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5 On page 56, after line 23, insert the following:

6 "NEW SECTION. Sec. 62. The legislature finds that property owners  
7 often hire property management companies to manage their real property.  
8 Frequently, the property management companies also manage the personnel  
9 who perform the necessary services at the property location. 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 Section 63 of this act is intended to clarify that the business and  
13 occupation tax does not apply to amounts received by a property  
14 management company and paid to on-site personnel. Section 63 of this  
15 act is not intended to modify the taxation of amounts received by a  
16 property management company for purposes other than payment to on-site  
17 personnel.

18 NEW SECTION. Sec. 63. A new section is added to chapter 82.04 RCW  
19 to read as follows:

20 This chapter shall not apply to amounts received by a property  
21 management company from the owner of a property for gross wages and  
22 benefits paid to or on behalf of on-site personnel. In such cases, the  
23 property owners may pay the on-site personnel through use of trust  
24 accounts, dedicated bank accounts, or paymaster accounts established  
25 for this purpose by the property management company. As used in this  
26 section, "on-site personnel" means a person who meets all of the  
27 following conditions: (1) The person works at the owner's property;  
28 (2) the person's duties include leasing property units, maintaining the  
29 property, collecting rents, or similar activities; and (3) pursuant to  
30 a written property management agreement, the person's compensation is  
31 the obligation of the property owner and not the property manager."

32 Renumber the remaining sections consecutively and correct any internal  
33 references accordingly.

1        On page 60, line 9, after "through" strike "62" and insert "64"

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