



March 18, 2015

Honourable Premier Christy Clark  
Honorable Minister Steve Thomson  
Honorable Minister Todd Stone  
PO Box 9041  
Station PROV GOVT  
Victoria, BC  
V8W 9E1

By Email

RE: Moratorium on ORV Registration due to ORV Act implementation systemic problems

Dear Honourable Premier and Ministers,

BCORMA believes in, and is on record, as supporting ORV Licensing and Registration. We could not, in our worst nightmare, have envisioned what this has morphed into. What could and should have been a pretty straightforward exercise has become, in our view, ridiculously complicated and entirely ineffective compared to the original goals defined and presented to Government in 2007.

As President of the BC Off-Road Motorcycle Association, I have grave concerns not only with the Off-Road Vehicle Act as it stands, but with the length of time it has taken to process it. The stakeholder groups, largely at their own expense, have been working on this file since approximately 2002, had our recommendations in to government in 2007, legislation announced in 2009, and here we are in 2015 with an entirely non-functional implementation soon to become mandatory.

I am requesting a moratorium/postponement on the June 1, 2015 mandatory registration date until everybody, including riders, ICBC, government staff, and enforcement personnel clearly understand and apply appropriately the new legislation, tax obligations, insurance requirements, and enforcement parameters.

The details of our concerns are centred around:

**1. Vehicle identification**

The proposed regulation metal license plate is just not a practical, workable or safe solution on either off-road motorcycles or snowmobiles. There are a number of issues surrounding a metal plate, including damage to the plate, falling off/getting knocked off, and the high likelihood of rider injury in the event of an unscheduled departure from the machine. We have broached the subject of a decaling system of identification a number of times with both ICBC, and staff on the legislative file, to no avail. A decaling system makes much more sense from both a practicality and safety standpoint. There isn't generally a large enough flat surface on an off-road motorcycle to mount a plate, particularly on Trials and kid-sized bikes, and on snowmobiles, with the side of the tunnel being the most likely mounting surface, at least one manufacturer has indicated that any alteration of the tunnel by drilling or other means will void the factory warranty. There are a number of other issues around plates that I would be glad to go into in more detail with an in-person meeting.

**2. Insurance requirements, sales tax obligations, and increased documentation requirements**

There is generally a great deal of confusion among the riding public and ICBC Brokers around the issue of insurance requirements and options, and what taxes are due and why. I have asked for a clarification in writing of the taxation policy from Joel Fairbairn at Ministry of Finance vis a vis a four-year statute of limitations (information he provided) on collection of PST on old sales. That has not been provided to date.

The Broker network, through anecdotal stories received from folks that have already attempted to register, do not appear to have been properly trained in the areas of taxation, or insurance required to operate in different situations i.e. on or across MVA jurisdiction roads vs. FSR vs. Crown Land. This, in many instances, is causing riders to pay much more than they ought to in order to register and be considered "legal". This can be hundreds of dollars per machine in cases, adding up to potentially millions of dollars for the estimated 200,000 ORV machines that BC citizens own.

**3. Trail Network sustainability**

One of the lynch-pin recommendations in the original 47 Recommendations made by the ORV Licensing and Registration Coalition was for a Trails Trust fund, not unlike the HCTF that hunters and fishers pay into. Of the original 47, I can only clearly identify a couple i.e. registration fees and a helmet law that have actually been implemented by government. This fund would insure the ability to maintain, enhance, and build or add to trail networks in future in a revenue-neutral manner, a true user-pay system. As things stand now, there has only been a vague hint at the possibility of such a fund, at least 5 years down the road. Riders want, and need, to feel there is some value being received for the money they are paying, not only in direct registration fees, but in various types of

taxation, including for fuel, haul vehicles, accommodation and restaurant meals purchased, and the list goes on.

#### **4. Enforcement**

We are already receiving reports of what we view as illegal enforcement of not-yet-enacted law in some parts of the Province. This enforcement mostly centres around “requirement” for Highway Crossing insurance under ICBC's new interpretation that all ORV “parking lots”, aka staging areas, require Highway Crossing insurance. In all of our meetings, legal Highway Crossings have not been legally defined in terms of ORV usage.

I am requesting an in-person meeting with yourselves and the Presidents/Executive Directors of BCORMA, BC Snowmobile Federation, and ATV/BC to discuss our request for a moratorium on ORV registration until the primary stakeholders, ICBC, and Government clearly understand and appropriately apply the new legislation, tax obligations, insurance requirements, and enforcement parameters.

With over 200,000 ORV machines and owners in British Columbia, we are asking the Government to act on a number of our ORV Provincial Federations recommendations that have been largely ignored to this point.

Yours truly,

Ken McClelland

President BCORMA

Founding Member, Coalition for Licensing & Registration of Off-Road Vehicles in British Columbia

ken.mcclelland@bcorma.ca

## Vukelich, Vera FLNR:EX

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**Sent:** Wednesday, January 27, 2016 11:24 AM  
**Subject:** FW: Ken McClelland re ORV Implementation (213435)

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**From:** Vukelich, Vera FLNR:EX  
**Sent:** Wednesday, August 5, 2015 9:24 AM  
**To:** Ken McClelland (BCORMA, President)  
**Cc:** OfficeofthePremier, Office PREM:EX; Minister, FLNR FLNR:EX; Transportation, Minister TRAN:EX; Bertram, Kevin D FLNR:EX; Knight, Lyle FLNR:EX; Hawkings, John FLNR:EX; Callander, Alan TRAN:EX; Norm Felix (ICBC Representative); Tony Carpenetti (ICBC Representative); Kilpatrick, John (ICBC Insurance); Fairbairn, Joel FIN:EX; Vukelich, Vera FLNR:EX  
**Subject:** Ken McClelland re ORV Implementation (213435)

Dear Ken McClelland,

Thank you for the March 18, 2015 letter requesting a temporary moratorium on ORV registration due to your concerns about the implementation of the *Off Road Vehicle Act*. I have been asked to respond on behalf of the Honourable Premier Christy Clark, Honourable Todd Stone and Honourable Steve Thomson. Although we have discussed the response to the implementation issues you have raised with other stakeholder associations on the ORV Joint Advisory Group, I apologize for not providing a response in writing.

As you know, through extensive dialogue with stakeholders, agencies and ministries over the years, we have learned that ORV issues are complex and achieving consensus among the range of parties was challenging. For example, some stakeholders strongly supported paying an annual registration fee for trail development whereas others strongly supported only one-time registration in order to keep costs as low as possible for rural families and small businesses. As time progressed, we also found that there were many aspects of shared interest and a common ground. The result of this hard work was the ORV Management Framework and the new *Off Road Vehicle Act* which is being implemented in stages:

- November 1, 2014, voluntary registration commenced under the *ORV Act* (via the *ORV Regulation*);
- June 1, 2015, the *Motor Vehicle (All Terrain) Act* was repealed and the *ORV Act* has come into force; and
- November 1, 2015, amendments to the *ORV Regulation* to include mandatory registration and new safety laws.

I was pleased that the suggestion to extend the voluntary registration period under the *ORV Act* from June 1 to November 1, 2015 was discussed and supported by ORV JAG members this past spring. ICBC has informed me that approximately 29,000 have voluntarily registered up to the end of June which has surpassed our ministry's expectation on participation rates since registration was not mandatory.

When registration is mandatory under the *ORV Act*, ORV owners will have the choice of a registration number plate or sticker to be affixed to the vehicle and clearly visible (e.g. on the front, back or left side). The details of the *ORV Regulation* amendments are still under development (e.g. exemptions such as motorsport dealers that demonstrate ORVs for sale purposes and small ORV manufactured for children under 12 years). As discussed, decisions about proposed regulations under the *ORV Act* are made by Cabinet and are subject to Cabinet Confidentiality.

Please note that when registration number stickers become available during mandatory registration, please ensure it is affixed to something that may be removed if you sell your ORV. It has been our experience that the

stickers used for the manual snowmobile registry under the previous *Motor Vehicle (All Terrain) Act* created challenges for some ORV owners when they sold their vehicle without removing the sticker and the new owner failed to re-register. Failing to remove the sticker may result in the previous registered owner receiving violation tickets for offences committed by the new owner. Consequently, plates that are easily removed without damaging a vehicle paint-job upon transfer of ownership continue to be the preferred option for many ORV owners. For those that opt for a plate and have concerns about the metal edge, a license plate frame has been used.

It was also anticipated that owners of older ORVs may not have documentation to prove ownership at registration. So, similar to the approach with on-highway vehicles under the *Motor Vehicle Act*, ICBC requires a statutory declaration from ORV owners (this also helps ensure stolen ORVs are not registered). Please note that multiple ORVs owned by the same person may be included on one statutory declaration form as a cost savings. A Notary Public or Service BC, who have agents that are Commissioners for taking Affidavits, can provide this service. I understand that Service BC charges \$15.

In terms of implementation issues associated with ICBC broker services, ATV BC's and the BC Wildlife Federation's (BCWF) approach to contacting the ICBC representative directly on ORV JAG to respond to their members concerns has been very effective – as a result, I would like to suggest that BCORMA consider adopting the same approach of contacting subject area experts on ORV JAG.

For your convenience, attached is the contact information for ORV JAG representatives from ICBC and key government staff related to other program areas:

- Myself regarding the *ORV Act* and ORV JAG (Email: [Vera.Vukelich@gov.bc.ca](mailto:Vera.Vukelich@gov.bc.ca); Phone: 250 356-7040);
- ORV registration services of brokers: Tony Carpenetti, ICBC, Senior Business Analyst (Email: [tony.carpenetti@icbc.com](mailto:tony.carpenetti@icbc.com); Phone: 604 982-4518) or Norm Felix, Manager (Email: [Norm.felix@icbc.com](mailto:Norm.felix@icbc.com); Phone: 604 982-6544);
- ICBC insurance requirements on highways: John Kilpatrick, Manager (Email: [John.Kilpatrick@icbc.com](mailto:John.Kilpatrick@icbc.com); Phone: 604 982-4354);
- Incidental use of ORVs on highways under the *Motor Vehicle Act*: Alan Callander, MTI, Manager (Email: [Alan.Callander@gov.bc.ca](mailto:Alan.Callander@gov.bc.ca); Phone: 250 356-5563);
- ORVs used on recreation sites and trails (Crown land): John Hawkings, FLNR, Director (Email: [John.Hawkings@gov.bc.ca](mailto:John.Hawkings@gov.bc.ca); Phone: 604 898-2105);
- ORVs used on Resource Roads, including Forest Service Roads and parking lots: Lyle Knight, FLNR, Manager (Email: [Lyle.Knight@gov.bc.ca](mailto:Lyle.Knight@gov.bc.ca); Phone: 250 558-1784);
- Approach to compliance and enforcement under the *ORV Act*: Kevin Bertram, FLNR, Deputy Director (Email: [Kevin.Bertram@gov.bc.ca](mailto:Kevin.Bertram@gov.bc.ca); Phone: 250 356-5107); or
- ORV sales tax: Joel Fairbairn, MFin, Manager of Consumer Taxation Program Services (Email: [Joel.Fairbairn@gov.bc.ca](mailto:Joel.Fairbairn@gov.bc.ca); Phone: 250 387-1118) or please call Ministry of Finance toll free at 1 877 388-4440 if you have further questions about the application of PST to ORVs, or email [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca).

For your reference, the requirement for ICBC to collect a tax on vehicles under the *Motor Vehicle Act* (for on-highway vehicles) the former *Motor Vehicle (All Terrain) Act* and the new *ORV Act* is based on provisions within tax legislation. The Ministry of Finance prepared a Provincial Sales Tax (PST) Notice ([http://www.sbr.gov.bc.ca/documents\\_library/notices/notice\\_2013-011.pdf](http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-011.pdf)) to explain how the provincial sales tax applies to ORVs, as well as, another bulletin about PST and non-residents ([http://www.sbr.gov.bc.ca/documents\\_library/bulletins/pst\\_309.pdf](http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_309.pdf)).

Please be assured that the 47 recommendations tabled by stakeholders to government in 2006 has played a key role in guiding the path for moving forward on improving ORV management in BC. For your reference, I have attached the draft response which is being discussed with ORV JAG members during our upcoming call this month (please note: this draft is also being reviewed by other government staff, such as Recreation Sites and Trails Branch, to ensure I have appropriately captured the status of their work):



FLNR response to  
ORV Coalition...

Bill 13 (2014) included an amendment to Section 5 of the *Special Accounts and Appropriation and Control Act* related to an ORV Trail Management Sub-account of the Forest Stand Management Fund to allow a portion of fees under the *ORV Act* (which would be approved by Treasury Board) to be directed to ORV trails and that FLNRs Recreation Sites and Trails Branch would administer the funds. On June 1, 2015, the *ORV Act* came into force but not the amendment to Section 5 of the *Special Accounts and Appropriation and Control Act*. Currently, under the *ORV Act*, there is no revenue directed to this fund because ORV registration is one-time and user-pay.

To provide additional context regarding the approach to funding ORV trail development, I have also attached the ministry's past response to the BC Snowmobile Federation:



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to BCSF HART.p...

In terms of your request for an in-person meeting between motorsport stakeholders and the Premier, Minister Stone and Minister Thomson, I have been informed by other stakeholder associations on ORV JAG (e.g. ATV BC and the BC Wildlife Federation) that they would like to discuss the content and approach in your March 2015 prior to any meeting being scheduled. In addition, I understand that other associations, such as the BC Grasslands Conservation Council and the BC Cattlemen's Association, that were also a party to the 2006 recommendations to government would like an opportunity to comment on progress. As a result, the ministry will wait to hear back from the ORV JAG stakeholder associations regarding next steps.

Thank you again for taking the time to write, your active participation on ORV JAG and your efforts to advance the interests of the recreational off road motorcycle sector in British Columbia.

Sincerely,  
Vera Vukelich

Manager responsible for ORVs

Ministry of Forests, Lands and Natural Resource Operations

Information about the *ORV Management Framework*: <https://www.for.gov.bc.ca/mof/orv/>

.CC Honourable Premier Christy Clark

Honourable Todd Stone, Minister of Transportation and Infrastructure

Honourable Steve Thomson, Minister of Forests, Lands and Natural Resource Operations

Copy of incoming letter:



BCORMA March  
2015 Ltr\_MCCLE...

Copy of stakeholder report with the 47 recommendations:



ORV Coalition  
final\_orv\_recom...

ORV Coalition Recommendations to Government (December 2005)		FLNR's Preliminary Response (as of July 30, 2015)
<b>Legislation</b>		
<p><b>Recommendation #1:</b> develop and pass an Off-Road Vehicle Act (ORV Act) for British Columbia that replaces the existing, antiquated and incomplete Motor Vehicle (All Terrain) Act where key requirements concerning ORV use will be provided in one law to foster awareness of legal requirements including enforcement provisions; the ORV Act would be responsive to different types of ORVs (e.g. snowmobiles, all-terrain vehicles or ATVs, motorized dirt bikes) where appropriate.</p> <p><b>Recommendation #2:</b> engage the ORV Coalition and its partners in the development and legislative review of the new ORV Act and regulation(s) and other related legislative changes.</p>	<p>✓</p> <p>✓</p>	<p>In Fall 2009, the ORV Management Framework was announced (<a href="https://www.for.gov.bc.ca/mof/orv/">https://www.for.gov.bc.ca/mof/orv/</a>)</p> <p>During consultation with stakeholder associations in 2010-11, it soon became apparent that the outdated <i>Motor Vehicle (All Terrain) Act</i> could not accommodate different rules for different types of ORVs or situations, the enforcement tool were ineffective and there was no ability to exclude private lands.</p> <p>On March 24, 2014, the <i>Off Road Vehicle (ORV) Act</i> achieved Royal Assent and is being implemented in stages (<a href="https://news.gov.bc.ca/stories/orv-legislation-will-keep-bcs-backcountry-safe">https://news.gov.bc.ca/stories/orv-legislation-will-keep-bcs-backcountry-safe</a>).</p> <p>On June 1, 2015, the <i>Motor Vehicle (All Terrain) Act</i> was repealed and the <i>ORV Act</i> has come into force. Under the new ORV Act:</p> <ul style="list-style-type: none"> <li>• More effective enforcement tools such as ability to stop, inspect and seize ORVs; increased maximum fine for offences from \$500 to \$5,000.</li> <li>• New regulation-making powers to make laws for different classes of ORVs, persons and situations.</li> </ul> <p>November 1, 2015 is the date targeted for regulations under the ORV Act for laws related to safety and mandatory registration.</p> <p>Through extensive dialogue with stakeholders, agencies and ministries over the years, we have learned that ORV issues are complex and achieving consensus among the range of parties was challenging. As time progressed, we also found that there were many aspects of shared interest and a common ground. The result of this hard work was the ORV Management Framework and the new <i>ORV Act</i>.</p> <p>ORV JAG was established in June 2010 by FLNR to provide a forum for 20 stakeholder associations to review, in confidence, the proposed policy for proposed laws under the ORV legislation.</p> <p>ORV JAG adopts a round-table approach, with each stakeholder member having an equal voice – consensus is welcome but not required. Any FLNR staff-level discussions or document tabled at JAG is not necessarily representative of the final position which may be taken in respect of a matter and is subject to change.</p> <p>Policy decisions about the ORV framework are made by the Minister-MLA ORV Committee. Decisions about proposed regulations under the <i>ORV Act</i> are made by Cabinet and are subject to Cabinet Confidentiality.</p>
<b>Vehicle Registration (on Crown land)</b>		
<p><b>Recommendation #3:</b> require a single, one-time registration of all ORVs at time of purchase/transaction that records ownership and provides for its visible identification (through a decal or plate)</p>	<p>✓</p>	<p>ORV registration is one-time, user-pay and the cost is low as possible for rural families and small businesses.</p> <p>On November 17, 2014, the voluntary registration period commenced and was extended to October 31, 2015.</p>



ORV Coalition Recommendations to Government (December 2005)	FLNR's Preliminary Response (as of July 30, 2015)
<p>where it is not already provided for under the Motor Vehicle Act</p>	<p>Note: as of July 1, 2015, approximately 29,000 ORVs have registered voluntarily under the <i>ORV Act</i>.</p> <p>Starting on November 1, 2015, ORV registration will be mandatory for use or operation on Crown land. ORV owners will have the choice of a registration number plate or sticker to be affixed to the vehicle and clearly visible (e.g. on the front, back or left side). The details of the regulations for registration are still under development.</p> <p>When stickers become available during mandatory registration, please ensure it is affixed to something that may be removed if you sell your ORV. It has been our experience that the stickers used for the manual snowmobile registry under the previous <i>Motor Vehicle (All Terrain) Act</i> created challenges for some ORV owners when they sold their vehicle without removing the sticker and the new owner failed to re-register. Failing to remove the sticker may result in the previous registered owner receiving violation tickets for offences committed by the new owner. Consequently, plates that are easily removed without damaging a vehicle paint-job upon transfer of ownership continue to be the preferred option for many ORV owners. For those that opt for a plate and have concerns about the metal edge, a license plate frame has been used.</p> <p>It was anticipated that owners of older ORVs may not have a copy of their sales receipt or other documentation to prove ownership. So, similar to on-highway vehicles, ICBC requires a statutory declaration from ORV owners (this also helps ensure stolen ORVs are not registered). Please note that multiple ORVs owned by the same person may be included on one statutory declaration form as a cost savings. A Notary Public or Service BC, who have agents that are Commissioners for taking Affidavits, can provide this service. I understand that Service BC charges \$15.</p> <p>For your reference, the requirement for ICBC to collect a tax on vehicles under the <i>Motor Vehicle Act</i> (for on-highway vehicles) the former <i>Motor Vehicle (All Terrain) Act</i> and the new <i>ORV Act</i> is based on provisions within tax legislation. The Ministry of Finance prepared a Provincial Sales Tax (PST) Notice (<a href="http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-011.pdf">http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-011.pdf</a>) to explain how the provincial sales tax applies to ORVs, as well as, the bulletin about PST and non-residents (<a href="http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_309.pdf">http://www.sbr.gov.bc.ca/documents_library/bulletins/pst_309.pdf</a>). For more information, please call Ministry of Finance toll free at 1 877 388-4440 if you have further questions about the application of PST to ORVs, or email <a href="mailto:CTBTaxQuestions@gov.bc.ca">CTBTaxQuestions@gov.bc.ca</a>.</p> <p>As agreed at ORV JAG, any implementation issues raised by member associations related to ICBC's registration services, including its brokers, to be directed to ICBC members on ORV JAG. This approach has been successful for ATV BC and BCWF.</p>

ORV Coalition Recommendations to Government (December 2005)	FLNR's Preliminary Response (as of July 30, 2015)
<p><b>Recommendation #4:</b> mandate the Insurance Corporation of BC (ICBC) to register all ORVs</p> <p><b>Recommendation #5:</b> require that the cost for registration and issuance of plate/decals not exceed current comparable cost of vehicles registered under the Motor Vehicle Act.</p> <p><b>Recommendation #6:</b> provide in law a one-year transition period of no-cost ORV registration as an incentive for all ORV owners to register their ORV.</p>	<p>✓ ICBC is identified in both the repealed <i>Motor Vehicle (All Terrain Act)</i> and the new <i>ORV Act</i> to deliver ORV registration services.</p> <p>✓ <i>Under the Motor Vehicle Act</i>, the cost of a certificate of registration is \$30 and a number plate is \$18 for a total of \$48.</p> <p>Under the <i>ORV Act</i>, a Certificate of Registration and accompanying number plate or decal is a total of \$48. ORV registration is user-pay and one-time.</p> <p>Cost benefits of ORV registration includes:</p> <ul style="list-style-type: none"> <li>• To better track stolen ORVs, ICBC's manual registration is replaced with a systems upgrade that allows officers to access vehicle data 24/7.</li> <li>• A modern registration scheme assists officers in identifying reckless ORV riders that endanger others, damage the environment or harm animals.</li> <li>• It also helps with search and rescue efforts in finding lost or injured ORV riders when the abandoned ORV is found first.</li> <li>• Registration under the <i>ORV Act</i> is deemed registration under the <i>Motor Vehicle Act</i> and the ORV Plate is deemed to be the same as a license plate (no additional costs).</li> </ul> <p>ORV registration is one-time and user-pay – it is not subsidized by taxpayers. Keeping the user-pay registration cost as low as possible at \$48 was also recognized by ORV JAG members as an incentive for ORV riders to register under the <i>ORV Act</i>.</p>
<p><b>Annual Vehicle Licensing (on Crown land)</b></p>	
<p><b>Recommendation #7:</b> require annual licensing of all ORVs used on public land for public (non-commercial) recreation, where a small sticker would be placed on the registration decal or plate as proof of annual licensing.</p> <p><b>Recommendation #8:</b> require that annual license fees for ORV vehicles be designed so that affordable discount packages are available for individuals and families who own several ORVs, and where consideration is given to discount fees for short-term use.</p> <p><b>Recommendation #9:</b> not require ORV licensing for already tenured commercial recreation or non-recreational uses or for use exclusively on private or reserve lands; a distinctive registration decal or plate can be provided for these uses where no licensing is required.</p> <p><b>Recommendation #10:</b> recognize in legislation and policy that the attributes of an effective license system.</p>	<p>One-time, user-pay registration was supported whereas an annual license for the general use of ORVs on Crown land was not supported (e.g. BC Wildlife Federation opposed an annual fee). In addition, one time registration helps keep costs low for rural families and small businesses.</p> <p>A user-pay approach was supported where trails are being maintained (e.g. trail fees for snowmobile groomed trails managed by Recreation Sites and Trail Branch).</p> <p>Under the <i>ORV Act</i>, an annual permit option for specific areas of Crown land is available at a future date – the merit of these annual permits and how they link to the current FRPA trail pass system for Recreation Sites and Trails to be discussed as part of the Provincial Trails Strategy.</p>

ORV Coalition Recommendations to Government (December 2005)	FLNR's Preliminary Response (as of July 30, 2015)
<p><b>Recommendation #30:</b> design the ORV license system in a manner that it links efficiently and effectively with the provincial trail pass (and other incentives like insurance) to make it easy for ORV riders to obtain.</p>	
<p><b>Trust Fund</b></p>	
<p><b>Recommendation #11:</b> establish in law that all of the revenue collected as part of the licensing of ORVs, with the exception of administrative costs, be dedicated to a Trust Fund, to be administered by a board.</p> <p><b>Recommendation #12:</b> require that the majority of funds be proportionally distributed to provincial ORV riding organizations for disbursement to local clubs, while some funds may be authorized by the board for projects.</p> <p><b>Recommendation #13:</b> require that the Trust Fund be managed by a board of riders and non-riders.</p> <p><b>Recommendation #14:</b> require that the Trust Fund board be supported by non-voting technical agency representation.</p> <p><b>Recommendation #15:</b> establish explicit rules to govern the Trust Fund.</p> <p><b>Recommendation #39:</b> enable the Trust Fund to be used, in partnership with the provincial government, in a manner that helps ensure volunteer wardens are appropriately trained, equipped and funded</p> <p><b>Recommendation #27:</b> require that any Trust Funds used by ORV groups for new trail development will be used for trail development and planning that is done responsibly.</p> <p><b>Recommendation #28:</b> recognize that a portion of Trust Funds can be used for maintenance and enhancement of trails.</p> <p><b>Recommendation #43:</b> enable the Trust Funds to be used by local riding clubs to partner with other groups to rehabilitate an area should there be damage to the environment (as defined by government).</p>	<p>There is no annual licensing under the ORV Act.</p> <p>Bill 13 included an amendment to Section 5 of the <i>Special Accounts and Appropriation and Control Act</i> to include an ORV Trail Management Sub-account of the Forest Stand Management Fund to allow a portion of fees under the ORV Act (which are approved by Treasury Board) to be directed to ORV trails and that the Recreation Sites and Trails Branch would administer the funds.</p> <p>On June 1, 2015, the ORV Act came into force but not the above amendment to Section 5 of the <i>Special Accounts and Appropriation and Control Act</i>.</p> <p>Currently, under the ORV Act, there is no revenue directed to the above fund because ORV registration is user-pay.</p> <p>In future, under the <i>ORV Act</i>, a source of revenue may be the annual permits to access specific Crown land areas – the merit of these annual permits and how they link to the current FRPA trail pass system for Recreation Sites and Trails to be discussed as part of the Provincial Trails Strategy.</p>
<p><b>Management Issues</b></p>	
<p><b>Recommendation #16:</b> develop, in partnership with the Trust Fund board (or ORV Coalition until the board is in place), a comprehensive communication strategy regarding new ORV management framework.</p>	<p>Once the remaining ORV Act Regulations are approved by Cabinet, education and outreach materials will be developed (e.g. update websites, brochures etc). Implemented via various program areas such as ORV, Recreation Sites and Trails, Resource Roads etc.</p>

ORV Coalition Recommendations to Government (December 2005)		FLNR's Preliminary Response (as of July 30, 2015)
<b>Safety</b>		
<p><b>Recommendation #17:</b> require use of helmets designed to an appropriate safety standard for all recreational riders on public land</p>	✓	<p>Targeted for November 1, 2015 - to be included in safety regulations under the ORV Act.</p>
<p><b>Recommendation #18:</b> require ORV riders to be a minimum 16 years of age and hold a valid driver's license if using public road (i.e., highway) right-of-way including road crossings.</p>	✓	<p>Aligns with the current driver's license requirements under the <i>Motor Vehicle Act</i>.</p>
<p><b>Recommendation #19:</b> clarify public and resource road designations (e.g., Forest Service Roads) on maps and in the field so that ORV riders can better comply with legal requirements.</p>		<p>Defer to MTI (re highways that look like forestry roads) and FLNR Engineering and NRRA staff re resource roads (note: this issue on Crown land will likely be resolved once the NRRA comes in and the rules on FSRs and other resource roads are the same).</p>
<p><b>Recommendation #20:</b> promote use of the manufacturer's recommendations to guide ORV use (e.g., age, height) in partnership with provincial ORV riding organizations</p>	✓	<p>Targeted for November 1, 2015 - to be included in safety regulations under the ORV Act.</p>
<p><b>Recommendation #21:</b> strongly encourage, in partnership with provincial ORV riding organizations, that young riders under 16 years of age be under direct adult supervision, with the exception of riders 12-15 years of age who have completed a safety course where riding unsupervised may be appropriate.</p>	✓	<p>Motorsport associations on ORV JAG has supported an exemption for youth 14-15 years of age who have completed a safety course where riding unsupervised.</p>
<p><b>Recommendation #22:</b> require user third party liability insurance for public recreational ORV use on trails where it is deemed necessary by the government authority responsible for the trail.</p>		<p><i>There are no new insurance requirements under the ORV Act. The ORV Act has regulation-making powers if insurance is supported at a future date.</i>                      Status quo on Forest Service Roads for decades is 3<sup>rd</sup> party liability insurance of \$200,000. It is proposed under the NRRA that all other resource roads on Crown land would also be the same as Forest Service Roads re insurance.</p>
<p><b>Recommendation #23:</b> provide incentives to encourage ORV operators to acquire third party liability insurance in other areas</p>	N/A	<p>Private insurance companies make decisions about incentives and set the price for third party liability insurance on Crown land.</p>
<p><b>Recommendation #24:</b> make the necessary legislative amendments to allow a single insurance provider to be able to meet a rider's insurance needs for both off-road use as well as incidental public road (highway) use.</p>	✓	<p>ICBC is mandated by government under the <i>Insurance Corporation Act</i> to provide basic insurance to vehicle owners on MVA highways. Those seeking additional insurance coverage (for example, for a Forest Service Road) have the option to purchase that separately either from ICBC or a private insurer. Insurance premiums are set by individual insurers. ORV owners typically shop around for the best price for the FSR 3<sup>rd</sup> party liability insurance.</p>
<p>For information about Basic Insurance coverage, please refer to the following website:  <a href="http://www.icbc.com/autoplan/basic/Pages/default.aspx">http://www.icbc.com/autoplan/basic/Pages/default.aspx</a></p>		
<p>Note: vehicle insurance rates for MVA highway use are applied for</p>		

ORV Coalition Recommendations to Government (December 2005)		FLNR's Preliminary Response (as of July 30, 2015)
<p><b>Recommendation #25:</b> prohibit operators from riding while impaired by drugs or alcohol.</p> <p><b>Recommendation #26:</b> require use of headlight and tail light on ORVs used at night.</p>	<p>✓</p> <p>✓</p>	<p>by ICBC and the BC Utility Commission approves the rates. The \$25 premium for Basic Insurance factors in seasonal use and administrative costs; therefore the policy is established as an annual non-refundable policy. Limiting coverage to 'on-highway only' allows for the lowest cost possible for all ORV owners when accessing the highway for incidental use.</p> <p>Already addressed under the <i>Criminal Code of Canada</i>. Refer to Section 253(1) re "Operation while impaired" and Section 259 (1) re "Mandatory order of prohibition".</p> <p>To be included in safety regulations under the ORV Act.</p>
<b>Trails</b>		
<p><b>Recommendation #29:</b> make provisions in ORV legislation that trails may be prescribed as part of a provincial trail pass system by ORV type.</p> <p><b>Recommendation #31:</b> require that the provincial trail pass acknowledges differences between winter and summer trail use.</p> <p><b>Recommendation #32:</b> allow for use of public road (highway) use (including right of way) where safe to do so in areas identified and designated by government as part of an approved ORV trail</p> <p><b>Recommendation #33:</b> provide funding to help ensure incidental public road use is done safely (e.g. identify and sign crossings) in consideration of the gas tax paid by ORV riders</p>	<p>✓</p>	<p>Refer to Provincial Trails Strategy and mandate of FLNRs Recreation Sites and Trails Branch.</p> <p>Further amendments to the <i>Motor Vehicle Act Regulation</i>, Division 24, are targeted by MTI for fall 2015.</p> <p>Under the MVA, the \$23 annual license fee for ORVs is applied to the general maintenance of highways (e.g. new signage).</p> <p>Requests for a portion of the gas tax to be directed to the Ministry of Finance.</p>
<b>Compliance and Enforcement</b>		
<p><b>Recommendation #34:</b> designate and resource the Conservation Officer Service to have the lead responsibility for compliance and enforcement of ORVs</p> <p><b>Recommendation #35:</b> define ORVs in legislation in a manner that is broad enough to capture new technologies</p> <p><b>Recommendation #36:</b> develop a clear list of infractions in legislation.</p> <p><b>Recommendation #37:</b> ensure adequate prosecutorial and administrative tools including clear prosecutable offences and associated fines to help ensure effective compliance and enforcement.</p> <p><b>Recommendation #38:</b> direct agencies with</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>FLNR is responsible for the <i>ORV Act</i> and is the lead C&amp;E agency for ORVs used or operated on Crown land. The COS is a partner with FLNRs C&amp;E Branch, along with local police and RCMP.</p> <p>The <i>ORV Act</i> has the regulation-making authority to identify a wide range of classes of ORVs. The <i>ORV Regulation</i> defines a range of ORVs.</p> <p>Part 4 of the <i>ORV Act</i> includes the compliance and enforcement provisions to address infractions and this will also apply to any regulations.</p> <p>This is reflected in the <i>ORV Act</i> and will be in the regulations. Regulations under the <i>Offence Act</i> will also be amended to include updated violation tickets for offences.</p> <p>Ongoing.</p>

<b>ORV Coalition Recommendations to Government (December 2005)</b>		<b>FLNR's Preliminary Response (as of July 30, 2015)</b>
<p>provincial enforcement responsibilities related to ORVs to develop a Memorandum of Understanding (MOU) amongst themselves, and with the RCMP, with provincial riding organizations, and other applicable stakeholders, that clarifies how each party will work with the others to encourage compliance and enforcement of the new ORV Act, including clear "observe, record, report" guidelines.</p>		<p>The approach to C&amp;E for ORVs has been developed by FLNRs C&amp;E Branch in collaboration with the Conservation Officer Service, local police and the RCMP. The approach is updated annually and incorporated into regional C&amp;E workplans.</p> <p>C&amp;E Branch representatives at ORV JAG are also working with provincial motorsport associations and other applicable stakeholders to encourage compliance with the ORV Act and other laws on Crown land.</p>
<p><b>Conservation</b></p> <p><b>Recommendation #40:</b> provide solid, clear legislation, in consultation with stakeholders, to provide effective underpinnings for environmental protection from public recreational use that causes damage to the environment (as defined by government), where that legislation will have links with the new ORV Act</p> <p><b>Recommendation #41:</b> prohibit malicious or damaging behaviour to the environment, wildlife, livestock and/or resource features from ORV use</p> <p><b>Recommendation #42:</b> require that ORV riders must stay on existing, visible roads and trails in sensitive habitats (as defined by government) unless authorized by government to leave the road or trail's hardened surface</p> <p><b>Recommendation #44:</b> require on public land that muffler and exhaust system be kept in good working order and not be allowed to exceed 96 db as measured by approved industry standards; and promote use of spark arrestor mufflers through incentives and education.</p> <p><b>Recommendation #45:</b> continue to enable local government and trail managers to be able to address noise via by-laws and rules.</p> <p><b>Recommendation #46:</b> endorse and/or promote the policy that "if you pack it in, you pack it out" in partnership with provincial ORV riding organization</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p>Under the <i>ORV Act</i>:                      Section 17(1)(a), A person must not use or operate an ORV in a careless, reckless or negligent manner that may damage property.                      Section 26(3)(a) A person who contravenes Section 17(1) commits an offence and is liable on conviction to a fine of not more than \$5 000 or to imprisonment for not more than 6 months, or to both.                      Section 32, can prohibit or regulate areas of Crown land to address environmental damage.</p> <p>FRPA, Section 46 is also available.                      Via targeted C&amp;E in problem areas, land use tools such as FRPA, Section 46, Wildlife Act closures and <i>ORV Act</i>, Section 32 (which can prohibit or regulate ORVs in areas of Crown land).</p> <p>This is done a case-by-case basis via land use closure tools, improved enforcement tools (e.g. <i>ORV Act</i>) and targeted C&amp;E.</p> <p>The requirement for spark arrestors and 96db province-wide is not in place at this time.                      Under s.12(2) of the <i>Offence Regulation</i> under the <i>Wildfire Act</i>, a \$230 fine applies if an ORV rider fails to comply with order restricting activity or use, which includes the requirement for spark arrestors. In terms of 96db, municipalities may enact noise bylaws.</p> <p>Supported by government.</p> <p>Promoted by resource ministries.</p>
<p><b>Recommendation #47:</b> recognize that emission standards on ORVs be federally controlled given its effect on manufacturers</p>	<p>✓</p>	<p>Supported by BC government</p>



## Provincial Sales Tax (PST) Notice

Notice 2013-011

Issued: August 2013  
Revised: December 2014

### Notice to Off-Road Vehicle Owners

*Provincial Sales Tax Act*

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Latest Revision: The revision bar ( | ) identifies changes to the previous version of this notice dated November 2014. For a summary of the changes, see Latest Revision at the end of Page 2.

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This notice explains how the PST applies to off-road vehicles (ORVs), including snowmobiles, ATVs and dirt bikes purchased or received as a gift in BC or acquired outside BC and brought into BC.

You must pay PST on ORVs you purchase, lease or receive as a gift in BC, and ORVs you purchase, lease or receive as a gift outside BC and bring into the province, unless a specific exemption applies.

The PST applies regardless of whether or not the ORV is required to be registered.

If you acquire an ORV from a seller or lessor who is registered to collect PST, the seller or lessor will collect any PST payable on the ORV.

If you acquire an ORV from another person in BC, or you acquire an ORV outside of BC and then bring, send or receive delivery of the ORV in BC, you must self-assess or pay any PST payable to the Insurance Corporation of British Columbia (ICBC) at the time of registration.

If you have already purchased, received as a gift or brought an ORV into BC and have not yet paid PST, you must self-assess or pay any PST payable to ICBC at the time of registration.

For more information about PST payable on vehicles, including ORVs, and claiming exemptions on vehicles, see **Bulletin PST 308, PST on Vehicles**.

#### **Tax Rates and Payment Information**

If you purchase an ORV at a private sale, you must pay PST at the rate of 12% of the purchase price. This includes purchases you make outside BC and bring into the province, and purchases you made previously without paying PST. In the case of ORVs from outside BC, PST is payable on the depreciated purchase price at the time the ORV enters BC. For information on depreciated purchase price, see **PST Bulletin 308, PST on Vehicles**.

If you receive an ORV as a gift from a person other than a GST registrant providing a taxable supply, either in BC or outside BC but within Canada, you must pay PST at the rate of 12% of the fair market value of the ORV.

If the ORV was acquired as a taxable supply from a GST registrant (e.g. ORV dealer) in BC or outside BC but within Canada, or you bring the ORV into BC from outside Canada (regardless of whom it was acquired from), you must pay PST at the rate of 7% of the purchase price. In

the case of ORVs from outside BC, PST is payable on the depreciated purchase price at the time the ORV enters BC.

If you must register the ORV, ICBC will collect the PST at the time of registration if PST has not yet been paid. Otherwise, you must self-assess the PST payable using the *Casual Remittance Return* (FIN 405) and include a copy of the bill of sale with your payment.

If you acquire an ORV from a seller or lessor who is registered to collect PST, you must pay any PST payable to the seller or lessor.

### **ORVs Acquired Before April 1, 2013**

PST of 12% applies to ORVs acquired at a private sale:

- in BC on or after July 1, 2010 and before April 1, 2013, and
- outside BC but within Canada and brought into BC on or after July 1, 2010 and before April 1, 2013.

If you must register the ORV, ICBC will collect PST at the time of registration if PST has not yet been paid. Otherwise, you must self-assess the PST payable using the *Casual Remittance Return* (FIN 405) and include a copy of the bill of sale with your payment.

You may be required to pay the provincial portion of the HST on that ORV if the applicable tax has not been paid for ORVs acquired:

- at a sale that is a taxable supply from a GST registrant (e.g. ORV dealer) outside BC but within Canada and brought into BC on or after July 1, 2010 and before April 1, 2013, or
- brought into BC from outside Canada on or after July 1, 2010 and before April 1, 2013.

For more information, please contact us (see Further Information below).

For ORVs acquired or brought into BC before July 1, 2010, the 7% provincial sales tax (under the *Social Service Tax Act*) applies. If you did not pay PST at the time of purchase or bringing it into BC, you must self-assess the tax payable using the *Casual Remittance Return* (FIN 405) and include a copy of the bill of sale with your payment. You will not be required to pay the PST at the time of registration.

### **Further Information**

If you have any questions, please call us toll free at 1 877 388-4440 or email your questions to [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

You can also find information on our website at [gov.bc.ca/pst](http://gov.bc.ca/pst)

The information in this notice is for your convenience and guidance and is not a replacement for the legislation. You can access the legislation and regulations on our website under **Publications**.

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#### **Latest Revision**

December 2014

- Provided a reference for more information about the depreciated purchase price
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## Frequently Asked Questions

### Documentation Required to Prove Payment of Tax on ORVs

If you purchased the ORV in BC, brought it into BC, or received an ORV as a gift, on or after July 1, 2010 and did not pay tax, you will be required to pay the applicable sales tax at the time of registration, unless a specific exemption applies. Similar to other vehicles, ICBC will collect any tax owing at the time of registration.

#### What am I required to provide to the ICBC agent as evidence I paid tax on my ORV?

The following outlines what documentation to provide to the ICBC agent at the time of registration as proof tax was paid on the ORV. The Ministry recommends owners of ORVs keep their documents for five years for audit purposes.

Purchased at a private sale	Purchased in BC or brought into BC	
	July 1, 2010 - March 31, 2013	On or after April 1, 2013
	<ul style="list-style-type: none"> <li>Documents from the Ministry of Finance confirming tax paid.</li> <li>If you did not keep these documents, then you or your broker can follow up with the ministry to confirm you self-assessed tax.</li> </ul>	<ul style="list-style-type: none"> <li>Documents from the Ministry of Finance confirming BC PST paid.</li> <li>If you did not keep these documents, then you or your broker can follow up with the ministry to confirm you self-assessed tax.</li> <li>Bill of sale from a BC PST registered seller (that is not a GST registrant) showing BC PST paid.</li> </ul>
Purchased from an HST/GST registrant (i.e. motor vehicle dealer)	Purchased in BC or brought into BC	
	July 1, 2010 - March 31, 2013	On or after April 1, 2013
	<ul style="list-style-type: none"> <li>Bill of sale from seller showing HST paid, or</li> <li>If you are unable to get a copy of the bill of sale from the dealership (i.e. the dealership is out of business), you will be required to provide a notarized statement about the purchase, including whom you purchased the ORV from and the payment of tax.</li> </ul>	<ul style="list-style-type: none"> <li>Bill of sale from seller showing BC PST paid, or</li> <li>If you are unable to get a copy of the bill of sale from the dealership (i.e. the dealership is out of business), you will be required to provide a notarized statement about the purchase, including whom you purchased the ORV from and the payment of tax.</li> </ul> <p><b>Please note:</b> For ORVs purchased on or after November 17, 2014, a notarized statement will not be accepted.</p>
Brought into BC from outside Canada	Purchased in BC or brought into BC	
	July 1, 2010 - March 31, 2013	On or after April 1, 2013
	<ul style="list-style-type: none"> <li>Record of payment of HST to Canada Border Services Agency (CBSA) or a copy of the import document indicating payment of tax.</li> </ul>	<ul style="list-style-type: none"> <li>Record of payment of PST to CBSA or a copy of the import document indicating payment of tax.</li> </ul>

#### Example 1

You purchased an ORV in October 2013 from a dealership in BC and paid PST at the time of purchase. When you register your ORV, you will not be required to pay PST provided you present your bill of sale to the ICBC broker.

#### Example 2

You purchased an ORV in Washington State and brought it into BC in December 2013. You paid the PST to CBSA. When you register your ORV, you will not be required to pay PST if you provide documentation indicating you paid PST at the time of importation.

#### **What if I do not have proof of payment of tax?**

ICBC has the authority to refuse to register your ORV if taxes under the *Excise Tax Act (Canada)*, *Consumption Tax Rebate and Transition Act* or the *Provincial Sales Tax Act* have not been paid. To register your ORV, you will need to provide proof of payment of tax or pay sales tax to ICBC. If you purchased your ORV, were gifted the ORV or brought it into BC on or after July 1, 2010, this will apply to you.

If you do not provide any documentation related to the ORV, you will be required to pay PST at the rate of 12% when you register it.

#### Example 1

You purchased an ORV from a dealership in Alberta, paying the GST at the time of purchase. In September 2014, you bring it into BC, without self-assessing the PST. At the time of registration, you will be required to pay PST at a rate of 7%.

#### Example 2

You purchased an ORV at a private sale in BC in May 2012 and did not self-assess tax to the Ministry of Finance on the purchase. As you did not self-assess tax, you will be required to pay PST at the rate of 12% at the time of registration.

#### **What if I received my ORV as a gift?**

If you received an ORV as a gift in BC, or you receive an ORV as a gift from outside BC and bring or send the ORV into the province, you must pay PST on the fair market value of the ORV, unless a specific exemption applies. For information on vehicle exemptions, including ORVs, see **Bulletin PST 308, *PST on Vehicles***.

#### **How would tax be calculated on my ORV at the time of registration?**

Tax is calculated based on the purchase price of the ORV, or in the case of an ORV received as a gift, the fair market value of the ORV. When you register your ORV, you will be required to declare the purchase price you paid for the ORV, or the fair market value of the ORV if received as a gift, on the vehicle transfer form. If the ORV was purchased and brought into BC from another jurisdiction within Canada, the tax is calculated based on the depreciated purchase price at the time the ORV entered BC.

**Does the Ministry of Finance review transactions?**

As with all vehicle transactions on which PST is owing, the ministry routinely reviews transfers of ORVs to ensure tax is paid as required. In doing so, the ministry may require information to support the purchase price you declare.

If you are unable to support the purchase price or fair market value claimed, you may be assessed additional PST on the ORV.



## PST and Non-Residents

### Provincial Sales Tax Act

Latest Revision: The revision bar ( | ) identifies changes to the previous version of this bulletin dated July 2014. For a summary of the changes, see Latest Revision at the end of this document.

This bulletin explains how the PST applies to non-residents of BC.

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### Definitions

In this bulletin:

- **goods** mean tangible personal property as defined in the *Provincial Sales Tax Act*. Tangible personal property is personal property that can be seen, weighed, measured, felt or touched, or is in any way perceptible to the senses, and includes:
  - affixed machinery
  - an improvement to real property or part of an improvement to real property that is removed from the site at which it is affixed or installed, while it is removed from that site.
  - electricity
  - heat
  - natural or manufactured gas
- **non-resident** means a person who:
  - does not reside, ordinarily reside or carry on business in BC, and
  - does not enter BC with the intention of residing or carrying on business in BC.

