



**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**


MICHAEL F. EASLEY  
GOVERNOR

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**MEMORANDUM**

TO: Department Heads and Chief Fiscal Officers

FROM: David McCoy 

SUBJ: Change in IRS Mileage Rate

Effective January 1, 2008, the Internal Revenue Service (IRS) has increased the business standard mileage rate from 48.5 cents per mile to 50.5 cents per mile. Pursuant to G.S. 138-6(a)(1), the Office of State Budget and Management will change the allowable rate of reimbursement for travel on official business by the officers and employees that operate from funds deposited with the State Treasurer. The Travel Policies and Regulations section of the Budget Manual will be updated to reflect the new IRS business standard mileage rate of 50.5 cents per mile.

If you have any specific questions regarding the new IRS mileage rate, please contact your budget analyst at (919) 807-4700.