

BUSINESS AFFAIRS MEMORANDUM 2011-01

TO: All Departments

FROM: Gregory M. Lovins
Interim Vice Chancellor for Business Affairs

DATE: January 18, 2011

REFERENCE: Change in IRS Mileage Rate

Effective January 1, 2011, the Internal Revenue Service (IRS) has **increased** the business standard mileage rate to **51 cents per mile**. Accordingly and pursuant to G.S. 138-6(a)(1), the Office of State Budget and Management will adjust the allowable rate of reimbursement for travel by officers and employees on official state business that operate from funds deposited with the State Treasurer. The Travel Policies and Regulations section of the Budget Manual will be updated to reflect the new IRS mileage rate of 51 cents per mile.

The standard mileage rate set by the IRS will be paid to State officers and employees who use their personal vehicle for state business and the roundtrip distance does not exceed 100 miles. In addition, if a state owned vehicle is not available for the employee's state business travel regardless of the distance, he or she shall be reimbursed at the IRS rate.

Departments and agencies should continue to use the 30 cents per mile rate for employees who choose to use personal vehicles on trips that exceed 100 miles roundtrip when a state vehicle is available.

If you have specific questions regarding the new IRS mileage rate, please contact the Controller's office at 262-2110.

GML/gas