

Cathy Domanico

From: Wayne Peterson
Sent: March 24, 2025 2:31 PM
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Cc: Cathy Domanico
Subject: BULLETIN #23-25 CRA Approved Mileage Allowance
Attachments: CRA Mileage Rates 2025.docx; National Joint Council Business Km Rate.pdf

Good afternoon.

This morning, we discussed the allowable CRA mileage reimbursement rates.

Reviewing the information discussed we find that the word document attached is the allowable rate for our purposes.

The mileage allowance that **private sector employers** utilize is from the Department of Finance through the Income Tax Act which sets out reasonable allowances/reimbursements for employees to compensate them for the use of their motor vehicle in "connection with or in the course of their office or employment duties. The allowance may not be taxable if the per-kilometre rate is reasonable, and all other conditions are met." This is frequently referred to as the CRA rate. (\$0.72 on first 5000 km, \$0.66 thereafter)

The PDF document is from the National Joint Committee and specific to the Public Service of Canada (so Federal government employees).

"The National Joint Council of the Public Service of Canada is the Forum of Choice for co-development, consultation and information sharing between the government as employer and public service bargaining agents. Through the National Joint Council (NJC), the parties work together to resolve problems and establish terms of employment that apply across the public service. NJC subjects include government travel, relocation, commuting assistance, isolated posts and government housing, foreign service directives, work force adjustment, safety and health, the bilingual bonus and public service health plans." <https://www.njc-cnm.gc.ca/en>

I trust this provides some clarification.

Thank you.

Wayne Peterson
Executive Director
Construction Employers Coordinating Council of Ontario

CECCO

Automobile or motor vehicle benefits – Allowances ...



Canada.ca

<https://www.canada.ca/businesses/topics/payroll>

Mar 6, 2025 — Using the prescribed per-kilometre **rates** ; 2025, \$0.72, \$0.66 ; **2024**, \$0.70, \$0.64 ; 2023, \$0.68, \$0.62 ; 2022, \$0.61, \$0.55 ...

Calculate payroll deductions and contributions

Automobile or motor vehicle benefits – Allowances or reimbursements provided to an employee for the use of their own vehicle

You may be looking for:

- [Motor vehicle expenses claimed by self-employed individuals](#)

Content has been updated for clarity, completeness and plain language. **No changes were made to the current CRA administrative policy.**

You may provide an allowance or a reimbursement to your employee to compensate for use of their automobile or motor vehicle in connection with or in the course of their office or employment duties.

The **allowance** may not be taxable if the [per-kilometre rate](#) is **reasonable** and **all** other conditions are met.

What are the reasonable prescribed **allowance per-kilometre rates**

Prescribed per-kilometre rates

Year	First 5,000 kilometres (province)	Additional kilometres (province)	First 5,000 kilometres (territory)	Additional kilometres (territory)
2025	\$0.72	\$0.66	\$0.76	\$0.70
2024	\$0.70	\$0.64	\$0.74	\$0.68
2023	\$0.68	\$0.62	\$0.72	\$0.66
2022	\$0.61	\$0.55	\$0.65	\$0.59

Appendix A: CRA Kilometric Rates

Effective: January 1, 2025

The kilometric rates (payable in cents per kilometre) below are payable in Canadian funds only. Rates are reviewed on a quarterly basis.

These rates are guided and established by the National Joint Council (NJC) and adopted by the Canada Revenue Agency for application of the Directive on Travel. For more information on how these rates are established and adjusted by the NJC, please see [Kilometric Rates - Questions and Answers](#).

CRA Kilometric Rates

This table indicates the rates payable in cents per kilometre for the use of privately owned vehicles driven on business.

Province/Territory	Cents per kilometre (taxable)
Alberta	57.5
British Columbia	60.0
Manitoba	56.0
New Brunswick	60.5
Newfoundland and Labrador	63.0
Northwest Territories	72.0
Nova Scotia	61.5
Nunavut	72.5
Ontario	63.0
Prince Edward Island	60.0

CRA Kilometric Rates

This table indicates the rates payable in cents per kilometre for the use of privately owned vehicles driven on business.

Province/Territory	Cents per kilometre (taxable amount)
Quebec	60.5
Saskatchewan	56.5
Yukon	73.0

Notes:

- Rates are payable in Canadian funds only.
- The kilometric rate payable when a Canadian registered vehicle is driven in more than one province or in the USA shall be the rate applicable to the province or territory of registration of the vehicle.

- What is the mileage rate for 2025 in Ontario?
- Reasonable per-kilometre mileage rates

	For the first 5000 km driven	Above 5000 km
2025	CAD 0.72 / km	CAD 0.66 / km
2024	CAD 0.70 / km	CAD 0.64 / km
2023	CAD 0.68 / km	CAD 0.62 / km

- Feb 3, 2025

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Nunavut	72.5
Ontario	63.0
Prince Edward Island	60.0
Quebec	60.5
Saskatchewan	56.5
Yukon	73.0

Notes:

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 - The kilometric rate payable when a Canadian registered vehicle is driven in more than one province or in the USA shall be the rate applicable to the province or territory of registration of the vehicle.
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Appendix A: CRA Kilometric Rates

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CRA Kilometric Rates

This table indicates the rates payable in cents per kilometre for the use of privately owned vehicles driven on business travel

Province/Territory	Cents/km (taxes included)
Alberta	57.5
British Columbia	60.0
Manitoba	56.0
New Brunswick	60.5
Newfoundland and Labrador	63.0
Northwest Territories	72.0
Nova Scotia	61.5
Nunavut	72.5
Ontario	63.0
Prince Edward Island	60.0
Quebec	60.5
Saskatchewan	56.5