

PROCEDURE FOR RECEIVING AND SUPERVISING REPORT ON GATEWAY AT THE DIRECTORATE GENERAL OF TAXES IN THE CONTEXT OF TAX AMNESTY

(Circular Letter of the Director General of Taxes
Number SE-44/PJ/2016, dated September 27, 2016)

WITH THE BLESSING OF THE ONE AND ONLY GOD

DIRECTOR GENERAL OF TAXES

A. GENERAL

With respect to obligation of Gateway to submit report relating to activity on Assignment of Obligatory Taxpayer's Asset into the territory of the Unitary State of the Republic of Indonesia and Placement in investment instrument on Financial Market or other than Financial Market in the context of Tax Amnesty, it is necessary to prepare Circular Letter of the Director General of Taxes as guideline for receiving, supervising and taking follow-up action on reports that must be submitted by Gateway to the Directorate General of Taxes.

B. Purposes and Objectives

1. Purposes

This Circular Letter of the Director General is meant to constitute as guideline for receiving, supervising and taking follow-up action on reports that must be submitted by Gateway to the Directorate General of Taxes.

2. Objectives

This Circular Letter of the Director General is meant to give clarification on the duty to the units at the Directorate General of Taxes receiving, supervising, and taking follow-up action Gateway Report.

C. Scope

Scope of this Circular Letter of the Director General of Taxes governs the procedure for receiving report submitted by Gateway to the Directorate General of Taxes and supervision on obligatory submission of

such report.

D. Basis

1. Law Number 11 Year 2016, concerning Tax Amnesty.
2. Regulation of the Minister of Finance Number 119/PMK.08/2016 s.t.d.d. Regulation of Minister of Finance Number 123/PMK.08/2016, concerning procedure for Assignment of Obligatory Taxpayer's Assets into the territory of the Unitary State of the Republic of Indonesia and Placement in Investment Instrument on Financial Market in the context of Tax Amnesty.
3. Regulation of Minister of Finance Number 122/PMK.08/2016, concerning procedure for Assignment of Obligatory Taxpayer's Assets into the territory of Unitary State of the Republic of Indonesia and Placement of Investment other than Financial Market in the context of Tax Amnesty.
4. Regulation of Director General of Taxes Number PER-12/PJ/2016, concerning procedure for administering Gateway Report in the context of Tax Amnesty.

E. Material

1. Interpretation

What is meant in this Circular Letter of the Director General by:

- a. Management of Obligatory Taxpayer's Assets taking role as entrance for assignment and/or management of Obligatory Taxpayer's fund hereinafter referred to as Gateway shall be Bank, Investment Manager, and Stock Trading Agent Appointed by the Minister to receive assignment of Obligatory Taxpayer's Assets and/or to manage and place Obligatory Taxpayer's fund in Investment Instrument in the context of Tax Amnesty.
- b. Gateway Report shall be report as referred to in Article 10 of Regulation of Minister of Finance Number 119/PMK.08/2016 as amended by Regulation of Minister of Finance Number 123/PMK.08/2016 and Article 13 of Regulation of Minister of Finance Number 122/PMK.08/2016 that must be submitted by Gateway to the Directorate General of Taxes.

2. Receipt of Gateway Report at the Directorate General of Taxes:
- a. Types of report submitted by Gateway to the Directorate General of Taxes as referred to in Regulation of Minister of Finance Number 119/PMK.08/2016 s.t.d.d 123/PMK.08/2016 shall be:
- 1) Report on opening Special Account and Transfer of Fund. This Report must be submitted within five (5) working days at the latest in the following month;
 - 2) Report on opening Special Account prepared by Gateway and Transfer of Investment Instrument. This Report must be submitted within five (5) working days at the latest in the following month;
 - 3) Report on Investment Position. This Report must be submitted every month within five (5) working days in the following month; and/or
 - 4) Report on Transfer of Investment. This Report must be submitted within five (5) working days at the latest as soon as the Assets are transferred to a new Gateway.
- b. Types of reports submitted by Gateway to the Directorate General of Taxes as referred to in Regulation of Minister of Finance Number 122/PMK.08/2016 shall be:
- 1) Report on Accounting and Assignment of Fund to Special Account. This Report must be submitted within five (5) working days at the latest in the following month.;
 - 2) Monthly Report on Investment Position. This Report must be submitted every month within five (5) working days at the latest in the following month; and/or
 - 3) Report on Assignment of Obligatory Taxpayer's Assets inter-Banks. This Report must be submitted within five (5) working days at the latest as of the date the fund is transferred to Perception Bank receiving the fund as assigned by Gateway.
- c. Gateway Report referred to in letter a and b will be received by the Directorate General of Taxes

c.q. Office for Processing External Data.

d. Office for Processing External Data receiving, administering, and recording Gateway Report by data loader application into the information database system at the Directorate General of Taxes.

3. Supervision on Submission of Gateway Report

a. Office for External Data Processing shall conduct identification on Gateway Report submitted but not yet submitting the Report referred to in letter E figure 2 letter a and b.

b. Based on the result of identification, the Office for External Data Processing shall submit report to the Director of Regulation on Taxes II on Gateway that:

- 1) has submitted report;
- 2) has not / not submitted report; and
- 3) submitted report but not in line with the provision.

c. The Report referred to in letter b must be submitted within five (5) working days at the latest in the following month as of receipt of Gateway Report.

d. Based on the Report referred to in letter b, the Director of Regulation on Taxes II may ask for clarification from Gateway pertaining to compliance with the obligatory report.

e. Based on the result of clarification, the Director of Regulation on Taxes II through the Director General may submit proposal to the Minister of Finance to charge penalty on Gateway that:

1) fails to submit Report and/or submit Report but not in line with provision and when asked for clarification just ignore it; and/or

2) based on the result of clarification, it is found out that Gateway fails to comply with its obligation as referred to in Article 9 of Regulation of Minister of Finance Number 119/PMK.08/2016 s.t.d.d. Regulation of Minister of Finance Number 123/PMK.08/2016 and Article 12 of Regulation of Minister of Finance Number 122/PMK.08/2016.

4. The Directorate of Information Technology on Taxes and Directorate of Transformation of Communication Technology and Information have the right to determine technical policy pertaining to information technology to support receipt and supervision of Gateway Report.

F. Others

1. Procedure for receiving Gateway Report shall be as set forth in Attachment-I shall be as set forth in Attachment-I constituting inseparable part of this Circular Letter of the Director General.
2. Procedure for requesting clarification and/or submitting proposal on imposition of penalty on Gateway shall be as set forth in Attachment-II constituting inseparable part of this Circular Letter of the Director General.
3. Format of request letter for clarification shall be as set forth in Attachment-III constituting inseparable part of this Circular Letter of the Director General.
4. Format of proposal letter on imposition of penalty shall be as set forth in Attachment -IV constituting inseparable part of this Circular Letter of the Director General.

G. Closing

This Circular Letter of the Director General of Taxes takes effect on the date it is stipulated.

Stipulated in Jakarta

Dated September 27, 2016

DIRECTOR GENERAL,

sgd.

KEN DWIJUGIASTEADI

NIP 195711081984081001

Note from Editor:

- Due to technical reason, no Attachment is provided herein.

(MA)