

CAPITOL RESEARCH

● ● ● FISCAL

STATE EMPLOYEE MILEAGE REIMBURSEMENT RATES— PERSONAL VEHICLE USE FOR BUSINESS PURPOSES, 2016



The Internal Revenue Service sets the federal reimbursement rate based on an annual study of fixed and variable costs of operating an automobile each year.

- The federal reimbursement rate in 2016 is 54 cents per mile, down 3.5 cents per mile from the 2015 rate but up 9.5 cents over the rate 10 years before—44.5 cents per mile on Jan. 1, 2006.
- Since Jan. 1, 2006, the federal rate has been adjusted 11 times.
 - The rate was **adjusted up** seven times over that period:
 - The average increase over this period was 3.1 cents per mile, ranging from an increase of 1 cent (Jan. 1, 2011, and Jan. 1, 2013) to a high of 8 cents per mile (July 1, 2008).
 - The rate was **adjusted down** four times over that period:
 - On Jan. 1, 2009, the rate was adjusted from 58.5 cents to 55 cents per mile;
 - On Jan. 1, 2010, the rate was adjusted from 55 cents to 50 cents per mile;
 - On Jan. 1, 2014, the rate was adjusted from 56.5 cents to 56 cents per mile; and
 - On Jan. 1, 2016, the rate was adjusted from 57.5 cents to 54 cents per mile.

Thirty-five states have a reimbursement rate that is the same as the federal rate. For those 15 states whose rates differ from the federal rate, reimbursement rates range from 31 cents to 52 cents per mile. No state reimburses at a rate higher than the federal rate.

- New Jersey has the lowest mileage reimbursement rate at 31 cents per mile followed by Missouri at 37 cents per mile and Indiana at 40 cents per mile. The New Jersey rate has been the same since 2000.
- Among states that do not match the federal reimbursement rate, the median rate is 44 cents per mile.
- Colorado is the only state that distinguishes between two-wheel-drive vehicles—49 cents per mile—and four-wheel-drive vehicles—51 cents per mile—due to road, terrain or adverse weather conditions.



Jennifer Burnett, Director, Fiscal and Economic Development Policy,
jburnett@csg.org



Eve Wallingford, Graduate Fellow



Leah Byers, Graduate Fellow

OCTOBER 2016 STATE MILEAGE REIMBURSEMENT RATES FOR PRIVATELY OWNED VEHICLES

	Current Rate (cents per mile)	Date Effective¹
Federal Rate	54	January 1, 2016
Alabama	54	January 1, 2016
Alaska	54	January 1, 2016
Arizona	44.5	November 15, 2006
Arkansas	42	March 1, 2009
California	54	January 1, 2016
Colorado	49 to 51	January 1, 2016
Connecticut	54	January 1, 2016
Delaware	40	January 1, 2007
Florida	54	January 1, 2016
Georgia	54	January 1, 2016
Hawaii	54	January 1, 2016
Idaho	54	January 1, 2016
Illinois	54	January 1, 2016
Indiana	38	August 1, 2016
Iowa	54	January 1, 2016
Kansas	54	January 1, 2016
Kentucky	39	October 1, 2016
Louisiana	51	July 1, 2015
Maine	44	January 1, 2009
Maryland	54	January 1, 2016
Massachusetts	45	May 22, 2011
Michigan	54	January 1, 2016
Minnesota	54	January 1, 2016
Mississippi	54	January 1, 2016
Missouri	37	January 1, 2016
Montana	54	January 1, 2016
Nebraska	54	January 1, 2016
Nevada	54	January 1, 2016
New Hampshire	54	January 1, 2016
New Jersey	31	January 1, 2013
New Mexico	54	January 1, 2016
New York	54	January 1, 2016
North Carolina	54	January 1, 2016
North Dakota	54	January 1, 2016
Ohio	52	July 6, 2015
Oklahoma	54	January 1, 2016
Oregon	54	January 1, 2016
Pennsylvania	54	January 1, 2016
Rhode Island	54	January 1, 2016
South Carolina	54	January 1, 2016
South Dakota	42	July 1, 2015
Tennessee	47	August 1, 2011
Texas	54	January 1, 2016
Utah	54	October 1, 2016
Vermont	54	January 1, 2016
Virginia	54	January 1, 2016
Washington	54	January 1, 2016
West Virginia	54	January 1, 2016
Wisconsin	51	July 1, 2015
Wyoming	54	January 7, 2016

SOURCE

The Council of State Governments Survey of State Government Websites, October 2016.

NOTES

¹Most recent date the rate was updated or affirmed.

²CRS 24-9-104 states that on and after January 1, 2008, state officers and employees shall be allowed mileage reimbursement of 90% of the prevailing IRS rate per mile for each mile actually and necessarily traveled while on official state business and, when authorized to be utilized and necessary for official state business, 95% of the prevailing IRS rate per mile for four-wheel-drive vehicles (necessary because of road, terrain, or adverse weather conditions) and forty cents per nautical mile for privately owned aircraft.