



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

April 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 March 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
March 31, 2025
(\$ in millions)

	FISCAL 2025
Beginning Balance	\$ 1,901.7
Revenues	
Ongoing:	
January 2025 Consensus Revenue	\$ 14,715.5
Local Government Program Payments	\$ (552.2)
Public Safety Trust Fund	\$ (75.0)
Revenue Sharing Trust Fund	\$ (75.0)
Subtotal Ongoing Revenue	\$ 14,013.3
One-Time:	
One-time Revenue Adjustments	\$ 66.9
Subtotal One-Time Revenue	\$ 66.9
Total Revenue	\$ 14,080.2
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	\$ 1,029.2

¹ This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2024. Final year-end activity will be reflected in the fiscal year 2024 Annual Comprehensive Financial Report.

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

	FISCAL 2025
Beginning Balance	\$ 404.3
Revenues	
Ongoing:	
January 2025 Consensus Forecast	\$ 18,459.6
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
Subtotal Ongoing Revenue	\$ 20,823.4
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
MPSERS Reserve Fund - Public Act 120 of 2024	\$ 334.1
Transportation Reserve Fund - Public Act 120 of 2024	\$ 125.0
School Meals Reserve Fund - Public Act 120 of 2024	\$ 30.0
GSRP Reserve Fund - Public Act 120 of 2024	\$ 18.0
Educator Fellowship Fund - Public Act 120 of 2024	\$ 30.0
Revenue Deposits - Sec. 11z - Public Act 120 of 2024	\$ (25.0)
Work Project Lapse - September 25, 2024	\$ 107.1
Subtotal One-Time Revenue	\$ 796.2
Total Revenue	\$ 21,619.6
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	\$ 330.2

¹ This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2024. Final year-end activity will be reflected in the fiscal year 2024 Annual Comprehensive Financial Report.

² Legislation will be effective the 91st day after the final adjournment of the 2024 Regular Session.

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

March 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
77.2	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	83.7
71.8	131.8	Attorney General	127.3	0.0	47.0	174.2	65.7
281.1	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	327.1
11.9	23.4	Civil Rights	29.2	2.0	15.5	46.6	15.0
1,023.5	1,992.6	Colleges and Universities	2,193.1	8.3	183.8	2,385.2	1,144.5
1,177.6	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	1,158.7
372.4	843.0	Education	232.3	0.0	824.8	1,057.1	143.1
702.0	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	442.6
5.8	9.4	Executive Office	9.3	0.0	0.2	9.6	5.4
16,789.0	36,296.7	Health and Human Services	37,582.3	0.0	4,940.2	42,522.4	16,046.6
41.2	72.6	Insurance and Financial Service	78.6	1.3	0.8	80.7	37.0
138.0	335.9	Judiciary	373.4	0.0	178.0	551.5	158.3
1,004.9	2,057.0	Labor and Economic Opportunity	1,141.2	553.5	5,280.3	6,975.0	872.9
14.5	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	14.3
90.4	186.3	Legislature	196.7	0.0	249.5	446.2	90.5
343.1	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	333.6
0.1	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	148.1	802.4	411.7
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
434.4	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	224.6
23.3	38.7	Michigan Veterans' Facility Authority	47.0	0.0	0.0	47.0	47.0
86.4	124.3	Military and Veterans Affairs	120.9	15.5	16.9	153.3	94.1
90.5	214.6	Natural Resources	161.7	5.0	130.8	297.5	129.5
135.6	286.6	State	291.8	10.2	139.0	441.0	135.4
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
514.1	1,038.4	State Police	951.2	126.6	851.9	1,929.8	556.8
604.8	1,152.2	Technology, Management and Budget (3)	542.9	1,290.0	908.0	2,740.9	476.4
42.7	67.7	Transportation	36.6	552.0	70.4	659.0	33.7
1,349.3	5,059.3	Treasury	2,604.5	157.3	548.7	3,310.5	1,289.0
\$25,425.4	\$55,710.2		\$52,062.2	\$2,922.8	\$23,655.5	\$78,640.5	\$24,337.5

(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
March 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
 March 31, 2025
 (\$ in thousands)

ASSETS

Current Assets:		
Equity in common cash	\$	<u>2,022,238</u>
Total Assets	\$	<u><u>2,022,238</u></u>

LIABILITIES

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

FUND BALANCES

Committed		<u>2,022,238</u>
Total Fund Balances		<u>2,022,238</u>
Total Liabilities and Fund Balances	\$	<u><u>2,022,238</u></u>

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

REVENUES

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

Current:	
General government	349
	<hr/>
Total Expenditures	349
	<hr/>
Excess of Revenues over (under) Expenditures	25,720
	<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	\$ 25,720 ¹
	<hr/> <hr/>

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**

March 31, 2025

(\$ in thousands)

ASSETS

Current Assets:

Equity in common cash	\$ 69,241
Investments	-
Other current assets	-
Total Current Assets	69,241

Noncurrent Assets:

Investments	757,319
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Total Assets	\$ 826,560
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LIABILITIES

Current Liabilities:

Accounts payable and other liabilities	\$ 7,096
Amounts due to other funds	-
Total Current Liabilities	7,096

Total Liabilities	7,096
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FUND BALANCES

Nonspendable	500,000
Restricted	319,464

Total Fund Balances	819,464
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Total Liabilities and Fund Balances	\$ 826,560
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STATE OF MICHIGAN
YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES
MICHIGAN NATURAL RESOURCES TRUST FUND

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

REVENUES

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		17,903
		17,903
Total Revenues		17,903

EXPENDITURES

Current:		
General government		3,709
Conservation, environment, recreation, and agriculture		8,274
Capital outlay		1,552
		13,535
Total Expenditures		13,535
Excess of Revenues over (under) Expenditures		4,368

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues		-
Proceeds from sale of capital assets		-
Transfers from other funds		-
Transfers to other funds		-
		-
Total Other Financing Sources (Uses)		-
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses		\$ 4,368 ¹

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

REVENUE OVERVIEW

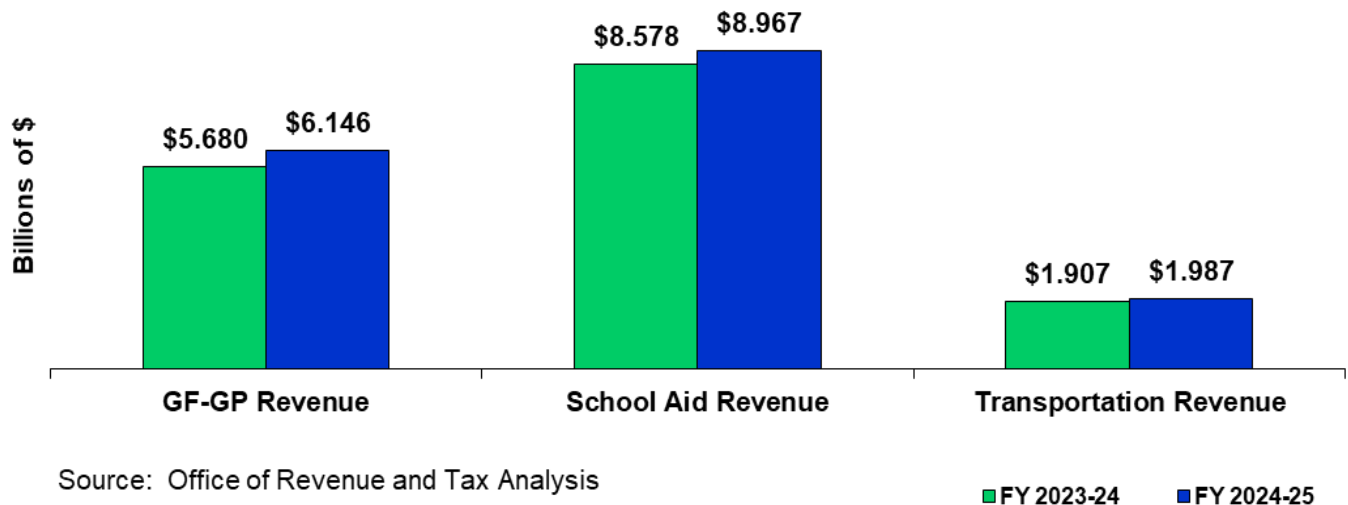
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

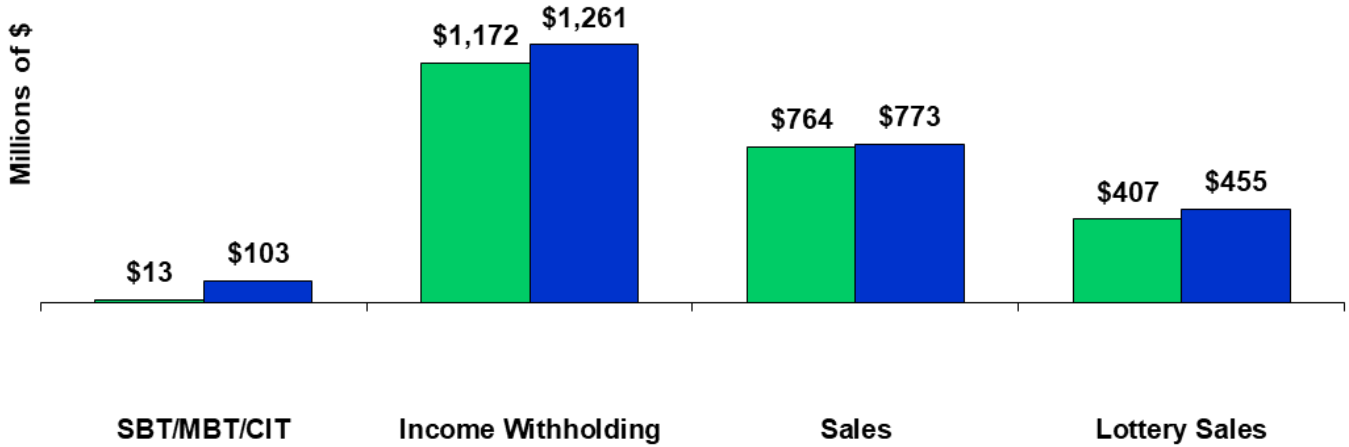
Total General Fund - General Purpose (GF-GP) cash collections were \$497.8 million (360.0 percent) higher in March 2025 than in March 2024. March 2025 School Aid Fund cash collections were \$13.8 million (1.2 percent) lower than in March 2024. March 2025 transportation collections were \$17.7 million (5.6 percent) higher than in March 2024 (see revenue summary table). March is the sixth 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 \$465.5 million (8.2 percent) from a year ago. School Aid Fund cash collections are up \$389.8 million (4.5 percent), and transportation collections are up \$79.4 million (4.2 percent).

The FY 2024-25 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on January 10, 2025. The revenue estimate for net GF-GP revenue for FY 2024-25 is \$14,715.5 million and the net School Aid revenue forecast is \$18,459.6 million. The Transportation Funds revenue forecast is \$4,281.2 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

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



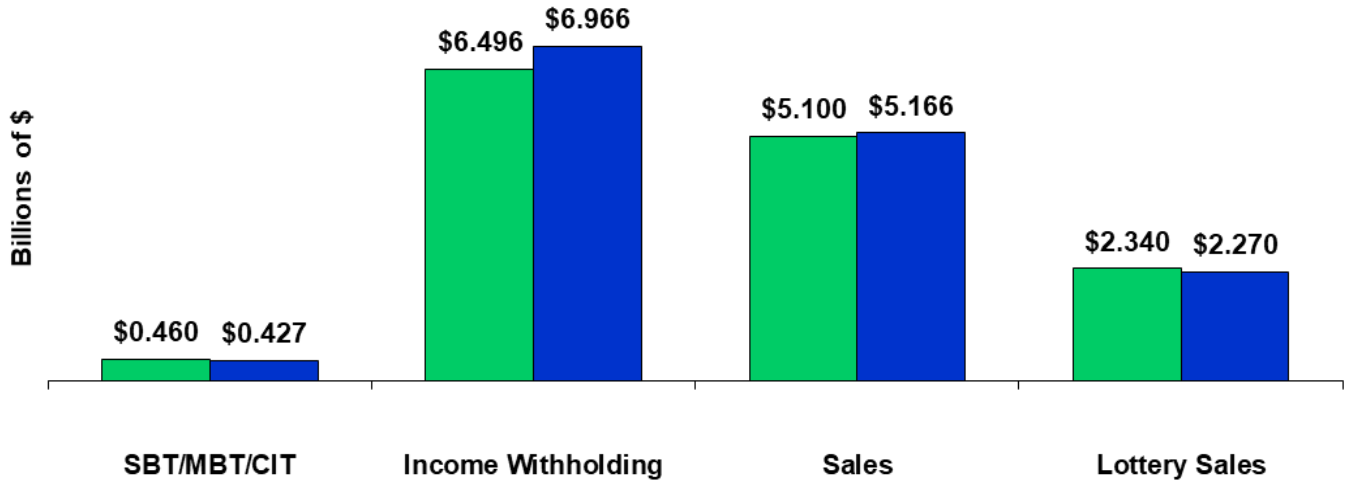
March Revenue Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

October through March 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: March 31, 2025

Month-End Cash Collections Data				October Through March Cash Collections Data					Revenue Projections		
March		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	January 2025 Forecast
Income Taxes											
\$1,172,149	\$1,260,903	\$88,753	7.6%	Withholding	\$6,496,210	\$6,966,415	\$470,205	7.2%	\$12,581,900	\$12,997,800	\$13,379,500
19,574	22,064	2,490	12.7%	Quarterlies	400,629	446,591	45,962	11.5%	999,000	1,010,700	1,145,000
212,496	158,958	(53,538)	-25.2%	Flow Through Entity Tax	512,152	420,704	(91,448)	-17.9%	972,800	1,014,800	960,000
100,311	106,735	6,424	6.4%	Annuals	286,786	286,461	(324)	-0.1%	1,152,500	1,268,900	1,318,000
\$1,504,530	\$1,548,660	\$44,129	2.9%	Gross Collections	\$7,695,776	\$8,120,172	\$424,395	5.5%	\$15,706,200	\$16,292,200	\$16,802,500
1,257,594	851,318	(406,276)	-32.3%	Less: Refunds	2,481,336	2,255,519	(225,817)	-9.1%	3,317,000	3,251,700	3,150,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$246,936	\$697,341	\$450,406	182.0%	Net Personal Income	\$5,214,440	\$5,864,652	\$650,212	12.5%	\$12,388,400	\$13,039,700	\$13,651,700
50,000	50,000	0	0.0%	Less: Disbursements to MTF	300,000	300,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	34,500	34,500	0	0.0%	69,000	69,000	69,000
358,220	368,735	10,515	2.9%	Less: Disbursements to SAF	1,832,224	1,933,370	101,146	5.5%	3,785,700	3,922,500	4,104,800
(\$167,034)	\$272,857	\$439,891	263.4%	Net Personal Income To GF-GP	\$3,047,716	\$3,596,782	\$549,066	18.0%	\$7,933,700	\$8,448,200	\$8,877,900
Consumption Taxes											
\$118,271	\$122,476	\$4,205	3.6%	Sales (a)	\$808,206	\$815,302	\$7,096	0.9%	\$1,566,200	\$1,609,800	\$1,637,300
113,483	77,808	(35,675)	-31.4%	Use (a) (h)	626,823	579,700	(47,124)	-7.5%	1,280,400	1,308,200	1,245,200
9,846	8,306	(1,540)	-15.6%	Tobacco	65,532	59,983	(5,549)	-8.5%	137,300	134,400	129,200
1,034	887	(147)	-14.2%	Beer, Wine & Mixed Spirits	22,767	22,307	(461)	-2.0%	46,000	47,000	45,600
5,322	4,939	(384)	-7.2%	Liquor Specific	35,419	35,250	(168)	-0.5%	65,600	66,400	69,100
\$247,956	\$214,415	(\$33,541)	-13.5%	Total Consumption Taxes	\$1,558,748	\$1,512,542	(\$46,206)	-3.0%	\$3,095,500	\$3,165,800	\$3,126,400
Other Taxes											
\$3	\$5	\$2	49.6%	Single Business	\$14	\$13	(\$0)	-3.2%	\$0	\$0	\$0
6,321	3,663	(2,658)	-42.0%	Insurance Premiums Taxes	\$277,859	275,415	(2,444)	-0.9%	523,000	541,300	563,500
6,324	3,668	(2,656)	-42.0%	Sub-total SBT & Insurance	277,873	275,429	(2,444)	-0.9%	523,000	541,300	563,500
(60,458)	(11,798)	48,660	80.5%	Michigan Business Tax	(409,368)	(439,767)	(30,398)	-7.4%	(494,600)	(503,400)	(496,900)
73,766	115,090	41,324	56.0%	Corporate Income Tax	868,995	866,559	(2,436)	-0.3%	1,625,000	1,598,300	1,620,000
0	3	2	459.0%	Telephone & Telegraph	13,427	11,044	(2,383)	-17.7%	34,000	33,000	42,000
2,065	1,087	(978)	-47.4%	Oil & Gas Severance	13,457	10,161	(3,296)	-24.5%	27,000	28,000	22,000
12,251	9,968	(2,283)	-18.6%	Penalties & Interest	52,103	48,359	(3,744)	-7.2%	143,000	147,000	157,000
39	283	244	na	Essential Services Assessment	(289)	2,070	2,359	na	150,000	159,000	157,000
2	21	20	na	Miscellaneous Other/Railroad	491	64	(427)	-86.9%	15,000	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(76,250)	(75,500)	750	1.0%	(151,000)	(152,000)	(150,000)
\$21,489	\$105,738	\$84,249	392.0%	Total Other Taxes	\$740,438	\$698,419	(\$42,020)	-5.7%	\$1,871,400	\$1,866,200	\$1,922,600
\$102,411	\$593,009	\$490,598	479.0%	Subtotal GF-GP Taxes	\$5,346,903	\$5,807,743	\$460,840	8.6%	\$12,900,600	\$13,480,200	\$13,926,900

continued

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

For The Month Ended: March 31, 2025

Month-End Cash Collections Data				October Through March Cash Collections Data					Revenue Projections			
March		Difference		Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25		
2024	2025	Amount	Percent	Source of Revenue	FY 2023-24	FY 2024-25	Amount	Percent	May 2024	Statutory	January 2025	
									Forecast	Estimate	Forecast	
Non-Tax Revenue (e)												
\$833	\$833	\$0	0.0%	Federal Aid	\$5,000	\$5,000	\$0	0.0%	\$10,000	\$10,000	\$10,000	
8	8	0	0.0%	Local Agencies	50	50	0	0.0%	100	100	100	
583	583	0	0.0%	Services	3,500	3,500	0	0.0%	7,000	7,000	7,000	
1,167	1,167	0	0.0%	Licenses & Permits	7,000	7,000	0	0.0%	14,000	14,000	14,000	
0	0	0	na	Investments/Interest Costs	118,025	79,211	(38,814)	-32.9%	550,000	285,000	285,000	
833	833	0	0.0%	Misc. Non-tax Revenue	5,000	5,000	0	0.0%	35,000	35,000	35,000	
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	150,000	172,500	22,500	15.0%	298,100	292,500	293,500	
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	45,000	66,000	21,000	46.7%	134,000	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>\$333,575</u>	<u>\$338,261</u>	<u>\$4,686</u>	<u>1.4%</u>	<u>\$1,048,200</u>	<u>\$777,600</u>	<u>\$788,600</u>	
\$138,336	\$636,184	\$497,848	360.0%	Total GF-GP Revenue	\$5,680,478	\$6,146,003	\$465,526	8.2%	\$13,948,800	\$14,257,800	\$14,715,500	
School Aid Fund												
\$306,251	\$316,342	\$10,091	3.3%	Sales Tax 4%	\$2,092,811	\$2,102,828	\$10,017	0.5%	\$4,307,100	\$4,347,900	\$4,387,900	
253,486	246,256	(7,229)	-2.9%	Sales Tax 2%	1,611,987	1,661,320	49,333	3.1%	3,375,800	3,409,600	3,442,900	
74,146	62,632	(11,514)	-15.5%	Use Tax 2%	453,941	432,397	(21,543)	-4.7%	972,900	991,400	959,800	
30,514	25,473	(5,042)	-16.5%	State Education Property Tax	1,678,339	1,928,294	249,955	14.9%	2,715,000	2,812,600	2,870,000	
26,041	31,451	5,410	20.8%	Real Estate Transfer Tax	185,854	208,889	23,035	12.4%	370,000	385,000	412,000	
90,000	80,000	(10,000)	-11.1%	Lottery Transfer (b)	481,981	473,577	(8,404)	-1.7%	1,270,000	1,270,000	1,255,000	
9,959	9,468	(491)	-4.9%	Casino Wagering Tax	48,968	52,284	3,316	6.8%	479,200	499,000	527,000	
5,162	4,798	(364)	-7.1%	Liquor Excise Tax	31,551	30,584	(968)	-3.1%	77,100	78,500	80,900	
19,988	16,863	(3,126)	-15.6%	Cigarette/Tobacco Tax	133,041	121,775	(11,266)	-8.5%	242,100	235,700	223,300	
8,500	5,411	(3,089)	-36.3%	Indus. & Comm. Facilities Taxes	22,969	17,720	(5,249)	-22.9%	45,000	45,000	50,000	
541	1,549	1,008	186.0%	Specific Other	3,909	4,360	451	11.5%	143,600	149,700	146,000	
358,220	368,735	10,515	2.9%	Income Tax Earmarking	1,832,224	1,933,370	101,146	5.5%	3,785,700	3,922,500	4,104,800	
<u>\$1,182,808</u>	<u>\$1,168,976</u>	<u>(\$13,831)</u>	<u>-1.2%</u>	Total School Aid Fund	<u>\$8,577,575</u>	<u>\$8,967,398</u>	<u>\$389,824</u>	<u>4.5%</u>	<u>\$17,783,600</u>	<u>\$18,146,900</u>	<u>\$18,459,600</u>	
Multi-Fund Revenue Summary												
\$763,904	\$773,492	\$9,589	1.3%	Sales Tax 6%	\$5,100,006	\$5,166,034	\$66,028	1.3%	\$10,487,300	\$10,588,800	\$10,688,800	
510,418	527,236	16,818	3.3%	Sales Tax 4% (d)	3,488,019	3,504,714	16,695	0.5%	7,111,500	7,179,200	7,245,900	
253,486	246,256	(7,229)	-2.9%	Sales Tax 2%	1,611,987	1,661,320	49,333	3.1%	3,375,800	3,409,600	3,442,900	
222,438	187,897	(34,541)	-15.5%	Use Tax 6% (g)	1,361,822	1,297,192	(64,630)	-4.7%	2,815,000	2,869,400	2,849,800	
12,409	13,814	1,405	11.3%	Recreational Marihuana	151,443	157,335	5,892	3.9%	330,300	347,700	337,100	
49,476	41,739	(7,737)	-15.6%	Tobacco Taxes	329,308	301,423	(27,885)	-8.5%	691,000	676,800	650,000	
4	4	0	na	Tobacco Settlement	4	17	13	332.0%	na	na	na	

continued

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

For The Month Ended: March 31, 2025

Month-End Cash Collections Data				October Through March Cash Collections Data						Revenue Projections		
March		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24	FY 2024-25	FY 2024-25	
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent	May 2024 Forecast	Statutory Estimate	January 2025 Forecast	
Major Transportation Revenues												
\$19,277	\$20,787	\$1,510	7.8%	Diesel Fuel / Motor Carrier Fuel Tax	\$128,100	\$137,020	\$8,920	7.0%	\$273,000	\$279,000	\$279,000	
96,484	96,807	322	0.3%	Gasoline	601,658	637,066	35,409	5.9%	1,259,000	1,297,000	1,303,000	
133,432	150,391	16,960	12.7%	Motor Vehicle Registration	785,004	826,460	41,456	5.3%	1,542,000	1,585,000	1,532,000	
4,910	4,915	5	0.1%	Other Taxes, Fees & Misc.	23,736	23,736	(0)	0.0%	372,757	379,471	381,787	
11,481	10,417	(1,065)	-9.3%	Comprehensive Transportation (c)	68,887	62,500	(6,387)	-9.3%	181,279	186,147	185,447	
50,000	50,000	0	0.0%	Income Tax Earmarking	300,000	300,000	0	0.0%	600,000	600,000	600,000	
<u>\$315,584</u>	<u>\$333,316</u>	<u>\$17,733</u>	<u>5.6%</u>	Total Major Trans. Revenues	<u>\$1,907,385</u>	<u>\$1,986,783</u>	<u>\$79,398</u>	<u>4.2%</u>	<u>\$4,228,036</u>	<u>\$4,326,618</u>	<u>\$4,281,234</u>	
Lottery Sales By Games												
\$202,452	\$248,204	\$45,752	22.6%	Instant Games (f)	\$1,229,431	\$1,202,694	(\$26,738)	-2.2%	na	na	na	
79,304	94,679	15,375	19.4%	Daily Games	467,572	470,375	2,803	0.6%	na	na	na	
63,339	38,052	(25,288)	-39.9%	Lotto and Big Game (f)	272,096	210,709	(61,387)	-22.6%	na	na	na	
577	751	174	30.2%	Keno Game	3,595	3,578	(17)	-0.5%	na	na	na	
3,197	3,735	538	16.8%	Lucky For Life	18,916	19,151	235	1.2%	na	na	na	
5,485	14,261	8,777	160.0%	Other (f)	35,344	72,636	37,292	106.0%	na	na	na	
52,864	55,432	2,568	4.9%	Club Games	312,930	290,976	(21,953)	-7.0%	na	na	na	
<u>\$407,217</u>	<u>\$455,113</u>	<u>\$47,896</u>	<u>11.8%</u>	Total Lottery Sales	<u>\$2,339,883</u>	<u>\$2,270,118</u>	<u>(\$69,765)</u>	<u>-3.0%</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 \$281.0 million and the year-to date 2025 revenues are \$285.1 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 \$281.0 million and the year-to-date 2025 LCSS revenues are \$285.1 million.

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

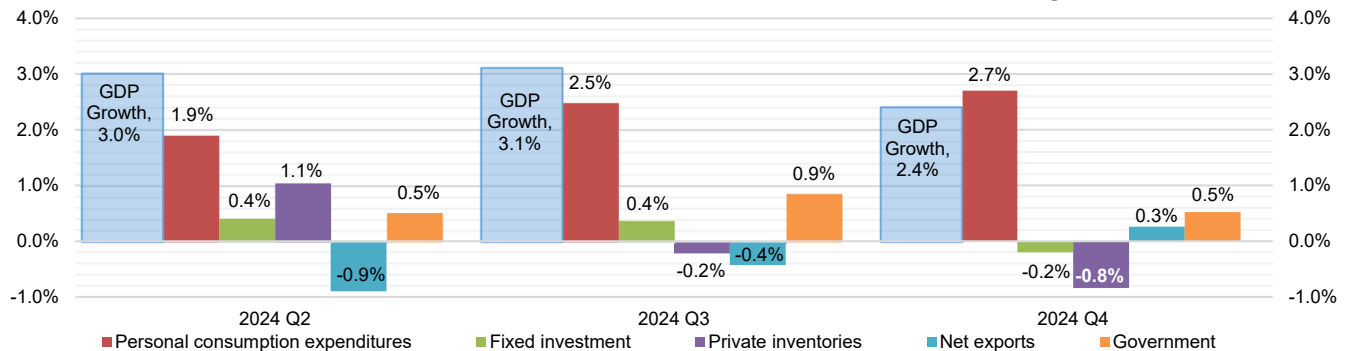
Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

U.S. Economy

U.S. real **Gross Domestic Product** increased at a 2.4 percent annual rate in the fourth quarter of 2024, according to the third estimate released by the Bureau of Economic Analysis, down from the 3.1 percent annual rate in the third quarter of 2024. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

Real GDP Growth and Contributions to Percent Change



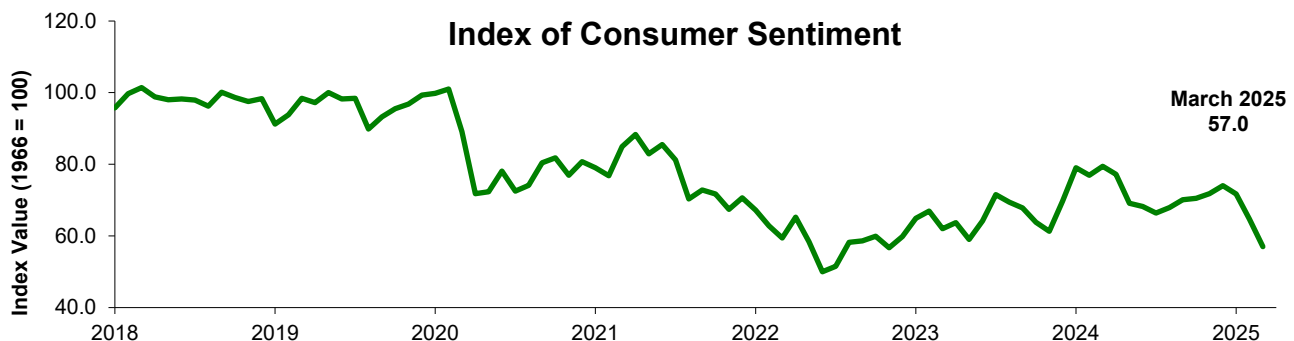
Source: Bureau of Economic Analysis

Personal consumption expenditures drove the increase in GDP in the fourth quarter of 2024, while government and net exports made smaller contributions. Declines in private inventories and fixed investment reduced the fourth quarter GDP growth. Real final sales increased by 3.3 percent in the fourth quarter, while the implicit price deflator increased by 2.3 percent in the same period.

U.S. wage and salary employment increased by 228,000 jobs in March 2025, with total employment 7.1 million above the February 2020 pre-pandemic level. In March, the sectors with the largest employment increases include private education and health services with a gain of 77,000 jobs, leisure and hospitality services with an increase of 43,000 jobs, and retail trade with 24,000 additional jobs. Employment decreases in March were observed in mining and logging, wholesale trade, and information services, all tied with 2,000 jobs lost each.

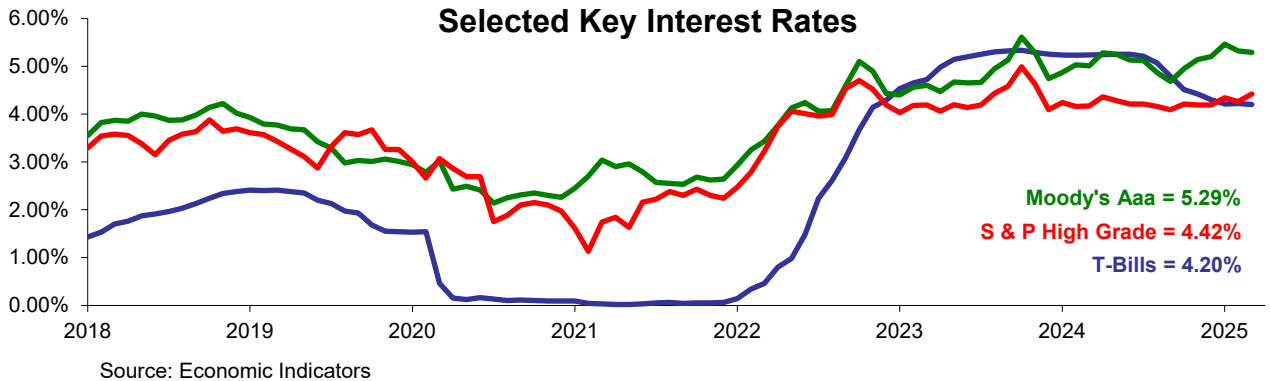
In March, the U.S. unemployment rate increased to 4.2 percent. Civilian employment increased to 163.5 million, up 201,000 from February. The number of unemployed increased 31,000 from February, to 7.1 million in March. The labor force participation rate edged up to 62.5 percent in March, 0.8 percentage points below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** decreased to 57.0 index points in March, down by 7.7 index-points from February's index of 64.7. Consumer sentiment is 22.4 index-points below the year-ago level and represents the lowest reading since July 2022.



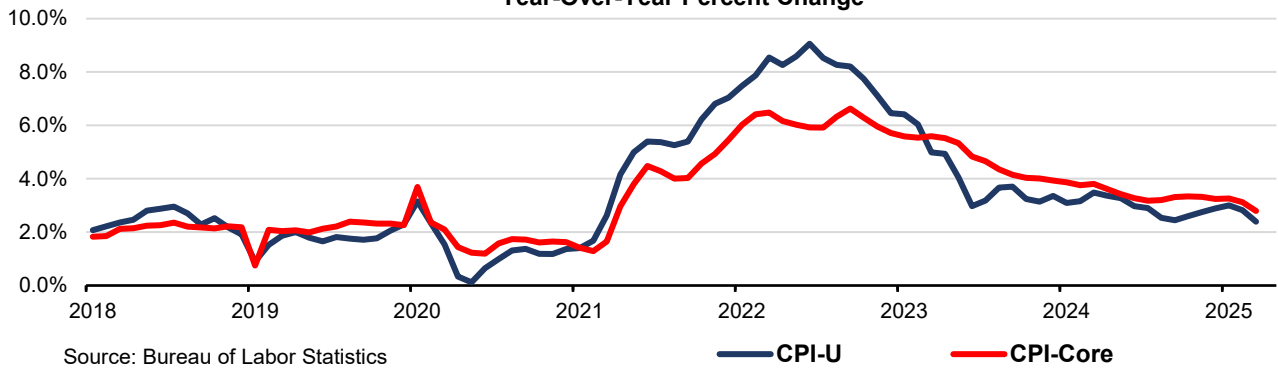
Source: University of Michigan, Survey Research Center

Short-term **interest rates** decreased in March, with a 3-month Treasury bill (T-bill) rate of 4.20 percent. The T-bill rate is 104 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.24 percent rate in March 2024. The Aaa corporate bond rate decreased by 3 basis points in March to an interest rate of 5.29 percent, up 28 basis points from a year ago. The interest rate on S&P high-grade municipal bonds increased in March to an interest rate of 4.42 percent, up 25 basis points from a year ago.



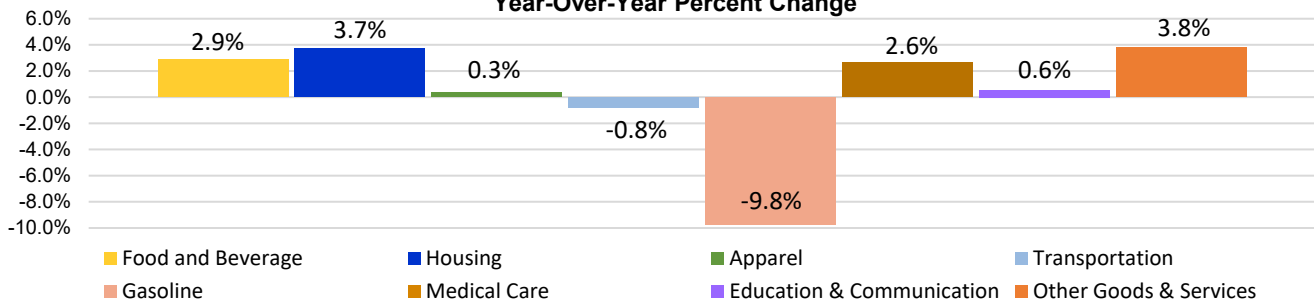
U.S. retail prices, as measured by the Consumer Price Index (CPI-U), were up 2.4 percent from March 2024 to March 2025, a 0.4 percentage points decrease from February's rate. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 2.8 percent year-over-year in March, a 0.3 percentage points decrease from the prior month's rate. CPI-U and CPI-Core data are not seasonally adjusted.

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



Other goods and services exhibited the largest year-over-year price increase at 3.8 percent for March, followed by housing 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 9.8 percent in March. These sector data are seasonally adjusted.

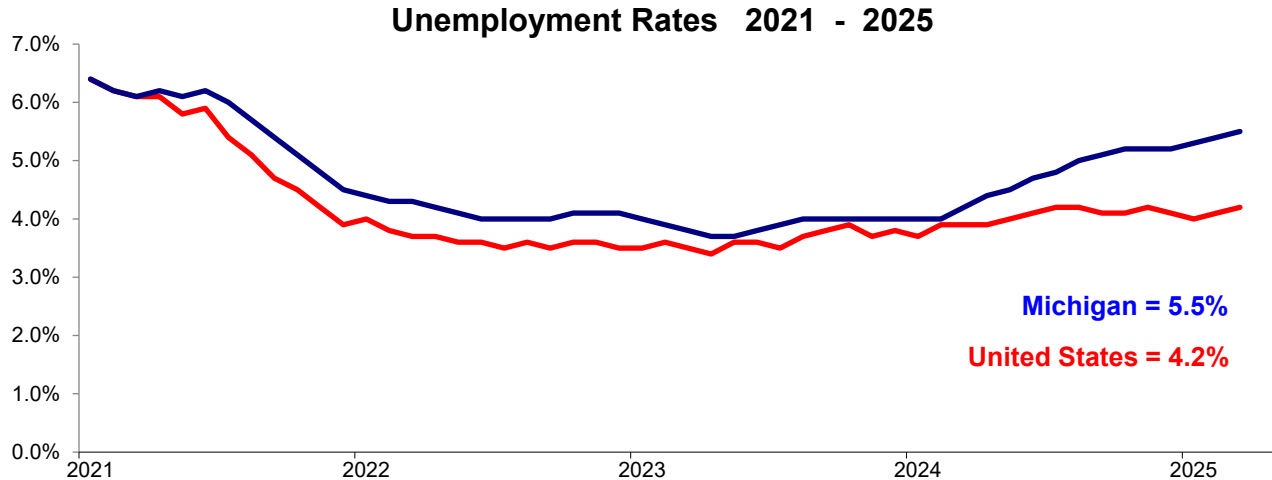
Consumer Price Index, March 2025
Year-Over-Year Percent Change



Source: Bureau of Labor Statistics

Michigan Economy

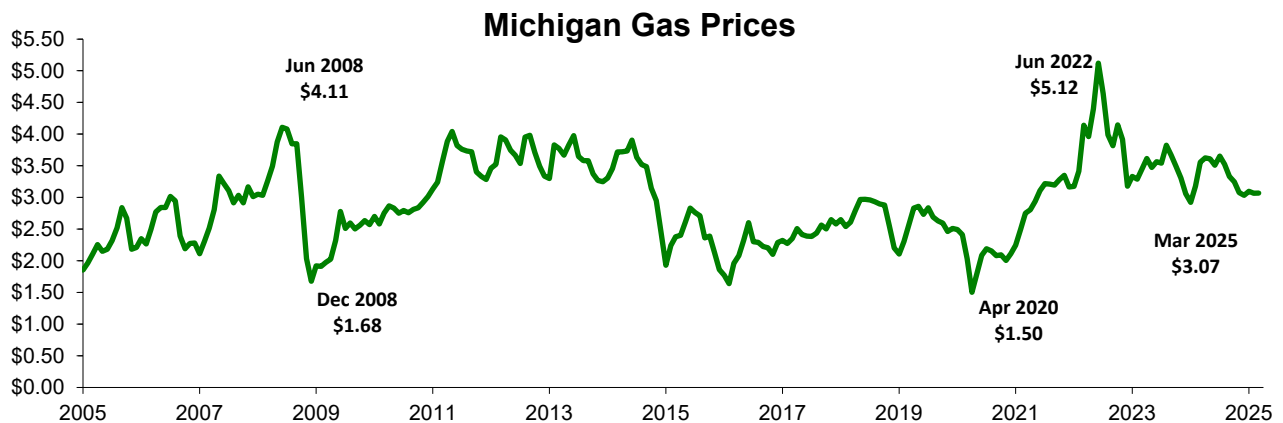
The **Michigan jobless rate** was 5.5 percent in March, increasing 0.1 percentage points each month since December 2024. The national unemployment rate was 4.2 percent in March, 0.1 percentage points above February's rate. Michigan's March unemployment rate of 5.5 percent is 1.7 percentage points higher than the February 2020 pre-pandemic revised rate of 3.8 percent.



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

Michigan wage and salary employment decreased by 4,700 jobs in March from the prior month to a total of 4.5 million jobs. Compared to last year, employment in March was up 24,000 jobs, or 0.5 percent from March 2024. The sectors with the largest employment increases in March were government services with a gain of 1,600 jobs, other services with an increase of 1,200 jobs, and leisure and hospitality services with 1,100 additional jobs. Employment decreases in March were observed in manufacturing with 4,500 jobs lost, professional and business services with a decline of 4,000 jobs, and construction with 500 fewer jobs.

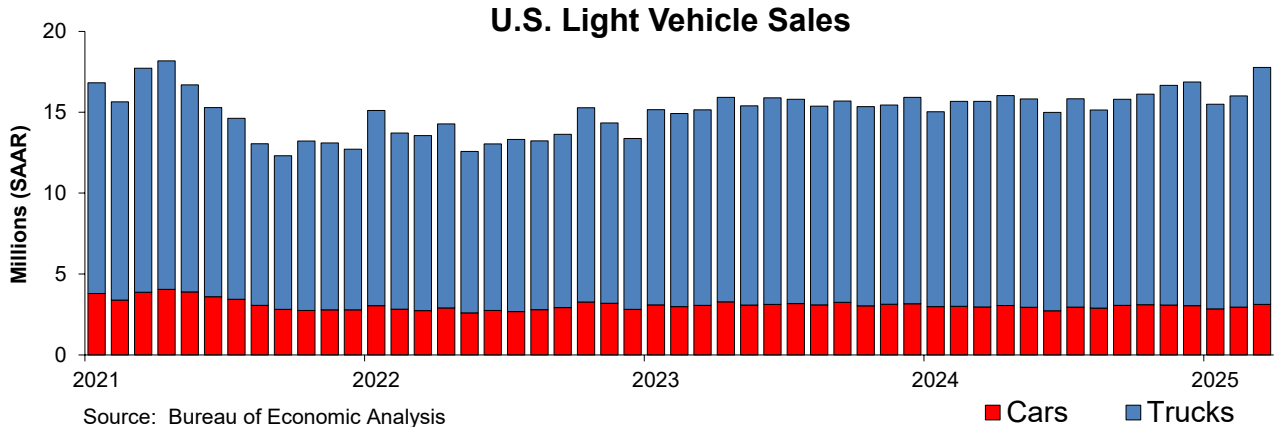
Michigan gasoline prices in March remained at \$3.07 per gallon, unchanged from last month's average. Year-over-year gasoline prices were 48.8 cents per gallon lower than in March 2024. Diesel prices were \$3.52 per gallon in March, 3.1 cents lower than February's average. Diesel prices were down 49.2 cents per gallon from the March 2024 average price of \$4.02 per gallon.



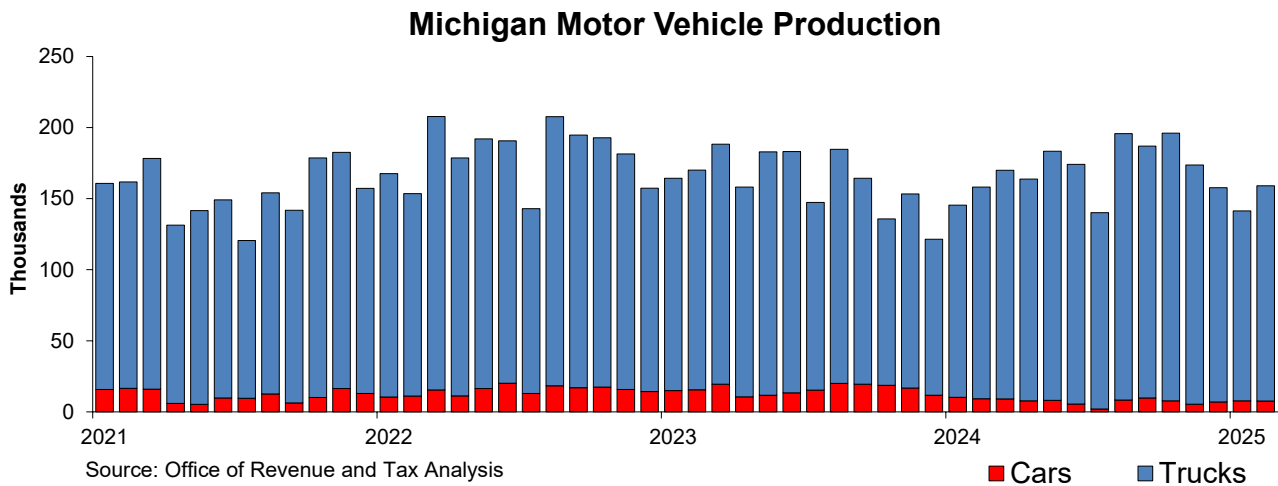
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) increased by 11.0 percent in March from February, selling at a 17.8 million unit seasonally adjusted annual rate. Domestic car sales increased 5.8 percent while light truck sales increased 12.6 percent from February. Import car sales increased 5.0 percent while import light truck sales increased 10.8 percent from February. Compared to March 2024, light vehicle sales were up 13.3 percent. Domestic car sales increased 1.5 percent while light truck sales increased 14.2 percent from the year ago levels. March import car sales increased 14.0 percent while import light truck sales increased 19.1 percent from last year. Domestic light vehicles recorded a 76.5 percent share of March 2025 sales, down 0.9 percentage points from March 2024.



Michigan motor vehicle production increased in March to 160,369 units, 0.9 percent higher than February's production, and 5.6 percent lower than the level in March 2024. Nationally, motor vehicle production increased in March to 934,492 total units, but remained 32,527 units below the 967,019 total units from March a year ago. From February to March, Michigan's car production increased from 7,693 units to 11,194 units, while the State's truck production decreased from 151,287 units to 149,175 units. Michigan motor vehicle production data are not seasonally adjusted.



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

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

Sources:

Personal Income Estimate

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

Revenue Subject to the Limit

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

Column detail may not add to totals due to rounding

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