



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

JENNIFER L. FLOOD
DIRECTOR

June 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 May 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
May 31, 2025
(\$ in millions)

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

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

	FISCAL 2025
Beginning Balance	\$ 1,257.7
Revenues	
Ongoing:	
May 2025 Consensus Forecast	\$ 18,545.2
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
Subtotal Ongoing Revenue	\$ 20,909.0
One-Time:	
General Fund	\$ 28.9
General Fund - Community District Trust Fund Revenue Deposit	\$ 77.2
Enrollment Stability Reserve Fund - Public Act 120 of 2024	\$ 71.0
MPERS Reserve Fund - Public Act 120 of 2024	\$ 334.1
Transportation Reserve Fund - Public Act 120 of 2024	\$ 125.0
School Meals Reserve Fund - Public Act 120 of 2024	\$ 30.0
GSRP Reserve Fund - Public Act 120 of 2024	\$ 18.0
Educator Fellowship Fund - Public Act 120 of 2024	\$ 30.0
Revenue Deposits - Sec. 11z - Public Act 120 of 2024	\$ (25.0)
Work Project Lapse - September 25, 2024	\$ 107.1
Subtotal One-Time Revenue	\$ 796.2
Total Revenue	\$ 21,705.2
Expenditures	
Ongoing:	
School Aid - Public Act 120 of 2024	\$ 19,460.4
Community Colleges - Public Act 120 of 2024	\$ 456.7
Universities - Public Act 120 of 2024	\$ 451.7
Subtotal Ongoing Expenditures	\$ 20,368.7
One-Time:	
School Aid - Public Act 120 of 2024	\$ 1,183.9
School Aid - Public Act 148 of 2024	\$ 126.0
Community Colleges - Public Act 120 of 2024	\$ 5.1
Universities - Public Act 120 of 2024	\$ 10.0
Subtotal One-Time Expenditures	\$ 1,325.0
Total Expenditures	\$ 21,693.7
Ending Balance	\$ 1,269.2

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

May 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
112.0	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	118.7
90.4	131.8	Attorney General	127.3	3.0	47.0	177.2	83.8
403.4	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	430.7
15.0	23.4	Civil Rights	29.2	2.0	15.5	46.6	19.7
1,605.4	1,992.6	Colleges and Universities	2,193.1	14.3	184.4	2,391.8	1,408.1
1,482.9	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	1,459.0
505.7	843.0	Education	232.3	(0.0)	824.8	1,057.1	179.1
1,025.2	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	531.7
6.8	9.4	Executive Office	9.3	0.0	0.2	9.6	6.5
22,512.4	36,296.7	Health and Human Services	37,582.3	0.0	4,940.2	42,522.4	22,225.3
50.1	72.6	Insurance and Financial Services	78.6	1.3	0.8	80.7	47.3
188.3	335.9	Judiciary	373.4	0.0	178.0	551.5	214.8
1,194.2	2,057.0	Labor and Economic Opportunity	1,141.2	554.3	5,280.3	6,975.8	1,035.6
18.6	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	18.5
116.4	186.3	Legislature	196.7	0.0	249.5	446.2	114.4
426.9	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	380.0
0.2	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	151.1	805.4	506.0
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
99.3	124.3	Military and Veterans Affairs	120.9	15.5	15.8	152.2	108.8
145.0	214.6	Natural Resources	161.7	5.4	130.8	297.9	154.5
182.1	286.6	State	291.8	10.2	139.0	441.0	173.7
0.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
656.0	1,038.4	State Police	951.2	126.6	851.9	1,929.8	693.0
685.1	1,152.2	Technology, Management and Budget (3)	542.9	1,340.0	908.0	2,790.9	581.0
44.3	67.7	Transportation	36.6	552.0	70.4	659.0	26.6
1,716.0	5,059.3	Treasury	2,604.5	157.3	548.7	3,310.5	1,722.5
\$33,789.3	\$55,710.2		\$52,062.2	\$2,983.0	\$23,658.0	\$78,703.2	\$32,514.0

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

ASSETS

Current Assets:	
Equity in common cash	<u>\$ 2,077,477</u>
Total Assets	<u><u>\$ 2,077,477</u></u>

LIABILITIES

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

FUND BALANCES

Committed	<u>2,077,477</u>
Total Fund Balances	<u>2,077,477</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,077,477</u></u>

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

REVENUES

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

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	33,333
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	33,333
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 80,959 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

May 31, 2025
(\$ in thousands)

ASSETS

Current Assets:	
Equity in common cash	\$ 72,376
Investments	-
Other current assets	-
Total Current Assets	<u>72,376</u>
 Noncurrent Assets:	
Investments	<u>747,705</u>
 Total Assets	<u><u>\$ 820,081</u></u>

LIABILITIES

Current Liabilities:	
Accounts payable and other liabilities	\$ 5,148
Amounts due to other funds	-
Total Current Liabilities	<u>5,148</u>
 Total Liabilities	<u>5,148</u>

FUND BALANCES

Nonspendable	500,000
Restricted	<u>314,933</u>
 Total Fund Balances	<u>814,933</u>
 Total Liabilities and Fund Balances	<u><u>\$ 820,081</u></u>

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

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

REVENUES

Taxes	\$ -
From federal agencies	-
From licenses and permits	-
Miscellaneous	15,236
	15,236
Total Revenues	15,236

EXPENDITURES

Current:	
General government	3,939
Conservation, environment, recreation, and agriculture	9,861
Capital outlay	1,603
	1,603
Total Expenditures	15,403
Excess of Revenues over (under) Expenditures	(167)

OTHER FINANCING SOURCES (USES)

Proceeds from bond issues	-
Proceeds from sale of capital assets	3
Transfers from other funds	-
Transfers to other funds	1
	1
Total Other Financing Sources (Uses)	4
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ (163) ¹

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

REVENUE OVERVIEW

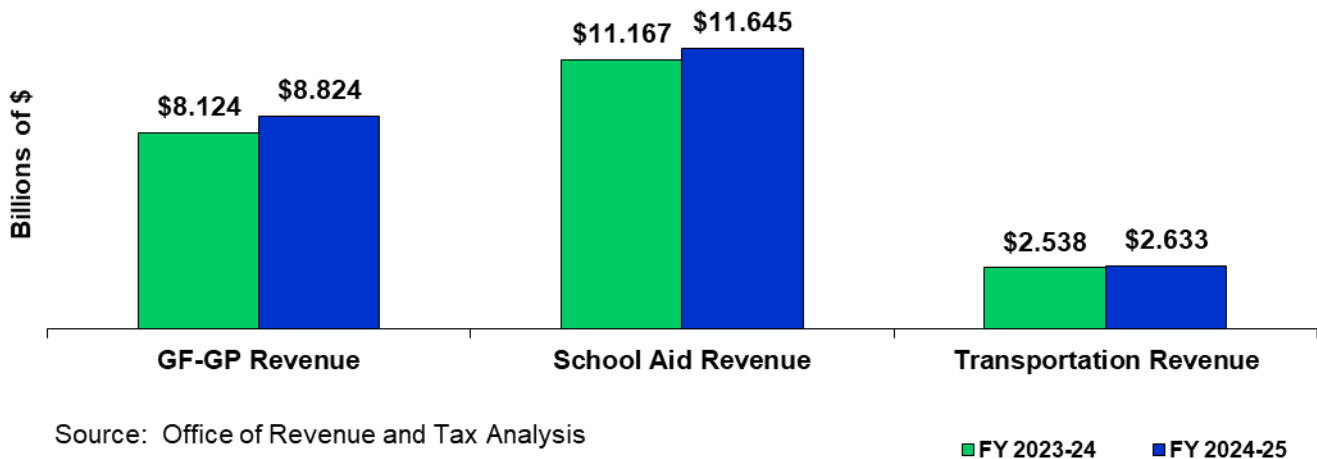
Office of Revenue and Tax Analysis
Michigan Department of Treasury

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

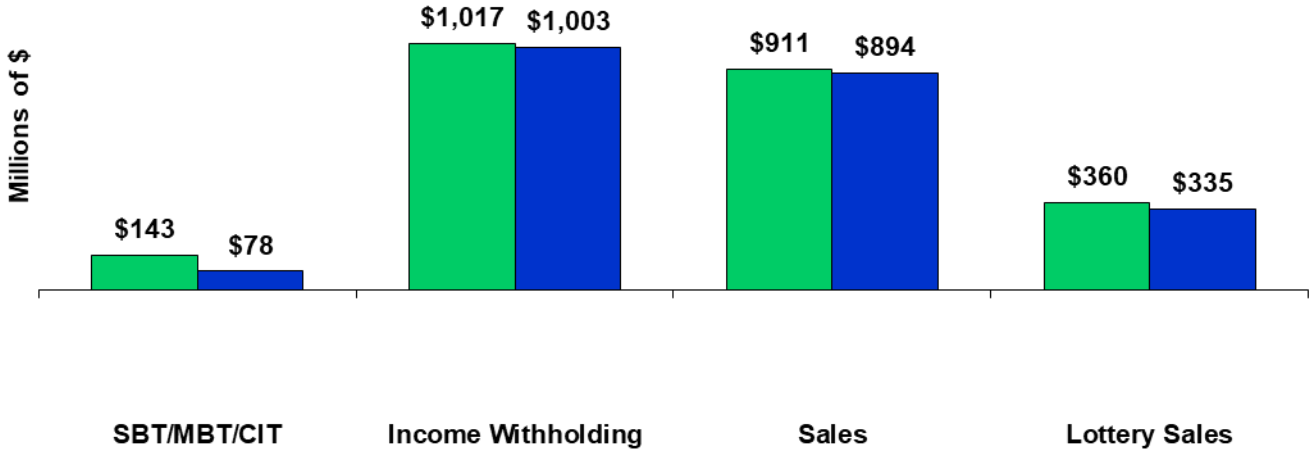
Total General Fund - General Purpose (GF-GP) cash collections were \$20.2 million (1.8 percent) lower in May 2025 than in May 2024. May 2025 School Aid Fund cash collections were \$34.9 million (2.8 percent) lower than in May 2024. May 2025 transportation collections were \$4.5 million (1.4 percent) higher than in May 2024 (see revenue summary table). May is the eighth 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 \$700.2 million (8.6 percent) from a year ago. School Aid Fund cash collections are up \$478.3 million (4.3 percent), and transportation collections are up \$94.9 million (3.7 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 May Collections FY 2023-24 and FY 2024-25



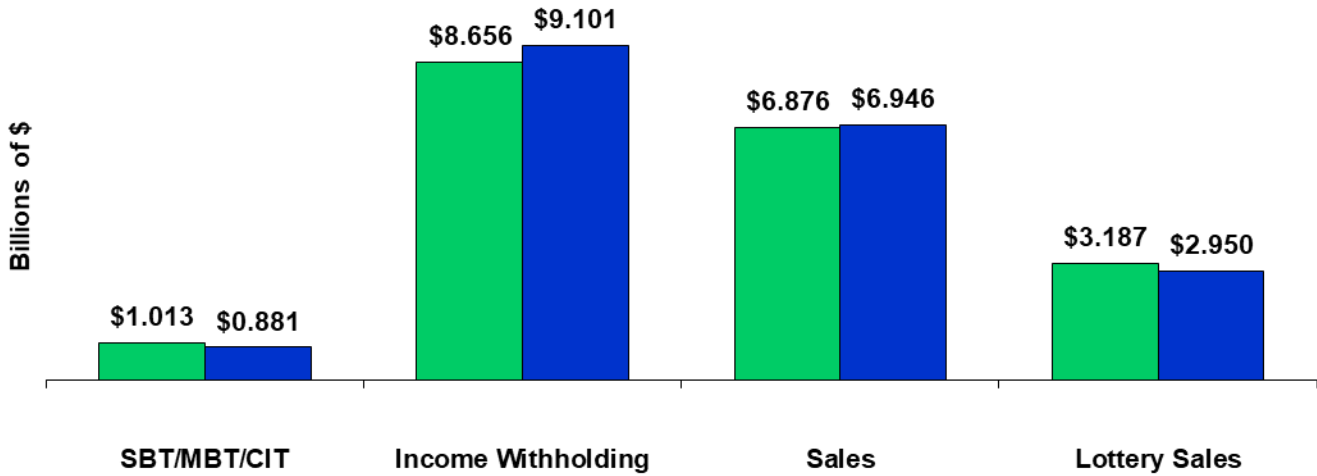
**May Revenue Collections
FY 2023-24 and FY 2024-25**



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

**October through May 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: May 31, 2025

Month-End Cash Collections Data				October Through May Cash Collections Data					Revenue Projections		
May		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽¹⁾	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
Income Taxes											
\$1,016,731	\$1,002,779	(\$13,953)	-1.4%	Withholding	\$8,655,767	\$9,100,702	\$444,935	5.1%	\$12,817,900	\$12,997,800	\$13,571,900
48,321	52,497	4,176	8.6%	Quarterlies	570,324	684,001	113,677	19.9%	1,111,400	1,010,700	1,233,000
(30,895)	(15,061)	15,834	51.3%	Flow Through Entity Tax	554,344	571,616	17,272	3.1%	957,400	1,014,800	1,000,000
241,679	233,846	(7,833)	-3.2%	Annuals	1,095,121	1,388,062	292,941	26.7%	1,201,500	1,268,900	1,518,000
\$1,275,836	\$1,274,061	(\$1,775)	-0.1%	Gross Collections	\$10,875,555	\$11,744,381	\$868,826	8.0%	\$16,088,200	\$16,292,200	\$17,322,900
195,692	187,922	(7,770)	-4.0%	Less: Refunds	3,667,281	3,465,696	(201,585)	-5.5%	3,120,100	3,251,700	3,650,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	500	800	800
\$1,080,145	\$1,086,139	\$5,995	0.6%	Net Personal Income	\$7,208,274	\$8,278,684	\$1,070,411	14.8%	\$12,967,600	\$13,039,700	\$13,672,100
50,000	50,000	0	0.0%	Less: Disbursements to MTF	400,000	400,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	46,000	46,000	0	0.0%	71,700	69,000	69,000
303,777	303,348	(429)	-0.1%	Less: Disbursements to SAF	2,589,313	2,796,273	206,960	8.0%	3,962,600	3,922,500	4,231,900
\$720,618	\$727,041	\$6,424	0.9%	Net Personal Income To GF-GP	\$4,172,961	\$5,036,411	\$863,450	20.7%	\$8,333,300	\$8,448,200	\$8,771,200
Consumption Taxes											
\$146,505	\$143,037	(\$3,468)	-2.4%	Sales (a)	\$1,095,622	\$1,100,665	\$5,044	0.5%	\$1,572,400	\$1,609,800	\$1,638,700
41,047	34,381	(6,666)	-16.2%	Use (a) (h)	765,141	730,517	(34,624)	-4.5%	1,188,200	1,308,200	1,178,500
10,724	9,641	(1,083)	-10.1%	Tobacco	86,560	79,690	(6,870)	-7.9%	132,000	134,400	125,100
1,114	1,063	(51)	-4.5%	Beer, Wine & Mixed Spirits	31,288	30,414	(874)	-2.8%	44,900	47,000	44,600
5,678	7,003	1,325	23.3%	Liquor Specific	47,676	48,742	1,066	2.2%	68,700	66,400	67,100
\$205,067	\$195,124	(\$9,942)	-4.8%	Total Consumption Taxes	\$2,026,287	\$1,990,028	(\$36,258)	-1.8%	\$3,006,200	\$3,165,800	\$3,054,000
Other Taxes											
(\$307)	\$9	\$316	102.9%	Single Business	(\$291)	\$222	\$514	176.3%	(\$300)	\$0	\$0
4,630	7,616	2,985	64.5%	Insurance Premiums Taxes	\$385,359	384,081	(1,278)	-0.3%	537,400	541,300	548,500
4,323	7,624	3,301	76.4%	Sub-total SBT & Insurance	385,067	384,303	(764)	-0.2%	537,100	541,300	548,500
3,426	(2,728)	(6,155)	-179.6%	Michigan Business Tax	(366,249)	(438,519)	(72,270)	-19.7%	(356,900)	(503,400)	(496,900)
139,655	80,268	(59,388)	-42.5%	Corporate Income Tax	1,379,607	1,319,602	(60,005)	-4.3%	1,574,000	1,598,300	1,592,500
3	316	313	na	Telephone & Telegraph	13,430	11,363	(2,067)	-15.4%	43,000	33,000	42,000
1,887	1,828	(59)	-3.1%	Oil & Gas Severance	16,997	13,893	(3,103)	-18.3%	21,900	28,000	22,000
8,470	47,728	39,258	463.0%	Penalties & Interest	95,778	109,162	13,384	14.0%	171,900	147,000	157,000
6,998	5,832	(1,166)	-16.7%	Essential Services Assessment	6,917	8,178	1,262	18.2%	147,300	159,000	157,000
13	10	(3)	-21.9%	Miscellaneous Other/Railroad	504	238	(266)	-52.8%	10,800	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(101,250)	(100,667)	583	0.6%	(147,200)	(152,000)	(150,000)
\$152,276	\$128,296	(\$23,980)	-15.7%	Total Other Taxes	\$1,430,801	\$1,307,554	(\$123,247)	-8.6%	\$2,001,900	\$1,866,200	\$1,880,100
\$1,077,960	\$1,050,461	(\$27,499)	-2.6%	Subtotal GF-GP Taxes	\$7,630,048	\$8,333,994	\$703,946	9.2%	\$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: May 31, 2025

Month-End Cash Collections Data				October Through May Cash Collections Data					Revenue Projections		
May		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽¹⁾	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	\$6,667	\$6,667	\$0	0.0%	\$14,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	67	67	0	0.0%	100	100	100
583	583	0	0.0%	Services	4,667	4,667	0	0.0%	4,200	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	9,333	9,333	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	6,667	6,667	0	0.0%	54,500	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	200,000	230,000	30,000	15.0%	301,200	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	60,000	88,000	28,000	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>\$493,662</u>	<u>\$489,917</u>	<u>(\$3,745)</u>	<u>-0.8%</u>	<u>\$1,185,700</u>	<u>\$777,600</u>	<u>\$788,600</u>
\$1,113,885	\$1,093,636	(\$20,249)	-1.8%	Total GF-GP Revenue	\$8,123,710	\$8,823,910	\$700,200	8.6%	\$14,527,100	\$14,257,800	\$14,493,900
School Aid Fund											
\$374,011	\$365,689	(\$8,323)	-2.2%	Sales Tax 4%	\$2,827,408	\$2,837,486	\$10,077	0.4%	\$4,352,100	\$4,347,900	\$4,403,800
287,807	284,650	(3,157)	-1.1%	Sales Tax 2%	2,164,012	2,217,249	53,236	2.5%	3,405,700	3,409,600	3,456,300
76,078	73,832	(2,246)	-3.0%	Use Tax 2%	602,045	588,189	(13,857)	-2.3%	940,200	991,400	926,500
29,045	27,095	(1,951)	-6.7%	State Education Property Tax	1,742,574	1,981,440	238,866	13.7%	2,756,800	2,812,600	2,880,000
30,013	34,678	4,665	15.5%	Real Estate Transfer Tax	244,134	273,456	29,322	12.0%	404,500	385,000	424,500
100,000	80,000	(20,000)	-20.0%	Lottery Transfer (b)	671,981	643,577	(28,404)	-4.2%	1,249,000	1,270,000	1,155,000
9,089	9,180	91	1.0%	Casino Wagering Tax	66,854	70,341	3,487	5.2%	500,700	499,000	579,200
5,456	6,768	1,312	24.1%	Liquor Excise Tax	42,517	42,687	170	0.4%	75,500	78,500	80,900
21,770	19,572	(2,198)	-10.1%	Cigarette/Tobacco Tax	175,729	161,782	(13,947)	-7.9%	229,800	235,700	214,600
5,800	3,593	(2,206)	-38.0%	Indus. & Comm. Facilities Taxes	34,986	27,192	(7,794)	-22.3%	53,700	45,000	50,000
963	553	(410)	-42.6%	Specific Other	5,622	5,792	169	3.0%	143,800	149,700	142,500
303,777	303,348	(429)	-0.1%	Income Tax Earmarking	2,589,313	2,796,273	206,960	8.0%	3,962,600	3,922,500	4,231,900
<u>\$1,243,810</u>	<u>\$1,208,958</u>	<u>(\$34,851)</u>	<u>-2.8%</u>	Total School Aid Fund	<u>\$11,167,177</u>	<u>\$11,645,463</u>	<u>\$478,286</u>	<u>4.3%</u>	<u>\$18,074,500</u>	<u>\$18,146,900</u>	<u>\$18,545,200</u>
Multi-Fund Revenue Summary											
\$911,159	\$894,131	(\$17,028)	-1.9%	Sales Tax 6%	\$6,876,360	\$6,946,391	\$70,032	1.0%	\$10,577,100	\$10,588,800	\$10,728,800
623,352	609,481	(13,871)	-2.2%	Sales Tax 4% (d)	4,712,347	4,729,143	16,795	0.4%	7,171,400	7,179,200	7,272,500
287,807	284,650	(3,157)	-1.1%	Sales Tax 2%	2,164,012	2,217,249	53,236	2.5%	3,405,700	3,409,600	3,456,300
228,235	221,497	(6,738)	-3.0%	Use Tax 6% (g)	1,806,136	1,764,566	(41,570)	-2.3%	2,765,100	2,869,400	2,749,800
13,590	13,451	(139)	-1.0%	Recreational Marihuana	214,595	218,165	3,570	1.7%	315,000	347,700	322,100
53,887	48,446	(5,441)	-10.1%	Tobacco Taxes	434,974	400,450	(34,523)	-7.9%	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: May 31, 2025

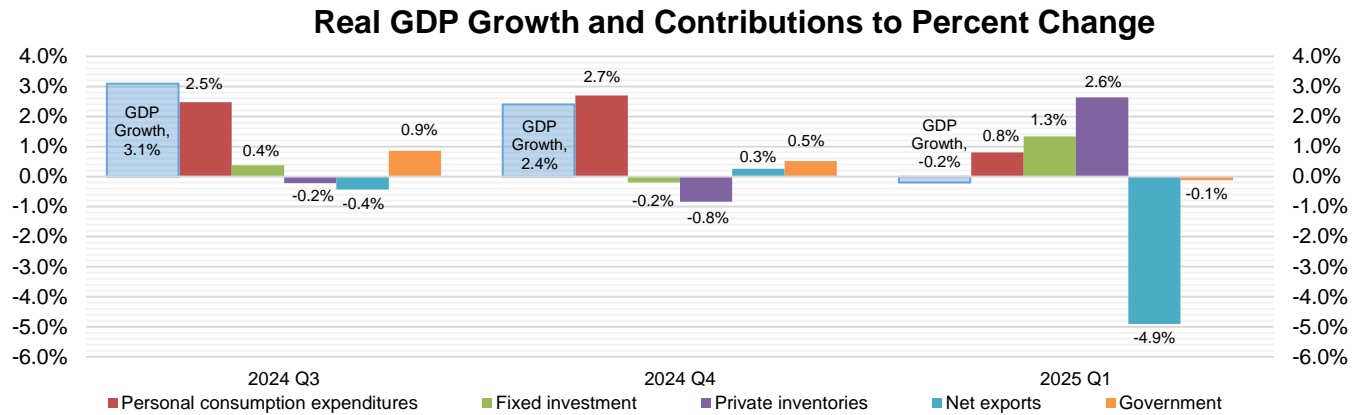
Month-End Cash Collections Data				October Through May Cash Collections Data					Revenue Projections		
May		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals ⁽ⁱ⁾	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
Major Transportation Revenues											
\$21,575	\$23,138	\$1,563	7.2%	Diesel Fuel / Motor Carrier Fuel Tax	\$171,912	\$183,128	\$11,216	6.5%	\$272,400	\$279,000	\$279,000
105,709	108,005	2,296	2.2%	Gasoline	810,578	849,952	39,374	4.9%	1,282,800	1,297,000	1,303,000
119,330	121,414	2,084	1.7%	Motor Vehicle Registration	1,029,634	1,082,983	53,349	5.2%	1,490,400	1,585,000	1,532,000
5,083	4,835	(248)	-4.9%	Other Taxes, Fees & Misc.	34,351	33,978	(373)	-1.1%	382,200	379,471	378,287
11,650	10,417	(1,233)	-10.6%	Comprehensive Transportation (c)	92,018	83,333	(8,685)	-9.4%	193,100	186,147	185,447
50,000	50,000	0	0.0%	Income Tax Earmarking	400,000	400,000	0	0.0%	600,000	600,000	600,000
<u>\$313,347</u>	<u>\$317,809</u>	<u>\$4,462</u>	<u>1.4%</u>	Total Major Trans. Revenues	<u>\$2,538,494</u>	<u>\$2,633,374</u>	<u>\$94,880</u>	<u>3.7%</u>	<u>\$4,220,900</u>	<u>\$4,326,618</u>	<u>\$4,277,734</u>
Lottery Sales By Games											
\$189,481	\$186,170	(\$3,311)	-1.7%	Instant Games (f)	\$1,662,827	\$1,575,949	(\$86,878)	-5.2%	na	na	na
76,621	71,601	(5,021)	-6.6%	Daily Games	641,401	617,150	(24,252)	-3.8%	na	na	na
31,758	22,928	(8,830)	-27.8%	Lotto and Big Game (f)	368,869	259,193	(109,676)	-29.7%	na	na	na
540	578	37	6.9%	Keno Game	4,836	4,765	(71)	-1.5%	na	na	na
3,114	2,945	(169)	-5.4%	Lucky For Life	26,170	25,001	(1,168)	-4.5%	na	na	na
4,879	9,122	4,243	87.0%	Other (f)	47,808	91,866	44,057	92.2%	na	na	na
53,617	41,957	(11,660)	-21.7%	Club Games	434,716	376,549	(58,166)	-13.4%	na	na	na
<u>\$360,010</u>	<u>\$335,299</u>	<u>(\$24,711)</u>	<u>-6.9%</u>	Total Lottery Sales	<u>\$3,186,626</u>	<u>\$2,950,473</u>	<u>(\$236,153)</u>	<u>-7.4%</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 0.2 percent annual rate in the first quarter of 2025, according to the advance estimate released by the Bureau of Economic Analysis, down from the 2.4 percent annual rate in the fourth quarter of 2024. The past two quarterly contributions to the percent change in GDP are shown in the graph below.

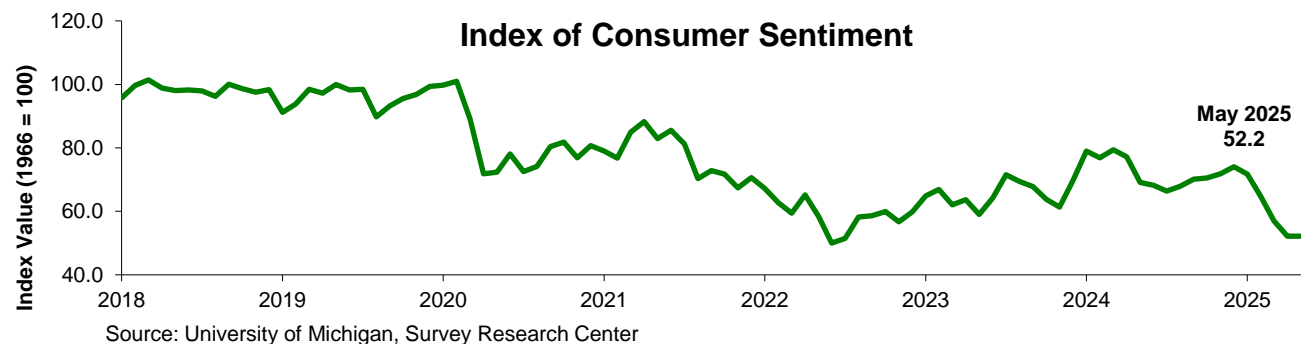


Net exports drove the decrease in GDP in the first quarter of 2025, aided by a smaller decline in government spending. Partially offsetting the drag on GDP growth were increases in private inventories, fixed investment, and personal consumption. Real final sales decreased by 2.9 percent in the first quarter, while the implicit price deflator increased by 3.7 percent in the same period.

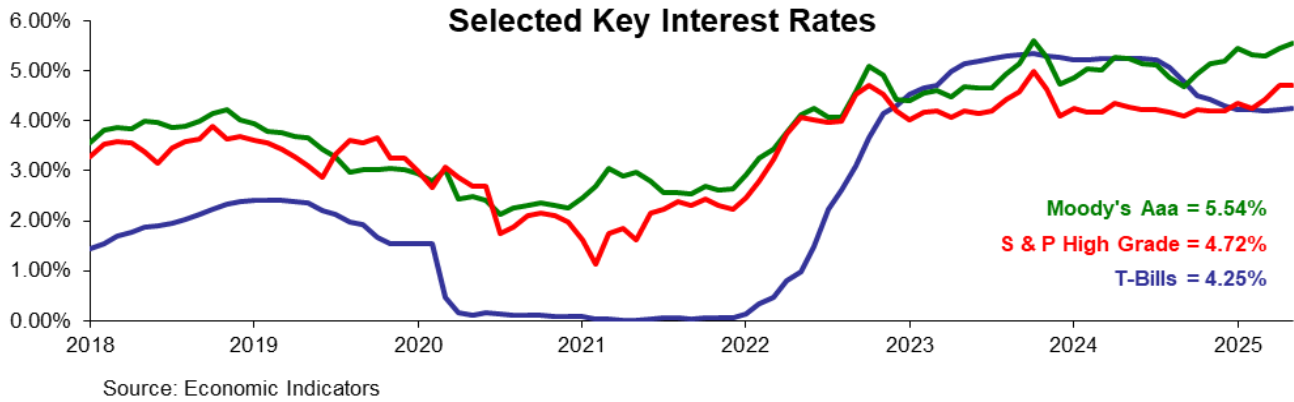
U.S. wage and salary employment increased by 139,000 jobs in May 2025, with total employment now 7.3 million, or 4.8 percent, above its February 2020 pre-pandemic level. In May, the major sectors with the largest employment increases include private education and health services with a gain of 87,000 jobs, leisure and hospitality with an increase of 48,000 jobs, and financial activities with 13,000 additional jobs. Notable employment declines in May were observed in professional and business services with a loss of 18,000 jobs, federal government with 22,000 fewer jobs, and manufacturing with a decrease of 8,000 jobs.

In May, the **U.S. unemployment rate** remained unchanged from the prior month at 4.2 percent, staying between 4.0 to 4.2 percent since May 2024. Civilian employment decreased 696,000 to 163.3 million. The number of unemployed increased 71,000 from April, to 7.2 million. The labor force participation rate edged down to 62.4 percent, 0.9 percentage points below the pre-pandemic rate in February 2020.

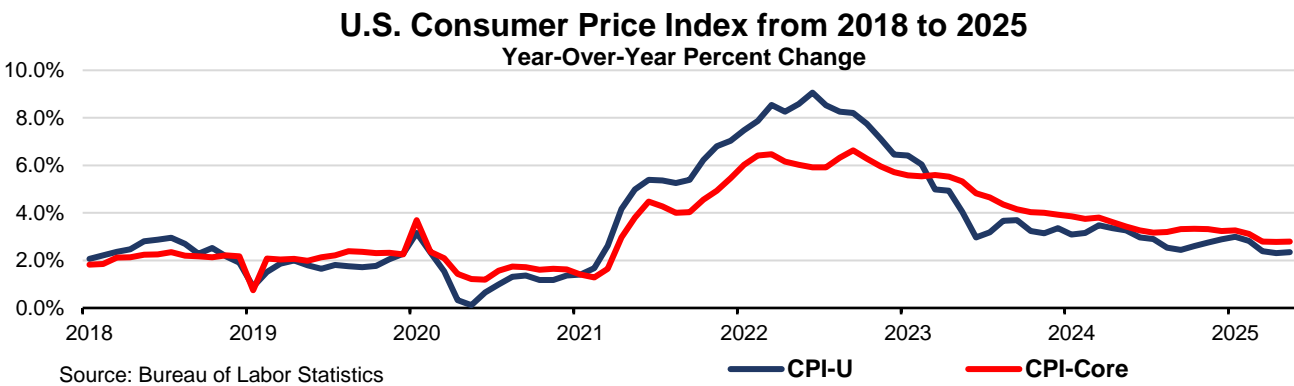
The **Index of Consumer Sentiment** remained unchanged in May, holding at 52.2 for the second consecutive month. Consumer sentiment is 16.9 index-points below the year-ago level and represents the lowest reading since July 2022.



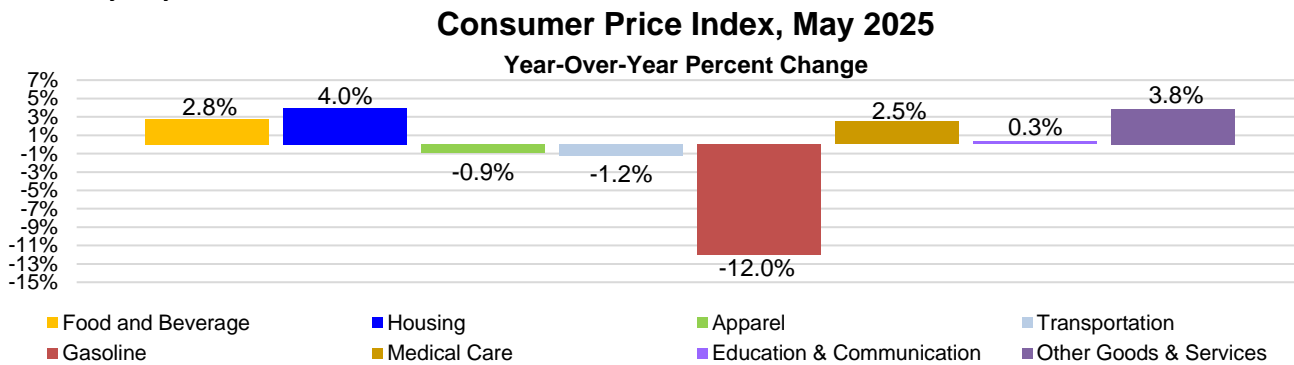
Short-term **interest rates** increased in May, with a 3-month Treasury bill (T-bill) rate of 4.25 percent. The T-bill rate is 100 basis points (where one basis point equals one-hundredth of one percent) lower than the 5.25 percent rate in May 2024. The Aaa corporate bond rate increased by 9 basis points in May to an interest rate of 5.54 percent, up 29 basis points from a year ago. The interest rate on S&P high-grade municipal bonds remained unchanged in May at an interest rate of 4.72 percent, but was up 44 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 May 2024 to May 2025, a 0.1 percentage points increase from April'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 May, unchanged from the prior two month's rates. CPI-U and CPI-Core data are not seasonally adjusted.

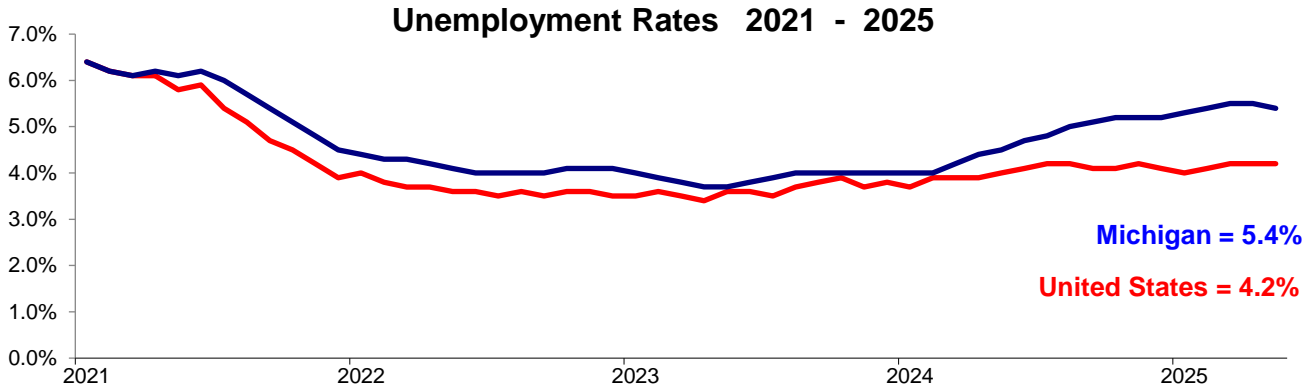


Housing exhibited the largest year-over-year price increase at 4.0 percent for May, followed by other goods and services with a 3.8 percent increase then food and beverage, with a 2.8 percent increase. Gasoline experienced a year-over-year price decline of 12.0 percent in May. These sector data are seasonally adjusted.



Michigan Economy

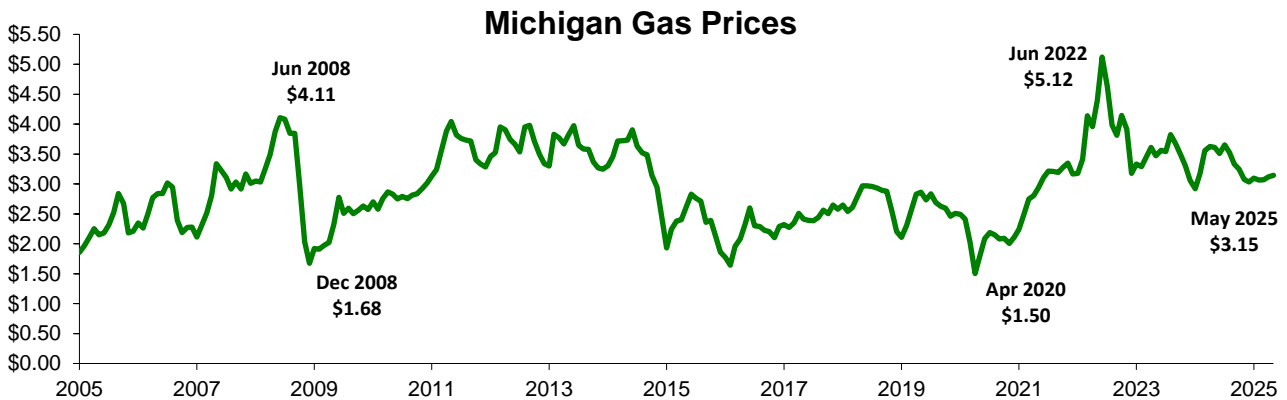
The **Michigan jobless rate** was 5.4 percent in May, a 0.1 percentage point decline from April. The national unemployment rate was 4.2 percent in May, unchanged for the third consecutive month. Michigan's May unemployment rate of 5.4 percent is 1.6 percentage points higher than its February 2020 pre-pandemic rate of 3.8 percent.



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

Michigan wage and salary employment increased by 10,000, or 0.2 percent, in May from the prior month to a total of 4.5 million jobs. Compared to last year, employment in May was up 48,900 jobs, or 1.1 percent from May 2024. The sectors with the largest, over the year employment increases in May were private education and health services with a gain of 19,000 jobs, leisure and hospitality with an increase of 12,000 jobs, and construction with a gain of 10,000 jobs. Since May 2024, employment declines were observed in manufacturing of 11,000 jobs lost and professional and business services with 6,000 jobs lost.

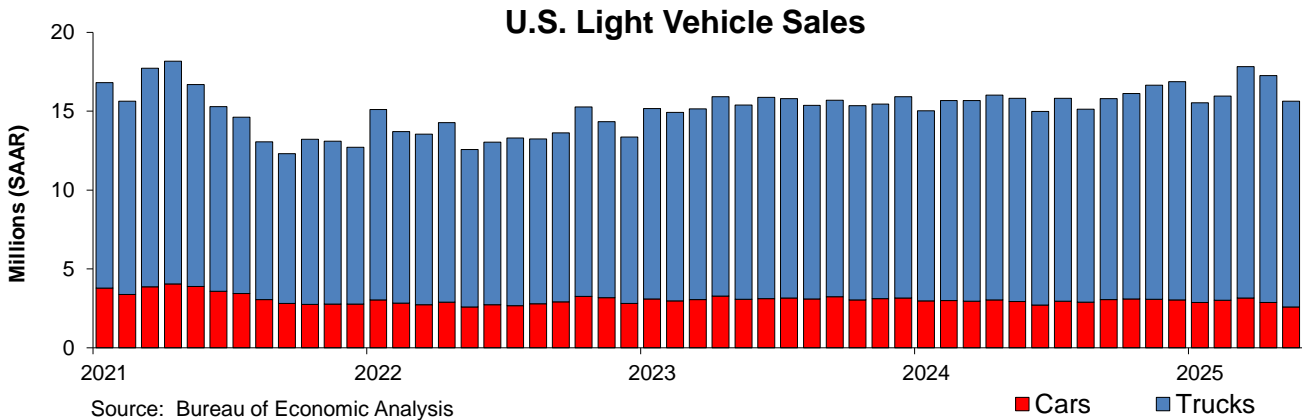
Michigan gasoline prices in May increased to \$3.15 per gallon, 2.8 cents higher than last month's average. Year-over-year gasoline prices were 46.4 cents per gallon lower than in May 2024. Diesel prices were \$3.46 per gallon in May, 3.3 cents lower than April's average. Diesel prices were down 42.9 cents per gallon from the May 2024 average price of \$3.89 per gallon.



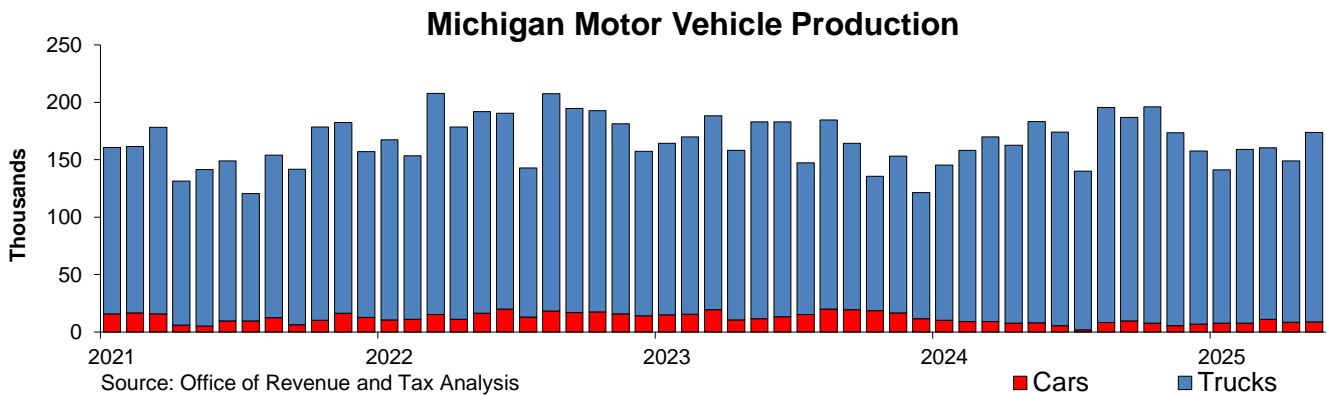
Source: AAA Michigan

Motor Vehicle Sector

U.S. light vehicle sales (cars and light trucks) decreased by 9.3 percent in May from April, selling at a 15.6 million unit seasonally adjusted annual rate. Domestic car sales decreased 9.9 percent while light truck sales decreased 7.1 percent from April. Import car sales decreased 11.4 percent while import light truck sales decreased 16.4 percent from April. Compared to May 2024, light vehicle sales were down 1.1 percent. Domestic car sales decreased 19.9 percent while light truck sales increased 2.7 percent from the year ago levels. May import car sales increased 6.1 percent while import light truck sales decreased 3.3 percent from last year. Domestic light vehicles recorded a 77.6 percent share of May 2025 sales, unchanged since May 2024.



Michigan motor vehicle production increased in May to 173,816 units, 16.7 percent higher than April's production, but still 5.2 percent lower than its year ago level. Nationally, motor vehicle production also advanced over the month in May 2025 to 946,944 total units, or 8.5 percent, but remained below its year ago level by 3.5 percent. From April to May, Michigan's car production rose from 8,689 units to 8,861, while the State's truck production advanced from 140,254 units to 164,955. 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 Estimate	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>\$44,601.0</u>	<u>\$45,089.8</u>	<u>\$46,194.9</u>
Amount Under (Over) Limit	\$9,712.6	\$13,152.1	\$14,644.1

Sources:

Personal Income Estimate

The FY 2023-24 calculation uses the May 16, 2025 Consensus Revenue Agreement.
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 May 16, 2025 Consensus Revenue Agreement.
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