

IN THIS ISSUE

General Taxation

Number	Date	Regarding	Effective Date
24/PMK.011/2012	2 February 2012	Amendment of Minister of Finance regulation number 196/PMK.03/2007 regarding procedure for maintaining bookkeeping by using foreign language and currency other than rupiah as well as obligation to deliver annual income tax return of corporate taxpayer.	2 February 2012

Minister of Finance has released the new regulation number 24/PMK.011/2012 regarding the amendment of Minister of Finance regulation number 196/PMK.03/2007 regarding procedure for maintaining bookkeeping by using foreign language and currency other than rupiah as well as obligation to deliver annual income tax return of corporate taxpayer. Provisions stipulated in this regulations:

Taxpayer can maintain bookkeeping by using foreign language and currency other than rupiah namely English language and US Dollar currency:

1. Taxpayer in the context of foreign capital investment
2. Taxpayer in the context of contract of work on mining other than natural oil and gas.
3. Taxpaying contractor of cooperation contract on natural oil and gas.
4. Permanent establishment
5. Taxpayer who registers the issuance of his shares either partly or entirely with foreign stock exchange.
6. Collective Investment Contract (KIK) issuing mutual funds in denomination of US dollar currency and already obtaining notification on effective statement on registration from the Capital Market and Financial Institution Supervisory Board.
7. Taxpayer affiliated directly to parent company aboard
8. The currency utilized by tax payer, by nature of functionality, must be in US Dollar and bookkeeping is conducted in accordance to standard accounting principal that is generally applied in Indonesia.

Application submission and the period

To be able in maintaining the bookkeeping by using English language and US dollar currency, the taxpayer must obtain the written approval from the Minister of Finance, unless for the taxpayers in term of contract of work or contractor of cooperation contract. The application must be submitted to the tax office at the latest 3 months before the said bookkeeping will be used or since the date of establishment for the new taxpayer in part of fiscal year or the first fiscal year.

Application submission for the transition period

For tax-payer whose accounting period begins in January, February, March or April 2012, and intends to apply for the USD and English language bookkeeping, application must be submitted at the latest 30 days since the enactment of PMK 24/PMK.011/2012.

Disclaimer:

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice.

LIST OF REGULATION FEBRUARY 2012

NO	REGULATION NUMBER	DATE	EFFECTIVE DATE	REGARDING
1	15/PMK.03/2012	1 FEBRUARY 2012	1 FEBRUARY 2012	THE ADMINISTRATION AND BOOK TRANSFER OF LAND AND BUILDING TAX ON MINING SECTOR OF NATURAL OIL AND GAS AND GEOTHERMAL
2	24/PMK.011/2012	2 FEBRUARY 2012	2 FEBRUARY 2012	AMENDMENT OF MINISTER OF FINANCE REGULATION NUMBER 196/PMK.03/2007 REGARDING PROCEDURE FOR MAINTAINING BOOKKEEPING BY USING FOREIGN LANGUAGE AND CURRENCY OTHER THAN RUPIAH AS WELL AS OBLIGATION TO DELIVER ANNUAL INCOME TAX RETURN OF CORPORATE TAXPAYER.
3	PER-05/PJ/2012	3 FEBRUARY 2012	3 FEBRUARY 2012	TAXABLE ENTREPRENEURS RE-REGISTRATION FOR 2012 FISCAL YEAR
4	SE-04/PJ/2012	3 FEBRUARY 2012	15 FEBRUARY 2012	THE GUIDELINE TO CREATE THE TAX AUDIT EVENT TO TEST THE TAXPAYERS IN FULFILLING THEIR TAX OBLIGATION
5	PER-04/PJ/2012	3 FEBRUARY 2012	3 FEBRUARY 2012	THE GUIDELINE TO USE THE TAX AUDIT TECHNIQUE AND METHOD TO TEST THE TAXPAYERS IN FULFILLING THEIR TAX OBLIGATION
6	S-23/PJ.08/2012	7 FEBRUARY 2012	7 FEBRUARY 2012	THE SUBMISSION OF BANK AND ACCOUNT NUMBER LIST FOR LAND AND BUILDING TAX PURPOSES TO STORE BOOKKEEPING TRANSFER OF THE LAND AND BUILDING TAX ELECTRONICALLY
7	27/PMK.011/2012	8 FEBRUARY 2012	8 FEBRUARY 2012	SECOND AMENDMENT OF MINISTER OF FINANCE DECISION NUMBER 231/KMK.03/2001 REGARDING THE VAT AND SALES TAX ON LUXURY GOODS ON TAXABLE GOODS IMPORTATION WHICH EXEMPTED FROM THE CUSTOMS DUTY IMPOSITION.

8	29/PMK.01/2012	13 FEBRUARY 2012	13 FEBRUARY 2012	AMENDMENT OF MINISTER OF FINANCE REGULATION NUMBER 62/PMK.01/2009 REGARDING THE ORGANIZATION STRUCTURE WORKING PROCEDURE OF VERTICAL INSTITUTION IN DIRECTORATE GENERAL OF TAXATION.
9	S-95/PJ.02/2012	15 FEBRUARY 2012	15 FEBRUARIY 2012	THE VAT AND SALES TAX ON LUXURY GOODS ON IMPORTATION EITHER USING THE TAX EXEMPTION FACILITY NOR THE TAX REFUND FACILITY
10	SE-06/PJ/2012	23 FEBRUARY 2012	23 FEBRUARY 2012	TARGET TAX RATIO OF 2012 ANNUAL INCOME TAX RETURN SUBMISSION
11	PERPRES NOMOR 18 TAHUN 2012	23 FEBRUARY 2012	23 FEBRUARY 2012	THE AGREEMENT BETWEEN RI AND PAPUA NUGINI FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME
12	PERPRES NOMOR 19 TAHUN 2012	24 FEBRUARY 2012	24 FEBRUARY 2012	THE AGREEMENT BETWEEN RI AND KROASIA FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME
13	S-210/PJ.09/2012	27 FEBRUARI 2012	27 FEBRUARI 2012	THE SOCIALIZATION OF ANNUAL INCOME TAX RETURNS MAKING SIMULTANEOUSLY AND WEEK OF MODELING IN THE SUBMISSION OF ANNUAL INCOME TAX RETURNS.

TAXATION NEWS

Tax incentive plans for employees.

The Government plans to increase the number of Non-Taxable Income (PTKP) in anticipating the economic growth slowing. The number of new PTKP has not been determined yet. Other than PTKP, the Government is also preparing the Income Tax borne by the Government for geothermal sector and international bonds.

The National tax census has been temporarily suspended.

The Directorate General of Taxation has no choice to suspend the national tax census program temporarily because of many obstacles in the fieldwork. At certain areas, the tax census officers found many resistances from the people. Therefore the Directorate General of Taxation has established the working cooperation with the police force and hopefully the census program will start again on April 1st 2012.

The tax revenue target has been reduced.

The Government has agreed to set the 2012 tax revenue target becomes IDR 1.011 trillion from originally IDR 1.032 trillion because of 2012 economic growth projection slowing. At the other side, the non-taxation state revenue (PNBP) will be increased to become IDR 331 trillion from the original target IDR 277 trillion.

The judicial review on Regional Tax and Retribution

Law.

Several mining taxpayers have proposed the judicial review on regional tax and retribution law number 28 year 2009. The new provision on that law stipulates the motor vehicle tax on heavy equipments and machinery which was not stipulated on the previous law. The new provision acknowledged the said heavy equipments and machinery as part of motor vehicles meanwhile the subject of judicial review acknowledged it as part of production equipments therefore it must not be subject to motor vehicle tax.



Address:

Menara Rajawali 11th floor

Jl. Mega Kuningan Lot#5.1 Jakarta Selatan 12950

T : +6221 5762601

F : +6221 5762602

contact person : johan@mmstax.com

Tax Exchange Rate

Based on Minister of Finance decision
No. 54/KM.1/2012 DATED 30 January 2012
For the period : 30 January 2012 - 5 February 2012

Currency	Unit	Value
Dollar Amerika Serikat [USD]	1	8952.00
Dolar Australia [AUD]	1	9463.45
Dolar Canada [CAD]	1	8904.41
Kroner Denmark [DKK]	1	1573.99
Dolar Hongkong [HKD]	1	1153.69
Ringgit Malaysia [MYR]	1	2917.79
Dolar Selandia Baru [NZD]	1	7306.12
Kroner Norwegia [NOK]	1	1529.30
Poundsterling Inggris [GBP]	1	14003.52
Dolar Singapura [SGD]	1	7088.47
Kroner Swedia [SEK]	1	1323.70
Franc Swiss [CHF]	1	9690.19
Yen Jepang [JPY]	100	11555.52
Kyat Burma [BUK]	1	1391.42
Rupee India [INR]	1	178.72
Dinar Kuwait [KWD]	1	32148.54
Rupee Pakistan [PKR]	1	99.25
Peso Philipina [PHP]	1	207.87
Riyad Saudi Arabia [SAR]	1	2386.92
Rupee Srilanka [LKR]	1	78.60
Baht Thailand [THB]	1	285.56
Dolar Brunei D. [BND]	1	7089.59
EURO [EUR]	1	11702.25
Yuan China [CNY]	1	1417.59
Won Korea [KRW]	1	7.95

Based on Minister of Finance decision
No. 94/KM.1/2012 dated 6 February 2012
For the period : 6 February 2012 - 12 February 2012

Currency	Unit	Value
Dollar Amerika Serikat [USD]	1	8977.00
Dolar Australia [AUD]	1	9576.06
Dolar Canada [CAD]	1	8973.55
Kroner Denmark [DKK]	1	1586.01
Dolar Hongkong [HKD]	1	1157.47
Ringgit Malaysia [MYR]	1	2955.34
Dolar Selandia Baru [NZD]	1	7438.55
Kroner Norwegia [NOK]	1	1540.05
Poundsterling Inggris [GBP]	1	14167.23
Dolar Singapura [SGD]	1	7167.63
Kroner Swedia [SEK]	1	1329.54
Franc Swiss [CHF]	1	9785.25
Yen Jepang [JPY]	100	11772.59
Kyat Burma [BUK]	1	1394.25
Rupee India [INR]	1	181.63
Dinar Kuwait [KWD]	1	32363.27
Rupee Pakistan [PKR]	1	99.29
Peso Philipina [PHP]	1	209.47
Riyad Saudi Arabia [SAR]	1	2393.60
Rupee Srilanka [LKR]	1	78.81
Baht Thailand [THB]	1	289.74
Dolar Brunei D. [BND]	1	7168.66
EURO [EUR]	1	11789.87
Yuan China [CNY]	1	1421.99
Won Korea [KRW]	1	7.99

Based on Minister of Finance decision
No. 132/KM.1/2012 dated 13 February 2012
For the period : 13 February 2012 - 19 February 2012

Currency	Unit	Value
Dollar Amerika Serikat [USD]	1	8966.00
Dolar Australia [AUD]	1	9664.81
Dolar Canada [CAD]	1	9008.70
Kroner Denmark [DKK]	1	1598.17
Dolar Hongkong [HKD]	1	1156.24
Ringgit Malaysia [MYR]	1	2976.19
Dolar Selandia Baru [NZD]	1	7486.07
Kroner Norwegia [NOK]	1	1555.09
Poundsterling Inggris [GBP]	1	14200.71
Dolar Singapura [SGD]	1	7188.56
Kroner Swedia [SEK]	1	1347.32
Franc Swiss [CHF]	1	9819.30
Yen Jepang [JPY]	100	11627.55
Kyat Burma [BUK]	1	1392.91
Rupee India [INR]	1	182.12
Dinar Kuwait [KWD]	1	32287.80
Rupee Pakistan [PKR]	1	98.94
Peso Philipina [PHP]	1	211.86
Riyad Saudi Arabia [SAR]	1	2390.79
Rupee Srilanka [LKR]	1	78.27
Baht Thailand [THB]	1	290.93
Dolar Brunei D. [BND]	1	7188.67
EURO [EUR]	1	11878.87
Yuan China [CNY]	1	1422.81
Won Korea [KRW]	1	8.02

Based on Minister of Finance decision
No. 155/KM.1/2012 dated 20 February 2012
For the period : 20 February 2012 - 26 February 2012

Currency	Unit	Value
Dollar Amerika Serikat [USD]	1	9029.00
Dolar Australia [AUD]	1	9654.18
Dolar Canada [CAD]	1	9021.96
Kroner Denmark [DKK]	1	1590.50
Dolar Hongkong [HKD]	1	1164.33
Ringgit Malaysia [MYR]	1	2968.29
Dolar Selandia Baru [NZD]	1	7507.42
Kroner Norwegia [NOK]	1	1567.11
Poundsterling Inggris [GBP]	1	14179.26
Dolar Singapura [SGD]	1	7147.32
Kroner Swedia [SEK]	1	1345.56
Franc Swiss [CHF]	1	9791.24
Yen Jepang [JPY]	100	11531.02
Kyat Burma [BUK]	1	1403.94
Rupee India [INR]	1	183.19
Dinar Kuwait [KWD]	1	32494.15
Rupee Pakistan [PKR]	1	99.46
Peso Philipina [PHP]	1	211.66
Riyad Saudi Arabia [SAR]	1	2407.43
Rupee Srilanka [LKR]	1	75.97
Baht Thailand [THB]	1	292.94
Dolar Brunei D. [BND]	1	7146.33
EURO [EUR]	1	11822.37
Yuan China [CNY]	1	1433.12
Won Korea [KRW]	1	8.03

Based on Minister of Finance decision
No. 202/KM.1/2012 dated 24 February 2012
For the period : 27 February 2012 - 4 March 2012

Currency	Unit	Value
Dollar Amerika Serikat [USD]	1	9054.00
Dolar Australia [AUD]	1	9666.61
Dolar Canada [CAD]	1	9080.26
Kroner Denmark [DKK]	1	1612.94
Dolar Hongkong [HKD]	1	1167.45
Ringgit Malaysia [MYR]	1	2995.26
Dolar Selandia Baru [NZD]	1	7543.85
Kroner Norwegia [NOK]	1	1597.99
Poundsterling Inggris [GBP]	1	14255.93
Dolar Singapura [SGD]	1	7205.42
Kroner Swedia [SEK]	1	1359.65
Franc Swiss [CHF]	1	9938.52
Yen Jepang [JPY]	100	11320.45
Kyat Burma [BUK]	1	1407.55
Rupee India [INR]	1	183.78
Dinar Kuwait [KWD]	1	32587.53
Rupee Pakistan [PKR]	1	99.68
Peso Philipina [PHP]	1	212.20
Riyad Saudi Arabia [SAR]	1	2414.05
Rupee Srilanka [LKR]	1	76.36
Baht Thailand [THB]	1	295.76
Dolar Brunei D. [BND]	1	7205.13
EURO [EUR]	1	11993.52
Yuan China [CNY]	1	1437.26
Won Korea [KRW]	1	8.05