



MEMORANDUM

TO: Deans, Directors, and Department Heads

FROM: Martha J. Pendergrass *MJP*
Director, Material and Disbursement Services

SUBJECT: State Mileage Allowance

DATE: September 13, 2005

Effective September 1, 2005, the Internal Revenue Service (IRS) has increased the business standard mileage rate from 40.5 cents per mile to 48.5 cents per mile. Pursuant to state statute, the Office of State Budget and Management changed the allowable rate of reimbursement for travel on official business by state employees to be equal to the IRS rate.

In processing travel reimbursement forms for trips that began on or after September 1, 2005, the allowable rate is 48.5 cents. For trips that began before September 1, 2005, the rate is 40.5 cents.

University travelers are obligated to use a State vehicle whenever possible. The reimbursement rate is 25 cents per mile when an individual uses a personal car when a state car is available.

If you have any questions regarding the new rate or the processing of travel forms, please contact Pat Tayloe at 843-5098 or pat_tayloe@unc.edu. Thank you.