



UBIT Essentials

Tracy S. Paglia
Partner, Moss Adams LLP

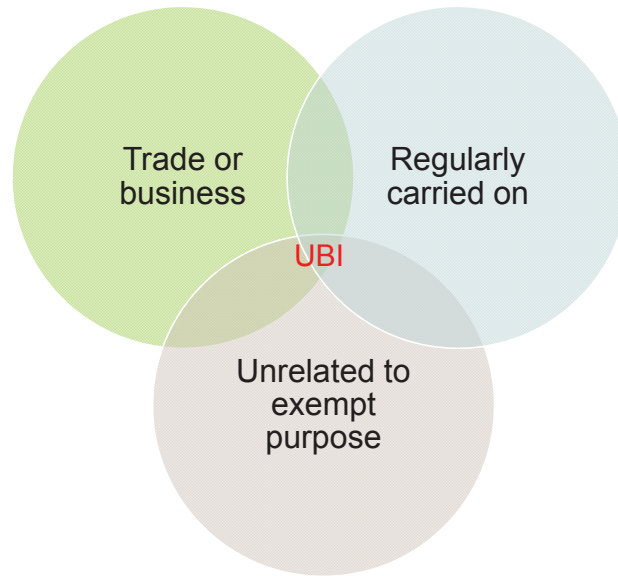
Kirsten Muller
Assistant Tax Director, University of Minnesota

Agenda

- Unrelated Business Income (“UBI”) overview
- Common Sources of UBI at Universities
- Rental Activity Analysis
- Summer Sports Camps Analysis
- Recreational Facilities Analysis
- Professional Entertainment Event Analysis
- Advertising and Sponsorship Analysis



UBI Overview



2



UBI Overview



1. Profit motive
 2. Loss activity
- History of NOLs?
 - Changes in manner of conducting the activity?
 - Hobby loss rules
 - Net position before depreciation and charitable contribution deduction

3



UBI Overview

Regularly
carried on

- Frequency and continuity
- Similar to commercial activity



UBI Overview

1. Contribute importantly to the exempt purpose
 2. Substantial and causal relationship
- Dual use property
 - Exploitation of exempt activity

Unrelated to
exempt
purpose



Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: UBIT Essentials

Also available as part of the eCourse

[2018 Higher Education Taxation Essentials eConference](#)

First appeared as part of the conference materials for the
2018 Higher Education Taxation Essentials session

"UBIT Essentials"