

Kardashians Win \$13.5M Beauty Lawsuit IRS Collects Taxes

“The Kardashians are becoming wealthier still. Sisters Kourtney, Kim and Khloe Kardashian won their suit for royalties from the makeup line Kardashian Beauty. After a five-year legal battle, a California State Appeals Court judge agreed that the Kardashians were owed \$11.5 million in royalties from Haven Beauty and subsidiary Hillair Capital, who had licensed the beauty line that included various beauty items,” reports Robert W. Wood in Forbes.

“The award adds \$2 million in post-judgment interest and costs. The Kardashians were owed a \$1 million advance plus ongoing fees, but when they were shorted millions they sued. The trial court ruled for the Kardashians in 2018, and the Appeals court upheld it. The IRS will collect a share, and that share will be sizable. This was a royalty dispute, and royalties are taxed as ordinary income.”

Read the article.