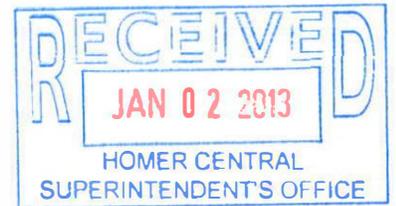




Homer Central School District  
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Date: January 2<sup>nd</sup>, 2013  
To: Nancy S. Ruscio, Superintendent of Schools  
From: Russ Hearton, Director of Business and Finance  
Subject: New IRS Mileage rate

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The Internal Revenue Service has established the rate for 2013 for mileage reimbursement at 56.5 cents per mile, an increase of 1 cent.

It is my understanding that the past practice has been for the district to adopt the new rate each January, when a change has been enacted by the IRS.

Therefore, I am submitting this memorandum for your review and consideration as an agenda item for the January 8<sup>th</sup> Board of Education meeting; so that the BOE might adopt this new rate for the remainder of the fiscal year effective January 1 through June 30, 2013.

The proposed resolution language is as follows:

**Resolved:** that the Board establish the District mileage reimbursement rate to be the same as the Internal Revenue Service mileage reimbursement rate effective January 1, 2013 through June 30, 2013; to be set at 56.5 cents per mile.



## Standard Mileage Rates for 2013

R-2012-95, Nov. 21, 2012

WASHINGTON — The Internal Revenue Service today issued the 2013 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on Jan. 1, 2013, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 56.5 cents per mile for business miles driven.
- 24 cents per mile driven for medical or moving purposes.
- 14 cents per mile driven in service of charitable organizations.

The rate for business miles driven during 2013 increases 1 cent from the 2012 rate. The medical and moving rate is also up 1 cent per mile from the 2012 rate.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle. In addition, the business standard mileage rate cannot be used for more than four vehicles used simultaneously.

These and other requirements for a taxpayer to use a standard mileage rate to calculate the amount of a deductible business, moving, medical, or charitable expense are in Rev. Proc. 2010-51. [Notice 2012-72](#) contains the standard mileage rates, the amount a taxpayer must use in calculating reductions to basis for depreciation taken under the business standard mileage rate, and the maximum standard automobile cost that a taxpayer may use in computing the allowance under a fixed and variable rate plan.

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