

September 26, 2025

Dear County Assessors:

What is the rate of inflation (IPD rate) for 2026?

The rate of inflation (IPD rate) for property taxes due in 2026 is **2.44%**.

What is the limit factor for 2026, provided the taxing district adopts a resolution/ ordinance authorizing an increase over the prior year's levy?

For the state and taxing districts with populations of 10,000 or greater, the limit factor for property taxes due in 2026 is **101%**. The definition of the limit factor for these districts is 100% plus the lesser of the rate of inflation or 1%.

For taxing districts with populations under 10,000, the limit factor for property taxes due in 2026 is **101%**.

How is the rate of inflation (IPD rate) calculated?

The rate of inflation is the percent change in the implicit price deflator for personal consumption as published by the Bureau of Economic Analysis by September 25th.

The most recent publication available on September 25th was the September publication. For this reason, we used the second quarter values to calculate the percent change in the implicit price deflator for personal consumption for taxes due in 2026.

We calculate the percent change by dividing the Quarter 2 2025 number by the Quarter 2 2024 number, subtracting one, and then multiplying by 100. We used the following values in the calculation this year:

Quarter 2 2024	123.401
Quarter 2 2025	126.416

If you have any questions, please contact me.

Sincerely,

Kari Kenall
Tax Policy Specialist
Research & Fiscal Analysis
Department of Revenue

cc: County Treasurers