



PMC Community Connection Workshop

Meeting Minutes

Location: WebEx

Date: June 26th, 2019

Time: Noon – 1:00 p.m.

Attendees: **ADOR Attendees:**
Tamika Walton – Taxpayer Services
Megan Hawker & Stephanie Michael – Education and Compliance – Outreach District

Agenda Items

I. Introduction

- The Property Management Company (PMC) Community Connection is a platform designed to promote ongoing discussion, learning and process improvement opportunities for the Arizona Department of Revenue (ADOR) to engage and support PMCs filing, paying and complying with the tax laws of the state of Arizona.
- PMCs are encouraged to share experiences and contribute to the discussion.
- Roundtable discussions will be held monthly via WebEx.
- Registration is required. Reservation is on a first come basis.
- Meeting dates will be listed on [azdor.gov/taxpayer-education/upcoming events](http://azdor.gov/taxpayer-education/upcoming-events).

II. AZDOR.GOV

- To stay up to date on the Department’s news, event, and notices – subscribe to our Gov Delivery service. You can input your email address or phone number and select which types of notifications you wish to receive. If you select TPT, you will be notified when there is a change or update that impacts property management companies.
 - If you do not wish to subscribe to these notices, they will always be posted on the top portion of our webpage at azdor.gov under the “News, Event & Notices section.”
- PMCs have a dedicated space on our azdor.gov webpage.
 - From the home page, select “Transaction Privilege Tax (TPT)” on the right side of the screen under the “Business” heading.
 - On the left hand side, select the drop down arrow next to the section title “Residential Rental Guidelines.”
 - Select “For Property Management Companies (PMC)” -- <https://azdor.gov/transaction-privilege-tax/residential-rental-guidelines/property-management-companies-pmc>

- PMC Penalty Abatement Announcement –
 - The penalty abatement process is not automatically done by ADOR. Taxpayers must submit this form to request abatement.
 - Found on the azdor.gov website under “News, Events & Notices” section.
 - “Read more” to discover the “Arizona Transaction Privilege Tax PMC Penalty Abatement Procedure” section, which contains three important links that lead to the following:
 - Arizona Transaction Privilege Tax Procedure for TPP 19-1.
 - Sample Request for a Penalty Abatement - Form 290.
 - PMC Penalty Abatement Client List.
 - Arizona Transaction Privilege Tax Procedure for TPP 19-1
 - This link details the proper steps for completing Arizona Form 290 and the PMC Penalty Abatement Client List. It is important to remember that Form 290 contains the PMC’s information, while the Client List contains the property owner’s information. This form gives a mailing address, fax number and email contact at ADOR, however the best way to submit the request for penalty abatement is by email: pmcdata@azdor.gov.
 - For questions, please call 602-716-RENT.
 - Sample Request for a Penalty Abatement - Form 290
 - Part 1 – Include the PMC company name, mailing address and the contact name and phone number of the person that is familiar with the situation.
 - Part 2 – Select “Transaction Privilege and Use Tax” as the tax type, then enter the PMC license number in the Taxpayer ID Number section. For the Period(s) or Year(s) and Penalty Amount sections, write in “See Client List.”
 - Part 3 – Copy and paste the words in this section onto your PMC Penalty Abatement form.
 - Part 4 – Must be signed by a PMC representative.
 - PMC Penalty Abatement Client List-
 - This is the template PMCs should use when identifying their various property owners. Each individual property owner’s EIN or SSN must be filled out, as well as their TPT license number. If the property owner has more than one property under one EIN, it is okay to list each address on a new line under the same EIN. However, each TPT license must have its own line. Include the date of engagement and the disengagement date (if applicable.) If the PMC is going to continue to file on behalf of the property, leave the disengagement date blank.
 - Filing period end date indicates the last time the property owner had penalties.
 - The penalty amount refers ONLY to the penalty and does not include interest. PMCs can estimate the penalty amount based off the line items of their previous tax returns.
 - Submit completed request by one of the following methods:
 - Email – PMCDATA@azdor.gov



- Mail – Penalty Review Unit, Division 9 1600 W Monroe St. Phoenix, AZ 85007-2612
- Fax – (602) 716-6787

III. Power of Attorney (POA) form

- Created by ADOR in response to PMC request for a simplified form.
- Will be released in July 2019
- Original form does not trigger an audit by the Arizona Department of Real Estate.
 - Calls were had with ADRE – AZ Form 285 is a tax form. It is not looked at by ADRE.

IV. ADOR Social Media Platforms for PMC Updates

- Follow us on our various social media pages!
 - Twitter (@AZDORmedia)
 - Facebook (www.facebook.com/azdor.gov)
 - LinkedIn- (www.linkedin.com/company/arizona-department-of-revenue)

V. Questions

Q: Can I continue to use the 285-B form instead of using the new 285-PMC form?

A: Yes, you can use either form moving forward. Just like the 285-B, the 285-PMC will allow PMCs to fill out an application on behalf of a property owner.

Q: When I (the PMC) am linked and engaged with the Property Owner and have registered them to file quarterly, why does the client's paid balances still show up in the previous month after I have paid?

A: If any date, other than the end of the quarter date is entered, this will change the filing frequency to monthly. This may be a keying error but to best serve you, please email your specific questions and details to Tamika Walton (twalton@azdor.gov)

Q: Are residential rentals treated the same as commercial or transient lodging when filling out a POA?

A: Yes. Taxpayers may use a 285, 285-B or the new 285-PMC (once available) and email the completed forms to POA@azdor.gov.

Q: I am trying to process returns but can only see the returns from properties I own, not manage. How can I see returns for owned **and** managed properties?

A: Ensure the property owner has you listed as a delegate user on AZTaxes.gov. If not, fill out the Business Account Update (BAU) form and email it to PMCDATA@azdor.gov so the delegate changes will be reflected in the system. Then, use your business list to view the return history of your owned **and** delegated accounts.

Q: The Property Owner lives out of state and the renewal notices are being sent to them instead of me (the PMC.) How can I change this?

A: Complete a client list and send in to the Department. Include the Property Owner's license number, EIN/SSN, property name and indicate a "Change of Address" by updating the address to reflect your own. Email it to:

- PMC's: PMCDData@azdor.gov

Q: Unbeknownst to me (the PMC,) my new clients already have a license number and were automatically set up as monthly instead of quarterly filers. I don't end up realizing this until after it has become a problem. How can I fix this?

A: Please email Tamika Walton (twalton@azdor.gov) a copy of your client list and ask ADOR to deliver the license demographics to you.

Q: I went back and filed \$0 missing returns for the quarter and now I have penalty fines of \$25 per return. Why?

A: As of 1/1/2019, ADOR has begun enforcing penalties on returns filed late, as instructed per A.R.S. 42-1125.

Q: What NAICS code do I use to for transient lodging?

A: You may use 531100 – Residential Rental for transient lodging.

Q: Why does my profile on AZTaxes.gov show I'm engaged with some Property Owners and linked with others?

A: If you have linked the account that means that you (the PMC) are set up as the primary user. That means you have access to all of the property owner's information. PMCs should always have delegate access to a property owner's AZTaxes.gov account. This will allow you to do all of the same functions as being linked but you will not see the property owner's private information. Property owners should always be the primary on the account and grant you delegate access. There is a tutorial available online at our Media Center: <https://azdor.gov/media-center>.

VI. Proposed Future Topics

- 285-PMC form (released July 2019)
- Additional Improvement Ideas

VII. Closing

- Thank you for participating in this session of our PMC Community Connection Workshop. This is a forum where you can freely share your thoughts/ideas/concerns. Please join us for our next session on Wednesday, July 24, 2019 from 12:00 p.m. – 1:00 p.m.



- Please share this information with PMCs who would benefit from participating in the event or receiving this information.