

**University of California
CFO Division
Unrelated Business Income Questionnaire
Short Version**

This Questionnaire is intended to assist departments in identifying activities that may generate unrelated business taxable income (UBTI). Activities determined to be taxable must be reported on the University's annual Exempt Organization Business Income Tax Return (Form 990-T) filed with the Internal Revenue Service (IRS).

In general, an activity involving the sales of goods or services will be taxable if it meets the following three criteria: (1) it qualifies as a trade or business, (2) it is regularly carried on, and (3) it is *not* substantially related to the University's exempt educational or research purpose. Even if an activity meets this three-part test, however, it may not be taxable if it qualifies for one of the exemptions found in the Internal Revenue Code and its regulations.

Please complete a separate Questionnaire for each income-producing activity conducted by the department and return it to the **UCOP Payroll Coordination & Tax Services**. That office will determine whether the activity is taxable based on its review of the Questionnaire.

Contact Information		
Campus	Department	
Name of Activity		
Contact Person	Phone	Revenue Account

Description of Activity	
Please describe the nature of the activity, e.g., the goods or services offered for sale:	
Please describe the reason(s) for the establishment of this activity:	
Approximately how much revenue does the activity generate in a year?	\$
Approximately how much revenue was generated during the year by the unrelated portion of the activity?	\$

Description of Activity		
Was this activity a new activity or was it an outgrowth/offshoot of an existing/previously conducted activity?	New Activity	Outgrowth of an Existing Activity
Is the activity conducted on a regular basis, i.e., weekly, monthly, seasonal, etc.? If yes , please indicate the frequency with which the activity is performed below, i.e. weekly, monthly, seasonal, etc.:	Yes	No
Are separate books and records maintained for this activity?	Yes	No
Is the activity substantially related to the University's exempt education or research purpose? If yes , explain below how the activity enhances, furthers, or in any way relates to the education or research purpose of the University:	Yes	No
Is the activity intended to make a profit? Explain in the space below:	Yes	No
Is the activity financed through external borrowing or indebtedness? If yes, explain:	Yes	No
Did the institution of this activity involve the acquisition or development of assets that were expected to appreciate in value over time? If yes , please explain below:	Yes	No

Exempt Activities																				
<p>Convenience: Is the activity conducted for the convenience of University faculty, staff, or students? Please indicate the percentage of total sales attributable to each group of users:</p> <table border="0"> <thead> <tr> <th><u>Users</u></th> <th><u>Percentage</u></th> </tr> </thead> <tbody> <tr> <td>University students</td> <td>_____</td> </tr> <tr> <td>University faculty/staff employees</td> <td>_____</td> </tr> <tr> <td>University patients</td> <td>_____</td> </tr> <tr> <td>University alumni</td> <td>_____</td> </tr> <tr> <td>General public</td> <td>_____</td> </tr> <tr> <td>Other (specify)</td> <td>_____</td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td>100%</td> </tr> </tbody> </table>	<u>Users</u>	<u>Percentage</u>	University students	_____	University faculty/staff employees	_____	University patients	_____	University alumni	_____	General public	_____	Other (specify)	_____	_____	_____	TOTAL	100%	Yes	No
<u>Users</u>	<u>Percentage</u>																			
University students	_____																			
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University alumni	_____																			
General public	_____																			
Other (specify)	_____																			
_____	_____																			
TOTAL	100%																			
<p>Convenience: Is the activity conducted in a remote location that is relatively inaccessible to the general public? If yes, please explain below:</p>	Yes	No																		
<p>Education: Are students participating in the activity as part of a required learning experience?</p>	Yes	No																		
<p>Donated Merchandise: Does the activity involve the sale of donated goods? If yes, indicate the percentage of total revenue attributable to the sale of donated articles below:</p> <p style="text-align: right;">Percentage _____</p>	Yes	No																		
<p>Volunteers: Does the activity involve the participation of volunteers or unpaid student workers?</p>	Yes	No																		
<p>Government: Does the activity involve the performance of an essential government service? If yes, please answer the following below:</p>	Yes	No																		
<p>Was the activity previously undertaken by the governmental unit? If yes, please explain below:</p>	Yes	No																		
<p>Will the governmental unit be exercising any on-going supervision of the activity? If yes, please explain below:</p>	Yes	No																		
<p>Have there been formal legislative or other official actions of the governmental unit recognizing the University as acting on behalf of the government? If yes, please explain below:</p>	Yes	No																		
<p>Is the activity an integral part of a larger government program? If yes, please explain below:</p>	Yes	No																		

Exempt Income										
Investment: Does the activity generate income from interest, dividends, annuities, etc.?	Yes	No								
Capital Gains: Does the activity generate income from the sale or exchange of property?	Yes	No								
Royalties: Does the activity generate revenue from royalties? If yes , please explain the basis for determining the royalty payment (e.g., production, gross income, net profits, etc.) below:	Yes	No								
Royalties Derived from Services: Is the royalty income derived in part from the performance of services? If yes , please explain below:	Yes	No								
<p>Rent: Does the activity generate income from the rental of real property? If any personal property (e.g., equipment) is included as part of the rent, attach a copy of the rental agreement and indicate the percentage of total rents received attributable to the real and personal property:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Property</u></th> <th style="text-align: center;"><u>Percentage</u></th> </tr> </thead> <tbody> <tr> <td>Real Property</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Personal Property</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">100 %</td> </tr> </tbody> </table>	<u>Property</u>	<u>Percentage</u>	Real Property	_____	Personal Property	_____	Total	100 %	Yes	No
<u>Property</u>	<u>Percentage</u>									
Real Property	_____									
Personal Property	_____									
Total	100 %									
Rent (Rendering of Services): If you answered yes to the Rental of Real Property question above, does the activity provide for any services (e.g., maid, food, janitorial, security, etc.) in connection with the rental of real property? If yes , please explain below:	Yes	No								
Research: Does the activity generate income from the conduct of research for an external entity (e.g., NIH, commercial entity)? If yes , attach a copy of the research agreement.	Yes	No								
Corporate Sponsorship: Does the activity generate income from a corporate sponsor? If yes , attach copy of the sponsorship agreement.	Yes	No								
Advertising: Does the activity involve the sale of commercial advertisements in a University publication? If yes , please attach a copy of the advertisement(s) and answer the question below.	Yes	No								
Advertising Contribution to Educational or Research Purpose: If you answered yes to the Advertising question above, do the advertisements contribute importantly to the educational or research purpose of the publication?	Yes	No								

