



# MONTHLY REVENUE REPORT

## FEBRUARY 2026

### Fiscal Year-to-Date Revenue Dashboard Actual Revenue Compared to Predicted

General Fund



\$268.5 million

School Aid Fund



\$56.5 million

Michigan's major taxes and net lottery revenue totaled \$1.6 billion in February 2026, a 23.1% increase from February 2025. February 2026 tax collections were approximately \$225.2 million above the Senate Fiscal Agency's (SFA's) projection for the month, based on the consensus revenue estimates adopted in January 2026. Less-than-expected Individual Income Tax (IIT) refunds and greater-than-expected IIT withholding more than offset less-than-expected collections from sales and use taxes.

General Fund tax collections were \$237.8 million above the expected level for February 2026, while School Aid Fund tax collections were \$16.4 million below the forecasted level. The remaining \$3.8 million in above-forecast collections was directed to other funds, most notably the Michigan Transportation Fund. Through February, fiscal year-to-date General Fund collections were \$268.5 million above, and School Aid Fund collections \$56.5 million above, the level expected based on the January 2026 consensus revenue estimates.

Net income tax revenue totaled \$383.0 million in February 2026, up from \$13.5 million in February 2025, and \$248.4 million more than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 8.8% above the year-ago level and \$87.0 million more than the level expected based on SFA monthly estimates. Individual income tax refunds totaled \$842.0 million, down 24.8% from the \$1.1 billion refunded in February 2025 and \$159.2 million less than expected, increasing net IIT revenue.

Sales and use tax collections totaled \$882.2 million in February 2026, an 8.1% decline from the February 2025 level and \$46.3 million below forecast. Sales tax collections were down 9.3% from February 2025 and \$19.0 million less than expected, while use tax collections were down 3.1% and \$27.3 million below the predicted level. Sales tax collections from motor vehicle sales were 1.0% above the February 2025 level.

Net revenue from Michigan Business Tax (MBT), Corporate Income Tax (CIT) and the repealed Single Business Tax totaled \$38.7 million, down 23.8% from February 2025 but \$15.4 million more than expected.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 were up 6.7% from February 2025 and \$9.6 million above the forecasted level.

Real estate transfer tax collections totaled \$25.1 million in February 2026, a 10.9% decrease from February 2025 and \$10.2 million less than predicted. On a fiscal year-to-date basis, collections were down 3.1% from the level in fiscal year (FY) 2024-25.

The table on the next page identifies the major taxes included in this report and provides their respective revenue levels and growth rates for February 2026. Also presented are the consensus revenue estimates for FY 2025-26, which were adopted at the January 2026 Consensus Revenue Estimating Conference.



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## FEBRUARY 2026

MICHIGAN REVENUE UPDATE (dollars in millions)							
Type of Revenue	February Collections		FY 2025-26 to Date <sup>2</sup>		Year-to-Date Relative to Forecast	FY 2025-26 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>	\$1,225.0	8.1	\$5,807.4	7.3	\$106.8	\$17,678.5	1.6
Refunds	(842.0)	(24.8)	(924.4)	(28.2)	217.4	(4,038.9)	(0.3)
Net Income Tax	383.0	2,743.1	4,883.0	18.4	324.2	13,639.6	2.2
Sales Tax	702.6	(9.3)	3,378.0	(3.5)	31.4	10,360.0	(4.1)
Motor Vehicles	91.8	1.0	389.7	(2.0)	---	---	---
All Other Sales Tax	610.8	(10.6)	2,988.3	(3.6)	---	---	---
Use Tax <sup>6)</sup>	179.6	(3.1)	932.5	7.1	28.1	2,800.0	3.1
Tobacco Taxes	43.9	(9.6)	196.9	(4.0)	0.9	611.0	(1.4)
Corporate Income Tax	57.2	6.7	556.1	(5.5)	(67.2)	2,078.0	12.2
Michigan Business Tax	(18.5)	537.9	(466.8)	11.5	0.3	(503.1)	17.2
Insurance Tax	43.8	34.6	164.2	8.8	19.2	540.0	2.5
Essential Services Assessment	0.5	257.6	1.2	(5.8)	0.7	163.0	4.3
State Education Property Tax	26.0	55.2	538.3	4.3	(8.3)	3,005.0	3.4
Real Estate Transfer Tax	25.1	(10.9)	135.0	(3.1)	(6.9)	460.0	4.5
Wagering Taxes <sup>7)</sup>	60.5	19.0	247.1	23.7	20.2	696.0	9.9
Oil & Gas Severance Tax	2.0	40.9	6.8	(8.3)	0.4	20.0	3.1
Other Taxes <sup>8)</sup>	15.2	(11.2)	111.0	34.7	(6.8)	374.4	(7.4)
<b>Total Taxes</b>	<b>\$1,520.9</b>	<b>24.7</b>	<b>\$10,683.2</b>	<b>7.2</b>	<b>\$336.0</b>	<b>\$34,244.0</b>	<b>(0.4)</b>
Lottery, Net to School Aid Fund <sup>6)</sup>	85.1	0.4	487.9	(1.7)	2.6	1,135.0	(2.9)
<b>Total</b>	<b>\$1,606.0</b>	<b>23.1</b>	<b>\$11,171.1</b>	<b>6.6</b>	<b>\$338.6</b>	<b>\$35,379.0</b>	<b>(0.5)</b>

- 1) Total collections are unadjusted cash collections unless otherwise noted.
- 2) FY 2025-26 year-to-date collections begin with November 2025 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 January 16, 2026, 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 2025-26 collections will reflect October 2025 to September 2026.
- 8) Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

