

FREQUENTLY ASKED QUESTION

1. **Q : What is the service tax treatment on the provision of electricity?**

A : The provision of electricity to the domestic consumer which exceeds 600kWh for a minimum period of twenty-eight days per billing cycle is subject to service tax.

2. **Q : What is the service tax treatment on the provision of electricity to the commercial consumer?**

A : The provision of electricity to the commercial consumer is not subject to service tax.

3. **Q : Mr Khalid's electricity consumption for 17 April 2019 to 16 May 2019 bill (30 days) is 750kWh which subject to RM0.218/kWh tariff. How much the service tax chargeable to Mr Khalid?**

A : Electricity consumed = 750KWH

Value not subject to service tax = RM130.80 (600kWh x RM0.218)

Value subject to service tax = RM32.70 (150kWh x RM0.218)

Amount service tax due = RM1.96 (RM32.70 x 6%)

Amount of Mr Khalid's bill = RM 165.46 (130.8 + 32.7 + 1.96) (RM130.80 + RM32.70 + RM1.96)

4. **Q : The electricity bill that Ariff received consist of Kumpulan Wang Tenaga Boleh Baharu (KWTBB) charges, is the charge subject to Service Tax?**

A : KWTBB charges are not subject to service tax because it is not related to provision of electricity service.