



Football and Taxes

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Before we begin

- Everything that I say and everything written in these slides are my opinions. They are not necessarily the opinions or positions of the United States, the Department of the Treasury, the Internal Revenue Service, or the Chief Counsel.

\$\$\$ Income \$\$\$

- A common question from football officials is whether you have to report on your tax return income from working games if you do not get a 1099 for that game. That's a slow pitch.
 - YES, your reportable income is any compensation you receive in any form. This includes checks, cash, direct deposit, gift cards, and even reimbursements for non-deductible expenses (like local travel).
 - If you get reimbursed for deductible expenses (like a flight), you can leave it off your income, but only if you don't also deduct the expense. You can't have it both ways.

Report it where?

- You are a sole proprietor.
 - Not taxed separately
 - Taxed using Schedule C or Schedule C-EZ (if < 5K expenses) on your personal Form 1040 return.
 - Expect to pay about 15.3% in self-employment tax
 - All tax prep software will put it all in the right place
 - Use business code 711210 Spectator Sports
 - Good news: 20% Qualified Business Income deduction – automatic and subject to income limitations

But officiating costs me a fortune...


- Ordinary and necessary business deductions are allowed. BUT many sports officials push it way too far. There is a lot of gray here. You'll have to make a judgment call (hopefully better than the ones you make on the field according to half the fans in attendance).
- We'll go over the most common deductible expenses...

Almost Always Deductible


- Travel (when the game is outside your commuting area)
 - Flights, train tickets, hotels, rental cars, actual expenses or standard mileage rate for your own car, parking, tolls, etc.
- Your meals when you have overnight travel
 - HIGHLY recommended: GSA per diem option (3/4 of the rate on travel days, full rate on full days)

<https://www.gsa.gov/travel/plan-book/per-diem-rates>
- Miles from your place of business to a game site and from game site to game site
 - NOT DEDUCTIBLE between home and game site when within your own commuting area.

Almost Always Deductible

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- Uniforms and Gear
 - Your striped pants and striped shirts/outerwear
 - Whistle
 - Bean bags, flags
 - **BUT BEWARE**
 - Items that **COULD** be used for other personal uses are not deductible. Common examples are:
 - UA Cold Gear / Heat Gear and other compression under garments
 - Running shoes, plain jackets
 - **INTENT IS IRRELEVANT**

Almost Always Deductible

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- Association Dues
 - Clinic Fees
 - Background Check Fees / CFO Registration
 - Liability Insurance

Almost NEVER Deductible

- Home office deduction
 - Leave this to the supervisors / assigners
- Gym memberships
- Driving between your home and a local venue
 - “metropolitan area”
 - Since last presentation several years ago, more and more instances have occurred where a 50 mile test has been found to be reasonable. However, this is a gray area. When in doubt, leave it out.

Don't Push Your Luck... The Gray Area

- Equipment deductions are only allowed for things that can ONLY be used for officiating. You might get away with cleats or field shoes, and you might not. You will never get away with sneakers or the dress shoes you wear to the stadium.
- There is a difference between what you actually do and what you could possibly do. As I said before, intent does not matter.
- Cell Phone and Internet – Just don't go there



Any Questions?