

STIPULATION OF THE VALUE OF EARTH PER SQUARE METER OF UNPRODUCTIVE AREA, PRODUCTION COST AREA AND CAPITALIZATION INDEX FOR THE DETERMINATION OF THE SELLING VALUE OF TAX OBJECT OF LAND AND BUILDING TAX IN THE FORESTRY SECTOR

**(Decision of the Director General of Taxation Number
KEP-25/PJ/2016, dated February 29, 2016)**

THE DIRECTOR GENERAL OF TAXATION,

Considering:

That in order to implement the provision of Article 8 paragraph (5) letter e and Article 11 paragraph (2) of Regulation of the Director General of Taxation Number PER-42/PJ/2015 on Procedures for Imposing Land and Building Tax of Forestry Sector, it is necessary to stipulate a decision of the Director General of Taxation on Stipulation of the Value of Earth per square meter of unproductive area, production cost ratio, and capitalization index for the determination of the selling value of tax object of land and building tax in the forestry sector.

In view of:

1. Law Number 12 Year 1985 on Land and Building Tax (Statute Book of the Republic of Indonesia Year 1985 Number 68, Supplement to Statute Book of the Republic of Indonesia Number 3312) as already amended by Law Number 12 Year 1994 (Statute Book of the Republic of Indonesia Year 1994 Number 62, Supplement to Statute Book of the Republic of Indonesia Number 3569);
2. Regulation of the Minister of Finance Number 139/PMK.03/2014 on Classification and Stipulation of the Selling Value of Tax Object as the Basis for the Imposition of Land and Building Tax;
3. Regulation of the Director General of Taxation Number PER-42/PJ/2015 on Procedures for Imposing Land and Building Tax of Forestry Sector;

DECIDES:

To stipulate:

THE DECISION OF THE DIRECTOR GENERAL OF TAXATION ON STIPULATION OF THE VALUE OF EARTH PER SQUARE METER OF UNPRODUCTIVE AREA, PRODUCTION COST AREA AND CAPITALIZATION INDEX FOR THE DETERMINATION OF THE SELLING VALUE OF TAX OBJECT OF LAND AND BUILDING TAX IN THE FORESTRY SECTOR

FIRST:

1. Stipulation of the value of earth per square meter of unproductive area shall be used to determine the selling value of tax object of land and building tax of the forestry sector;
2. Stipulation of the production cost ratio and capitalization index shall be used to determine the selling value of tax object of land and building tax of the forestry area for natural forest.

SECOND :

The value of earth per square meter of unproductive forestry area shall be as set in the attachment to this decision, which constitutes an integral part of this decision.

THIRD:

The production cost ratio of the forestry sector for natural forest shall be set at 75% (seventy five percent).

FOURTH :

The capitalization index of the forestry sector for natural forest shall be set at 8.5 (eight point five).

FIFTH:

The decision shall come into force as from Tax Year 2016.

Copy of the decision is made available to:

1. The Director of Expansion and Valuation;
2. The Director of Taxation Legislation I;
3. The Director of Potential, Compliance and Revenue;
4. Heads of Regional Offices of the Directorate General of Taxation;
5. Heads of Oil and Natural Gas Tax Service Offices;
6. Heads of Primary Tax Service Offices.

ATTACHMENT

THE VALUE OF EARTH PER SQUARE METER OF UNPRODUCTIVE FORESTRY AREA

VALUE OF EARTH PER SQUARE METER OF UNPRODUCTIVE AREA

NO.	ISLAND	PROVINCE	VALUE OF EARTH PER SQUARE METER OF UNPRODUCTIVE AREA
1.	Sumatra	Aceh, North Sumatra , West Sumatra , Riau, Kepulauan Riau, Jambi, Bengkulu, South Sumatra, Kepulauan Bangka Belitung, and Lampung	803
2.	Java	DKI Jakarta, Banten, West Java, Central Java, DI Yogyakarta, and East Java	2.950
3.	Kepulauan Bali and Nusa Tenggara	Bali, West Nusa Tenggara and East Nusa Tenggara	1.029
4.	West Kalimantan, Kalimantan	Central Kalimantan, South Kalimantan, East Kalimantan, and North Kalimantan	357
5.	Sulawesi	South Sulawesi, Southeast Sulawesi, Central Sulawesi, West Sulawesi, Gorontalo, and North Sulawesi	357
6.	Kepulauan Maluku and Papua	Maluku, North Maluku, West Papua and Papua	342

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