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Olympic Medals and Income Tax

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The 2024 Paris Olympics are in full swing, and it is never too early for U.S. athletes to consult with their tax advisor. As was done in 2021, the United States Olympic & Paralympic Committee has [pledged to award U.S. medalists](#) \$37,500 for each gold medal, \$22,500 for each silver medal and \$15,000 for each bronze medal won.

It may come as a surprise to some, but those financial awards for winning an Olympic medal may very well be subject to income tax. The [U.S. tax code specifically includes prizes and awards in gross income](#) subject to income tax. Some refer to this as the “[victory tax](#).” In addition, medalists may also have to pay state income tax.

Fortunately, many winning athletes will not pay federal income tax since the [tax code exempts prizes and awards from income tax](#) for those athletes making under \$1M annually.

However, those athletes such as [Simone Biles with lucrative endorsement earnings](#) may well want to consult with their tax advisor after stepping off the podium.