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## **New POV mileage rate 54 cents**

Does your board set the district's privately-owned vehicle (POV) mileage reimbursement based on state and federal rates? Effective January 1, 2016, state and federal rates decreased to **54 cents per mile**. Previously the state rate for business miles driven was 57 cents and the federal rate was 57.5 cents per mile.

**Is a district required to pay the state's mileage reimbursement rate of 54 cents for privately-owned vehicles?** No, a local board of education can decide to reimburse teachers/parents at a rate other than the state rate. If the mileage rate your district reimburses exceeds the federal mileage rate, there are tax consequences.

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