UNIVERSITY OF COLORADO AT BOULDER

Activity Questionnaire for Unrelated Business Taxable Income Determination

About this Questionnaire and Unrelated Business Income

Description of the Activity *(please provide a detailed description)*

Is the Activity a Trade or Business?

1. Does the activity generate gross income from the sale of goods or services? ☐ Yes ☐ No
   (If NO, skip to question 2.)

   (a) Sales are made or services are provided *(select one)*:
   - ☐ (1) Only to CU students, faculty, or staff.
   - ☐ (2) To CU students, faculty and staff and the general public or private industry.
   - ☐ (3) Only to the general public or private industry.
   - ☐ (4) To CU affiliates
   - ☐ (5) Other (describe) _____

   (b) Expressed as a percentage of total sales, what is the volume of sales to: *(total must=100%)*
   - ____% (1) CU students, faculty, staff
   - ____% (2) The general public
   - ____% (3) Private industry
   - ____% (4) Government
   - ____% (5) CU affiliates
   - ____% (6) Other (describe) _____

   (c) Is the activity profitable? ☐ Yes ☐ No

2. The activity can be characterized as *(select one)*:
   - ☐ (a) Traditionally performed by similar exempt organizations.
   - ☐ (b) Conducted in a competitive or commercial manner.
   - ☐ (e) Other (describe) _____

3. Is there a contract to provide goods or services? ☐ Yes ☐ No
   (If YES, please provide a copy of the contract.)

Is the Activity Regularly Carried On?

4. If the activity is also performed by for-profit companies, the activity is carried on by CU:
   (select one)
   - ☐ (a) With the same frequency as it is by for-profit companies.

☐ (b) With greater frequency than by for-profit companies.
☐ (c) With less frequency than by for-profit companies.

5. If the activity is performed by CU with less frequency than by for-profit companies, describe the level of frequency by comparison with for-profit companies:

Is the Activity Substantially Unrelated to CU's Exempt Purpose?

CU's exempt purpose is equivalent to its mission: education, research, and public service, i.e.: Are students earning credit toward a degree by participating in the activity?

6. The activity *(select one)*:
   - ☐ (a) Has as its principal purpose to accomplish CU's exempt purpose.
   - ☐ (b) Is related to the exempt purpose only because it generates income that can be used to further CU's exempt purpose.
   - ☐ (c) Is equivalent to the same activity performed commercially by a for-profit company.

Statutory Exceptions

7. The activity *(check all that apply)*:
   - ☐ (a) Is carried out by unpaid volunteers.
   - ☐ (b) Is carried on primarily for the convenience of students, faculty, or staff.
   - ☐ (c) Consists of selling merchandise substantially all of which has been received as gifts or donations.

Rental of Real Property

8. The activity generates income from the rental of land or buildings (real property)? ☐ Yes ☐ No
   (If the answer to question 8 is NO, skip to question 11)

9. If the activity does generate income from the rental of real property *(check all that apply)*:
   - ☐ (a) Personal property (equipment) is rented in conjunction with real property. Percentage of total rent attributable to the personal property ____%
   - ☐ (b) The rental of the property is related to CU's exempt purpose.
   - ☐ (c) The real property (land or buildings) is debt-financed.
   - ☐ (d) The rents are determined based in whole or in part on the net income or profits derived from the property under lease.
   - ☐ (e) Personal services (i.e., catering, or CU employees setting up and operating equipment, parking, laundry services, etc.) are offered. If so, list personal services here:

Royalties

Royalties are payments associated with a valuable right, such as trademarks, trade names, and copyrights.

10. Does the activity generate income from royalties? ☐ Yes ☐ No

Sponsorship vs. Advertising

11. Does the activity generate income from advertising? ☐ Yes ☐ No
    or…
    Is the activity a sponsorship arrangement? (See Sponsorships FPS) ☐ Yes ☐ No
    (For sponsorship activities, please provide a copy of the sponsorship contract.)

Certification of Responsible Person

Name _____ Campus Box _____

Phone _____ Email _____

Signature _____ Date _____

You can sign electronically if you have a digital signature and submit this completed form via email. Otherwise, please print, sign, and send to **Stefanie Furman, 579 UCB**. Contact Stefanie if you have questions about this form: stefanie.furman@colorado.edu or 303-492-2396.

Print Form

Submit by Email

About this Questionnaire and Unrelated Business Income

The Unrelated Business Taxable Income Questionnaire is intended to assist organizational units to evaluate auxiliary business activity to determine whether such activity is subject to Unrelated Business Income Tax (UBIT). If so, the university must report this income less applicable expenses annually on IRS Form 990-T, Exempt Organization Business Income Tax Return. Form 990-T is prepared by the Office of University Controller and UBIT may be subject to quarterly estimated tax payments.

The IRS recognizes the University of Colorado as exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code. This means that the university is not taxed on its income from activities that are substantially related to its mission (i.e. exempt purpose) of instruction, research and service or that provide support to these activities. However, certain activity may generate unrelated business taxable income (subject to some exceptions) if:

1. It is a trade or business,
2. Which is regularly carried on,
3. For the primary purpose of generating a profit, and
4. Is not related to the exempt organization's purpose for exemption.

Back to Questionnaire