

COMPLIANCE CIRCULAR

NO. 06/08

December 16, 2008

SUBJECT: Changes to the Non-Resident Quarterly Permit Weight Threshold and the Repeal of the Peace River Farm Agreement

Managers, Victoria Motor Vehicle Inspectors Passenger Transportation Board Deputy Director, CVSE Regional CVSE Managers Managers, ICBC Licensing ADM (Compliance and Consumer Services) Carrier Safety Inspectors Government Agents Appointed Agents Trucking Industry Law Enforcement Agencies Commercial Transport Insp. (Inspection Stations) Passenger Transportation Branch Driver Services Centres TRANS (Director, Chair Transportation Policy) Supt. of Motor Vehicles

PURPOSE OF CIRCULAR

To advise that as of January 1, 2009, BC is making the following commercial vehicle licensing changes:

- Increasing the weight threshold for intra-jurisdictional travel under the Non-Resident Quarterly Permit (NRQP) to 11,794 kg licensed gross vehicle weight; and
- Repealing the Peace River Farm Agreement (PRFA).

BACKGROUND

The Canadian Agreement on Vehicle Registration (CAVR) was amended in 2007 to allow licensing reciprocity for two axle commercial vehicles that weigh less than 11,794 kg that are from another Canadian province for a period of 90 days. Out-of-province vehicles from another province that weigh less than 11,794 kg and have operated within BC for more than 90 days in a calendar year require either a non-resident permit or prorate license for the period exceeding 90 days.

NRQPs are issued for out-of-province commercial vehicles that have either exhausted the provisions of CAVR, or are not covered by CAVR. For vehicles weighing less than 8,200 kg, NRQPs currently allow intra-provincial operation (pick up and drop off within BC). However, out-of-province commercial vehicles over 8,200 kg operating under a NRQP are limited to inter-provincial operation (e.g., drop off in BC, return to Alberta).

For further information on the light truck reciprocity provisions of CAVR, please refer to <u>Compliance Circular 01/07</u>.

Farm Vehicles:

CAVR was amended again in September 2008 to provide full and free licensing reciprocity (without time or geographic limitations) for all vehicles licensed in a Canadian province and used as farm vehicles. For further information, please see <u>Compliance Circular 03/08</u> – <u>Changes to the Canadian Agreement on Vehicle Registration</u>.

Non-Resident Quarterly Permits (NRQP) - January 1, 2009

- As of January 1, 2009, with the purchase of the NRQP, vehicles between the licensed gross vehicle weights of 8,200 and 11,794 kg will be allowed to travel intra-provincially within BC.
- This change will not affect vehicles that weigh less than 8,200 kg licensed gross vehicle weight.
- Vehicles with a licensed gross vehicle weight of 11,794 kg or more will, under the NRQP, continue to be limited to inter-jurisdictional operation in BC (as defined in <u>Division 6 of the Commercial Transport Regulations</u>).

Peace River Farm Agreement

The Peace River Farm Agreement (PRFA) will be repealed on January 1, 2009. The repeal of the PRFA will have no impact on BC or Alberta farmers given that Canadian farmers from all provinces have, since September 2008, been granted registration and licensing reciprocity under CAVR.

Please refer to <u>Compliance Circular 03/08 – Changes to the Canadian Agreement on Vehicle</u> <u>Registration</u> – which outlines the provisions of CAVR as they relate to farm vehicles. Please also note that references to farm vehicles in <u>Compliance Circular 01/07</u> have been superseded by <u>Compliance Circular 03/08</u>.

Automobile Insurance

In order to satisfy BC's insurance requirements, many out-of-province vehicles must either purchase BC insurance or file for proof of financial responsibility. For more information about financial responsibility filings, please contact ICBC's Prorate and Financial Responsibility Department at 604-443-4624 or 1-800-665-4336.

Social Service Tax (PST)

Operators and owners of vehicles who use their vehicle for commercial purposes in BC must pay the Social Service Tax (PST). The tax calculation formula depends on the form of licence and type of operation in the province.

For more information, contact the Ministry of Small Business and Revenue at 1-877-388-4440 or 604-660-4524, or on the web at <u>www.sbr.gov.bc.ca/ctb</u>.

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Greg Gilks, P. Eng., Director, Commercial Vehicle Safety and Enforcement Branch Ministry of Transportation and Infrastructure