# ‘Outdated’ mileage rates warning

Briefings



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People who use their own cars for business trips are being left out of pocket by ‘severely outdated’ mileage rates, the ATT has warned, calling for the rates to be increased.

Senga Prior, Chair of ATT’s Technical Steering Group, said: ‘Freezing mileage rates for the last 12 years means employees are no longer fairly compensated for the real expenses incurred during their business travel. This particularly affects those on low wages, such as care workers, who have no choice but to use their own cars for work.

‘The current rates are severely outdated, meaning employees are bearing the financial burden of business travel on behalf of their employers.’

The current rates of 45p per mile for the first 10,000 miles, and 25p per mile thereafter have not been updated since 2011. If the rates had kept pace with inflation, the rates would now be 63p and 35p respectively.

Mileage allowances was one of five topics on which ATT made representations to government ahead of the Autumn Statement. The others covered jointly owned

properties, trivial benefits and two on inheritance tax. One of these suggested a simplification of inheritance tax, while the other requested that executors are given a longer period in which to sell shares from the estate and claim relief for a loss on sale.

CIOT also made a pre-Autumn Statement representation, repeating the Institute’s call for the government to address the tax treatment of cryptoassets. ‘The world of cryptoassets is developing at a rapid rate; unless there is a clear, uniform set of legislation across the taxes, the UK will lose out to other countries whose legal systems recognise cryptoassets for the unique assets they are, providing certainty and a more attractive place to do business for investors,’ the representation states.