

UBIT ESSENTIALS

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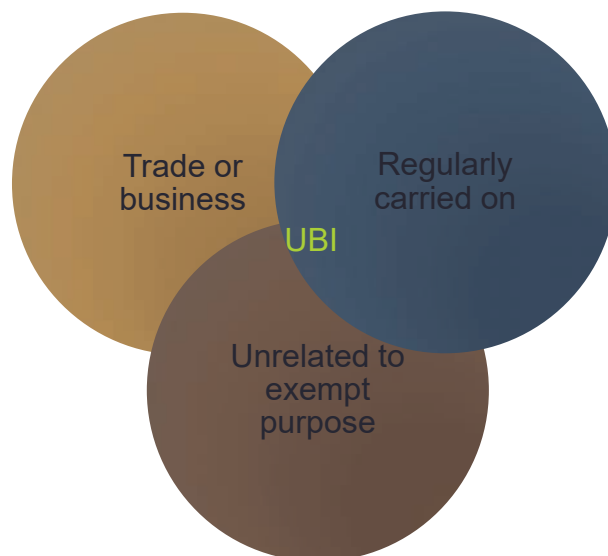
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Agenda

- Unrelated Business Income (“UBI”) overview
- Deductions
- Common Sources of UBI at Universities
- What’s new
- NOLs
- Resources

UBI Overview




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

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

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