

01 | 15 | 2010 Posted By

## **New Standard Mileage Rate for 2010**

Every year, the Internal Revenue Service releases an optional standard mileage rate. Employers often use this standard to calculate the amount they will reimburse employees for using a personal vehicle in the scope of their employment.

Even if employers supply their own vehicles, they can apply this rate to calculate the allowable deduction for the business use of a vehicle for Federal income tax purposes. As of January 1, 2010, the standard mileage rates for the use of a car (also vans, pickups, or panel trucks) was set to 50 cents per mile for business miles driven. Reflecting generally lower transportation costs, the rate is a 5-cent reduction from last year's rate.