

It is interesting to note that boxing champion Manny Pacquiao cannot be in the United States for more-than 183 days in a year for pre-fight promotions, training and the actual slugfest at the MGM in Las Vegas. The newspapers were not saying that directly, except to report that our favorite boxer has to train either in Canada or the Bahamas Island in the Caribbean . He is reaching that mark of legal presence in the United States during all those years he has been coming into the country and once he met what is called “the Substantial Presence Test,” he would be taxed in the United States just like an American citizen or a legal resident.

The Internal Revenue Service (IRS) will collect taxes from him by the millions that could help stimulate the U.S. economy when properly disbursed by our leaders. That tax law is clear and applies to him and it cannot be out-boxed like the Mexican champions. The handlers of his finances must know what they are doing, and like any celebrity with too-much money at stake to be taken by Uncle Sam, he should get the best Tax Advisors in his U.S. endeavors.

Maybe the fight should be held in the Philippines now for tax-planning reasons. It will be good for our country. I also really

wonder how much taxes he has already paid to the Philippine government, which should be at least one-third of his taxable income.

Help me figure it out if readers do not think that I am not writing in a silly manner. He should be one of the biggest taxpayers in the Philippines

, if not the Filipino who pays the highest income tax. That would be a very interesting if we could dig it for the news.

Two (2) things I know: Mr. Pacquiao bought a home in Los Angeles and he is not yet my client. But what if he were my client, need I tell you?

I believe he is an honest man and I admire his philanthropic work in Los Angeles

giving away food items like dressed turkey, which may all be tax-deductible. Someone also close to him stole his money from the bank in his absence that may also be tax-deductible.

The worst punch that could hit Manny Pacquiao in his success in the United States

and in the Philippine homeland is an audit by

IRS

and/or the Philippine Bureau of Internal Revenue (

BIR

). He should have the best tax advisors around him. My wish is he will not be taxed too much by Uncle Sam but by the Philippine government that needs his tax money more than the United States

, especially now that more public revenues are needed to stimulate the economy. But who knows, boxers are not immune from IRS

tax “punches” and it will be a distinct honor to defend him, just in case Uncle Sam’s tax claws ever reach him. His handlers should know better, or better yet, our icon Manny Pacquiao should know the tax law himself that he should deal with on two (2) sides of the globe. In case he is taxed in the United States

on his income under the “substantial presence test” rule, the income taxes he paid in the

Philippines

will be credited from what he owed in the

United States

. The tax treaty the

Philippines

have with the

United States

may be applicable to him.

One final advice to my favorite “angular box” double slugger, (the best form I have seen in boxing), take care of your taxes well “kabayan” or it will punch you. God bless you again in your next fight, hopefully your purse and Pay-TV shares will be tax-free income in the United States. # # #

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