



## Indonesia Tax Info July 2025

### Various regulations issued on tax collection on transactions via electronic platforms

From May to July 2025, the Indonesian government issued the following tax regulations related to transactions conducted via electronic platforms:

- Presidential Regulation Number 68 of 2025 (PERPRES-68) regulating the collection of tax on overseas digital transactions, issued on and effective as from 5 June 2025;
- Minister of Finance (MoF) Regulation Number 37 of 2025 (PMK-37) regulating the appointment of an income tax collector for transactions via electronic platforms, issued on and effective as from 14 July 2025; and
- Director General of Taxes Regulation Number PER-12/PJ/2025 (PER-12/2025) regulating the appointment of a VAT collector for transactions via electronic platforms, issued on and effective as from 22 May 2025.

This article highlights the key aspects of each of the above regulations and provides Deloitte Indonesia's high-level observations.

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## Definition of terms

The definitions of some key terms used in this article are as follows:

- PMSE: Trading in which the transactions are carried out through a series of electronic devices and procedures or electronic commerce (*perdagangan melalui sistem elektronik*).
- PPMSE: A party that provides the platform to carry out PMSE activities (*Penyelenggara PMSE*).
- PMSE party: An individual or an entity performing PMSE business activities. This includes a foreign seller, a foreign service provider, a foreign PPMSE, and/or a domestic PPMSE.
- Other party: A party that is directly involved in a transaction or facilitates a transaction, and is appointed by the MoF to withhold, collect, and remit tax and comply with the associated filing obligations in accordance with Article 32A of the Law regarding General Provisions and Procedures for Taxation (KUP Law).
- Goods recipient and/or services utilizer: An individual or entity that receives (or should be receiving) and pays (or should be making payment) for the intangible taxable goods and/or taxable services in relation to the utilization of offshore intangible taxable goods and/or taxable services within the Indonesian customs area via electronic platforms.
- Overseas digital transaction: A utilization or exchange of services and/or information carried out through a computer, a computer network, and/or other electronic media.

“MoF issued PMK-37 to serve as the legal basis for the MoF to appoint domestic or foreign PPMSE as income tax collectors for PMSE activities.”

## Appointment of an income tax collector for PMSE activities

Under the KUP Law, the MoF is authorized to appoint a domestic or foreign other party that meets certain criteria to collect Article 22 income tax on the income arising from PMSE activities earned by domestic sellers. As such, the MoF issued PMK-37 to serve as the legal basis for the MoF to appoint domestic or foreign PPMSE as income tax collectors for PMSE activities and to outline the tax obligations associated with such an appointment.

The criteria for the appointment of an other party as an Article 22 income tax collector (appointed PPMSE) are that the other party is a PPMSE that uses an escrow account to collect PMSE activities income of domestic traders and meets certain thresholds for transaction value or user traffic with Indonesia during a 12-month period.

PMK-37 authorizes the Directorate General of Taxes (DGT) to decide the thresholds for the transaction value or user traffic. To date, the DGT has determined the thresholds for the appointment of a VAT collector for PMSE activities. It is not clear if the thresholds use to determine the appointment of Article 22 income tax collector for PMSE activities would be the same as for VAT collector for PMSE activities (PMSE VAT collector).

For information, the existing thresholds used to appoint a PMSE VAT collector are:

- Value of transactions with customers in Indonesia exceeding IDR 600 million in a 12-month period or IDR 50 million in one month; or
- User traffic from Indonesia exceeding 12,000 visits in a 12-month period or 1,000 visits in one month.

The Article 22 income tax will be collected on income earned by domestic sellers that receive the income using bank accounts or similar financial accounts and conduct transactions using an internet protocol (IP) address in Indonesia or an Indonesian phone number (with the international dialing code +62). These sellers include:

- Shipping/expedition services companies;
- Insurance companies; and
- Individuals and entities conducting PMSE activities with customers.

The appointed PPMSE has to withhold the Article 22 income tax at the rate of 0.5% from the gross revenue stated in the invoice (excluding VAT and luxury-goods sales tax (LST)) when it receives payment from the customer. The PPMSE then remits the tax collected to the state treasury on a monthly basis and reports the tax in its unified income tax return. PMK-37 provides a list of transaction details to be attached to the tax return. An appointed PPMSE that does not collect and remit the Article 22 income tax and file the associated returns may be subject to penalties in accordance with applicable tax regulations and the regulation governing organizers of private electronic systems.

The Article 22 income tax collected is creditable against the seller's income tax. Article 22 income tax collection under PMK-37 overwrites the tax withholding and collection regulations applicable to Article 4 paragraph (2) and Article 15 income taxes, preventing double withholding/collection of income tax on the same transaction. For transactions of trader that would otherwise have been subject to final income tax, the Article 22 income tax collected may be used by the seller to settle the final income tax amount. If the Article 22 income tax collected is less than the final income tax amount, the seller must remit the tax underpaid to the state treasury and report it in its unified income tax return. On the other hand, if the tax collected exceeds the final income tax amount, the seller may request a tax refund from the DGT. Transactions carried out in currencies other than IDR have to be converted to IDR using the exchange rate determined by the MoF on the date the payment is received by the PPMSE.

**“The Article 22 income tax collected is creditable against the seller's income tax”**

The following PMSE activities are exempt from Article 22 income tax collection:

- The sale of goods and/or services by an individual Indonesian tax resident whose gross income during the year does not exceed IDR 500 million and who has already submitted a notification letter to that effect to the PPMSE;
- Provision of shipping/expedition services by an individual tax resident who is a partner of a technology-based application company that provides transportation services;
- The sale of goods and/or services by a domestic trader who has already submitted an income tax withholding and/or collection exemption letter (*surat keterangan bebas pemotongan dan/atau pemungutan pajak penghasilan*);
- The sale of phone top-up vouchers and starter packs;
- The sale of gold and nongold jewelries, gold bars, or gemstones by gold jewelry and gold bar businesses; and/or
- The transfer of rights over land and/or buildings or a binding sale and purchase agreement for land and/or buildings.

Transactions that are exempt from Article 22 income tax collection under PMK-37 remain subject to income tax withholding/collection in accordance with the applicable tax regulations.

For administrative purposes, the domestic seller has to provide the following information to the appointed PPMSE:

- The seller's tax identification number (*Nomor Pokok Wajib Pajak* (NPWP)) or national identification number (*Nomor Induk Kependudukan* (NIK));
- Correspondence address; and
- The following documents where applicable:
  - A notification letter if the individual taxpayer's gross turnover does not exceed IDR 500 million. This notification letter must be resubmitted at the beginning of the following fiscal year if the annual gross turnover is less than IDR 4.8 billion;
  - If the gross turnover during the year exceeds IDR 500 million, a letter to that effect must be submitted to the PPMSE by the end of the month in which the threshold is exceeded. The Article 22 income tax collection by appointed PPMSE will start as from the beginning of the following month after the notification letter is received; and
  - Income tax withholding and/or collection exemption letter.

For fiscal year 2025, PMK-37 specifies that sellers have to provide the above information within one month after the PPMSE is appointed as an Article 22 income tax collector.

PMK-37 stipulates invoices created by domestic sellers through the PPMSE's system (including invoice amendments or cancellations) that include the required information under PMK-37 are treated as documents equivalent to the proof of income tax collection and the Article 22 income tax are creditable in the seller's annual income tax calculation or used to settle their final income tax.

“Invoices created by domestic sellers through the PPMSE's system that include the required information under PMK-37 are treated as documents equivalent to the proof of income tax collection”

## The new implementing regulation on VAT collector for PMSE activities

Following the issuance of MoF Regulation Number 81 of 2024 (PMK-81) replacing the previous MoF regulation regarding the appointment of a VAT collector for PMSE activities (please refer to [Tax Info December 2024](#)), the existing implementing regulation for the previous regulation also required updating to align with PMK-81. As such, the DGT issued PER-12/2025 to replace the previous implementing regulation (DGT Regulation Number PER-12/PJ/2020 (PER-12/2020)) (please refer to [Tax Alert July 2020](#)).

The following table provides a high-level comparison between the previous and new regulations:

Topic	PER-12/2020	PER-12/2025
Terminology	The term “PMSE VAT collector” is used to refer to the party appointed by the MoF to collect VAT on PMSE activities	The term “other party” is used to refer to the party appointed by the MoF to collect VAT on PMSE activities
Commencement of appointment as PMSE VAT collector/other party	The appointment starts from the beginning of the month after the decision letter is issued by the DGT, and this is clearly stated in the decision letter	The start of the appointment remains the same as PER-12/2020. However, the updated decision letter template provided in the attachment to PER-12/2025 is silent on this matter
Revocation of appointment as PMSE VAT collector/other party	The DGT may revoke the appointment of a PMSE VAT collector if the latter no longer fulfills the necessary criteria. However, PER-12/2020 is silent on whether	The appointment as an other party may be revoked ex-officio by the DGT or at the request of the other party when it no longer fulfills the criteria

Topic	PER-12/2020	PER-12/2025
	<p>such revocation may be requested by the PMSE VAT collector</p> <p>The revocation takes effect starting from the beginning of the month after the revocation decision letter is issued by the DGT, and this is clearly stated in the decision letter</p>	<p>The revocation takes effect starting from the date the decision letter is issued by the DGT. However, this is not stated in the updated decision letter template provided in the attachment to PER-12/2025</p>
Administrative matters	<p>The PMSE VAT collector is provided with a tax identification number (<i>nomor identitas perpajakan</i> (NIP)), regardless of whether the PMSE VAT collector is an Indonesian tax resident</p>	<p>A domestic other party will use its existing NPWP</p> <p>A foreign other party will be provided with an NIP to carry out its Indonesian tax administrative obligations</p> <p>Please refer to “Explanation of the difference between an NPWP and an NIP” below, for further information</p>
Update of PMSE VAT collector/other party’s information in the appointment decision letter	<p>The PMSE VAT collector may request the DGT to update its profile. However, the regulation does not stipulate the deadline for the DGT to respond to the request</p>	<p>The other party’s profile may be updated ex-officio by the DGT (if the DGT finds information that needs to be updated) or on request by the other party. The DGT has to respond to the other party’s request within 10 days</p>
Proof of VAT collection	<p>The PMSE VAT collector may use its usual billing document as proof of VAT collection and the document will be treated as equivalent to proof of PMSE VAT collection (<i>Bukti Pungut</i>)</p>	<p>The other party may continue using its usual billing document as proof of PMSE VAT collection.</p>
Self-assessment by customer	<p>If the PMSE VAT collector does not collect the VAT, the customer must self-assess the VAT</p>	<p>The customer must self-assess the VAT on PMSE if the PMSE Party has not been appointed as an other party.</p>
Remittance of VAT collected	<p>The PMSE VAT collector must remit the VAT collected monthly by the end of the following month via electronic transfer to the state treasury account, using the following currency:</p> <ul style="list-style-type: none"> <li>• IDR converted using the MoF exchange rate applicable on the date of remittance;</li> <li>• United States Dollar (USD); or</li> <li>• Another foreign currency as determined by the MoF</li> </ul>	<p>The other party must remit the VAT collected to the state treasury by the end of the following month before the filing of its monthly VAT return, using the following currency:</p> <ul style="list-style-type: none"> <li>• Domestic other party: IDR; and</li> <li>• Foreign other party: May choose between IDR and USD</li> </ul>
Treatment of PMSE VAT collected that is overpaid	<p>If the PMSE VAT collector overpays the VAT collected to the state treasury, the overpayment may be compensated to the following month</p>	<p>The treatment of VAT collected that is overpaid depends on the type of the other party:</p> <ul style="list-style-type: none"> <li>• Foreign other party: Overpayment must be compensated; and</li> <li>• Domestic other party: A refund of the overpaid VAT may be requested</li> </ul>
Filing of report of VAT on PMSE activities	<p>The PMSE VAT collector has to submit two reports, regardless of whether the PMSE VAT collector is an Indonesian tax resident:</p> <ul style="list-style-type: none"> <li>• Mandatory quarterly PMSE VAT return (<i>SPT Masa PPN PMSE</i>); and</li> <li>• Annual PMSE VAT report (<i>Laporan Tahunan PPN PMSE</i>)—only if requested by the tax office</li> </ul>	<p>The report of VAT on PMSE activities depends on the type of the other party:</p> <ul style="list-style-type: none"> <li>• If the domestic other party is a VAT-able entrepreneur (<i>pengusaha kena pajak</i> (PKP)), it must submit monthly VAT return for a PKP (<i>SPT Masa PPN bagi PKP</i>). The format of the return is stipulated in PER-11/PJ/2025 (PER-11) (please refer to <a href="#">Tax Info June 2025</a>);</li> <li>• If the domestic other party is not a PKP, it must submit monthly VAT return for a tax collector and other party (<i>SPT Masa PPN bagi Pemungut PPN dan Pihak Lain</i>). The format of the return is stipulated in PER-11 (please refer to <a href="#">Tax Info June 2025</a>); or</li> <li>• A foreign other party must submit monthly VAT return for a VAT collector on PMSE (<i>SPT Masa PPN</i></li> </ul>



Topic	PER-12/2020	PER-12/2025
		<p><i>bagi Pemungut PPN PMSE</i>). PER-12/2025 provides the format of the return and the list of detailed information that must be submitted along with the return. The list of detailed information includes, at least, the following:</p> <ul style="list-style-type: none"> <li>- Number of proof of VAT collection;</li> <li>- Date of proof of VAT collection;</li> <li>- Amount of payment transaction (excluding VAT);</li> <li>- Amount of VAT collected;</li> <li>- Name of the goods recipient or services utilizer;</li> <li>- NPWP or NIK of the goods recipient or services utilizer (if any);</li> <li>- Phone number of the goods recipient or services utilizer (if any); and</li> <li>- Email address of the goods recipient or services utilizer</li> </ul>
Treatment where VAT has been collected by the PMSE party and the Indonesian customer self-assesses the VAT on the same transaction	<p>The Indonesian customer may:</p> <ul style="list-style-type: none"> <li>• Overbook the self-assessed VAT amount to other taxes;</li> <li>• Request a refund of the self-assessed VAT;</li> <li>• Credit the self-assessed VAT against the output VAT; or</li> <li>• Treat the self-assessed VAT as a deductible expense in its annual income tax return</li> </ul>	<p>The Indonesian customer may:</p> <ul style="list-style-type: none"> <li>• Request a refund of the self-assessed VAT;</li> <li>• Credit the self-assessed VAT against the output VAT; or</li> <li>• Treat the self-assessed VAT as a deductible expense in its annual income tax return</li> </ul>

PER-12/2025 further stipulates the other party is given time to adjust its system under this new implementing regulation. The other party that cannot provide the detailed information requested by PER-12/2025 may file the VAT collection in a lump sum amount (*secara digunggung*) by 31 July 2025. After 31 July 2025, the other party is expected to amend its VAT return by providing the details of the transactions requested by PER-12/2025.

## Tax collection system for overseas digital transactions

To enhance and optimize the tax collection system to encompass digital transactions overseas, the president issued PERPRES-68.

Through PERPRES-68, PT Jalin Pembayaran Nusantara, a subsidiary of a state-owned enterprise, is mandated to establish a technology-based system to collect VAT on overseas digital transactions. To carry out this mandate, PT Jalin Pembayaran Nusantara may directly appoint a candidate partner. The system will be implemented once the candidate partner has been selected.

For its service, PT Jalin Pembayaran Nusantara would collect a fee to be decided by the MoF. The procedures for VAT collection and payment related to the fee are to be determined later by the MoF.

## Explanation of the difference between an NPWP and an NIP

To comply with taxation obligations in Indonesia, an individual or entity is given a tax identification number.

Prior to 21 May 2025, there was only one type of tax identification number in Indonesia, namely the NPWP, given to individuals or entities meeting certain criteria according to the tax regulations. The NPWP enables Indonesian tax residents and permanent residents to carry out their taxation obligations in Indonesia.

Owing to developments in the country's taxation landscape to accommodate digitalization and increasingly complex transactions, the DGT created the NIP to enable parties that do not fulfill the criteria to become taxpayers in Indonesia, in order to perform limited tax administrative duties in Indonesia.

Both an NPWP and an NIP may be either:

- The NIK for individual Indonesian residents; or
- A 16-digit number generated by the DGT's system.

The significant difference between the two is the types of individuals or entities that may be granted an NIP. Based on DGT Regulation Number PER-7/PJ/2025, an NIP may be granted to:

- Non-Indonesian tax residents appointed by the MoF to withhold, collect, and remit taxes and file returns in compliance with Article 32A of the KUP Law;
- Representatives of foreign jurisdictions, agencies, or international organizations and their officials who are not Indonesian tax residents but require a tax identity for tax administration purposes;
- Non-Indonesian tax residents located in Indonesia currently being the subject of tax collection procedures by the DGT based on requests from partner jurisdictions;
- Individuals who do not conduct business activities or freelance work and receive or accumulate income in the current fiscal year not exceeding the nontaxable income threshold;
- Married women who wish to carry out their obligations jointly with their husbands, provided the NIK of the married woman is listed as part of the family unit data in the DGT's administration system;
- Minor children (i.e., children who are younger than 18 years old and have never been married), provided the child's NIK is listed as part of the family unit data in the DGT's administration system; and
- Individuals or other entities that do not meet the criteria to be registered as Indonesian tax residents.

## Customs Focus

### Update on import policies and regulations

Import policies and regulations were previously stipulated under Regulation of Minister of Trade (MoT) Number 36 of 2023, as amended several times, lastly by MoT Regulation Number 8 of 2024 (Permendag-36), which covered all import policies and regulations for different kinds of imports. As part of regulatory restructuring to improve the ease of doing business, on 30 June 2025, the MoT replaced Permendag-36 with nine new regulations—one covering general import policies and regulations, and eight others dedicated to specific commodities. The issuance of these regulations aims to provide certainty and ensure that any changes made to the import policy and regulations for a specific commodity do not affect the rest of the regulations. These new regulations are as follows:

MoT Regulation Number	Topic
16 of 2025 (Permendag-16)	General import policies and regulations
17 of 2025 (Permendag-17)	Import policies and regulations for textile and textile products
18 of 2025 (Permendag-18)	Import policies and regulations for agricultural and livestock products
19 of 2025 (Permendag-19)	Import policies and regulations for salt and fishery commodities
20 of 2025 (Permendag-20)	Import policies and regulations for chemical substances, hazardous materials, and mining materials
21 of 2025 (Permendag-21)	Import policies and regulations for electronic and telematics goods
22 of 2025 (Permendag-22)	Import policies and regulations for certain industrial goods
23 of 2025 (Permendag-23)	Import policies and regulations for consumer goods
24 of 2025 (Permendag-24)	Import policies and regulations for non-new goods and non-hazardous and toxic waste

The salient points of these regulations are as follows:

- In general, provisions that are not specifically regulated in the eight regulations dedicated for specific commodities (i.e., Permendag-17 up to Permendag-24) shall refer to Permendag-16.
- An importer must obtain a license for import activities in the form of a business identification number (*Nomor Induk Berusaha* (NIB)), which can be treated as an importer identification number (*Angka Pengenal Impor* (API)). There are two types of API licenses, i.e., general API (*API Umum* (API-U)) license for entities importing certain goods for trading and manufacturer API (*API Produsen* (API-P)) license for entities importing certain goods for self-consumption as capital goods, raw materials, auxiliary materials, and/or manufacturing supporting materials. In some circumstances, such as due to a change of line of business, an API-U license can be converted into an API-P license. Previously, under Permendag-36, an importer holding an API-U license could be eligible to convert it to an API-P license if:
  - The importer had obtained an import business license and/or surveyor report and had carried out all of its import activities; and/or
  - The NIB serving as the API-U license had passed the minimum validity period of one year.



The requirement above is updated under Permendag-16, where an importer may now be eligible to convert its license to API-P if it has not obtained an import business license in the form of a valid import approval and/or surveyor report, or it has obtained the documents but has not carried out import activities.

- Under Permendag-36, importers that had obtained an import business license and/or surveyor report were required to submit their import realization reports electronically to the MoT no later than the 15th of the following month. This reporting obligation is updated under Permendag-16, where importers that have obtained an import business license must still submit their import realization reports electronically to the MoT no later than the 15th of the following month while importers that have obtained a surveyor report must submit their import realization reports electronically to the MoT no later than 30 days after the surveyor report is used either as a supporting customs document in an audit conducted within the customs area or as an import document in a post border audit.
- These regulations come into effect on 29 August 2025. Importers engaging in import activities should review these regulations to ensure their compliance.

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