



STANDARD MILEAGE RATE TO INCREASE FOR LAST HALF OF 2022

From the Journal of Accountancy by Alistair M. Nevius, J.D.

The IRS announced on Thursday, June 9, that the optional standard mileage rate is increasing by 4 cents per mile for the last six months of 2022. Effective July 1, the standard mileage rate for business travel will be 62.5 cents per mile ([Announcement 2022-13](#)).

The rate for deductible medical or moving expenses (which is available only for active-duty members of the military) is also increasing by 4 cents per mile and will be 22 cents for the second half of 2022.

The IRS says it is making the adjustment in recognition of recent increases in the cost of gasoline. Normally, the adjustment is made annually (the 2022 rate was originally set in Notice 2022-03), but IRS Commissioner Charles Rettig said the Service was taking this "special step" "to better reflect the recent increases in fuel prices." The IRS last made a midyear adjustment to the rate in 2011.

Taxpayers can use the optional business standard mileage rate to compute the deductible costs of operating an automobile for business use in lieu of tracking actual costs. The federal government and many businesses also use the rate to reimburse their employees for mileage.