

## **Should Our Olympic Champs Be Taxed On Their Prize Money & Medals?**

### **Article Highlights:**

- Olympian Prize Money
- Gold Medals Aren't Solid Gold
- Legislation to Exempt Prize Money and Medals from Taxation

You may not realize this, but in addition to winning an Olympic medal, winners are compensated by the U.S. Olympic Committee with prize money: \$25,000 for a gold medal, \$15,000 for a silver medal and \$10,000 for a bronze medal.

Oh, and by the way, the gold medals are not solid gold. In fact, they haven't been solid gold since the 1912 Stockholm Games. This year's gold medals are 92.5% silver with 24k gold plating. The 2016 Summer Olympics medals are worth roughly \$587 in precious metals; however, they can bring many times that in an auction.

According to Sen. Charles Schumer, D-NY, both the prize money and the value of the medals are taxable income to our athletes. Schumer and Sen. John Thune, R-SD, have sponsored legislation exempting the value of medals and prizes awarded to Olympic and Paralympic athletes. The Senate has already passed the bill, but it has not been taken up by the House yet.

Gone (for 30 years now) are the days of Olympic participants being amateurs only. Some oppose exempting U.S. Olympians from being taxed on their awards for a couple of reasons: (1) recipients of other prizes, such as the Oscar swag bags, are required to pay tax on the value of their prizes, so why should Olympic athletes be treated differently? and (2) professional athletes who participate in sports as a business (NBA players, PGA golfers, etc.) can deduct their training and travel expenses as business expenses, and those who participate as a hobby may also be allowed some limited deductions. So is it necessary to exempt the Olympians' winnings?

Congress is in summer recess and will not reconvene until after the games are completed. So we'll have to wait for the results post-games.