



NATIONAL ASSOCIATION OF  
PROFESSIONAL BENEFITS  
ADMINISTRATORS

## COMPLIANCE ALERT

July 31, 2008

### New Mileage Rates through December 31, 2008

The IRS announced a new optional standard mileage rate for medical purposes. Effective July 1, 2008 the rate will increase from \$.19 per mile to \$.27 per mile. The new rate may be used to calculate the amount reimbursable under a medical reimbursement account when a car is used primarily for or is essential to obtaining medical care.

Please note, in order to take advantage of this increase, you will need to track and pay claims incurred prior to June 30, 2008 at the \$.19 per mile rate. Only those claims incurred after July 1, 2008 will be eligible for the increased rate of \$.27 per mile.

The official IRS announcement may be viewed online at <http://www.irs.gov/pub/irs-drop/a-08-63.pdf>