

How marginal tax rates changed boxing

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Marginal Revolution

The 1950s was the era of the 90 percent top marginal tax rate, and by the end of that decade live gate receipts for top championship fights were supplemented by the proceeds from closed circuit telecasts to movie theaters. A second fight in one tax year would yield very little additional income, hardly worth the risk of losing the title. And so, the three fights between Floyd Patterson and Ingemar Johansson stretched over three years (1959-1961); the two between Patterson and Sonny Liston over two years (1962-1963), as was also true for the two bouts between Liston and Cassius Clay (Muhammad Ali) (1964-1965). Then, the Tax Reform Act of 1964 cut the top marginal tax rate to 70 percent effective in 1965. The result: two heavyweight title fights in 1965, and five in 1966. You can look it up.

That's [Henry Fetter](#), hat tip goes [to Andrew Sullivan](#).

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