



Ohio Legislative Service Commission

Bill Analysis

Sam Benham

H.B. 583

129th General Assembly
(As Introduced)

Reps. Brenner, Bubp, Hottinger, Derickson, Thompson, Lynch

BILL SUMMARY

- Authorizes an income tax deduction for the value of any prize or award won from athletic competition in the Olympic Games.

CONTENT AND OPERATION

Olympic award deduction

Under federal income tax law, the value of a prize or award received by an individual, including a medal or honorarium awarded to an individual from athletic competition in the Olympic Games, is taxable as part of the individual's federal adjusted gross income (FAGI).¹

Beginning with taxable years ending on or after the bill's effective date, the bill authorizes an individual to deduct, for the purpose of determining the individual's Ohio adjusted gross income, the value of any prize or award won by the individual as a result of competing in the Olympic Games. Since the state income tax is based on an individual's FAGI, the deduction is allowed only to the extent the value of the Olympic prize or award is included in the individual's FAGI, thereby preventing an individual from effectively deducting the value of the prize or award twice in computing state income tax if Congress should exclude such prizes and awards from federal gross income.²

¹ 26 U.S.C. 74.

² R.C. 5747.01(A)(32); Section 3. Pending federal legislation would exclude the value of Olympic Games medals from federal gross income (e.g., H.R. 6267 and S. 3471).

HISTORY

ACTION

DATE

Introduced

08-14-12

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