

Vehicle Policy

Reference:
VP 08 03

Revision:
4.0

COMPANY VEHICLE USE POLICY

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Date:
Revised: 2013 31 12

1.0 INTRODUCTION

NSPI's focus is to ensure that company-provided vehicles are cost effective. NSPI is responsible for meeting all government legislation with regards to the reporting of taxable benefits - Canada Revenue Agency (CRA), insurance, laws, regulations and [Safety Practices](#). All NSPI employees who are assigned or required to drive a NSPI company vehicle are to review this vehicle policy with their supervisor and sign off with the understanding of their responsibilities. Once completed, the sign-off sheet needs to be forwarded to the appropriate HR representative to be saved in the employees file. Click here for the sign off sheet. (Will link once sign off sheet is saved on Grid)

2.0 PERSONAL DRIVING

According to CRA, the personal driving of an employer's vehicle is a taxable benefit to the employee. Personal driving is any driving by an employee, or a person related to the employee, for purposes not related to his or her employment. This includes:

- vacation trips;
- driving to conduct personal activities; and
- travel between home and work (even if you insist that the employee drive the vehicle home).

NSPI prohibits the use of personal driving except for travelling between home and work when an employee is on standby duties. Standby is when an employee is required to be on a rotational, on call duty outside of their normal working hours, to respond to emergency situations. For the purposes of this policy, work refers to the home work location; where the employee would regularly report to work, and does not include an emergency site, or a customer building.

3.0 PROCEDURES FOR COMPANY-OWNED VEHICLES

- Vehicles are assigned to supervisors but whenever practicable vehicles will be assigned to an individual employee. Fleet Services must be advised of changes in vehicle assignment to update the vehicle master list.
- All Company-owned vehicles shall have colors and markings in accordance with Vehicle Practice VP 03 24. Only under exceptional circumstances will a Company-owned vehicle be unmarked.
- Company-owned vehicles will be locked and parked on NSPI company property when not required for use. The keys are to be returned to the supervisor.
- Only NSPI employees are authorized to drive NSPI vehicles.

4.0 DEFINITION OF AUTOMOBILE VERSUS MOTOR VEHICLE

CRA separates vehicles into 2 classifications; automobile and motor vehicle as they are treated differently for tax calculation purposes.

- NSPI company automobiles would be classified as vehicles that are designed primarily to carry individuals on streets and highways and have the seating capacity for not more than the driver and eight passengers such as a car, a king cab truck or SUV that has not been altered. The personal kilometers driven while on standby are a taxable benefit. The taxable benefit calculation uses the cost of the vehicle, days available, personal kilometers that impact on business use, CRAs prescribed 2013 standby rate of .27cents per km and an operating cost.
- NSPI company motor vehicles have a seating capacity of no more than the driver and two passengers such as a pickup truck, bucket truck or a vehicle that has been permanently altered to carry tools or equipment such as a van. The personal kilometers driven while on standby are a taxable benefit. The taxable benefit calculation for a motor vehicle used the CRA standby rate .27 cents per km multiplied by the personal kilometers driven on standby.

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5.0 EMPLOYEES' RESPONSIBILITIES – COMPANY-OWNED VEHICLES

- Employees must have a valid and current license on file with NSPI.
- Employees who operate vehicles over 4500kg must provide a [Drivers Abstract](#) every year
- Review policy with supervisor and sign off
- Abide by the policy
- Employees are personally responsible for any convictions or infractions covered by the Motor Vehicle Act or local and parking violations.
- Ensure log books are completed for each company vehicle driven and maintained for 7 years for all kilometers driven.
- Ensure annual year end Auto Taxable Benefit Form is completed and forwarded to supervisor for approval. If forms not submitted to payroll by the deadline all km's for the year will be assumed as personal driving and the corresponding taxable benefit will be applied.
- Employees are only allowed to carry authorized passengers. Authorized passengers include other employees, vendors, or a person directly engaged in company business.

6.0 SUPERVISORS' RESPONSIBILITIES –COMPANY OWNED VEHICLES

- Implementing and enforcing the policy
- Ensuring each employee assigned a vehicle understands their responsibility and has signed off in agreement
- Responsible to ensure auto taxable benefit forms are completed for employees who are terminated or retire before the end of the year
- Reviewing and ensuring all documents are completed accurately
- Forward the employee's driver's license and abstract to HR, Client Services. This will be filed in the employees personal file
- Must provide comment on Auto Taxable Benefit Form provided by employees claiming no personal kilometers such as home office or vehicle locked in secure compound with keys locked in office.
- Verifying end of year kilometers matches the beginning of next year kilometer for each vehicle they are responsible for
- Notify Fleet immediately when a vehicle is transferred to another supervisor or employee
- Notify Fleet immediately if a vehicle has been altered to change the classification from automobile to motor vehicle
- Ensure keys are returned by employees and vehicles parked on NSPI property

7.0 INSURANCE

NSPI's policy is to self-insure damage to its own vehicles. Therefore, if a NSPI vehicle is involved in an accident during unauthorized use of the vehicle and the driver is considered at fault, the employee will be held responsible for the cost of damages in addition to any disciplinary action imposed.

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8.0 RECORD KEEPING

Employees will be required to keep a daily log. This will include all business and personal driving for the company vehicle assigned to them. Employees will be provided with an Employee Log Book. The records will be returned to the supervisor and kept for seven (7) years. Employees who drive a vehicle over 4500kg are also required to keep an additional hours of service log book according to Provincial regulations.

9.0 CONSEQUENCES

Appropriate disciplinary action up to and including termination will be taken against any employees found to have violated this policy.

10.0 INQUIRIES

Contact Fleet for more information about this policy.