

IRS Releases New Per-Diem Business Travel Rates

October 2, 2020

The IRS recently announced the new per-diem rates for business expenses incurred while traveling away from home (Notice 2020-71). These rates begin on October 1, 2020, and are effective until September 30, 2021.

For travel within the continental United States, there are different per-diem rates for high-cost locations and other locations. The per-diem rates are \$292 for travel to any high-cost locations and \$198 for travel to any other locations, which are slightly lower amounts than last year.

The rates for M&IE are unchanged from last year, being \$71 for travel to high-cost locations and \$60 for travel to any other locations. The list of high-cost locations has also changed slightly, adding 5 locations, removing 2 locations, and changing the time-frame of the calendar year for 10 locations.

Incidental-expenses only have remained at an unchanged per-diem rate of \$5 per day.

If you have employees that travel within the continental United States, we can help you substantiate the amount of expenses incurred with business travel.

