



The Glynn Group, Ltd.

November 30, 2007

Issue #275

2008 Standard Mileage Rates

Instead of using the business portion of the actual expenses of operating a vehicle, the IRS permits taxpayers to use a standard mileage rate. IRS issued the rates that will be effective for travel on or after January 1, 2008.*

Business rate is 50.5 cents per mile (up from 48.5 cents per mile for 2007). Depreciation accounts for 21 cents per mile of this rate (up from 19 cents per mile for 2007).

Charitable rate is 14 cents per mile and is set by Congress therefore does not change until Congress makes such a change. Medical and moving rate is 19 cents per mile (down from 20 cents per mile for 2007).

Taxpayers can use the standard mileage rate for up to four vehicles used simultaneously. Previous to 2004 the rate was not permitted if a taxpayer had two or more vehicles used simultaneously.

The standard mileage rate still CANNOT be used to determine the expenses: 1) when five or more automobiles are used simultaneously in a taxpayer's business, 2) when the taxpayer has used Section 179, bonus depreciation, ACRS, or MACRS, or 3) for automobiles used for hire, such as taxicabs.

*This Revenue Procedure can be found at www.irs.gov/pub/ by clicking on irs-drop and then clicking on rp-2007-70.



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