

Headline	Collection of SST mandated by law, says SESB chairman		
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# Collection of SST mandated by law, says SESB chairman

**KOTA KINABALU:** Sabah's power utility has stressed that the imposition of sales and service tax (SST) for electricity bills is a statutory requirement dictated by the Finance Ministry.

Like many service and utility providers, Sabah Electricity Sdn Bhd (SESB) has been facing flak from some of its consumers following the increase in SST from 6 per cent to 8 per cent on March 1.

The increase impacts domestic customers whose electricity bills exceed 600kWh in usage or RM203.

SESB chairman Datuk Seri Wilfred Madius Tangau hopes consumers will understand that SESB is merely collecting the



Datuk Seri Wilfred Madius Tangau

SST on behalf of the Customs Department.

"The SST is set by the government and SESB is required by law to collect the SST on behalf of the Customs Department. Otherwise, we can face legal action," he explained.

"SESB does not pocket the monies collected," he said, stressing that customers with consumption below 600kWh were exempt from paying the SST.

Section 29 of the Service Tax Act 2018 dictates that entities that are taxed must collect the SST from their customers.

Last week, SESB chief executive Mohd Yaakob Jaafar had said that the 8% SST would be imposed on electricity usage above 600kWh or monthly bills that are RM203 and above.

The increase is expected to affect 95,982 account holders or 16.72% of SESB's customers.

The amount of SST paid will be reflected in the bill of residential customers.