

## 2022-2023 Special Per Diem Rates

Notice 2022-44

### SECTION 1. PURPOSE

This annual notice provides the 2022-2023 special per diem rates for taxpayers to use in substantiating the amount of ordinary and necessary business expenses incurred while traveling away from home, specifically (1) the special transportation industry meal and incidental expenses (M&IE) rates, (2) the rate for the incidental expenses only deduction, and (3) the rates and list of high-cost localities for purposes of the high-low substantiation method.

### SECTION 2. BACKGROUND

Rev. Proc. 2019-48, 2019-51 I.R.B. 1392 (or successor), provides rules for using a per diem rate to substantiate, under § 274(d) of the Internal Revenue Code and § 1.274-5 of the Income Tax Regulations, the amount of ordinary and necessary business expenses paid or incurred while traveling away from home. Taxpayers using the rates and list of high-cost localities provided in this notice must comply with Rev. Proc. 2019-48 (or successor). Notice 2021-52, 2021-38 I.R.B. 381, provides the rates and list of high-cost localities for the period October 1, 2021, to September 30, 2022.

### SECTION 3. SPECIAL M&IE RATES FOR TRANSPORTATION INDUSTRY

The special M&IE rates for taxpayers in the transportation industry are \$69 for any locality of travel in the continental United States (CONUS) and \$74 for any locality of travel outside the continental United States (OCONUS). See section 4.04 of Rev. Proc.

2019-48 (or successor).

#### SECTION 4. RATE FOR INCIDENTAL EXPENSES ONLY DEDUCTION

The rate for any CONUS or OCONUS locality of travel for the incidental expenses only deduction is \$5 per day. See section 4.05 of Rev. Proc. 2019-48 (or successor).

#### SECTION 5. HIGH-LOW SUBSTANTIATION METHOD

1. Annual high-low rates. For purposes of the high-low substantiation method, the per diem rates in lieu of the rates described in Notice 2021-52 (the per diem substantiation method) are \$297 for travel to any high-cost locality and \$204 for travel to any other locality within CONUS. The amount of the \$297 high rate and \$204 low rate that is treated as paid for meals for purposes of § 274(n) is \$74 for travel to any high-cost locality and \$64 for travel to any other locality within CONUS. See section 5.02 of Rev. Proc. 2019-48 (or successor). The per diem rates in lieu of the rates described in Notice 2021-52 (the meal and incidental expenses only substantiation method) are \$74 for travel to any high-cost locality and \$64 for travel to any other locality within CONUS.

2. High-cost localities. The following localities have a federal per diem rate of \$250 or more, and are high-cost localities for the specified portion of the calendar year:

<b>Key City</b>	<b>County or Other Defined Location</b>	<b>Portion of Calendar Year</b>
<b>Alabama</b>		
Gulf Shores	Baldwin	June 1 – July 31
<b>Arizona</b>		
Phoenix/Scottsdale	Maricopa	February 1 – March 31
Sedona	City limits of Sedona	October 1 – September 30

### California

Los Angeles	Los Angeles, Orange, and Ventura, and Edwards AFB, but not Santa Monica	October 1 - October 31 and January 1 - September 30
Mill Valley/San Rafael/Novato	Marin	October 1 – October 31 and June 1 – September 30
Monterey	Monterey	June 1 – August 31
Napa	Napa	October 1 –September 30
Oakland	Alameda	October 1 – September 30
San Diego	San Diego	February 1 – August 31
San Francisco	San Francisco	October 1 – September 30
San Luis Obispo	San Luis Obispo	June 1 – August 31
San Mateo/Foster City/Belmont	San Mateo	October 1 – September 30
Santa Barbara	Santa Barbara	October 1 – September 30
Santa Monica	City limits of Santa Monica	October 1 – September 30
Sunnyvale/Palo Alto/San Jose	Santa Clara	October 1 – September 30

### Colorado

Aspen	Pitkin	October 1 – March 31 and June 1 – September 30
Denver/Aurora	Denver, Adams, Arapahoe, and Jefferson	October 1 – October 31 and April 1 – September 30
Durango	La Plata	June 1 – September 30

<b>Key City</b>	<b>County or Other Defined Location</b>	<b>Portion of Calendar Year</b>
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**Colorado**

Grand Lake	Grand	December 1 – March 31
Silverthorne/Brecken ridge	Summit	October 1 – March 31 and June 1 – September 30
Steamboat Springs	Routt	December 1 – March 31
Telluride	San Miguel	October 1 – September 30
Vail	Eagle	October 1 – September 30

**Delaware**

Lewes	Sussex	July 1 – August 31
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**District of Columbia**

Washington D.C. (also the cities of Alexandria, Falls Church, and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland) (See also Maryland and Virginia)		October 1 – September 30
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**Florida**

Boca Raton/Delray Beach/Jupiter	Palm Beach and Hendry	December 1 – April 30
Bradenton	Manatee	February 1 – March 31
Cocoa Beach	Brevard	February 1 – March 31
Fort Lauderdale	Broward	October 1 – April 30
Fort Myers	Lee	February 1 – March 31
Fort Walton Beach/DeFuniak Springs	Okaloosa and Walton	October 1 – October 31 March 1 – September 30
Gulf Breeze	Santa Rosa	June 1 – July 31
Key West	Monroe	October 1 – September 30
Miami	Miami-Dade	December 1 – March 31
Naples	Collier	December 1 – April 30
Panama City	Bay	June 1 – July 31
Pensacola	Escambia	June 1 – July 31
Punta Gorda	Charlotte	February 1 – March 31
Sarasota	Sarasota	February 1 – April 30
Sebring	Highlands	February 1 – March 31
Stuart	Martin	February 1 – March 31
Vero Beach	Indian River	December 1 – April 30

<b>Key City</b>	<b>County or Other Defined Location</b>	<b>Portion of Calendar Year</b>
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**Georgia**

Jekyll Island/ Brunswick	Glynn	March 1 – July 31
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**Idaho**

Sun Valley/Ketchum	Blaine and Elmore	December 1 – March 31 and June 1 – September 30
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**Illinois**

Chicago	Cook and Lake	October 1 – November 30 and April 1 – September 30
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**Maine**

Bar Harbor/ Rockport	Hancock and Knox	October 1 – October 31 and July 1 – September 30
Kennebunk/Kittery/Sanford	York	July 1 – August 31
Portland	Cumberland and Sagadahoc	July 1 – August 31

**Maryland**

Ocean City	Worcester	July 1 – August 31
Washington, DC Metropolitan Area	Montgomery and Prince George's	October 1 – September 30

**Massachusetts**

Boston/Cambridge	Suffolk and City of Cambridge	October 1 – September 30
Falmouth	City limits of Falmouth	May 1 – August 31
Hyannis	Barnstable less the city of Falmouth	July 1 – August 31
Martha's Vineyard	Dukes	October 1 – September 30
Nantucket	Nantucket	October 1 –September 30

**Michigan**

Mackinac Island	Mackinac	July 1 – August 31
Petoskey	Emmet	July 1 – August 31
Traverse City	Grand Traverse	July 1 – August 31

<b>Key City</b>	<b>County or Other Defined Location</b>	<b>Portion of Calendar Year</b>
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**Minnesota**

Duluth	St. Louis	October 1 – October 31 and June 1 – September 30
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**Montana**

Big Sky/West Yellowstone/Gardiner	Gallatin and Park	June 1 – September 30
Kalispell/Whitefish	Flathead	July 1 – August 31

**New Mexico**

Carlsbad	Eddy	October 1 – September 30
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**New Jersey**

Toms River	Ocean	July 1 – August 31
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**New York**

Glens Falls	Warren	July 1 – August 31
Lake Placid	Essex	July 1 – August 31
New York City	Bronx, Kings, New York, Queens, and Richmond	October 1 – December 31 and March 1 – September 30

**North Carolina**

Kill Devil Hills	Dare	April 1 – September 30
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**Oregon**

Lincoln City	Lincoln	July 1 – August 31
Portland	Multnomah	October 1 – October 31 and June 1 – September 30
Seaside	Clatsop	July 1 – August 31

**Pennsylvania**

Hershey	Hershey	June 1 – August 31
Philadelphia	Philadelphia	October 1 – November 30, March 1 – June 30, and September 1 – September 30

**Rhode Island**

Jamestown/Middleto wn/Newport	Newport	October 1 – October 31 and June 1 – September 30
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<b>Key City</b>	<b>County or Other Defined Location</b>	<b>Portion of Calendar Year</b>
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**South Carolina**

Charleston	Charleston, Berkeley, and Dorchester	October 1 –September 30
Hilton Head	Beaufort	June 1 – August 31
Myrtle Beach	Horry	June 1 – August 31

**Tennessee**

Nashville	Davidson	October 1 – September 30
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**Utah**

Moab	Grand	October 1 – October 31 and March 1 – September 30
Park City	Summit	October 1 – September 30

**Virginia**

Virginia Beach	City of Virginia Beach	June 1 – August 31
Wallops Island	Accomack	July 1 – August 31
Washington, DC Metro Area	Cities of Alexandria, Falls Church, and Fairfax; Counties of Arlington and Fairfax	October 1 – September 30

**Vermont**

Manchester	Bennington	October 1 – September 30
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**Washington**

Port Angeles/Port Townsend	Clallam and Jefferson	July 1 – August 31
Seattle	King	October 1 – September 30
Vancouver	Clark, Cowlitz, and Skamania	October 1 – October 31 and June 1 – September 30

**Wyoming**

Cody	Park	June 1 – September 30
Jackson/Pinedale	Teton and Sublette	October 1 – September 30

3. Changes in high-cost localities. The list of high-cost localities in this notice differs from the list of high-cost localities in section 5 of Notice 2021-52.

- a. The following localities have been added to the list of high-cost localities: Gulf Shores, Alabama; Phoenix/Scottsdale, Arizona; San Luis Obispo, California; Durango, Colorado; Steamboat Springs, Colorado; Bradenton, Florida; Cocoa Beach, Florida; Gulf Breeze, Florida; Panama City, Florida; Pensacola, Florida; Punta Gorda, Florida; Sarasota, Florida; Sebring, Florida; Stuart, Florida; Sun Valley/Ketchum, Idaho; Portland, Maine; Mackinac Island, Michigan; Duluth, Minnesota; Kalispell/Whitefish, Montana; Toms River, New Jersey; Glens Falls, New York; Kill Devil Hills, North Carolina; Lincoln City, Oregon; Myrtle Beach, South Carolina; Moab, Utah; Manchester, Vermont; Port Angeles/Port Townsend, Washington.
- b. The following localities have changed the portion of the year in which it is a high-cost locality: Sedona, Arizona; Napa, California; San Diego, California; Silverthorne/Breckenridge, Colorado; Fort Lauderdale, Florida; Fort Walton Beach/De Funiak Springs, Florida; Key West, Florida; Bar Harbor/Rockport, Maine; Falmouth, Massachusetts; Martha's Vineyard, Massachusetts; Nantucket, Massachusetts; Jamestown/Middleton/Newport, Rhode Island; Charleston, South Carolina; Park City, Utah; Jackson/Pinedale, Wyoming.
- c. The following locality has been removed from the list of high-cost localities: Crested Butte/Gunnison, Colorado.

## SECTION 6. EFFECTIVE DATE

This notice is effective for per diem allowances for lodging, meal and incidental expenses, or for meal and incidental expenses only, that are paid to any employee on or after October 1, 2022, for travel away from home on or after October 1, 2022. For



purposes of computing the amount allowable as a deduction for travel away from home, this notice is effective for meal and incidental expenses or for incidental expenses only paid or incurred on or after October 1, 2022. See sections 4.06 and 5.04 of Rev. Proc. 2019-48 (or successor) for transition rules for the last 3 months of calendar year 2022.

#### SECTION 7. EFFECT ON OTHER DOCUMENTS

Notice 2021-52 is superseded.

#### DRAFTING INFORMATION

The principal author of this notice is Knolan Smith of the Office of Associate Chief Counsel (Income Tax & Accounting). For further information regarding this notice contact Mr. Smith at (202) 317-7005 (not a toll-free call).