

Sponsored Research – Managing Compliance and Maximizing Revenues

Alan Bond, BLX
Chas Cardall, Orrick
Ed Oswald, Orrick
John Sanchez, Tufts University



PBU Overview



- **Primary focus of tax regulations – “special legal entitlement”**
 - Physical rights to use bond financed space
 - Direct use of bond financed space, e.g., lease or management contract
- **Sponsored research is different –**
 - Generally, no physical rights to use property or occupy property

How To Think About Research



- We believe proper focus is on “output” derived/related to bond financed property (“Nexus”)
 - data, I/P, license, copyright etc.
- Only specific guidance is Rev Proc 2007-47 for “basic research”
- Given lack of IRS guidance, difficult to draw bright line tests or rules in instances not involving basic research

Tufts Long-Term Debt View

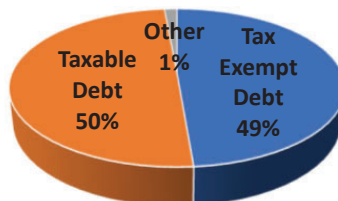


Debt Profile (06/30/18):

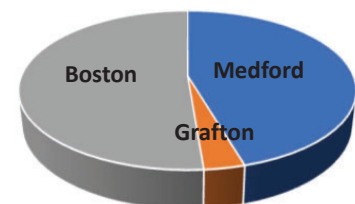
- Aa2 (Moody's), AA-/A-1+ (S&P)
- T/E Debt \$371M (9 Outstanding Issues)
- Taxable Debt \$380M (\$250M Century Bond & 1 other Outstanding Issue)
- Other L/T Debt \$ 11M

278 Buildings (Owned) 5.6M GSF
146 Currently financed with T/E Debt

FY18 Debt View



T/E Debt \$ - Funded Projects (By Campus)



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 \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Sponsored Research - Managing Compliance and Maximizing Revenues

Also available as part of the eCourse

[2019 Higher Education Taxation eConference](#)

First appeared as part of the conference materials for the
7th Annual Higher Education Taxation Institute session

"Sponsored Research - Managing Compliance and Maximizing Revenues"