



PIECES OF THE PUZZLE

December 2017

STANDARD MILEAGE RATES INCREASE FOR 2018

The IRS has announced the optional mileage rates for 2018! The rate for use of a vehicle will increase by 1 cent to 54.5 cents per mile for business travel after 2017. The standard mileage rate is 18 cents per mile for use of an auto (1) for medical care expenses; or (2) as part of a move for which the expenses are deductible as moving expenses. The standard mileage rate is 14 cents per mile for use of an auto for the benefit of a charitable organization under Code Sec. 170.

The revised standard mileage rates (54.5 cents per mile for business; 18 cents for medical or moving) apply to deductible transportation expenses paid or incurred for business, medical, or moving expense purposes on or after January 1, 2018, and to mileage allowances or reimbursements that are paid to an employee or charitable volunteer (1) on or after January 1, 2018, and (2) for transportation expenses paid or incurred by the employee or charitable volunteer on or after January 1, 2018.

The mileage rate for driving an auto for charitable use (14 cents per mile) is a statutory rate that's not adjusted for inflation.

Source: IRS Notice 2018-3

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