

#### **400.2 Athletic Events & Television Broadcast Rights**

Universities often earn income from admissions to athletic events or from the sale of television and broadcast rights to athletic events. The following are examples of such activities which are exempted from UBTI.

- Income from admission charges (ticket sales) is not UBTI because athletic activities are substantially related to a university's educational purpose.
- The IRS has held that income from the sale of radio or television rights are likewise not UBTI because these are other methods of exhibiting the game to the public.
- An agreement with another entity to broadcast the game for profit would not generate UBTI. In Rev. Ruling 80-296, the sale of broadcasting rights to a national radio and television network by an organization created by a regional collegiate athletic conference made up of universities to hold an athletic event was not UBTI.
- The IRS ruled (in PLR 200151047) that income from video production and satellite uplink services provided by a exempt public broadcasting corporation to a noncommercial television network, and income from educational programming services provided to a commercial television station, was not UBTI.