Department/Division

\_\_\_\_

Prepared by Title

Email address Phone

Thank you for taking the time to complete this survey.

**I. Unrelated Business Income (“UBI”).**

What is UBI?

* Income from a trade or business, whether or not it earns a profit;
* Which is regularly carried on; and
* Which is not substantially related to Georgia Tech’s exempt purposes.

(For a list of activities that commonly generate UBI, as well as activities that do not, see **Appendix A**.)

A few departments in every major university generate UBI. The IRS requires tax-exempt universities to recognize and to report UBI on IRS Form 990-T, even if the unrelated business operates at a loss and no tax is due. To help us identify UBI at Georgia Tech, please consider the following questions carefully:

1. Does your department provide goods or services to customers other than Georgia Tech, other tax-exempt universities, or state and federal governments? For example, does your department charge for goods or services provided to for-profit businesses or to the general public? Or does your department charge companies for product testing or other services?
2. If your answer to question #1 is “yes,” please provide a list of those customers, a description of the goods or services, an estimate of revenue received from each customer, the project IDs and revenue accounts where the funds are deposited. (EXCEL files are gladly accepted.)
3. If your answer to question #1 is “yes,” are you aware of any commercial entities that provide goods or services that are similar to what you provide? If so, please provide the name of at least one such example.
4. What is your department’s reason for selling these goods or services?
   1. To generate revenue to fund operations
   2. For the convenience of students or members of the Georgia Tech community
   3. To provide a service to constituents not otherwise available
   4. Where testing or product development services are provided, is the service offered as a convenience to a client who is sponsoring a research project?
   5. Please describe other reasons

**II. Collection of Sales Tax.**

Sales of goods and services from one department to another within Georgia Tech, to other USG institutions, to the State of Georgia, or to the federal government are generally exempt from sales tax. However, depending upon state law, sales to an entity other than one of those listed above may require your department to collect sales tax.

1. Does your department supply goods or services to entities besides Georgia Tech, other USG institutions, the State of Georgia, or the federal government?
2. If your answer to question #1 is “yes,” please list the states (including Georgia) in which you sell goods or services, describe the item or service sold, an estimate of the sales revenue received from each state, and an indication of whether or not you collect sales tax.

# Please email your survey (along with any attachments) to the following:

# Sarah Gamer, Tax Compliance Manager, Sr.

Controller’s Office, Mail Code 0257

[sarah.gamer@business.gatech.edu](mailto:sarah.gamer@business.gatech.edu)

**Appendix A.**

**Common Sources of UBI:**

* Advertising (if it contains product comparisons, invitation to purchase goods or services, or endorsements)
* Affinity card programs (if the Institute provides services to card vendor)
* Bookstore and gift shop sales to the public
* Catering and food service sales to the public or to privately managed camps
* Computing resources (i.e. software maintenance and support)
* Dormitory rentals to the public or to privately managed camps
* Entertainment events (if not substantially related to the Institute’s educational purpose)
* Filming and Photography projects where GT facilities are made available to for-profit companies
* Hotel and restaurant services provided to the public or to privately managed camps
* Laboratory testing services and product testing services to commercial entities
* Licensing agreements (if services provided to the licensee)
* Parking revenue (from the public or from contracts with 3rd parties)
* Participation or ownership in a partnership or joint venture with a for-profit entity
* Recreational facility use by the public or alumni
* Rental of equipment to the public / privately managed camps
* Research sponsored by a commercial enterprise where resulting intellectual property is not available to the public (see “Exceptions to UBI” below)
* Sale of products or services (unless provided for the convenience of students, faculty, staff)
* Sponsorship agreements where the sponsor receives a substantial return benefit
* Testing services provided to commercial enterprises where results are not available to the public
* Travel tour programs
* Other (any regular, revenue-generating activity not substantially related to an exempt purpose)

**Exceptions to UBI:**

* An activity in which substantially all of the work is performed by volunteers
* An activity conducted by students that is primarily for their educational benefit
* An activity conducted primarily for the convenience of students, faculty, staff
* Entertainment which serves an educational purpose for both students and the public
* Rental income from the leasing of real property
* Research sponsored by a commercial enterprise if GIT owns the resulting IP which is licensed at competitive rates, and GIT has the right to publish the research results
* Royalties, dividends, interest income