



MONTHLY REVENUE REPORT

NOVEMBER 2023

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted

General Fund



-\$25.9 million

School Aid Fund



-\$41.6 million

Michigan's major taxes and net lottery revenue totaled \$2.6 billion in November 2023, up 0.3% from November 2022. Collections were approximately \$64.4 million below the Senate Fiscal Agency's projection for the month, based on the consensus revenue estimates adopted in May 2023. Less-than-expected sales tax collections and individual income tax withholding accounted for the amount by which collections fell short of the forecast. Because the State uses accrual accounting, November is the first month of tax collections for fiscal year (FY) 2023-24: most October 2023 tax revenue was accrued to FY 2022-23. Since November represents the first month of FY 2023-24 collections, the year-to-date totals are the same as the monthly figures for those taxes.

General Fund tax collections were \$25.9 million below the expected level for November 2023 and School Aid Fund tax collections were \$41.6 million below the forecasted level. The remaining \$3.1 million in above-forecast collections was directed to other funds, most notably to the Local Community Stabilization Authority.

Net income tax revenue totaled \$959.2 million in November 2023, a 10.4% increase from November 2022, but \$23.4 million less than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 5.0% above the year-ago level but \$28.7 million less than the expected level.

Sales tax receipts totaled \$856.5 million in November 2023, a 6.8% decrease from the November 2022 level and \$46.4 million below the forecasted level. In contrast, use tax collections totaled \$218.6 million in November 2023, a 3.7% increase from the November 2022 level and \$11.1 million above the predicted level. Sales tax collections from motor vehicles sales totaled \$105.9 million, the lowest level since February 2023, and down 6.5% from the level in November 2022.

Net revenue from the repealed Single Business Tax, Michigan Business Tax, and Corporate Income Tax (CIT) totaled \$33.4 million, a 72.1% increase from the November 2022 level and \$2.9 million more than expected. Net CIT collections were down 26.0% from November 2022 and were \$13.6 million below the forecasted level. These figures reflect a 137.5% increase in CIT refunds.

State Education Tax (SET) collections for November 2023 were 7.5% below collections in November 2022, but \$4.1 million more than expected. Deviations from forecast in SET collections generally reflect when counties remit payments to the State. Most SET collections are received in September through November. Over the September-November period, SET collections in 2023 were 7.1% above the level in 2022.

The table on the next page identifies the major taxes included in this report and provides their respective revenue levels and growth rates for November 2023. Also presented are the revised consensus revenue estimates for FY 2023-24, which were adopted at the May 2023 Consensus Revenue Estimating Conference.



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MICHIGAN REVENUE UPDATE (dollars in millions)							
Type of Revenue	November 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⁾	\$1,014.5	4.7	\$1,014.5	4.7	(\$13.8)	\$15,758.1	1.4
Refunds	(55.3)	(44.6)	(55.3)	(44.6)	(9.6)	(3,510.0)	24.9
Net Income Tax	959.2	10.4	959.2	10.4	(23.4)	12,248.1	(3.8)
Sales Tax	856.5	(6.8)	856.5	(6.8)	(46.4)	10,887.3	0.4
Motor Vehicles	105.9	(6.5)	105.9	(6.5)	---	---	---
All Other Sales Tax	750.6	(6.8)	750.6	(6.8)	---	---	---
Use Tax ⁶⁾	218.6	3.7	218.6	3.7	11.1	2,561.9	(0.0)
Tobacco Taxes	56.6	(2.8)	56.6	(2.8)	(4.5)	733.4	(1.4)
Corporate Income Tax	54.9	(26.0)	54.9	(26.0)	(13.6)	2,100.0	(2.8)
Michigan Business Tax	(21.5)	(60.8)	(21.5)	(60.8)	16.5	(509.7)	(3.3)
Insurance Tax	(0.2)	(184.7)	(0.2)	(184.7)	1.8	450.0	2.3
Essential Services Assessment	0.1	(68.3)	0.1	(68.3)	(0.1)	152.0	6.3
State Education Property Tax	332.5	(7.5)	332.5	(7.5)	4.1	2,737.9	5.0
Real Estate Transfer Tax	32.4	(18.3)	32.4	(18.3)	(3.1)	377.5	(3.2)
Wagering Taxes ⁷⁾	36.0	4.5	36.0	4.5	6.0	434.2	4.0
Oil & Gas Severance Tax	2.3	(30.6)	2.3	(30.6)	(0.4)	34.0	(2.9)
Other Taxes ⁸⁾	32.6	35.9	32.6	35.9	3.0	333.8	1.2
Total Taxes	\$2,559.9	0.9	\$2,559.9	0.9	(\$48.9)	\$32,540.5	(1.0)
Lottery, Net to School Aid Fund ⁶⁾	82.3	(15.9)	193.1	(9.8)	(15.5)	1,212.7	(0.6)
Total	\$2,642.2	0.3	\$2,753.0	0.3	(\$64.4)	\$33,753.2	(1.0)

- 1) Total collections are unadjusted cash collections unless otherwise noted.
- 2) FY 2023-24 year-to-date collections begin with November 2023 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 19, 2023, 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 2023-24 collections will reflect October 2023 to September 2024.
- 8) Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

