



### IRS Increases Mileage Rates

JUNE 2011

The IRS has announced an increase in the optional standard mileage rates for the final six months of 2011. Taxpayers may use the optional standard rates to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. These rates are effective from July 1, 2011 through December 31, 2011.

#### Business Mileage Rate

The standard mileage rate for business mileage will be increased to 55.5 cents per mile, an increase of 4.5 cents over the rate in effect for the first six months of 2011.

#### Medical and Moving Mileage Rate

The standard mileage rate for medical and moving expenses has been increased from 19 cents per mile to 23.5 cents per mile for the second half of 2011.

#### Charitable Mileage Rate

The standard mileage rate for charitable purposes remains at 14 cents.

The use of these optional mileage rates are subject to specific rules issued by the IRS which are beyond the scope of this Alert. Please call your W&G advisor at 732-846-3000 if you have any questions regarding the new mileage rates.

*Any U.S. tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of avoiding tax penalties that may be imposed on the taxpayer.*

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