

# Per Diem Rates for Mileage, Meals, and Lodging

## Mileage Reimbursement

Employers are not federally required to reimburse their employees for mileage costs unless the expense causes the employee to earn less than minimum wage. California, Illinois, and Massachusetts are the only three states that require by law that employers reimburse mileage for their employees.

## Fiscal Year 2022 Mileage Rates

The IRS updates mileage rates on a fiscal year basis. The mileage rates are announced in October and become active on January 1 of the following year. At times, the IRS will update mileage rates more frequently if warranted.

Until December 31, 2022, the business mileage rates are 62.5 cents/mile.

## Suggestions for Per Diem Rates for Meals and Lodging

Similar to mileage reimbursement, employers are not federally required to pay per diem to employers for travel expenses, such as lodging and meals; however, employees must be reimbursed in some way. Obsidian HR recommends employers use the U.S. General Service Administration (GSA) per diem rates to reimburse employees who incurred business-related travel expenses. The most up-to-date rates can be found on the [GSA website](#) and are categorized by geographic location.

If you have any questions, please don't hesitate to contact your dedicated Service Team at [help@obsidianhr.com](mailto:help@obsidianhr.com) or call us at 303-802-2055.