



MONTHLY REVENUE REPORT

JUNE 2024

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted

General Fund



\$266.0 million

School Aid Fund



\$70.6 million

Michigan's major taxes and net lottery revenue totaled \$3.0 billion in June 2024, a 0.2% decrease from June 2023. June 2024 tax collections were approximately \$100.5 million above the Senate Fiscal Agency's projection for the month, based on the consensus revenue estimates adopted in May 2024. The above-forecast collections reflected greater-than-expected payments under the Michigan Business Tax (MBT), the Flow-Through Entity Tax, and wagering taxes combining with less-than-expected IIT refunds to more than offset less-than-expected sales and use tax collections.

General Fund tax collections were \$110.1 million above the expected level for June 2024, while School Aid Fund tax collections were \$13.5 million below the forecasted level. The remaining \$3.9 million in above-forecast collections were directed to other funds, most notably the Agriculture Equine Industry Development Fund. Through June 2024, fiscal year-to-date General Fund collections are \$266.0 million above, and School Aid Fund collections \$70.6 million above, the level expected based on the May 2024 consensus revenue estimates.

Net income tax revenue totaled \$1.3 billion in June 2024, a 2.8% increase from June 2023, and \$93.4 million above the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 1.6% above the year-ago level and \$6.8 million more than the level expected based on SFA monthly estimates. Additionally, IIT refunds were \$22.6 million less than expected, increasing net IIT revenue, while payments under the Flow-Through Entity Tax were \$66.5 million above the predicted level.

Sales tax receipts totaled \$918.5 million in June 2024, a 5.0% increase from the June 2023 level but \$9.7 million below forecast. Use tax collections totaled \$236.2 million in June 2024, a 13.8% decrease from the June 2023 level and \$12.3 million below the predicted level. Sales tax collections from motor vehicles sales totaled \$84.2 million, down 36.1% from June 2023 and the lowest level since February 2021, as well as the first month since February 2023 to be less than \$100.0 million.

Net revenue from the repealed Single Business Tax, MBT, and Corporate Income Tax (CIT) totaled \$253.6 million, a 6.7% decrease from the June 2023 level but \$33.6 million more than expected. MBT collections totaled \$8.5 million (\$37.0 million above forecast, which predicted refunds would exceed payments). 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 9.4% from June 2023.

In June 2024, collections from wagering taxes (casino and online, but excluding lottery revenue) were 24.4% above the June 2023 level and \$5.7 million above the predicted level. Fiscal year-to-date collections from wagering taxes were 15.8% above the level in June 2023.

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 June 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	June 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⁾	\$1,439.6	4.2%	\$11,146.9	2.3%	\$147.5	\$15,686.2	0.4%
Refunds ⁶⁾	(122.4)	22.3	(3,693.4)	34.2	48.9	(3,347.0)	2.1
Net Income Tax	1,317.3	2.8	7,453.4	(8.5)	196.3	12,339.2	(0.0)
Sales Tax	918.5	5.0	6,884.4	(1.5)	62.4	10,777.3	1.0
Motor Vehicles	84.2	(36.1)	863.0	(8.1)	---	---	---
All Other Sales Tax	834.3	12.3	6,021.5	(0.4)	---	---	---
Use Tax ⁷⁾	236.2	(13.8)	1,816.4	3.5	(13.3)	2,670.0	(1.4)
Tobacco Taxes	60.6	(7.2)	433.7	(7.8)	(3.9)	716.0	(0.7)
Corporate Income Tax	245.1	(9.4)	1,495.2	(3.1)	21.9	2,125.0	(3.8)
Michigan Business Tax	8.5	628.1	(358.4)	(24.1)	70.5	(494.6)	13.9
Insurance Tax	3.0	(5.0)	274.7	20.3	7.1	478.0	2.6
Essential Services Assessment	7.5	(33.2)	14.1	3.7	6.8	150.0	5.8
State Education Property Tax	33.3	(22.8)	541.9	(1.5)	(13.7)	2,710.0	5.9
Real Estate Transfer Tax	33.2	6.5	237.4	(3.6)	10.1	370.0	(4.9)
Wagering Taxes ⁸⁾	44.4	24.4	333.4	15.8	9.3	453.2	5.4
Oil & Gas Severance Tax	1.6	(32.0)	16.0	(15.6)	(1.2)	30.0	10.7
Other Taxes ⁹⁾	29.1	53.1	225.8	7.8	3.6	337.6	1.6
Total Taxes	\$2,938.2	0.9%	\$19,368.0	(3.1%)	\$356.1	\$32,661.8	0.3%
Lottery, Net to School Aid Fund ⁸⁾	89.2	(26.5)	938.4	(4.6)	(5.8)	1,300.0	(3.8)
Total	\$3,027.4	(0.2%)	\$20,306.4	(3.1%)	\$350.3	\$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.

