



Annual Compensation Fund Fee Waived

The Motor Dealer Customer Compensation Fund (the “Fund”) gives compensation to consumers who lost money due to a motor dealer going out of business or failing to meet certain legal requirements. The money in the Fund comes from annual contributions of \$300 made by every BC motor dealer.

As of March 2013, the Fund’s reserves are at a four-year high. Ian Christman, Registrar of Motor Dealers, has announced that the annual \$300 contribution for the year of April 1, 2013 to March 31, 2014 will be waived. Note: This does not affect the three-year minimum contribution that is required of all new motor dealers. The legislation does not allow a waiver for these new dealers.

Christman is happy to report that only 32 claims came before the Board last year. What’s more, payments that were made out of the Fund were the lowest since 2007. The reduction in payments was the result of fewer claims and the implementation of revised claims handling procedures.

Hoping that these trends will continue, Christman plans a discussion with BC motor dealers about implementing structured fund management. With fund maximums and minimums in place, it will be easier to predict when annual contributions can be waived or are needed to rebuild reserves.

Dealer Licensing Fee Adjustment Continues

April 1 also begins the second year of the three-year restructuring to eliminate the Lower Mainland Fee. Lower Mainland dealers will see a small licensing fee reduction and dealers outside the Lower Mainland will see a small increase. However, when combined with the Compensation Fund Fee Waiver, nearly all dealers will see a decrease in combined fees this year. New dealers with less than three years of operation will not have the benefit of the waiver (see “**Annual Compensation Fund Fee Waived,**” above.)

Details of the three-year fee restructuring can be found in the February 2012 Bulletin: http://www.mvsabc.com/images/pdf_files/Dealer%20Bulletins/MotorVehicleSalesAuthorityBulletin2012.17.01.pdf

Online Services Available Through March 28

Online renewal and online course registration services will not be interrupted until Thursday, March 28. All online services will be restored by April 15.

Thank you for your patience as improvements are being made to these services.

Online PST Resources Available

With less than two weeks to go until the re-implementation of the PST, dealers are encouraged to be up-to-date on how the sale of motor vehicles will be affected.

Check these websites frequently as some rules and regulations may change:

For current PST news: www.gov.bc.ca/pst

Notice on how the PST applies to vehicles as of April 1, 2013: http://www.sbr.gov.bc.ca/documents_library/notices/notice_2013-002.pdf

Note: The VSA does not administer tax regulations in relation to motor vehicle sales and has no role in setting tax policies.