

# **THE AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER 118/PMK.03/2016 ON THE IMPLEMENTATION OF LAW NUMBER 11 YEAR 2016 REGARDING TAX AMNESTY (Regulation of the Minister of Finance Number 141/PMK.03/2016, dated September 23, 2016)**

BY GRACE OF GOD THE ALMIGHTY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that the provision on the implementation of Law Number 11 Year 2016 regarding Tax Amnesty has been regulated on the basis of Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementation of Law Number 11 Year 2016 regarding Tax Amnesty;
- b. that in order to enhance service and provide better legal certainty in the framework of the implementation of Law Number 11 Year 2016 on Tax Amnesty, it is necessary to improve Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementation of Law Number 11 Year 2016 regarding Tax Amnesty as meant in letter a ;
- c. that having regards to letters a and letter b as well as in order to implement the provision of Article 24 letter a, letter d, and letter e of Law Number 11 Year 2016 on Tax Amnesty, it is necessary to stipulate a regulation of the Minister of Finance on the Amendment to Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementation of Law Number 11 Year 2016 on Tax Amnesty;

In view of:

Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementation of Law Number 11 Year 2016 regarding Tax Amnesty (State Gazette of the Republic of Indonesia Year 2016 Number 1043);

DECIDES :

To stipulate:

THE REGULATION OF THE MINISTER OF FINANCE ON THE AMENDMENT TO REGULATION OF THE MINISTER

**OF FINANCE NUMBER 118/PMK.03/2016 REGARDING THE IMPLEMENTATION OF LAW NUMBER 11 YEAR 2016 CONCERNING TAX AMNESTY.**

**Article I**

Several provisions in Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementation of Law Number 11 Year 2016 regarding Tax Amnesty shall be amended as follows:

1. The provision of Article 5 is amended so as to read as follows:

**Article 5**

The information about identity of taxpayer as meant in Article 4 paragraph (2) shall be:

- a. in the case of individual taxpayer:
  1. name;
  2. address;
  3. taxpayer code number;
  4. citizenship identity number or passport number; and
  5. business license number, in the case of the taxpayer having business license number;
- b. in the case of corporate taxpayer:
  1. name;
  2. address;
  3. taxpayer code number; and
  4. business license number.

2. The provision of paragraph (5) and paragraph (10) of Article 13 is amended and a new paragraph is supplemented to become paragraph (11) so that Article 13 reads as follows:

**Article 13**

- (1) The taxpayer submitting the letter of statement as meant in Article 4 paragraph (1) shall meet the following requirements:

- a. having taxpayer code number;
- b. paying redemption money;
- c. settling the whole tax arrears;
- d. settling unpaid or underpaid tax or non refundable tax in the case of taxpayer currently undergoing the audit of preliminary evidence and/or investigation into taxation crime;

- e. submitting the last income tax return in the case of taxpayer already having obligation to submit annual income tax return; and
- f. revoking application and/or request for:
  - 1. restitution of overpaid tax;
  - 2. reduction or abolition of administrative sanction in tax assessment and/or tax collection form;
  - 3. reduction or nullification of untrue tax assessment;
  - 4. reduction or nullification of untrue tax collection form;
  - 5. objection;
  - 6. rectification of tax collection form, tax assessment and/or decision;
  - 7. appeal;
  - 8. lawsuit; and/or
  - 9. judicial review,

In the case of the taxpayer currently submitting application and/or request and decision being not issued yet.

(2) Taxpayer planning to transfer additional assets into the territory of the Unitary State of the Republic of Indonesia, besides fulfilling the requirements as meant in paragraph (1), shall:

- a. be obliged to transfer the additional assets into the territory of the Unitary State of the Republic of Indonesia through Perception Bank and invest the additional assets into the territory of the Unitary State of the Republic of Indonesia in no faster than 3 (three) years:
  - 1. before December 31, 2016, in the case of taxpayer deciding to use the tariff on redemption money as meant in Article 10 paragraph (1) letter b point 1 and point 2; and/or
  - 2. before March 31, 2017, in the case of taxpayer deciding to use the tariff on redemption money as meant in Article 10 paragraph (1) letter b point 3; and
- b. enclose letter of statement transferring and investing the additional assets as meant in letter a by using the format according to specimen contained in Attachment letter B to this regulation.

(3) In the case of taxpayer planning to transfer additional assets into the territory of the Unitary State of the Republic of Indonesia as meant in paragraph (2), transfer additional assets from outside territory of the Unitary State of the Republic of Indonesia through branch of perception bank abroad, the 3 (three) years period shall be counted as from the date when the taxpayer places the additional asset at the overseas branch of the perception bank.

(4) The overseas branch of the perception bank as meant in paragraph (3) shall transfer the additional

assets to the perception bank in the country in no longer than the ensuing working-day as from the placement of the additional assets in the overseas branch of the perception bank.

(5) Taxpayer declaring additional assets in and/or placed in the territory of the Unitary State of the Republic of Indonesia, besides fulfilling the requirements as meant in paragraph (1):

- a. shall not be permitted to transfer and invest the additional assets to outside territory of the Unitary State of the Republic of Indonesia in no faster than 3 (three) years as from the issuance of certificate; and
- b. shall enclose letter of statement not transferring and investing the additional assets already existing in the territory of the Unitary State of the Republic of Indonesia to outside territory of the Unitary State of the Republic of Indonesia as meant in letter a by using the format according to specimen as contained in Attachment Letter C to this regulation.

(6) The letter of statement submitted by taxpayer as meant in paragraph (1) shall be enclosed by:

- a. evidence of the payment of redemption money in the form of tax payment form or evidence of state revenue;
- b. evidence of the settlement of tax arrears in the form of tax payment form or evidence of state revenue and/or non-tax payment form along with detail list of tax arrears, in the case of taxpayer having tax arrears;
- c. detail list of assets by using the format according to specimen in Attachment Letter D to this regulation, which contains information about the reported assets;
- d. list of liabilities by using the format according to specimen in Attachment Letter D to this regulation along with the supporting document;
- e. evidence of the settlement of unpaid or underpaid or non-refundable tax in the form of:
  1. tax payment form; or
  2. evidence of state revenue,

In the case of taxpayer undergoing the examination of preliminary evidence and/or investigation into taxation crime, accompanied by written information from the Director General of Taxation through head of executive unit examining the preliminary evidence or head of investigation executive unit;

- f. copy of the last SPT PPh or copy in the form of printout of the last SPT PPh submitted electronically, in the case of taxpayer already having obligation to submit annual income tax return; and



g. letter of statement revoking the application and/or request as meant in paragraph (1) letter f, by using the format according to specimen in Attachment Letter E to this regulation.

(7) In the case of taxpayer using the tariff on redemption money as meant in Article 10 paragraph (3), besides enclosing the document as meant in paragraph (5) letter b and paragraph (6), the taxpayer shall be obliged to submit letter of statement regarding the amount of business turnover by using the format according to specimen in Attachment Letter F to this regulation.

(8) In the case of taxpayer having the business turnover as meant in Article 12 and already submitting the last SPT PPh, the last SPT PPh shall function as substitute to the letter of statement regarding the amount of business turnover as meant in paragraph (7).

(9) In the case of taxpayer having indirect asset through special purpose vehicle (SPV), the taxpayer shall be obliged to declare the ownership of the assets along with liabilities directly related to the said assets in the detail list of assets and liabilities as meant in paragraph (6) letter c and letter d.

(10) The detail list of assets as meant in paragraph (6) letter c and the detail list of liabilities as meant in paragraph (6) letter d, shall be submitted in paper form (hardcopy) and digital form (softcopy).

(11) The provision on the submission of the digital form (softcopy) as meant in paragraph (10) shall not apply to taxpayers with specified criteria.

3. A new article is supplemented between Article 13 and Article 14 to become Article 13A, which reads as follows:

#### Article 13A

In the event that taxpayer submitting letter of statement constitutes permanent establishment taxpayer, besides fulfilling the requirements as meant in Article 13, the taxpayer shall also be obliged to enclose documents in the form of:

- a. copy of annual tax return of holding company for the last tax year, already submitted to taxation authorities in country where the holding company is registered;
- b. copy of consolidated financial statement of holding company for the last tax year; and
- c. letter certifying that the additional assets declared in letter of statement have never been reported in the document as meant in letter a and letter b.

4. A new article is supplemented between Article 14 and Article 15 to become Article 14A, which reads as follows:

## Article 14A

(1) In the case of any incident making procedures for the receipt of letter of statement as meant in Article 14 paragraph (6) and paragraph (8) unapplicable, such as:

- a. fire;
- b. natural disaster;
- c. riots;
- d. failure in network, including failure in server or blackout; and/or
- e. force majeure at the end of the submission period of letter of statement stipulated by the Director General of Taxation,

The Director General of Taxation shall execute specified procedures for receiving letter of statement.

(2) The specified procedure for receiving letter of statement as meant in paragraph (1) shall be in the form of:

- a. receiving procedure in the case of the condition as meant in paragraph (1) letter a, letter b, and letter c being stipulated by the Director General of Taxation; and
- b. receiving procedure in the case of the condition as meant in paragraph (1) Letter d and letter d being executed by issuing provisional receipt of letter of statement stipulated by the Director General of Taxation.

(3) Taxpayer receiving the provisional receipt of letter of statement as meant in paragraph (2) letter d shall deserve the rate of redemption money which is effective on the date when the provisional receipt of letter of statement is issued.

5. A new paragraph is supplemented between paragraph (2) and paragraph (3) of Article 15 to become paragraph (2a) so that Article 15 reads as follows:

## Article 15

(1) The redemption money as meant in Article 13 paragraph (1) letter b shall be paid wholly to state cash through perception bank.

(2) The redemption money as meant in paragraph (1) shall be administered as other non-oil and gas income tax.

(2a) The redemption money as meant in paragraph (1) shall be treated as income tax and may not be subtracted to determine the amount of taxable income.

- (3) The payment of redemption money shall be done by using Tax Account Code 411129 and Remittance Code 512.
- (4) The payment of redemption money as meant in paragraph (1) shall use tax payment form and/or evidence of state revenue which functions as evidence of the payment of redemption money after securing validation.
- (5) The tax payment form and/or evidence of state revenue as meant in paragraph (4) shall be declared legitimate if it has been validated by state revenue transaction number issued through state revenue module.
- (6) In the case of any mistake in the writing of Tax Account Code and/or Remittance Code in the tax payment form or evidence of state revenue, the Director General of Taxation on the basis of request from taxpayer shall execute book transfer to the tax account code and remittance code as meant in paragraph (3).

6. The provision of paragraph (2) of Article 16 is amended and a new paragraph is supplemented between paragraph (1) And paragraph (2) to become paragraph (1a) so that Article 16 reads as follows:

#### Article 16

- (1) The tax arrears yet to be settled by taxpayer as meant in Article 13 paragraph (1) letter c shall constitute tax arrears on the basis of tax collection form, tax assessment, decision issued before the taxpayer submits the letter of statement.
- (1a) The decision as meant in paragraph (1) shall not include decision issued by:
  - a. non tax court agency; and/or
  - b. the Supreme Court on decision previously not constituting decision of tax court agency.
- (2) To the tax arrears yet to be settled as meant in paragraph (1), the following provision shall apply:
  - a. tax arrears, including the collection cost of tax arising from the collection of tax from taxpayer;
  - b. in the case of the tax arrears being already paid partly, the amount of tax arrears is calculated proportionally between the amount of the principal tax and administrative sanction on the basis of the data in the administration system of the Directorate General of Taxation;
  - c. in the case of the data in the administration system of the Directorate General of Taxation as meant in letter b not specifying the calculation of administrative sanction, the administrative sanction is counted as much as 48% (forty eight percent) of the total yet to be paid in tax collection form or tax assessment.

- (3) The calculation method of tax arrears which is executed proportionally between the amount of the principal tax and the administrative sanction as meant in paragraph (2) letter b and letter c shall be in accordance with specimen as contained in Attachment Letter G to this regulation.

7. The provision of paragraph (1) of Article 21 is amended so that Article 21 reads as follows:

**Article 21**

- (1) Based on the submitted letter of statement, Head of Kanwil DJP of the registered taxpayer shall issue certificate in no later than 10 (ten) working days as from the receiving date of
- a. the letter of statement as meant in Article 14 paragraph (8); or
  - b. the provisional receipt of letter of statement as meant in Article 14A paragraph (2) letter b,
- by using the format as contained in Attachment J to this regulation and shall send it to taxpayer.
- (2) In the case of the 10 (ten) working day period as meant in paragraph (1) elapsing but Head of Kanwil DJP of the registered taxpayer has not issued certificate, the letter of statement submitted by the taxpayer shall be deemed accepted as certificate.
- (3) In no later than 3 (three) working days after the period as meant in paragraph (2) expires, Head of Kanwil DJP of the registered taxpayer shall issue certificate.
- (4) In the case of:
- a. miswriting in certificate; and/or
  - b. miscalculation in certificate,
- the Head of Kanwil DJP of the registered taxpayer may issue letter of the rectification of the certificate.

8. The provision of paragraph (5) of Article 24 is amended and two paragraphs are supplemented between paragraph (2) and paragraph (3) to become paragraph (2a) and paragraph (2b) so that Article 24 reads as follows:

**Article 24**

- (1) Taxpayer already securing certificate and paying redemption money for immovable assets in the form of land and/or building having document not yet changed into the name of the taxpayer shall be obliged to transfer the right so as to be in the name of the taxpayer.
- (2) The transfer of right as meant in paragraph (1) shall be exempted from income tax, in the event that:



- a. application for the transfer of right; or
  - b. signing of letter of statement by both parties before notary which certifies that the assets as meant in paragraph (1) are truly belonging to the taxpayer submitting the letter of statement, if application for the transfer of right of the assets has not been able to submit,
- is executed in no later than December 31, 2017.

(2a) The exemption from income tax as meant in paragraph (2) shall only apply in the case of the ownership document of land and/or building having right to be transferred as meant in paragraph (1) remaining in the name of:

- a. middlemen (nominee) having name used by taxpayer submitting letter of statement as the truly owner in order to secure land and/or building;
- b. grantor;
- c. heir; or
- d. any of the heirs, in the case of the land and/or building being already divided.

(2b) The exemption from income tax as meant in paragraph (2) shall not be granted in the case of:

- a. land and/or building being already purchased by taxpayer from developer; and
- b. the land and/or building title as meant in letter a being already changed from the name of developer to taxpayer.

(3) The immovable assets in the form of land and/or building having ownership convertible and exempted from the income tax as meant in paragraph (2) shall be additional assets already obtained and/or owned by taxpayer before the end of the last tax year.

(4) The payable income tax on the transfer of right as meant in paragraph (2) shall be exempted by securing first certificate of the exemption from income tax on the transfer of right to land and/or building granting tax amnesty facility.

(5) Application for the certificate of the exemption from income tax as meant in paragraph (4) shall be submitted by taxpayer securing certificate to KPP where the taxpayer is registered before the transfer of the right as meant in paragraph (1) by enclosing:

- a. copy of certificate;
- b. copy of the last year land and building tax return of the assets having ownership converted;
- c. copy of deed of the sales/purchase/grant of the assets having ownership converted; and
- d. letter of statement of the ownership of assets having ownership converted, already legalized by notary.

(6) The certificate of exemption from income tax as meant in paragraph (4) shall contain the exemption from payable income tax on the parties transferring immovable assets in the form of land and/or building and shall apply as long as the assets are used in the period as meant in paragraph (2).

9. The provisions of paragraph (1), paragraph (2), paragraph (4), and paragraph (5) of Article 31 are amended so that Article 31 reads as follows:

#### Article 31

(1) The Director General of Taxation or the appointed official on behalf of the Director General of Taxation shall abolish in ex-officio administrative sanction in the form of interest and/or fine not yet settled, which are/is contained in:

- a. tax collection form;
- b. tax assessment;
- c. decision, and/or
- d. verdict,

for tax year, part of tax year, and tax year before the end of the last tax year in the framework of the implementation of tax amnesty.

(2) The administrative sanction as meant in paragraph (1) shall constitute administrative sanction in the form of interest, fine and the increase as meant in the taxation general provisions and procedures law.

(3) The administrative sanction as meant in paragraph (2) shall be abolished after taxpayer secures certificate.

(4) The abolition of the administrative sanction as meant in paragraph (2) shall be executed by the appointed official as meant in paragraph (1) with the working area covering tax service office administering the abolition of administrative sanction.

(5) The appointed official as meant in paragraph (1) shall issue decision on the abolition of administrative sanction in ex-officio in the framework of tax amnesty.

(6) The decision on the abolition of administrative sanction in ex officio in the framework of tax amnesty as meant in paragraph (5) may be issued for one legal product as meant in paragraph (1) or more.

(7) In the case of certificate being already issued and collection form of administrative sanction being not issued yet, the administrative sanction shall be abolished without the issuance of tax collection form.

10. The provisions of paragraph (2) and paragraph (3) of Article 38 are amended so that Article 38 reads as follows:

#### Article 38

(1) Taxpayer already using the tariff on redemption money as meant in Article 10 paragraph (1) shall submit report to the Director General of Taxation through Head of KPP where the taxpayer is registered, which contains:

- a. the realization of the transfer and investment of additional assets into the territory of the Unitary State of the Republic of Indonesia which are declared in letter of statement; and/or
- b. the placement of additional assets inside the territory of the Unitary State of the Republic of Indonesia, which are declared in letter of statement.

(2) To the submission of the report on the transfer and realization of the investment of the additional assets to as meant in paragraph (1) letter a , the following provisions shall apply:

- a. the report is submitted periodically every year for 3 (three) years as from the transfer of the assets as meant in Article 13 paragraph (2);
- b. the report is submitted in no later than the deadline of the submission of annual income tax return;
- c. the report is submitted by using format of specimen as contained in Attachment L to this regulation.

(3) To the submitted report on the placement of additional assets inside the territory of the Unitary State of the Republic of Indonesia as meant in paragraph (1) letter b, the following provisions shall apply:

- a. the report is submitted periodically every year for 3 (three) years as from the issuance of the certificate as meant in Article 13 paragraph (5);
- b. the report is submitted in no later than the deadline of the submission of annual income tax return; and
- c. the report is submitted by using the format according to specimen as contained in Attachment M to this regulation.

(4) The report as meant in paragraph (2) and paragraph (3) shall be submitted by taxpayer or the appointed proxy in accordance with the provision of legislation.

11. A new article is supplemented between Article 47 and Article 48 to become Article 47A, which reads as follows:

## Article 47A

In the case of the data and information as meant in Article 47 being also owned and used by the authorized authorities to handle Transnational Organized Crimes (TOC) covering narcotics, psychotropics and forbidden medicines, terrorism and/or human trafficking, the authorized authorities shall remain permissible to execute their tasks in accordance with the provision of legislation.

12. Four articles are supplemented between Article 50 and Article 51 to become Article 50A, Article 50B, Article 50C, and Article 50D, which read as follows:

## Article 50A

- (1) The provision containing further regulation in the framework of executing Law Number 11 Year 2016 on TAX Amnesty, including the provision on:
  - a. affirmation or detail of individual tax subject having income below the specified income limit permitted to not use their right in tax amnesty;
  - b. criteria for legacy and granted asset not constituting object of tax amnesty;
  - c. treatment of asset obtained from income already subject to income tax or asset obtained from income not constituting object of income tax and not yet reported in annual income tax return;
  - d. treatment of rational value of asset submitted by taxpayer;
  - e. adjustment to format and content of document needed in the framework of executing tax amnesty, submission procedure and period thereof; and
  - f. stipulation of specified taxpayer excluded from the obligation to submit digital copy (softcopy) of the detail list of assets and liabilities;
 shall be regulated by a regulation of the Director General of Taxation.
- (2) The provision already issued by the Director General of Taxation before the enforcement of this regulation, which contains further regulation on the implementation of Law Number 11 Year 2016 on Tax Amnesty shall remain effective as long as it does not contravene this regulation.

## Article 50B

- (1) In the case of taxpayer:
  - a. having income below the specified income limit as meant in Article 50A paragraph (1) letter a, and/or
  - b. only having additional asset in the form of legacy and granted asset not constituting object of tax amnesty as meant in Article 50A paragraph (1) letter b,
 and already submitting letter of statement may choose to not use their right as meant in Article 2



paragraph (1) by submitting the revocation of letter of statement by using the format of document as governed in regulation of the Director General of Taxation.

(2) The revocation of the letter of statement as meant in paragraph (1) shall be submitted in no later than:

- a. October 30, 2016, in the case of certificate being issued before the enforcement of this regulation; or
- b. 30 (thirty) days as from the issuance of certificate, in the case of the certificate being issued following the enforcement of this regulation.

(3) In the case of the revocation of letter of statement being submitted before the issuance of certificate, the letter of statement shall be deemed not submitted.

(4) In the case of taxpayer submitting the revocation of letter of statement as meant in paragraph (1), the receipt as meant in Article 14 paragraph (8) or the provisional receipt as meant in Article 14A paragraph (2) letter b and/or the certificate as meant in Article 21 shall become invalid.

(5) To the taxpayer submitting the revocation of letter of statement as meant in paragraph (1), the following provision shall apply:

- a. the issued certificate becomes nul legally;
- b. the taxpayer is deemed not participating in tax amnesty; and
- c. the taxpayer is not given facility in accordance with the provision of tax amnesty

legislation.

(6) Further provision in the framework of the revocation of letter of statement as meant in paragraph (1) shall be regulated by a regulation of the Director General of Taxation.

## Article II

The regulation shall come into force as from the date of promulgation.

For public cognizance, the regulation shall be promulgated by placing it in State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On September 23, 2016

THE MINISTER OF FINANCE OF

THE REPUBLIC OF INDONESIA

sgd.

SRI MULYANI INDRAWATI

Promulgated in Jakarta

On September 23, 2016

THE DIRECTOR GENERAL OF LEGISLATION OF THE  
MINISTRY OF LAW AND HUMAN RIGHTS OF THE  
REPUBLIC OF INDONESIA

sgd.

WIDODO EKATJAHJANA

STATE GAZETTE OF THE REPUBLIC OF INDONESIA

YEAR 2016 NUMBER 1438

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