

United States Senate  
WASHINGTON, DC 20510

March 26, 2026

The Honorable Scott Bessent  
Secretary  
U.S. Department of Treasury  
1500 Pennsylvania Avenue, NW, Washington, D.C. 20220

Dear Secretary Bessent:

I write today to request that the IRS increase the 2026 optional standard mileage rate used to calculate the deductible cost of operating an automobile for business purposes and make this increase retroactive to March 1, 2026. As you know, gas prices have reached record highs in 2026 due to President Trump's lack of planning with regard to the impacts of the Iran war on energy prices. Increasing the standard mileage rate is critical to support the small business owners and self-employed individuals whose livelihoods have been harmed by these price increases.

Since the start of the war with Iran, gas prices have risen drastically across the country, with national averages approaching \$3.98 this week.<sup>1</sup> These prices reflect nearly a dollar-per-gallon increase compared to a month ago. For many self-employed individuals who rely on driving, these prices are unsustainable. Given the significant increase in gas prices, I urge the IRS to raise the standard mileage rate at a rate that proportionately reflects gas price increases. The increase should be made retroactive, applying to miles driven on and after March 1, 2026, when the major gas price increases began.

As you know, there is ample historical precedent for the IRS to increase the standard mileage rate in response to high gas prices. When Russia's invasion of Ukraine sent gas prices soaring in 2022, at the request of Members of Congress including myself, the IRS responded by increasing the standard mileage rate by 4.0 cents per mile. At the time, it stated that it was doing so in response to the "recent increases in the price of fuel."<sup>2</sup> In 2026, gas prices have risen rapidly over a shorter length of time.<sup>3</sup> For many small business owners and self-employed individuals who must drive to perform their jobs, these recent price increases are unsustainable.

Small business owners and self-employed contractors are key contributors to our economy, and they rely on optional standard mileage rate deductions that reflect the real cost of doing business. I urge the IRS to act quickly to increase this rate and provide these individuals and small businesses with the economic certainty they need.

Thank you for your time and attention to this matter.

Sincerely,



Ruben Gallego  
United States Senator

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<sup>1</sup> <https://gasprices.aaa.com/>

<sup>2</sup> [https://www.irs.gov/irb/2022-26\\_IRB](https://www.irs.gov/irb/2022-26_IRB)

<sup>3</sup> [https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=emm\\_epm0\\_pte\\_nus\\_dpg&f=m](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=emm_epm0_pte_nus_dpg&f=m)