

10 Sin Ming Drive Singapore 575701  
www.lta.gov.sg

8 September 2025

Our ref VRL/16/2025  
LTA/VR&L/V43.054.000  
Your ref  
DID

All Motor Vehicle Dealers / Importers

All Electronic Service Agents

Dear Sir / Madam

**EXTENSION AND ADJUSTMENT OF THE ELECTRIC VEHICLE EARLY ADOPTION INCENTIVE (“EEAI”) AND THE VEHICULAR EMISSIONS SCHEME (“VES”)**

1. We refer to the joint news release issued by the National Environment Agency (“NEA”) and the Land Transport Authority (“LTA”) on 8 September 2025 (see **Appendix A**).

**EEAI**

2. The EEAI will be extended for another year from 1 January 2026 to 31 December 2026 and will cease thereafter. Owners who register fully electric cars and taxis in Year 2026 will receive a EEAI rebate of 45% off the Additional Registration Fee (“ARF”), subject to a revised cap of **\$7,500**, down from \$15,000. The \$0 ARF floor for fully electric cars and taxis will be extended for 2 years from 1 January 2026 to 31 December 2027. Please refer to details on the changes to EEAI in **Table 1** below:

**Table 1: Existing and New EEAI Parameters** (Changes in **red** font)

Scheme	Current	New
EEAI	Validity till 31 December 2025 45% off ARF, capped at \$15,000	Validity extended from <b>1 January 2026 to 31 December 2026</b>  45% off ARF, <b>capped at \$7,500</b>
\$0 ARF Floor	Validity till 31 December 2025	Validity extended from <b>1 January 2026 to 31 December 2027</b>

## VES

3. The VES will be extended for 2 years from 1 January 2026 to 31 December 2027 with revised rates and renamed emission bands. There is no change to pollutant thresholds.

Please refer to details on the changes to VES in **Table 2** below:

**Table 2: Existing and New VES Parameters** (Changes in **red** font)

Current Band	New Band	Pollutant Thresholds (No changes)					Rebate (-)/ Surcharge (+) (Note: 1.5x multiplier for Taxes)		
		CO <sub>2</sub> (g/km)	HC (g/km)	CO (g/km)	NO <sub>x</sub> (g/km)	PM (mg/km)	Current	Year 2026	Year 2027
A1	<b>A</b>	≤ 90	0	0	0	0	-\$25,000	-\$22,500	-\$20,000
A2	<b>B</b>	≤ 120	≤ 0.024	≤ 0.190	≤ 0.009	≤ 0.3	-\$2,500	\$0	\$0
B	<b>C1</b>	≤ 159	≤ 0.029	≤ 0.270	≤ 0.018	≤ 0.4	\$0	+\$7,500	+\$15,000
C1	<b>C2</b>	≤ 182	≤ 0.040	≤ 0.350	≤ 0.022	≤ 1.0	+\$15,000	+\$22,500	+\$30,000
C2	<b>C3</b>	> 182	> 0.040	> 0.350	> 0.022	> 1.0	+\$25,000	+\$35,000	+\$45,000

## VES Label

4. A new VES label will replace the existing VES label that will **expire on 31 December 2025**. The new label will be available for download by 31 December 2025. Please be reminded that all new cars that are subject to the fuel economy and vehicular emissions requirements must be affixed with the new VES label on their front windscreen when they are displayed for sale from **1 January 2026**.

5. If the car that is displayed within/outside of the showroom or at public event/venue (such as at a road show and in a pop-up store) is not meant for sale (e.g. for storage purposes, pending LTA's approval or awaiting delivery to customers, and hence does not have the requisite VES label), a "NOT FOR SALE" signage must be displayed prominently on the windscreen of the car. Otherwise, the car should be kept out of the public's view (e.g. covered up). Please do not display both "NOT FOR SALE" signage and VES label on the same car as this would confuse potential car buyers.

## Requirements on Printed Promotional Materials

6. All printed promotional materials meant for distribution such as newspaper advertisements, sales brochures and handouts used for marketing, advertising or promotion of any new and imported used passenger car for sale locally shall include the following information:

- a. The fuel consumption in litres per 100 kilometres (l/100km) or electric energy consumption in kilowatt hours per 100 kilometres (kWh/100km), or both (where applicable) for the combined driving cycle of the car; and
- b. VES banding (i.e. A, B, C1, C2, C3) of the car.

7. Promotional materials in digital formats and online platforms such as websites are not subject to the above requirements. However, motor dealers are encouraged to include the fuel economy and vehicular emissions information of their cars in the digital promotional materials and online platforms to allow car buyers to make more informed decisions in shifting to cars with lower emissions.

8. You may also wish to note that for electric and plug-in hybrid passenger cars/taxis, the Emission Factor used to account for the CO<sub>2</sub> emissions produced for every unit of electricity generated from the burning of fossil fuels at the power stations in Singapore will remain unchanged at 0.4g CO<sub>2</sub>/Wh of electricity till **31 December 2027**.

9. Please inform your members of the above. For enquiries or assistance, you may contact us from 8.30am to 5pm, Monday to Friday, except public holidays, as follows:

EEAI, VES Rebates	DID: 6553 5212
VES Label	DID: 6553 5164 (Garlice Kwek) DID: 6553 5700 (Neo Aik Hing)

You may also send your queries via our online contact form at [lta.gov.sg/feedback](http://lta.gov.sg/feedback).

10. Thank you.

Yours sincerely



Diane Chow (Ms)  
Director  
Vehicle Service Operations  
Vehicle Services Group

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# Joint News Release



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Date of Issue: 8 September 2025

## **EXTENSION OF VEHICULAR EMISSIONS SCHEME (VES) AND EV EARLY ADOPTION INCENTIVE (EEAI) TO SUPPORT VEHICLE ELECTRIFICATION**

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|---|
| <ul style="list-style-type: none"><li>• <i>VES to be extended with adjustments to incentivise electric vehicles only</i></li><li>• <i>Extension of EEAI until end 2026 at a revised cap of \$7,500 and ceasing of EEAI thereafter</i></li></ul> |
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To support Singapore's vision of 100% cleaner-energy vehicles by 2040<sup>1</sup>, the Land Transport Authority (LTA) and the National Environment Agency (NEA) will extend the Vehicular Emissions Scheme (VES) from 1 January 2026 to 31 December 2027, with revisions to its banding, rebates and surcharges. The Electric Vehicle (EV) Early Adoption Incentive (EEAI) will be extended until 31 December 2026 and be ceased from 1 January 2027.

2 The VES and EEAI have supported the adoption of cleaner energy vehicles, which has been on an upward trend over the past few years. From January to August 2025, 80% of newly registered cars and taxis were cleaner energy models with about half being electric models. This is encouraging as EVs do not generate tailpipe emissions and are the cleanest vehicle option.

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<sup>1</sup> Announced in 2020 as part of the Singapore Green Plan, all new car and taxi registrations will be cleaner energy models from 2030, in support of Singapore's vision of 100% cleaner energy vehicles by 2040. Cleaner energy models do not run solely on internal combustion engine but on a more sustainable or efficient energy source. This includes electric or hybrid cars.

## Extension of Vehicular Emissions Scheme (VES) with adjustments to incentivise electric vehicles only

3 NEA will continue to support the take-up of electric cars, including taxis, by extending the VES<sup>2</sup> for another two years from 1 January 2026 to 31 December 2027 with revised bands, rebates and surcharges. Only EVs will receive rebates. Hybrid vehicles will no longer receive rebates, while more pollutive vehicles will have higher surcharges. Vehicles currently in Band A2 will fall into the neutral band B under the revised VES banding structure, while vehicles currently in Bands B, C1 and C2 will fall into revised Bands C1, C2 and C3 respectively. There is no change to pollutant thresholds and there will be a shift in the banding structure (see Annex A).

Table 1: VES Schedule and Adjustments to VES Bands from 1 January 2026 to 31 December 2027 (changes in red)

Existing VES Rebate/Surcharge (-/+) (01 Jan 2025 to 31 Dec 2025)		Revised VES Rebate/Surcharge (-/+) (01 Jan 2026 to 31 Dec 2027)		
		Revised VES Bands	(01 Jan 2026 to 31 Dec 2026)	(01 Jan 2027 to 31 Dec 2027)
Band A1	-\$25,000	Band A	-\$22,500	-\$20,000
Band A2	-\$2,500	Band B	\$0	\$0
Band B	\$0	Band C1	+\$7,500	+\$15,000
Band C1	+\$15,000	Band C2	+\$22,500	+\$30,000
Band C2	+\$25,000	Band C3	+\$35,000	+\$45,000

*Note: There will be a 1.5x multiplier for taxis*

## Extension of EV Early Adoption Incentive (EEAI) until end 2026 with revised cap and ceasing of EEAI thereafter

4 As adoption of EVs increases and the upfront cost gap between electric and Internal Combustion Engine (ICE) cars and taxis narrows, LTA will extend the EEAI until 31 December 2026 and cease the incentive thereafter. Owners who register electric cars and taxis in 2026 will receive a rebate of 45% off the Additional Registration Fee (ARF) capped at \$7,500, down from \$15,000.

5 With the revised EEAI and VES, buyers will receive combined cost savings of up to \$30,000 and \$20,000 off the ARF for electric cars registered in 2026 and 2027,

<sup>2</sup> Under the VES, the cars are categorised into one of five VES bands, based on the worst-performing of the following pollutants: carbon dioxide, hydrocarbons, carbon monoxide, nitrogen oxides and particulate matter. Buyers of newly registered cars and taxis may enjoy a rebate off the ARF, or pay a surcharge depending on the VES band of the car model.

respectively. The \$0 ARF floor for electric cars and taxis will also be maintained till 31 December 2027. The overall benefits will continue to be tapered as Singapore gets closer to 100% cleaner energy vehicles by 2040, in support of our national target to achieve net-zero emissions by 2050. Since 2021, more than 39,000 electric cars and taxis have benefitted from the VES rebates and/or EEAI.

6 We expect a short-term increase in COE prices. Potential car buyers are strongly encouraged to be prudent in bidding for COEs.

7 For more information on the EEAI or VES, please visit <https://onemotoring.lta.gov.sg/content/onemotoring/home/buying/upfront-vehicle-costs/tax-structure.html>.

## **ANNEX A – Vehicular Emissions Scheme (VES) Pollutant Thresholds**

## **ANNEX B – Illustration of Updated EV Early Adoption Incentive and Vehicular Emissions Scheme for Different Electric Car Models Registered in 2026**

## **ANNEX C – Example of models in the existing and new VES bands currently available on the market**

### **About the Land Transport Authority**

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The Land Transport Authority (LTA) is a statutory board under the Ministry of Transport, which spearheads land transport developments in Singapore. As the agency responsible for planning, designing, building and maintaining Singapore's land transport infrastructure and systems, we aim to bring about a greener and more inclusive public transport system, complemented by convenient options to walk and cycle from their homes or to their destinations. We leverage technology to strengthen our rail and bus infrastructure and provide exciting options for future land transport. For more information, please visit the website at [www.lta.gov.sg](http://www.lta.gov.sg).

### **About the National Environment Agency**

The National Environment Agency (NEA) is the leading public organisation responsible for ensuring a clean and sustainable environment for Singapore. Its key roles are to improve and sustain a clean environment, promote sustainability and resource efficiency, maintain high public health standards, provide timely and reliable meteorological information, and encourage a vibrant hawker culture. NEA works closely with its partners and the community to develop and spearhead environmental and public health initiatives and programmes. It is committed to motivating every individual to care for the environment as a way of life, in order to build a liveable and sustainable Singapore for present and future generations.

For more information, visit [www.nea.gov.sg](http://www.nea.gov.sg)

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## ANNEX A

**Vehicular Emissions Scheme (VES) Pollutant Thresholds**

Existing VES Bands (From 01 Jan 2024 to 31 Dec 2025)	New VES Bands (From 01 Jan 2026 to 31 Dec 2027)	Pollutant Thresholds				
		CO <sub>2</sub> (g/km)*	HC (g/km)	CO (g/km)	NO <sub>x</sub> (g/km)	PM (mg/km)
A1	<b>A</b>	≤ 90	0	0	0	0
A2	<b>B</b>	≤ 120	≤ 0.024	≤ 0.19	≤ 0.009	≤ 0.3
B	<b>C1</b>	≤ 159	≤ 0.029	≤ 0.27	≤ 0.018	≤ 0.4
C1	<b>C2</b>	≤ 182	≤ 0.040	≤ 0.35	≤ 0.022	≤ 1.0
C2	<b>C3</b>	> 182	> 0.040	> 0.35	> 0.022	> 1.0

\* The emissions factor (EF) for electric and plug-in hybrid cars will remain unchanged at 0.4g CO<sub>2</sub>/Wh of electricity till 31 December 2027.

**Illustration of Updated EV Early Adoption Incentive and Vehicular Emissions Scheme for Different Electric Car Models  
Registered in 2026**

Model	M.G. MGS5 EV LUXURY		BYD Atto 3 Extended Range		Tesla Model 3 RWD 110kW		Mercedes EQS450 4MATIC	
<b>VES Banding in 2026</b>	A		A		A		B	
<b>(A) Open Market Value<sup>3</sup></b>	\$26,196		\$31,500		\$44,847		\$112,901	
<b>(B) ARF payable before applying rebates</b>	\$28,675		\$36,100		\$57,210		\$241,284	
<b>(C) VES Rebates</b>	<b>Existing</b>	<b>Revised</b>	<b>Existing</b>	<b>Revised</b>	<b>Existing</b>	<b>Revised</b>	<b>Existing</b>	<b>Revised</b>
	-\$25,000	-\$22,500 (-\$2,500)	-\$25,000	-\$22,500 (-\$2,500)	-\$25,000	-\$22,500 (-\$2,500)	-\$2,500	\$0 (-\$2,500)
<b>(D) EEAI</b>	-\$3,675	-\$6,175 <sup>4</sup> (+\$2,500)	-\$11,100	-\$7,500 (-\$3,600)	-\$15,000	-\$7,500 (-\$7,500)	-\$15,000	-\$7,500 (-\$7,500)

<sup>3</sup> As of Jul 2025

<sup>4</sup> In this example, the EEAI incentive eligible has increased and offsets the reduction in VES rebates.



<b>(E) ARF payable after rebates</b>	\$0	\$0 (no change)	\$0	\$6,100 (+\$6,100)	\$17,210	\$27,210 (+\$10,000)	\$223,784	\$233,784 (+\$10,000)
<b>[i.e. B+C+D]</b>								

**ANNEX C**

**Example of models in the existing and new VES bands currently available on the market**

Existing VES Bands (From 01 Jan 2024 to 31 Dec 2025)	New VES Bands (From 01 Jan 2026 to 31 Dec 2027)	Example Models
A1	A	MG4 EV Trophy, Great Wall Ora, Dongfeng Box, Tesla Model 3, BYD Seal, BYD Atto 3
A2	B	Nissan Note, Suzuki Swift, Honda Jazz, Toyota Camry, Hyundai CN7 Avante, Kia Niro, Toyota Harrier Hybrid, Nissan Serena, Honda Freed
B	C1	Mazda 3, Volkswagen Golf, BMW 116i, Toyota Corolla Altis, Mercedes Benz GLA 180, Subaru Forester, Kia Carnival, Toyota Alphard
C1	C2	BMW M135, Mazda CX-60, Mercedes Benz GLC200, Honda CRV 1.5
C2	C3	Mercedes Benz S450L, BMW M3, Volvo XC60, BMW X3 M50, Porsche Cayenne II, Skoda Kodiaq