

December 19, 2016

TO: School District Administrators
FROM: Division of Administration, Finance and Accountability
SUBJECT: Mileage Rate for January – December 2017

The Internal Revenue Service has announced that the standard mileage rate will DECREASE from 54.0 cents to 53.5 cents effective January 1, 2017. This is the rate at which employers reimburse employees, tax free, for business use of their personal automobiles.

However, if the employee is reimbursed at a higher rate than 53.5 cents per mile, ONLY the excess should be included as income on the employee's Form 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 contact Priscilla Quinn, Financial Operations Officer, (661) 636-4732.

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