

## Depreciation Guidelines

The table below provides guidelines when considering depreciation. These guidelines do not apply to commercial vehicles.

### Depreciation Guidelines

Vehicle Component	Mileage Betterment Guideline	Depreciation Percentage
Interior Electrical Components (excluding stereos)	No Depreciation	Nil
Factory Stereos	0 to 35 months 3 years and older	Nil 5% per year 60% Maximum
Batteries	0 to 23 months 2 years to 6 years 6 years and over	Nil 20% per year 90% Maximum
Tires	Measure Remaining Tread	Pro Rate According to Original Tread Depth
Brake pads, shoes and components	0 to 60,000	Pro Rate
Engine Assemblies (Long and Short Blocks), Transmission Assemblies, Trans Axles, Differentials, Radiators, Condensers, Exhaust Components, Alternators, Starters, and related power train components	0 to 80,000 80,001 to 120,000 120,001 to 150,000 150,001 to 200,000 200,001 to 250,000 250,001 to 300,000 300,001 and over	Nil 10% 20% 30% 40% 50% 60% Maximum
Suspension components: Struts, Shocks, Ball joints, Tie Rod Ends, Steering Racks, Drag Links, Strut Bushings, Hub and Bearing Assemblies, and other wear and tear items	0 to 80,000 80,001 to 100,000 100,001 to 125,000 125,001 to 150,000 150,001 to 175,000 175,001 to 200,000 200,001 and over	Nil 10% 20% 30% 40% 50% 60% Maximum
Old Damage or wear and tear (rust, cigarette burns etc.)	Estimator Discretion	Up to 60%
Betterment Threshold (Minimum accumulative betterment amount inc. taxes)	When the Total Betterment on a claim is less than \$50.00 including taxes, the customer will not be responsible, and the betterment will be paid by Manitoba Public Insurance. Once it exceeds \$50.00 the full betterment amount will be the customer's responsibility.	

**Power Train Components, Betterment and Factory Warranty**

Betterment should not be applied to power train components if the vehicle is still under factory warranty.

Factory warranty for a specific make and model should be confirmed.

**Related Links**

- [Betterment and Depreciation](#)