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## Volunteer Mileage

Volunteers who drive their vehicles when they perform work on behalf of a nonprofit are restricted in tax law to deducting only 14 cents per mile, a rate set in statute decades ago. Volunteers who are reimbursed by the charity for the miles they drive must pay income taxes on any amount in excess of 14 cents per mile. Congress should eliminate the distinction between the [Standard Business Mileage Rate](#) (67 cents per mile for 2024, [IRS Notice 2024-08](#)) and the substandard Charitable Mileage Rate to create a single rate, set the same way (flexibly by the IRS), and treated the same way.

### Why It Matters

Higher gas prices, poor tax incentives, and increased transportation and energy costs have caused many individuals to stop donating their time and talent to helping others. Eliminating the difference between the charitable mileage rate and the standard business rate will allow volunteers to defray one of the largest costs associated with volunteering.

The current unfair mileage rate restriction puts at risk many Americans, particularly those in rural areas who are served by volunteers. Individuals who depend on getting Meals-on-Wheels dinners delivered, disabled veterans who depend on volunteers to drive them to doctors, and homebound seniors who depend on

volunteers to deliver prescriptions are threatened because volunteers can no longer afford to help.

## Where We Stand

The National Council of Nonprofits is committed to strengthening and expanding incentives for individuals who give their time and money to the organizations whose missions they support.

## Status

As a partial solution, the [Volunteer Driver Tax Appreciation Act \(S.3020 / H.R. 3032\)](#) was reintroduced in 2023 by Reps. Stauber (R-MN) and Craig (D-MN) and Sens. Klobuchar (D-MN), Budd (R-NC), and Smith (D-MN). The bill would increase the federal tax deduction mileage rate for some volunteer drivers. The increase would be from the current rate of 14 cents per mile to the IRS' business rate, currently set at 65.5 cents per mile in 2023. Specifically, the higher charitable rate would apply to the “transportation of persons (other than the taxpayer) or property on behalf of” a charitable nonprofit.

“Volunteer drivers are crucial to our rural Minnesota communities and to our seniors, as they help deliver meals and provide transportation for healthcare services,” said Rep. Stauber.

The bill has been endorsed by a large coalition of state associations of nonprofits and national organizations, including the American Red Cross, Meals on Wheels America, the National Council of Nonprofits, and the YMCA of the USA. See the [Stauber news release](#), [Klobuchar news release](#), and [list of nonprofit supporters](#).

## More About Volunteer Mileage

- [Letter to Senate Finance Committee Leaders](#), signed by the National Council of Nonprofits, Idaho Nonprofit Center, Oregon Association of Nonprofits, Meals on Wheels America, and Independent Sector, Dec. 1, 2022.
- [Letter to Ways and Means Committee leaders](#), signed by Independent Sector, Meals on Wheels America, and the National Council of Nonprofits, Nov. 21, 2022.

- [Taxpayer Advocate Recommends Reforms](#), *Nonprofit Champion*, Jan. 23, 2023.

## **Additional Resources**

- [Rev. Proc. 2019-46](#), Internal Revenue Service, 2019
- [Internal Revenue Service Bulletin 2022 Standard Mileage Rates](#), Internal Revenue Service.
- [Reimbursing Volunteers: Tips to Avoid Negative Tax Consequences](#), Hawkins Ash, June 3, 2015.