

# TECHNICAL DIRECTIVE FOR TAX AMNESTY

## (Circular of the Director General of Taxation Number SE-30/PJ/2016 dated July 15, 2016)

THE DIRECTOR GENERAL OF TAXATION,

### A. General

In connection with the issuance of Regulation of the Minister of Finance Number 118/PMK.03/2016 regarding the Implementing Regulation of Law Number 11 Year 2016 regarding Tax Amnesty, it is necessary to prepare technical directive for tax amnesty.

### B. Goal and Objective

#### 1. Goal

The Circular of the Director General of Taxation is intended to become a reference of technical procedures for tax amnesty.

#### 2. Objective

The Circular of the Director General of Taxation aims at ensuring administrative order in the implementation of tax amnesty.

### C. Scope

The scope of the circular of the Director General of Taxation covers:

1. Preparation for the implementation of tax amnesty
2. Technical procedures for tax amnesty in Tax Service Office and Regional Office of DJP

3. Technical procedures for tax amnesty in specified places
4. Technical procedures for other activities related to tax amnesty
5. Monitoring and evaluation of tax amnesty

### D. Basis

1. Law Number 6 Year 1983 on Taxation General Provisions and Procedures (Statute Book of the Republic of Indonesia Year 1983 Number 49, Supplement to Statute Book of the Republic of Indonesia Number 3262) as already amended several times and the latest by Law Number 16 Year 2009 (Statute Book of the Republic of Indonesia Year 2009 Number 62, Supplement to Statute Book of the Republic of Indonesia Number 4999);
2. Law Number 7 Year 1983 on Income Tax (Statute Book of the Republic of Indonesia Year 1983 Number 50, Supplement to Statute Book of the Republic of Indonesia Number 3263) as already amended several times and the latest by Law Number 36 Year 2008 (Statute Book of the Republic of Indonesia Year 2008 Number 133, Supplement to Statute Book of the Republic of Indonesia Number 4893);

3. Law Number 11 Year 2016 on Tax Amnesty (Statute Book of the Republic of Indonesia Year 2016 Number 131, Supplement to Statute Book of the Republic of Indonesia Number 5899);
4. Regulation of the Minister of Finance Number 118/PMK.03/2016 on the Implementing Regulation of Law Number 11 Year 2016 regarding Tax Amnesty.

## E. Substance

### I. Preparation for the Implementation of Tax Amnesty

1. The Establishment of Team Receiving and Following Up Letter of Statement of Assets for Tax Amnesty
  - a. The receipt and follow up to the submission of letter of statement of assets for tax amnesty are executed by team receiving and following up letter of statement of assets for tax amnesty in each Tax Service Office, and team receiving and following up letter of statement of assets for tax amnesty in Regional Office of DJP.
  - b. The establishment of the team is stipulated by Head of Regional Office of DJP by using the directive as meant in Attachment 1 to this circular.
2. Registration and Issuance of Taxpayer Code Number
  - a. Individual persons or bodies planning to submit letter of statement of assets for tax amnesty (hereinafter called letter of statement) are obliged to have taxpayer code number (NPWP).
  - b. In the event that individual persons or bodies planning to submit letter of statement have not had NPWP, the individual persons or bodies are obliged to register themselves at Tax Service Office (KPP) overseeing the domicile or residence of the individual persons or bodies.
  - c. In the case of the status of the taxpayer being abolished (DE), the taxpayer is obliged to reactivate NPWP.
  - d. In the case of the status of taxpayer being non-effective (NE), Tax Service Office is obliged to reactivate NPWP.
  - e. Service Section in Tax Service Office follows up the registration as meant in letter b or reactivates NPWP as meant in letter c and letter d by using procedure ruling procedure for the registration and issuance of taxpayer code number.
  - f. In the case of individual persons or bodies registering NPWP to specified places in the country, tax officer may issue NPWP to taxpayer not yet having NPWP or reactivates NPWP of taxpayer with the status DE or NE.
3. The updating of list of taxpayers currently undergoing examination of preliminary evidence or

## investigation

- a. Executive Unit Examining Preliminary Evidence/Investigation prepares and submits list of taxpayers currently undergoing examination of preliminary evidence or investigation:

1) In the case of the examination of preliminary evidence and investigation being executed by unit executing the examination of preliminary evidence/investigation in Regional Office of DJP, Regional Office of DJP is obliged to prepare and submit list of taxpayers currently undergoing the examination of preliminary evidence or investigation or the dossiers of investigation being already declared complete when:

- a) Letter of Notification of the Examination of Preliminary Evidence is submitted to taxpayer;
- b) Investigation Order is issued; or
- c) Letter of Notification of Result of Investigation into Crime Case declared complete is issued by prosecutor office.

Through electronic mail (email)/facsimile/other media to the Directorate of Law Enforcement

2) In the case of the examination of preliminary evidence and investigation being executed by unit executing the examination of preliminary evidence/investigation in the Directorate of Law Enforcement, the Directorate of Law Enforcement prepares list of taxpayers currently undergoing the examination of preliminary evidence or investigation or having dossiers of investigation already declared complete.

3) The list of taxpayers as meant in point 1) and 2) is prepared by using the format as contained in Attachment 20 to this circular.

- b. The Directorate of Law Enforcement is obliged to record and update the list of taxpayers currently undergoing the examination of preliminary evidence or investigation or having dossiers of investigation already declared complete, which is prepared by the Directorate of Law Enforcement or submitted by Regional Office of DJP in application.

## 4. The Updating of Status of Collection Action and the Updating of Arrears Data

- a. The Updating of Status of Collection Action

1) The Directorate of Audit and Collection is obliged to submit list of taxpayers/tax bearers currently undergoing the collection action to the Directorate of Communications and Information Technology Transformation (TTKI) when:

- a) Decision of the Minister of Finance on the prevention from traveling abroad or decision

of the Minister of Finance on the revocation of the prevention from traveling abroad is issued; or

b) Order to take hostage or order to discontinue hostage taking is issued.

2) The list of taxpayers/tax bearers as meant in letter a is prepared by using the format as contained in Attachment 21 to this circular.

3) The Directorate of TTKI is obliged to record or update the list of taxpayers/tax bearers currently undergoing the collection action,

b. The Updating of Arrears Data

The Collection Section in KPP is obliged to update data about tax arrears in the Information System of the Directorate General of Taxation in accordance with the effective procedures.

## II. Technical Procedures for Tax Amnesty in Tax Service Office and Regional Office of DJP

The implementation of tax amnesty in Tax Service Office and Regional Office of DJP covers the following procedures:

1. Procedures for Receiving Letter of Statement of Assets for Tax Amnesty as meant in Attachment 2 to this circular.
2. Procedures for the Examination of Letter of Statement of Assets for Tax Amnesty as meant in Attachment 3 to this circular.
3. Procedures for the Follow Up to Letter of Statement of Assets for Tax Amnesty in Regional Office of DJP as meant in Attachment 4 to this circular.
4. Procedures for the Saving and Sending of Documents of Letter of Statement of Assets for Tax Amnesty in Tax Service Office as meant in Attachment 5 to this circular.
5. Procedures for the Rectification of Certificate of Tax Amnesty as meant in Attachment 6 To this circular.

## III. Technical Procedures for Tax Amnesty in Specified Place

The implementation of tax amnesty in specified places is done by the procedures as meant in Attachment 7 to this circular.

## IV. Technical Procedures for Other Activities related to Tax Amnesty

The implementation of other activities related to tax amnesty covers the following procedures:

1. Procedures for the Postponement and Discontinuation of Examination in connection with tax amnesty as meant in Attachment 8 to this circular.

2. Procedures for the Postponement and Discontinuation of the Examination of Preliminary Evidence in connection with tax amnesty as meant in Attachment 9 to this circular.
3. Procedures for the postponement and discontinuation of investigation in connection with tax amnesty as meant in Attachment 10 to this circular.
4. Procedures for the Settlement of Revocation of Application and/or Submission of Overpaid Tax and/or Legal Action by taxpayer as meant in Attachment 11 to this circular.
5. Procedures for the settlement of revocation of application for judicial review of tax court decision by the Directorate General of Taxation as meant in Attachment 12 to this circular.
6. Procedures for the settlement of request for information about unpaid or underpaid or non-refundable tax for taxpayer currently undergoing the examination of preliminary evidence or investigation as meant in Attachment 13 to this circular.
7. Procedures for the abolition of administrative sanction in ex-officio in connection with tax amnesty as meant in Attachment 14 to this circular.
8. Procedures for the nullification of tax collection form, tax assessment, decision on preliminary restitution of overpaid tax, decision on rectification, decision on the reduction of tax assessment, decision on the nullification of tax assessment, decision on objection already issued after letter of statement is received by KPP as meant in Attachment 15 to this circular.
9. Procedures for the Follow Up to the Settlement of Court Decision received after letter of statement of assets for tax amnesty is submitted by taxpayer as meant in Attachment 16 to this circular.
10. Procedures for the Book Transfer in connection with tax amnesty as meant in Attachment 17 to this circular.
11. Procedures for the Settlement of Application for Certificate of Exemption (SKB) from PPh on Income from the Transfer of Right to Immovable Assets in the form of land and/or building and assets in the form of share in connection with tax amnesty as meant in Attachment 18 to this circular.

#### V. Monitoring and Evaluation of Tax Amnesty

1. Leader of DJP monitors the receipt and follow up to the submission of letter of statement through dashboard application.
2. Head of Regional Office of DJP and Head of KPP conducts internal monitoring and control for the receipt and follow up to the submission of letter of statement of assets in Kanwil DJP and KPP within the working area by using monitoring application.
3. In connection with the postponement and discontinuation of audit, examination of preliminary evidence

and investigation:

- a. Head of Audit Section in KPP;
- b. Head of Administrative Section of Preliminary Evidence and Investigation in the field of audit, collection and intelligence and investigation in Kanwil DJP;
- c. Head of Section administering audit in the Directorate of Audit and Collection,
- d. Head of Section in Sub-Directorate of the Examination of Preliminary Evidence, Directorate of Law Enforcement;
- e. Head of Section in Sub-Directorate of Investigation, Directorate of Law Enforcement

are obliged to monitor information about taxpayers submitting letter of statement and certificate of tax amnesty already issued in monitoring application every day.

4. In connection with the settlement of the revocation of application for judicial review of tax court decision by the Directorate General of Taxation, Head of the Judicial Review Section in the Directorate of Objection and Appeal is obliged to monitor information about taxpayer submitting letter of statement and certificate of tax amnesty already issued in monitoring application every day.
5. In connection with the recommendation about the abolition of administrative sanction to Kanwil DJP, Head of the Collection Section in KPP is obliged to monitor certificate of tax amnesty already issued in monitoring application every day.
6. In connection with the recommendation about the nullification of decision and assessment issued after taxpayer submits letter of statement:
  - a. Head of Supervision and Consultation Section I/II/III/IV in KPP is obliged to monitor taxpayer submitting letter of statement in monitoring application after receiving copy of assessment from Service Section.
  - b. Head of Section in the Objection, Appeal and Reduction Division, Kanwil DJP is obliged to monitor taxpayer submitting letter of statement in monitoring application.
7. In connection with follow up to court decision already received after letter of statement is submitted by taxpayer:
  - a. Head of Supervision and Consultation Section I in KPP;
  - b. Head of Section in the Objection, Appeal and Reduction Division, Kanwil DJP; and
  - c. Head of Section in the Directorate of Objection and Appeal

assigned to follow up court decision in the form of appeal, lawsuit and judicial review are obliged to monitor taxpayer submitting letter of statement upon processing the follow up to the court decision.

## VI. Miscellany

1. The whole teams receiving and following up letter of statement for tax amnesty and official having access to monitor tax amnesty of taxpayers are obliged to keep the secrecy of data and information about taxpayer submitting letter of statement.
2. The whole teams receiving and following up letter of statement of assets for tax amnesty in KPP and Kanwil DJP may not bring communications device (i.e.: handphone equipped by camera), recorder, camera or other media and are prohibited from recording or taking picture/photo of documents by whatever electronic media or uploading photo of document in whatever social media other than application system of the Directorate General of Taxation in executing task related to the receipt and follow up to letter of statement of assets for tax amnesty.
3. The whole teams receiving and following up letter of statement of assets for tax amnesty in KPP and Kanwil DJP, mainly Chairman of Sub-Team and Members of Team meeting taxpayer directly wear specific uniform in executing task related to the receipt and follow up to letter of statement of assets for tax amnesty.
4. Heads of KPP are urged to provide special room or special storage room in the framework of the examination and storage of letter of statement in accordance with the condition of the respective tax service offices.
5. In the case of emergency condition or technical failure, Tax Service Office remains able to provide service for the receipt of letter of statement. Procedures for receiving letter of statement of assets for tax amnesty in the state of emergency or technical failure is as meant in Attachment 19 to this circular.
6. Head of KPP provides the understanding of tax amnesty policy for all employees within the said KPP.
7. Head of KPP is responsible for the storage of documents of letter of statement of assets before they are sent to KPDDP Makassar.

## VII. Conclusion

The circular starts to apply as from the date of stipulation

This is for information and proper implementation.

Stipulated in Jakarta

On July 15, 2016

THE DIRECTOR GENERAL

sgd

KEN DWIJUGIASTEADI

NIP 195711081984081001

(R)