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2 September 2026

Our ref VRL/13/2026
LTA/VR&L/V43.054.000
Your ref
DID

All Motor Vehicle Dealers / Importers

All Electronic Service Agents

Dear Sir / Madam

ADJUSTMENTS TO THE HEAVY VEHICLE ZERO EMISSIONS SCHEME (“HVZES”)

1. We refer to the news release issued by the Land Transport Authority (“LTA”) on 2 September 2026 (see **Appendix A**).

2. Please be informed that from 3 September 2026, the Heavy Vehicle Zero Emissions Scheme (“HVZES”) incentive quantum for zero-tailpipe emission heavy vehicles (“HVs”)¹ registered with **Certificate of Entitlement (“COE”) obtained from the September 2026 bidding exercises onwards** will be revised as follow:

- i. Those with Maximum Laden Weight (“MLW”) of more than 3,500kg and up to 7,000kg will receive an incentive of \$15,000. The incentive will be automatically disbursed in tranches to the vehicle owner over two years - \$5,000 upon vehicle registration, \$5,000 on the first vehicle registration anniversary, and \$5,000 on the second vehicle registration anniversary; and
- ii. Those with MLW of more than 7,000kg will continue to receive an incentive quantum of \$40,000 with no changes to the existing disbursement schedule.

The details of the revised HVZES incentive quantum are summarised in **Table 1** below:

¹ HVs include heavy goods vehicles, buses, and goods-cum-passenger vehicles.

Table 1 – Revised HVZES Incentive Quantum

Zero-Tailpipe Emission Heavy Vehicle	HVZES Incentive	Applicable Vehicles
MLW > 3,500kg and ≤7,000kg, where the vehicle requires a COE	\$15,000	COEs obtained from the first September 2026 bidding exercise onwards
MLW > 3,500kg and ≤7,000kg, where the vehicle does not require a COE (e.g. school buses)	\$15,000	Vehicles registered on or after 3 September 2026
MLW >7,000kg	\$40,000 (no change)	All vehicles

3. For zero-tailpipe emission HVs that do not require a COE for registration, such as school buses, the revised incentive will apply for those registered **on or after 3 September 2026**. Please note that for ‘Save-as-draft’ registration applications created in the LTALink System for such HVs, the revised incentive quantum will apply if the registration is confirmed on or after 3 September 2026.
4. Zero-tailpipe emission HVs registered using COEs obtained before the September 2026 bidding exercises will continue to receive the \$40,000 incentive regardless of their MLW.
5. The HVZES will continue to be available until 31 December 2028.
6. Please bring the contents of this circular to the attention of your members and staff accordingly. For enquiries, please contact us via www.lta.gov.sg/feedback. Thank you.

Yours sincerely



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News Release



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Adjustments to the Heavy Vehicle Zero Emissions Scheme

With effect from 3 September 2026, the Land Transport Authority (LTA) will be adjusting the Heavy Vehicle Zero Emissions Scheme (HVZES) by reducing the incentive quantum from \$40,000 to \$15,000 for lighter zero-tailpipe emission heavy vehicles, i.e. vehicles with a Maximum Laden Weight (MLW) of more than 3,500kg and up to 7,000kg. This ensures that the scheme remains fit-for-purpose as more models of lighter zero-tailpipe emission heavy vehicles are now available in the market and the cost differentials between these heavy vehicles and their internal combustion engine (ICE) equivalents have narrowed.

2 The HVZES was introduced in January 2026 as a three-year scheme till 31 December 2028 to support the decarbonisation of heavy vehicles by narrowing the gap in ownership costs between zero-tailpipe emission heavy vehicles and their ICE equivalents. The uptake of zero-tailpipe emission heavy vehicles¹ has been encouraging since the commencement of the HVZES in January 2026. The proportion of newly registered heavy vehicles that are zero-tailpipe emission vehicles, in particular electric heavy vehicles, has increased, from less than 1% in 2025 to around 30% in July 2026. Uptake has been particularly strong among lighter heavy vehicles, with zero-tailpipe emission vehicles accounting for 55% of new registrations in this segment in July 2026.

3 The revision to the HVZES incentive quantum is summarised in Table 1. The \$40,000 incentive will continue to apply to heavier zero-tailpipe emission heavy vehicles with MLW of more than 7,000kg, as the cost differential with their ICE equivalents remains significant.

¹ Heavy vehicles include heavy goods vehicles, buses, and goods-cum-passenger vehicles.

Table 1: Revised HVZES Incentive Quantum

Zero-Tailpipe Emission Heavy Vehicle	HVZES Incentive	Applicable Vehicles
MLW > 3,500kg and ≤ 7,000kg, where the vehicle requires a COE	\$15,000	COEs obtained from the first September 2026 bidding exercise onwards
MLW > 3,500kg and ≤ 7,000kg, where the vehicle does not require a COE (e.g. school buses)	\$15,000	Vehicles registered on or after 3 September 2026
MLW >7,000kg	\$40,000 (no change)	All vehicles

4 The incentive will continue to be disbursed in three tranches over two years, as illustrated by the disbursement schedule in Table 2 below.

Table 2: Disbursement Schedule of the Revised HVZES Incentive

Milestone	Disbursement Amount for Zero-Tailpipe Emission Heavy Vehicles	
	MLW > 3,500kg and ≤ 7,000 kg	MLW > 7,000 kg (no change)
Vehicle Registration	\$5,000	\$13,000
First Anniversary	\$5,000	\$13,000
Second Anniversary	\$5,000	\$14,000
Total	\$15,000	\$40,000

5 Zero-tailpipe emission heavy vehicles registered using COEs obtained before the first September 2026 bidding exercise will continue to receive the \$40,000 incentive regardless of their MLW.

6 The HVZES will continue to be available until 31 December 2028.