

Standard Mileage Rates Starting January 1 2023

Instead of using the business portion of the actual expenses of operating a vehicle, IRS permits taxpayers to use a standard mileage rate. The rates for travel on or after January 1, 2023, are:

The business rate is 65.5 cents per mile (up from 62.5 cents per mile applicable to the second half of 2022). The depreciation portion of this rate is 28 cents per mile (up from 26 cents per mile for calendar year 2022).

Charitable rate is 14 cents per mile (same as it has been for years, since this is set by Congress).

Medical and moving rate is 22 cents per mile (same as it was for 2022).

Reminder – The standard mileage rate cannot be used for any vehicle where the taxpayer has: a) claimed depreciation using a method other than straight-line for its estimated useful life, b) claimed a §179 deduction, c) claimed the additional first-year (aka “bonus”) depreciation, or d) used ACRS or MACRS.

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