Determination of Qualified Corporate Sponsorship – Not Subject to Unrelated Business Income Tax (UBIT)

Begin

Department receives Corporate Sponsorship

In return, department provides benefits to the sponsor.

Use or acknowledgement (Note 1)

Is the use or acknowledgement published in the University's periodicals (other than program or brochure distributed in a sponsored event)?

Yes

Is the payment contingent upon the level of attendance of the event (as opposed to contingent upon the event actually taking place)?

No

The sponsorship payment represents the value of the benefit(s) is NOT qualified corporate sponsorship

Process continues on Page 2

No

The sponsorship payment does not represent the value of the benefit(s) is qualified corporate sponsorship

Not subject to UBIT

End

Benefits other than Use or Acknowledgement (Note 2)

Determine the Fair Market Value (FMV) of the benefits

Does the FMV of these benefits exceed 2% of the total sponsorship payment?

Yes

The entire FMV of these benefits is not qualified sponsorship.

Process continues on Page 2

No

Note 1: Use or Acknowledgment
- Exclusive Sponsor Agreement
- Logos and slogans that do not contain qualitative or comparative descriptions of the payor's products, services, facilities, or company.
- A list of the payor's locations, telephone numbers, or internet address.
- Value-neutral descriptions, including displays or visual depictions, of the payor's product-line or services.
- The payor's brand or trade names, and product/service listings.
- Does not include advertising the sponsor's products or services (Note 3)

Note 2: Benefits provided by the sponsor other than use or acknowledgement may include:
- Advertising (Note 3)
- Exclusive Provider Arrangement to limit the sales, distribution, viability, or use of competing products, services, or facilities in connection with the sponsored activities.
- Rights to use the University's intangibles, such as name, logo, and mailing lists.
- Goods, services, facilities or other privileges.

Note 3: Advertising
- Messages containing qualitative or comparative language (unless such language is an established part of the sponsor's identity)
- Price information or their indications of savings or value
- An endorsement
- An inducement to purchase, sell, or use any company, service, facility or product.
Determination of Nonqualified Corporate Sponsorship Subject to Unrelated Business Income Tax (UBIT)

Nonqualified Sponsorship represents the value of the benefits provided to sponsor.

Use or Acknowledgement

Advertising

Exclusive Provider Agreement

Rights to use the University's intangibles

Goods, services, facilities or other privileges?

Conducted by students for educational purposes?

Conducted by volunteers for more than 85% of the time?

Significant services provided to the sponsors or share profit with the sponsor?

No Subject to UBIT

Yes Related to the university's exempt purpose?

Yes Conducted by volunteers more than 85% of the time?

Yes Excludable as rental of real properties?

No Not Subject to UBIT

No

Conducted by volunteers more than 85% of the time?

Not Subject to UBIT

Yes

Conducted by volunteers for more than 85% of the time?

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No