



MONTEREY
COUNTY
OFFICE *of* EDUCATION

Dr. Deneen Guss
County Superintendent of Schools

Finance and Business Services

Bulletin No. 25-019

To: Chief Business Officials and Fiscal Directors

From: Biljana Tatomirovic, Director, District Advisory Services

Date: January 6, 2025

Re: IRS Business Standard Mileage Rate Increase to 70 cents in January 2025

The Internal Revenue Service (IRS) has announced that the business standard mileage rate for transportation expenses paid or incurred beginning January 1, 2025, will be 70 cents per mile. The new rate for business miles is a 0.03 cent per mile increase from 2024.

This is the rate at which employers can reimburse employees, tax-free, for business use of their personal automobiles. If the employee is reimbursed at a rate higher than 70 cents per mile, only the excess should be noted as income on the employee's W-2. Mileage rates for each school district are set by their Board of Trustees. These rates can be more or less than the tax-free rate that the IRS has set.

For further information concerning the mileage rate, please email me at btatomirovic@montereycoe.org.

cc: Dr. Colleen Stanley, Chief Business Official
Suzette Burns, Director, Payroll and Purchasing
Deanna Aromin, Senior Accountant