

NEW MILEAGE RATES

Effective July 1, 2008

Effective July 1, 2008, the standard mileage rate for business travel is 58.5 cents per mile. This rate is published by the Department of Treasury for use as the standard mileage rate by the Internal Revenue Service, and will be used by the University as the reimbursement rate for expenses incurred by faculty, staff and students while on University authorized business.

A reduced standard mileage rate applies for relocation travel (moving expenses reimbursements), medical/patient care travel (including research subjects) and charitable travel. According to the Internal Revenue Service, these reduced mileage rates are not intended to include the cost of depreciation, maintenance and repairs, insurance and registration fees, which are not expenses for relocation, medical or charitable travel.

The relocation mileage rate of 27 cents per mile is to be used by employees submitting an approved moving expense report, including house hunting trips. The charitable mileage rate of 14 cents per mile is to be used when reimbursing anyone for volunteering their time at the University.

The Medical mileage rate of 27 cents per mile is to be used when reimbursing anyone for patient travel or participation in a medical research study. Any reimbursements in excess of the 27 cents standard rate are considered taxable income to the individual being reimbursed, and the amount reimbursed over the standard rate should be coded using budget object code 3505. For example, if you reimburse a research subject 58.5 cents per mile, then the 31.5 cents paid in excess of the standard rate is considered taxable income and should be coded to BUOB 3505. The standard rate portion of an excess reimbursement and all other reimbursements at the standard rate of 27 cents per mile should be coded to budget object code 3641.

For reference purposes, current and prior year standard mileage rates are shown in the table below.

PERIOD	BUSINESS RATE	MEDICAL/ RELOCATION RATE
July 1, 2008 – December 31, 2008	58.5 cents/mile	27 cents/mile
January 1, 2008 - June 30, 2008	50.5 cents/mile	19 cents/mile
January 1, 2007 - December 31, 2007	48.5 cents/mile	20 cents/mile
January 1, 2006 – December 31, 2006	44.5 cents/mile	18 cents/mile
September 1, 2005 – December 31, 2005	48.5 cents/mile	22 cents/mile
January 1, 2005 – August 31, 2005	40.5 cents/mile	15 cents/mile
January 1, 2004 – December 31, 2004	37.5 cents/mile	14 cents/mile
January 1, 2003 – December 31, 2003	36 cents/mile	12 cents/mile
January 1, 2002 – December 31, 2002	36.5 cents/mile	13 cents/mile
January 1, 2001 – December 31, 2001	34.5 cents/mile	13 cents/mile

If you have any questions, please call the Tax Department at 935-4392.