



MONTHLY REVENUE REPORT

MARCH 2026

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted

General Fund



\$276.7 million

School Aid Fund



-\$71.1 million

Michigan's major taxes and net lottery revenue totaled \$1.8 billion in March 2026, down 11.0% from March 2025. March 2026 tax collections were approximately \$18.1 million below the Senate Fiscal Agency's (SFA's) projection for the month, based on the consensus revenue estimates adopted in January 2026. Less-than-expected Lottery, sales tax, and Corporate Income Tax (CIT) revenue combined with greater-than-expected Individual Income Tax (IIT) refunds to more than offset greater-than-expected IIT withholding and Flow-Through Entity Tax payments.

General Fund tax collections were \$25.7 million above the expected level for March 2026, while School Aid Fund tax collections were \$54.1 million below the forecasted level. The remaining \$10.3 million in above-forecast collections was directed to other funds, most notably to the Local Community Stabilization Authority and gaming-related funds. Through March, fiscal year-to-date General Fund collections were \$276.7 million above, and School Aid Fund collections were \$71.1 million below, the level expected based on the January 2026 consensus revenue estimates.

Net income tax revenue totaled \$503.9 million in March 2026, a 27.7% decrease from March 2025, but \$61.9 million more than forecasted. Withholding payments (which represented the majority of gross income tax revenue) were 4.0% above the year-ago level and \$33.3 million more than the level expected based on SFA monthly estimates. Individual income tax refunds totaled \$1.2 billion, up 35.6% from March 2025 and \$18.8 million greater than expected. The strong growth in withholding, combined with the marked decline in refunds, accounts for the strong year-over-year growth rate in net IIT revenue.

Sales and use tax collections tax collections totaled \$919.4 million in March 2026, a 4.4% decline from the March 2025 level and \$42.8 million below forecast. Sales tax collections were down 9.8% from March 2025, partially reflecting the exemption of motor fuel from the sales tax beginning in 2026, and \$47.1 million less than expected; while use tax collections were up 18.1% and \$4.3 million above the predicted level. Sales tax collections from motor vehicle sales were 0.5% below the March 2025 level.

Net revenue from the repealed Single Business Tax, Michigan Business Tax (MBT), and CIT totaled \$106.3 million, a 3.0% increase from the March 2025 level and \$2.2 million less than expected. Michigan Business Tax collections totaled -\$3.9 million but were \$10.9 million less negative than expected (the forecast expected refunds to 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. In contrast, CIT collections were down 4.2% from March 2025 and \$13.0 below the forecasted level.

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



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MICHIGAN REVENUE UPDATE (dollars in millions)							
Type of Revenue	March Collections		FY 2025-26 to Date ²		Year-to-Date Relative to Forecast	FY 2025-26 CREC Estimate ^{3,4)}	
	Total ¹⁾	% Change From Year Ago	Total ¹⁾	% Change From Year Ago		Total	% Change From FY 2024-25
Gross Individual Income Tax ⁵⁾	\$1,658.2	7.1	\$7,465.6	7.3	\$187.5	\$17,678.5	1.6
Refunds	(1,154.3)	35.6	(2,078.7)	(2.8)	198.5	(4,038.9)	(0.3)
Net Income Tax	503.9	(27.7)	5,386.8	11.8	386.1	13,639.6	2.2
Sales Tax	697.6	(9.8)	4,075.6	(4.6)	(64.1)	10,360.0	(4.1)
Motor Vehicles	123.0	(0.5)	512.6	(1.7)	---	---	---
All Other Sales Tax	574.6	(11.6)	3,562.9	(5.0)	---	---	---
Use Tax ⁶⁾	221.9	18.1	1,154.3	9.0	29.5	2,800.0	3.1
Tobacco Taxes	41.3	(1.1)	238.2	(3.5)	(2.3)	611.0	(1.4)
Corporate Income Tax	110.2	(4.2)	666.4	(5.3)	(80.3)	2,078.0	12.2
Michigan Business Tax	(3.9)	(66.9)	(470.7)	9.4	11.1	(503.1)	17.2
Insurance Tax	9.5	158.7	173.7	12.3	15.9	540.0	2.5
Essential Services Assessment	0.2	(23.1)	1.4	(9.1)	0.8	163.0	4.3
State Education Property Tax	20.7	(18.7)	559.0	3.3	(16.4)	3,005.0	3.4
Real Estate Transfer Tax	36.7	16.6	171.7	0.5	0.0	460.0	4.5
Wagering Taxes ⁷⁾	51.4	2.0	298.5	19.3	16.5	696.0	9.9
Oil & Gas Severance Tax	2.5	132.0	9.3	9.7	1.0	20.0	3.1
Other Taxes ⁸⁾	26.3	24.2	137.3	32.5	(12.7)	374.4	(7.4)
Total Taxes	\$1,718.3	(11.3)	\$12,401.4	4.2	\$285.1	\$34,244.0	(0.4)
Lottery, Net to School Aid Fund ⁶⁾	83.0	(3.1)	570.9	(1.9)	(16.0)	1,135.0	(2.9)
Total	\$1,801.2	(11.0)	\$12,972.3	3.8	\$269.1	\$35,379.0	(0.5)

- 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.

