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## **Announcement 2022-13**

Business use of auto-optional standard mileage rates for second half of 2022.

This announcement informs taxpayers that the Internal Revenue Service is modifying Notice 2022-3, 2022-2 I.R.B. 308, by revising the optional standard mileage rates for computing the deductible costs of operating an automobile for business, medical, or moving expense purposes and for determining the reimbursed amount of these expenses that is deemed substantiated. This modification results from recent increases in the price of fuel.

The revised standard mileage rates are:

- (1) Business 62.5 cents per mile
- (2) Medical and moving 22 cents per mile

The mileage rate that applies to the deduction for charitable contributions is fixed under § 170(i) of the Internal Revenue Code (Code) at 14 cents per mile.

The revised standard mileage rates set forth in this announcement apply to deductible transportation expenses paid or incurred for business, medical, or moving expense purposes on or after July 1, 2022, and to mileage allowances that are paid both (1) to an employee on or after July 1, 2022, and (2) for transportation expenses paid or incurred by the employee on or after July 1, 2022.

The standard mileage rates set forth in Notice 2022-3 continue to apply to deductible transportation expenses paid or incurred for business, medical, or moving expense purposes before July 1, 2022, and to mileage allowances paid (1) to an employee before July 1, 2022, or (2) with respect to transportation expenses paid or incurred by the employee before July 1, 2022. All other provisions of Notice 2022-3 remain in effect.

Note that § 11045 of Public Law 115-97, 131. Stat. 2054 (December 22, 2017), commonly referred to as the Tax Cuts and Jobs Act (TCJA), suspends all miscellaneous itemized deductions that are subject to the two-percent of adjusted gross income floor under § 67 of the Code, including unreimbursed employee travel expenses, for taxable years beginning after December 31, 2017, and before January 1, 2026. Thus, the revised business standard mileage rate provided in this announcement cannot be used to claim an itemized deduction for unreimbursed employee travel expenses during the suspension. Notwithstanding the foregoing suspension of miscellaneous itemized deductions, deductions for expenses that are deductible in determining adjusted gross income are not suspended. For example, members of a reserve component of the Armed Forces of the United States (Armed Forces), state or local government officials paid on a fee basis, and certain performing artists are entitled to deduct unreimbursed employee travel expenses as an adjustment to total income on line 12 of Schedule 1 of Form 1040 (2021), U.S. Individual Income Tax Return, not as an itemized deduction on Schedule A of Form 1040

(2021), and therefore may use the revised business standard mileage rate provided in this announcement.

Further, § 11049 of the TCJA suspends the deduction for moving expenses for taxable years beginning after December 31, 2017, and before January 1, 2026. However, the suspension does not apply to members of the Armed Forces on active duty who move pursuant to a military order and incident to a permanent change of station. Thus, except for taxpayers to whom § 217(g) of the Code applies, the revised standard mileage rate provided in this announcement is not applicable for the use of an automobile as part of a move occurring during the suspension.

#### Effect On Other Documents

Notice 2022-3 is modified.

#### Drafting Information

The principal author of this announcement is Christian Lagorio of the Office of Chief Counsel (Income Tax and Accounting). For further information regarding this announcement contact Mr. Lagorio at (202) 317-7005 (not a toll-free number).