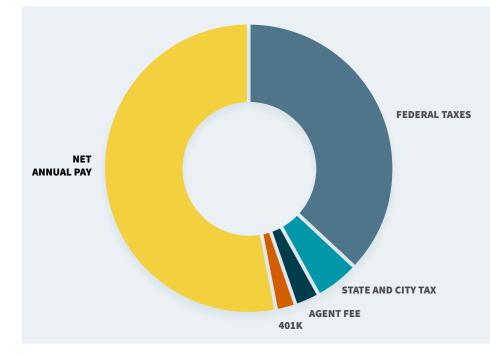
What is <u>one million</u> dollars really worth?

The true value of professional sports contracts

A lifetime of training, hard work, and performance has earned you elite earning potential. While the headline numbers are eye-popping, you must understand what you're actually taking home.



Taxes and fees will vary, but generally athletes take home ~50% of contract value. And that is before deducting rent/lease costs, living expenses, and support for family and friends.

Players only get paid part of the year

Most professional leagues pay athletes during the season, which means large in-season checks, but no reliable income the rest of the year. For example, NFL players are paid in 36 pay periods across the year starting in September.

This variable cycle of paychecks makes it necessary to know when and how much money is coming in and how to treat expenses like travel and training, as well as planning major purchases to avoid financial issues.

ANNUAL SALARY \$1,000,000

FEDERAL TAXES

-\$370,000

STATE AND CITY TAX ESTIMATE

-\$50,000

-\$27,500

401K MAX DEDUCTION

-\$23,000

NET ANNUAL PAY

\$529,500

PAY PER PAYCHECK (36 PAY PERIODS)

\$14,708

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