

United States Senate

WASHINGTON, DC 20510

March 25, 2022

The Honorable Charles P. Rettig
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, D.C. 20224

Dear Commissioner Rettig:

We write to request an increase in the standard mileage rate American taxpayers use to deduct their costs for operating a vehicle for business, medical, or moving purposes. The Internal Revenue Service (IRS) should expeditiously use its administrative authority to update the rate to reflect the higher gas prices Americans are paying. The current mileage rate was released on December 17, 2021 in [IRS Notice 22-03](#), when the national average gas price was less than \$3.40 per gallon. Unfortunately, the average gas price has increased 28 percent since the release of the standard mileage rate for 2022, to more than \$4.34 per gallon. We encourage you to exercise your discretion as Commissioner to increase the standard mileage rate to reflect unexpectedly high gas prices and deliver relief for Americans.

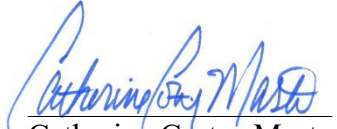
High gas prices are hurting American families just as the cost of groceries, housing, and other energy sources rise and large portions of the workforce are returning to in-person work. The Federal Highway Administration estimates that the average American drives about 1,200 miles per month, or about 39 miles per day. An increase in the per-mile reimbursement rate will offer some relief to Americans who use a personal vehicle for everyday needs like work travel or medical transport. By enabling independent contractors and businesses to adjust for increasing expenses, it will also offer relief to medical service providers and nonprofits providing critical care to families in need, particularly in rural areas, as well as help small businesses struggling with higher costs for transporting goods.


There is historic precedent for the IRS to take mid-year action to increase the standard mileage rate. This occurred both in 2011 and 2008 when gas prices were high. The most recent mid-year increase in the mileage reimbursement rate occurred in June 2011, when gas prices averaged \$3.73 per gallon—an increase of 23 percent from the preceding December. Today's situation is especially deserving of a mid-year adjustment to the mileage rate, because of the energy-price surge driven partly by the crisis in Ukraine, coupled with the pain families are experiencing from across-the-board price increases for basic necessities.

In our home states of Nevada and Colorado, the average gas price is [\\$5.21](#) and [\\$3.98](#) per gallon, respectively—a significant cost burden on workers who must drive personal vehicles for work purposes. Rising gas prices disproportionately affect our states' rural residents, who rely on cars and trucks as their primary means of transportation and may not have regular access to public transportation, as well as low-income families who must pay a larger share of income to transport their kids to school or commute to work. Raising the standard mileage rate can provide relief to our states' taxpayers and businesses when they pay at the pump.

Thank you for your consideration of this matter. We ask that you consider this matter expeditiously given the urgency of this issue across the country.

Sincerely,


Catherine Cortez Masto
United States Senator


Michael F. Bennet
United States Senator