



Rookie Year Tax Issues

# Tax and Cash Flow Planning



# AGENDA

- Types of Pay
- Endorsements
- Multi State Tax Issues
- Withholdings
- Retirement Plans
- Investments
- Effects of 2018 Tax Law on Professional Athletes



## TYPES OF PAY

- Wages
- Signing Bonus
- Regular Season Wages
- Performance Bonuses
- Camp & Other Miscellaneous Pay



# ENDORSEMENTS

- Commercials
- Brand name shoes, etc.
- BBQ Sauce 😊
- Provides opportunity for tax deductions



# MULTI STATE TAX ISSUES

- What is your home state?
- Taxes to states where games are played



# WITHHOLDINGS

- Federal
- State(s)
- Local(s)
- FICA
- Additional Medicare Tax on Wages over \$200,000



# RETIREMENT PLANS

- Income Deferral
- Tax Deferred Growth



# INVESTMENTS

- Brokerage Accounts
- Annuities
- Buddy's New Business Idea
- That Shiny New Sports Car





## EFFECTS OF 2018 TAX LAW ON PROFESSIONAL ATHLETES

- Itemized Deductions
  - Taxes
  - Mortgage Interest
  - Charity
    - Donor Advised Funds
    - Non Cash Contributions
- Employee Business Expenses No Longer Deductible
- Business Losses



**THANK YOU!**

**ANY QUESTIONS?**



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