



Robert W. Wood  
THE TAX LAWYER

## Mayweather Sues IRS To Await McGregor Fight To Pay His 2015 Taxes

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Rich man and boxing great [Floyd Mayweather Jr.](#) has a tax problem. He [still owes the IRS his federal income taxes](#) for 2015. He tried to get the IRS to let him pay over time. Now, he has taken the IRS to court about it. He is worth plenty, of course, but having high value assets doesn't always translate to cash to pay the IRS. And that seems to be Mayweather's problem. That could all change with his upcoming August 26 next fight of the century with MMA's Conor McGregor. The IRS is usually not too tough about granting installment agreements, especially where the period of time involved is relatively short, and where there are plenty of assets the IRS can lien to be sure it is eventually going to get paid.



But in the case of someone with enormous assets—and Mayweather surely falls into that category—the IRS may be tougher. As a practical matter, it does seem likely that Mayweather has a large number of options that could free up some cash. Thus, perhaps he could pay the IRS if he was of a mind to. Of course, his tax bill may not be a small one. In 2015, Mayweather had a very big year, reportedly earning [\\$220-230 million](#) for defeating Manny Pacquiao. That was called the Fight of the Century. Now, Mayweather's come-out-of-retirement pay for fighting McGregor is reportedly \$100 million plus. In fact, it could balloon to four times that much, depending on the variables. Of course, Conor McGregor won't come off badly either. He is said to expect at least \$75 million. That is [five times as much as his take from any UFC event](#).

Already, McGregor has quipped that [Mayweather should have paid his taxes](#). Once the McGregor fight takes place, Mayweather will have to pay taxes on that too. It could be as much as [\\$400 million](#) in earnings. Of course, he'll have to address those back 2015 taxes too, plus penalties and interest. Still, Mayweather has probably played his cards with the IRS just fine. After all, much about dealing with the IRS

is procedure. Since court filings take time, Mayweather may already have won by keeping his tiff with the IRS alive. By the time the Tax Court makes a decision, Mayweather may have his August 26 fight payday.

Under [Section 6321](#) of the tax code, when you fail to pay a tax liability after notice and demand, a lien attaches to all your property and rights to property. The IRS can seize and sell property subject to a federal tax lien. So, filing a lien is second nature to the IRS, but it doesn't necessarily mean they will try to seize and sell anything. Yet if Mayweather felt he had to file in Tax Court, it may have been to make sure that the IRS did not do something rash, like push hard to collect. The IRS does like to get paid, but they are pretty used to granting installment agreements.

Before applying for any payment agreement, of course, you must file all required tax returns. There are simplified IRS procedures for small amounts of taxes due, and even for some payroll tax debts. Some of the amounts can even qualify for an [online payment agreement](#). Outside of online payment agreement circumstances—and clearly Mayweather's tax debt would be major—you can still apply by filling out and submitting an IRS [Form 9465, Installment Agreement Request](#) and [Form 433-F, Collection Information Statement](#). In Mayweather's case, he would probably have to submit a [Form 433-A](#), and even a [Form 433-B](#). The Form 433 series of forms are basically financial statements that list all your income, expenses, and assets. I'll bet the IRS got a little frosty when it read Mayweather's financial statements.

Last year, the boxer [sent an IRS Form 1099 to a strip club to report that he dropped \\$20,000](#). The Daily Mail reported that Mayweather Promotions LLC sent the form to the Hustler Club [for \\$20,000 spent on strippers](#). The money was mostly cash tips for dancers, so the club claims it didn't see the money paid to the 'independent contractors.' Perhaps now the shoe is on the other foot.

*For alerts to future tax articles, email me at [Wood@WoodLLP.com](mailto:Wood@WoodLLP.com). This discussion is not legal advice.*