



Indonesia Tax Info January 2025

PMK-81 harmonizes various tax regulations affected by Coretax implementation: Part III

On 14 October 2024, Indonesia's Minister of Finance (MoF) issued Regulation Number 81 of 2024 (PMK-81) to synchronize and revoke various regulations affected by the Directorate General of Taxes' (DGT) introduction of the Core System of Tax Administration portal (Coretax) as from 1 January 2025 (please refer to [Tax info November](#) and [December 2024](#)). This web-based portal is intended to enable taxpayers to fulfill their tax obligations electronically and integrate all the core tax administration processes; from registration, submission of tax returns, settlement of tax due, up to tax audits and collection by the tax authorities.

PMK-81 contains 642 pages with 484 articles and 83 attachments, and revokes (either wholly or partially) 42 existing regulations as from 1 January 2025. This issue of Tax Info is the third in the series providing Deloitte Indonesia's preliminary high-level observations on the content of the regulation and addresses the following selected income tax and VAT topics in certain industries:

In this issue:

1. [PMK-81 harmonizes various tax regulations affected by Coretax implementation: Part III](#)

Customs Focus:

2. [New regulation on customs and excise audit is issued](#)

Topic	Previous MoF regulation being revoked
Procedures for withholding and settlement of income tax arising from a contractor's other income in the form of uplift or other similar remuneration, and/or income from the transfer of oil and/or gas production sharing contract (PSC)	MoF Regulation Number 257/PMK.011/2011
Payment of Article 25 income tax installments by taxpayers required to prepare periodic financial statements and certain individual entrepreneur taxpayers	MoF Regulation Number 215/PMK.03/2018 (PMK-215)
Procedures for settling and reporting state revenue from upstream oil and/or gas business activities and for calculating income tax for the purpose of settling the oil and/or gas income tax in the form of oil and/or gas volume	MoF Regulation Number 79/PMK.02/2012 (as amended by MoF Regulation Number 70/PMK.02/2015) (PMK-79)
Procedures for collecting, settling, and reporting VAT and/or luxury-goods sales tax (LST) by state-owned enterprises and certain companies directly owned by state-owned enterprises as VAT collectors	MoF Regulation Number 8/PMK.03/2021
Appointment of oil and/or gas PSC contractors, geothermal energy contractors, or license holders to collect, settle, and report VAT and/or LST, as well as procedures for collection, settlement, and reporting of taxes	MoF Regulation Number 73/PMK.03/2010
Appointment of holders of special mining business license for operation production (<i>izin usaha pertambangan khusus operasi produksi</i> (IUPK OP)) to collect, settle, and report VAT and/or LST, as well as procedures for collection, settlement, and reporting of taxes	MoF Regulation Number 166/PMK.03/2018

Subsequent articles will address other topics contained in PMK-81.

In general, PMK-81 focuses on the relevant tax administration, settlement, and reporting processes affected by the implementation of Coretax, and therefore, its technical content is broadly similar to the regulations being revoked. PMK-81 also emphasizes that noncompliance with PMK-81 will be subject to sanctions in accordance with the Law of General Provisions and Procedures for Taxation.

Settlement and reporting of state revenue and income tax by PSC contractors

Under PMK-79, PSC operators are required to submit monthly and annual reports of state revenues from upstream oil and/or gas business activities to the relevant authorities. However, PMK-81 only specifies the monthly reporting obligations for contractors without addressing the annual report requirements. Deloitte Indonesia understands that the annual report is intended to serve as the final calculation of state revenue for the fiscal year, derived from the contractor's fourth quarter Financial Quarterly Report. This report is essential for determining the contractor's taxable income for the fiscal year, in addition to the special attachments to the annual corporate income tax (CIT) return. Given this change, further clarification is needed to confirm the status of the annual report for contractors.

Previous regulations did not mention the Aceh Oil and Gas Agency (*Badan Pengelola Migas Aceh* (BPMA)), as the regulations were issued before BPMA was established. BPMA is the authority overseeing upstream oil and gas business activities in Aceh province. To provide an inclusive and improved clarification, PMK-81 includes BPMA as one of the authorities for the purpose of settlement of state revenue and income as well as reporting of upstream oil and gas business activities in Aceh.

Appointment of certain entities as VAT collectors

Certain entities are appointed as VAT collectors. A VAT collector is obliged to collect the VAT due from a vendor on the purchase of taxable goods and/or taxable services and to remit the VAT directly to the state treasury instead of to the vendor.

PMK-81 replaces some of the existing regulations related to the appointment of the following VAT collectors to align with the Coretax system:

- Oil and/or gas PSC contractors;
- Geothermal energy contractors or license holders;
- Holders of IUPK OP; and
- State-owned enterprises and their direct subsidiaries.

Unlike previous regulations that specifically state the VAT rate and its calculation, PMK-81 refers to prevailing tax regulations when addressing the relevant rate and its calculation. This change provides more flexibility for any future amendments to VAT policy, including increases in the VAT rate and updates to the VAT calculation under PMK-131 (such as the VAT increase from 11% to 12% as from 1 January 2025).

Certain deliveries of taxable goods and/or taxable services to the entities listed above are exempted from this VAT collection provision, such as the delivery of fuel by PT Pertamina (Persero), the state-owned oil and gas corporation. Previous regulations mentioned only PT Pertamina (Persero) in the exemption list but the updated list now includes its subsidiaries that are appointed as fuel traders or distributors.

Furthermore, to align the deadline for tax settlement with other VAT obligations, PMK-81 updates the deadline to settle the VAT collected by VAT collectors to the end of the following month (previously the 15th of the following month).

Payment of Article 25 income tax installments by certain taxpayers

In general, Article 25 income tax installments (tax payments made by resident taxpayers and Indonesian permanent establishments as a prepayment of their current year CIT liability) are calculated by deducting the previous year's income tax calculated in the previous year's annual CIT return from the income tax credits (i.e., Articles 21, 22, 23 and 24 income taxes) and dividing by 12 to give the amount of monthly installment payment.

However, this calculation does not apply to the following types of taxpayers:

- New taxpayers;
- Banks, state-owned enterprises, regional state-owned enterprises, publicly listed companies, and certain other taxpayers; and
- Certain individual taxpayers who are entrepreneurs.

Some of the changes introduced by PMK-81 compared to PMK-215 with regard to this matter include the following:

- For banks, publicly listed companies, and certain other taxpayers, if there is a tax overpayment due to a delay in completing the financial statements, the overpaid amount can be refunded through restitution of excess tax payment that should have not been payable or credited against the annual CIT payable. Previously, the overpayment could only be overbooked to the next period.
- Where a bank is late in completing its annual financial statements, the previous period's Article 25 income tax installment amount will be used as the final fiscal period's installment amount.

- For certain other taxpayers and publicly listed companies other than banks that are not obliged to submit fourth quarter financial statements, the following year's first quarter Article 25 income tax installment amount will be the same as the amount of the previous period.
- For taxpayers that have obtained income tax facilities (such as tax holiday and tax allowance), these facilities would be taken into account when calculating the Article 25 income tax installment.
- Previously, there was no obligation to submit the Article 25 income tax installment calculation report to the tax authorities, although in practice taxpayers would have submitted the report prior to settling the tax installment. PMK-81 now clarifies that taxpayers must submit the Article 25 income tax installment calculation report by the 20th of the month following the end of the reporting period.

Given the implementation date for Coretax of 1 January 2025, taxpayers should familiarize themselves with the contents of the regulation or reach out to their regular Deloitte Indonesia contact to discuss how to prepare for Coretax. Proper arrangement and planning are crucial to ensure that all taxation rights and obligations of taxpayers can be performed effectively.

Customs Focus

New regulation on customs and excise audit is issued

To optimize the audit process and improve the supervisory mechanism related to customs and excise, the MoF issued Regulation Number 114 of 2024 (PMK-114) replacing Regulation Number 200/PMK.04/2011, as amended by Regulation Number 258/PMK.04/2016 (PMK-200). PMK-114 was issued on 23 December 2024 and will take effect on 1 March 2025.

Below are some of the changes brought by PMK-114 when compared to PMK-200.

In general, customs and/or excise audits can be separated into three types:

- General audit: a customs and/or excise audit with a complete and comprehensive scope to assess compliance with the customs and/or excise obligations;
- Investigative audit: a customs and/or excise audit conducted when there is an allegation of customs and/or excise crime; and
- Special audit: a customs and/or excise audit with specific scope and criteria to assess compliance with customs and/or excise obligations for particular purposes.

PMK-114 updates the audit period for customs and/or excise audit, as follows:

Audit category	PMK-200	PMK-114
General audit	Covers a period of two years until the end of the month before issuance of the letter of assignment for a customs and/or excise audit. The audit period can be extended for up to 10 years.	Covers a period of 21 months until the end of the month before issuance of the letter of assignment for a customs and/or excise audit. The audit period can be extended for up to 10 years.
Special audit	Determined based on specific needs.	
Investigative audit		

The audited party (auditee) must now provide sample goods for audit checking. The audit, enumeration, and evaluation of the sample goods can be done using sampling audit techniques based on the strategic risk. The timeframe for submitting the data/information and sample goods requested during the audit is updated as follows:

Audit category	PMK-200	PMK-114
General audit	Seven working days; extendable by an additional three working days	Seven working days; extendable by an additional three working days
Special audit	Three working days	Seven working days, extendable by an additional three working days
Investigative audit	Data/information and sample goods to be provided immediately upon request	

Under the previous regulation, the auditee was required to sign and adhere to an integrity pact. However, PMK-114 now mandates that both the auditor and the auditee to sign and comply with the integrity pact. This shows the Directorate General of Customs and/or Excise's (DGCE) commitment to conducting customs and/or excise audit fairly and with integrity.

PMK-114 also authorizes the auditor team to recommend blocking the auditee's access to the DGCE's customs system and/or suspending the auditee's excisable goods entrepreneur identification number (*nomor pokok pengusaha barang kena cukai*) under certain circumstances deemed necessary.

For customs and/or excise audits that have commenced and are still ongoing as of 1 March 2025, the audit process will continue in accordance with PMK-200.

Business involved in import activities or transactions subject to excise duty should review this regulation to understand the upcoming changes to the audit process and their potential impact.

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
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 and Business
Process Solutions
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 in 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.