MANAGEMENT OF PROPERTY RATES
IN TENAGA NASIONAL BERHAD (TNB)

by

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This dissertation is about the management of property rates in Tenaga Nasional Berhad. This topic is not a popular topic in any research or study. Not much was written by any writers about rates in Malaysia. Because of this, the level of understanding by Malaysian about property rates is very low even though most of the households in urban areas pay rates.

Very few books or articles about property rates in Malaysia are available. Hence, the writer encountered some problem in writing this Dissertation because of insufficient materials or information. Getting figures or data from Tenaga Nasional Berhad is not an easy task because most of the figures or data are still kept in old files with some dated from the 70s. The database used is not an integrated system so, extracting, analysing or manipulating the data is difficult.

Two important organisations are involved in this study of property rates namely:

i) Tenaga Nasional Berhad including its subsidiaries which is the rates payee, and

ii) Local Authority, which charge rates.

Even though both have different role, the Act that bound both of them is the Local Government Act, 1976. Everything about rates e.g., determination of rates, assessment
and property exempted from rates are spelt out in that Act. However, sometime there are
disagreement between the Local Authority and Tenaga Nasional Berhad. Example are
different interpretation of certain section in the Local Government Act, 1976 or different
view of the fair assessment of rates. Property rate grievance provides rates payer the
chance to object and appeal.

An analysis of current situation of Tenaga Nasional Berhad’s property rates management
was carried out. The problems found out are:

i) Records keeping and maintenance
   - Not integrated
   - Not automated
   - Data cannot be manipulated

ii) Insufficient staff
   - 2 staffs to take care of rateable properties in Peninsular Malaysia is not
      enough.

There are also problem faced by Tenaga Nasional Berhad due to the action of the Local
Authority like:

- Issuing illegal notice
- High Valuation
- Using rate not approved by State Exco