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Swimmer Michael Phelps, gymnast Simone Biles and track star Allyson Felix were among the big winners for the U.S.A. in the recently-concluded Olympics in Rio de Janeiro. But there are some tax strings attached to the medals these athletes brought home: They must pay tax to the IRS on the awards received for excelling in their events.

However, if Congressman Chuck Schumer gets his way, taxing Olympic athletes will become a thing of the past. Schumer has been a long-time supporter of exempting

Olympians and Paralympians from tax on their winnings. He has repeatedly urged

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Currently, Olympic athletes are paid \$25,000 for winning a gold medal (first place), \$15,000 for a silver one (second place) and \$10,000 for a bronze (third place).

The amounts won at the Rio Olympics are subject to tax as foreign earnings. What's more, the value of the medals themselves are taxable, with a gold medal being worth about \$300 and a silver around \$300. (The value of bronze medals is considered minimal.)

As the Olympics were getting underway, Schumer renewed his call for new legislation, with an endorsement from President Obama. "Our Olympian and Paralympic athletes should be worried about breaking world records, not breaking the bank, when they earn a medal," said the New York senator in press release. "Most countries subsidize their athletes. The very least we can do is make sure our athletes don't get hit with a tax bill for winning."

Unlike the handful of Olympic winners with major endorsement deals like Michael Phelps, the vast majority of Olympic athletes train in relative obscurity with little or no financial support. The legislation is intended to provide them with some relief when they triumph on the world's biggest stage.

However, the tax rules on awards — including those handed out at the Oscars, Grammys and Emmys — are pretty clear-cut. To qualify for tax-free treatment, "achievement awards" received by employees must be provided due to length of service or for promoting safety. Otherwise, unless an exception applies, awards are fully taxable, just like most other types of income. The proposed legislation backed by Schumer creates an exception for the athletes participating on behalf of our country.

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