Federal Acquisition Regulation Federal Acquisition Circular 2025-06 Summary of Rule

Subject FAR case

Inflation Adjustment of Acquisition—Related Thresholds 2024-001

Inflation Adjustment of Acquisition-Related Thresholds (FAR Case 2024-001)

This final rule amends the FAR to further implement 41 U.S.C. 1908. Section 1908 requires an adjustment, for inflation, every 5 years (in years evenly divisible by 5) of statutory acquisition-related thresholds using the Consumer Price Index for all urban consumers, except for the Construction Wage Rate Requirements statute (Davis-Bacon Act), Service Contract Labor Standards statute, performance and payment bonds (formerly the Miller Act), and trade agreements thresholds (see FAR 1.109). The Office of Federal Procurement Policy (OFPP), Department of Defense (DoD), the General Services Administration (GSA), and the National Aeronautics and Space Administration (NASA) are also using the same methodology to change nonstatutory FAR acquisition-related thresholds for 2025. The final rule is not expected to have a significant impact on the public or the Government because the rule is intended to maintain the status quo by adjusting acquisition-related thresholds for inflation.