

STATE OF ARIZONA

Department of Revenue
Support Division



Memorandum

DATE: April 18, 2025

TO: Tom Belshe, League of Arizona Cities and Towns
Megan Smith, Auditor General's Office
Megan Kintner, Arizona Association of Counties

FROM: David Kryskowski, Office of Economic Research & Analysis

SUBJECT: Expenditure Limit Inflation Factors

Listed below are the estimated inflation factors, as of April 2025, to be used in calculating future expenditure limitations. This memo revises the numbers sent in October 2025. Both the GDP implicit price deflator and the corresponding expenditure limit inflation factor are included for reference.

	GDP Implicit Price Deflator	Inflation Factor for Expenditure Limitation ¹
CY 2024	125.230	3.7558
CY 2025 (est.)	129.042	3.8719
CY 2026 (est.)	132.439	3.9738
CY 2027 (est.)	134.933	4.0486
CY 2028 (est.)	137.547	4.1270
CY 2029 (est.)	140.079	4.2030
CY 2030 (est.)	142.715	4.2821
CY 2031 (est.)	145.593	4.3685

Source: Bureau of Economic Analysis, April 2025, Table 1.1.9 (actuals)
Moody's Analytics: April 2025, Implicit Price Deflator - GDP (Index 2017=100, SA) (estimates)

If you have any questions or need additional information, please contact me at eecstaff@azdor.gov.

¹ Base year 1978