



STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

September 18, 2012

Dear County Assessors:

**What is the rate of inflation (IPD rate) for 2013?**

The rate of inflation (IPD rate) for property taxes due in 2013 is **1.295 percent**.

**What is the limit factor for 2013 (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 2013 is **101 percent**. The limit factor for these districts is defined as 100 percent plus the lesser of the rate of inflation or 1 percent.

For taxing districts with populations under 10,000, the limit factor for property taxes due in 2013 is **101 percent**.

**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 in the Bureau of Economic Analysis' September *Survey of Current Business*.

The percent change is calculated by dividing the July 2012 number by the July 2011 number, subtracting one, and then multiplying by 100. The values used in the calculation this year were as follows:

July 2011	114.049
July 2012	115.526

If you have any questions, please contact me.

Sincerely,

Tom Christensen  
Tax Policy Specialist  
Research & Fiscal Analysis  
Department of Revenue

cc: County Treasurers