IR-2020-279, December 22, 2020

WASHINGTON — The Internal Revenue Service today issued the 2021 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning on January 1, 2021, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 56 cents per mile driven for business use, down 1.5 cents from the rate for 2020,
- 16 cents per mile driven for medical, or moving purposes for qualified active duty members of the Armed Forces, down 1 cent from the rate for 2020, and
- 14 cents per mile driven in service of charitable organizations, the rate is set by statute and remains unchanged from 2020.

The standard mileage rate for business use 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.