

Prompt Payment - Do You Know the Timelines?

Authors: Bailey Harris Jarrod Sundmark

published 03/19/2024

Bill 38: ("Bill 38") seeks to amend *The Builders' Liens Act* to establish a prompt payment scheme in Manitoba. Bill 38 is not yet in force, but businesses should be taking steps now to familiarize themselves with the payment timelines and what is necessary to ensure that their billing practices can be amended to accord with what will be legally required of them.



Please **read our previous article**, which provides an overview of Bill 38.

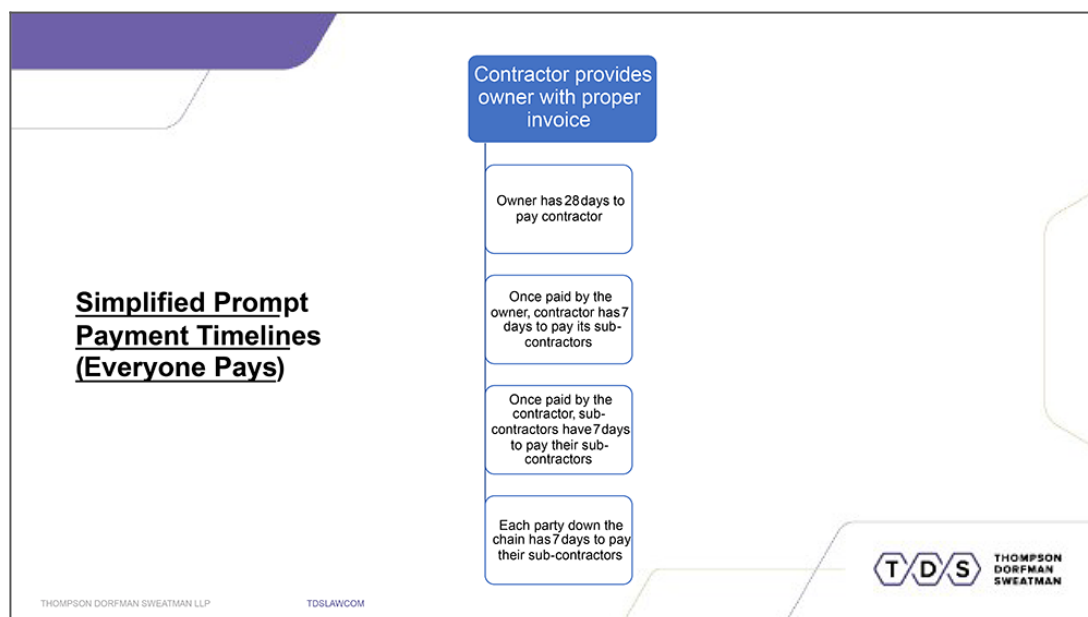
We have provided examples below which outline the new payment timelines in two scenarios:

Scenario A: when the "proper invoice" is accepted and each party down the chain pays on time, and

Scenario B: when an owner disputes a portion of a contractor's "proper invoice."

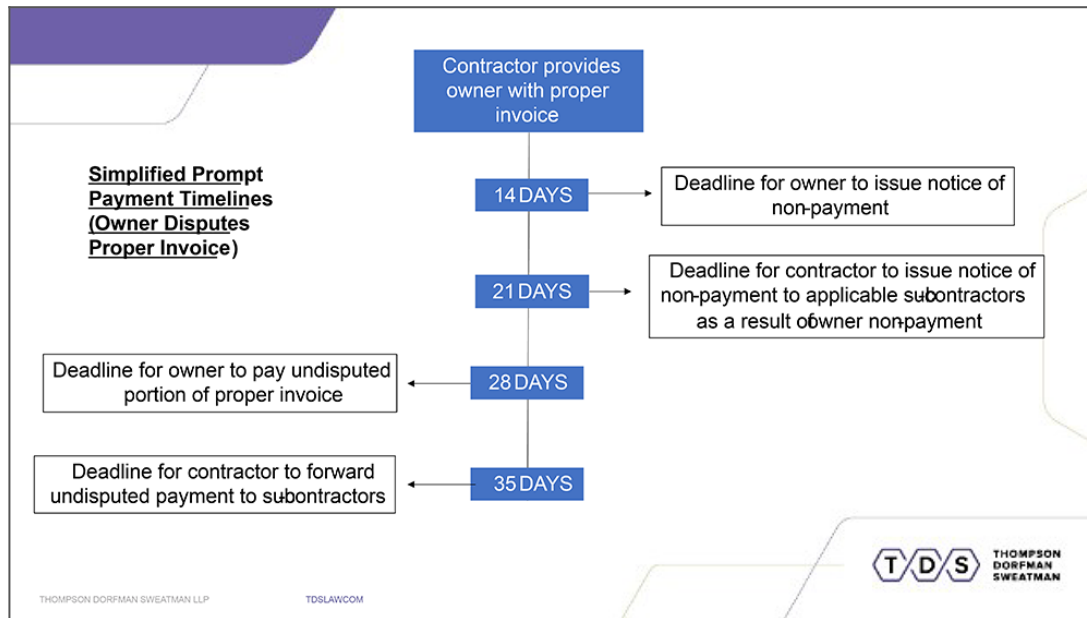
Scenario A: Proper Invoice Accepted and Paid on Time

(click image to view full size)



Scenario B: Owner Disputes Portion of Proper Invoice

(click image to view full size)



Owners, contractors and subcontractors should be taking steps now to review their contracts, purchase orders, invoices, and other project documentation and practices to ensure a smooth transition to prompt payment. The TDS Construction Law Group can help our clients with this process. **Contact us today.**

DISCLAIMER: This article is presented for informational purposes only. The content does not constitute legal advice or solicitation and does not create a solicitor client relationship. The views expressed are solely the authors' and should not be attributed to any other party, including Thompson Dorfman Sweatman LLP (TDS), its affiliate companies or its clients. The authors make no guarantees regarding the accuracy or adequacy of the information contained herein or linked to via this article. The authors are not able to provide free legal advice. If you are seeking advice on specific matters, please contact Keith LaBossiere, CEO & Managing Partner at kdl@tdslaw.com, or 204.934.2587. Please be aware that any unsolicited information sent to the author(s) cannot be considered to be solicitor-client privileged.

While care is taken to ensure the accuracy for the purposes stated, before relying upon these articles, you should seek and be guided by legal advice based on your specific circumstances. We would be pleased to provide you with our assistance on any of the issues raised in these articles.