



TaxNewsFlash

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Notice 2023-3: Standard mileage rates for 2023

The IRS today issued an advance version of Notice 2023-3 providing the standard mileage rates for taxpayers to use in computing the deductible costs of operating an automobile for business, charitable, medical, or moving purposes in 2023.

[Notice 2023-3](#) [PDF 105 KB] provides that beginning January 1, 2023, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 65.5 cents per mile for business miles driven (up from 58.5 cents per mile for 2022)
- 22 cents per mile driven for medical or moving purposes for qualified active-duty members of the Armed Forces (up from 18 cents per mile for 2022) (the deduction for moving expenses has been suspended for taxpayers other than active-duty members of the U.S. Armed Forces)
- 14 cents per mile driven in service of charitable organizations (no change from 2022)

In addition to providing the standard mileage rates, Notice 2023-3 provides the amount taxpayers must use in calculating reductions to basis for depreciation taken under the business standard mileage rate, and the maximum standard automobile cost that may be used in computing the allowance under a fixed and variable rate (FAVR) plan.

For an automobile the taxpayer owns and uses for business purposes, 28 cents of the 65.5 cents per mile rate in 2023 is attributable to depreciation expense (up from 26 cents per mile for 2022).

Read a related IRS release—[IR-2022-234](#) (December 29, 2022)

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