



COMPLIANCE BULLETIN

HIGHLIGHTS

- The business mileage rate decreased by one half of a cent for business travel driven.
- The rate for medical and certain moving expenses decreased by three cents.
- The charitable rate remains unchanged.

IMPORTANT DATES

December 31, 2019

IRS issues 2020 optional standard mileage rates.

January 1, 2020

New standard mileage rates go into effect.

Provided By:
Sullivan Benefits

IRS Announces 2020 Standard Mileage Rates

OVERVIEW

On Dec. 31, 2019, the Internal Revenue Service (IRS) issued the 2020 optional standard mileage rates, which are used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

The 2020 standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- **57.5 cents** per mile driven for business use (down from 58 cents in 2019);
- **17 cents** per mile driven for medical or moving purposes (down from 20 cents in 2019); and
- **14 cents** per mile driven in service of charitable organizations (unchanged).

ACTION STEPS

The new rates begin on January 1, 2020. Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.