



MONTHLY REVENUE REPORT

JULY 2024

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted



Michigan's major taxes and net lottery revenue totaled \$3.0 billion in July 2024, up 3.4% from July 2023. July 2024 tax collections were approximately \$96.8 million above the Senate Fiscal Agency's projection for the month, based on the consensus revenue estimates adopted in May 2024. Greater-than-expected Individual Income Tax (IIT) withholding was offset by slightly-less-than-expected tax collections from most other major revenue sources.

General Fund tax collections were \$75.0 million above the expected level for July 2024, while School Aid Fund tax collections were \$21.2 million above the forecasted level. The remaining \$0.6 million in above-forecast collections were directed to other funds, most notably gaming related funds. Through July, fiscal year-to-date General Fund collections are \$341.0 million above, and School Aid Fund collections \$91.8 million above, the level expected based on the May 2024 consensus revenue estimates.

Net income tax revenue totaled \$1.1 billion in July 2024, a 5.0% increase from July 2023, and \$117.1 million more than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 2.1% above the year-ago level and \$116.5 million more than the level expected based on SFA monthly estimates. On a fiscal year-to-date basis, net IIT collections were down 6.9% in July 2024, but \$313.4 million above the expected level.

Sales tax receipts totaled \$940.8 million in July 2024, a 3.7% decrease from the July 2023 level and \$8.4 million below the forecasted level. In contrast, use tax collections totaled \$246.3 million in July 2023, an 18.6% increase from the July 2023 level but \$4.8 million below the predicted level. On a fiscal year-to-date basis, sales tax collections were down 1.7% while use tax collections were up 5.1%. Sales tax collections from motor vehicles sales totaled \$113.3 million, down 6.5% from the level in July 2023.

Net revenue from the repealed Single Business Tax, Michigan Business Tax (MBT), and Corporate Income Tax (CIT) totaled \$183.2 million, a 7.3% increase from the July 2023 level but \$12.0 million less than expected. MBT collections totaled \$18.9 million (payments exceeded refunds) and were \$33.3 million more than expected (refunds were expected to exceed collections). 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 2.2% from July 2023 and \$45.3 million below the forecasted level.

Real estate transfer tax collections totaled \$44.6 million in July 2024, \$9.7 above the expected level and the highest level since October 2022. On a fiscal year-to-date basis, real estate transfer tax collections were down 1.2% from the level in fiscal year 2022-23.

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 July 2024. Also presented are the revised consensus revenue estimates for 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	July 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 2021-22
Gross Individual Income Tax ⁵⁾	\$1,200.1	3.8%	\$12,347.0	2.4%	\$266.7	\$15,686.2	0.4%
Refunds ⁶⁾	(85.9)	(9.2)	(3,779.3)	32.7	46.7	(3,347.0)	2.1
Net Income Tax	1,114.2	5.0	8,567.7	(6.9)	313.4	12,339.2	(0.0)
Sales Tax	940.8	(3.7)	7,825.2	(1.7)	54.1	10,777.3	1.0
Motor Vehicles	113.3	(6.5)	976.2	(7.9)	---	---	---
All Other Sales Tax	827.5	(3.3)	6,848.9	(0.8)	---	---	---
Use Tax ⁷⁾	246.3	18.6	2,062.7	5.1	(18.1)	2,670.0	(1.4)
Tobacco Taxes	56.8	(14.4)	490.4	(8.6)	(9.8)	716.0	(0.7)
Corporate Income Tax	164.3	(2.2)	1,659.6	(3.0)	(23.4)	2,125.0	(3.8)
Michigan Business Tax	18.9	590.2	(339.6)	(27.7)	103.8	(494.6)	13.9
Insurance Tax	121.9	10.4	396.6	17.1	4.9	478.0	2.6
Essential Services Assessment	26.3	(10.5)	40.4	(6.0)	8.4	150.0	5.8
State Education Property Tax	11.9	115.7	553.8	(0.3)	(25.1)	2,710.0	5.9
Real Estate Transfer Tax	44.6	13.8	282.0	(1.2)	19.9	370.0	(4.9)
Wagering Taxes ⁸⁾	41.5	15.7	374.8	15.8	13.1	453.2	5.4
Oil & Gas Severance Tax	1.6	14.3	17.6	(13.6)	(2.2)	30.0	10.7
Other Taxes ⁹⁾	48.8	22.1	274.6	10.1	11.2	337.6	1.6
Total Taxes	\$2,837.7	3.4%	\$22,205.7	(2.3%)	\$450.3	\$32,661.8	0.3%
Lottery, Net to School Aid Fund ⁸⁾	113.3	2.8	1,051.7	(3.8)	(3.2)	1,300.0	(3.8)
Total	\$2,951.0	3.4%	\$23,257.4	(2.4%)	\$447.1	\$33,961.8	0.1%

- Total collections are unadjusted cash collections unless otherwise noted.
- FY 2023-24 year-to-date collections begin with November 2023 collections to reflect accrual accounting.
- Year-to-date figures represent cash collections only, while the fiscal year estimate also includes accruals.
- Consensus revenue estimates adopted at the May 17, 2024, Consensus Revenue Estimating Conference.
- Includes payments made under the Flow-Through Entity Tax.
- 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.
- Includes both the State share and the local share (Local Community Stabilization Authority).
- Lottery & casino revenue are not accrued, so FY 2023-24 collections will reflect October 2023 to September 2024.
- Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

