

**8092.0900 WAGES PAID THROUGH AN AGENT, FIDUCIARY, OR OTHER PERSON ON BEHALF OF TWO OR MORE EMPLOYERS.**

If a payment of wages is made to an employee by an employer through an agent, fiduciary, or other person who also has control, receipt, custody, or disposal of, or pays the wages payable by another employer to such employee, the amount of tax required to be withheld on each wage payment made through such agent, fiduciary or person shall, whether the wages are paid separately on behalf of each employer or paid in a lump sum on behalf of all such employers, be determined upon the aggregate amount of such wage payment or payments in the same manner as if such aggregate amount had been paid by one employer.

In any such case, each employer shall be liable for the return and payment of a pro rata portion of the tax so determined, such portion to be determined in the ratio which the amount contributed by the particular employer bears to the aggregate of such wages.

For example, three companies maintain a central management agency which carries on the administrative work of the several companies. The central agency organization consists of a staff of clerks, bookkeepers, stenographers, etc., who are the common employees of the three companies. The expenses of the central agency, including wages paid to the foregoing employees, are borne by the several companies in certain agreed proportions. company X pays 45 percent, company Y pays 35 percent, and company Z pays 20 percent of such expenses. The amount of the tax required to be withheld on the wages paid to persons employed in the central agency should be determined in accordance with the provisions of this section. In such event, company X is liable as an employer for the return and payment of 45 percent of the tax required to be withheld. Company Y is liable for the return and payment of 35 percent of the tax and company Z is liable for the return and payment of 20 percent of the tax.

**Statutory Authority:** *MS s 270C.06; 290.52*

**History:** *L 2005 c 151 art 1 s 114*

**Published Electronically:** *November 14, 2006*