



Indonesia Tax Info October 2024

VAT incentive on sales of certain residential properties for 2024 enhanced

To support the national economic development in the property sector, the Indonesian government has provided a tax incentive whereby the government bears all or part of the 11% VAT payable on sales of certain properties, as opposed to the general treatment in which the VAT is borne by the purchaser (please refer to [Tax Info December 2023](#)). To further accelerate the development program in this sector, on 11 September 2024, the Minister of Finance (MoF) issued Regulation Number 61 (PMK-61) to provide an additional incentive that the government will bear 100% of the VAT on sales of certain properties that occur between 1 September and 31 December 2024 (as opposed to 50% under the previous MoF Regulation Number 120 of 2023 (PMK-120)). PMK-61 came into effect as from 19 September 2024.

The incentive is provided for the sale of eligible properties with a VAT base of up to IDR 2 billion and a selling price of up to IDR 5 billion. Generally, the eligibility criteria for the incentive under PMK-61 are similar to those under PMK-120.

In this issue:

1. [VAT incentive on sales of certain residential properties enhanced](#)

Customs Focus:

2. [Regulations on anti-dumping import duties are issued](#)

For the purchase of eligible property by an eligible individual for which the advance payment or installment payment is made before 19 September 2024, the incentive under PMK-61 would still be available, provided that:

- The initial advance payment or installment payment is made no earlier than 1 September 2024; and
- The date of sale (as evidenced by the minutes of handover) falls between 1 September and 31 December 2024.

The regulation also clarifies that an individual who has benefitted from the government-borne VAT incentive prior to the issuance of PMK-61 may enjoy the incentive under PMK-61 on the purchase of another eligible property. However, if the individual cancels the purchase of eligible property that was obtained before 1 September 2024, the rights to enjoy the incentive under PMK-61 for that property will be forfeited.

Government will bear 100% of VAT on sales of certain properties up to 31 December 2024

Customs Focus

Regulations on anti-dumping import duties are issued

Based on the research carried out by the Indonesian Anti-dumping Committee¹, there have been dumping practices on imports of certain products that cause a huge loss to the related domestic industries. To provide protection against such practice, the MoF has, in recent months, issued several regulations imposing anti-dumping import duties for imports of products deemed threatening the domestic industries.

MoF regulation number	Regulation issuance date	Effective date	Relevant import products	Source countries	Anti-dumping import duty rate
60	27 August 2024	30 September 2024	Biaxially oriented polypropylene (BOPP)	Malaysia and China	5.76% - 29.95%
66	19 September 2024	17 October 2024	Certain non-alloy hot rolled plate products plated or coated by tin	China, South Korea, and Taiwan	4.4% - 7.9%
70	9 October 2024	25 October 2024	Certain ceramic tiles	China	IDR 13,446/sqm – IDR 94,544/sqm

The imposition of anti-dumping import duty is based on the harmonized system code of the products, the source country, and the name of the company exporting the goods. As such, companies importing the relevant products should review these regulations on whether their imported products are subject to this additional import duty and should act accordingly. For domestic companies manufacturing the relevant products, it is expected that the imposition of this additional import duty would increase their competitiveness.

The regulations above are valid for five years since the effective date.

¹ Please refer to MoF Regulations Number 60 of 2024, 66 of 2024, and 70 of 2024

Contact Persons

Questions concerning any of the subjects or issues contained in this newsletter should be directed to your usual contact in our firm, or any of the following individuals:

Tax & Legal Leader
Business Tax and
International Tax
[Cindy Sukiman](#)
csukiman@deloitte.com

Transfer Pricing
[Balim](#)
bbalim@deloitte.com

Business Tax
[Budi Prasongko](#)
bprasongko@deloitte.com

Business Tax
[Dionisius Damijanto](#)
ddamijanto@deloitte.com

Business Tax
[Hermanto Suparman](#)
hsuparman@deloitte.com

Business Tax
[Heru Supriyanto](#)
hsupriyanto@deloitte.com

Business Process Solutions
and Global Employer
Services
[Irene Atmawijaya](#)
iatmawijaya@deloitte.com

Business Tax and M&A
[John Lauwrenz](#)
jlauwrenz@deloitte.com

Business Tax
[Muslimin Damanhuri](#)
mdamanhuri@deloitte.com

Business Tax
[Reggy Widodo](#)
rwidodo@deloitte.com

Transfer Pricing
[Roy David Kiantiong](#)
rkiantiong@deloitte.com

Business Tax and Business
Process Solutions
[Roy Sidharta Tedja](#)
roytedja@deloitte.com

Transfer Pricing
[Sandra Suhenda](#)
ssuhenda@deloitte.com

Transfer Pricing
[Shivaji Das](#)
shivdas@deloitte.com

Global Employer Services
[Sri Juliarti Hariani](#)
shariani@deloitte.com

Business Tax, Indirect Tax, and
Global Trade Advisory (Customs)
[Turmanto](#)
tturmanto@deloitte.com

Deloitte Touche Solutions
The Plaza Office Tower, 32nd Floor
Jl. M.H. Thamrin Kav 28-30
Jakarta 10350, Indonesia
Tel: +62 21 5081 8000
Fax: +62 21 2992 8303
Email: iddttl@deloitte.com
www.deloitte.com/id

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

About Deloitte Indonesia
In Indonesia, services are provided by Deloitte Touche Solutions.

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.