



RETAILERS POLICIES, PROCEDURES & INSTRUCTIONS

Effective April 1, 2015 (Form Revised July 3, 2018)

TSM was formed to operate and manage the provincial scrap tire recycling program and to also directly collect the Steward-Fees on new tire sales. This transfer of responsibility from government to the private sector supports Manitoba Sustainable Development's *Tire Stewardship Regulation 2006*.

Topics	Procedures
Retailer Registration	<ol style="list-style-type: none"> 1. Under the <i>2006 Tire Stewardship Regulations</i> of the <i>Waste Reduction and Protection Act</i> it is necessary for producers, including all retailers who sell or offer for sale tires to consumers within Manitoba to participate in a tire stewardship program approved by Manitoba Sustainable Development. All retailers who sell new tires are required to register with TSM by completing and submitting a Registration Application. 2. Once registered the tire retailer will be mailed a registration package including; <ul style="list-style-type: none"> - A Certificate of Registration that will specify a unique registration number to be used on all transactions with TSM. 3. Registered retailers are bound by all applicable TSM program policies and procedures (Rules) that are in place and to be established in the future. <p>TSM may cancel or suspend registration.</p> <p>TSM may cancel or suspend the retailers registration if the retailer;</p> <ol style="list-style-type: none"> a) Does not comply with the Plan or the Rules; b) Fails to keep the required Records; or, c) Fails to remit Steward-Fees when due and owing. <p>The retailer would surrender its TSM Certificate of Registration to TSM if the Applicant's registration is cancelled or suspended. TSM will notify Manitoba Sustainable Development of all cancelled or suspended registrations.</p> <ol style="list-style-type: none"> 4. When TSM becomes aware of new tire retailers that are not registered: <ul style="list-style-type: none"> - TSM will attempt to contact them via phone and mail, to inform the retailer of the program and their responsibilities as a new tire retailer. - If after attempting these means, the retailer still does not register. TSM will notify Manitoba Sustainable Development and the retailer will be subject to penalties under the WRAP Act.

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<p>Steward-Fee Amounts Due to TSM</p>	<p>5. The Steward-Fees apply as follows:</p> <ul style="list-style-type: none"> - Passenger and Light Truck Tires including Motorcycle, Small RV, ATV Tires & Free Rolling Farm & Implement Tires: \$3.75 - Medium Truck Tires & Rear Farm Ag Tires 24” rim & under: \$9.00 - Rear Farm Ag Tires 25” rim & over: \$30.00 - Small OTRs, Grader, up to and including size 23.5 – 25: \$60.00 - Large OTRs over size 23.5 – 25: \$135.00 - Detailed definitions are noted in Schedule A “Tire Definitions, Steward-Fees and Interest Schedule.” <ul style="list-style-type: none"> o This includes new tires on a vehicle or sold separately: <ul style="list-style-type: none"> ▪ Example 1; sell an ATV, it has 5 new tires including the spare, at \$3.75 per tire you would collect \$18.75 plus applicable taxes. ▪ Example 2; sell a farm implement, it has 30 new tires, at \$3.75 per tire you would collect \$112.50 plus applicable taxes. <p>6. Steward-Fees may be changed from time to time in the absolute discretion of TSM, provided that the Applicant shall receive 90 days’ notice before such change takes effect.</p> <p>7. The retailer is to hold the Steward-Fees in trust for Tire Stewardship Manitoba (TSM) until the remittance is due.</p> <p>8. <i>For the purpose of determining eligible tire sizes within the tire type category, TSM will deem the following reference material as the reference authority - 2007 Tire and Rim Handbook of the Tire & Rim Association of the United States as amended from time to time.</i></p>
<p>Steward-Fee Point-of-Sale Application</p>	<p>9. The Steward-Fee applies wherever the first retail sale (or “deemed” sale – see items 10 though 13 below) of a new tire takes place in Manitoba. This includes sales to non-residents that are completed within the Province of Manitoba.</p> <p>10. Motor vehicle dealers are required to remit the Steward-Fee when a new vehicle is taken out of resale inventory and dedicated to a specific use by the dealer, such as racing cars, parts delivery vehicles, and tow trucks.</p> <p>11. The Steward-Fee also applies to new vehicles used by a dealer while held in the resale or lease inventory. When such vehicles are subsequently sold, the seller is not required to remit the Steward-Fee on the tires since they are no longer new (unless new tires are placed on the vehicle as part of the sale). Motor vehicle dealers are required to remit the Steward-Fee on new vehicles they take out of inventory for lease purposes, as are tire manufacturers who sell new tires on mileage contracts to end-use customers.</p> <p>12. Motor vehicle dealers are required to remit the Steward-Fee on new vehicles they take out of inventory for lease purposes, as are tire manufacturers who sell new tires on mileage contracts to end-use customers.</p>

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Steward-Fee Point-of-Sale Application (Continued)	<p>13. Motor vehicle dealers are required to remit the Steward-Fee on new tires installed on a used vehicle. When such vehicles are subsequently sold, the seller is not required to remit the Steward-Fee on the tires since they are no longer new (unless new tires are placed on the vehicle as part of the sale).</p>
Applicable Tire Sales	<p>14. The Steward-Fee will apply to:</p> <ul style="list-style-type: none"> - All tires sold (or “deemed” sold as discussed in previous section) in the province for \$30 or more, including those incidentally sold with a new vehicle sale – usually four installed tires and one spare tire; - Both inflatable tires and solid tires (doughnuts) designed for use as spare tires for vehicles; and - Tires for vehicles that include automobile, truck, bus, trailer, motorcycle or any other device in, on, or by which a person or things is or may be transported or drawn on a highway, except a device designed to be moved by human power or used exclusively on stationary rails or stationary tracks. This includes vehicles such as tractors, logging trucks, all terrain vehicles, and golf carts even though they may only be incidentally used on a highway.
Exempt Tire Sales	<p>15. The Steward-Fee does not apply to:</p> <ul style="list-style-type: none"> - Tires designed for use on bicycles or wheelchairs; - Tires designed for use on a device designed to be moved by human power such as a wheelbarrow; - Tires designed for use exclusively on stationary rails or stationary tracks; - Tires purchased for use on motorized mobility aids designed for the transportation of persons with a physical impairment (seller must retain a copy of the sales invoice that certifies this use and includes the name, address, telephone number and signature of the purchaser); - Tubes that are manufactured for use inside a tire whether supplied with a tire or separately. Tubes will be managed by the program as part of a tire; - Tires that ordinarily have a retail value of less than \$30.00. <ul style="list-style-type: none"> o TSM will encourage these tires to be recycled and have them part of the program; - Recapped and retreaded tires <p>16. Collection of the Steward-Fee is not required:</p> <ul style="list-style-type: none"> - To registered retailers who acquire new tires solely for the purpose of resale, provided they quote their TSM registration number to the retailer from whom they purchase the tire. However, if the tire is subsequently taken out of the resale inventory and used for any business or personal use, retailers must remit the applicable Steward-Fee; and - To retailers who ship to a non-resident to a location outside of the province. <p>The retailer is required to retain documentation relating to the out-of-province delivery to substantiate non-remittance of the Steward-Fee for that sale.</p>

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Tire Exchanges, Replacements and Warranties	<p>17. If tires are purchased and subsequently exchanged for a different style or brand, the Steward-Fee is remitted only once – provided the original tires can still be sold as new.</p> <p>18. Where a tire fails due to a manufacturing defect and is replaced at no charge, the Steward-Fee is remitted for both tires as the sale ultimately results in two scrap tires being generated.</p>
Registered First Nations	<p>19. Registered First Nations are not exempt from paying the Steward-Fee.</p>
Applicability of PST and GST	<p>20. Both Provincial Sales Tax (PST) and Goods & Services Tax (GST) are applicable to the Steward-Fee where the Steward-Fee is charged by a tire retailer to its customer.</p> <p>21. Retailers must calculate and remit GST to TSM with their monthly Steward-Fee payment and remittance form.</p> <p><i>Qualifying equipment and users may be eligible for GST & PST exemptions on the Steward-Fee.</i></p> <p>22. If a <u>customer does qualify for GST exemption</u>, the retailer would not charge the customer GST on the Steward-Fee; however, must still remit the GST on the Steward-Fee to TSM. You will then receive a credit for that amount when you are submitting your GST.</p> <ul style="list-style-type: none"> - Should you have any questions on the interpretation and application of the GST, please contact a GST Rulings officer at 1-800-959-8287, or Ruby Doerksen, Prairie GST/HST Rulings Centre, 325 Broadway Avenue, Winnipeg MB R3C 4T4 directly at (204) 983-0107. <p>23. Retailers must calculate and remit PST on the Steward-Fee and remit the tax on their PST Return. The PST is not remitted to Tire Stewardship Manitoba.</p> <ul style="list-style-type: none"> - If the equipment and customer qualifies for PST exemption, you should not charge them PST on the Steward-Fee.
Retailer's Remittance Due Date	<p>24. Steward-Fee remittances are due to TSM by the 25th day of the month following the month in which the applicable tire sale was made (Reporting Period), unless other arrangements have been made with TSM.</p> <ul style="list-style-type: none"> - A return must be submitted for every month, even if there were no Steward-Fee applicable sales in the Reporting Period.

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Retailer's Remittance Due Date (Continued)	<p>25. There are three reporting period classifications for remitters; monthly, quarterly and annually. TSM will classify a remitter based on the number of new tires sold in a year. Upon a remitting retailers request and to TSM's discretion, the following guidelines will be used:</p> <ul style="list-style-type: none"> - A retailer will report/remit monthly if the retailer generally sells greater than or equal to 11 new tires per month. - A retailer will report/remit quarterly if the retailer generally sells less than or equal to 10 new tires per month. - A retailer will report/remit annually if the retailer generally sell less than or equal to 3 new tires per month. <p>Interest</p> <ul style="list-style-type: none"> - Interest charges will be applied at a rate of 1% per month (12.6825% annually) compounded monthly and calculated from the date the interest became payable.
Remittance Information	<p>26. A Steward-Fee Return is required to accompany the monthly remittance to TSM. If there were no applicable tire sales in a Reporting Period, a "NIL" report must still be submitted to TSM to confirm this.</p> <p>For each Reporting Period, the retailer's report must indicate the applicable tire sales in each of the following general categories:</p> <ul style="list-style-type: none"> - Passenger & Light Truck / Motorcycle / Small RV Tires / Free Rolling Farm and Implement Tires; - Medium Truck Tires & Rear Farm/Ag Tires 24" rim & under; - Rear Farm/Ag Tires 25" rim and over; - Small OTRs, Grader, up to and including size 23.5 – 25; - Large OTRs over size 23.5 – 25.
Payment Options	<p>27. Tire retailers are to send their monthly Steward-Fee Return along with their cheque or money order payable to TSM directly to:</p> <p style="text-align: center;">Tire Stewardship Manitoba 1791 Dublin Avenue, Unit B Winnipeg MB R3H 1A9</p>
Retailer's Records	<p>28. Tire retailers must keep accurate ongoing records of all new tires sold, leased or supplied to allow confirmation of the monies paid or due and payable, including substantiation for sales they have determined to be exempt.</p> <p>29. TSM may request an inspection of the tire retailer's records to verify that appropriate remittances are being made for applicable tire sales.</p>

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Credit Adjustment / Refund for Steward-Fee Paid in Error	<p>30. A remitter may receive an internal credit adjustment or refund for a Steward-Fee paid in error, as described herein:</p> <ol style="list-style-type: none"> 1. Where a remitter has paid a Steward-Fee in error, the remitter has the following options to recover the overpaid Steward-Fees: <ol style="list-style-type: none"> a. Internal Credit Adjustment on the Remitter's Account Applied Toward Future Remittances; or b. Refund Claim. 2. All internal credit adjustments and refund claims must be submitted in writing to TSM with all supporting documentation, and are limited to a time period of 24 months from the date notice of a steward-fee paid in error is received by TSM. 3. TSM may perform an audit to verify the amount of the Steward-Fee paid in error prior to applying the internal credit adjustment or processing a refund. 4. TSM may apply the cost of the audit to the internal credit adjustment or refund amount. 5. All internal credit adjustments or refunds are subject to TSM approval.
Consequences of Non-Reporting	<p>31. Registered tire retailers who do not provide a monthly Steward-Fee Return and the related Steward-Fee payment (where applicable), are in contravention of their registration agreement and may be subject to one or more of the following:</p> <ul style="list-style-type: none"> - an assessment of estimated Steward-Fee due; - interest charged on the outstanding Steward-Fee; - an independent audit of the retailer's relevant records; - disqualification of the retailer's scrap tires from eligibility for financial incentives under the TSM's scrap tire recycling program; and - de-registration of the retailer from TSM and notification of the noncompliance to Manitoba Sustainable Development for enforcement under the applicable Regulation.
Retailer Storage of Scrap Tires	<p>32. Ensure proper storage of scrap tires (see <i>Guideline for the Storage of Scrap Tires & Guideline for the Storage of Scrap Tire Picture Examples</i>):</p> <ul style="list-style-type: none"> - Separate the piles of small to medium sized tires from the large (OTR) tires. - Have the tires clean. - Stack tires in rows preferably. - Make scrap tires easily and readily accessible defined as the tires being stored in a location that is free and clear of any obstructions and / or debris and allows the tires to be directly loaded onto the hauler's truck. - Arrange the tires in such a way that there is enough room for a pickup truck and trailer to park next to the tire pile. - Have the tires stored on solid foundation in an all weather area, to ensure a truck and trailer can pick up tires even when it rains, and the truck does not sink in the mud.

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Scrap Tire Removal Service Scheduling	<p>33. Contact Reliable Tire Recycling (204) 774-0725/toll free (877) 900-0724 or OTR Recycling (204) 768-3766 for scheduling removal service of all sizes of scrap tires.</p> <p>34. Provide an accurate count on the number of all scrap tires.</p> <ul style="list-style-type: none"> - Must have a minimum of 50 small/regular/medium size scrap tires or in the case of scrap OTR's a minimum of 20. - Pending on your location, you may be asked to transport the tires to the nearest registered landfill. <p>Concerns Regarding Collection</p> <ul style="list-style-type: none"> - Contact TSM and notify us of the situation. <ul style="list-style-type: none"> o Your contact information and concerns will be documented and communicated to the TSM board members.
Contact TSM	<p>35. Notify TSM of any major changes in the business including:</p> <ul style="list-style-type: none"> - Closing the business - Ownership, legal/operating business name - Address - Primary Contact - If you have any questions or comments regarding the program.
Where to Get More Information	<p>Web site: www.tirestewardshipmb.ca By E-mail: info@tsmb.ca By Phone: (204) 661-3242 Toll Free (866) 724-5002 (MB) By Mail: Tire Stewardship Manitoba 1791 Dublin Avenue, Unit B Winnipeg MB R3H 1A9</p>