

# UBIT ESSENTIALS

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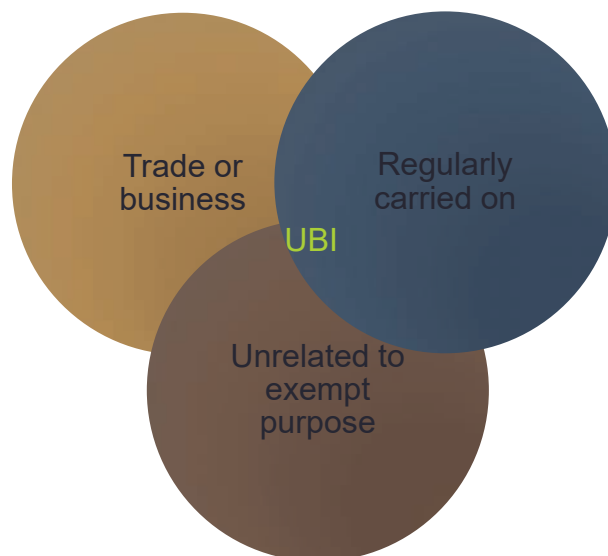
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## Agenda

- 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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