

Mileage rates review to support working people

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Millions of drivers who claim motoring expenses could benefit from a review of approved mileage rates.

- Millions of drivers who claim motoring expenses from their employer will see approved mileage rates reviewed ahead of a future Budget.
- Approved mileage allowance payment rates have not changed since 2011, despite motoring costs evolving significantly.
- Part of a plan to help keep prices down at the pump with fuel duty already frozen.

The Chancellor highlighted the issue earlier this month, recognising that approved mileage allowance payment rates have not changed since 2011 even as motoring costs have evolved significantly - with low-paid workers in vital sectors like home care picking up the tab.

The workers-first review will focus on people who rely on their car to do their job, ensuring they are not left out of pocket. As part of this, the government will meet with people struggling with increased costs to inform this work as it develops.

In the meantime, wider action is being taken to support people with the cost of living and keep prices down at the pump, including by freezing fuel duty until September.

Exchequer Secretary to the Treasury Dan Tomlinson said:

Millions of working people rely on their car to do their job. But mileage rates have been unchanged since 2011 and that's increased the cost of working. A review is well overdue.

Keeping prices down at the pump is an important way we can help people with the cost of living which is why fuel duty is already frozen.

<https://www.gov.uk/government/news/mileage-rates-review-to-support-working-people>