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March 8, 2011

Mr. Douglas H. Shulman Commissioner Internal Revenue Service 1111 Constitution Avenue, NW Washington, D.C. 20224

Dear Commissioner Shulman:

Since the Internal Revenue Service (IRS) announced the 2011 optional standard mileage rates, weekly retail gasoline prices have increased by nearly 20 percent according to the U.S. Energy Information Administration (EIA). In fact, the EIA reported that gasoline prices for the week ending February 28 registered their second largest weekly increase since 1990 (with post Katrina taking the top spot).

Gas prices are continuing their upward climb, and there are no signs that the pain at the pump will subside any time soon. As a member of the House Ways and Means Committee, I am writing to request that the IRS increase the 2011 optional mileage rates in light of higher travel costs brought on by surging gas prices. Taxpayers today, especially small businesses struggling to stay afloat, want, need and deserve rates that reflect the current cost of travel.

As you know, the IRS increased the optional mileage rates due to spiking gas prices in 2005 after Hurricane Katrina and in the summer of 2008. In 2008, you said at the time, "We want the reimbursement rate to be fair to taxpayers." Failure to quickly and appropriately increase the rates would only further compound the current financial pinch and stifle an already shaky economic recovery. It is my hope that the IRS will adopt this fair, simple, common-sense solution to help taxpayers already reeling from sticker shock at the pump.

I appreciate your consideration of my request and I look forward to hearing from you.

Sincerely,

SAM JOHNSON

Member of Congress