



TaxNewsFlash

United States

No. 2024-482
December 19, 2024

Notice 2025-5: Standard mileage rates for 2025

The IRS today released Notice 2025-5 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 2025.

[Notice 2025-5](#) provides that beginning January 1, 2025, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 70 cents per mile driven for business use (up 3 cents from 2024)
- 21 cents per mile driven for medical purposes (unchanged from 2024)
- 21 cents per mile driven for moving purposes for qualified active-duty members of the Armed Forces (unchanged from 2024) (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 (unchanged from 2024)

In addition to providing the standard mileage rates, Notice 2025-5 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 automobiles a taxpayer uses for business purposes, 33 cents of the 70 cents per mile rate in 2025 is attributable to depreciation expense (up from 30 cents per mile for 2024).

Read a related IRS release—[IR-2024-312](#) (December 19, 2024)

kpmg.com/socialmedia



The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.3712, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)