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## IRS Announces 2008 Standard Mileage Rates; Rate for Business Miles Set at 50.5 Cents per Mile

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WASHINGTON — The Internal Revenue Service today issued the 2008 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning Jan. 1, 2008, the standard mileage rates for the use of a car (including vans, pickups or panel trucks) will be:

- 50.5 cents per mile for business miles driven;
- 19 cents per mile driven for medical or moving purposes; and
- 14 cents per mile driven in service of charitable organizations.

The new rate for business miles compares to a rate of 48.5 cents per mile for 2007. The new rate for medical and moving purposes compares to 20 cents in 2007. The rate for miles driven in service of charitable organizations has remained the same.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile; the standard rate for medical and moving purposes is based on the variable costs as determined by the same study. Runzheimer International, an independent contractor, conducted the study for the IRS.

The mileage rate for charitable miles is set by law.

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), after claiming a Section 179 deduction for that vehicle, for any vehicle used for hire or for more than four vehicles used simultaneously.

[Revenue Procedure 2007-70](#) contains additional information on these standard mileage rates.

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