



STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

GRETCHEN WHITMER  
GOVERNOR

JENNIFER L. FLOOD  
DIRECTOR

October 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 September 30, 2025. This report is submitted pursuant to MCL 18.1386. This report can also be found on the Internet at the following address:

[www.michigan.gov/budget](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,

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**  
**September 30, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 2,149.3</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
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)
<b>Subtotal Ongoing Revenue</b>	<b>\$ 13,791.7</b>
<b>One-Time:</b>	
One-time Revenue Adjustments	\$ 66.9
<b>Subtotal One-Time Revenue</b>	<b>\$ 66.9</b>
<b>Total Revenue</b>	<b>\$ 13,858.6</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
Public Acts 120 and 121 of 2024	\$ 13,605.7
Community District Trust Fund	\$ 77.2
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 13,682.9</b>
<b>One-Time:</b>	
Public Acts 120 and 121 of 2024	\$ 1,269.8
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,269.8</b>
<b>Total Expenditures</b>	<b>\$ 14,952.7</b>
<b>Ending Balance</b>	<b>\$ 1,055.2</b>

**SCHOOL AID FUND**  
**Fiscal Year 2025**  
**Projected Revenues and Expenditures**  
**September 30, 2025**  
(\$ in millions)

	<b>FISCAL 2025</b>
<b>Beginning Balance</b>	<b>\$ 1,257.7</b>
<b>Revenues</b>	
<b>Ongoing:</b>	
May 2025 Consensus Forecast	\$ 18,545.2
General Fund	\$ 50.0
Community District Trust Fund	\$ 41.0
Federal Revenue	\$ 2,272.8
<b>Subtotal Ongoing Revenue</b>	<b>\$ 20,909.0</b>
<b>One-Time:</b>	
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
<b>Subtotal One-Time Revenue</b>	<b>\$ 796.2</b>
<b>Total Revenue</b>	<b>\$ 21,705.2</b>
<b>Expenditures</b>	
<b>Ongoing:</b>	
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
<b>Subtotal Ongoing Expenditures</b>	<b>\$ 20,368.7</b>
<b>One-Time:</b>	
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
<b>Subtotal One-Time Expenditures</b>	<b>\$ 1,325.0</b>
<b>Total Expenditures</b>	<b>\$ 21,693.7</b>
<b>Ending Balance</b>	<b>\$ 1,269.2</b>

**SUMMARY OF EXPENDITURES AND ENCUMBRANCES**  
**GENERAL FUND - ALL PURPOSE**  
September 30, 2025  
(\$ in millions)

Fiscal Year 2024			Fiscal Year 2025				
Expenditures & Encumbrances Year to Date FY 2024	Expenditures & Encumbrances Fiscal Year End SEP 30, 2024	Department	Initial Appropriations (1)	Executive Orders & Supplemental Appropriations (1)	Encumbrance, Work Project & Capital Outlay Carry Forwards	Total Authorization	Expenditures & Encumbrances Year to Date FY 2025
170.7	172.4	Agriculture and Rural Development	156.9	5.2	172.8	334.9	181.4
133.5	131.8	Attorney General	127.3	3.0	47.0	177.2	132.0
638.5	702.5	Capital Outlay (2)	523.8	0.0	3,507.1	4,030.9	712.0
23.5	23.4	Civil Rights	29.2	2.0	15.5	46.6	29.2
1,988.8	1,992.6	Colleges and Universities	2,193.1	24.8	184.4	2,402.3	2,125.2
2,081.0	2,079.1	Corrections	2,137.2	0.0	685.4	2,822.6	2,139.6
766.9	843.0	Education	232.3	74.5	824.8	1,131.5	263.8
1,536.4	1,557.6	Environment, Great Lakes, and Energy	976.8	113.0	4,477.4	5,567.3	996.5
9.4	9.4	Executive Office (3)	9.3	0.0	0.2	9.6	9.8
34,095.4	36,296.7	Health and Human Services	37,582.3	225.0	4,940.2	42,747.4	34,935.6
73.9	72.6	Insurance and Financial Services	78.6	1.3	0.8	80.7	72.5
304.9	335.9	Judiciary	373.4	0.0	178.0	551.5	361.9
1,966.9	2,057.0	Labor and Economic Opportunity	1,141.2	554.3	5,270.8	6,966.3	1,463.3
27.9	27.9	Legislative Auditor General	31.2	0.0	17.2	48.5	29.4
177.0	186.3	Legislature	196.7	0.0	249.5	446.2	177.3
559.3	621.2	Licensing and Regulatory Affairs	608.4	82.9	231.4	922.7	536.2
1.2	1.4	Lifelong Education, Advancement, and Potential	654.3	0.0	160.6	814.9	690.3
0.0	0.0	Marshall Plan for Talent	0.0	0.0	30.3	30.3	0.0
617.1	615.5	Michigan Strategic Fund	251.6	0.0	0.0	251.6	251.6
37.8	38.7	Michigan Veterans' Facility Authority	47.0	6.6	0.0	53.6	47.0
123.9	124.3	Military and Veterans Affairs	120.9	18.9	15.8	155.6	140.1
206.5	214.6	Natural Resources	161.7	5.4	130.8	297.9	219.1
271.3	286.6	State	291.8	10.2	139.0	441.0	278.1
2.0	2.0	State Land Bank Authority	2.0	0.0	0.0	2.0	0.0
979.9	1,038.4	State Police	951.2	128.7	851.9	1,931.8	1,023.4
934.1	1,152.2	Technology, Management and Budget (4)	542.9	1,340.0	908.0	2,790.9	844.1
60.3	67.7	Transportation	36.6	552.0	70.4	659.0	34.8
2,570.8	5,059.3	Treasury	2,604.5	167.0	548.7	3,320.2	2,525.2
<b>\$50,358.9</b>	<b>\$55,710.2</b>		<b>\$52,062.2</b>	<b>\$3,314.8</b>	<b>\$23,658.0</b>	<b>\$79,034.9</b>	<b>\$50,219.4</b>

(1) Includes boilerplate appropriations.  
(2) Includes all capital outlay activity regardless of agency.  
(3) Reimbursement of expenditures from other departments is expected to occur during the fiscal year-end closing process.  
(4) Includes Civil Service Commission

**ESTIMATED BALANCE OF STATE PAYMENTS  
TO LOCAL UNITS OF GOVERNMENT  
Fiscal Year 2025  
September 30, 2025  
(\$ 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	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
<b>Surplus/(deficit)</b>	<b>\$1,997.7</b>	<b>\$0.0</b>	<b>\$1,997.7</b>

**STATE OF MICHIGAN**  
**YEAR-TO-DATE BALANCE SHEET**  
**COUNTER - CYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND**  
September 30, 2025  
(\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	<u>\$ 2,134,113</u>
Total Assets	<u><u>\$ 2,134,113</u></u>

**LIABILITIES**

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

**FUND BALANCES**

Committed	<u>2,134,113</u>
Total Fund Balances	<u>2,134,113</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,134,113</u></u>

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

**REVENUES**

Miscellaneous	\$ 87,943
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Total Revenues	87,943
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**EXPENDITURES**

Current:	
General government	349
	<hr/>
Total Expenditures	349
	<hr/>
Excess of Revenues over (under) Expenditures	87,595
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**OTHER FINANCING SOURCES (USES)**

Transfers from other funds	50,000
Transfers to other funds	-
	<hr/>
Total Other Financing Sources (Uses)	50,000
	<hr/>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ 137,595 <sup>1</sup>
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<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**  
September 30, 2025  
(\$ in thousands)

**ASSETS**

Current Assets:	
Equity in common cash	\$ 67,172
Investments	-
Other current assets	1,928
Total Current Assets	69,100
Noncurrent Assets:	
Investments	779,333
Total Assets	\$ 848,432

**LIABILITIES**

Current Liabilities:	
Accounts payable and other liabilities	\$ 4,723
Amounts due to other funds	-
Total Current Liabilities	4,723
Total Liabilities	4,723

**FUND BALANCES**

Nonspendable	500,000
Restricted	343,709
Total Fund Balances	843,709
Total Liabilities and Fund Balances	\$ 848,432

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

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

**REVENUES**

Taxes	\$	-
From federal agencies		-
From licenses and permits		-
Miscellaneous		<u>52,024</u>
Total Revenues		<u>52,024</u>

**EXPENDITURES**

Current:		
General government		5,241
Conservation, environment, recreation, and agriculture		14,979
Capital outlay		<u>3,169</u>
Total Expenditures		<u>23,388</u>
Excess of Revenues over (under) Expenditures		<u>28,636</u>

**OTHER FINANCING SOURCES (USES)**

Proceeds from bond issues		-
Proceeds from sale of capital assets		3
Transfers from other funds		1
Transfers to other funds		<u>(27)</u>
Total Other Financing Sources (Uses)		<u>(23)</u>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$	<u><u>28,613</u></u> <sup>1</sup>

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

## REVENUE OVERVIEW

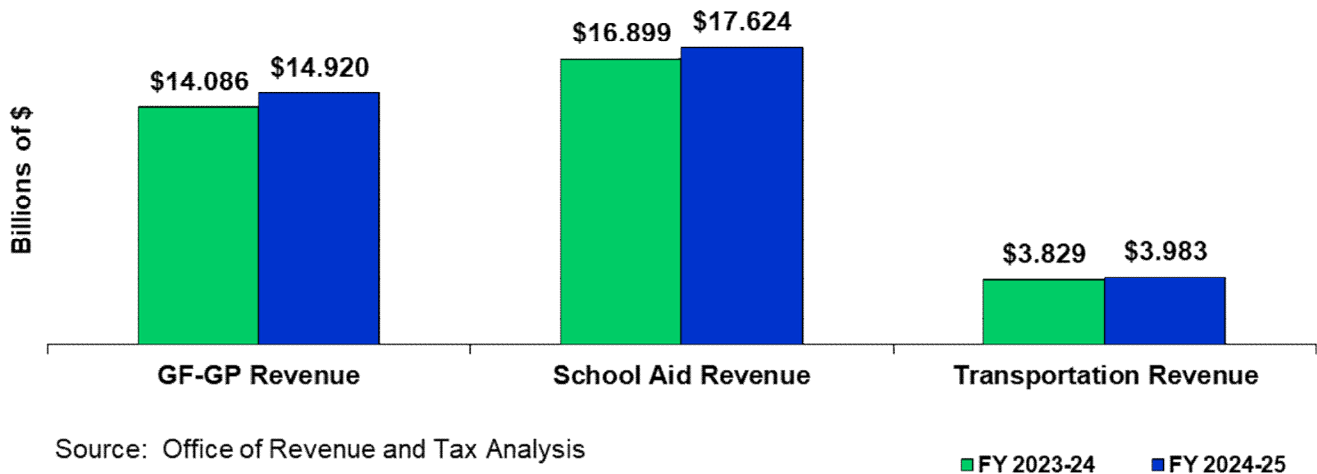
Office of Revenue and Tax Analysis  
Michigan Department of Treasury

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

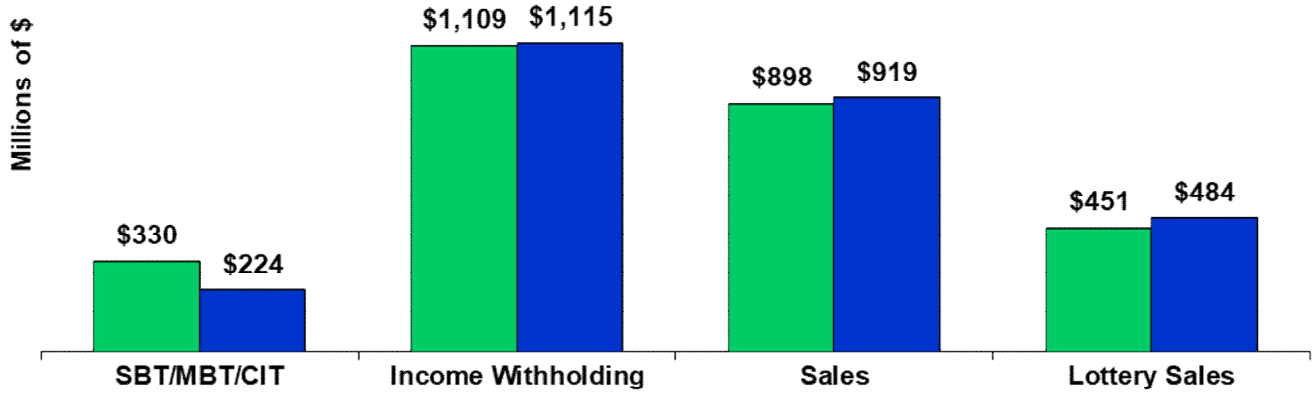
Total General Fund - General Purpose (GF-GP) cash collections were \$105.6 million (6.0 percent) lower in September 2025 than in September 2024. September 2025 School Aid Fund cash collections were \$95.5 million (5.4 percent) higher than in September 2024. September 2025 transportation collections were \$18.3 million (5.7 percent) higher than in September 2024 (see revenue summary table). September is the twelfth 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 \$834.0 million (5.9 percent) from a year ago. School Aid Fund cash collections are up \$724.7 million (4.3 percent), and transportation collections are up \$154.7 million (4.0 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 September Collections FY 2023-24 and FY 2024-25



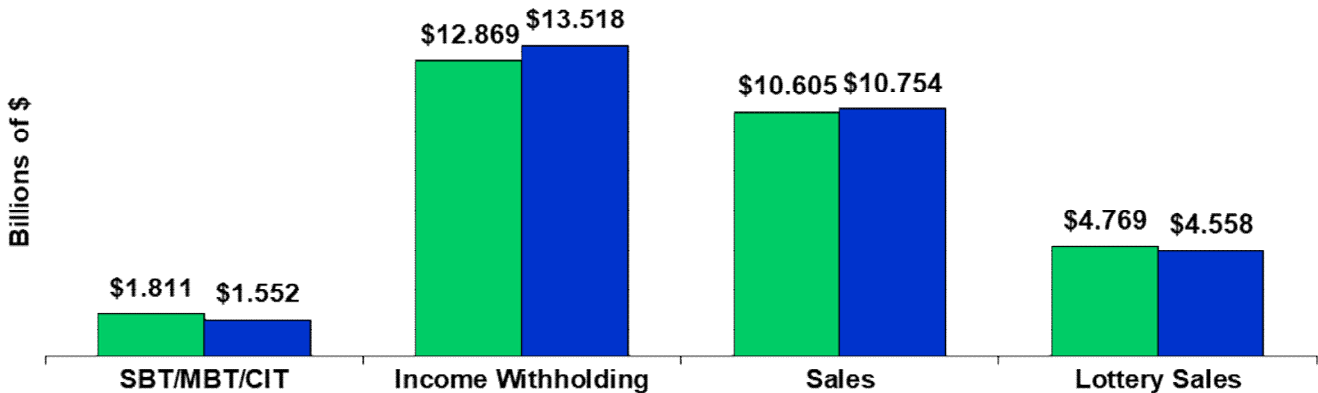
### September Revenue Collections FY 2023-24 and FY 2024-25



Source: Office of Revenue and Tax Analysis

■ FY 2023-24 ■ FY 2024-25

### October through September 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: September 30, 2025**

Month-End Cash Collections Data				October Through September Cash Collections Data					Revenue Projections		
September		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(1)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
<b>Income Taxes</b>											
\$1,109,100	\$1,115,469	\$6,369	0.6%	Withholding	\$12,869,194	\$13,517,981	\$648,787	5.0%	\$12,817,900	\$12,997,800	\$13,571,900
265,409	327,437	62,027	23.4%	Quarterlies	1,113,568	1,354,006	240,439	21.6%	1,111,400	1,010,700	1,233,000
233,787	208,242	(25,545)	-10.9%	Flow Through Entity Tax	996,285	970,482	(25,803)	-2.6%	957,400	1,014,800	1,000,000
3,869	34,343	30,474	na	Annuals	1,191,301	1,509,689	318,388	26.7%	1,201,500	1,268,900	1,518,000
\$1,612,165	\$1,685,490	\$73,325	4.5%	Gross Collections	\$16,170,348	\$17,352,159	\$1,181,810	7.3%	\$16,088,200	\$16,292,200	\$17,322,900
60,443	126,280	65,837	109.0%	Less: Refunds	4,013,683	3,856,813	(156,870)	-3.9%	3,120,100	3,251,700	3,650,000
0	0	0	na	Less: State Campaign Fund	0	0	0	na	500	800	800
\$1,551,722	\$1,559,210	\$7,488	0.5%	Net Personal Income	\$12,156,665	\$13,495,346	\$1,338,681	11.0%	\$12,967,600	\$13,039,700	\$13,672,100
50,000	50,000	0	0.0%	Less: Disbursements to MTF	600,000	600,000	0	0.0%	600,000	600,000	600,000
5,750	5,750	0	0.0%	Less: Disburse to Renew Michigan/GJFM	69,000	69,000	0	0.0%	71,700	69,000	69,000
375,294	392,367	17,073	4.5%	Less: Disbursements to SAF	3,821,924	4,101,756	279,832	7.3%	3,962,600	3,922,500	4,231,900
\$1,120,678	\$1,111,092	(\$9,585)	-0.9%	<b>Net Personal Income To GF-GP</b>	<b>\$7,665,741</b>	<b>\$8,724,590</b>	<b>\$1,058,849</b>	<b>13.8%</b>	<b>\$8,333,300</b>	<b>\$8,448,200</b>	<b>\$8,771,200</b>
<b>Consumption Taxes</b>											
\$132,889	\$146,575	\$13,686	10.3%	Sales (a)	\$1,678,554	\$1,705,970	\$27,415	1.6%	\$1,572,400	\$1,609,800	\$1,638,700
105,522	90,135	(15,387)	-14.6%	Use (a) (h)	1,270,453	1,240,549	(29,905)	-2.4%	1,188,200	1,308,200	1,178,500
11,403	10,967	(435)	-3.8%	Tobacco	133,675	123,485	(10,190)	-7.6%	132,000	134,400	125,100
1,518	1,322	(196)	-12.9%	Beer, Wine & Mixed Spirits	45,190	43,463	(1,726)	-3.8%	44,900	47,000	44,600
6,200	6,303	103	1.7%	Liquor Specific	78,279	77,729	(551)	-0.7%	68,700	66,400	67,100
\$257,532	\$255,302	(\$2,229)	-0.9%	<b>Total Consumption Taxes</b>	<b>\$3,206,152</b>	<b>\$3,191,196</b>	<b>(\$14,956)</b>	<b>-0.5%</b>	<b>\$3,006,200</b>	<b>\$3,165,800</b>	<b>\$3,054,000</b>
<b>Other Taxes</b>											
\$1	\$1	(\$0)	-11.8%	Single Business	(\$273)	\$228	\$501	183.6%	(\$300)	\$0	\$0
4,464	2,109	(2,355)	-52.8%	Insurance Premiums Taxes	\$529,226	524,922	(4,305)	-0.8%	537,400	541,300	548,500
4,465	2,110	(2,355)	-52.8%	Sub-total SBT & Insurance	528,954	525,150	(3,804)	-0.7%	537,100	541,300	548,500
(10,634)	6,980	17,614	165.6%	Michigan Business Tax	(350,749)	(423,390)	(72,641)	-20.7%	(356,900)	(503,400)	(496,900)
340,769	217,010	(123,759)	-36.3%	Corporate Income Tax	2,162,422	1,975,162	(187,260)	-8.7%	1,574,000	1,598,300	1,592,500
231	(95)	(326)	-141.3%	Telephone & Telegraph	46,281	43,216	(3,065)	-6.6%	43,000	33,000	42,000
1,802	1,643	(159)	-8.8%	Oil & Gas Severance	23,612	20,223	(3,389)	-14.4%	21,900	28,000	22,000
6,472	13,191	6,719	104.0%	Penalties & Interest	125,882	152,267	26,385	21.0%	171,900	147,000	157,000
1,480	2,784	1,303	88.1%	Essential Services Assessment	146,099	156,430	10,332	7.1%	147,300	159,000	157,000
20	7	(13)	-66.8%	Miscellaneous Other/Railroad	2,591	2,228	(363)	-14.0%	10,800	15,000	8,000
(12,500)	(12,583)	(83)	-0.7%	Treasury Enforcement Programs (e)	(151,250)	(151,000)	250	0.2%	(147,200)	(152,000)	(150,000)
\$332,106	\$231,046	(\$101,060)	-30.4%	<b>Total Other Taxes</b>	<b>\$2,533,841</b>	<b>\$2,300,286</b>	<b>(\$233,555)</b>	<b>-9.2%</b>	<b>\$2,001,900</b>	<b>\$1,866,200</b>	<b>\$1,880,100</b>
\$1,710,315	\$1,597,441	(\$112,875)	-6.6%	<b>Subtotal GF-GP Taxes</b>	<b>\$13,405,734</b>	<b>\$14,216,071</b>	<b>\$810,338</b>	<b>6.0%</b>	<b>\$13,341,400</b>	<b>\$13,480,200</b>	<b>\$13,705,300</b>

continued

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

**For The Month Ended: September 30, 2025**

Month-End Cash Collections Data				October Through September Cash Collections Data					Revenue Projections		
September		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(i)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
<b>Non-Tax Revenue (e)</b>											
\$833	\$833	\$0	0.0%	Federal Aid	\$10,000	\$10,000	\$0	0.0%	\$14,000	\$10,000	\$10,000
8	8	0	0.0%	Local Agencies	100	100	0	0.0%	100	100	100
583	583	0	0.0%	Services	7,000	7,000	0	0.0%	4,200	7,000	7,000
1,167	1,167	0	0.0%	Licenses & Permits	14,000	14,000	0	0.0%	10,700	14,000	14,000
0	0	0	na	Investments/Interest Costs	249,399	186,109	(63,290)	-25.4%	593,300	285,000	285,000
833	833	0	0.0%	Misc. Non-tax Revenue	10,000	10,000	0	0.0%	54,500	35,000	35,000
25,000	28,750	3,750	15.0%	Liquor Purchase Revolving Fund	300,000	345,000	45,000	15.0%	301,200	292,500	293,500
7,500	11,000	3,500	46.7%	From Other Funds-Lottery & Escheats	90,000	132,000	42,000	46.7%	207,700	134,000	144,000
<u>\$35,925</u>	<u>\$43,175</u>	<u>\$7,250</u>	<u>20.2%</u>	<b>Total Non-Tax Revenue</b>	<u>\$680,499</u>	<u>\$704,209</u>	<u>\$23,710</u>	<u>3.5%</u>	<u>\$1,185,700</u>	<u>\$777,600</u>	<u>\$788,600</u>
\$1,746,240	\$1,640,616	(\$105,625)	-6.0%	<b>Total GF-GP Revenue</b>	\$14,086,233	\$14,920,280	\$834,047	5.9%	\$14,527,100	\$14,257,800	\$14,493,900
<b>School Aid Fund</b>											
\$341,653	\$374,317	\$32,664	9.6%	Sales Tax 4%	\$4,322,067	\$4,384,661	\$62,595	1.4%	\$4,352,100	\$4,347,900	\$4,403,800
328,337	295,445	(32,892)	-10.0%	Sales Tax 2%	3,401,884	3,446,612	44,728	1.3%	3,405,700	3,409,600	3,456,300
76,162	68,796	(7,366)	-9.7%	Use Tax 2%	916,125	905,212	(10,913)	-1.2%	940,200	991,400	926,500
479,719	559,950	80,231	16.7%	State Education Property Tax	2,505,858	2,864,206	358,348	14.3%	2,756,800	2,812,600	2,880,000
35,291	42,308	7,017	19.9%	Real Estate Transfer Tax	398,665	440,743	42,077	10.6%	404,500	385,000	424,500
80,000	80,000	0	0.0%	Lottery Transfer (b)	1,011,981	983,577	(28,404)	-2.8%	1,249,000	1,270,000	1,155,000
7,746	7,581	(166)	-2.1%	Casino Wagering Tax	100,737	103,307	2,571	2.6%	500,700	499,000	579,200
5,819	5,934	115	2.0%	Liquor Excise Tax	69,676	67,764	(1,912)	-2.7%	75,500	78,500	80,900
23,149	22,265	(884)	-3.8%	Cigarette/Tobacco Tax	271,379	250,693	(20,687)	-7.6%	229,800	235,700	214,600
8,575	9,044	469	5.5%	Indus. & Comm. Facilities Taxes	53,347	53,623	276	0.5%	53,700	45,000	50,000
1,987	1,233	(754)	-37.9%	Specific Other	25,274	21,458	(3,816)	-15.1%	143,800	149,700	142,500
375,294	392,367	17,073	4.5%	Income Tax Earmarking	3,821,924	4,101,756	279,832	7.3%	3,962,600	3,922,500	4,231,900
<u>\$1,763,732</u>	<u>\$1,859,241</u>	<u>\$95,509</u>	<u>5.4%</u>	<b>Total School Aid Fund</b>	<u>\$16,898,918</u>	<u>\$17,623,613</u>	<u>\$724,695</u>	<u>4.3%</u>	<u>\$18,074,500</u>	<u>\$18,146,900</u>	<u>\$18,545,200</u>
<b>Multi-Fund Revenue Summary</b>											
\$897,758	\$919,306	\$21,548	2.4%	Sales Tax 6%	\$10,605,329	\$10,754,381	\$149,052	1.4%	\$10,577,100	\$10,588,800	\$10,728,800
569,421	623,861	54,440	9.6%	Sales Tax 4% (d)	7,203,445	7,307,769	104,324	1.4%	7,171,400	7,179,200	7,272,500
328,337	295,445	(32,892)	-10.0%	Sales Tax 2%	3,401,884	3,446,612	44,728	1.3%	3,405,700	3,409,600	3,456,300
228,485	206,388	(22,098)	-9.7%	Use Tax 6% (g)	2,748,375	2,715,637	(32,738)	-1.2%	2,765,100	2,869,400	2,749,800
13,537	14,228	691	5.1%	Recreational Marihuana	305,699	308,905	3,207	1.0%	315,000	347,700	322,100
57,299	55,112	(2,187)	-3.8%	Tobacco Taxes	671,731	620,526	(51,205)	-7.6%	667,900	676,800	629,000
0	0	0	na	Tobacco Settlement	242,986	187,660	(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: September 30, 2025**

Month-End Cash Collections Data				October Through September Cash Collections Data				Revenue Projections			
September		Difference		Source of Revenue	Year-to-Date		Difference		FY 2023-24 Totals <sup>(i)</sup>	FY 2024-25 Statutory Estimate	FY 2024-25 May 2025 Forecast
2024	2025	Amount	Percent		FY 2023-24	FY 2024-25	Amount	Percent			
<b>Major Transportation Revenues</b>											
\$23,830	\$25,067	\$1,237	5.2%	Diesel Fuel / Motor Carrier Fuel Tax	\$269,949	\$282,797	\$12,849	4.8%	\$272,400	\$279,000	\$279,000
118,582	123,124	4,542	3.8%	Gasoline	1,275,326	1,334,358	59,032	4.6%	1,282,800	1,297,000	1,303,000
111,407	124,574	13,167	11.8%	Motor Vehicle Registration	1,491,096	1,587,418	96,322	6.5%	1,490,400	1,585,000	1,532,000
4,350	4,943	594	13.6%	Other Taxes, Fees & Misc.	53,678	53,815	137	0.3%	382,200	379,471	378,287
11,650	10,417	(1,233)	-10.6%	Comprehensive Transportation (c)	138,618	125,000	(13,618)	-9.8%	193,100	186,147	185,447
50,000	50,000	0	0.0%	Income Tax Earmarking	600,000	600,000	0	0.0%	600,000	600,000	600,000
<u>\$319,819</u>	<u>\$338,125</u>	<u>\$18,306</u>	<u>5.7%</u>	<b>Total Major Trans. Revenues</b>	<u>\$3,828,667</u>	<u>\$3,983,389</u>	<u>\$154,722</u>	<u>4.0%</u>	<u>\$4,220,900</u>	<u>\$4,326,618</u>	<u>\$4,277,734</u>
<b>Lottery Sales By Games</b>											
\$238,410	\$231,402	(\$7,008)	-2.9%	Instant Games (f)	\$2,498,914	\$2,411,392	(\$87,522)	-3.5%	na	na	na
90,973	89,476	(1,497)	-1.6%	Daily Games	965,422	948,032	(17,390)	-1.8%	na	na	na
44,050	90,336	46,287	105.0%	Lotto and Big Game (f)	511,281	451,562	(59,719)	-11.7%	na	na	na
657	638	(18)	-2.8%	Keno Game	7,200	7,110	(90)	-1.2%	na	na	na
3,774	3,698	(77)	-2.0%	Lucky For Life	39,956	38,128	(1,829)	-4.6%	na	na	na
5,924	18,021	12,097	204.0%	Other (f)	75,432	145,754	70,322	93.2%	na	na	na
66,862	49,976	(16,887)	-25.3%	Club Games	670,480	555,875	(114,605)	-17.1%	na	na	na
<u>\$450,650</u>	<u>\$483,547</u>	<u>\$32,897</u>	<u>7.3%</u>	<b>Total Lottery Sales</b>	<u>\$4,768,685</u>	<u>\$4,557,852</u>	<u>(\$210,833)</u>	<u>-4.4%</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 \$561.7 million and the year-to date 2025 revenues are \$569.8 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 \$561.7 million and the year-to-date 2025 LCSS revenues are \$569.8 million.
- (i) Official Annual Comprehensive Financial Report figures are adjusted to put them on a comparable basis with Consensus Estimates

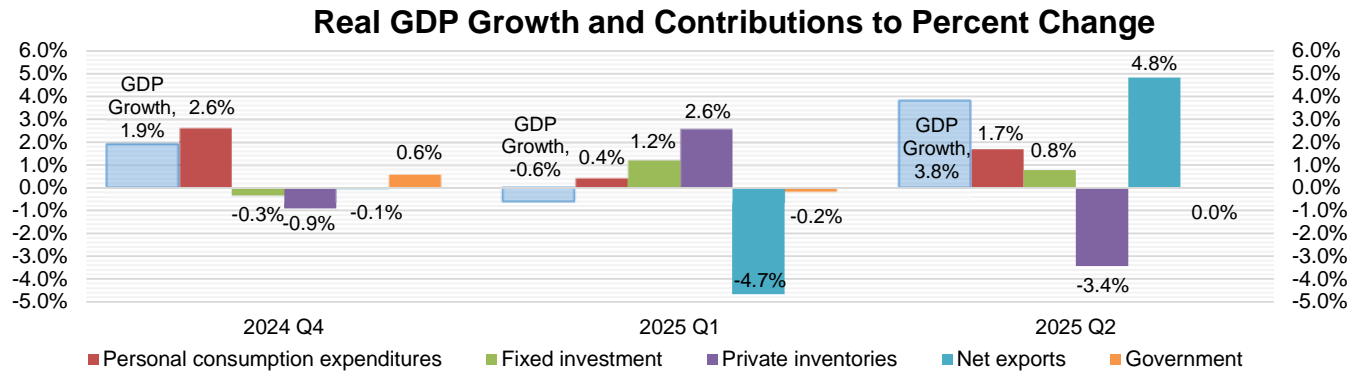
Source: Michigan Department of Treasury, Office of Revenue & Tax Analysis, based on reports from the Office of Financial Management, Michigan Department of Technology, Management and Budget, and other reports from the Michigan Department of Treasury.

## Economic Highlights

(All data seasonally adjusted unless otherwise noted.)

### U.S. Economy

U.S. real **Gross Domestic Product** increased at a 3.8 percent annual rate in the second quarter of 2025, according to the third estimate released by the Bureau of Economic Analysis (BEA), up from the -0.6 percent revised annual rate in the first quarter of 2025. The past three quarterly contributions to the percent change in GDP are shown in the graph below.

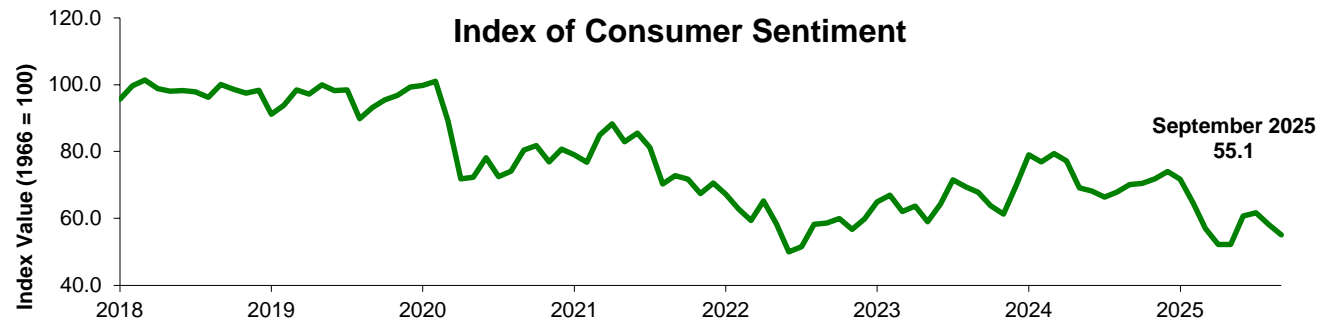


Net exports and consumer spending drove the increase in GDP in the second quarter of 2025, offsetting the decline in private inventories. Real final sales of domestic product increased by 7.5 percent in the second quarter, while the implicit price deflator increased by 2.1 percent in the same period.

According to the most recent data released by the Bureau of Labor Statistics prior to the federal government shutdown, **U.S. wage and salary employment** increased by 22,000 jobs in August to total employment of 7.2 million, or 4.8 percent above its February 2020 pre-pandemic level. In August, the sectors with the largest employment increases include private education and health services with a gain of 46,000 jobs, leisure and hospitality with an increase of 28,000 jobs, and other services with 12,000 additional jobs. The largest employment declines in August were observed in the professional and business services sector with 17,000 jobs lost, government with a decrease of 16,000 jobs, and manufacturing with 12,000 fewer jobs.

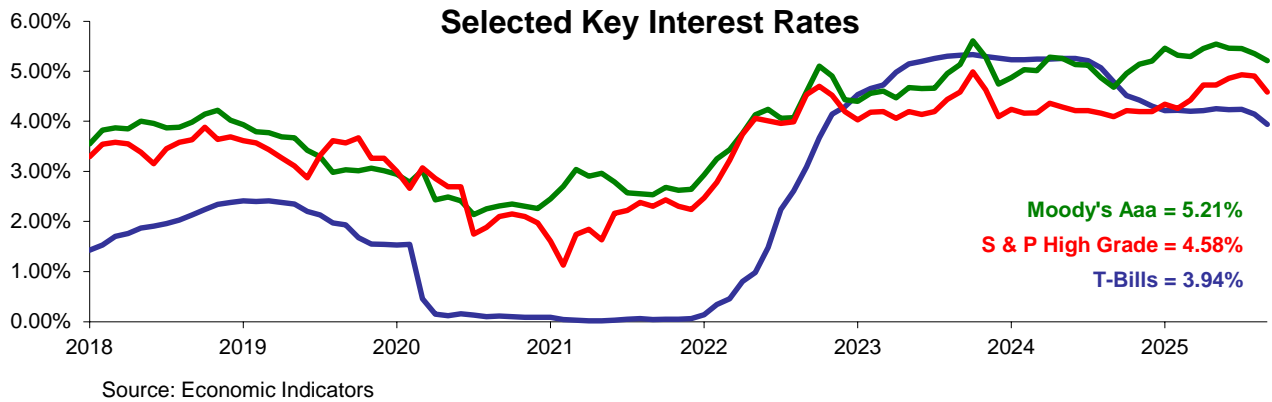
In August, the **U.S. unemployment rate** increased to 4.3 percent, 0.1 percentage points above July's rate, according to the most recent available data. Civilian employment increased 288,000 to 163.4 million. The number of unemployed increased 148,000 from July, to 7.4 million. The labor force participation rate rose to 62.3 percent, 1.0 percentage point below the pre-pandemic rate in February 2020.

The **Index of Consumer Sentiment** decreased to 55.1 in September, 3.1 index-points lower than the prior month. This month's decrease was broad-based, and seen across all ages, income, and education groups. Consumer sentiment is 15.0 index-points below the year-ago level.



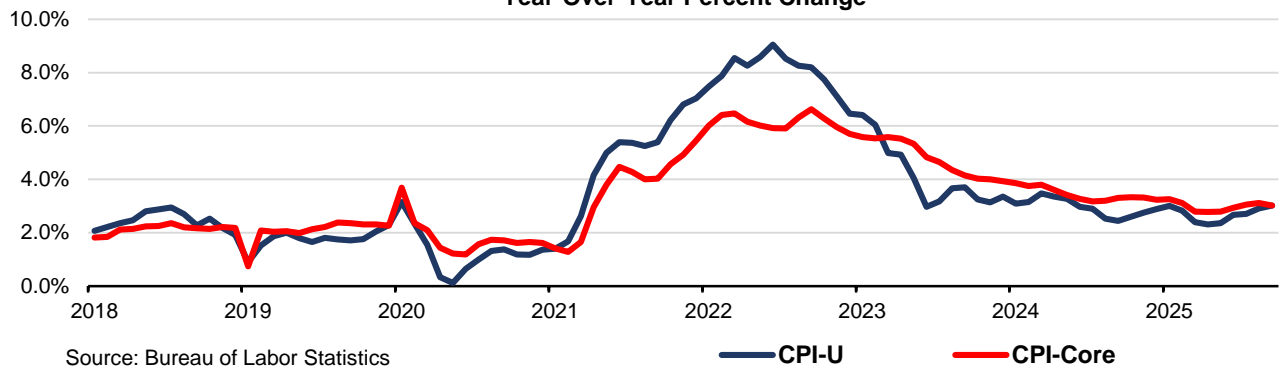
Source: University of Michigan, Survey Research Center

Short-term **interest rates** decreased by 20 basis points in September (where one basis point equals one-hundredth of one percent) to a 3-month Treasury bill (T-bill) rate of 3.94 percent. The T-bill rate is 85 basis points lower than the 4.79 percent rate in September 2024. The Aaa corporate bond rate decreased by 14 basis points in September to an interest rate of 5.21 percent, up 53 basis points from a year ago. The interest rate on S&P high-grade municipal bonds decreased to 4.58 percent in September, down 32 basis points from the prior month's rate, and 49 basis points higher than a year ago.



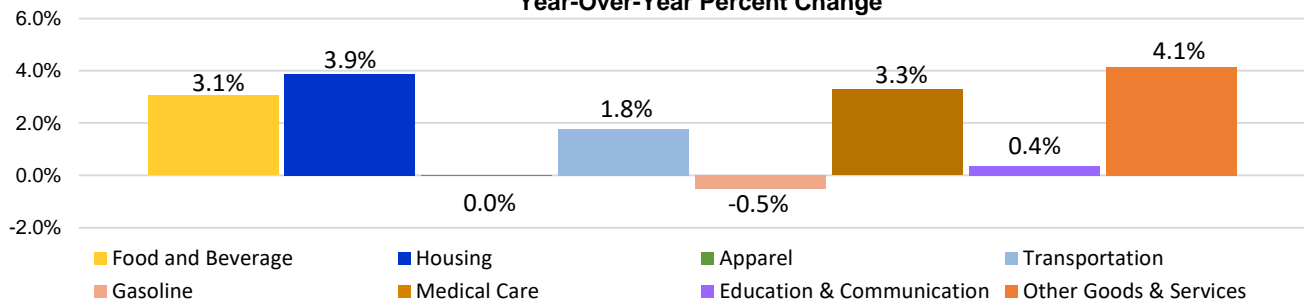
**U.S. retail prices**, as measured by the Consumer Price Index (CPI-U), increased 3.0 percent from September 2024 to September 2025, up 0.3 percentage points from August's rate. The Consumer Price Index-Core (CPI-Core) measures the change in all consumer items aside from food and energy prices. The CPI-Core rose 3.0 percent year-over-year in September, 0.3 percentage points higher than the prior month's rates. CPI-U and CPI-Core data are not seasonally adjusted.

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



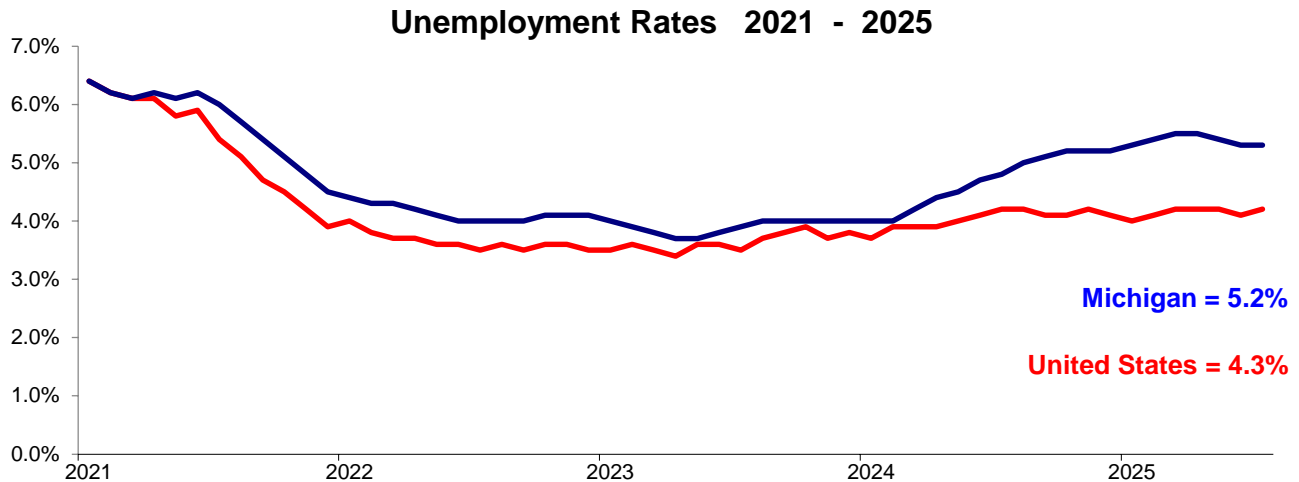
In September, other goods and services exhibited the largest year-over-year price increase at 4.1 percent, followed by housing with an increase of 3.9 percent, medical care with a 3.3 percent increase, and food and beverage with a 3.1 percent increase. Gasoline experienced a slight year-over-year price decline of 0.5 percent in September. These sector data are seasonally adjusted.

**Consumer Price Index, September 2025**  
Year-Over-Year Percent Change



## Michigan Economy

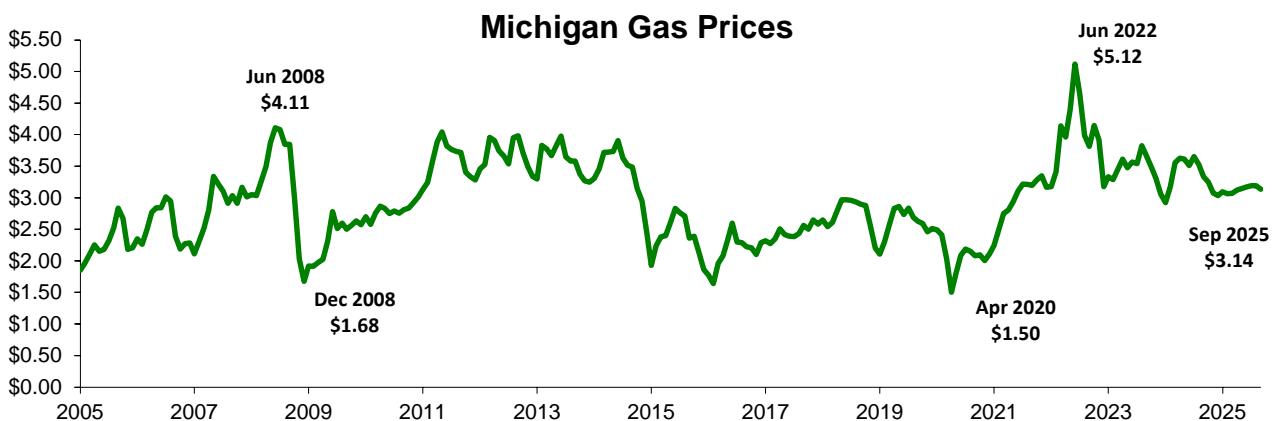
The **Michigan jobless rate** was 5.2 percent in August, down 0.1 percentage points from July, according to the most recent data released prior to the federal government shutdown. The national unemployment rate was 4.3 percent in August, 0.1 percentage points above the prior month's rate. Michigan's August unemployment rate is 0.2 percentage points higher than a year ago.



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

**Michigan wage and salary employment** increased by 5,000 in August from the prior month to a total of 4.5 million jobs, according to the most recent data available due to the federal government shutdown. Compared to last year, employment in August was up 44,000 jobs, or 1.0 percent from August 2024. The sectors with employment increases in August were professional and business services with a gain of 4,000 jobs, private education and health services with 2,000 additional jobs, while government, financial activities, leisure and hospitality, and trade, transportation and utilities services tied with an increase of 1,000 jobs each. Employment declines were observed in construction, and manufacturing services in August, with 2,000 fewer jobs in each sector.

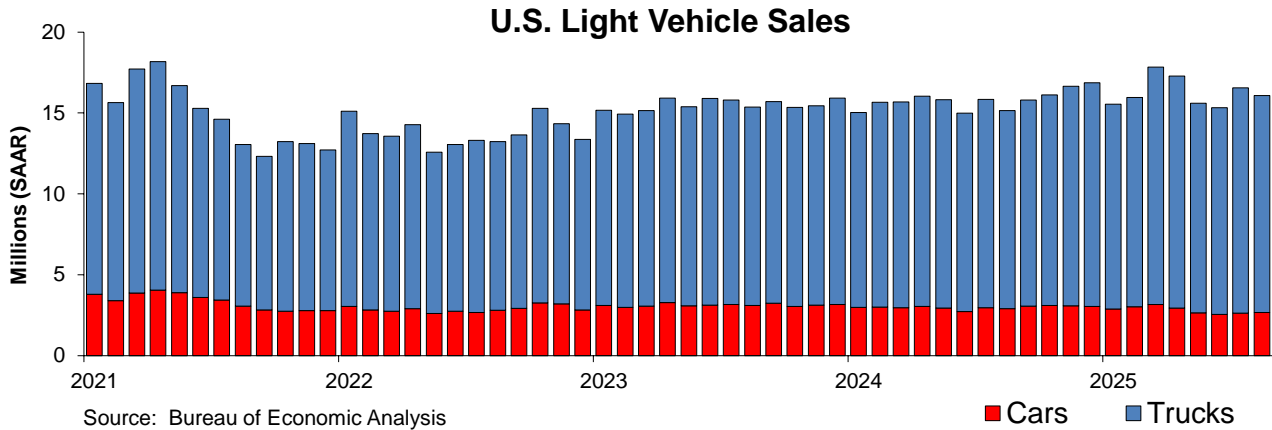
**Michigan gasoline prices** in September declined 5.5 cents to \$3.14 per gallon from the prior's month average. Year-over-year gasoline prices were 19.7 cents per gallon lower than in September 2024. Diesel prices were \$3.68 per gallon in September, 3.7 cents lower than August's average of \$3.72 per gallon. Diesel prices were down 2.0 cents per gallon from the September 2024 average price of \$3.70 per gallon.



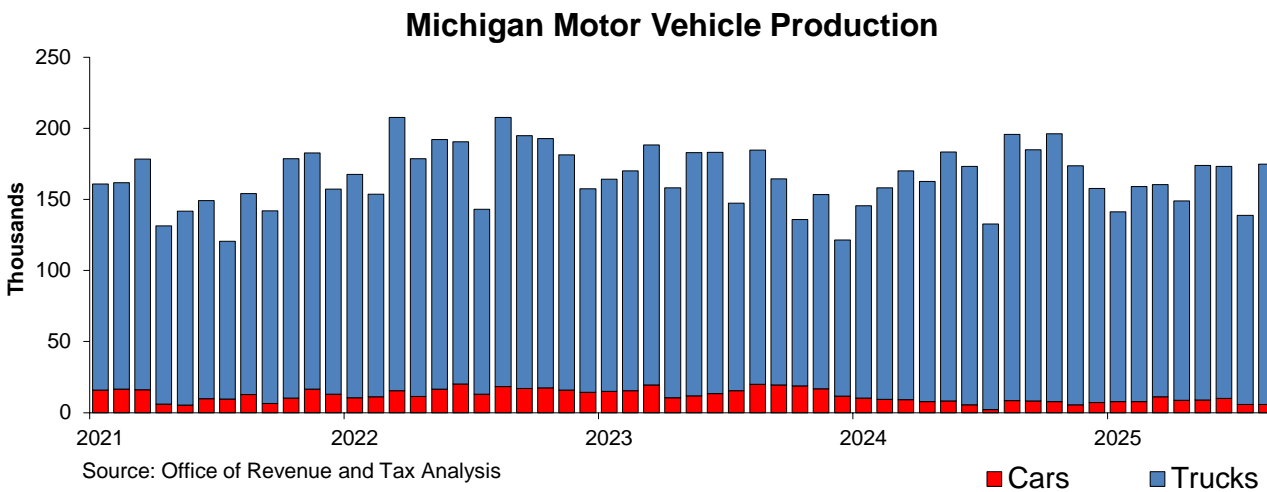
Source: AAA Michigan

## Motor Vehicle Sector

According to the most recent available data released by BEA prior to the federal government shutdown, **U.S. light vehicle sales** (cars and light trucks) decreased by 2.9 percent in August from July, selling at a 16.1 million unit seasonally adjusted annual rate. Domestic car sales increased 1.2 percent while light truck sales decreased 2.3 percent from July. Import car sales increased 3.8 percent while import light truck sales decreased 9.4 percent from July. Compared to August 2024, light vehicle sales were up 6.2 percent. Domestic car sales decreased 8.1 percent while light truck sales increased 12.5 percent from the year ago levels. August import car sales decreased 6.6 percent while import light truck sales decreased 1.5 percent from last year. Domestic light vehicles recorded a 78.1 percent share of August 2025 sales, up from the 76.1 percent share registered in August 2024.



**Michigan motor vehicle production** increased in September to 179,568 units, 2.8 percent higher than August's production, and 2.8 percent lower than its year ago level. Nationally, motor vehicle production decreased in September to 962,587 total units, or 1.8 percent lower than the prior month, but higher than its year ago level by 1.7 percent. From August to September, Michigan's car production increased from 5,699 units to 7,436, while the State's truck production increased from 168,993 units to 172,132. 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)**

	<b>Fiscal Year 2023-24 Actual</b>	<b>Fiscal Year 2024-25 Estimate</b>	<b>Fiscal Year 2025-26 Estimate</b>
Applicable Calendar Year Personal Income	\$572,325	\$613,719	\$641,085
Section 26 Base Ratio	9.49%	9.49%	9.49%
Revenue Limit	<u>\$54,313.6</u>	<u>\$58,241.9</u>	<u>\$60,839.0</u>
Revenue Limit	\$54,313.6	\$58,241.9	\$60,839.0
State Revenue Subject to Limit	<u>\$46,090.3</u>	<u>\$45,089.8</u>	<u>\$46,194.9</u>
<b>Amount Under (Over) Limit</b>	<b>\$8,223.4</b>	<b>\$13,152.1</b>	<b>\$14,644.1</b>

Sources:

Personal Income Estimate

The FY 2023-24 calculation uses the official personal income estimate from the Bureau of Economic Analysis  
The FY 2024-25 calculation uses the May 16, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the May 16, 2025 Consensus Revenue Agreement.

Revenue Subject to the Limit

The FY 2023-24 calculation uses the State of Michigan Statement of Revenue Subject to Constitutional Limitation - Legal Basis for the Fiscal Year Ended September 30, 2024  
The FY 2024-25 calculation uses the May 16, 2025 Consensus Revenue Agreement.  
The FY 2025-26 calculation uses the May 16, 2025 Consensus Revenue Agreement.

Column detail may not add to totals due to rounding

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