



STATE OF MICHIGAN
REVENUE ESTIMATING
CONFERENCE PRINCIPALS
LANSING

RACHAEL EUBANKS
STATE TREASURER

MARY ANN CLEARY
DIRECTOR, HOUSE FISCAL AGENCY

KATHRYN SUMMERS
DIRECTOR, SENATE FISCAL AGENCY

April 15, 2026

The Honorable Gretchen Whitmer
Governor
George W. Romney Building
Lansing, MI

The Honorable Winnie Brinks
Senate Majority Leader
State Capitol Building, Room S-102
Lansing, MI

The Honorable Aric Nesbitt
Senate Minority Leader
State Capitol Building, Room S-105
Lansing, MI

The Honorable Matt Hall
Speaker of the House
State Capitol Building, Room H-164
Lansing, MI

The Honorable Ranjeev Puri
House Minority Leader
State Capitol Building, Room H-167
Lansing, MI

Re: Calculation under MCL 206.51(1)(c) for Tax Year 2026

The tax under Part 1 of the Income Tax Act, MCL 206.1 *et seq.*, is imposed each tax year at the rate provided under Section 51, MCL 206.51. Pursuant to Section 51(1)(c), the rate is subject to formulary reduction if the percentage increase in general fund/general purpose revenue for the immediately preceding state fiscal year is determined to have exceeded the inflation rate for the same period and the inflation rate is positive. This determination is required to be made between the State Treasurer, the Director of the Senate Fiscal Agency, and the Director of the House Fiscal Agency, using data from the Annual Comprehensive Financial Report (ACFR).

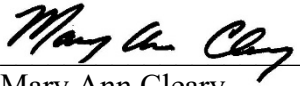
For tax year 2026, the determination under Section 51(1)(c) is based on the state fiscal year ended September 30, 2025. The ACFR for that period was recently published on April 8, 2026. Based on the data from that period, total general fund/general purpose revenue decreased by 1.56% and the rate of inflation for the period was 2.70%. These conditions do not require the application of the statutory formula to determine a potential rate reduction. Accordingly, the rate in effect under Section 51 for the 2026 tax year is 4.25%.

The ACFR for the fiscal year ended September 30, 2025, can be accessed by visiting:
<https://www.michigan.gov/budget/fiscal-pages/reports/annual-comprehensive-financial-report>.

Signed,



Rachael Eubanks
State Treasurer
Department of Treasury



Mary Ann Cleary
Director
House Fiscal Agency



Kathryn Summers
Director
Senate Fiscal Agency

cc: The Honorable Sarah Anthony
Chair, Senate Appropriations Committee
State Capitol Building, Room S-324
Lansing, MI

The Honorable Ann Bollin
Chair, House Appropriations Committee
State Capitol Building, Room H-351
Lansing, MI

The Honorable Joe Bumstead
Minority Vice Chair, Senate Appropriations Committee
Senate Office Building, Suite 4600
Lansing, MI

The Honorable Alabas Farhat
State Capitol Building, Room S-587
Lansing, MI