

STANDARD MILEAGE

UPDATES FOR 2019

The IRS announced new standard mileage rates for 2019. Taxpayers will use these rates to determine their business deduction for miles driven in a car, van, pickup or panel truck. It is also the maximum rate that employers may use for a tax-free mileage reimbursement.

2018	MILEAGE RATES	2019
\$.545 per mile	BUSINESS →	\$.58 per mile
\$.18 per mile	MEDICAL or MOVING →	\$.20 per mile
\$.14 per mile	CHARITABLE →	\$.14 per mile

TAX LAW CHANGES

- You can no longer claim a miscellaneous itemized deduction for un-reimbursed travel expenses. This deduction was eliminated in tax reform.
 - Most people will not be able to claim a deduction for moving expenses in 2019 as a result of the Tax Cuts and Jobs Act. That said, an exception remains for members of the Armed Forces on active duty moving under orders to a permanent change of station.
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HELPFUL TIPS

- Always keep thorough records of business miles driven.
 - You have the option of deducting actual expenses rather than using the standard mileage rate but this can result in significantly more work.
 - If you depreciate or utilize Section 179 on your business vehicles, you cannot utilize the standard mileage rate for miles driven in those vehicles as the standard rate already includes depreciation. In this case, you must track your actual expenses.
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This guide is a broad overview meant as a starting point for discussion. Many of these changes have subtle nuances and exceptions. For specific questions on what they may mean for you or your business, reach out to us. One of our tax experts will be glad to help.