

1 **SHB 1459 - H AMD 015 ADOPTED 1-15-96**

2 By Representative Van Luven

3 Strike everything after the enacting clause and insert:

4 "NEW SECTION. **Sec. 1.** The legislature finds that property
5 owners often hire property management companies to manage their
6 real property. Frequently, the property management companies also
7 manage the personnel who perform the necessary services at the
8 property location. In these cases, the property owners may pay the
9 on-site personnel through the property management company. The
10 property management company is merely acting as a conduit for the
11 property owner's payment to the personnel at the property site.

12 This act is not intended to modify the taxation of amounts
13 received by a property management company for purposes other than
14 payment to on-site personnel.

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16 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04
17 RCW to read as follows:

18 This chapter shall not apply to amounts received by a property
19 management company from the owner of a property for gross wages and
20 benefits paid directly to or on behalf of on-site personnel from
21 property management trust accounts that are required to be
22 maintained under RCW 18.85.310.

23 As used in this section, "on-site personnel" means a person
24 who meets all of the following conditions: (1) The person works
25 primarily at the owner's property; (2) the person's duties include
26 leasing property units, maintaining the property, collecting rents,
27 or similar activities; and (3) pursuant to a written property
28 management agreement, the person's compensation is the obligation
29 of the property owner and not the property manager.

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NEW SECTION. **Sec. 3.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect April 1, 1996."

Correct the title accordingly.

EFFECT: Clarifies that exemption applies only when compensation is paid from property management trust accounts.