**Unrelated Business Income Tax (UBIT)**

Indiana University is exempt from paying Federal income tax on income related to the University’s exempt purpose. **Remember, the IRS is concerned with HOW the funds are GENERATED, instead of how the funds are used!**

However, the University also engages in other activities that do not directly relate to its exempt purpose. These other activities are subject to income tax under Section 511 of the Internal Revenue Code. This section of the IRC is designed to prevent tax exempt organizations from having an unfair advantage over for-profit business that do pay tax on income generated in the same manner. The Form 990-T, Exempt Organization Business Income Tax Return is filed annually with the IRS.

IU Policy [Establishing & Modifying Revenue Producing Activities (RPA) FIN-TRE-121](https://policies.iu.edu/policies/fin-tre-121-establishing-modifying-revenue-producing-activities1/index.html)

Form [Revenue Producing Activity On-Line Submission Site](https://apps4.indiana.edu/VPGA_RPA_V1_Online/Default.aspx)

For specific questions, please contact University Tax Services via the [Contact Page](https://controller.iu.edu/contact).

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|  | [Criteria for UBIT](https://controller.iu.edu/compliance/form-library) | Overview of three main criteria for determining UBIT income. |
|  | [Deductions for UBIT](https://controller.iu.edu/compliance/form-library) | Criteria for the allowable expenses to take against UBIT. |
|  | [UBIT Unrelated and Related Determination Matrix](https://controller.iu.edu/compliance/form-library) | A matrix categorizing different activities as unrelated and related income. |
|  | [Examples of UBIT](https://controller.iu.edu/compliance/form-library) |  A comprehensive list of UBIT income examples. |
|  | [Exceptions to UBIT](https://controller.iu.edu/compliance/form-library) | A quick list of all the exceptions to UBIT and helpful definitions. |