

IRS**News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 11/06/01****Release No: IR-2001-106****IRS ANNOUNCES 2002 STANDARD MILEAGE RATES**

WASHINGTON –The Internal Revenue Service today announced the optional standard mileage rates to use for 2002 in computing the deductible costs of operating an automobile for business, charitable, medical or moving expense purposes.

The amounts for the various deductible costs for use of a car will be effective January 1, 2002, and are as follows:

- The standard mileage rate for the cost of operating a car is 36.5 cents a mile for all business miles driven. The rate for 2001 was 34.5 cents a mile.
- The standard mileage rate for the use of a car when giving services to a charitable organization remains at 14 cents a mile.
- The standard mileage rate for use of your car for medical reasons is 13 cents a mile. The previous rate was 12 cents a mile.
- The standard mileage rate to use when computing deductible moving expenses is 13 cents a mile. The previous amount was 12 cents a mile.

The primary reason for the mileage rate increases is the rise in gasoline prices during the past year.

The standard mileage rates for business, medical and moving purposes are based on an annual study of the fixed and variable costs of operating an automobile. An independent contractor conducted the study on behalf of the IRS. The charitable standard mileage rate is provided by law.

Revenue Procedure 2001-54 was released today to formally announce these standard mileage rates. It contains additional information on these rates and it will appear in Internal Revenue Bulletin 2001-48, dated November 26, 2001. It will also be available through the "Advance Notice for Tax Professionals" section of the IRS Web site at www.irs.gov.

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