

TEXAS Law The University of Texas at Austin School of Law

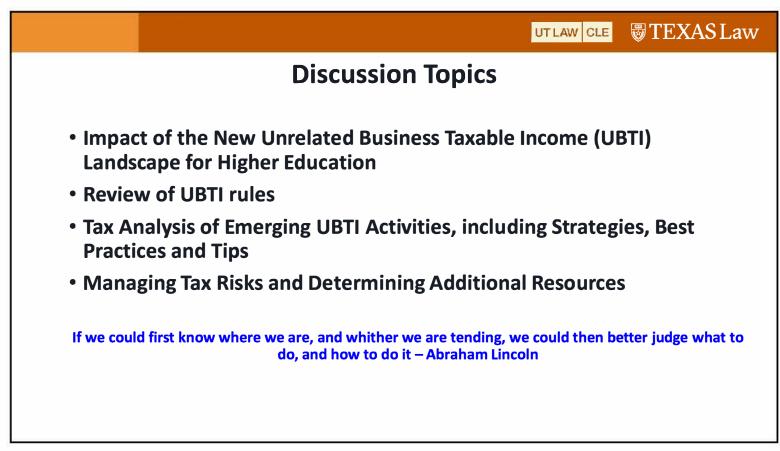
MANAGING UBTI TO INFINITY AND BEYOND

4:20 to 5:20 p.m. Otis Hotel Austin and Live Webcast Thursday, June 13, 2024

Robert W. Friz Partner with PwC

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Edward J. Jennings University of Michigan

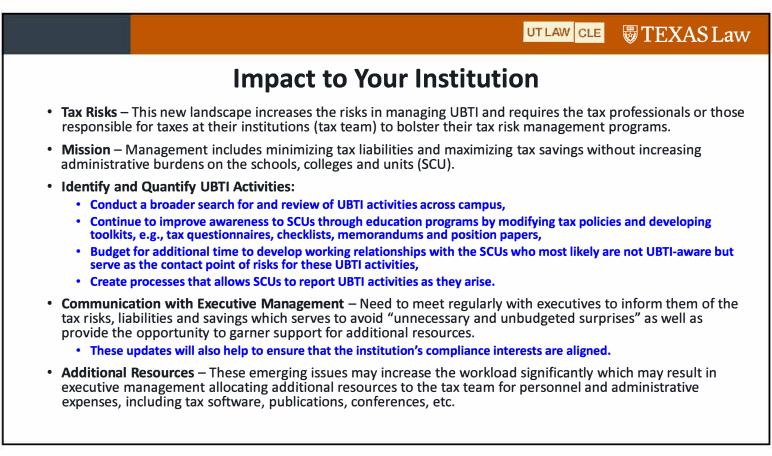


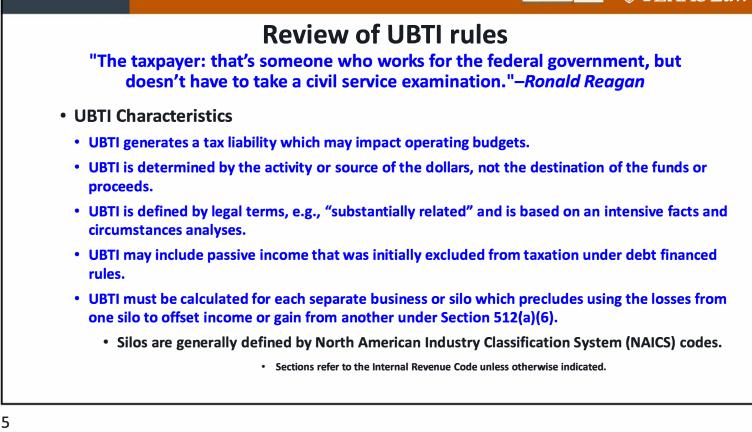
Impact of the New UBTI Landscape for Higher Education

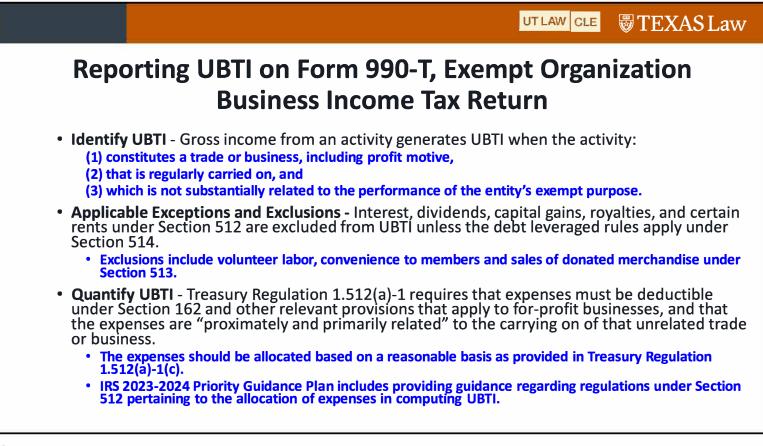
Change is like heaven; we all want it just not now - Anonymous

- New Tax Landscape The 'blueprint' of managing tax risks for higher education has expanded since the pandemic. The workplace has changed with employees working remotely, new opportunities have arisen to earn energy tax credits, funding models have been introduced to provide stability in a volatile market, and colleges and universities are looking to the future by growing their endowments.
- Emerging UBTI Issues:
 - Colleges and universities are exploring leasing vacant office space to unrelated parties as a result of employees working remotely which derives rental income.
 - Institutions are constructing energy efficient buildings and purchasing energy equipment, e.g., charging stations, as a result of the energy tax credits which may result in deriving revenues when used by the general public.
 - Treasury and Investment Departments are incurring commercial debt, e.g., lines of credit to cover working capital shortages and to finance the growing infrastructure of the institution, earning interest on the debt instruments.
 - Endowments are investing in alternative investments and separate managed accounts to bolster the rate of return on investments, generating income from operations and debt leveraged activities.

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Title search: Managing UBTI to Infinity and Beyond

Also available as part of the eCourse 2024 Higher Education Tax eConference

First appeared as part of the conference materials for the 12th Annual Higher Education Taxation Institute session "Managing UBTI to Infinity and Beyond"