400	2,749,800
11,769	13,420	1,651	14.0%	Recreational Marihuana	226,364	231,585	5,221	2.3%	315,000	347,700	322,100
60,552	54,117	(6,435)	-10.6%	Tobacco Taxes	495,526	454,568	(40,958)	-8.3%	667,900	676,800	629,000
0	0	0	na	Tobacco Settlement	242,982	187,656	(55,326)	-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: June 30, 2025

Month-End Cash Collections Data				October Through June Cash Collections Data				Revenue Projections			
June		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											
\$24,931	\$26,541	\$1,610	6.5%	Diesel Fuel / Motor Carrier Fuel Tax	\$196,843	\$209,669	\$12,826	6.5%	\$272,400	\$279,000	\$279,000
117,765	119,528	1,763	1.5%	Gasoline	928,344	969,481	41,137	4.4%	1,282,800	1,297,000	1,303,000
114,726	128,504	13,778	12.0%	Motor Vehicle Registration	1,144,360	1,211,487	67,127	5.9%	1,490,400	1,585,000	1,532,000
4,039	5,781	1,742	43.1%	Other Taxes, Fees & Misc.	38,390	39,759	1,369	3.6%	382,200	379,471	378,287
11,650	10,417	(1,233)	-10.6%	Comprehensive Transportation (c)	103,668	93,750	(9,918)	-9.6%	193,100	186,147	185,447
50,000	50,000	0	0.0%	Income Tax Earmarking	450,000	450,000	0	0.0%	600,000	600,000	600,000
<u>\$323,111</u>	<u>\$340,771</u>	<u>\$17,660</u>	<u>5.5%</u>	Total Major Trans. Revenues	<u>\$2,861,605</u>	<u>\$2,974,145</u>	<u>\$112,540</u>	<u>3.9%</u>	<u>\$4,220,900</u>	<u>\$4,326,618</u>	<u>\$4,277,734</u>
Lottery Sales By Games											
\$183,457	\$242,423	\$58,966	32.1%	Instant Games (f)	\$1,846,283	\$1,818,372	(\$27,912)	-1.5%	na	na	na
73,401	90,841	17,441	23.8%	Daily Games	714,802	707,991	(6,811)	-1.0%	na	na	na
28,547	32,333	3,786	13.3%	Lotto and Big Game (f)	397,416	291,526	(105,889)	-26.6%	na	na	na
540	666	126	23.3%	Keno Game	5,377	5,432	55	1.0%	na	na	na
3,190	3,630	440	13.8%	Lucky For Life	29,360	28,632	(728)	-2.5%	na	na	na
4,883	12,577	7,694	158.0%	Other (f)	52,691	104,442	51,751	98.2%	na	na	na
54,787	50,031	(4,755)	-8.7%	Club Games	489,502	426,580	(62,922)	-12.9%	na	na	na
<u>\$348,805</u>	<u>\$432,502</u>	<u>\$83,697</u>	<u>24.0%</u>	Total Lottery Sales	<u>\$3,535,431</u>	<u>\$3,382,975</u>	<u>(\$152,456)</u>	<u>-4.3%</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 \$438.9 million and the year-to date 2025 revenues are \$445.8 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 \$438.9 million and the year-to-date 2025 LCSS revenues are \$445.8 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

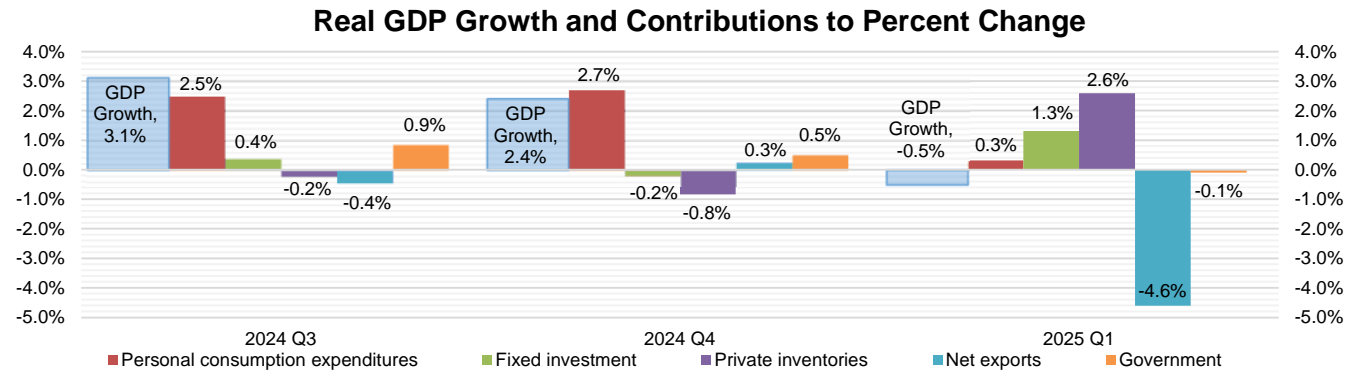
Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** decreased at a 0.5 percent annual rate in the first quarter of 2025, according to the third estimate released by the Bureau of Economic Analysis, down from the 2.4 percent annual rate in the fourth quarter of 2024. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

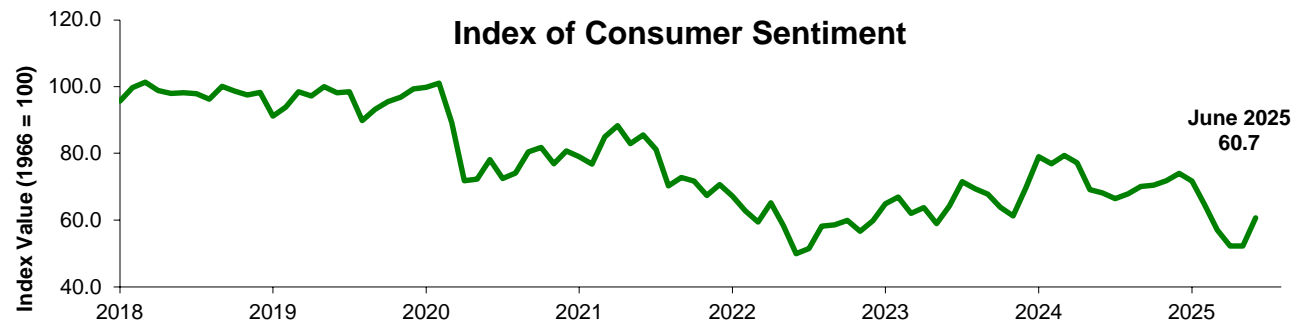


Net exports drove the decrease in GDP in the first quarter of 2025, aided by a smaller decline in government spending. Partially offsetting the drag on GDP growth were increases in private inventories, fixed investment, and personal consumption. Real final sales decreased by 3.1 percent in the first quarter, while the implicit price deflator increased by 3.8 percent in the same period.

U.S. wage and salary employment increased by 147,000 jobs in June 2025 to total employment of 7.4 million, or 4.9 percent above its February 2020 pre-pandemic level. In June, the sectors with the largest employment increases include government with a gain of 73,000 jobs, private education and health services with an increase of 51,000 jobs, and leisure and hospitality with 20,000 additional jobs. Notable employment declines in June were observed in manufacturing, wholesale trade, and professional and business services with losses of 7,000 jobs each, followed by other services with 5,000 fewer jobs.

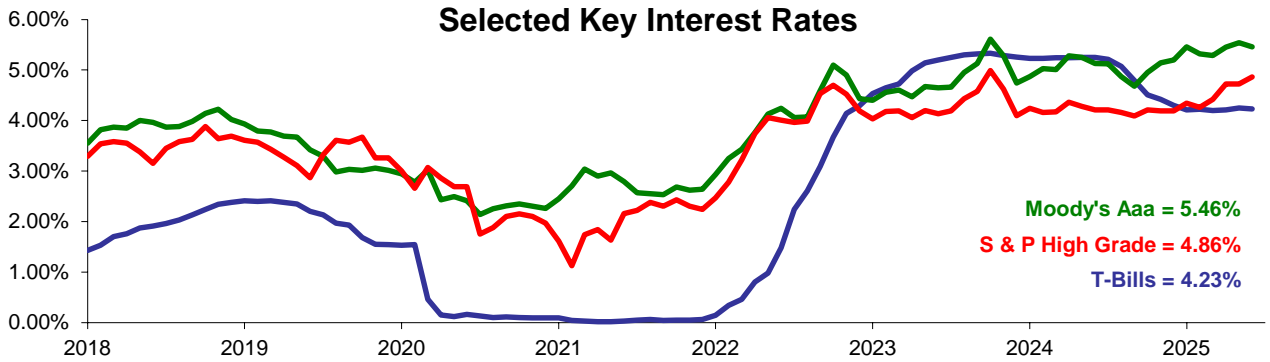
In June, the **U.S. unemployment rate** declined to 4.1 percent, after registering 4.2 percent in the prior three months. Civilian employment increased 93,000 to 163.4 million. The number of unemployed decreased 222,000 from May, to 7.0 million. The labor force participation rate edged down to 62.3 percent, 1.0 percentage point below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** increased to 60.7 in June, 8.5 index-points higher than the prior month and the first increase of the index in six months. Improvement was broadbased, with expectations for personal finances and business conditions climbing 20 percent or more. Despite June's gain, consumer sentiment remains 7.5 index-points below the year-ago level.



Source: University of Michigan, Survey Research Center

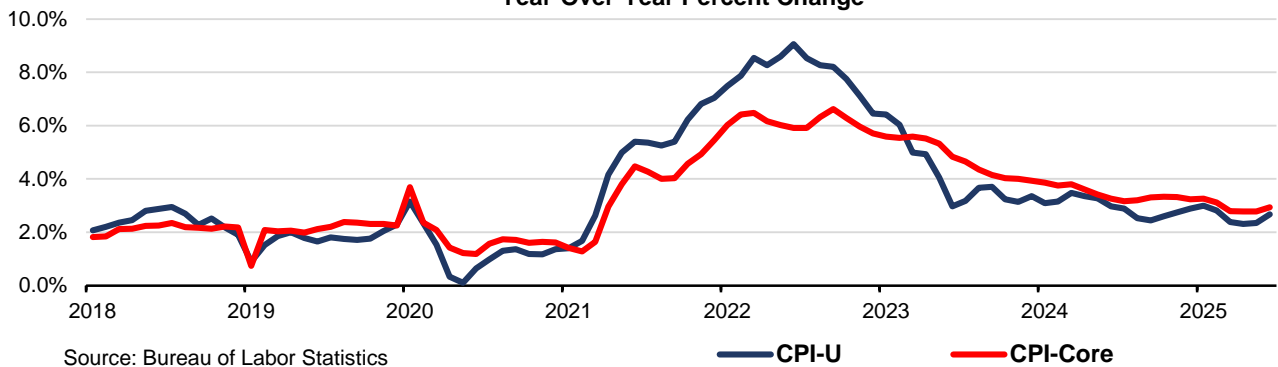
Short-term **interest rates** decreased in June, with a 3-month Treasury bill (T-bill) rate of 4.23 percent. The T-bill rate is 102 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.25 percent rate in June 2024. The Aaa corporate bond rate decreased by 8 basis points in June to an interest rate of 5.46 percent, up 33 basis points from a year ago. The interest rate on S&P high-grade municipal bonds increased to 4.86 percent in June, up 14 basis points from the prior month's rate, and 65 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 June 2024 to June 2025, a 0.3 percentage points increase from May'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 2.9 percent year-over-year in June, up 0.1 percentage points from the prior month's rates. CPI-U and CPI-Core data are not seasonally adjusted.

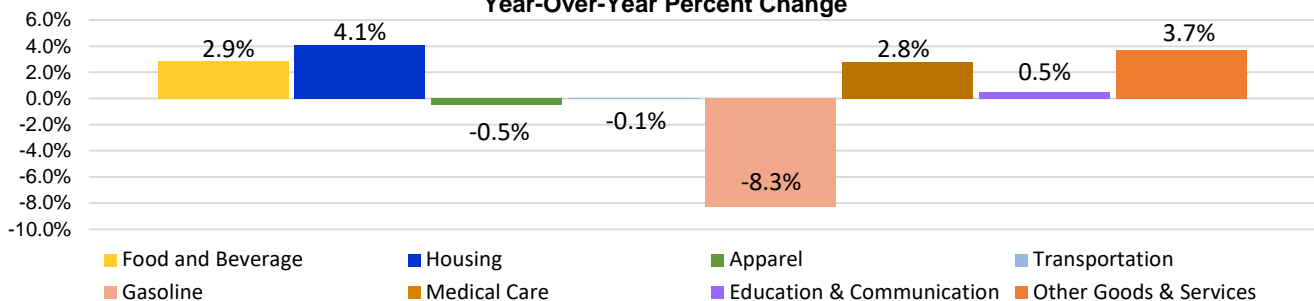
U.S. Consumer Price Index from 2018 to 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Housing exhibited the largest year-over-year price increase at 4.1 percent for June, followed by other goods and services with a 3.7 percent increase, and food and beverage with a 2.9 percent increase. Gasoline experienced a year-over-year price decline of 8.3 percent in June. These sector data are seasonally adjusted.

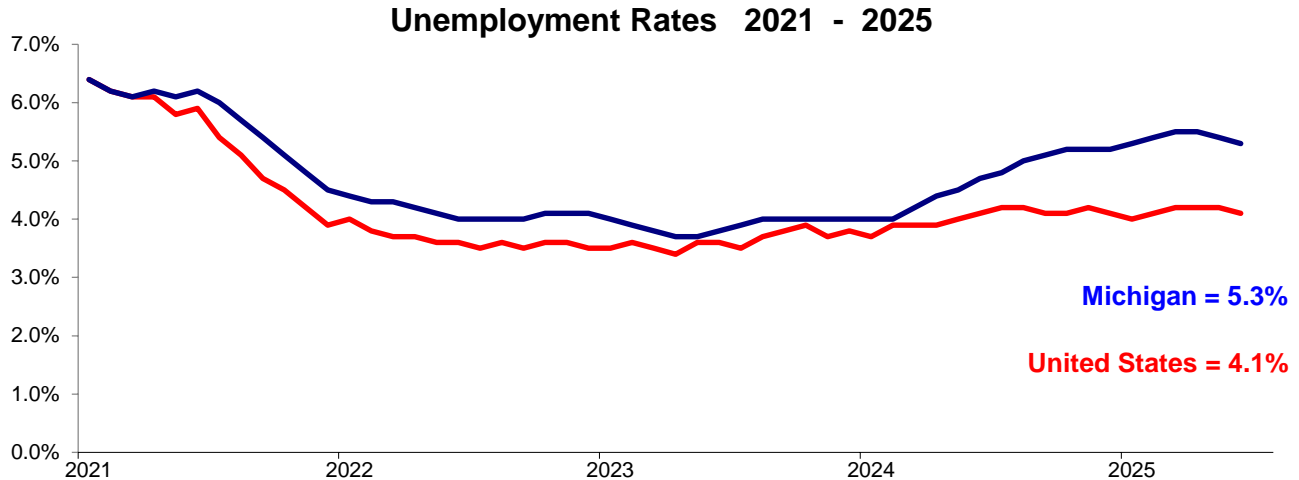
Consumer Price Index, June 2025 Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Michigan Economy

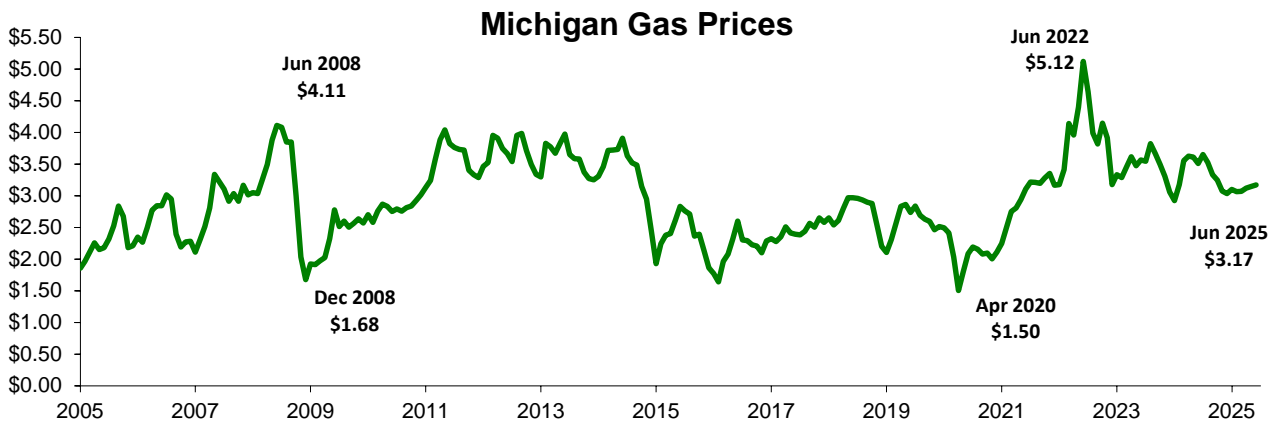
The **Michigan jobless rate** was 5.3 percent in June, a 0.1 percentage point decline from May. The national unemployment rate was 4.1 percent in June, 0.1 percentage points below the prior month's rate. Michigan's June unemployment rate 0.6 percentage points higher than a year ago.



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

Michigan wage and salary employment decreased by 9,000 in June from the prior month to a total of 4.5 million jobs. Compared to last year, employment in June was up 48,900 jobs, or 1.1 percent from June 2024. The sectors with employment increases in June were private education and health services with a gain of 5,000 jobs, other services with 2,000 additional jobs, and government with an increase of 1,000 jobs. Employment declines in June were concentrated in professional and business services with 9,000 jobs lost, and manufacturing with 4,000 fewer jobs, while trade, transportation and utilities, construction, and leisure and hospitality all tied with 1,000 lost jobs each.

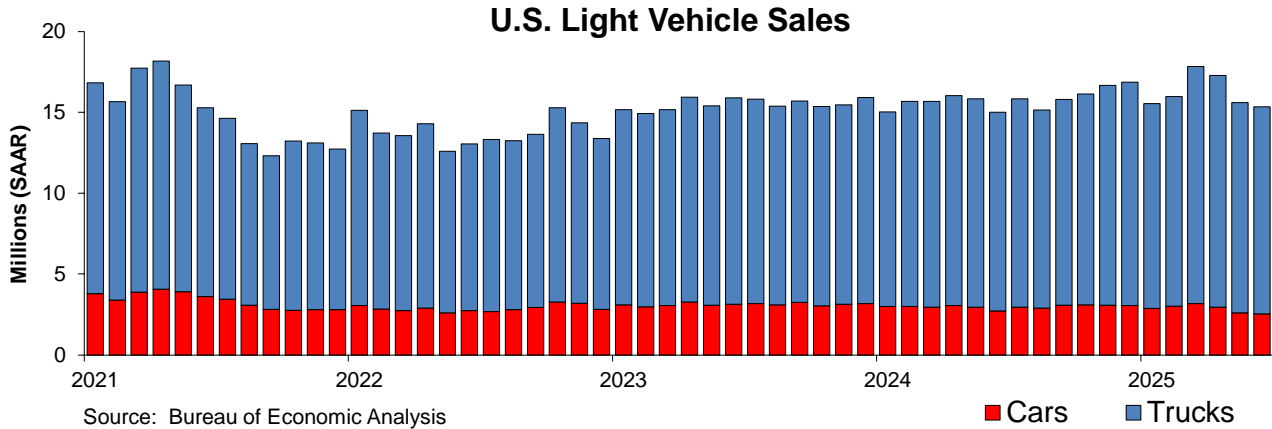
Michigan gasoline prices in June increased to \$3.17 per gallon, 2.4 cents higher than last month's average. Year-over-year gasoline prices were 33.9 cents per gallon lower than in June 2024. Diesel prices were \$3.51 per gallon in June, 5.1 cents higher than May's average. Diesel prices were down 22.7 cents per gallon from the June 2024 average price of \$3.74 per gallon.



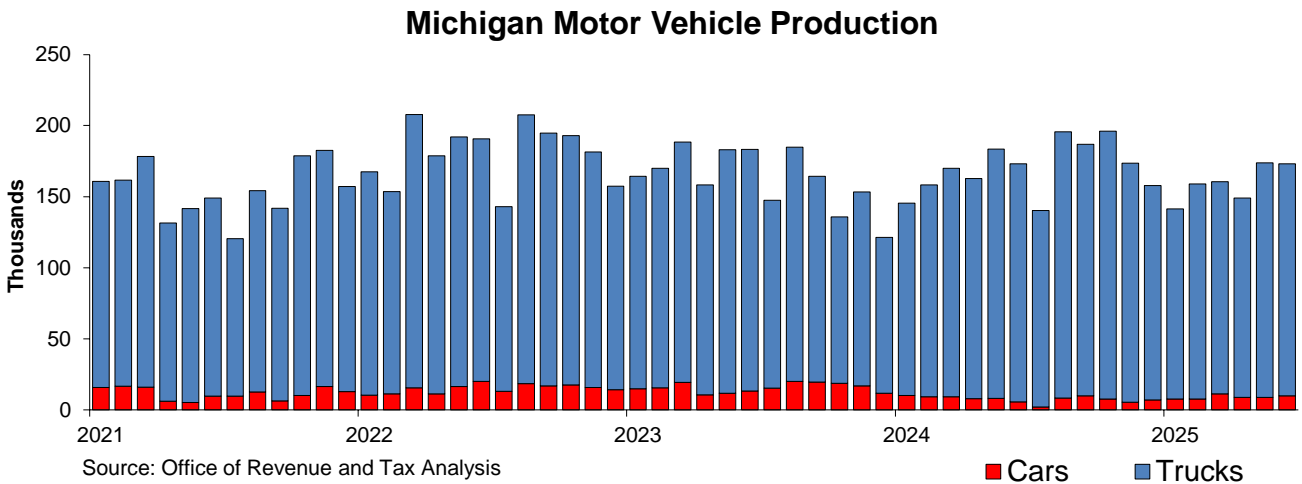
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) decreased by 1.7 percent in June from May, selling at a 15.3 million unit seasonally adjusted annual rate. Domestic car sales increased 1.1 percent while light truck sales decreased 1.8 percent from May. Import car sales decreased 8.2 percent while import light truck sales decreased 0.6 percent from May. Compared to June 2024, light vehicle sales were up 2.3 percent. Domestic car sales decreased 12.0 percent while light truck sales increased 5.4 percent from the year ago levels. June import car sales increased 6.1 percent while import light truck sales increased 0.2 percent from last year. Domestic light vehicles recorded a 78.0 percent share of June 2025 sales, slightly above the 77.6 percent share registered in June 2024.



Michigan motor vehicle production decreased slightly in June to 173,110 units, 0.4 percent lower than May's production, and basically unchanged from its year ago level. Nationally, motor vehicle production also declined over the month in June 2025 to 912,317 total units, or -3.7 percent, but above its year ago level by 0.7 percent. From May to June, Michigan's car production rose from 8,861 units to 9,915, while the State's truck production declined from 164,957 units to 163,195. 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