

December 4, 2008

TO: School District Administrators  
FROM: Division of Administration and Finance  
SUBJECT: Mileage Rate for 2009

The Internal Revenue Service has announced that the standard mileage rate will **DECREASE** from 58.5 cents to 55.0 cents effective January 1, 2009. This is the rate at which employers can reimburse employees, tax free, for business use of their personal automobiles.

However, if the employee is reimbursed at a higher rate than 55.0 cents per mile, **ONLY** the excess should be included as income on the employee's Form W-2.

Mileage rates for each school district are set by their Board of Trustees. These rates can be more or less than the tax-free rate that the IRS has set.

**For further information concerning the mileage rate, please contact Sue Daniel, financial operations officer, District Financial Services, (661) 636-4732.**

BSD:mrp