

Will The IRS Go For The Interception?



Tampa Bay Buccaneers strike deal with fan who gave up Tom Brady's 600th touchdown ball

Buccaneers fan, Byron Kennedy, returned Tom Brady's 600th career pass TD ball after Mike Evans gave it to him - and he's being rewarded handsomely for it with:

- Two signed jerseys and a helmet from Brady
- A signed Evans jersey and his game cleats
- \$1,000 credit at the team store
- Two season passes for the remainder of this season and 2022
- A bitcoin

But what about the tax implications?

- In general, the IRS code states that all items are taxable unless they offer a specific provision for it being not taxable.
- If Kennedy decided to keep the football, one could argue that the football is not a taxable item as Kennedy did not perform any services to receive it.
- If Kennedy kept the football and then decided to sell it, that should be considered a taxable gain.
- All the items Kennedy received in exchange for the football should be taxable to him, especially since there can be a value put on all the items.

How about a round of golf instead?

When asked by NFL Network whether he wanted to renegotiate, Kennedy said only that he'd like to spend some time on the golf course with Brady.

QUESTIONS?

Whether you are launching a new athletic career or already a seasoned veteran, our Sports & Entertainment Group can help you establish solutions for today's issues and take advantage of tomorrow's opportunities. You focus on your game and we will help you take care of business. Contact a member of Crowe Soberman's Sports & Entertainment Group or visit www.crowesoberman.com to learn more.

While this infographic provides general information, Crowe Soberman recommends that you speak with your tax advisor before taking specific tax planning steps.