

SEAN SCANLON
STATE COMPTROLLER



TARA DOWNES
DEPUTY COMPTROLLER



STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

MEMORANDUM NO. 2023-05

January 25, 2023

TO THE HEADS OF ALL STATE AGENCIES

Attention: Chief Administrative and Fiscal Officers, Business Managers, Payroll and Human Resource Officers

Subject: Increase in IRS Standard Mileage Rate

I. IRS STANDARD MILEAGE RATE

The Internal Revenue Service has announced that the **standard mileage rate** for business use of an automobile has been increased to **65.5 cents** per mile effective January 1, 2023. The standard mileage rate is used as a criterion for determining the W-2 reportability of mileage reimbursements made to employees for the business use of their personal vehicles. The excess of an employee's mileage payment reimbursed at a rate higher than the standard mileage rate of 65.5 cents per mile is reportable. **The standard mileage rate should not be confused with the GSA rate, which is currently 62.5 cents.**

II. PAYROLL PROCEDURES

The CO-17XP-PR, Employee Payroll Reimbursement form is to be completed when reimbursing an employee for mileage. The payment is processed through the Active and Pension Payroll Services Division.

- A.** Payroll coding information for **non-reportable** mileage payments is as follows: earnings code NRM, Account 50800.
- B.** Payroll coding information for **reportable** mileage payments is as follows: earnings code MIL, Account 50800.

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III. FOR QUESTIONS PLEASE CONTACT

- A. Memorandum interpretation: osc.apd@ct.gov
- B. Payroll procedures: osc.payroll@ct.gov
- C. Personnel Questions: Agency Human Resources Officer

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