



MONTHLY REVENUE REPORT

SEPTEMBER 2024

Fiscal Year-to-Date Revenue Dashboard

Actual Revenue Compared to Predicted



Michigan's major taxes and net lottery revenue totaled \$3.7 billion in September 2024, up 1.7% from September 2023. Collections were approximately \$106.1 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 withholding and collections from the Corporate Income Tax (CIT) and the Flow-Through Entity Tax more than offset less-than-expected collections from the State Education Tax (SET) and the lottery. Although September marks the end of the fiscal year on a calendar basis, Michigan's use of accrual accounting means that from a revenue basis, the fiscal year largely runs through October collections (as noted in the second footnote of the table on the next page). As a result, the fiscal year-to-date totals in this report represent 11 months of collections.

General Fund tax collections were \$165.0 million above the expected level for September 2024, while School Aid Fund tax collections were \$60.0 million below the forecasted level. The remaining \$1.1 million in above-forecast collections was directed to other funds, most notably gaming-related funds. Through September 2024, fiscal year-to-date General Fund collections were \$475.4 million above, and School Aid Fund collections \$66.7 million above, the level expected based on the May 2024 consensus revenue estimates.

Net income tax revenue totaled \$1.6 billion in September 2024, a 20.2% increase from September 2023, and \$203.3 million above than the forecasted level. Withholding payments (which represented the majority of gross income tax revenue) were 20.6% above the year-ago level and \$134.3 million more than the expected level. The year-over-year increase in withholding collections represented the largest year-over-year increase on record going back to November 1990.

Sales tax receipts totaled \$897.8 million in September 2024, a 5.1% decrease from the September 2023 level and \$4.7 million below the forecasted level. In contrast, use tax collections totaled \$228.5 million in September 2024, an 11.6% increase from the September 2023 level but \$8.0 million below the predicted level.

Net revenue from the repealed Single Business Tax, Michigan Business Tax, and CIT totaled \$330.1 million, an 11.7% decrease from the September 2023 level but \$31.9 million more than expected. Net CIT collections were down 7.8% from September 2023 but \$42.2 million above the forecasted level.

State Education Tax collections for September 2023 were 18.6% below collections in September 2023, and \$86.2 million less than expected. Deviations from forecast in SET collections generally reflect when counties remit payments to the State. The majority of SET collections are received in September and October.

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 September 2024. Also presented are the revised consensus revenue estimates for fiscal year 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	September 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 2022-23
Gross Individual Income Tax ⁵⁾	\$1,612.2	16.4%	\$15,002.0	4.4%	\$445.9	\$15,686.2	0.4%
Refunds ⁶⁾	(60.4)	(35.4)	(3,917.5)	29.8	42.4	(3,347.0)	2.1
Net Income Tax	1,551.7	20.2	11,084.5	(2.4)	488.3	12,339.2	(0.0)
Sales Tax	897.8	(5.1)	9,694.9	(1.5)	105.1	10,777.3	1.0
Motor Vehicles	107.5	(9.8)	1,228.9	(6.5)	---	---	---
All Other Sales Tax	790.3	(4.4)	8,466.0	(0.7)	---	---	---
Use Tax ⁷⁾	228.5	11.6	2,522.4	3.8	(52.5)	2,670.0	(1.4)
Tobacco Taxes	57.3	(10.0)	609.9	(7.6)	(20.3)	716.0	(0.7)
Corporate Income Tax	340.8	(7.8)	2,032.9	(4.0)	(0.8)	2,125.0	(3.8)
Michigan Business Tax	(10.6)	(330.2)	(351.5)	(23.8)	122.0	(494.6)	13.9
Insurance Tax	4.5	126.9	415.6	17.6	13.3	478.0	2.6
Essential Services Assessment	1.5	205.7	145.9	1.8	(3.5)	150.0	5.8
State Education Property Tax	479.7	(18.6)	1,271.9	(6.0)	(85.1)	2,710.0	5.9
Real Estate Transfer Tax	35.3	(0.3)	358.7	0.6	25.1	370.0	(4.9)
Wagering Taxes ⁸⁾	42.9	22.2	461.0	16.7	21.9	453.2	5.4
Oil & Gas Severance Tax	1.8	(19.8)	21.0	(15.9)	(3.6)	30.0	10.7
Other Taxes ⁹⁾	23.0	(14.3)	322.5	6.9	(3.3)	337.6	1.6
Total Taxes	\$3,654.0	2.3%	\$28,589.7	(1.0%)	\$606.6	\$32,661.8	0.3%
Lottery, Net to School Aid Fund ⁸⁾	91.4	(18.2)	1,229.1	(5.7)	(40.9)	1,300.0	(3.8)
Total	\$3,745.4	1.7%	\$29,818.8	(1.2%)	\$565.7	\$33,961.8	0.1%

- 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 17, 2024, Consensus Revenue Estimating Conference.
- 5) Includes payments made under the Flow-Through Entity Tax.
- 6) 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.
- 7) Includes both the State share and the local share (Local Community Stabilization Authority).
- 8) Lottery & casino revenue are not accrued, so FY 2023-24 collections will reflect October 2023 to September 2024.
- 9) Other Taxes include beer, wine, liquor, SBT, industrial facilities, utility property, estate taxes, and tax penalties & interest.

