



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

CHRISTOPHER M. HARKINS  
DIRECTOR

November 30, 2022

The Honorable Jim Stamas, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Mary Whiteford, 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 October 31, 2022. This report is submitted pursuant to MCL 18.1386. This report can also be found on the Internet at the following address:

[www.michigan.gov/budget](http://www.michigan.gov/budget) under "Spending and Revenue Reports".

If you have questions concerning the information in this report, please contact this office.

Sincerely,

Christopher M. Harkins  
State Budget Director

Attachment

cc: Mike Shirkey, Senate Maj. Leader  
Jim Ananich, Senate Min. Leader  
Jason Wentworth, Speaker of the House  
Donna Lasinski, House Min. Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Jim Runestad, Chair, Senate Finance Com.  
Matt Hall, Chair, House Tax Policy Com.  
JoAnne Huls, Executive Office  
Tricia Foster, Executive Office  
Jen Flood, Executive Office  
Heather Boyd, Office of Financial Mgmt.  
Internal State Budget Office Distribution

**GENERAL FUND, GENERAL PURPOSE**  
**Fiscal Year 2023**  
**Projected Revenues and Expenditures**  
**October 31, 2022**  
(\$ in millions)

	<b>FISCAL 2023</b>
<b>Beginning Balance</b>	<b>\$ 5,748.9</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2022 Consensus Forecast	\$ 13,973.5
Local Government Program Payments	\$ (525.6)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 13,447.9</b>
<b>One-Time:</b>	
One-time Revenue Reductions	\$ (7.5)
<b>Subtotal One-Time Revenue</b>	<b>\$ (7.5)</b>
<b>Total Revenue</b>	<b>\$ 13,440.4</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
Public Acts 144 and 166 of 2022	\$ 12,071.6
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 12,071.6</b>
<b>One-Time:</b>	
Public Acts 144 and 166 of 2022	\$ 3,234.2
Public Acts 194 and 212 of 2022	\$ 995.6
<b>Subtotal One-Time Expenditures</b>	<b>\$ 4,229.8</b>
<b>Total Expenditures</b>	<b>\$ 16,301.4</b>
<b>Ending Balance</b>	<b>\$ 2,887.9</b>

<sup>1</sup> This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2022. Final year-end activity will be reflected in the fiscal year 2022 Annual Comprehensive Financial Report.

**SCHOOL AID FUND**  
**Fiscal Year 2023**  
**Projected Revenues and Expenditures**  
**October 31, 2022**  
(\$ in millions)

	<b>FISCAL 2023</b>
<b>Beginning Balance</b>	<b>\$ 3,994.8</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2022 Consensus Forecast	\$ 17,195.3
General Fund	\$ 48.6
Community District Trust Fund	\$ 72.0
Federal Revenue	\$ 2,191.2
<b>Subtotal Ongoing Revenue</b>	<b>\$ 19,507.1</b>
<b>One-Time:</b>	
General Fund	\$ 75.6
Federal Revenue - ARP	\$ 333.0
MPERS Reserve Fund Deposit - Public Act 144 of 2022	\$ (425.0)
MPERS Reserve Fund	\$ 140.4
<b>Subtotal One-Time Revenue</b>	<b>\$ 124.0</b>
<b>Total Revenue</b>	<b>\$ 19,631.1</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
School Aid - Public Act 144 of 2022	\$ 17,718.1
Community Colleges - Public Act 144 of 2022	\$ 448.6
Universities - Public Act 144 of 2022	\$ 347.9
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 18,514.6</b>
<b>One-Time:</b>	
School Aid - Public Act 144 of 2022	\$ 1,884.6
School Aid - Public Act 212 of 2022	\$ 12.2
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,896.8</b>
<b>Total Expenditures</b>	<b>\$ 20,411.4</b>
<b>Ending Balance</b>	<b>\$ 3,214.5</b>

<sup>1</sup> This report does not reflect final revenue and expenditure data for the fiscal year ending September 30, 2022. Final year-end activity will be reflected in the fiscal year 2022 Annual Comprehensive Financial Report.

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

October 31, 2022

(\$ in millions)

Fiscal Year 2022			Fiscal Year 2023				
Expenditures & Encumbrances Year to Date FY 2022	Fiscal Year End SEP 30, 2022	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)	Encumbrance, Work Project & Capital Outlay Carry Forwards (2)	Total Authorization	Expenditures & Encumbrances Year to Date FY 2023
7.3	134.3	Agriculture and Rural Development	187.7	5.2	14.5	207.4	8.5
7.5	89.0	Attorney General	116.7	2.1	20.5	139.3	7.3
38.5	338.0	Capital Outlay (3)	1,049.7	15.0	1,770.5	2,835.2	65.3
1.0	15.6	Civil Rights	21.6	1.6	2.4	25.6	1.0
110.1	1,414.9	Colleges and Universities	1,749.9	256.0	110.7	2,116.6	115.3
322.3	1,973.8	Corrections	2,114.7	0.0	342.3	2,457.0	211.7
33.1	1,688.8	Education	865.6	19.4	166.6	1,051.6	49.6
22.2	582.5	Environment, Great Lakes, and Energy	657.7	0.0	813.8	1,471.5	27.2
0.9	7.2	Executive Office	8.5	0.0	0.0	8.5	1.0
2,868.6	31,896.6	Health and Human Services	33,299.7	72.2	1,978.5	35,350.4	3,251.1
4.9	69.6	Insurance and Financial Service	74.3	1.6	25.0	100.9	7.6
16.4	257.0	Judiciary	483.5	0.0	2.8	486.3	17.4
65.8	2,501.7	Labor and Economic Opportunity	1,363.1	868.6	3,398.8	5,630.5	50.8
2.2	25.9	Legislative Auditor General	28.6	0.0	7.1	35.7	2.3
16.0	177.2	Legislature	183.0	0.0	127.5	310.6	14.4
69.9	360.1	Licensing and Regulatory Affairs	504.8	58.5	66.3	629.6	60.5
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
91.6	406.9	Michigan Strategic Fund	774.8	50.0	0.0	824.8	651.7
36.0	39.2	Michigan Veterans' Facility Authority	36.6	1.0	0.0	37.6	36.6
27.2	118.0	Military and Veterans Affairs	105.3	19.7	4.0	129.0	28.9
8.3	125.4	Natural Resources	160.4	0.0	42.1	202.5	10.3
26.3	242.1	State	255.2	12.1	84.3	351.6	17.8
0.0	1.1	State Land Bank Authority	0.0	0.0	0.0	0.0	0.0
59.5	781.4	State Police	821.8	31.0	580.0	1,432.8	66.6
27.5	641.4	Technology, Management and Budget (4)	586.6	6.1	447.6	1,040.4	49.5
0.0	2.2	Transportation	25.4	47.0	29.5	101.9	0.0
387.5	3,307.6	Treasury	3,157.6	121.9	232.3	3,511.9	420.3
<b>\$4,250.7</b>	<b>\$47,197.5</b>		<b>\$48,633.1</b>	<b>\$1,589.1</b>	<b>\$10,297.6</b>	<b>\$60,519.7</b>	<b>\$5,172.9</b>

(1) Includes boilerplate appropriations.

(2) Carryforward amounts do not include authorization related to amounts appropriated for fiscal year 2022. Entry of these amounts is expected in November and December 2022.

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

(4) Includes Civil Service Commission.

**ESTIMATED BALANCE OF STATE PAYMENTS  
TO LOCAL UNITS OF GOVERNMENT  
Fiscal Year 2023  
October 31, 2022  
(\$ in millions)**

	<b>INITIAL APPROPRIATIONS</b>	<b>EXEC. ORDER and SUPPLEMENTALS</b>	<b>TOTAL APPROPRIATIONS YEAR-TO-DATE</b>
Payments to local units of government	23,686.4	64.0	23,750.4
Total state spending from state resources	44,142.0	1,015.6	45,157.6
Percentage of state spending from state resources paid to local units	53.66%	6.30%	52.59%
Required payments to local units (48.97%)	21,616.3	497.3	22,113.7
<b>Surplus/(deficit)</b>	<b>\$2,070.1</b>	<b>(\$433.3)</b>	<b>\$1,636.7</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
October 31, 2022  
(\$ in thousands)

**ASSETS**

Current Assets:		
Equity in common cash	\$	1,588,927
Total Assets	\$	1,588,927

**LIABILITIES**

Current Liabilities:		
Total Current Liabilities	\$	-
Total Liabilities		-

**FUND BALANCES**

Committed		1,588,927
Total Fund Balances		1,588,927
Total Liabilities and Fund Balances	\$	1,588,927

**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
 October 1, 2022 through October 31, 2022  
 (\$ in thousands)

**REVENUES**

Miscellaneous		\$	-
			-
Total Revenues			-

**EXPENDITURES**

Current:			
General government			-
			-
Total Expenditures			-
Excess of Revenues over (under)			
Expenditures			-

**OTHER FINANCING SOURCES (USES)**

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		\$	- <sup>1</sup>

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

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 31, 2022

(\$ in thousands)

**ASSETS**

Current Assets:

Equity in common cash	\$ 49,754
Investments	-
Other current assets	-
Total Current Assets	<u>49,754</u>

Noncurrent Assets:

Investments	<u>664,759</u>
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Total Assets	<u><u>\$ 714,513</u></u>
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**LIABILITIES**

Current Liabilities:

Accounts payable and other liabilities	\$ 11,824
Amounts due to other funds	7
Total Current Liabilities	<u>11,831</u>

Total Liabilities	<u>11,831</u>
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**FUND BALANCES**

Nonspendable	500,000
Restricted	<u>202,682</u>

Total Fund Balances	<u>702,682</u>
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Total Liabilities and Fund Balances	<u><u>\$ 714,513</u></u>
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**STATE OF MICHIGAN**  
**YEAR-TO-DATE STATEMENT OF REVENUES AND EXPENDITURES**  
**MICHIGAN NATURAL RESOURCES TRUST FUND**

October 1, 2022 through October 31, 2022

(\$ in thousands)

**REVENUES**

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		(314)
		(314)
Total Revenues		(314)

**EXPENDITURES**

Current:		
General government		-
Conservation, environment, recreation, and agriculture		83
Capital outlay		-
		83
Total Expenditures		83
Excess of Revenues over (under) Expenditures		(398)

**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		\$ (398) <sup>1</sup>

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

## REVENUE OVERVIEW

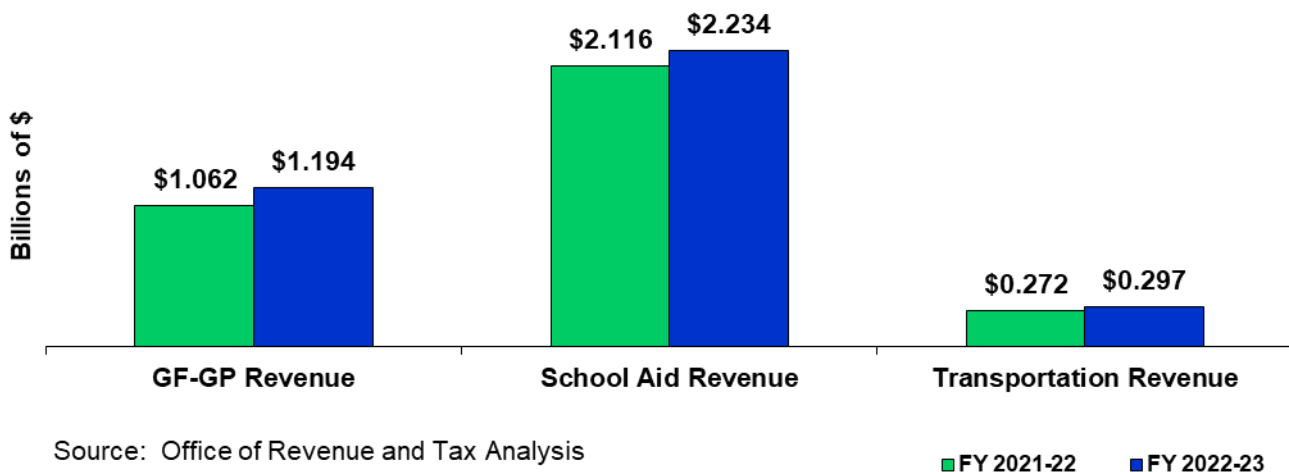
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

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

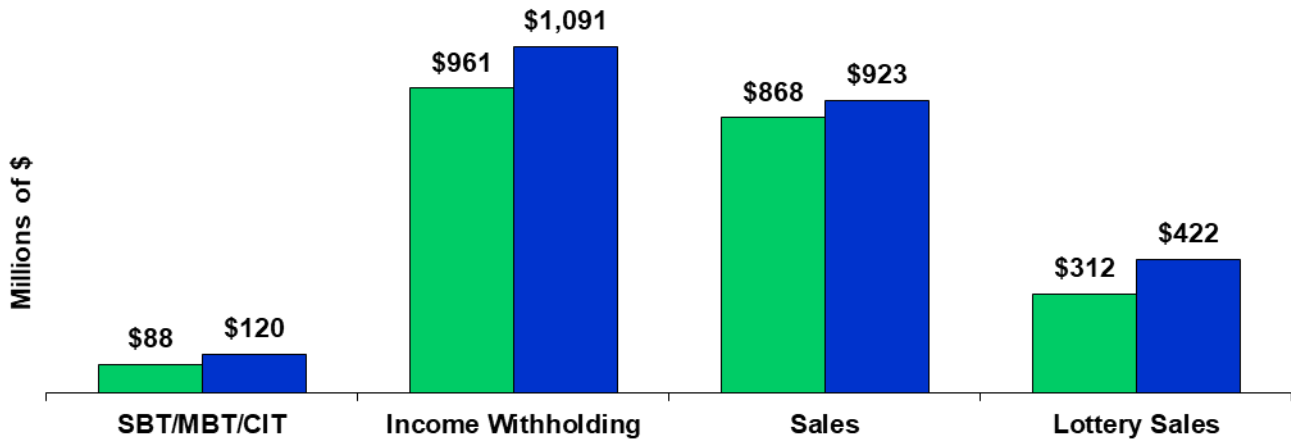
Total General Fund - General Purpose cash collections were \$132.0 million (12.4 percent) higher in October 2022 than in October 2021. The October 2022 School Aid Fund cash collections were \$117.6 million (5.6 percent) higher than in October 2021. October 2022 transportation collections were \$25.0 million (9.2 percent) higher than in October 2021 (see revenue summary table). October is the first month of the State's fiscal year (FY). Tax revenue received in October relating to economic activity prior to October will be accrued back to FY 2021-22. Likewise, any refunds paid out in October relating to FY 2021-22 liabilities will also be accrued back. Final FY 2021-22 revenue totals should be available in late December or early January.

The FY 2022-23 revenue projections presented in the revenue summary table on page 11 are from the Consensus Revenue Estimating Conference held on May 20, 2022. The revenue estimate for net General Fund – General Purpose revenue for FY 2022-23 is \$13,973.5 million and the net School Aid revenue forecast is \$17,195.3 million. The Transportation Funds revenue forecast is \$4,003.3 million. By law, the Consensus Revenue Estimating Conferences are held the second week of January and the third week of May.

### October Collections FY 2021-22 and FY 2022-23



### October Revenue Collections FY 2021-22 and FY 2022-23



Source: Office of Revenue and Tax Analysis

■ FY 2021-22 ■ FY 2022-23

**Revenue Summary FY 2022-23**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2022**

Month-End Cash Collections Data				October Cash Collections Data				Revenue Projections			
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2021-22	FY 2022-23	FY 2022-23
2021	2022	Amount	Percent		FY 2021-22	FY 2022-23	Amount	Percent	May 2022 Forecast	Statutory Estimate	May 2022 Forecast
<b>Income Taxes (i)</b>											
\$961,133	\$1,091,425	\$130,292	13.6%	Withholding	\$961,133	\$1,091,425	\$130,292	13.6%	\$11,954,500	\$12,332,100	\$12,332,100
31,996	31,226	(770)	-2.4%	Quarterlies	31,996	31,226	(770)	-2.4%	983,900	840,100	840,100
0	10,641	10,641	na	Flow Through Entity Tax	0	10,641	10,641	na	2,048,800	1,061,500	1,061,500
75,865	111,209	35,343	46.6%	Annuals	75,865	111,209	35,343	46.6%	1,740,000	1,465,700	1,465,700
\$1,068,994	\$1,244,501	\$175,507	16.4%	Gross Collections	\$1,068,994	\$1,244,501	\$175,507	16.4%	\$16,727,200	\$15,699,400	\$15,699,400
75,171	154,511	79,340	106.0%	Less: Refunds	75,171	154,511	79,340	106.0%	3,244,200	2,479,200	2,479,200
0	0	0	na	Less: State Campaign Fund	0	0	0	na	800	800	800
\$993,823	\$1,089,990	\$96,167	9.7%	Net Personal Income	\$993,823	\$1,089,990	\$96,167	9.7%	\$13,482,200	\$13,219,400	\$13,219,400
50,000	50,000	0	0.0%	Less: Disbursements to MTF	50,000	50,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disbursements to Renew Michigan	5,750	5,750	0	0.0%	69,000	69,000	69,000
254,525	296,312	41,787	16.4%	Less: Disbursements to SAF	254,525	296,312	41,787	16.4%	3,982,500	3,737,700	3,737,700
\$683,548	\$737,928	\$54,380	8.0%	<b>Net Personal Income To GF-GP</b>	\$683,548	\$737,928	\$54,380	8.0%	\$8,830,700	\$8,812,700	\$8,812,700
<b>Consumption Taxes</b>											
\$136,971	\$140,430	\$3,458	2.5%	Sales (a)	\$136,971	\$140,430	\$3,458	2.5%	\$1,607,700	\$1,604,300	\$1,604,300
(1,361)	15,157	16,518	na	Use (a) (h)	(1,361)	15,157	16,518	na	1,212,400	1,176,600	1,176,600
14,849	13,926	(924)	-6.2%	Tobacco	14,849	13,926	(924)	-6.2%	165,500	163,300	163,300
11,082	10,657	(426)	-3.8%	Beer, Wine & Mixed Spirits	11,082	10,657	(426)	-3.8%	52,000	53,000	53,000
770	1,180	410	53.2%	Liquor Specific	770	1,180	410	53.2%	79,000	80,000	80,000
\$162,313	\$181,349	\$19,037	11.7%	<b>Total Consumption Taxes</b>	\$162,313	\$181,349	\$19,037	11.7%	\$3,116,600	\$3,077,200	\$3,077,200
<b>Other Taxes</b>											
\$1,256	\$5	(\$1,251)	-99.6%	Single Business	\$1,256	\$5	(\$1,251)	-99.6%	\$0	\$0	\$0
97,149	117,957	20,808	21.4%	Insurance Premiums Taxes	97,149	117,957	20,808	21.4%	385,000	398,000	398,000
98,404	117,962	19,557	19.9%	Sub-total SBT & Insurance	98,404	117,962	19,557	19.9%	385,000	398,000	398,000
(48,151)	(2,684)	45,468	94.4%	Michigan Business Tax	(48,151)	(2,684)	45,468	94.4%	(594,300)	(527,600)	(527,600)
135,208	122,630	(12,578)	-9.3%	Corporate Income Tax	135,208	122,630	(12,578)	-9.3%	1,822,600	1,582,100	1,582,100
2,963	566	(2,397)	-80.9%	Telephone & Telegraph	2,963	566	(2,397)	-80.9%	32,000	32,000	32,000
2,883	4,722	1,839	63.8%	Oil & Gas Severance	2,883	4,722	1,839	63.8%	35,000	32,000	32,000
5,147	8,358	3,212	62.4%	Penalties & Interest	5,147	8,358	3,212	62.4%	140,000	140,000	140,000
1,139	481	(658)	-57.8%	Essential Services Assessment	1,139	481	(658)	-57.8%	135,000	143,000	143,000
1	3	2	137.0%	Miscellaneous Other/Railroad	1	3	2	137.0%	3,000	3,000	3,000
(12,917)	(12,917)	0	0.0%	Treasury Enforcement Programs (e)	(12,917)	(12,917)	0	0.0%	(150,000)	(152,000)	(152,000)
\$184,677	\$239,122	\$54,445	29.5%	<b>Total Other Taxes</b>	\$184,677	\$239,122	\$54,445	29.5%	\$1,808,300	\$1,650,500	\$1,650,500
\$1,030,538	\$1,158,399	\$127,861	12.4%	<b>Subtotal GF-GP Taxes</b>	\$1,030,538	\$1,158,399	\$127,861	12.4%	\$13,755,600	\$13,540,400	\$13,540,400

*continued*

**Revenue Summary FY 2022-23**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2022**

Month-End Cash Collections Data				October Cash Collections Data				Revenue Projections			
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2021-22	FY 2022-23	FY 2022-23
2021	2022	Amount	Percent		FY 2021-22	FY 2022-23	Amount	Percent	May 2022 Forecast	Statutory Estimate	May 2022 Forecast
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$833	\$833	\$0	0.0%	\$10,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	8	8	0	0.0%	100	100	100
583	583	0	0.0%	Services	583	583	0	0.0%	7,000	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	1,167	1,167	0	0.0%	14,000	14,000	14,000
0	0	0	na	Investments/Interest Costs	0	0	0	na	2,000	2,000	2,000
833	833	0	0.0%	Misc. Non-tax Revenue	833	833	0	0.0%	10,000	12,000	12,000
21,383	25,000	3,617	16.9%	Liquor Purchase Revolving Fund	21,383	25,000	3,617	16.9%	295,000	300,000	300,000
6,958	7,500	542	7.8%	From Other Funds-Lottery & Escheats	6,958	7,500	542	7.8%	86,000	88,000	88,000
<u>\$31,767</u>	<u>\$35,925</u>	<u>\$4,158</u>	<u>13.1%</u>	<b>Total Non-Tax Revenue</b>	<u>\$31,767</u>	<u>\$35,925</u>	<u>\$4,158</u>	<u>13.1%</u>	<u>\$424,100</u>	<u>\$433,100</u>	<u>\$433,100</u>
\$1,062,305	\$1,194,324	\$132,020	12.4%	<b>Total GF-GP Revenue</b>	\$1,062,305	\$1,194,324	\$132,020	12.4%	\$14,179,700	\$13,973,500	\$13,973,500
<b>School Aid Fund</b>											
\$355,782	\$367,708	\$11,926	3.4%	Sales Tax 4%	\$355,782	\$367,708	\$11,926	3.4%	\$4,202,500	\$4,175,200	\$4,175,200
274,673	310,588	35,915	13.1%	Sales Tax 2%	274,673	310,588	35,915	13.1%	3,302,500	3,283,500	3,283,500
68,156	72,840	4,684	6.9%	Use Tax 2%	68,156	72,840	4,684	6.9%	869,600	865,100	865,100
1,071,322	1,092,411	21,089	2.0%	State Education Property Tax	1,071,322	1,092,411	21,089	2.0%	2,396,000	2,563,200	2,563,200
42,933	50,410	7,477	17.4%	Real Estate Transfer Tax	42,933	50,410	7,477	17.4%	527,000	496,900	496,900
0	0	0	na	Lottery Transfer (b)	0	0	0	na	1,240,000	1,240,000	1,240,000
9,659	8,855	(804)	-8.3%	Casino Wagering Tax	9,659	8,855	(804)	-8.3%	320,800	329,000	329,000
0	0	0	na	Liquor Excise Tax	0	0	0	na	78,600	79,600	79,600
30,147	28,272	(1,875)	-6.2%	Cigarette/Tobacco Tax	30,147	28,272	(1,875)	-6.2%	299,900	294,800	294,800
8,258	5,230	(3,028)	-36.7%	Indus. & Comm. Facilities Taxes	8,258	5,230	(3,028)	-36.7%	42,000	42,000	42,000
755	1,140	385	51.1%	Specific Other	755	1,140	385	51.1%	79,200	88,300	88,300
254,525	296,312	41,787	16.4%	Income Tax Earmarking	254,525	296,312	41,787	16.4%	3,982,500	3,737,700	3,737,700
<u>\$2,116,208</u>	<u>\$2,233,765</u>	<u>\$117,557</u>	<u>5.6%</u>	<b>Total School Aid Fund</b>	<u>\$2,116,208</u>	<u>\$2,233,765</u>	<u>\$117,557</u>	<u>5.6%</u>	<u>\$17,340,600</u>	<u>\$17,195,300</u>	<u>\$17,195,300</u>
<b>Multi-Fund Revenue Summary</b>											
\$867,642	\$923,434	\$55,792	6.4%	Sales Tax 6%	\$867,642	\$923,434	\$55,792	6.4%	\$10,299,600	\$10,232,500	\$10,232,500
592,970	612,847	19,877	3.4%	Sales Tax 4% (d)	592,970	612,847	19,877	3.4%	6,997,100	6,949,000	6,949,000
274,673	310,588	35,915	13.1%	Sales Tax 2%	274,673	310,588	35,915	13.1%	3,302,500	3,283,500	3,283,500
204,467	218,520	14,053	6.9%	Use Tax 6% (g)	204,467	218,520	14,053	6.9%	2,604,300	2,590,700	2,590,700
31,527	40,571	9,044	28.7%	Recreational Marihuana	31,527	40,571	9,044	28.7%	149,100	175,100	175,100
74,620	69,979	(4,641)	-6.2%	Tobacco Taxes	74,620	69,979	(4,641)	-6.2%	830,700	819,400	819,400
0	0	0	na	Tobacco Settlement	0	0	0	na	na	na	na

continued

**Revenue Summary FY 2022-23**  
**General Fund-General Purpose, School Aid, and Transportation Funds**  
(in thousands)

**For The Month Ended: October 31, 2022**

Month-End Cash Collections Data				October Cash Collections Data				Revenue Projections			
October		Difference		Source of Revenue	Year-to-Date		Difference		FY 2021-22	FY 2022-23	FY 2022-23
2021	2022	Amount	Percent		FY 2021-22	FY 2022-23	Amount	Percent	May 2022 Forecast	Statutory Estimate	May 2022 Forecast
<b>Major Transportation Revenues</b>											
\$19,243	\$20,652	\$1,408	7.3%	Diesel Fuel / Motor Carrier Fuel Tax	\$19,243	\$20,652	\$1,408	7.3%	\$247,000	\$258,000	\$258,000
85,968	87,618	1,649	1.9%	Gasoline	85,968	87,618	1,649	1.9%	1,165,200	1,224,700	1,224,700
101,577	123,674	22,098	21.8%	Motor Vehicle Registration	101,577	123,674	22,098	21.8%	1,445,800	1,487,300	1,487,300
4,063	3,928	(135)	-3.3%	Other Taxes, Fees & Misc.	4,063	3,928	(135)	-3.3%	246,214	273,541	273,541
11,481	11,481	0	0.0%	Comprehensive Transportation (c)	11,481	11,481	0	0.0%	162,211	159,735	159,735
50,000	50,000	0	0.0%	Income Tax Earmarking	50,000	50,000	0	0.0%	600,000	600,000	600,000
<u>\$272,333</u>	<u>\$297,353</u>	<u>\$25,020</u>	<u>9.2%</u>	<b>Total Major Trans. Revenues</b>	<u>\$272,333</u>	<u>\$297,353</u>	<u>\$25,020</u>	<u>9.2%</u>	<u>\$3,866,425</u>	<u>\$4,003,276</u>	<u>\$4,003,276</u>
<b>Lottery Sales By Games</b>											
\$154,344	\$209,918	\$55,573	36.0%	Instant Games (f)	\$154,344	\$209,918	\$55,573	36.0%	na	na	na
73,333	83,774	10,440	14.2%	Daily Games	73,333	83,774	10,440	14.2%	na	na	na
28,927	64,494	35,567	123.0%	Lotto and Big Game (f)	28,927	64,494	35,567	123.0%	na	na	na
566	656	90	15.8%	Keno Game	566	656	90	15.8%	na	na	na
2,350	3,092	742	31.6%	Lucky For Life	2,350	3,092	742	31.6%	na	na	na
4,969	5,788	819	16.5%	Other (f)	4,969	5,788	819	16.5%	na	na	na
47,279	53,940	6,661	14.1%	Club Games	47,279	53,940	6,661	14.1%	na	na	na
<u>\$311,769</u>	<u>\$421,661</u>	<u>\$109,892</u>	<u>35.2%</u>	<b>Total Lottery Sales</b>	<u>\$311,769</u>	<u>\$421,661</u>	<u>\$109,892</u>	<u>35.2%</u>	<u>na</u>	<u>na</u>	<u>na</u>

- (a) GF-GP Sales has been adjusted based on Comprehensive Transportation Fund, Health Initiative, Constitutional Revenue Sharing, and Aviation Fund. GF-GP Use has been adjusted based on Aviation Fund.
- (b) The statutory estimate does not include an estimate of lottery sales. It only includes an estimate of the School Aid Fund transfer. The transfers shown are actual transfers from Lottery to School Aid Fund.
- (c) The Comprehensive Transportation Fund distributions have been estimated (includes sales tax transfer and other miscellaneous revenues dedicated to the Comprehensive Transportation Fund).
- (d) 2% collections adjusted to reflect exemption on residential utilities.
- (e) Non-tax revenue items other than interest are estimates.
- (f) Lottery Sales include iLottery net win amounts; and Other lottery games includes the new Fast Cash games, which began in July 2017.
- (g) Gross Use tax collections include the transferred amounts to the Local Community Stabilization Authority, which are front-loaded at the beginning of the fiscal year. The year-to-date 2022 revenues were \$137.7 million and the year-to date 2023 revenues are \$130.5 million. Per 2014 Public Act 80, the total fiscal year 2022 Local Community Stabilization Share (LCSS) was \$521.3 million and the total fiscal year 2023 LCSS is \$548.0 million.
- (h) General Fund Use tax collections are net of LCSS revenue. The year-to-date 2022 LCSS revenues were \$137.7 million and the year-to-date 2023 LCSS revenues are \$130.5 million.
- (i) Implementation of the Flow Through Entity Tax retroactive to January 1, 2021 has resulted in fluctuating totals in Individual Income Tax annuals, quarterlies, and refunds in FY 2022.

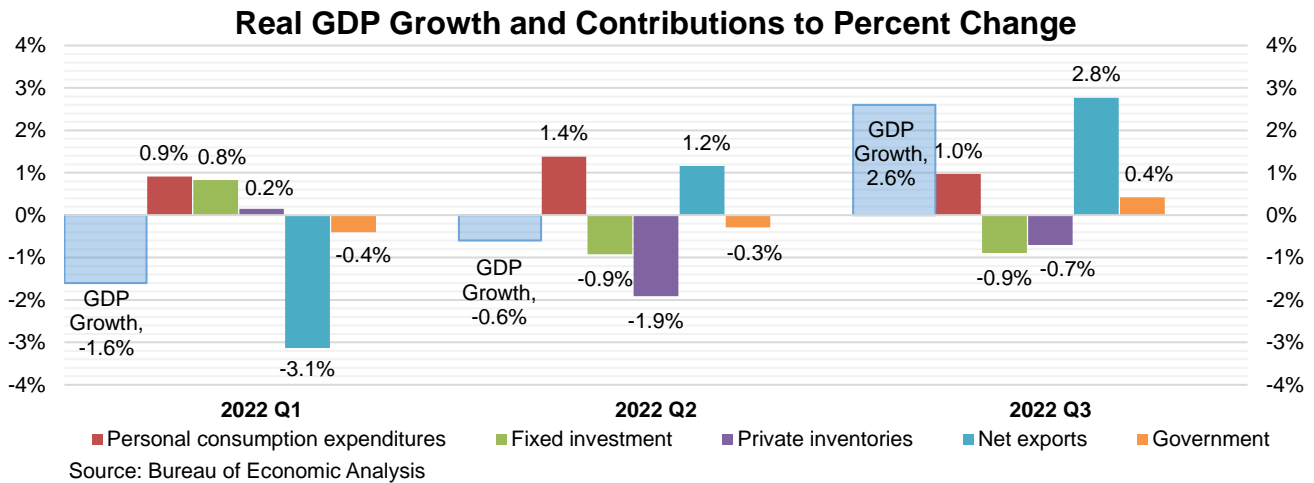
Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

## Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

### U.S. Economy

U.S. real **Gross Domestic Product** increased at a 2.6 percent annual rate in the third quarter of 2022, according to the most recent estimate, up from the -0.6 percent annual rate in the second quarter of 2022. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

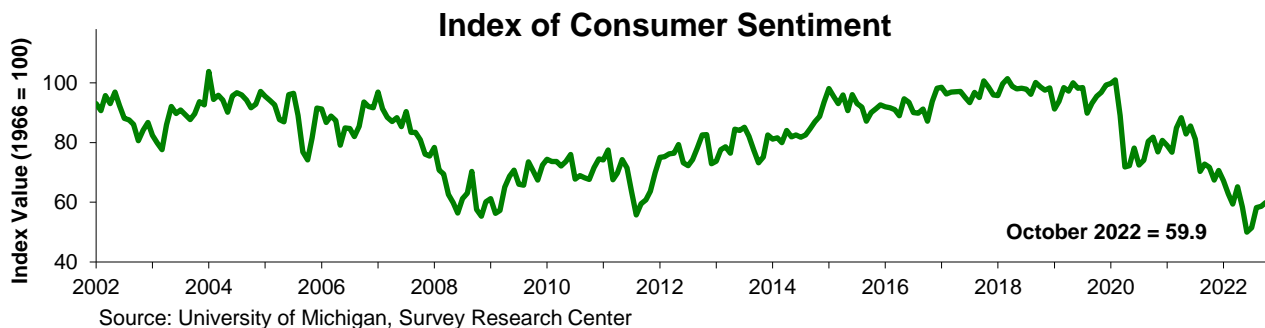


Net exports drove the increase in GDP in the third quarter of 2022, while personal consumption and government expenditures made additional contributions. Declines in fixed investments and private inventories reduced the third quarter GDP growth. Real final sales increased by 3.3 percent in the third quarter, while the implicit price deflator increased by 4.1 percent.

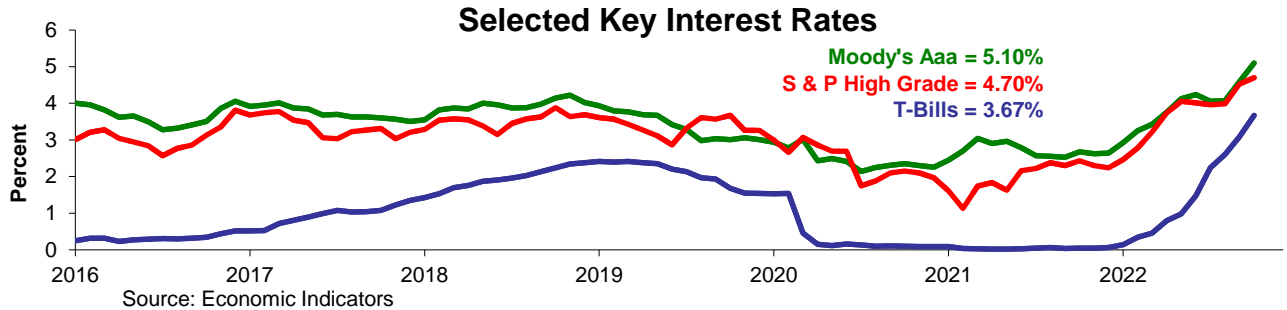
**U.S. wage and salary employment** increased by 261,000 jobs in October, with total employment remaining just above the February 2020 pre-pandemic level. The labor force participation rate was 62.2 percent in October, 1.2 percentage points below the rate in February 2020. In October, sectors with the largest increases in employment include the education and health services sector with 79,000 jobs, the professional and business services sector with 39,000 jobs, and the leisure and hospitality sector with 35,000 jobs.

In October, the U.S. unemployment rate increased to 3.7 percent. Civilian employment declined slightly to 158.6 million, down 0.3 million from September. The number unemployed increased to 6.1 million in October.

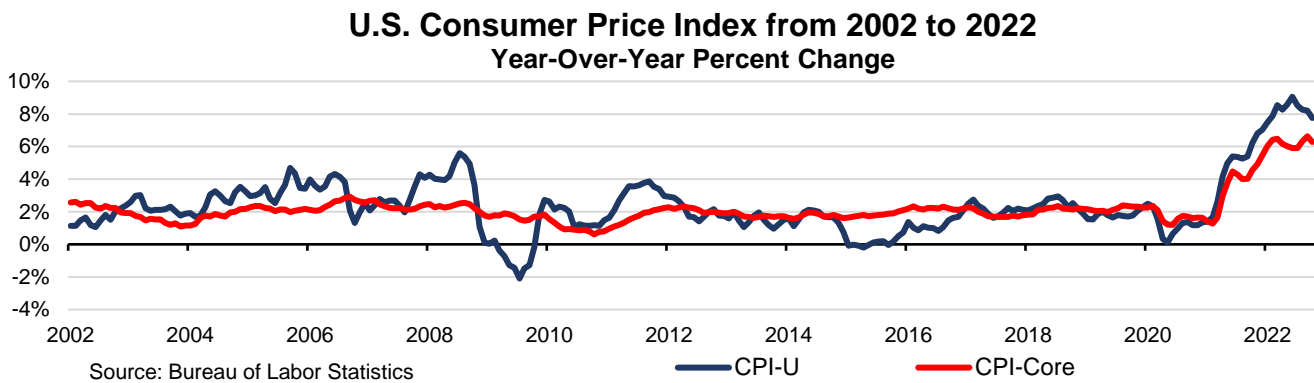
The **Index of Consumer Sentiment** increased to 59.9 index-points in October, up 1.3 from September. The year-over-year consumer sentiment is still 11.8 index-points below year-ago levels.



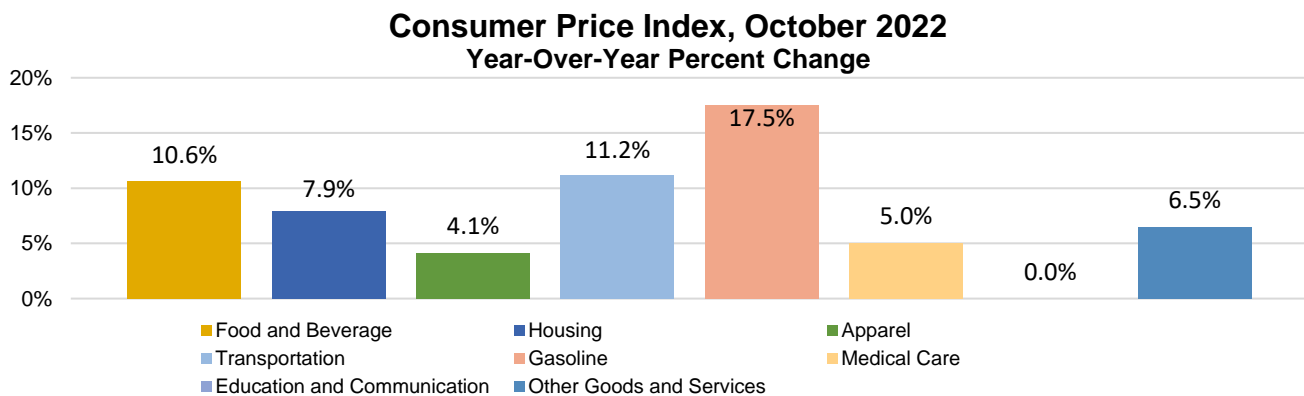
Short-term **interest rates** increased by 0.58 percentage points in October, to a 3-month Treasury bill (T-bill) rate of 3.67 percent. The T-bill rate increased 3.62 percentage points from a year ago. The Aaa corporate bond rate increased 0.51 percentage points to an interest rate of 5.10 percent in October and was up 2.42 percentage points from a year ago. The interest rate on S&P high-grade municipal bonds increased 0.17 percentage points to 4.70 percent and was up 2.27 percentage points from a year ago.



**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), were up 7.7 percent from October 2021 to October 2022, a decline from September's 8.2 percent year-over-year change. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core was up 6.3 percent year-over-year in October, a 0.3 percentage point decline from September's 6.6 percent. CPI-U and CPI-Core data are not seasonally adjusted.



Gasoline continues to exhibit the largest year-over-year price increase at 17.5 percent for October, but rate of growth has slowed significantly from the 59.9 percent year-over-year change from June. The next largest year-over-year change was in transportation with an increase of 11.2 percent, followed by food and beverage with a 10.6 percent increase. Lower year-over-year percent increases can be seen in housing (7.9 percent) and other goods and services (6.5 percent). These data are seasonally adjusted.

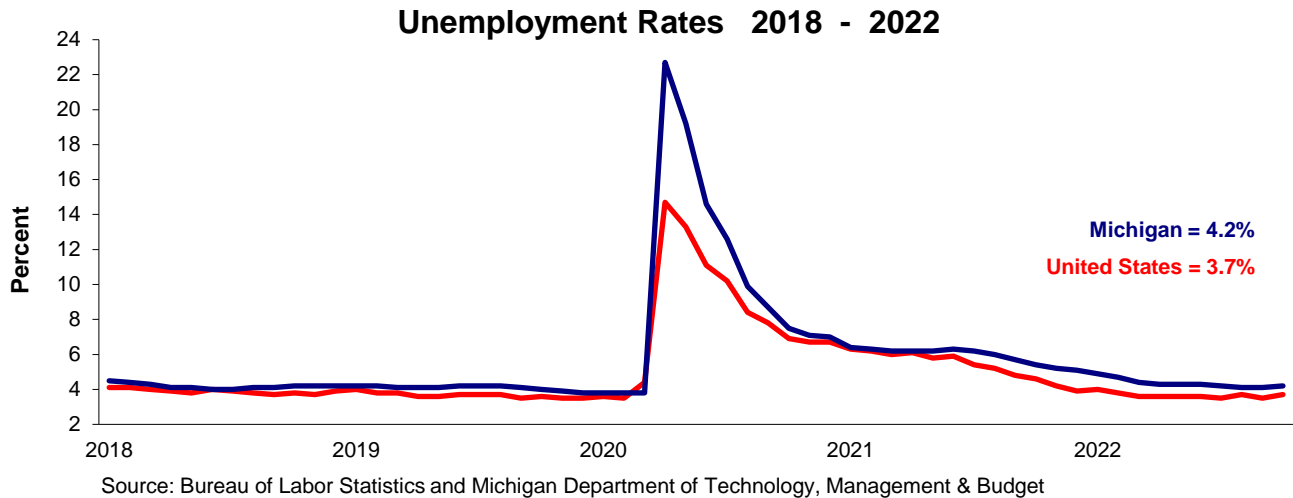


Source: Bureau of Labor Statistics



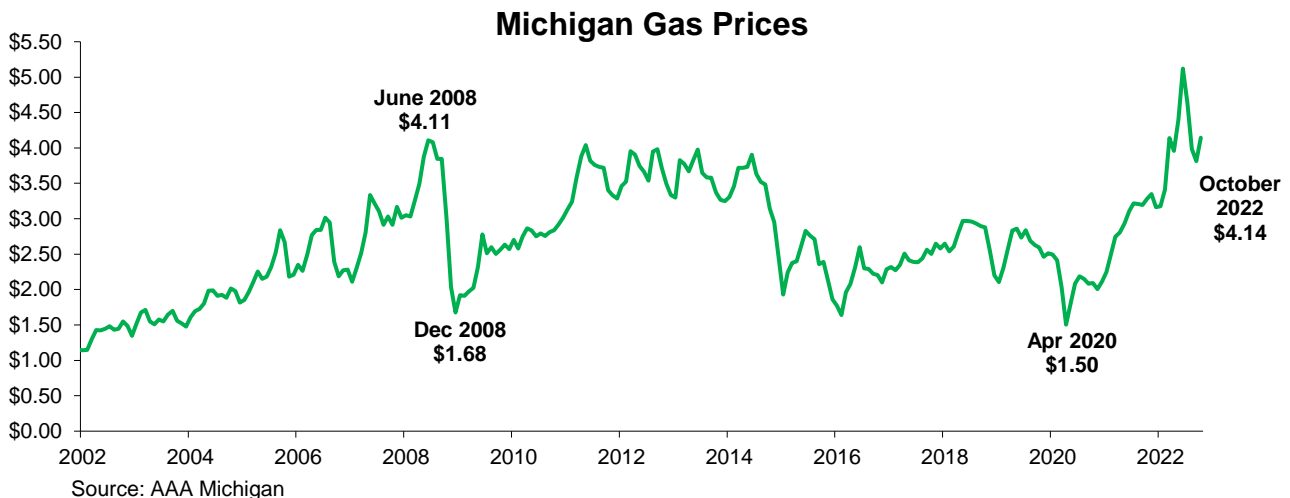
## Michigan Economy

The **Michigan jobless rate** increased slightly to 4.2 percent in October. The national unemployment rate increased 0.2 percentage points to 3.7 percent in October. The number unemployed in Michigan increased by 4,000 while the number employed decreased by 10,000 from September's levels. The number employed is 2.5 percent higher, while the number unemployed is 19.9 percent lower than in October 2021. In October, Michigan's unemployment rate was 0.4 percentage points above the February 2020 pre-pandemic rate of 3.8 percent.



**Michigan wage and salary employment** remained flat in October at 4.4 million jobs, with an increase of only 10,000 jobs from September. Employment was up 114,000 jobs, or 2.7 percent, from October 2021. In October, the sector with the largest increase in employment was the leisure and hospitality services sector with a gain of 6,000 jobs. The sector with the largest decline in employment was the construction sector with a loss of 3,000 jobs.

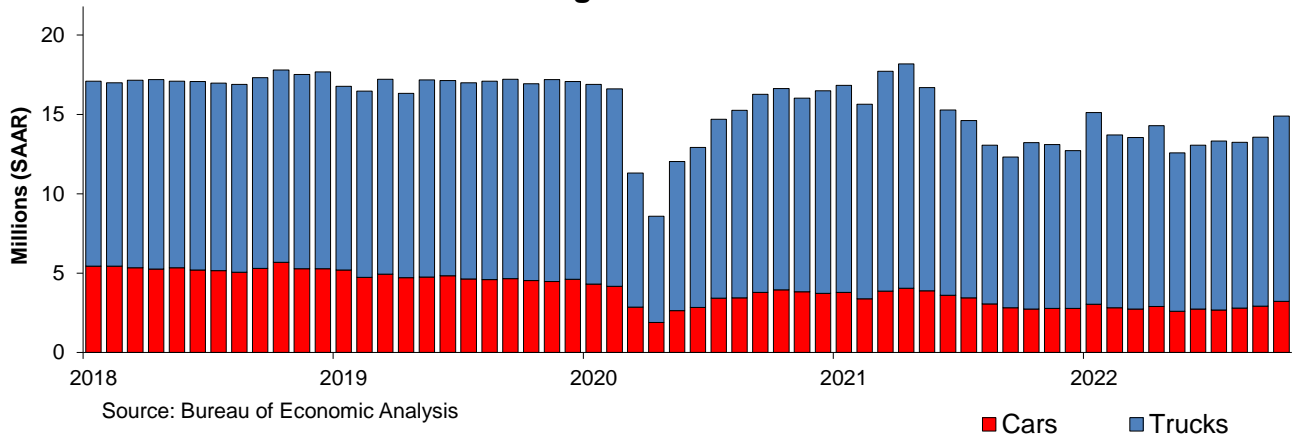
**Michigan gasoline prices** increased in October 2022, up to \$4.14 per gallon, 32.8 cents a gallon above last month's average. Year-over-year gasoline prices remained elevated and were 86.3 cents per gallon higher than in October 2021. October 2022 diesel prices remained relatively flat, increasing by only 3.6 cents a gallon from September to October's price of \$5.39 per gallon. Diesel prices were up \$1.91 per gallon over the October 2021 price of \$3.48 per gallon.



## Motor Vehicle Sector

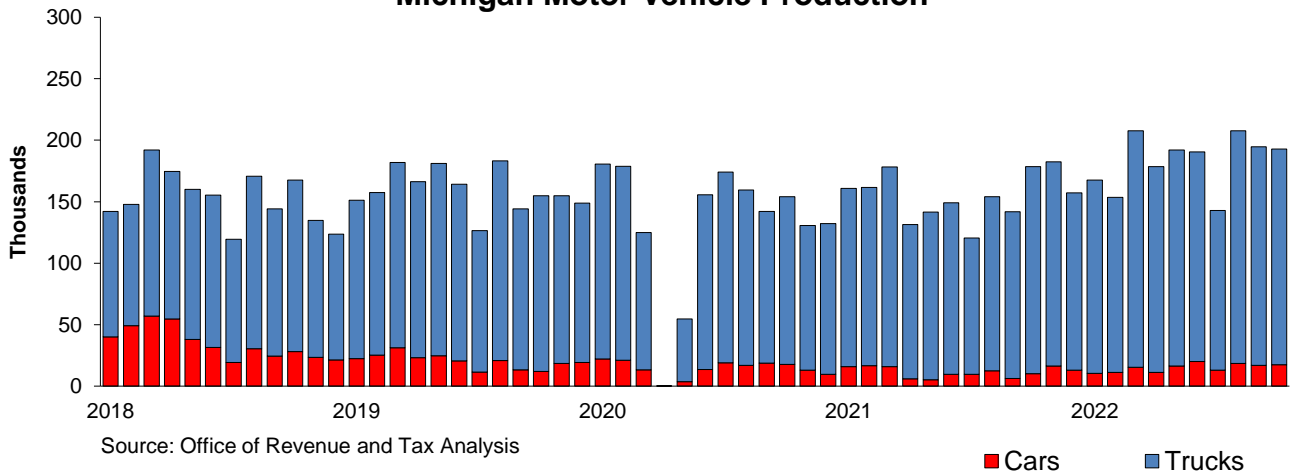
**U.S. light vehicle sales** (cars and light trucks) increased by 9.8 percent in October from September, selling at a 14.9 million unit seasonally adjusted annual rate, according to the most recent estimates. Domestic car sales increased 13.5 percent while light truck sales increased 9.9 percent from September. Import car sales increased 3.3 percent while import light truck sales increased 7.7 percent from September. Compared to October 2021, light vehicle sales were up 12.9 percent. Domestic car sales increased 19.7 percent while light truck sales increased 13.8 percent from the year ago levels. October import car sales were up 11.4 percent and import light truck sales were up 2.0 percent from last year. Domestic light vehicles recorded a 79.9 percent share of October 2022 sales, up 1.5 percentage points from October 2021.

### U.S. Light Vehicle Sales



**Michigan motor vehicle production** declined slightly in October, to 192,789 total units. Michigan's October production was 1.0 percent below September's production but 7.9 percent above the level in October 2021, according to the most recently available data. Nationally, motor vehicle production totaled 948,238 units, which was up 17.6 percent from a year ago. In October, Michigan's car production was 17,440 units while the State's truck production was 175,349 units. Michigan motor vehicle production data are not seasonally adjusted.

### Michigan Motor Vehicle Production



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

	<b>Fiscal Year 2020-21 Actual</b>	<b>Fiscal Year 2021-22 Estimate</b>	<b>Fiscal Year 2022-23 Estimate</b>
Applicable Calendar Year Personal Income	\$491,632	\$530,809	\$558,330
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$46,655.9</u>	<u>\$50,373.8</u>	<u>\$52,985.5</u>
Revenue Limit	\$46,655.9	\$50,373.8	\$52,985.5
State Revenue Subject to Limit	<u>\$38,890.0</u>	<u>\$41,615.3</u>	<u>\$41,494.0</u>
<b>Amount Under (Over) Limit</b>	<b>\$7,765.9</b>	<b>\$8,758.5</b>	<b>\$11,491.5</b>

Sources:

Personal Income Estimate

The FY 2020-21 calculation uses the official personal income estimate for calendar year 2019 (Survey of Current Business, October 2020).  
The FY 2020-21 calculation uses the official personal income estimate for calendar year 2020 (Survey of Current Business, October 2021).  
The FY 2022-23 calculation uses the May 20, 2022 Consensus Revenue Agreement.

Revenue Subject to the Limit

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

Column detail may not add to totals due to rounding

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