

## **Business Mileage, Medical and Moving Rates Decrease**

On Dec. 22, 2020, the Internal Revenue Service (IRS) [issued](#) the 2021 optional standard mileage rates, which are used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on January 1, 2021, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 56 cents per mile driven for business use, down 1.5 cents from the rate for 2020;
- 16 cents per mile driven for medical purposes, or moving purposes for qualified active duty members of the Armed Forces, down one cent from the rate for 2020; and
- 14 cents per mile driven in service of charitable organizations. This rate is set by statute and remains unchanged from 2020.

Under the [Tax Cuts and Jobs Act](#), taxpayers cannot claim a miscellaneous itemized deduction for unreimbursed employee travel expenses. Taxpayers also cannot claim a deduction for moving expenses, unless they are members of the Armed Forces on active duty moving under orders to a permanent change of station.