

Standard Mileage Method

The standard mileage rate is adjusted annually by the IRS. It requires a daily log showing miles traveled, destination and business purpose. Simply keep the log, total the miles and provide the miles driven to the accountant.

TOTAL MILES _____ DATE IN SERVICE _____

Actual Mileage Method

This method requires keeping receipts for all expenses to operate a vehicle for business purposes. If business use is less than 100 percent, expenses must be allocated between business and personal use. You must keep a business mileage log. Record the vehicles mileage at the beginning of the year and again at the end of the year to calculate total miles driven for the year. Then, calculate the ratio of business miles to total miles. This is your allocation between business and personal use. Use the following template to record actual expenses for operating your vehicle in total, before allocating between business and personal.

VEHICLE DESCRIP. _____
 VEHICLE COST _____
 DATE IN SERVICE _____

EXPENSE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
FUEL													
REPAIRS													
INSURANCE													
OIL													
LICENSES													
REGISTRATION FEES													
LOAN INTEREST													
LEASE PAYMENTS													
GARAGE RENT													
OTHER													
TOTAL EXPENSES													

TOTAL MILES DRIVEN _____
 BUSINESS MILES _____
 RATIO _____