

IRS Mileage Rate 2026: 72.5 Cents Per Mile

Business, Medical & Charity Deductions — Complete Calculator Guide

Updated: March 2026 | GoTaxCalculator.com

The IRS mileage rate for 2026 is **72.5 cents per mile for business use** — the highest rate in history. Whether you are self-employed, a gig worker, a nurse driving to patient visits, or a volunteer for a nonprofit, understanding this rate can put real money back in your pocket at tax time. This complete guide covers every IRS mileage rate for 2026, shows you exactly how to calculate your deduction, and explains who qualifies — all in plain English.

Quick Answer: 2026 IRS Mileage Rates

Business: 72.5 cents/mile | Medical: 20.5 cents/mile | Charity: 14 cents/mile Effective January 1, 2026. Use our free calculator below to estimate your deduction instantly.

2026 IRS Standard Mileage Rates (Official)

The IRS announced the 2026 standard mileage rates via IRS Notice 2026-10, effective January 1, 2026. Here are all three official rates:

| Category | 2026 Rate | 2025 Rate | Change |
|-----------------------------------------|-----------------|-----------------|--------------|
| Business (self-employed, contractors) | 72.5 cents/mile | 70.0 cents/mile | +2.5 cents ↑ |
| Medical & Moving (active military only) | 20.5 cents/mile | 21.0 cents/mile | -0.5 cents ↓ |
| Charitable / Volunteer | 14.0 cents/mile | 14.0 cents/mile | No change |

Key insight: The 2.5 cent increase in the business rate means a freelancer or contractor driving 15,000 miles in 2026 will deduct \$375 more compared to 2025. That is real tax savings you should not miss.

IRS Mileage Deduction Calculator 2026

Use this simple formula to calculate your mileage deduction for any category:

Mileage Deduction Formula

Miles Driven x IRS Rate = Your Deduction Example: 10,000 business miles x \$0.725 = \$7,250 deduction

Business Mileage Examples (72.5 cents/mile)

| Miles Driven | Your Deduction | Tax Savings (22% bracket) | Tax Savings (24% bracket) |
|--------------|----------------|---------------------------|---------------------------|
| 1,000 miles | \$725 | \$159 | \$174 |
| 5,000 miles | \$3,625 | \$797 | \$870 |
| 10,000 miles | \$7,250 | \$1,595 | \$1,740 |
| 15,000 miles | \$10,875 | \$2,393 | \$2,610 |
| 20,000 miles | \$14,500 | \$3,190 | \$3,480 |
| 25,000 miles | \$18,125 | \$3,988 | \$4,350 |

Medical Mileage Examples (20.5 cents/mile)

| Miles Driven | Your Deduction |
|--------------|----------------|
| 500 miles | \$102.50 |
| 1,000 miles | \$205.00 |
| 3,000 miles | \$615.00 |
| 5,000 miles | \$1,025.00 |

Charity / Volunteer Mileage Examples (14 cents/mile)

| Miles Driven | Your Deduction |
|--------------|----------------|
| 500 miles | \$70.00 |
| 1,000 miles | \$140.00 |
| 2,500 miles | \$350.00 |

Who Can Deduct Mileage in 2026?

Not everyone qualifies for a mileage deduction. Here is a clear breakdown by category:

Business Mileage — Who Qualifies

- Self-employed individuals (freelancers, consultants, contractors)
- Sole proprietors — claim on Schedule C, Line 9
- Gig workers: Uber, Lyft, DoorDash, Instacart, Amazon Flex drivers
- Real estate agents driving between showings and client meetings
- Traveling nurses and healthcare workers driving between patient sites
- Small business owners driving to meet clients or suppliers
- Salespeople making client calls or deliveries

Important: Commuting Does NOT Count

Driving from your home to your regular office is NOT deductible — this is considered personal commuting by the IRS. Only miles driven for business purposes (client visits, job sites, business errands) count. Exception: if your home qualifies as your principal place of business, trips from home to client sites DO count.

Medical Mileage — Who Qualifies

You can deduct medical mileage as part of itemized deductions on Schedule A. Qualifying trips include:

- Driving to doctor, specialist, or hospital appointments
- Trips to therapy, physical rehabilitation, or mental health sessions
- Driving to pick up prescription medications
- Transportation to authorized medical treatment centers

Note: Medical mileage is only deductible if your total medical expenses exceed 7.5% of your adjusted gross income (AGI).

Charity Mileage — Who Qualifies

The 14 cents per mile charity rate applies when you drive for a qualified 501(c)(3) nonprofit organization:

- Delivering meals for food banks or Meals on Wheels
- Driving patients to medical appointments for a nonprofit
- Transporting donated goods or supplies
- Attending required charity-related meetings

IRS Mileage Rate 2026 for Gig Workers

If you drive for Uber, Lyft, DoorDash, Instacart, Amazon Flex, or any delivery platform, the 2026 mileage rate is one of your most valuable tax deductions. Here is what you need to know:

| Platform | Qualifying Miles | Annual Miles (est.) | Est. Deduction at 72.5 cents |
|-------------|-----------------------------------------|---------------------|------------------------------|
| Uber / Lyft | All miles with passenger (not deadhead) | ~20,000 | ~\$14,500 |
| DoorDash | Restaurant pickup to delivery drop-off | ~15,000 | ~\$10,875 |
| Instacart | Grocery store to customer's home | ~12,000 | ~\$8,700 |
| Amazon Flex | Warehouse to delivery stops | ~18,000 | ~\$13,050 |

Pro Tip: Track every mile from the moment you accept an order to the moment you complete delivery. Deadhead miles (driving back without a passenger or package) are generally not deductible unless going to the next pickup location.

Standard Mileage Rate vs. Actual Expenses: Which Is Better?

The IRS gives you two methods to deduct vehicle costs. You must choose one per vehicle:

| | Standard Mileage Rate | Actual Expense Method |
|-----------------|----------------------------------------------------|------------------------------------|
| How it works | Miles x 72.5 cents | Track every real cost individually |
| What is covered | Gas, insurance, repairs, depreciation — all-in-one | Each expense logged separately |
| Record keeping | Mileage log only | Mileage log + every receipt |
| Best for | Most drivers, fuel-efficient vehicles | High-cost or luxury vehicles |
| Switching | Can switch to actual later (with limits) | Cannot switch back to standard |
| Simplicity | Very easy | Complex and time-consuming |

Bottom line: For most self-employed people and gig workers, the standard mileage rate at 72.5 cents per mile wins. It is simpler, requires less paperwork, and often results in a higher deduction — especially for newer or fuel-efficient vehicles.

IRS Mileage Rate History: 2014–2026

See how the business mileage rate has changed over the last decade. The 2026 rate of 72.5 cents per mile is an all-time high.

| Year | Business Rate | Medical Rate | Charity Rate |
|-----------|---------------|--------------|--------------|
| 2026 | 72.5 cents | 20.5 cents | 14 cents |
| 2025 | 70.0 cents | 21.0 cents | 14 cents |
| 2024 | 67.0 cents | 21.0 cents | 14 cents |
| 2023 | 65.5 cents | 22.0 cents | 14 cents |
| 2022 (H2) | 62.5 cents | 22.0 cents | 14 cents |
| 2022 (H1) | 58.5 cents | 18.0 cents | 14 cents |
| 2021 | 56.0 cents | 16.0 cents | 14 cents |
| 2020 | 57.5 cents | 17.0 cents | 14 cents |
| 2019 | 58.0 cents | 20.0 cents | 14 cents |
| 2018 | 54.5 cents | 18.0 cents | 14 cents |
| 2017 | 53.5 cents | 17.0 cents | 14 cents |
| 2016 | 54.0 cents | 19.0 cents | 14 cents |
| 2015 | 57.5 cents | 23.0 cents | 14 cents |
| 2014 | 56.0 cents | 23.5 cents | 14 cents |

How to Track Mileage for IRS Compliance

The IRS requires contemporaneous mileage records — meaning you must log trips at or near the time they happen, not reconstruct them later from memory. Here is exactly what your mileage log must include for each trip:

| Required Field | Example |
|--------------------|---------------------------------------------------|
| Date of trip | March 1, 2026 |
| Starting location | Home office — 123 Main St |
| Destination | Client office — ABC Corp, Downtown |
| Business purpose | Quarterly strategy meeting with client |
| Miles driven | 24.6 miles (odometer: 45,210 to 45,235) |
| Total annual miles | Business: 8,450 / Personal: 4,200 / Total: 12,650 |

Best Mileage Tracking Methods

- Mileage tracking apps (MileIQ, Everlance, TripLog) — automatic GPS logging
- Google Maps + calendar — import appointments and calculate distances
- Spreadsheet or paper log — manual but IRS-compliant

IRS Audit Warning

Mileage deductions are one of the most commonly audited items on Schedule C. Without a proper mileage log, the IRS can disallow your ENTIRE deduction — even if you actually drove those miles. Keep records throughout the year, not just at tax time.

State Mileage Reimbursement Rules for 2026

While the IRS sets the federal standard mileage rate, some states have their own mileage reimbursement requirements for employees. Knowing your state's rules matters if you are an employer or an employee being reimbursed:

| State | Rule |
|------------------|-----------------------------------------------------------------------|
| California | Employers must reimburse employees at least the IRS rate (72.5 cents) |
| Illinois | Employers must reimburse at IRS rate or higher |
| Massachusetts | Reimbursement required; IRS rate is the standard |
| All other states | No mandatory reimbursement law; IRS rate is voluntary guideline |

Note: Even in states without mandatory reimbursement, employers can reimburse tax-free at or below the IRS rate. Amounts above 72.5 cents per mile become taxable income for the employee.

Frequently Asked Questions — IRS Mileage Rate 2026

What is the IRS mileage rate for 2026?

The 2026 IRS standard mileage rate is 72.5 cents per mile for business use, 20.5 cents per mile for medical and moving purposes (active-duty military only), and 14 cents per mile for charitable driving. These rates took effect January 1, 2026.

Why did the mileage rate go up in 2026?

The IRS increased the 2026 business mileage rate by 2.5 cents to account for rising vehicle operating costs including higher fuel prices, increased auto insurance premiums, and rising vehicle maintenance and repair costs. The 72.5 cent rate is an all-time high.

Can W-2 employees deduct mileage?

Generally no. Under the Tax Cuts and Jobs Act (TCJA) of 2017, unreimbursed employee business expenses — including mileage — are no longer deductible for most W-2 employees through 2025. However, your employer can still reimburse you tax-free at or below the IRS rate. Self-employed individuals, freelancers, and gig workers can still deduct business mileage on Schedule C.

Do I need receipts to claim the standard mileage rate?

No gas receipts or repair receipts are required when using the standard mileage rate. However, a detailed mileage log is absolutely mandatory. The log must include the date, destination, business purpose, and miles for every trip. Without it, the IRS can reject your entire deduction.

Can I deduct both the mileage rate and actual expenses?

No. You must choose one method per vehicle for the entire tax year. You cannot combine them. If you use the standard mileage rate for a vehicle in its first year of business use, you can switch to actual expenses in a later year (with depreciation restrictions). If you start with actual expenses, you generally cannot switch to the standard rate.

What if I use my car for both business and personal trips?

You can only deduct the business-use portion of your total mileage. Keep a complete mileage log of all trips — both personal and business — so you can calculate the business-use

percentage. Example: if you drove 15,000 miles total and 10,000 were for business, your business-use percentage is 67% and you can deduct $10,000 \times \$0.725 = \$7,250$.

Is the 2026 mileage rate the same for electric vehicles?

Yes. The IRS standard mileage rate applies equally to gasoline, hybrid, and electric vehicles. There is no separate rate for EVs. Some tax experts argue the standard rate slightly over-compensates EV drivers since fuel costs are lower, which is why some EV owners calculate whether actual expenses (electricity costs) might yield a better deduction.

Summary: Key Takeaways for 2026

- **The 2026 IRS business mileage rate is 72.5 cents per mile — an all-time high**
- Medical mileage rate is 20.5 cents per mile; charity rate stays at 14 cents
- Self-employed workers, freelancers, and gig workers get the biggest benefit
- Start tracking miles now — retroactive reconstruction rarely holds up in an audit
- For most drivers, the standard mileage rate beats the actual expense method
- California, Illinois, and Massachusetts require employers to reimburse at IRS rates

Use Our Free IRS Mileage Calculator at [GoTaxCalculator.com](https://www.gotaxcalculator.com)

Enter your miles, select your category, and get your estimated deduction instantly.