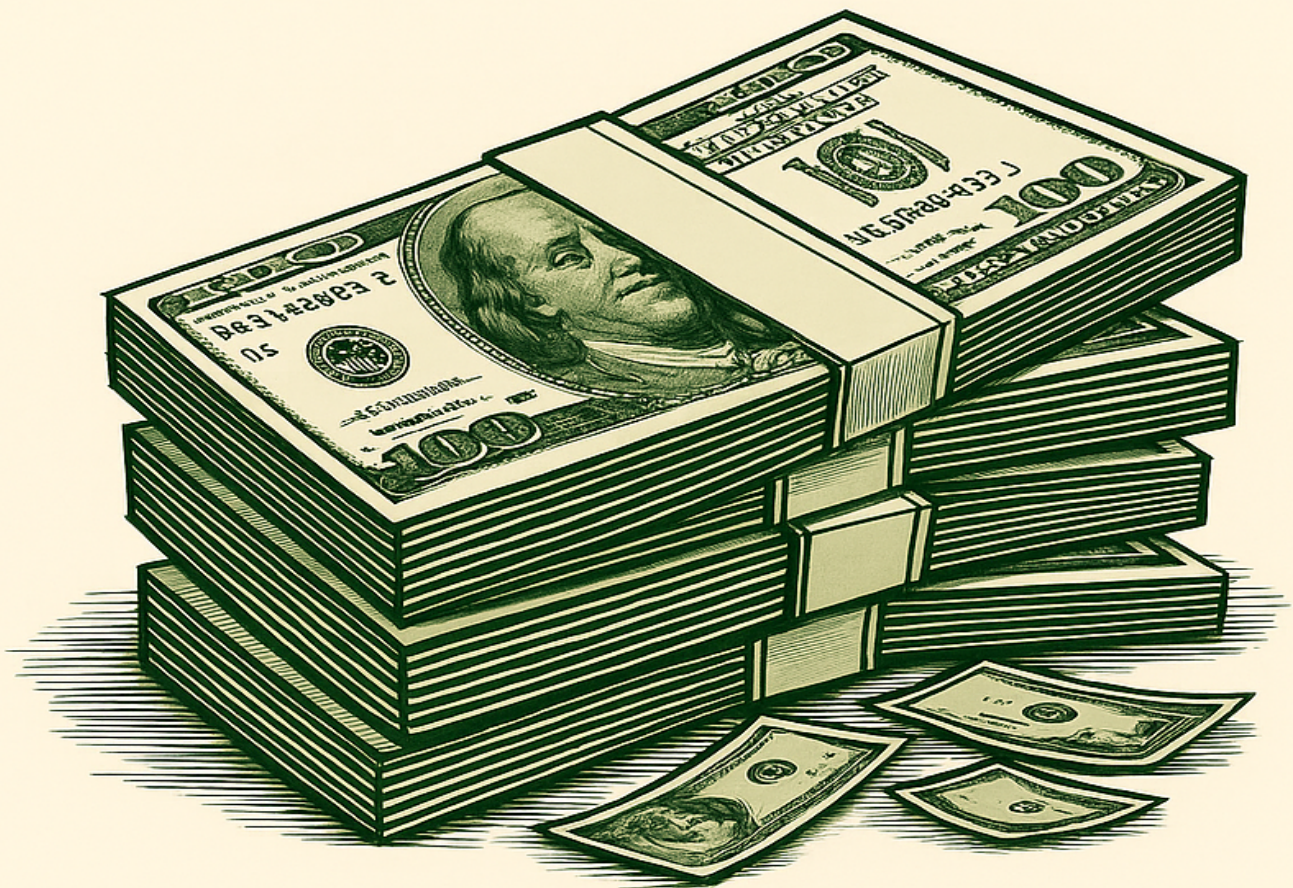


What To Do With All This Money?



A NIL MONEY MANAGEMENT GUIDE

By: Julian Alexander Palmer

You just signed your first NIL deal. Congratulations! With a sudden influx of money, it's easy to get overwhelmed. Parents, coaches, and friends all seemingly have an answer for what you should do next.

Although they may have your best interest at heart, it's important to **empower** yourself to understand your finances:

- A. How much is coming in?
- B. Where is it going?
- C. Who is handling your money?
- D. What are the tax implications of endorsement deals?
- E. How do you continue to grow even after you finish playing?

We get it. Many athletes are focused solely on their craft and do not want to be bothered with financial self-study or learning...

Unfortunately, this is **NOT** a good idea. Without a basic understanding of your money, you can be manipulated, scammed, or put in financially compromising situations by:

1. **Bad actors:** Individuals who try to take advantage of you through cold outreach
2. **Unqualified advisors:** Loved ones or close friends who lack financial literacy
3. **Non-licensed consultants:** Newly founded organizations run by individuals who are not licensed by the NCAA, NBPA, FIBA, or have not obtained a law degree from an accredited university

Recognizing these risks early gives you the power to protect yourself and take control of your financial path. Over the course of this booklet, we will discuss the 5 pillars of managing your Name, Image, and Likeness (NIL) income.

The goal of this booklet is **NOT** to act as a complete, holistic money management guide. Instead, think of it as a foundation that prepares you to ask the right questions, spot potential red flags, and take ownership of your financial future.

! Note: I assume that you have a valid bank account and checking account in this document

\$ Bag Talk: Understanding What's Coming In

This pillar is all about breaking down every dollar you expect to earn so you know exactly what's in your financial pipeline. Before you can manage your bag, save it, or grow it, you have to understand it. Below is an example of the most basic attributes of a basic NIL Deal.

Example: Energy Drink Brand Promo NIL Income Breakdown

- Payment: \$500 total
- Structure: \$250 upfront, \$250 after posting 2 photos
- Deliverables: 2 Instagram posts, 1 story
- Notes: Drink must be visible in posts

Creating your own NIL Deal Tracking Table

Good news. You already have the skills to do this. As a college student, you've used Excel before, so let's keep it simple and work with a tool you already know.

Open a new Microsoft Excel workbook and start building your personal NIL deal tracker using the example below as your guide. This is your space to document every agreement, every deliverable, and every dollar you're set to earn. The more you track, the more control you have over your financial future.

Deal Name	Total Payment	Upfront Amount	Remaining Amount	Payment Status	Payment Date (Upfront)	Payment Date (Remaining)
Energy Drink	\$500	\$250	\$250	Upfront Paid / Remaining Pending	3/10/2025	TBD

Building Your NIL Deal Tracker: What Comes Next

Creating your first entry is only the beginning. Now it is time to keep building. As you add more deals, you will start to see patterns. You will notice which brands pay on time, which types of deals take more effort, and which opportunities are truly worth your investment of time. This tracker is not just a spreadsheet. It is a tool that helps you make better decisions and shows you exactly how your NIL journey is growing.

Taking It a Step Further

Once you feel confident tracking your NIL income in a simple spreadsheet, you can elevate your understanding by adding more detail and learning the language of money. You do not need to become a financial professional to do this.

You only need to understand the basic terms, metrics, and ideas that appear in NIL agreements. The more familiar you are with this vocabulary, the stronger you become in managing and versed in “**Bag talk**”.

Key Metrics to Understand your Bag

Metric	Why It Matters	How to Use It
Total NIL Income	Shows your total earnings across all deals for the year	Add up all income from each NIL deal to get your running total
Guaranteed Income	Highlights the money you are certain to receive	Track upfront payments and monthly stipends separately from conditional income
Conditional Income	Helps you plan for money that arrives only after deliverables	Note which payments depend on posting or completing appearances
Income Per Deliverable	Tells you how much each post, story, or appearance is worth	Divide total payment by number of deliverables to understand true value
Time to Payment	Shows how long it takes to get paid after completing your deliverables	Track deliverable completion date and compare it to the payment date
Payment Reliability	Shows which brands or collectives pay on time	Mark late payments in your tracker to see patterns over time
Annual NIL Projection	Estimates your total NIL earnings for the full year	Use your current deals to project yearly income
Engagement Value	Connects social media performance to your earning potential	Track likes, comments, shares, and follower growth to show value to brands

Understanding your money is only the beginning.

By now, you’ve taken the first and most important step in owning your NIL journey: understanding what’s coming in. When you know exactly how much you earn, what each deal requires, and when you can expect your payments, you’re no longer guessing. You’re managing.



Protecting your Paper: Vehicles that Secure Your Bag

Now it's time to take the next step. This pillar is about keeping what you earn safe and putting your money in places where it can grow over time.

Setting up a High Yield Savings

A high-yield savings account (HYSA) is a savings account that pays a higher interest rate than traditional savings accounts.

! Note: You should always take the time to research on your own behalf.

Keep in mind, you can just search providers in the app store of your phone

Some online brokers include:

1. **Wealthfront:** It's pretty legit. Effective easy money management that has a generally bigger interest rate than competitors.

Not to sound like a Multi-Level Marketing scam scheme but its refer a friend process is pretty easy and not that cringe. When a referral joins you get like a .25% boost for your high yield savings account for like 6 months.

2. **Marcus (Goldman Sachs):** I don't know much about this one but it's reputable. Per nerdwallet: This savings account does not charge monthly fees, and there is no minimum balance required to earn the 3.65% APY.

You'll be able to access your account through multiple options, such as mobile app and desktop. Be advised that the bank doesn't offer a checking account.

3. **American Express High Yield Savings Account:** It provides a competitive interest rate (APY) to help your savings grow more than with a traditional savings account

! Note: Regardless of what people tell you, always make sure that banks you invest any money with are FDIC insured up to applicable limits. This gives federal protection on your deposits up to roughly 250k.

This “vehicle” isn’t the end all be all....

Remember, you are in charge of your finances now. This is just one of the passive vehicles of diversifying.

Diversification, which simply means spreading your money across different places so it can grow, stay protected, and support you no matter what life throws your way.

Looking ahead...

One day, yeah, maybe you’ll joke about putting it all in your mom’s name to keep it safe during the divorce with the trophy wife. But for now, start with the basics. Start with getting comfortable.

Investing in Stocks from Your iPhone

Here’s how stock investing works across three of the most popular and reliable broker apps:

Robinhood

Best for: Beginning investing, when you are in the stage where you think you can beat the stock market.

What to know: It lets you buy stocks in seconds and shows real-time prices. It’s great for learning the basics and keeping your investments organized. They did have some shady stuff happen in the past. However, I believe they sit on top of the beginner brokerage list.



Fidelity

Best for: Long-term investing and reliability

Fidelity is a traditional, respected brokerage with a strong app. It's not flashy, but it's trustworthy and gives you deeper tools for long-term planning. You can buy stocks, ETFs, index funds, bonds.

What to know: More features and information, but still beginner-friendly. Great for long-term serious money.



Coinbase (for crypto)

Best for: Buying and holding cryptocurrency safely

If you're interested in Bitcoin, Ethereum, or other crypto, Coinbase is the safest mainstream option.

WARNING: Crypto is volatile. Only invest small amounts you're comfortable riding out over time.

The Coinbase logo, consisting of the word "coinbase" in a white, lowercase, sans-serif font, centered within a solid blue rectangular background.



Taxes Don't Redshirt: NIL Income & the IRS

Paying Uncle Sam his cut.

If you are truly in the business of “you” then you need to protect yourself from any issues that are very avoidable. One thing that has always been a thorn in the side of some athletes is tax issues.

In this section we will briefly define terms, review IRS rules and regulations as well highlighting a few best practices when managing your yearly taxes.

source: *irs.gov*

What is NIL income?

If you are a student-athlete and you receive any monetary or financial gain, in cash or non-cash, from a transaction in which you benefit from the use of your name, image or likeness, that gain is Name, Image and Likeness (NIL) income.

Sources of NIL income:

- Content creator/social media influencer
- Brand endorsements
- Sponsorship deals
- Autograph fees
- Promotional appearances
- Marketing brands
- Guest appearances at clubs and schools
- Exhibitions
- Endorsements
- Gifts
- Giveaways (gift cards)
- Generally, all income from NIL activities is considered taxable income, including non-cash compensation, like merchandise or gift cards.

When to report NIL income

You need to file a tax return if you made at least \$400 in NIL self-employment activities (to report your self-employment tax) or if your total income is more than the standard deduction. The amount of the standard deduction depends on your income and whether anyone can claim you as a dependent.

How to report NIL income

Student-athletes are generally considered independent contractors for tax purposes and receive Forms 1099 if their income is \$600 or more from one source.

- File a [Schedule C, Profit or Loss from Business](#), with Form 1040 to report self-employment income and related expenses.
- File a [Schedule E, Supplemental Income and Loss](#), with Form 1040 to report income from royalties and certain other types of income and related expenses.
- Document and track all expenses incurred in generating NIL income.

! Note: Income or benefits you received as a student-athlete must be included in taxable income on the FAFSA (Free Application for Federal Student Aid) application and could impact the amount of financial aid granted. Pell grants are based on other factors but can also be impacted by NIL income.

Accounting Best Practices

Depending on the volume of deals and size of your earnings, it's highly recommended to work with a **qualified tax professional** (CPA or enrolled agent). Even so, understanding the basics puts you in control and helps you avoid costly mistakes.

1. Separate Business From Personal Finances

Open a **separate checking account** for NIL income and expenses. This makes tracking income easier, strengthens documentation, and helps you avoid mixing personal and business funds.

2. Track Income and Expenses Year-Round

Keep detailed records of **every NIL payment**, including cash, gift cards, merchandise, and free services. At the same time, document legitimate business expenses such as:

- Equipment (camera, laptop, phone used for content)
- Marketing and branding costs
- Travel related to appearances or promotions
- Professional fees (agent, accountant, legal advice)

Good records can lower your taxable income and protect you in case of an audit.

3. Save for Taxes Immediately

Because NIL income usually does **not** have taxes withheld, plan to set aside **20–30% of each payment** in a savings account specifically for taxes. This helps prevent surprises at tax time.

4. Understand Estimated Taxes

If you earn consistently, you may be required to make **quarterly estimated tax payments** to the IRS and your state. Missing these payments can result in penalties and interest.

5. Keep All Tax Forms and Contracts

Save copies of:

- Forms 1099-NEC or 1099-MISC
- NIL contracts and agreements
- Bank statements and receipts

These documents support your reported income and deductions.



Numbers That Follow You: Building Credit the Right Way

Credit is the engine behind modern capitalism.

This section might seem a little over the top but I promise, it all relates to you, the athlete. Governments borrow. Corporations borrow. Hell, even your next door neighbor borrows.

Investors with a solid track record can borrow against their own money to make higher impact moves than their cash alone would allow. So, you might be asking, “How does this have anything to do with me?”

The goal of this booklet is to get your wheels turning. Building a solid financial track record takes time. As Warren Buffet says, *“it takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.”*

If you make the correct moves now, you will in turn lay a strong fiscal foundation that will benefit you for years to come. Remember, a lot of people like to say “don’t worry you are young, you have time.”

That is utter bullsh*t.

Once you realize that the whole thing is all a game, you can take charge and learn how to play.

What is credit?

source: *investopedia*

Credit is a contractual agreement in which a borrower receives something of value immediately and agrees to pay for it later, usually with interest.

What is a credit score?

source: *Consumer Financial Protection Bureau (CFPB)*

A credit score is a prediction of your credit behavior, such as how likely you are to pay a loan back on time, based on information from your credit reports.

What factors impact my credit score?

source: *Consumer Financial Protection Bureau (CFPB)*

Factors that are typically taken into account by credit scoring models include:

- Your bill-paying history
- Your current unpaid debt
- The number and type of loan accounts you have
- How long you have had your loan accounts open
- How much of your available credit you're using
- New applications for credit
- Whether you have had a debt sent to collection, a foreclosure, or a bankruptcy, and how long ago

Credit scores serve a critical role in assessing borrower risk. A bad (low) credit score can take months or years to improve and can keep you from getting the most competitive loan rates.

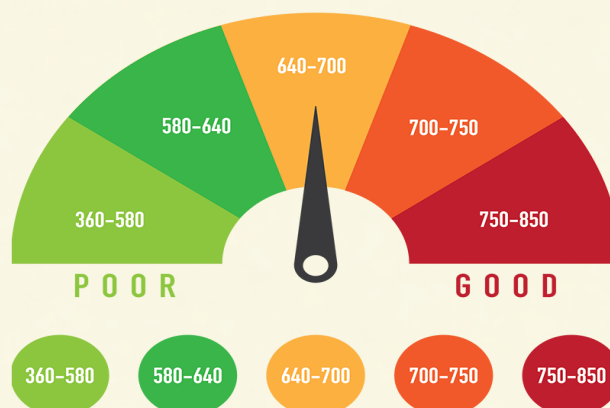
Getting started.

With all of this in mind, it is easy to get overwhelmed and worried about where to start. It is important to note that many financial investors and billionaires will swear up and down never to get a credit card which is correct.

Undisciplined fiscally irresponsible spenders should never open multiple credit cards. However, if you are reading this you are some kind of an athlete and being an athlete requires discipline. So let's pray this discipline bleeds into other parts of your life.

As stated above, many factors can impact your credit score, and the majority of you due to your age do not have a long credit history.

Credit score range breakdown:



Choosing the correct credit card (examples below):

- **Chase Freedom Unlimited®:**
 - Combines simple, everyday rewards with no annual fee and useful benefits
 - Often considered a strong starter card for someone building their credit and wanting to earn cashback without complicated category tracking

- **Bank of America® Customized Cash Rewards Visa®:**
 - You can tailor your rewards to match your biggest spending areas and there's no fee to hold the card
 - It is a flexible and straightforward option as a starter card for building credit while earning meaningful cash back

- **American Express® Gold Card:**
 - This card carries a significant annual fee and is designed for consumers with established credit profiles, applicants typically need good to excellent credit to be approved.
 - This makes it less ideal as a first credit card and better suited for someone who has already built solid credit and can fully utilize its rewards and statement credits.

Chase



Bank of America



Amex



Fee	Rewards	Offer	Fee	Rewards	Offer	Fee	Reward	Offer
\$0	1.5%-5%	\$300	\$0	1%-6%	\$200	\$325	1x-4x	\$100k*