



Michigan ECONOMIC BULLETIN

The Good News

Continuing as one of the economy's strong points, **motor vehicle production** was up 11.9 percent in June; car production rose 14.2 percent and truck production, 8.6 percent. The Big Three have all racked up good year-to-date production gains; Ford, 19.4 percent, Chrysler, 14.2 percent, and GM, 9.8 percent.

Motor vehicle sales posted a 10.1 percent increase in June, the largest monthly gain this year. Truck sales increased a robust 17 percent, and car sales rose 6.9 percent. The annual sales rate of 14 million units was higher than any month in 1992 or 1991. Sales of Big Three-produced motor vehicles rose 12.8 percent, while sales of Japanese models increased only 2 percent.

Reacting to continuing economic malaise, the Federal Reserve moved to lower **interest rates** by cutting the discount rate (the rate the Fed charges member banks for loans) from 3.5 to 3 percent, the lowest rate since 1963. In response, many large banks reduced their prime rate, from 6.5 to 6 percent. The Fed is banking that the cuts will stimulate housing, construction, and business investment.

prices—as measured by the **Detroit-Ann Arbor CPI**—rose at a meager 1.8-percent annual rate in June from the figure posted in April (the state figure is issued every other month). The increase was the smallest recorded among the metropolitan areas covered this month. **Producer prices**—generally an indicator of future consumer price increases—increased by only 2.4 percent during the month; excluding food and energy, wholesale prices *fell* by 1.2 percent (annual rate), the first decline in the figure since 1987.

Weekly earnings of private sector workers declined an inflation-adjusted one percent in June; earnings are down by the same amount for the previous twelve months.

Despite the June surge in auto sales, **retail sales** rose only 0.5 percent during the month, an indicator of continued consumer apprehension about the economy.

Michigan's unemployment rate rose to 8.8 percent in June from May's rate of 8.6 percent. Contributing to the rise was an increase in the number of unemployed as well as a decline in the number of people working.

Driven by a 117,000 decline in payroll employment, the **national unemployment rate** rose to 7.8 percent in June from May's 7.5 percent.

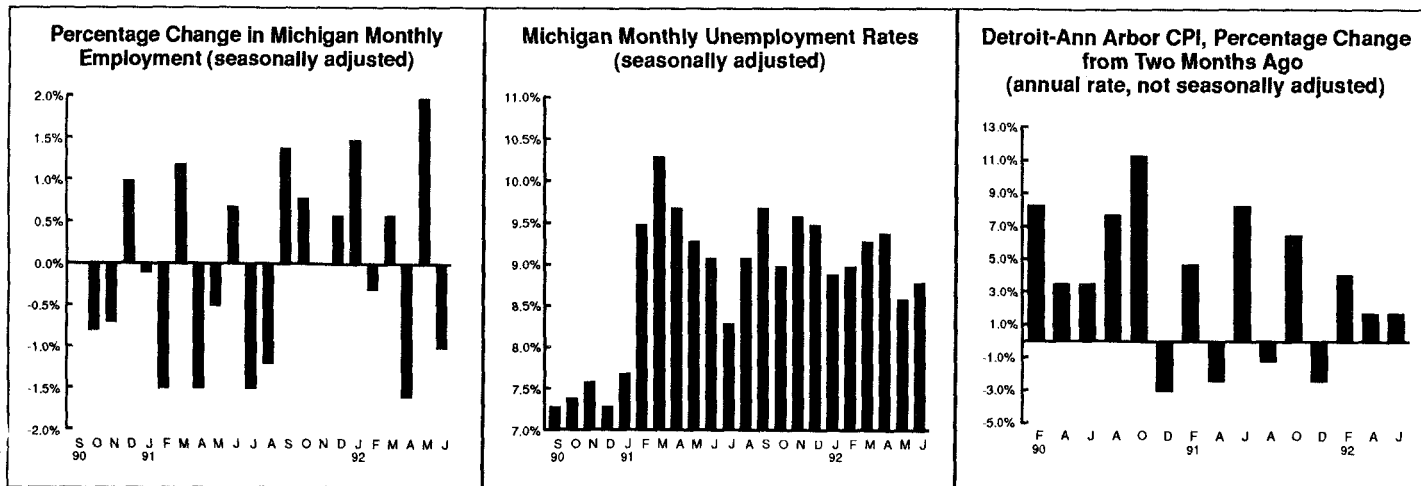
The Bad News

An indicator of continuing low consumer demand, only minimal increases in inflation were posted in June. **U.S. consumer prices** rose at an annual rate of only 3.6 percent; excluding the volatile food and energy components, the monthly gain was only 2.4 percent. In Michigan, consumer

IN THIS ISSUE

Ten-Year Trend in State Health-Related Spending	p. 2
State Budget, Tax-Related Court Decisions	p. 3
Publications of Interest	p. 3
Michigan Revenue Report	p. 4
SPECIAL INSERT: REGIONAL ECONOMIC FORECAST	

MICHIGAN ECONOMIC INDICATORS



SOURCE: Bureau of Labor Statistics.

Ten-Year Trend in State Health Related Spending

by Katie Slade

According to data from the House Fiscal Agency, *The House Alternative to the Fiscal Year 1992-93 State of Michigan Budget*, Michigan's total state health-related expenditures during the past ten years have risen substantially. Between FY 1980-81 and FY 1990-91 total health-related expenditures rose 129.7 percent, while the share of Michigan's total state budget devoted to health care rose from 20.8 percent in to 26.1 percent. (See Exhibit 1.) Those public programs most commonly associated with state funding for health care, however, have posted the lowest percentage gains: Combined state mental and public health spending, for example, rose the least during the period, increasing 93.8 percent (from \$898.2 million to \$1,740.8 million). Although Medicaid/General Assistance-Medical experienced the largest dollar increase (\$1,305.8 million), spending for those programs rose by slightly less (128 percent) than the state average for all health expenditures combined. (See Exhibit 2.)

Other less visible health programs have grown at a much faster pace. Spending for state employees' health insurance grew 269.3 percent in the past ten years, from \$70.7 million in FY 1980-81 to \$261.1 million in FY 1990-91. The \$161.8-million rise in spending for public school employees health insurance represents an 801 percent increase. Although the budget for state retirees health insurance is significantly lower (in dollar terms) than that for other health areas (\$76.9 million), it still experienced a 646.6-percent increase. Similarly, the \$75.3-million in-

crease in health spending for the Department of Corrections constituted a 402.7 percent rise. (See Exhibit 3.)

In looking at ways to control state health expenditures, health policy makers must not only consider the largest programs but also smaller programs whose expenditures are rising most rapidly.

EXHIBIT 2

State Health Expenditures: Mental/Public Health and Medicaid/GA-Medical (dollars in millions)

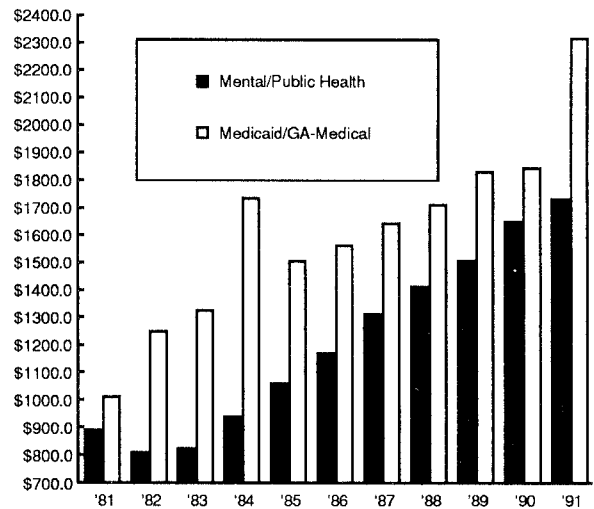


EXHIBIT 1

State Health Expenditures, Amount and Percentage of Total State Budget, FY 1981 to FY 1991 (dollars in millions)

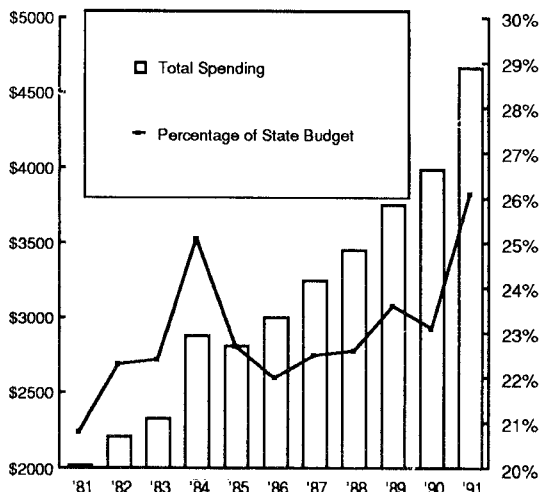
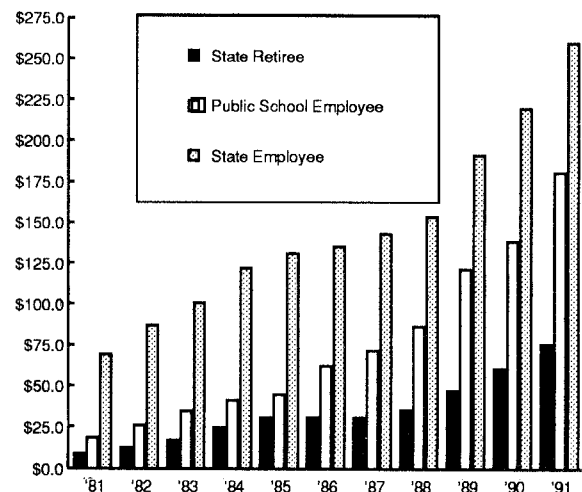


EXHIBIT 3

State Health Expenditures: Public School Employee, State Employee, and State Retiree Health Insurance (dollars in millions)



Regional Economic Forecast

U.S. economic growth in the second quarter of the year is expected to have been half that of the first quarter (1.4 percent); we expect third-quarter expansion to match the second-quarter rate and 3.1-percent growth in the year's last quarter. For 1992 as a whole this translates into a 1.8-percent increase in gross domestic product (GDP). A 3.2-percent rate is forecast for 1993.

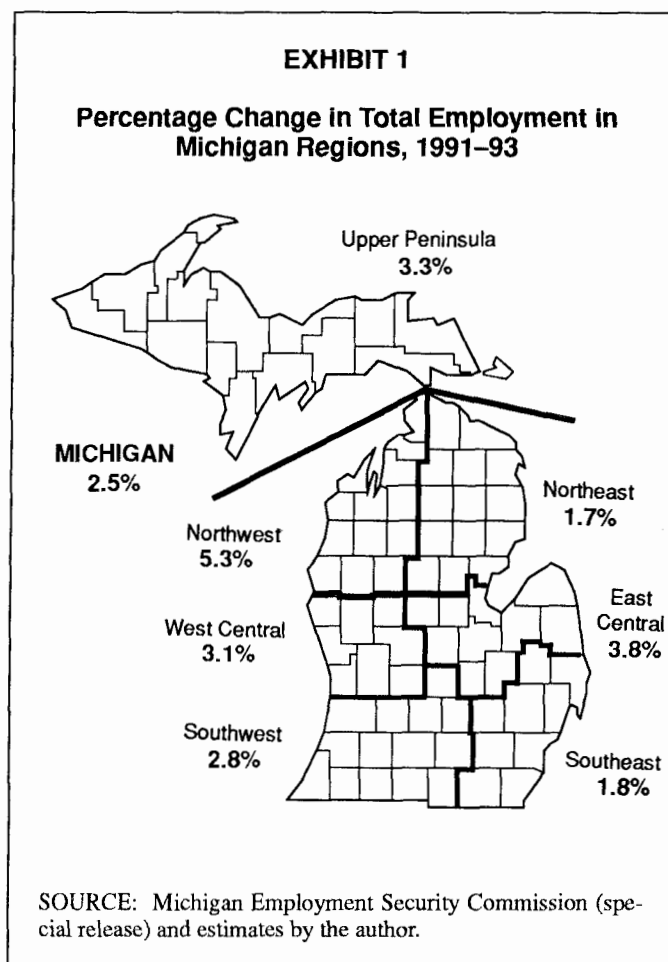
The automotive industries have shown considerably more bounce than the overall U.S. economy. Domestic makes are gaining ground at the expense of imports, resulting in states with a heavy emphasis on these industries doing well compared with the nation as a whole. Michigan, however, has been hampered by plant closings as well as cuts in the white-collar ranks at General Motors. Even so, automotive employment is one of the few growth sectors in the state's economy this year.

As matters now stand, prospects for 1993 are much better, with regional forecasts predicting Michigan total wage and salary employment will grow at 2-percent and 1.9-percent rates, respectively. Exhibit 1 provides forecasts for employment growth for each of the regions for the 1991-93 period. (At this writing, employment and job data are available for each of the state's labor markets for only for the first five months of the year, while statewide employment data are available through June 1992.¹ The job figures cited below are for wage and salary employment.)

Because events in the southeast region are responsible in large part for the torpid state recovery, the analyses that follow focus on that region. The southwest region has been next slowest to recover. In other words, southern Michigan is experiencing the greatest strains in adjusting its economic base to meet the markets of the 1990s.

SOUTHEAST MICHIGAN Improved sales prospects for domestic cars and trucks are providing the main impetus for this nine-county region. In addition, Chrysler Corporation has opened its new assembly plant on Detroit's east side. This plant, which produces Chrysler's new line of Jeep vehicles (which are classified as trucks), replaces an eighty-year-old factory nearby.

¹ The latter number can differ from the former due to differences in coverage as well as definitions. A person holding two jobs, for example, is counted twice in the wage and salary count and once in the employment count. Consequently, the job total will decline if a person loses a second job, but the employment figure will not change. There also can be disparities in the two totals as a result of sampling variability, as job statistics are based on employer surveys while employment data are developed from household surveys.



Besides being the center of automotive assembly, this region also is the heart of North America's components manufacturing industries. Consequently, stampings, forgings, plastics, glass, interior trim, and other supplier plants have experienced rebounds in production and employment.

Downside factors in the automotive employment forecast are the July 1992 closing of an engine plant in Pontiac and the July 1993 closing of an automotive assembly plant in Ypsilanti. General Motors also continues to downsize its overall white-collar work force.

Beyond automotive, Michigan's machinery industries still exhibit no evidence of recovery. As a result of the depressed condition of construction activity both here and nationally, steel production and fabrication of structural steel products also are still in recession. Durable goods manufacturing in the southeast is expected to add about 9,000 jobs in 1992 and another 9,000 in 1993.

Besides production of interior automotive trim (classified as textiles), package producers, food processors, and printers are having a good year. Employment at newspapers and in chemical plants, however, have been declining. In total, manufacturers of nondurable items are expected to show employment gains of about 800 in both 1992 and 1993.

Construction and mining industries are expected to have about 2,700 fewer workers in 1992 than in 1991; a recovery in 1993 will leave employment slightly below the 1991 level and 10,000 short of the 1989 figure. That year marked the recent peak for mining and construction, when employment totaled 73,000; regional manufacturing also peaked in 1989, at 509,900. The 1993 level of manufacturing employment is forecast to be 20,000 below that figure, or 489,900.

The 30,000 jobs lost in the region's goods producing industries are not likely to be recovered in the foreseeable future.

In the transportation, communication, and public utilities sector, employment peaked in 1990, slipped in 1991, and slipped again this year. We expect the sector to recover to the 1990 employment level during 1993.

Retailing employment peaked in 1990 at 388,000 jobs, dropped by 11,000 during 1991, and is expected to decline by another 10,000 this year. Restaurants, department stores, and grocery stores have been severely affected by the recession, with employment at the latter further depressed by the Kroger work stoppage. The news was better at car dealerships and appliance stores where employment has improved this year. For 1993 retail employment is expected to be at the 1991 level.

Wholesalers cut their work forces by 3,000 in 1991 and in 1992. For 1993 recovery is expected to reach a level just shy of the 1990 figure of about 117,600.

Once upon a time services could be counted on through thick and thin for job growth. Even during the very depressed 1982 recession, services added about 2,500 jobs. Employment in services declined by 12,000 in 1991, however, from their 1990 record level of 558,000. The decline continued through the first five months of 1992, although at a much reduced rate. Accounting, engineering, architectural, computer and data processing, the legal professions, and most other business services have been among the losers; the lodgings industry, motion pictures, repair services, garment cleaners, barber shops, and beauty shops also posted employment losses. Advertising is holding its own. Gainers include the health professions, private education and social services, and recreation services.

Services employment is expected to improve somewhat in the second half of 1992, about even with the 1991 employment level. With a stronger economy in 1993, services are forecast to add 10,000 employees, bringing

employment to about 2,500 fewer jobs than the 1990 record level.

Government employment in this region peaked in 1990 at about 296,500 jobs, declined by 1,000 jobs during 1991, and by another 2,000 this year. A further loss of about 1,000 is expected for 1993. State and federal governments are shrinking while local units are growing.

The other broad employment category—finance, insurance, and real estate—experienced modest employment losses in both 1991 and 1992. The 1993 level, while improved from 1992 and 1991, still will be 3,000 below that of 1990.

The net result is a loss of about 10,000 nonfarm wage and salary jobs in 1992 as compared with 1991. A job gain of 40,000 is predicted for 1993. The 1993 job level will be about 36,000 short of that for 1990.

Outlook Total employment has declined from 2,218,300 in 1989 to 2,109,000 last year, a level that is expected to be maintained in 1992. The 1993 employment level is forecast at 2,146,000. Actual and projected unemployment rates are 6.9 percent (1989), 7.3 percent (1990), 9.1 percent (1991), 8.9 percent (1992), and 7.6 percent (1993). (See Exhibit 2.)

EXHIBIT 2		
Forecast: Southeast		
	1992	1993
Employment (% change)	0.0%	1.8%
Unemployment rate	8.9	7.6
Overall	↓	▲

SOUTHWEST After the Upper Peninsula, this region is most dependent on the government sector for employment; in 1991 public sector jobs accounted for 20 percent of total civilian employment. The region contains Lansing (home to state government), East Lansing (Michigan State University), and Kalamazoo (Western Michigan University). Government employment is declining in this region as well as in all but one of the state's seven regions.

Manufacturing of both durable and nondurable goods shows signs of healthy recovery this year and continued growth in 1993. Construction activity will be further depressed in 1992, with modest employment gains expected in 1993.

This region is experiencing very modest growth in retail employment this year, although next year holds the promise of better times. For all of 1993 retail trade is expected to reach a new record job level of 115,200, compared with the 1990 record of 114,700. Other sectors expected to exceed slightly the 1990 peak are wholesale trade and transportation, communication, and public utilities. Services are growing again after a slight pause in

1991, while finance, insurance, and real estate employment has continued its modest growth through the recession.

Outlook Total employment declined from the 1989 level of 726,000 to 703,000 in 1991. Employment is expected to reach 711,000 this year and 722,000 in 1993. Following unemployment rates of 6.3 percent in 1989, 6.8 percent in 1990, and 8 percent in 1991, we forecast future rates of 7.7 percent in 1992 and 6.9 percent in 1993 for the region. (See Exhibit 3.)

EXHIBIT 3		
Forecast: Southwest		
	1992	1993
Employment (% change)	2.1%	1.5%
Unemployment rate	7.7	6.9
Overall	▼	▲

WEST CENTRAL Layoffs in the vital office furniture and fixtures industry are responsible for this region's economic distress. Employment at machinery manufacturers and at food processors also is down from 1991 levels. Employment in industries associated with vehicle production, however, is on the upswing. Despite gains expected in 1993, manufacturing activity in this region will fall short of the 1990 level. Here as in other industrialized regions construction is depressed and not expected to add workers until 1993.

Retailing, which slipped marginally in 1991, has improved this year and is forecast to exhibit sizeable growth in 1993. The transportation, communication, and public utilities sector is expected to post 1992 employment just shy of the 1991 level and to resume growth in 1993. Wholesaling, along with finance, insurance, and real estate, grew steadily through the recession, albeit at slow, prerecession rates; that same, slow rate of increase is expected to continue in 1993. Rapid expansion in the services sector, along with gains in retailing, will provide the economic impetus for this region's growth in 1993.

Outlook Total employment increased from 498,000 in 1989 to 502,000 in 1990 before sliding to 496,000 last year. This year's employment level is forecast at 500,000, while 511,000 jobs are predicted for 1993. After posting unemployment rates of 6.3 percent in 1989, 7.2 percent in 1990, and 8.6 percent in 1991, we expect regional rates of 8.7 percent in 1992 and 7.6 percent in 1993. (See Exhibit 4.)

EXHIBIT 4		
Forecast: West Central		
	1992	1993
Employment (% change)	0.8%	2.2%
Unemployment rate	8.7	7.6
Overall	▼	▲

EAST CENTRAL Flint-Saginaw and their hinterlands owe their primary economic stimulus to growth in services. Another plus is chemical production. (Dow Chemical, one of the nation's leading exporters, is headquartered in Midland.) The automotive industry, primarily General Motors factories, also is expected to contribute to job gains, particularly in 1993. Employment in nondurable goods manufacturing has increased through the recession at a slow, regular pace and is expected to continue to grow in 1993. The same is true for wholesale trade and for the transportation, communication, and public utilities sector.

Finance, insurance, and real estate slipped in 1992 and will revive in 1993, with an employment level just shy of the 1989 record. After a sizeable drop in 1991, construction slipped in 1992. In 1993 the employment level in the building industries is expected to return to its 1991 level. Retail employment peaked in 1990 and declined in both 1991 and 1992; recovery in 1993, however, will restore nearly all of the jobs lost during the past two years.

Other than the northeast lower peninsula, government employment declined more rapidly here than elsewhere in the state. Fortunately, this region is not heavily dependent on the government sector for jobs.

Outlook Total employment was stable between 1989 and 1990 at a level of 473,000; the 1991 figure was 464,000. There will be some improvement this year (467,000), and growth is expected to push employment to 481,000 in 1993. Unemployment rates have been 8.6 percent in 1989, 8.7 percent in 1990, and 10.6 percent in 1991; we predict future rates of 9.9 percent in 1992 and 8 percent in 1993. (See Exhibit 5.)

EXHIBIT 5		
Forecast: East Central		
	1992	1993
Employment (% change)	0.6%	3.0%
Unemployment rate	9.9	8.0
Overall	▲	▲

NORTHEAST LOWER PENINSULA The fortunes of this region—smallest in terms of employment—are dominated by the closure next year of Wurtsmith Air Force Base. The closing will have a decided effect on retailing and services, although both sectors are expected to exhibit some job gains notwithstanding the loss of the military installation.

The region also has been hard hit of late by factory closings. Some recovery in manufacturing, plus tourism and growth in health care industries, are expected to provide enough stimulus to result in modest overall employment gains.

Outlook Total employment stood at 96,600 in 1989 and 99,600 in 1990, making this the fastest growing among

the seven regions at the turn of the decade. Recession reduced that figure to 98,100 in 1991, while this year's level is expected to average 99,000. We expect employment in 1993 of 99,800. Actual and projected unemployment rates are 9.8 percent in 1989, 9.8 percent in 1990, 12.1 percent in 1991, 13.2 percent in 1992, and 13.5 percent in 1993. Unemployment would be greater except for fact that most federal employees and their dependents will leave the area when Wurtsmith closes. (See Exhibit 6.)

EXHIBIT 6		
Forecast: Northeast Lower Peninsula		
	1992	1993
Employment (% change)	0.9%	3.8%
Unemployment rate	13.2	13.5
Overall	↓	↓

NORTHWEST LOWER PENINSULA This is the state's premier growth region, notwithstanding serious erosion in its manufacturing base and a pause in its construction boom in 1991 and 1992. Retail trade and services provide the area's main economic impetus. Besides being Michigan's playground, this area attracts high tech business services due to its serenity and other amenities lacking in the busy industrial centers of southern Michigan and northern Ohio, Indiana, and Illinois.

Wholesale trade; finance, insurance, and real estate; and transportation, communication, and public utilities, like retail trade and services, continued to grow right through the recession, albeit at reduced rates. Government employment is expected to set another new record in 1993 as local units expand their staffs to meet the needs of the growing economy. A new state prison at Manistee also has added to government payrolls.

Outlook Employment levels were 126,500 in 1989, 128,700 in 1990, and 127,400 last year, making this the region the least affected by the recession. This year's level is expected to average 130,600 and the forecast for 1993 is 134,200. Unemployment rates of 9.1 percent, 9.2 percent, and 11 percent were posted in 1989, 1990, and 1991, respectively; we forecast rates of 11.3 percent for 1992 and 10.1 percent in 1993. The rates here are higher than might be expected, in part, due to the influx of people looking for jobs. (See Exhibit 7.)

EXHIBIT 7		
Forecast: Northwest Lower Peninsula		
	1992	1993
Employment (% change)	2.5%	2.8%
Unemployment rate	11.3	10.1
Overall	▲	▲

UPPER PENINSULA Three state universities, an Air Force base, the Corps of Engineers responsibilities, a Veterans Administration hospital, and various other government installations make this region the state's most dependent on government for employment. Fortunately, the area has not been heavily affected by cutbacks.

Plant closures have eroded the durable goods manufacturing base, while employment in nondurable goods production has held steady. Mining activity, a mainstay of the Marquette area, also has slumped. Both manufacturing and mining show signs of recovery, although at levels considerably reduced from recent peaks.

Services and retailing; along with finance, insurance, and real estate; and transportation, communication, and public utilities continued to expand (although slowly) through the recent recession.

Outlook Employment increased between 1989 and 1990—from a level of 127,200 to 130,600—before declining in 1991 to 128,700. The forecast for 1992 is 130,900, and for 1993, 133,000. Unemployment rates are 8 percent in 1989, 8.9 percent in 1990, 10.4 percent in 1991, 11.2 percent in 1992, and 9.8 percent in 1993. (See Exhibit 8.)

EXHIBIT 8		
Forecast: Upper Peninsula		
	1992	1993
Employment (% change)	1.7%	1.6%
Unemployment Rate	11.2	9.8
Overall	▲	▲

Conclusions

Michigan's employment level began to decline in 1990 (from 4,267,000 to 4,233,000), and the decline accelerated in 1991 (to 4,125,000). If the above forecasts are borne out, Michigan wage and salary employment will average about 4,150,000 in 1992 and 4,230,000 in 1993. The unemployment rate, which averaged 7.1 percent in 1989, 7.5 percent in 1990, and 9.2 percent last year, will average an estimated 9 percent in 1992 and 7.8 percent next year.

State Budget, Tax-Related Court Decisions

State Budget

With the exception of the general government budget, the governor has signed all of the FY 1992-93 appropriations bills. The governor exercised line-item veto power before signing many of the bills, including those for the Department of Commerce (Pontiac Silverdome subsidy), the Department of Mental Health (Lafayette clinic), and the Department of Social Services (increases in benefits to qualified Medicaid recipients). Any activity related to the vetoes will have to wait until September, when the legislature is slated to return from summer recess. Details of all the budget bills can be found in Public Sector Consultants' forthcoming *Public Policy Advisor*, "Analysis of Michigan Budget Appropriations, FY 1992-93."

Replacement Equipment in Industrial Development District Not Eligible for Tax Break

In *Orion Charter Township v. Michigan State Tax Commission* (docket no. 132724), the Michigan Court of Appeals ruled that the tax commission had incorrectly granted General Motors a 1987 exemption for the value of equipment used to refurbish a facility in an area earlier designated as an industrial development district (IDD). The ruling stated that the industrial facilities exemption certificate (IFEC) granted to GM for the value of replacement equipment was incorrectly allowed, as the new equipment is to be used for the same purposes as the old property; the latter was covered under a twelve-year exemption granted in a 1980. The court affirmed that state law prohibits the granting of such exemptions in abatement districts and ordered the tax commission to add the value of the equipment (\$23.8 million) to the auto producer's taxable property and to assess back taxes and interest. The court also noted that the tax commission's decision to grant the IFEC solely on prior practice grounds—even though the commission acknowledged that such an allowance in an IDD was ineligible—was insufficient reason for granting the allowance. The court stated that in using an argument for equal protection, the taxing party must include proof that in granting the allowance it had acted intentionally rather than inadvertently.

District Court Dismisses Headlee Petition Case

In *Taxpayers United For Assessment Cuts v. Richard Austin et al.* (docket no. 5:92-CV-40), the U.S. District Court granted defendants' motion to dismiss the suit brought by backers of the Headlee tax cut ballot initiative. The federal court affirmed the actions of the Board of State Canvassers, which refused to certify the initiative after ruling enough valid signatures had not been submitted for its approval. The court ruled that the proponents' right to vote had not been violated, since placing an issue on the ballot is not a constitutionally protected right. A spokesperson for the tax cut proponents said that they would appeal the case to the U.S. Sixth Circuit Court of Appeals.

PUBLICATIONS OF INTEREST

The two following reports were issued recently by the U.S. General Accounting Office. A copy of either report (the first copy of each is free) can be obtained by writing the GAO at P.O. Box 6015, Gaithersburg, MD 20877, or by calling the GAO at 202/275-6241.

Human Resources Division, U.S. General Accounting Office, *Intergovernmental Relations: Changing Patterns in State-Local Finances*, #GAO/HRD-92-87FS (Washington, D.C.: GAO, March 1992).

Presented in a fact sheet format, this publication presents (in graph form) and briefly describes the trends and problems facing state and local governments with respect to government finances. The report presents aggregate data on state and local government revenues, expenditures, and related variables for the years 1961 through 1991. Future reports will analyze trends and discuss policy implications.

Program Evaluation and Methodology Division, U.S. General Accounting Office, *Unemployed Parents: An Evaluation of the Effects of Welfare Benefits on Family Stability*, #GAO/PEMD-92-19BR (Washington, D.C.: GAO, April 1992).

This is the second report by the GAO on the AFDC-UP program and its effects on AFDC-Basic caseloads. (The first report, issued in January 1992, presented descriptive data on how the states responded to the federal mandate to expand to all states the previously voluntary UP portion of the AFDC program.) Using state trend data on caseloads, the report explores, but finds no conclusive support for, either side of the debate over the possible effects of the program's expansion (whether the program's expansion would lead to either an increase or decrease family stability).

Michigan Revenue Report

Although the economy is growing slowly nationally, Michigan is showing more strength due to the surge in motor vehicle production. This strength was reflected in June revenue collections, especially in sales tax collections.

Personal income tax withholding collections increased 2.5 percent in June from the year-ago level. Adjusted for accelerated withholding and an additional state payday last year, collections increased 1.8 percent. This is a relatively weak showing, but one month's data are not conclusive because of the changes in the collection pattern. For the last four months income tax collections are about 5 percent above the year-ago period.

Sales and use tax collections were very strong in June, increasing 8.1 percent above the June 1991 level. Motor

vehicle collections continued strong, rising 13.3 percent. All other collections increased 7.1 percent.

Single business tax collections were also strong, increasing 24.7 percent above the year-ago level. June is an off month for collections, however, so the large increase is not very meaningful.

Lottery sales jumped an estimated 23 percent in June due mainly to a large lotto jackpot. A strong performance in the last two months has pushed sales about 4 percent above the year-ago level. This upward trend will have to continue if lottery profits are to reach the consensus estimate of \$459 million.

MONTHLY TAX COLLECTIONS (dollars in thousands)

Type of Revenue	Preliminary June 1992	% Change from Last Year	Past 3 Months' Collections	% Change from Last Year	FY 1991-92 Year-to-Date	% Change from Last Year
Personal Income Tax						
Withholding	\$371,007	2.5%	\$1,046,448	2.1%	\$2,919,364	3.6%
Quarterly and Annual Payments	90,754	1.8	401,689	-2.7	587,863	-4.3
Gross Personal Income Tax	461,761	2.4	1,448,137	0.7	3,507,227	2.2
Less: Refunds	-48,070	29.3	-635,443	15.8	-1,147,510	12.1
Net Personal Income Tax	413,691	-0.1	812,694	-0.1	2,359,717	-2.1
Sales and Use Taxes	289,729	8.1	776,769	1.7	2,062,248	0.7
Motor Vehicles	48,778	13.3	109,998	-7.2	274,064	-0.7
Single Business Tax	55,610	24.7	484,168	17.7	1,030,403	-4.2
Cigarette Tax	19,094	-17.4	58,578	-8.7	160,747	-4.7
Public Utility Taxes	368	0.0	364	NM	72,946	1.7
Oil and Gas Severance	3,004	-19.7	-664	-105.6	27,718	-18.5
Lottery ^a	43,917	23.3	125,959	3.5	361,768	4.0
Penalties and Interest	1,114	173.7	23,736	47.5	53,584	-1.3
SUW—Annuals and Undistributed ^b	2,724	-39.7	34,455	423.1	38,331	36.1
Other Taxes ^c	10,853	20.5	179,356	0.8	362,908	7.9
TOTAL TAXES (GF & SAF)^d	\$840,104	4.6%	\$2,495,415	1.3%	\$6,530,370	-0.7%
Motor Fuel Tax ^e	\$54,833	-2.0%	\$168,353	-0.1%	\$454,024	2.0%

SOURCE: Data supplied by Michigan Department of Treasury.

NM = Not meaningful

^aThe state share of lottery sales in 40.1 percent (FY 1991). The previous year's figures are adjusted to the current year's profit margin; the percentage change reflects the increase in ticket sales.

^bThese revenues are distributed to the sales, use, and withholding (SUW)

accounts when final numbers for the month are reconciled.

^cIncludes intangibles, inheritance, foreign insurance premium, corporate organization, and industrial and commercial facilities taxes.

^dExcluded are beer and wine, liquor, and horse racing taxes.

^eThe motor fuel tax is restricted to the Transportation Fund.

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