

Electric bike users unhappy with sales taxes

Darrell Bellaart / Daily News

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Leo Boon rides his bike through Pleasant Valley in north Nanaimo. He and other cyclists want government to remove sales tax on electric bikes. Photograph By Darrell Bellaart/Daily News

As electric bicycles rise in popularity Nanaimo cyclists are unhappy sales taxes are paid on e-bikes, unlike pedal bicycles or electric cars.

Leo Boon, Greater Nanaimo Cycling Coalition chairman is mounting a push to get senior government to scrap sales taxes applicable on the purchase of e-bikes. Boon said cyclists see it as a good way to encourage a green, healthy alternative to driving. That's the reason the provincial government gives incentives worth up to \$5,000 off the cost of an electric vehicle. "In the 1980s we managed to convince government to drop PST on bikes and also to reduce import duties on bikes," Boon said. "We had our little trial with HST and when it went back to GST we asked them to eliminate bikes and bike accessories, with they did. But they didn't do it for e-bikes."

While the province provides sizable cash incentives to buyers of electric vehicles, retailers wonder why similar incentives don't exist for e-bikes. "That doesn't make sense," said Ruby Berry, owner of Pedego Electric Bikes in Qualicum Beach. "If we're encouraging people to use alternate transportation, an electric bike is more of a car replacement than a regular bike." On an e-bike purchase of \$2,500 or more, the sales tax can be significant, and customers are surprised to learn they aren't tax exempt, like regular bikes."

In response, Berry encourages clients to contact their elected representative.

"We want our MLAs to know, and we also want to provide some indication that there are a lot of us that believe that," she said.

Lorne Freedman, a Nanaimo e-bike owner, enjoys riding around town but questions the discrepancy between electric

and pedal bikes. "You're still pedalling on two wheels and can go on all paths," Freedman said. "It's not a motorcycle. In the U.S. they have already attempted, I think there's a 10-per cent tax rebate for electric bikes. It's time to do something." Boon prefers tax breaks to incentives. "With the PST, it's very hard to reverse it," Boon said. "With rebates, when the government is looking for more money, they'll just end the rebate program."

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