

GUIDE TO RECEIVING DECLARATION LETTER IN CASE OF DISRUPTION TO NETWORKS AND/OR EXTRAORDINARY HAPPENING AT THE END OF PERIOD OF SUBMITTING DECLARATION LETTER

(Circular of the Director General of Taxation No. SE-45/PJ/2016 dated September 28, 2016)

THE DIRECTOR GENERAL OF TAXATION

A. General

In line with Article 14A paragraph (2) letter b of Regulation of the Finance Minister No. 118/PMK.03/2016 concerning the Implementation of Law No. 11/2016 concerning Tax Amnesty as already amended by Regulation of the Finance Minister No. 141/PMK.03/2016 and Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter, it is necessary to formulate a Guide to Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter at Tax Service Offices (KPP) and in Certain Places.

B. Purpose and Objective

1. Purpose

The purpose of issuing this Circular of the Director General is to give a reference in the process of receiving declaration letter in case of :

- a. disruption to networks, and/or
- b. extraordinary happening at the end of period of submitting declaration letter, at KPP and in certain places.

2. Objective

The objective of issuing this Circular of the Director General is to clarify and standardize the procedure of receiving declaration letter in case of disruption to networks and/or extraordinary happening at the

end of period of submitting declaration letter at Tax Service Offices (KPP) and in certain places.

C. Scope

The scope of this Circular of the Director General covers:

1. procedure of receiving declaration letter in case of disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter at Tax Service Offices (KPP);
2. procedure of receiving declaration letter in case of disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter in certain places;
3. follow up to the receipt of declaration letter in case of disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter; and
4. procedure of numbering provisional receipts of declaration letter.

D. Basis

1. Law No. 11/2016 concerning Tax Amnesty (Statute Book of the Republic of Indonesia of 2016 No. 131, Supplement to Statute Book of the Republic of Indonesia No. 5899).
2. Regulation of the Finance Minister No. 118/PMK.03/2016 concerning the Implementation of Law No. 11/2016 concerning Tax Amnesty as already amended by Regulation of the Finance Minister No. 141/PMK.03/2016 (State Gazette of the Republic of Indonesia of 2016 No. 1438).
3. Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter.

E. Materials

1. The procedure of receiving declaration letter in case of disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter at Tax Service Offices (KPP), covers :
 - a. the receipt of declaration letter in case of disruption to networks and/or extraordinary happening is done by issuing a provisional receipt of declaration letter manually to taxpayer.
 - b. receiving officer receives declaration letter submitted by taxpayer and check the following matters:
 - 1) declaration letter is submitted using a format as referred to in Regulation of the Director General of Taxation No. PER-07/PJ/2016 concerning Documents and Technical Guide to Filling

Documents within the Framework of Implementing Tax Amnesty Program as already amended by Regulation of the Director General of Taxation No. PER-10/PJ/2016;

- 2) declaration letter is signed by :
 - a) personal taxpayer and cannot be signed by proxy;
 - b) the highest leader based on deeds of incorporation or other similar document, for corporate taxpayer; or
 - c) proxy, if the highest leader as referred to in letter b) cannot sign declaration letter for unavoidable thing;
- 3) declaration letter is submitted directly by taxpayer or proxy of taxpayer to KPP where the taxpayer is registered;
- 4) declaration letter will be accompanied by a power of attorney if :
 - a) the declaration letter is signed by proxy as referred to in point 2) letter c); and/or
 - b) taxpayer cannot directly submit the declaration letter as referred to in point 3).
- 5) declaration letter is accompanied by :
 - a) redemption fee payment slip in the form of tax payment form or state receipt slip;
 - b) tax arrears settlement slip, if taxpayer encloses the tax arrears settlement slip;
 - c) unpaid or underpaid or unreturned tax settlement slip in the form of tax payment form or state receipt slip, accompanied by written information from the head of unit in charge of checking preliminary evidence or the chief of unit in charge of conducting investigation if the taxpayer encloses the tax settlement slip;
 - d) a detailed list of extra wealth containing at least information on the ownership of wealth in the form of:
 - (1) code of wealth (column 2);
 - (2) name of wealth (column 3);
 - (3) acquisition year (column 4); and
 - (4) nominal value/fair value of wealth (column 5.S); and
 - e) a list of extra debts, containing at least information on debts in the form of :
 - (1) code of debt (column 15);
 - (2) type of debt (column 16);

(3) borrowing year (column 17); and

(4) value that can be treated as a subtractor (column 5.C).

- c. Receiving officer does not need to conduct the research as referred to in letter b through the tax amnesty application, including viewer of detailed list of wealth and debts.
- d. Receiving officer makes a provisional receipt of declaration letter manually.
- e. Receiving officer sends the provisional receipt of declaration letter to taxpayer.
- f. Receiving officer makes an official report of the receipt of declaration letter containing a recapitulation of list of taxpayers to whom provisional receipt of declaration letter is issued no later than the following working day.
- g. The official report of the receipt of declaration letter follows the format in Attachment III Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration.
- h. Receiving officer and chief of the sub-team of receivers sign official report of the receipt of declaration letter.
- i. Operator console at KPP records official report of the receipt of declaration letter into the tax amnesty application.
- j. Receiving officer keeps the dossier of official report of the receipt of declaration letter in a special room or special storing place.
- k. No later than 5 (five) working days after provisional receipt of declaration letter, the sub-team of researchers conducts research and makes a request for complete documents through the following procedure:
 - 1) ensuring that taxpayer is not in the middle of :
 - a) being investigated and his/her investigation dossiers have been declared complete by the public prosecutor's office;
 - b) undergoing court process; or
 - c) serving jail term, for a criminal offense in the taxation sector as referred to in Article 3 paragraph (3) of Law No. 11/2016 concerning Tax Amnesty.
 - 2) ensuring the truth of:
 - a) redemption fee payment slip;

- b) the settlement of taxpayer's tax arrears in the tax amnesty application;
 - c) unpaid or underpaid or returned tax settlement slip; and
 - d) the original of the evidence of sending letter for SPT PPh of 2015 by mail, or receipt of SPT for SPT PPh of 2015 by drop box, if information or data related to the filing of SPT PPh of 2015 has not been found in the tax amnesty application.
- 3) If the result of the research as referred to in points 1) and 2) shows that taxpayer :
- a) belongs to the criteria as referred to in Article 3 paragraph (3) of Law No. 11/2016 concerning Tax Amnesty,
 - b) cannot show unpaid or underpaid or unreturned tax settlement slip in the form of tax payment form or state receipt slip, accompanied by written information from the chief of preliminary evidence audit unit or the chief of investigation unit, and/or
 - c) cannot show tax arrears settlement slip, for taxpayer having tax arrears, the following provisions shall be applied:
 - a) no receipt of declaration letter is issued;
 - b) declaration letter and its attachments are returned;
 - c) declaration letter is considered to have not been submitted; and
 - d) provisional receipt of declaration letter is not valid.
- 4) If taxpayer does not belong to the criteria of taxpayer as referred to in point 3) but declaration letter does not accord with its attachments, the sub-team of researchers shall make a request for complete attachments to declaration letter by :
- a) contacting taxpayer by phone;
 - b) filing a request for complete attachments to declaration letter by mail; and/or
 - c) sending email containing a request for complete attachments to declaration letter to taxpayer.
- 5) If based on the result of research as referred to in points 1) and 2), declaration letter already accords with its attachments, the sub-team of researchers shall issue a receipt of declaration letter with the same date as the date of issuing provisional receipt of declaration letter and sends it to the taxpayer.
- 6) If taxpayer does not meet a request for complete declaration letter and its attachments, the following provisions shall be applied.

- a) no receipt of declaration letter is issued;
- b) declaration letter is returned along with attachments;
- c) declaration letter is considered to have not been submitted; and
- d) provisional receipt of declaration letter is not valid.

Sub-team of researchers returns declaration letter along with attachments to taxpayer.

2. The procedure of receiving declaration letter in case if disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter in certain places, covers:
 - a. the receipt of declaration letter in case of disruption to networks and/or extraordinary happening is done by issuing a provisional receipt of declaration letter manually to taxpayer.
 - b. sub-team of receivers and researchers receives declaration letter submitted by taxpayer and checks the following matters:
 - 1) declaration letter is submitted using a format as referred to in Regulation of the Director General of Taxation No. PER-07/PJ/2016 concerning Documents and Technical Guide to Filling Documents within the Framework of Implementing Tax Amnesty Program as already amended by Regulation of the Director General of Taxation No. PER-10/PJ/2016;
 - 2) declaration letter is signed by :
 - a) personal taxpayer and cannot be signed by proxy;
 - b) the highest leader based on deeds of incorporation or other similar document, for corporate taxpayer; or
 - c) proxy, if the highest leader as referred to in letter b) cannot sign declaration letter for unavoidable thing;
 - 3) declaration letter is submitted directly by taxpayer or proxy of taxpayer;
 - 4) declaration letter will be accompanied by a power of attorney if :
 - a) the declaration letter is signed by proxy as referred to in point 2) letter c); and/or
 - b) taxpayer cannot directly submit the declaration letter as referred to in point 3).
 - 5) declaration letter is accompanied by :
 - a) redemption fee payment slip in the form of tax payment form or state receipt slip;
 - b) tax arrears settlement slip, if taxpayer encloses the tax arrears settlement slip;

- c) unpaid or underpaid or unreturned tax settlement slip in the form of tax payment form or state receipt slip, accompanied by written information from the head of unit in charge of checking preliminary evidence or the chief of unit in charge of conducting investigation if the taxpayer encloses the tax settlement slip;
- d) a detailed list of extra wealth containing at least information on the ownership of wealth in the form of:
 - (1) code of wealth (column 2);
 - (2) name of wealth (column 3);
 - (3) acquisition year (column 4); and
 - (4) nominal value/fair value of wealth (column 5.S); and
- e) a list of extra debts, containing at least information on debts in the form of :
 - (1) code of debt (column 15);
 - (2) type of debt (column 16);
 - (3) borrowing year (column 17); and
 - (4) value that can be treated as a subtractor (column 5.C).
- c. Sub-team of receivers and researchers makes a provisional receipt of declaration letter manually.
- d. Sub-team of receivers and researchers sends the provisional receipt of declaration letter to taxpayer.
- e.. Sub-team of receivers and researchers makes an official report of the receipt of declaration letter containing a recapitulation of list of taxpayers to whom provisional receipt of declaration letter is issued no later than the following working day.
- f. The official report of the receipt of declaration letter follows the format in Attachment III Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter.
- g. Sub-team of receivers and researchers and chief of the sub-team of receivers and researchers sign official report of the receipt of declaration letter.
- h. Sub-team of receivers and researchers sends official report of the receipt of declaration letter to

- 1) Operator console at the Regional Office of the Directorate General of Taxation, for certain places at . at the Regional Office of the Directorate General of Taxation
 - 2) The Directorate of Taxation Information Technology through e-mail, for certain places other than those at the Regional Office of the Directorate General of Taxation.
- j. Operator console at the Regional Office of the Directorate General of Taxation and the Directorate of Taxation Information Technology receive and record official report of the receipt of declaration letter into the tax amnesty application.
- j. Sub-team of receivers and researchers keeps the dossier of official report of the receipt of declaration letter in a special room or special storing place.
- k. No later than 5 (five) working days after provisional receipt of declaration letter, the sub-team of receivers and researchers conducts research and makes a request for complete documents through the following procedure:
- 1) ensuring that taxpayer is not in the middle of :
 - a) being investigated and his/her investigation dossiers have been declared complete by the public prosecutor's office;
 - b) undergoing court process; or
 - c) serving jail term, for a criminal offense in the taxation sector as referred to in Article 3 paragraph (3) of Law No. 11/2016 concerning Tax Amnesty.
 - 2) ensuring the truth of:
 - a) redemption fee payment slip;
 - b) the settlement of taxpayer's tax arrears in the tax amnesty application;
 - c) unpaid or underpaid or returned tax settlement slip; and
 - d) the original of the evidence of sending letter for SPT PPh of 2015 by mail, or receipt of SPT for SPT PPh of 2015 by drop box, if information or data related to the filing of SPT PPh of 2015 has not been found in the tax amnesty application.
 - 3) If the result of the research as referred to in points 1) and 2) shows that taxpayer :
 - a) belongs to the criteria as referred to in Article 3 paragraph (3) of Law No. 11/2016 concerning Tax Amnesty,
 - b) cannot show unpaid or underpaid or unreturned tax settlement slip in the form of tax pay-

ment form or state receipt slip, accompanied by written information from the chief of preliminary evidence audit unit or the chief of investigation unit, and/or

c) cannot show tax arrears settlement slip, for taxpayer having tax arrears, the following provisions shall be applied:

- a) no receipt of declaration letter is issued;
- b) declaration letter and its attachments are returned;
- c) declaration letter is considered to have not been submitted; and
- d) provisional receipt of declaration letter is not valid.

4) If taxpayer does not belong to the criteria of taxpayer as referred to in point 3) but declaration letter does not accord with its attachments, the sub-team of receivers and researchers shall make a request for complete attachments to declaration letter by :

- a) contacting taxpayer by phone;
- b) filing a request for complete attachments to declaration letter by mail; and/or
- c) sending email containing a request for complete attachments to declaration letter to taxpayer.

5) If based on the result of research as referred to in points 1) and 2), declaration letter already accords with its attachments, the sub-team of receivers and researchers shall issue a receipt of declaration letter with the same date as the date of issuing provisional receipt of declaration letter and sends it to the taxpayer.

6) If taxpayer does not meet a request for complete declaration letter and its attachments, the following provisions shall be applied.

- a) no receipt of declaration letter is issued;
- b) declaration letter is returned along with attachments;
- c) declaration letter is considered to have not been submitted; and
- d) provisional receipt of declaration letter is not valid.

Sub-team of receivers and researchers returns declaration letter along with attachments to taxpayer.

3. A follow up to the receipt of declaration letter in case if disruption to networks and/or extraordinary happening at the end of period of submitting declaration letter, covers:

- a. After the receipt of declaration letter has been issued, the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place makes a sheet of research on declaration letters received.
- b. The head of the Regional Office of the Directorate General of Taxation where taxpayer is registered issues declaration letter no later than 10 (ten) working days after a provisional receipt of declaration letter has been issued based on the research sheet formulated by the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place.
- c. After declaration letter has been issued, the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place checks whether the declaration letter and its attachments are complete and accord with the procedure of checking wealth declaration for tax amnesty as referred to in Attachments 2 and 3 to Circular of the Director General of Taxation No. SE-30/PJ/2016 concerning Guide to Implementing Tax Amnesty or Attachment 1 to Circular of the Director General of Taxation No. SE-34/PJ/2016 concerning Guide to Receiving and Following up on Wealth Declaration for Tax Amnesty in Certain Places.
- d. If the checklist of requirements and completeness of declaration letter and checklist of truth and compatibility of declaration letter show that the declaration letter and its attachments are not complete and do not meet requirements, , the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place makes a request for complete documents and/or clarification as referred to the format in Attachment IV to Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter.
- e. The head of sub-team of researchers at KPP or the head of sub-team of receivers and researchers in certain place signs the request for complete documents and/or clarification to taxpayer.
- f. If taxpayer can meet the entire request for complete documents and/or clarification filed by the head of sub-team of researchers at KPP or the head of sub-team of receivers and researchers in certain place, an official report of the fulfillment of complete documents shall be made using the format as contained in Attachment V to Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter

g. If taxpayer does not meet partly or wholly the request for complete documents and/or clarification leading to:

- 1) overpaid or underpaid redemption fee but the completeness and compatibility of declaration letter and its attachments are met, the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place shall make a correction of declaration letter already issued.
- 2) the unfulfillment of completeness and compatibility of declaration letter and its attachments, the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place shall make declaration of cancellation for the sake of law.

h. If considered necessary, the Head of the Regional Office of the Directorate General of Taxation or the authorized official can appoint other employees at their respective working unit to assist the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place in settling a follow up to the receipt of declaration letter.

i. The other employees appointed as referred to in letter h, shall be responsible to the sub-team of researchers at KPP or the sub-team of receivers and researchers in certain place where the employees are assigned.

j. The overpaid redemption fee is followed up on based on the law and regulation in force.

k. The underpaid redemption, fee as referred to in letter g point 1) is followed up on through :

- 1) the procedure of correcting declaration letter for tax amnesty as referred to in Attachment 6 to Circular of the Director General of Taxation No. SE-30/PJ/2016 concerning Guide to Implementing Tax Amnesty; or
- 2) the procedure of correcting declaration letter for tax amnesty in certain place as referred to in Attachment 3 to Circular of the Director General of Taxation No. SE-34/PJ/2016 concerning Guide to Receiving and Following up on Wealth Declaration for Tax Amnesty in Certain Place.

4. The procedure of numbering provisional receipt of declaration letter covers:

- a. The manual numbering of provisional receipt of declaration letter follows the provisions applicable to the issuance of receipt of declaration letter by adding code "M" after code of KPP/code of certain place on the number space in the receipt of declaration letter.

For instance:

- 1) 123 - M-0000001
(provisional receipt of declaration letter with sequence number 1 at Medium KPP in Medan)
 - 2) L04 - M - 0000001
(provisional receipt of declaration letter with sequence number 1 at the Embassy in London)
 - 3) 001 - M - 0000001
(provisional receipt of declaration letter with sequence number 1 at the Head Office of Bank Mandiri)
- b. The numbering of provisional receipt of declaration letter is done with separate numbering system without continuing the previous sequence number done through the tax amnesty application.
 - c. Manual numbering and its registration in the register book is done by :
 - 1) receiving officer by being known by receiving officer and led by the chief of the sub-team of receivers for KPP; or
 - 2) sub-team of receivers and researchers by being known by the chief of the sub-team of receivers and researchers for certain place.
 - d. For instance, provisional receipt of declaration letter uses the format as contained in Attachment II to Regulation of the Director General of Taxation No. PER-14/PJ/2016 concerning Procedure of Receiving Declaration Letter in Case of Disruption to Networks and/or Extraordinary Happening at the End of Period of Submitting Declaration Letter.

F. Conclusion

1. With the coming into force of this Circular of the Director General of Taxation, the Procedure of Receiving Wealth Declaration for Tax Amnesty in a State of Emergency or Technical Disruption as referred to in Attachment 19 to Circular of the Director General of Taxation No. SE-30/PJ/2016 concerning Guide to Implementing Tax Amnesty is revoked and declared null and void.
2. With the coming into force of this Circular of the Director General of Taxation, the Procedure of Receiving Wealth Declaration for Tax Amnesty in a State of Emergency or Technical Disruption as referred to in Attachment 4 to Circular of the Director General of Taxation No. SE-34/PJ/2016 concerning Guide to Receiving and Following up on Wealth Declaration for Tax Amnesty in Certain Place is revoked and declared null and void.

3. Provisional receipt of declaration letter issued before this Circular of the Director General of Taxation comes into effect shall be followed up on according to guide in this Circular of the Director General.
4. This Circular of the Director General shall begin to take effect as from the date of stipulation.

Kindly be informed of this Circular of the Director General.

Stipulated in Jakarta

On September 28, 2016

THE DIRECTOR GENERAL,

sgd.

KEN DWIJUGIASTEADI

NIP 195711081984081001

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