



# MONTHLY REVENUE REPORT

## DECEMBER 2024

### Fiscal Year-to-Date Revenue Dashboard

#### Actual Revenue Compared to Predicted

General Fund



\$115.3 million

School Aid Fund



\$57.1 million

Michigan's major taxes and net lottery revenue totaled \$3.1 billion in December 2024, a 3.1% increase from December 2023. Based on the consensus revenue estimates adopted in May 2024, December tax collections were approximately \$45.5 million above the Senate Fiscal Agency's (SFA's) projection for the month. Greater-than-expected collections from Individual Income Tax (IIT) withholding and gaming revenue combined with less-than-expected Michigan Business Tax (MBT) refunds to more than offset less-than-expected collections from quarterly IIT payments, the State Education Tax, and the sales tax.

General Fund tax collections were \$81.3 million above the expected level for December, while School Aid Fund tax collections were \$44.1 million below the forecasted level. The remaining \$8.3 million in above-forecast collections was directed to other funds, most notably the Agricultural Equine Industry Development Fund. On a year-to-date basis, General Fund collections were \$115.3 million higher, while School Aid Fund collections were \$57.1 million higher, than the level expected based on the May 2024 consensus revenue estimates.

Net income tax revenue totaled \$1.4 billion in December 2024, a 14.0% increase from December 2023, and \$52.9 million more than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were up 13.4% from the year-ago level and \$54.7 million above the level expected based the SFA monthly estimates. Quarterly IIT payments were 19.3% higher than in December 2023 but \$12.7 million below the forecasted level. Individual income tax refunds were up 11.6% from December 2023 but \$2.1 million less than expected.

Sales tax receipts totaled \$899.5 million in December 2024, a 0.5% increase from the December 2023 level and \$36.1 million below forecast. Use tax collections totaled \$218.8 million in December 2023, an 11.2% decrease from a year ago and \$4.0 million below the forecast level. Sales tax collections from motor vehicles sales totaled \$105.1 million, down 1.4% from December 2023.

Net revenue from the repealed Single Business Tax, MBT, and Corporate Income Tax (CIT) totaled \$281.1 million, an 11.5% decrease from December 2023 but \$53.9 million above the expected level. Michigan Business Tax collections were negative \$19.9 million because refunds exceeded payments but were \$53.6 million less negative than expected. 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 totaled \$301.0 million in December 2024, down 8.3% from December 2023 and \$300,000 above the forecasted level.

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 December 2024. Also presented are the consensus revenue estimates for fiscal year 2024-25, which were adopted at the May 2024 Consensus Revenue Estimating Conference. The January 10, 2025, consensus revenue estimates will be used beginning with the January 2025 report.



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## DECEMBER 2024

<b>MICHIGAN REVENUE UPDATE</b> (dollars in millions)							
Type of Revenue	December Collections		FY 2024-25 to Date <sup>2</sup>		Year-to-Date Relative to Forecast	FY 2024-25 CREC Estimate <sup>3,4)</sup>	
	Total <sup>1)</sup>	% Change From Year Ago	Total <sup>1)</sup>	% Change From Year Ago		Total	% Change From FY 2023-24
Gross Individual Income Tax <sup>5)</sup>	\$1,464.6	13.9	\$2,583.6	12.3	\$65.2	\$16,292.2	3.7
Refunds	(40.2)	11.6	(90.9)	(0.5)	(6.1)	(3,251.7)	(2.0)
Net Income Tax	1,424.3	14.0	2,492.7	12.8	59.1	13,040.5	5.3
Sales Tax	899.5	0.5	1,742.9	(0.5)	(42.1)	10,588.8	1.0
Motor Vehicles	105.1	(1.4)	205.0	(3.5)	----	----	----
All Other Sales Tax	794.3	0.8	1,537.9	(0.0)	----	----	----
Use Tax <sup>6)</sup>	218.8	(11.2)	453.5	(2.5)	2.2	2,869.4	1.9
Tobacco Taxes	50.6	(6.5)	106.8	(3.6)	(4.9)	676.8	(2.1)
Corporate Income Tax	301.0	(8.3)	394.7	3.1	23.8	2,198.3	(1.2)
Michigan Business Tax	(19.9)	86.9	(47.4)	47.4	63.0	(503.4)	1.8
Insurance Tax	4.6	2.6	5.1	20.0	1.6	541.3	3.5
Essential Services Assessment	0.0	(27.2)	0.9	395.4	0.6	159.0	6.0
State Education Property Tax	43.8	7.1	469.5	25.8	70.5	2,812.6	3.6
Real Estate Transfer Tax	29.8	(9.6)	69.8	6.9	5.1	385.0	4.0
Wagering Taxes <sup>7)</sup>	49.6	22.5	97.3	27.3	26.3	499.0	4.1
Oil & Gas Severance Tax	0.7	(70.2)	2.6	(46.3)	(2.3)	28.0	3.7
Other Taxes <sup>8)</sup>	18.0	(10.5)	38.3	(27.4)	(12.9)	338.4	1.4
<b>Total Taxes</b>	<b>\$3,020.8</b>	<b>4.0</b>	<b>\$5,826.7</b>	<b>6.6</b>	<b>\$189.9</b>	<b>\$33,633.7</b>	<b>2.8</b>
Lottery, Net to School Aid Fund <sup>6)</sup>	106.8	(17.6)	311.8	(3.4)	3.0	1,270.0	(0.0)
<b>Total</b>	<b>\$3,127.6</b>	<b>3.1</b>	<b>\$6,138.5</b>	<b>6.5</b>	<b>\$192.9</b>	<b>\$34,903.7</b>	<b>2.7</b>

- 1) Total collections are unadjusted cash collections unless otherwise noted.
- 2) FY 2024-25 year-to-date collections begin with November 2024 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) Includes both the State share and the local share (Local Community Stabilization Authority).
- 7) Lottery & casino revenue are not accrued, so FY 2024-25 collections will reflect October 2024 to September 2025.
- 8) Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

