



## Tax Deductible Business Expenses

The proper tax treatment of expenses incurred by professional athletes in the performance of their duties is often a topic of significant confusion. Furthermore, the IRS and CRA are scrutinizing and challenging the deductions more frequently than ever. Generally, **expenses incurred by athletes for the purpose of earning income are deductible**, subject to certain limitations. Specifically, the costs must be considered ordinary and necessary.

## Canadian Resident Deductible Expenses

Legal Fees	RRSP Deductions	Interest & Carrying Charges
Accounting Fees	Consulting Fees	Child Care Expenses
Medical Expenses	PHPA Dues	NHLPA Dues

## US Resident Deductible Expenses

**Note:** In the US, employee business expenses are treated as "miscellaneous itemized deductions" which are deductible only to the extent they exceed 2% of the athlete's adjusted gross income (AGI). In addition, most itemized deductions will be phased-out entirely for high income individuals. An individual whose AGI exceeds a threshold amount (adjust annually) is required to reduce the amount of allowable itemized deductions by 3% of the excess over the threshold amount.

Agent Fees	Charitable Donations	Postage (Fan Mail)
Accounting Fees	Meals & Entertainment (50%)	Moving Expenses
Attorney Fees	Workout Equipment/Clothing	Mortgage Interest
Investment Management Fees	PHPA Dues	Real Estate Tax
League Fines	NHLPA Dues	Business Flights
Hockey Tickets	Training/Condition Costs	Taxis/Limousine
Cellphone (Business Related)	Miles Driven (Business Related)	

Gavin Management Group's wealth management program is designed to manage the unique needs of professional hockey players. Please contact us if you would like to learn more about how we can help you achieve your financial goals.

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