

DATE: September 10, 2025

TO: Governor Tim Walz
Lt. Governor Peggy Flanagan

FROM: Erin Campbell, Commissioner *EC*

SUBJECT: August 2025 Revenue Review

Net general fund revenues totaled \$2.140 billion in August, \$86 million (4.2 percent) more than forecast in February 2025. Individual income tax revenues continue to be above the February forecast due primarily to higher than forecast withholding. For fiscal year 2026, year-to-date receipts are now \$4.270 billion, \$22 million (0.5 percent) more than forecast.

Monthly Receipts for August 2025

(\$ in millions)	February 2025		
	Forecast ²	Actual	\$ Difference
Individual Income Tax	\$1,054	\$1,110	\$56
General Sales Tax	703	741	38
Corporate Franchise Tax	66	45	(21)
Other Revenues	231	244	13
Total Revenues¹	\$2,054	\$2,140	\$86

1. Totals may not add due to rounding.
2. Adjusted for legislative changes.

All results are preliminary and subject to revision. Monthly revenue variances should be interpreted with great caution. Large month-to-month changes in revenues may be caused by variations in the rate at which receipts are received and processed and differences in the rate at which refunds are issued. Other revenues often include unallocated accounts receivable which will be added to receipts for the appropriate tax when identified. A more complete report covering July, August, and September receipts will be issued as part of our October *Revenue and Economic Update*. That report will also update FY 2025 revenues to reflect the official closing of the fiscal year.

cc: Senator Erin Murphy, Majority Leader
Senator Mark Johnson, Minority Leader
Representative Lisa Demuth, Speaker of the House
Representative Zack Stephenson, DFL Caucus Leader
Representative Harry Niska, GOP Floor Leader
Representative Jamie Long, DFL Floor Leader