

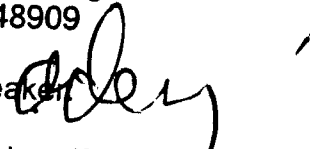


MICHIGAN HOUSE OF REPRESENTATIVES  
**GEORGE CUSHINGBERRY, JR.**  
CHAIR, HOUSE APPROPRIATIONS  
HISTORIAN, MICHIGAN  
LEGISLATIVE BLACK CAUCUS

ROOM 351  
CAPITOL BUILDING  
LANSING, MI 48913  
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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  
8<sup>th</sup> District

	<u>FY 2009-10</u>
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	<u>\$339.5</u>
ANTICIPATED REVENUES	\$7,713.0
<b>ADDITIONAL REVENUES</b>	
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
Satellite TV tax	\$40.0
Physician QAAP @3% -- State Share	\$164.8
Surcharge on Private Insurance Claims @1.8%	<u>\$329.0</u>
SUBTOTAL	\$967.8
<b>TOTAL REVENUE</b>	<b>\$8,680.8</b>
<b>EXPENDITURES</b>	
EO ANNUALIZED LESS DCH	\$9,588.6
	<u>(\$236.4)</u>
	\$9,352.2
<b>BALANCE BEFORE ARRA</b>	<b>(\$671.4)</b>
<b>AVAILABLE ARRA</b>	
	<u>\$1,162.7</u>
<b>BALANCE</b>	<b>\$491.3</b>

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

**SCHOOL AID BALANCE SHEET**  
(Dollars In Millions)

**ESTIMATED REVENUE**

**ESTIMATES OF SCHOOL AID FUND**

**FY 2009-10**

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

\$31.8

Proposed General/Fund Increase

Federal Aid

\$1,561.8

*Subtotal*

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