

10 Sin Ming Drive Singapore 575701

19 February 2025

All Motor Vehicle Dealers / Importers

Our ref VRL/03/2025

All Electronic Service Agents

Dear Sir/Madam

Introduction of Additional Flat Component of Road Tax for Electric Heavy Goods Vehicles and Buses

As announced at Budget 2025, the Government will introduce the Additional Flat Component of Road Tax (AFC) for electric Heavy Goods Vehicles (HGVs) and Buses as they are now more readily available. The AFC is to maintain parity with usage charges for Internal Combustion Engine (ICE) HGVs and Buses.

The AFC will be set at \$250 per year for electric HGVs, and \$190 and \$550 per year for electric small buses ($\leq 3,500\text{kg}$) and large buses ($> 3,500\text{ kg}$) respectively. For newly registered electric HGVs and buses from 1 January 2026, the AFC will be phased in over three years starting from 1 January 2026 and implemented in full quantum from 1 January 2028 (see **Annex A** for the annual AFC of newly registered electric HGVs and buses).

To help ease the transition to the new road tax schedule, existing owners of electric HGVs and Buses, or those who register such vehicles before 1 January 2026, will enjoy a waiver of the AFC for a three-year period from 1 January 2026 to 31 December 2028. The full AFC quantum will be applicable from 1 January 2029. Please bring the contents of this circular to the attention of your members and staff accordingly.

Thank you.

Yours faithfully



Candice Yeo (Ms)
Deputy Director
Vehicle Licensing Division
Vehicle Services Group

Annual AFC Rates for electric HGVs and Buses that are registered from 1 January 2026

	Annual AFC Rates		
	1 January to 31 December 2026	1 January to 31 December 2027	1 January 2028 onwards
HGVs	\$100	\$150	\$250
Small Buses (Maximum Laden Weight \leq 3,500kg)	\$50	\$100	\$190
Large Buses (Maximum Laden Weight $>$ 3,500kg)	\$200	\$350	\$550

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