MICHIGAN HOUSE OF REPRESENTATIVES

GEORGE CUSHINGBERRY, JR.

CHAIR, HOUSE APPROPRIATIONS

HISTORIAN, MICHIGAN
LEGISLATIVE BLACK CAUCUS

ROOM 351
CAPITOL BUILDING
LANSING, MI 48913
(517) 373-5190
FAX: (517) 373-1389
E-MAIL: gcushingberry@house.mi.gov

September 10, 2009

Honorable Speaker Andy Dillon
164 Capitol Building
Lansing, MI 48909

Dear Mr. Speaker

The attached is self explanatory.

For A Greater Michigan

Representative George Cushingberry, Jr.
State Representative
8th District

	FY 2009-10
BEGINNING BALANCE	$0.0
MAY CONSENSUS	$6,949.7
REVENUE SHARING FREEZE	$355.7
COUNTY REVENUE SHARING INFLATION ELIMINATED	$23.1
SHORT TERM BORROWING TO SAF	$45.0
REPLACE QAAP W/USE TAX	$339.5
ANTICIPATED REVENUES	$7,713.0
ADDITIONAL REVENUES	
Reduce Business Privilege Tax Expenditures	$52.8
Reduce Consumption Tax Expenditures	$0.5
Bottled Water Fee	$80.0
Cell Phones Fee	$35.6
Delay EITC Increase	$166.6
Phase-Out broadband Investment Credit	$11.3
Tax Fast Food @2%	$69.4
Greyhound & OTB	$7.5
Cigarette Tax on Small Cigars	$6.3
Enhanced Tobacco Tax Enforcement	$4.0
Satelite TV tax	$40.0
Physician QAAP @3% -- State Share	$164.8
Surcharge on Private Insurance Claims @1.8%	$329.0
SUBTOTAL	$967.8
TOTAL REVENUE	$8,680.8
EXPENDITURES	
EO ANNUALIZED LESS DCH	$9,588.6
	($236.4)
	$9,352.2
BALANCE BEFORE ARRA	($671.4)
AVAILABLE ARRA	$1,162.7
BALANCE	$491.3

NOTE: MBT SURCHARGE PHASE OUT BEGINS IN FY 2010-11

SCHOOL AID BALANCE SHEET
(Dollars In Millions)

	FY 2009-10
ESTIMATED REVENUE	
ESTIMATES OF SCHOOL AID FUND	
Beginning Balance	$0.0
MAY 2009 Revenue Conference	$10,563.0
Subtotal	$10,563.0
ESTIMATED OTHER SCHOOL AID REVENUE	
General Fund/General Purpose Grant	
Proposed General/Fund Increase	$31.8
Federal Aid	
Subtotal	$1,561.8
	$1,593.6
TOTAL REVENUE	$12,156.6
ESTIMATED EXPENDITURES	
EST. BASELINE EXPENDITURES	$13,163.6
CUT PER PUPIL FOUNDATION 8%	($1,009.0)
TOTAL EXPENDITURES	$12,154.6
BALANCE	$2.0
REMAINING ARRA/SAF BALANCE	$805.1
ESTIMATED YEAR-END BALANCE	$853.7

Revenue Monthly Review: FY 2008-09, August (millions of dollars)

Revenue	FY 2008-09 August	Percent Change From Year-Ago August	FY 2008-09 Year-to-Date	Change from Previous Fiscal Year-To-Date Dollar	Percent	FY 2008-09 Consensus Forecast Growth
Annual Income Tax	12.5	-7.7%	600.4	-219.3	-26.8%	-28.0%
Quarterly Income Tax	7.2	-25.8%	466.5	-175.2	-27.3%	-25.0%
Withholding	558.7	-1.3%	5,761.3	-341.5	-5.6%	-5.3%
Subtotal	578.4	-1.8%	6,828.2	-736.0	-9.7%	-9.4%
Income Tax Refunds	28.0	4.0%	2,032.3	323.5	18.9%	17.9%
Net Income Tax	550.4	10.6%	4,795.9	-1,059.5	-18.1%	-16.2%
Sales Tax	531.4	-3.2%	5,049.8	-514.9	-9.3%	-8.3%
Use Tax	100.7	-0.8%	912.4	-214.8	-19.1%	-16.3%
Subtotal	632.1	-2.9%	5,962.2	-729.8	-10.9%	-9.6%
Single Business Tax	-5.2	-192.6%	-100.9	-795.8	-114.5%	-127.6%
Michigan Business Tax	79.9	5.6%	2,043.5	810.0	65.7%	22.5%
Retaliat Ins Tax	4.6	9.2%	203.5	11.5	6.0%	9.2%
Subtotal	79.3	-7.3%	2,146.2	25.7	1.2%	-10.6%
Casino Wagering	9.1	-14.9%	93.6	-14.4	-13.4%	-12.5%
Cigarette & Tobacco	98.6	-2.9%	858.9	-8.7	-1.0%	-5.4%
Lottery Transfer	76.2	17.9%	673.0	-13.4	-2.0%	-7.1%
Ind/Com Facil Tax	4.6	2.2%	32.5	-25.0	-43.5%	-35.0%
Real Estate Transfer	13.4	-14.6%	100.1	-49.2	-32.9%	-41.1%
State Education Tax	144.3	12.4%	592.3	-112.3	-15.9%	-3.5%
Subtotal Other	346.1	6.4%	2,350.2	-223.0	-8.7%	-7.0%
Total	1,607.9	-1.0%	15,254.5	-1,986.5	-11.5%	-11.4%