

COMPLIANCE CIRCULAR

NO. 01/07

March 29, 2007

SUBJECT: Changes to the Canadian Agreement on Vehicle Registration (CAVR)

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

PURPOSE OF CIRCULAR

To advise that as of April 1, 2007, BC is allowing two axle commercial vehicles from a Canadian province with a registered weight of less than 11 794 kg intra-provincial travel in BC for up to 90 days in a calendar year. This change is being done through BC's revisions to the Canadian Agreement on Vehicle Registration (CAVR).

To be eligible for reciprocity, two axle commercial vehicles must be properly licensed where the owner is ordinarily resident and registered at 11 794 kg or less in their base province. The changes to CAVR include all commercial two axle vehicles under 11 794 kg (including farm vehicles, government vehicles, and recreational vehicles).

For two axle commercial vehicles 11 794 kg or less, unlimited inter-provincial operation is permitted. For intra-provincial operation, these commercial vehicles are allowed to operate without prorated licensing or BC non-resident permits for up to 90 days in a calendar year (the 90 day period is calculated by including both inter and intra-provincial operation).

A non-resident permit or prorated licence is required for the following out-of-province commercial vehicles operating on a BC highway:

- commercial vehicles from a Canadian territory (except those with a registered weight of less than 8 200 kg when the vehicle is used **only** for personal use)
- any commercial vehicle from another province doing intra-provincial operation that have operated in BC for over 90 days since January 1 of that same year
- all commercial vehicles with a licensed gross vehicle weight over 11 794 kg and all commercial vehicles with three or more axles

- commercial vehicles from a US state (except those with a registered weight of less than 8 200 kg when the vehicle is used **only** for personal use)
- inter-provincial operation of farm vehicles with a registered weight of over 13 601 kg if the farmer does not own or lease land in BC
- farm vehicles between 11 975 kg and 13 601 kg may operate intra-provincially by obtaining a non-resident permit or prorate licensing or by obtaining a cab card from ICBC's Prorate Department.

To satisfy BC's insurance requirements, out-of-province commercial 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 consult the Out-of-Province Owners and Operators of Commercial Vehicles pamphlet or contact the Ministry of Small Business and Revenue at 1-877-388-4440 or 604-550-4524, or on the web at www.sbr.gov.bc.ca/ctb.

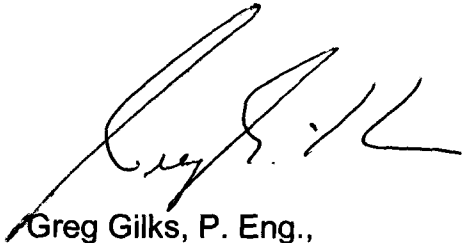
BACKGROUND

In 2006, BC signed the Trade, Investment and Labour Mobility Agreement (TILMA) with Alberta. TILMA commits BC to adopt the light truck provision of CAVR (two axle vehicles under 11 794 kg or less) on April 1, 2007. The other provisions of CAVR and other BC exceptions to the agreement remain unchanged. The changes to CAVR only impact vehicles from Canadian provinces.

Examples:

- An 8 000 kg truck with a licensed GVW from Alberta operates inter-provincially for 90 days starting January 1, and then operates intra-provincially: prorate, non-resident permit or BC licensing is required as the 90 day time limit under CAVR is exhausted.
- A 10 000 kg truck with a licensed GVW from Saskatchewan operates both inter and intra-provincially for 30 days in January, 30 days in May, and 30 days in September: no BC licensing/permit is required under the provisions of CAVR.

- An 11 000 kg truck from Alberta operates intra-provincially for 90 days starting January 1, and then exclusively operates inter-provincially for the remainder of the year: no BC licensing is required under the provisions of CAVR.

A handwritten signature in black ink, appearing to read 'Greg Gilks', with a stylized flourish at the end.

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