Identifying Unrelated Business Income

I. GENERAL
Does the activity generate income from the sale of goods or the performance of services?

- Yes

Is the activity regularly scheduled and frequently carried on?

- Yes

Does the activity contribute substantially to the instructional or research purpose of the University?

- Yes No

If so, is the related activity carried on to a size and extent larger than necessary to accomplish the exempt purpose?

- No Yes

II. STATUTORY EXCEPTIONS
Does the activity exist primarily for the convenience of the University's students, faculty, staff or patients?

- Yes No

Do unpaid volunteers provide the income generating services? If so, do the volunteers generate over 85% of the total income earned by the activity?

- Yes No

Do University students provide the income generating services as part of an educational curriculum? If so, do the students generate over 50% of the total income earned by the activity?

- Yes No

Does the activity generate income from the sale of donated goods? If so, does the sale of donated goods represent over 85% of the total income earned by the activity?

- Yes No

Does the activity generate income from the receipt of qualified sponsorship payments?

- Yes No
Identifying Unrelated Business Income

Does the activity generate income from the receipt of contributions associated with the distribution of low cost materials?  
Yes: EXEMPT  
No:  

Does the activity generate income from the exchange or rental of mailing list with another tax exempt organization?  
Yes: EXEMPT  
No:  

III. MODIFICATIONS TO INCOME  
Does the activity generate income from the rental of real property?  
Yes:  
No:  

If so, is personal property rented in combination with the real property rental?  
Yes:  
No:  

Are personal services provided in combination with the real property rental?  
Yes:  
No:  

Is the real property being rented debt financed? If so, is the occupancy by external tenants greater than 15% of the total space?  
Yes:  
No:  

Does the activity generate income from royalties?  
Yes: EXEMPT  
No:  

Does the activity generate investment income such as dividends, interest, etc or gain/losses from the sale of investment property?  
Yes: EXEMPT  
No:  

Does the activity generate income from sponsored research or clinical trials (involving medical training or patient care)?  
Yes: EXEMPT  
No:  

The income generated by the activity may be taxable.