
Questions and Answers

Incentives for the Zero-Emission Vehicles (iZEV) Program

1. What is a Zero-Emission Vehicle?

A zero-emission vehicle, or ZEV, is a vehicle that has the potential to produce no direct tailpipe emissions. They can still have a conventional internal combustion engine, but must also be able to operate without using it.

For example, we consider the following vehicles to be ZEVs:

- battery-electric
- plug-in hybrid electric
- hydrogen fuel cell

2. When does the iZEV program start?

Purchases and leases of eligible zero-emission vehicles will qualify for an incentive under this Program as of May 1, 2019.

3. What if I bought a zero-emission vehicle (ZEV) on April 29? Can I still get my incentive?

The incentive program takes effect on May 1, 2019. Only purchases and leases of eligible zero-emission vehicles on or after this date will qualify for the incentive program.

4. If I purchase or lease a car on May 1, what do I need to do to get my incentive payment, and how long will I have to wait?

If you purchase or lease an eligible zero-emission vehicle on or after May 1, the incentive may be applied directly to the price of the vehicle at the dealership. In some cases, there may be a short delay in receiving your incentive from the dealership. More details will be provided by April 30, 2019.

If you have purchased or leased an eligible vehicle during the program's eligibility period and did not receive the incentive, please contact iZEV-iVZE@tc.gc.ca.

5. What vehicles are eligible?

- vehicles with six seats or fewer, where the base model (trim) Manufacturer's Suggested Retail Price (MSRP) is less than \$45,000
 - higher priced versions (trims) of these vehicles, up to a maximum MSRP of \$55,000, will also be eligible for an incentive

AND

- vehicles with seven seats or greater, where the base model MSRP is less than \$55,000
 - higher priced versions (trims) of these vehicles, up to a maximum MSRP of \$60,000, will also be eligible for an incentive

There are two levels of incentive:

- Battery-electric, hydrogen fuel cell, and longer range plug-in hybrid vehicles (battery capacity is 15kWh or more) are eligible for an incentive of \$5,000
- Shorter range plug-in hybrid electric vehicles (battery capacity is less than 15kWh) are eligible for an incentive of \$2,500

6. How will I know what vehicles are eligible for the iZEV incentive?

Transport Canada will keep a list of eligible ZEV vehicles available for Canadians to view on the iZEV program web page. Visit canada.ca/zero-emission-vehicles to find out more.

Important: Transport Canada will be seeking voluntary supply agreements with manufacturers, and reserves the right to take models off the list if the department does not secure adequate supply commitments.

7. What is a “long” versus a “short” range plug-in hybrid vehicle?

Generally speaking, plug-in hybrid vehicles with a battery capacity of at least 15 kWh can accommodate a trip of 50 kilometres or more on a single charge. For the purpose of the iZEV program, these kinds of vehicles are defined as **long range**. Conversely, vehicles with lower battery capacity are defined as **short range**.

8. What is a vehicle trim level?

A vehicle trim level is a pre-determined package of different equipment and finishes offered for a particular vehicle model (e.g., base, sport, touring, etc.). A vehicle model can have multiple trim levels. Different trim levels will typically have a different Manufacturer’s Suggested Retail Price (MSRP).

9. Does it apply to leased vehicles?

Yes, the incentive can be applied to eligible vehicles leased for 12 months or more, but will be prorated based on the length of the lease. For example, a 48-month lease is eligible for the full incentive amount for the eligible vehicle in question and a 24-month lease will be eligible for half of the incentive for that vehicle.

10. Are pre-owned zero-emission vehicles eligible?

No, only new zero-emission vehicles are eligible for the federal incentive.

11. What is the maximum amount of money that I can expect under the Program?

Incentives of \$5,000 are offered on certain eligible zero-emission vehicle purchases and leases.

12. Is it a first-come, first-serve incentive program?

Yes, it is.

13. What are the timelines for taking advantage of the Program?

While it was announced as a three-year program (2019-2022), a high demand is expected. Funding will be provided on a first-come, first-serve basis for vehicles purchased or leased on or after May 1, 2019.

14. How does it work with other provincial incentive programs?

The federal incentive will be applied to eligible zero-emission vehicles in addition to any provincial zero-emission vehicle incentive offered.

15. Can I purchase or lease a vehicle outside of Canada?

No, only new vehicles purchased or leased within Canada, from a licensed dealer, are eligible.

16. Are demonstrator vehicles eligible?

For the purposes of the Program, eligible zero-emission vehicles that are demonstrators are considered new vehicles and are eligible for the incentive as long as the odometer reading is less than 10,000 km.

17. Is there a limit on how many vehicles I can purchase or lease under the Program?

Yes, there are different limits for different types of consumers.

Individuals can only get one incentive under this Program in a calendar year.

Businesses and provincial, territorial and municipal governments operating fleets can only get up to 10 incentives under this Program in a calendar year. If businesses choose to go this route, they will not be able to take advantage of the new tax write-off for these vehicles.

18. Can businesses participate in the program?

Yes, businesses are eligible for the federal zero-emission vehicle (ZEV) incentive. However, businesses that take advantage of the federal incentive, will not be able to take advantage of the new tax write-off for ZEVs that was also announced in Budget 2019.

Businesses that take advantage of the federal ZEV incentives will be limited to a maximum of 10 incentives in any calendar year during the Program.

19. Can not-for profit organizations participate in the program?

Yes, as long as they are duly registered in the relevant Canadian jurisdiction.

20. Can provincial, territorial and municipal governments operating fleets participate in the program?

Yes, provincial, territorial, and municipal governments operating fleets are eligible for the federal zero-emission vehicle incentive. They will be limited to a maximum of 10 incentives in any calendar year during the Program.