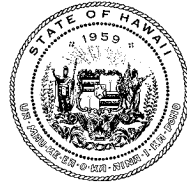


NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR



FREDERICK D. PABLO
DIRECTOR OF TAXATION

RANDOLF BALDEMOR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1577
FAX NO: (808)587-1584

April 11, 2011

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2011-05

RE: Adoption of Optional Standard Mileage Rates for 2010 and 2011

The Department of Taxation (Department) conforms to the federal optional standard mileage rates for computing deductions for operating an automobile for business, charitable, medical, or moving expense purposes. The standard mileage rates for 2010 were published in Rev. Proc. 2009-54, 2009-51 I.R.B. 930 (Dec. 3, 2009) and the rates for 2011 were published in Notice 2010-88, 2010-51 I.R.B.882 (Dec. 3, 2010) See also Rev. Proc. 2010-51, 2010-51 I.R.B. 883 (Dec. 3, 2010). The standard mileage rates which follow the IRS rates are as follows:


	2010	2011
Business	50 cents per mile	51 cents per mile
Medical or Moving	16.5 cents per mile	19 cents per mile
Charitable	14 cents per mile	14 cents per mile

To claim the allowable standard mileage rate for business purposes, taxpayers may use federal Form 2106 – "Employee Business Expenses" or federal Form 2106-EZ, "Unreimbursed Employee Business Expenses". See the federal instructions for Form 1040 (Schedule A – "Itemized Deductions") to properly claim the unreimbursed mileage if you do not have to file either Form 2106 or 2106-EZ.

Hawaii Form N-139 – "Moving Expenses" must be used to claim the allowable standard mileage rate for moving expenses.

Refer to the federal instructions for Form 1040 (Schedule A) to claim the allowable standard mileage rate for charitable or medical purposes.

Current forms and other tax information may be downloaded from the Department's website at: www.hawaii.gov/tax. If you know which tax form or publication you need, please call the Department's customer service representatives at 808-587-4242, or toll-free from the neighbor islands and continental U.S. at 1-800-222-3229.


FREDERICK D. PABLO
Director of Taxation