



Monterey County Office of Education

Dr. Nancy Kotowski
County Superintendent of Schools

Finance and Business Services

Bulletin No. 17-005

To: Chief Business Officials, Fiscal Directors, and Business Managers

From: Colleen Stanley, Sr. Executive Director
Finance and Business Services

Date: December 22, 2106

Re: IRS Business Standard Mileage Rate decreased to 53.5¢ cents in 2017

The Internal Revenue Service (IRS) has announced that the business standard mileage rate for transportation expenses paid or incurred beginning January 1, 2017, will be 53.5¢ cents per mile. The new rate for business miles is a 0.5¢ (one-half cent) per mile decrease from the 2016 mileage rate of 54¢ cents per mile.

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 higher rate than 53.5¢ 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 contact me at (831) 755-0308.

cc: Garry P. Bousum, Associate Superintendent of Finance and Business Services
Karen Hennessy, Sr. Director, District Advisory Services
Roseanna Guerrero, Director, Payroll and Purchasing
Dawn Tovey, Director/Controller, Internal Services Finance and Business Services