

# **Bond Case Briefs**

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## **NFL Players Score Court Victory Forcing Cleveland Tax Refund.**

Two former National Football League players won refunds after the Ohio Supreme Court ruled that the way Cleveland calculated a tax on their income was improper.

Former Chicago Bears linebacker Hunter Hillenmeyer and former Indianapolis Colts center Jeff Saturday sued Cleveland's tax board separately last year. Saturday is entitled to a full refund and Hillenmeyer to a partial refund, the Supreme Court said in its ruling Thursday. That opens the door for other players to ask for reimbursement.

Seven other U.S. cities besides Cleveland that have major professional sports teams tax visiting players, coaches and others traveling with the team. The issue in Ohio centers on how the city imposes its 2 percent income tax. Cleveland stands to lose at least \$1 million a year if it calculates the levy based on days worked in a season, as the players wish, rather than games played, according to a 2013 city analysis.

The city is reviewing the decisions and "considering all available options and any potential economic or operational consequences," according to a statement.

Many players will now file refund claims, said Stephen Kidder, the Boston attorney for the players. "The decisions in both cases represent clear victories for professional athletes who often are unfairly targeted by jurisdictions," Kidder said in a statement.

Cleveland had said its approach was reasonable. Just as entertainers are paid only for performances regardless of how much they rehearse, athletes are paid to perform in games, officials said.

Saturday was a center who played 13 years with the Indianapolis Colts and won the 2007 Super Bowl before retiring with the Green Bay Packers in 2012. He argued that he shouldn't have been taxed because he was injured and didn't travel to Cleveland for a 2008 game.

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He was still hit with a \$3,594 tax because of city regulations that count payments an employer makes to a sick and absent employee.

Saturday, now an ESPN analyst, said he was pleased with the result.

"This wasn't about the money; it was the principle of it," Saturday said in a telephone interview. "I'm excited for the guys who won't be unfairly taxed by Cleveland."

Hillenmeyer, a linebacker for the Chicago Bears for eight seasons, said Cleveland improperly uses a calculation based on the number of games in the city divided by total contests in a season. That method means that a player performs a greater proportion of his work in the city.

Other cities and states base the tax on number of days spent in a city divided by days in the season, which yields a smaller proportion and therefore less revenue for a municipality.

Cleveland calculated his taxable income for a 2006 preseason game as \$162,002, based on his \$3.2 million total salary that year, according to papers Hillenmeyer filed with the Ohio Board of Tax Appeals. The state, using a different method, calculated the taxable income for the game as \$38,557, according to the filing.

Hillenmeyer last year called Cleveland's approach "an egregious and shameless money grab." He said Thursday that while he wouldn't expect fans to be sympathetic to well-paid professional athletes avoiding some taxes, the ruling is good for players.

"At a certain point, what's fair is fair," Hillenmeyer said in a telephone interview.

The cases are *Saturday v. City of Cleveland Board of Review*, 14-0292, and *Hillenmeyer v. City of Cleveland Board of Review*, 14-0235, both in the Supreme Court of Ohio (Columbus).

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