Standard Mileage Rates for Income Tax Purposes

Summary Statement

This rule increases the optional standard mileage rates effective January 1, 2005, as follows:

1. From 37.5¢ in 2004 to 40.5¢ for 2005 for employees or self-employed individuals.

2. From 14¢ in 2004 to 15¢ in 2005 for transportation expenses deductible as medical or moving expense.

This rule maintains the optional mileage rate of 14¢ for 2005 as 2004 for individuals in computing the income tax deduction for charitable organizations.

This rule adopts the Internal Revenue Service standard mileage rate for business use of a vehicle by a rural mail carrier.