

**From the desk of  
Peter S. Muffoletto, C.P.A.**

## **IRS 2017 Standard Mileage Rates**

The Internal Revenue Service has issued the 2017 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on January 1, 2017 the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 53.5 cents per mile for business miles driven, down from 54 cents for 2016
- 17 cents per mile driven for medical or moving purposes, down from 19 cents for 2016
- 14 cents per mile driven in service of charitable organizations

The business mileage rate decreased half a cent per mile and the medical and moving expense rates each dropped 2 cents per mile from 2016.

The charitable rate is set by statute and remains unchanged.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile.

The rate for medical and moving purposes is based on the variable costs.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle.

The business standard mileage rate cannot be used for more than four vehicles used simultaneously.

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Should you have questions relating to these matters, tax, financial, and accounting issues, give us a call at (818) 346-2160.

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**Should you have questions relating to any tax or financial matters, or if you know of someone that could benefit from our assistance feel free in calling us at (818) 346-2160, or you can visit us on the web at [www.petemcpa.com](http://www.petemcpa.com)!**

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