

Mileage Rates for 2022

by Chaney Zeisler, CPA

The IRS issued the 2022 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, or medical purposes. Beginning on January 1, 2022, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 58.5 cents per mile driven for business use (up 2.5 cents from 2021)
- 18 cents per mile driven for medical (up 2 cents from the rate for 2021)
- 14 cents per mile driven in service of charitable organizations (remains unchanged from 2021)

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates. You're allowed to use the standard mileage rate only if you use it the first year you use your car for business. If you use the actual expense method in the first year, you will have to continue to use this method for as long as you own the vehicle.

If you use the actual expense method, in addition to tracking your mileage, you must keep track of all your car expenses, including gas, insurance, and repairs. You then deduct the business percentage of these expenses. You are also allowed to deduct an amount for depreciation each year.

Thank you,

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