

BOB RILEY Governor

JAMES ALLEN MAIN Director of Finance

STATE OF ALABAMA DEPARTMENT OF FINANCE OFFICE OF THE STATE COMPTROLLER

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ROBERT L. CHILDREE State Comptroller

December 9, 2005

MEMORANDUM

- TO: All State Agencies Chief Fiscal Officers
- FROM: Robert L. Childree State Comptroller

SUBJECT: <u>Travel – Mileage Rate</u>

Effective January 1, 2006, the mileage rate paid to persons traveling in privately owned vehicles on official business for the state will decrease to 44.5 cents per mile. The mileage rate, which is paid in lieu of actual expenses for transportation, is in accordance with Act 99-362, which became effective October 1, 1999. This Act sets the mileage rate at the amount allowed by the Internal Revenue Code for income tax deductions. Therefore, mileage reimbursement for travel on or after January 1, 2006 will be calculated at the new rate of 44.5 cents per mile.

When calculating the amount to be reimbursed, all mileage listed on an expense account must be totaled and then multiplied by 44.5 cents, with odd amounts rounded up to the nearest cent. (Example: 111 miles X .445 = \$49.395 = \$49.40). Should you have any questions concerning this matter, please contact Kathleen Baxter at (334) 242-4857, or Tucker Wilson at (334) 242-7057.

RLC: kdb