



MONTHLY REVENUE REPORT

AUGUST 2024

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted

General Fund



\$310.4 million

School Aid Fund



\$126.7 million

Michigan's major taxes and net lottery revenue totaled \$2.8 billion in August 2024, a 5.3% increase from August 2023. August 2024 collections were approximately \$12.4 million above the Senate Fiscal Agency's (SFA's) projection for the month, based on the consensus revenue estimates adopted in May 2024. Less-than-expected lottery revenue, individual income tax withholdings, use tax collections, and Corporate Income Tax (CIT) collections were more than offset by greater-than-expected sales tax, State Education Tax (SET), and Michigan Business Tax (MBT) collections.

General Fund tax collections were \$30.6 million below the expected level for August 2024, while School Aid Fund tax collections were \$34.9 million above the forecasted level. The remaining \$8.1 million in above-forecast collections was directed to other funds, most notably constitutional revenue sharing. Through August, fiscal year-to-date General Fund collections were \$310.4 million above, and School Aid Fund collections \$126.7 million above, the level expected based on the May 2024 consensus revenue estimates.

Net income tax revenue totaled \$965.2 million in August 2024, a 12.4% increase from August 2023, and \$28.5 million less than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 13.6% above the year-ago level but \$21.3 million less than the level expected based on SFA monthly estimates.

Sales tax receipts totaled \$971.9 million in August 2024, a 4.0% increase from the August 2023 level and \$55.7 million above the forecasted level. In contrast, use tax collections totaled \$231.3 million in August 2024, a 12.1% decrease from the August 2023 level and \$26.4 million below the predicted level. On a fiscal year-to-date basis, sales tax collections were down 1.1%, while use tax collections were up 3.0%. Sales tax collections from motor vehicles sales totaled \$145.1 million, the highest level on record and 7.4% above the level in August 2023.

Net revenue from the repealed Single Business Tax, MBT, and CIT totaled \$31.3 million, a 22.9% decrease from the August 2023 level and \$8.9 million more than expected. Michigan Business Tax collections totaled -\$1.3 million (i.e., refunds exceeded payments) but refunds were less than expected such that collections were \$28.5 million more (i.e., less negative) than forecasted. Each year, MBT revenue is dominated by several large refunds. When these refunds will be claimed and processed will significantly affect the accuracy of monthly MBT estimates. Net CIT collections were down 11.7% from August 2023 and \$19.7 million below the forecasted level.

State Education Tax collections for August 2024 were 14.9% above collections in August 2023 and \$26.2 million greater than expected. State Education Tax collections reflect when counties remit payments to the State, and most collections are received in September and October.

The table on the next page of this report identifies the major taxes included in this report and provides their respective revenue levels and growth rates for August 2024. Also presented are the revised consensus revenue estimates for fiscal year (FY) 2023-24, which were adopted at the May 2024 Consensus Revenue Estimating Conference.



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MICHIGAN REVENUE UPDATE (dollars in millions)							
Type of Revenue	August Collections		FY 2023-24 to Date ²		Year-to-Date Relative to Forecast	FY 2023-24 CREC Estimate ^{3,4)}	
	Total ¹⁾	% Change From Year Ago	Total ¹⁾	% Change From Year Ago		Total	% Change From FY 2022-23
Gross Individual Income Tax ⁵⁾	\$1,042.9	11.6%	\$13,389.9	3.1%	\$239.5	\$15,686.2	0.4%
Refunds ⁶⁾	(77.7)	2.4	(3,857.0)	31.9	45.5	(3,347.0)	2.1
Net Income Tax	965.2	12.4	9,532.8	(5.3)	285.0	12,339.2	(0.0)
Sales Tax	971.9	4.0	8,797.1	(1.1)	109.8	10,777.3	1.0
Motor Vehicles	145.1	7.4	1,121.4	(6.2)	----	----	----
All Other Sales Tax	826.8	3.4	7,675.7	(0.4)	----	----	----
Use Tax ⁷⁾	231.3	(12.1)	2,293.9	3.0	(44.4)	2,670.0	(1.4)
Tobacco Taxes	62.1	3.2	552.6	(7.4)	(13.0)	716.0	(0.7)
Corporate Income Tax	32.6	(11.7)	1,692.2	(3.2)	(43.1)	2,125.0	(3.8)
Michigan Business Tax	(1.3)	(134.6)	(340.8)	(26.8)	132.4	(494.6)	13.9
Insurance Tax	14.5	15.0	411.1	17.0	13.0	478.0	2.6
Essential Services Assessment	103.9	4.1	144.4	1.1	(3.4)	150.0	5.8
State Education Property Tax	238.4	14.9	792.2	3.8	1.1	2,710.0	5.9
Real Estate Transfer Tax	41.4	16.2	323.4	0.7	25.1	370.0	(4.9)
Wagering Taxes ⁸⁾	43.3	19.7	418.1	16.2	17.2	453.2	5.4
Oil & Gas Severance Tax	1.6	(32.2)	19.2	(15.5)	(2.9)	30.0	10.7
Other Taxes ⁹⁾	24.9	(2.4)	299.5	9.0	8.1	337.6	1.6
Total Taxes	\$2,730.0	5.9%	\$24,935.7	(1.5%)	\$484.7	\$32,661.8	0.3%
Lottery, Net to School Aid Fund ⁸⁾	86.0	(11.8)	1,137.7	(4.5)	(25.2)	1,300.0	(3.8)
Total	\$2,816.0	5.3%	\$26,073.4	(1.6%)	\$459.5	\$33,961.8	0.1%

- 1) Total collections are unadjusted cash collections unless otherwise noted.
- 2) FY 2023-24 year-to-date collections begin with November 2023 collections to reflect accrual accounting.
- 3) Year-to-date figures represent cash collections only, while the fiscal year estimate also includes accruals.
- 4) Consensus revenue estimates adopted at the May 17, 2024, Consensus Revenue Estimating Conference.
- 5) Includes payments made under the Flow-Through Entity Tax.
- 6) Monthly and Year-to-date collections include \$748.0 million in refunds expected to be paid during FY 2023-24 and already booked to FY 2022-23. These refunds are not included in the CREC estimate.
- 7) Includes both the State share and the local share (Local Community Stabilization Authority).
- 8) Lottery & casino revenue are not accrued, so FY 2023-24 collections will reflect October 2023 to September 2024.
- 9) Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

