

Malaysia SLD ACA Incentive Program 2026

Accelerated Capital Allowance (ACA) for Speed
Limitation Devices (SLD)



What The Government Is Offering

- Accelerated Capital Allowance (ACA) for SLD installation
- Companies can deduct SLD costs from taxable income much faster
- Designed to accelerate nationwide SLD adoption

Key Conditions Explained

- Installation must be certified by JPJ-recognized verification body
- Only specific heavy goods and passenger vehicles qualify
- Vehicles must be manufactured before 1 January 2015
- No ACA for replacement units

Which Vehicles Qualified?

- Goods Vehicles exceeding 3,500kg GVW
- Passenger vehicles exceeding 5,000kg GVW and more than 8 passengers
- Includes lorries, prime movers, tipper trucks, self-loaders, buses and coaches

Why Only Older Vehicles?

- ACA only applies to vehicles manufactured before 1 January 2015
- Government wants to encourage retrofit of older fleets
- Newer vehicles often already include OEM speed limiting systems

Capital Allowance Rate

- Initial Allowance: 20%
- Annual Allowance: 80%
- Total effective deduction: 100% within Year 1
- This is considered an extremely aggressive tax incentive

Real Financial Example

- SLD installation cost: RM4,000
- Corporate tax rate: 24%
- Tax savings: RM960
- Effective net cost after tax benefit: RM3,040