

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Tire Recycling Bylaw

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1. DEFINITIONS

1.1 In this Bylaw,

- (a) "Act" means the *Environmental Protection and Enhancement Act* (R.S.A. 2000, c E-12) or any replacement thereof as may be amended from time to time;
- (b) "Applicant" means a Supplier who applies for registration with the Authority;
- (c) "Authority" means the Alberta Recycling Management Authority;
- (d) "Bylaw" means this Tire Recycling Bylaw;
- (e) "Designated Material Regulation" means the *Designated Material Recycling and Management Regulation* (Alta. Reg. 93/2004) or any replacement thereof as may be amended from time to time;
- (f) "End User" means a person who purchases tires for the end user's intended use;
- (g) "Payment on Purchase Registrant" or "POP Registrant" means a Supplier that pays the Surcharge on all supplies of designated material to their

Suppliers who are registered with the Authority who in turn remit the Surcharge to the Authority;

- (h) "POP Registrant" has the meaning set out in section 4.9 of this Bylaw;
- (i) "Regulation" means the Tire Designation Regulation (Alta. Reg. 95/2004) or any replacement thereof as may be amended from time to time;
- (j) "Remitter" means a Supplier that reports and remits the Surcharge directly to the Authority on all supplies of designated material;
- (k) "Report" means a Report filed with the Authority on a monthly basis, unless otherwise indicated, to account for the Supplier's transactions in tires and of the amount of the applicable Surcharge;
- (l) "Security Interest" means a Security Interest within the meaning of the *Personal Property Security Act* (R.S.A. 2000, c P-7) or Bank Act (S.C. 1991, c 46) or any replacement thereof as may be amended from time to time;
- (m) "Supplier" means
 - (i) a manufacturer of new tires who supplies the manufacturer's own brand of tires to a retailer, or an End User, in or into Alberta;
 - (ii) a marketer who supplies new tires to a retailer, or an End User, in or into Alberta, where the tires were manufactured for the marketer by another person and the marketer owns the brand or is the licensee of the brand;
 - (iii) a wholesaler, including a retail distributor, who supplies tires to a retailer, or an End User, new tires in or into Alberta or used tires sourced from outside of Canada in or into Alberta;
 - (iv) a retailer who supplies to another Supplier or End User new tires imported in or into Alberta or used tires imported from outside of Canada in or into Alberta;
 - (v) a Supplier who supplies tires in or into Alberta utilizing a third-party marketplace website or any owner of a marketplace website through which tires may be supplied in or into Alberta;
 - (vi) any other Supplier of tires in or into Alberta regardless of their business arrangement with other Suppliers (i.e. pays Surcharges to their Supplier), or supply method (including retail, wholesale, online sales and otherwise); or

- (vii) an End User who is described in section 4.7 of this Bylaw.
 - (n) "Surcharge" means a fee payable by a Supplier on all designated material supplied in or into Alberta as referred to in section 4.1; "supply" means a sale or other transfer.
- 1.2 Terms that are defined in the Regulation have the same meaning when they are used in this Bylaw.
- 1.3 For the purposes of this Bylaw, all references to "Alberta" exclude the whole of the City of Lloydminster.
- 2. REGISTRATION**
- 2.1 All Suppliers shall be registered with the Authority, complete the registration process and provide updates as may be required by the Authority from time to time.
- 2.2 The Authority may cancel or suspend a Supplier's registration if the Supplier:
 - (a) fails to remit to the Authority or to the person designated by the Authority all Surcharges the Supplier is required to remit under this Bylaw;
 - (b) ceases to carry on business as a Supplier;
 - (c) applies to surrender the Supplier's registration with the Authority and the Supplier does not carry on business as a Supplier;
 - (d) contravenes the Act, the Designated Material Regulation, the Regulation or this Bylaw; or
 - (e) provides inadequate, false or misleading information or representations in any application, Report or other form required by the Authority.
- 2.3 The Authority may withhold any registration until sufficient verification or information has been provided by the Supplier in relation to any matter reasonably requested by the Authority to be verified or supplied.
- 2.4 An application for registration by a Supplier must be in a form acceptable to, or provided by, the Authority and must contain the information required by the Authority.
- 2.5 If the Authority registers an Applicant it shall assign a registration number and shall notify the Supplier in writing of the registration number and the effective date of registration.

2.6 A Supplier who supplies new tires, or used tires imported into Alberta from outside of Canada, prior to the Supplier's registration with the Authority is required to:

- (a) complete any and all Reports that may be required by the Authority with respect to such supply of tires prior to the Supplier's registration. The Report shall include without limitation, all designated products sales, (including wholesale, retail, online, marketplace websites and otherwise);
- (b) remit to the Authority any outstanding Surcharges that arise from such supply of tires prior to registration, regardless of whether the Supplier has collected the Surcharges in respect of such supply; and
- (c) pay to the Authority any interest that has accrued on any outstanding Surcharges, including those related to the supply of designated products prior to the Supplier's registration, as calculated in accordance with this Bylaw.

3. SECURITY INTEREST

3.1 The Authority may require an Applicant or a Supplier:

- (a) to provide a Security Interest to the Authority, or
- (b) to provide to the Authority evidence of a Security Interest in a form and amount that is acceptable to the Authority for the purpose of ensuring that the Applicant or Supplier exercises the powers and carries out the duties as Supplier in accordance with the Act, the Designated Material Regulation, the Regulation and this Bylaw.

4. SURCHARGE

4.1 Unless a tire is excepted in section 4.2, below, the Surcharge to be remitted by a Supplier is:

CATEGORY OF TIRE	SURCHARGE
Medium Truck Tires This category includes, but is not limited to, tires designed for use on: • highway tractor trucks, commercial trucks, buses; • larger RVs & trailers. Tires in this category are generally considered Commercial Duty Tires and fall under the Canadian	\$14

Motor Vehicle Standard CMVSS No. 120 (TSD 120) and section 3 of the Tire and Rim Association Yearbook for tires with minimum rim size of 15" with sidewall codes including TBM-4R, HC-2, TTB-3R, WBTB-3R. The most common examples of these tires have rim sizes 17.5", 19.5" or 22.5" and are generally considered to be designated highway use.	
Off-the-Road (OTR) Tires Tires used on non-agricultural industrial vehicles or industrial non-agricultural equipment not licensed for highway use, including but not limited to excavation, hauling, loading, logging and materials handling, construction, mining, earthmoving, graders, forestry skidders.	
(a) small OTR Tires , with rim sizes to and including 24"	\$40
(b) medium OTR Tires , with rim sizes greater than 24" to and including 33"	\$100
(c) large OTR Tires , with rim sizes greater than 33" to and including 39"	\$200
All Other Tires This category includes, but is not limited to, all passenger and light truck tires regardless of rim size, small RV and trailer tires, (including boat, utility, cargo, livestock, flatbed trailers), motorcycle, mini-bike and moped, hand powered equipment tires (including wheelbarrows, wagons, dollies and lawn and garden equipment), all terrain vehicle tires, forklift, small utility, and skid steer tires, but does not include any tire that is specifically excluded in section 4.2 ¹ , below.	For supplies of tires occurring on or before September 30, 2024: \$4 For supplies of tires occurring after September 30, 2024: \$5

4.2 Notwithstanding any provision of section 4.1, above, no Surcharge shall be charged on or is payable on the supply of any of the following:

- (a) all tires with tire diameters of less than 8 inches (20 cm);

- (b) solid rubber tires;
 - (c) aviation tires;
 - (d) Segway tires;
 - (e) motorized mobility aid tires;
 - (f) bicycle tires
 - (g) used, recapped or re-treaded tires which were not imported from outside of Canada into the Province of Alberta;
 - (h) farm tires designated specifically for agricultural implements or agricultural equipment which is not licensed for highway use;
 - (i) OTR tires with rim sizes greater than 39 inches (99 cm)
- 4.3 Subject to section 5, below, the Surcharge applies to any supply of new tires, and to any supply of used tires imported into Alberta from outside of Canada, whether the tires are supplied separately or on a motor vehicle, tractor, trailer, implement of husbandry, off-highway vehicles, equipment, or machinery, regardless of where the sale, gift or other transfer occurs.
- 4.4 A Supplier shall levy and collect as a Surcharge from the person to whom the tires are supplied a Surcharge in the amount prescribed for that class or type of tire as set out in this Bylaw.
- 4.5 A Supplier in section 4.4 of this Bylaw shall remit to the Authority with the Reports required by the Authority all Surcharges the Supplier has collected or for which the Supplier is required to have collected under section 4.4 of this Bylaw.
- 4.6 A Supplier or End User who purchases new tires from someone who is not registered with the Authority is required to remit the Surcharge in the amount prescribed for that class or type of tire as set out in this Bylaw.
- 4.7 An End User who imports new tires into Alberta or used tires from outside of Canada into Alberta for the End User's own use shall pay to the Authority the Surcharge in the amount prescribed for that class or type of tire as set out in this Bylaw.
- 4.8 For tires supplied in or into Alberta through a marketplace website or a Supplier-owned website, the Authority may, at its sole discretion, hold the End User, the Supplier, or the owner of the website as responsible to report and remit the Surcharge as set out in this Bylaw. The owner of the marketplace website through which tires are supplied in or into Alberta shall comply with any request by the Authority for information on supplies of tires in or into Alberta, including the names

of Suppliers, volumes supplied and other information relating to the supply of tires through the marketplace website, as required by the Authority.

- 4.9 A Supplier may be registered by the Authority as a “Payment on Purchase” or “POP Registrant” where that Supplier meets the criteria for such registration as established by the Authority from time to time.
- 4.10 Where a Supplier is a POP Registrant, that Supplier shall pay all Surcharges to their registered Supplier. Where a POP Registrant purchases tires from a Supplier that is not a registered Supplier, the POP Registrant shall remit all applicable Surcharges to the Authority.
- 4.11 Without limiting the generality of sections 4.4, a Supplier who supplies to a POP Registrant described in section 4.9 of this Bylaw is liable to remit to the Authority all Surcharges applicable to supplies of tires made to the POP Registrant.
- 4.12 A Supplier is required to remit the Surcharge to the Authority unless that Supplier supplies to another Supplier who holds a Remitter registration status with the Authority under this Bylaw and who provides evidence of their registration number.
- 4.13 A Supplier or End User in sections 4.5 or 4.7 of this Bylaw is not required to remit the Surcharge to the Authority where the Supplier or End User has paid the Surcharge to a Supplier registered with the Authority.
- 4.14 A courier, transporter, carrier or mail service who carries or supplies new tires in or into Alberta and used tires from outside of Canada in or into Alberta shall be liable to remit the Surcharge in respect of those tires where the Supplier on whose behalf or under whose direction the tires are supplied or carried, is not registered with the Authority.
- 4.15 It is the intent of this Bylaw that the Surcharge in respect of a particular tire be paid to the Authority only once.

5. EXEMPTIONS

- 5.1 The Authority may from time to time exempt a Supplier from the requirement to pay the Surcharge to the Authority, upon application by the Supplier and the acceptance in writing by the Authority, and other terms acceptable to the Authority.
- 5.2 No Surcharge is payable in the following supply transactions:
 - (a) where the supply is effected solely to create a Security Interest;
 - (b) where a Supplier, located in Alberta and registered with the Authority, supplies tires directly to a point outside of Alberta;

- (c) where the tire is supplied to any person within the municipal boundaries of the whole City of Lloydminster;
- (d) where the tire or class of tire is identified as exempt in section 4.2 of this Bylaw; or
- (e) in any other transaction where the Authority determines, and which otherwise gives effect to the Designated Material Regulation, the Regulation and this Bylaw.

6. REPORTING AND PAYMENT OF SURCHARGE

- 6.1 Each Supplier required to pay to the Authority the Surcharge under this Bylaw shall:
- (a) complete and file with the Authority a Report in respect of a reporting period not later than 30 days after the end of a reporting period, or as otherwise specified by the Authority; and
 - (b) remit to the Authority with the Report all Surcharges owing in respect of all supplies by the Supplier during the reporting period.
- 6.2 A Report shall be in a form acceptable to the Authority.
- 6.3 Unless the Authority directs otherwise, the reporting period for the purposes of this section is a calendar month.
- 6.4 The Authority may in writing at any time extend the time for filing a Report.
- 6.5 At its sole discretion, the Authority may apply any amount remitted by a Supplier first to the Supplier's outstanding debts to the Authority (including, without limitation, unpaid Surcharges and interest) with the amount remitted being applied to the oldest debts first, and second to the amounts owing by the Supplier for the current reporting period.
- 6.6 A Supplier shall pay to the Authority, on the Authority's request, excess costs and expenses, including without limitation solicitor and own client costs, incurred in ensuring compliance of the Supplier with the Regulation and this Bylaw.

7. RECORDS

- 7.1 A Supplier shall:
- (a) keep records of the Supplier's transactions in tires and of the amount of the applicable Surcharge, and

- (b) make such records available:
 - (i) for inspection by the Authority and representatives of the Ministry charged with the administration of the *Environmental Protection and Enhancement Act*.
 - (ii) for audit at the times and by a person designated by the Authority; and
 - (iii) provide to the Authority on request information in respect of the Supplier's transactions in tires.

8. ASSESSMENTS

8.1 Where

- (a) a Supplier fails to file a Report in accordance with section 6.1, or
- (b) the Authority reasonably believes a Report that has been filed is incorrect or misleading, or
- (c) the Authority reasonably believes any person or organization required to remit the Surcharge under this Bylaw has failed to do so in whole or in part,

the Authority may assess the amount of a Surcharges to be remitted by the Supplier in respect of a reporting period or reporting periods.

8.2 Where a Supplier fails to collect or remit a Surcharge with respect to a reporting period, the Authority may assess the Surcharge in an amount equal to the amount of the surcharge that the Supplier failed to collect or remit.

8.3 Where the Authority makes an assessment under section 8.1 or 8.2, the Supplier shall remit:

- (a) the amount of the assessment, or
- (b) where a Report has been filed and a remittance made, the amount, if any, by which the amount of the assessment exceeds the amount remitted,

and the remittance is due and payable from the time the Supplier receives notice of the assessment.

9. INTEREST

9.1 Interest is payable by a Supplier on Surcharges that the Supplier fails to remit as required by this Bylaw and is payable at the rate per annum established by the Authority from time to time, from the date the unpaid amount is due until it is paid.

10. CHARGES IN TRUST

10.1 A Supplier holds all Surcharges in trust for the Authority.

11. RECOVERY OF CHARGE

11.1 A Surcharge and any interest owing in respect of it are recoverable by the Authority in an action in debt.