

Cleveland Indians v US (US Supreme Court)

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[Cleveland](#) [Indians v United States of America \(US](#)

Supreme Court overturns lower court ruling.
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The U.S. Supreme Court has overturned a lower court ruling, mandating that back wages paid by the Cleveland Indians in 1994 to eight major league baseball players, are susceptible to federal taxes the year the money was paid out. There was a question as to whether the money should have been taxed the year it was actually paid out, or the year in which it should have been paid.

This ruling comes as a result of the collusion claims in the 1980s, in which the players claimed that the owners were agreeing not to sign free agents in order to keep salaries low. The owners lost this case, and were forced to pay back wages to players in compensation for money they might have earned on the free market, had it been truly "free";