



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

COPY

REGULATION OF THE FINANCE MINISTER
NUMBER 111/ PMK.03/ 2009

ON

THE PROCEDURES FOR REDUCTION OR ELIMINATION OF THE ADMINISTRATIVE SANCTIONS OF LAND AND BUILDING TAX, AND ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, AND REDUCTION OR CANCELLATION OF NOTICE OF TAX DUE, DETERMINATION LETTER ON LAND AND BUILDING TAX, COLLECTION LETTER ON LAND AND BUILDING TAX, DETERMINATION LETTER ON ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, OR COLLECTION LETTER ON ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, WHICH IS NOT TRUE

BY THE GRACE OF THE ONE ALMIGHTY GOD

THE FINANCE MINISTER,

- Having considered :
- a. that pursuant to the provision of Article 23 of Law Number 12 of 1985 on Land and Building Tax, as amended by Law Number 12 of 1994 and the provision in Article 27A of Law Number 21 of 1997 on Acquisition Fees for Land and Building Rights, as amended by Law Number 20 of 2000, on that provisions not regulated in Law Number 12 of 1985 on Land and Building Tax, as amended by Law Number 12 of 1994 and Law Number 21 of 1997 on Acquisition Fees for Land and Building Rights, as amended by Law Number 20 of 2000, then they shall be governed by the provisions of Law Number 6 of 1983 concerning the General Provisions and Taxation Procedures as amended several times and last by Law Number 16 of 2009;
 - b. that based on the consideration in letter *a*, and in order to implement the provisions of paragraph (2) of Article 36 of the Law Number 6 of 1983 concerning the General Provisions and Tax Procedures, as amended several times and last by Law Number 16 of 2009 and provisions of Article 23 of the Government Regulation Number 80 of 2007 on the Procedures for Implementing Taxation Rights and Obligation in accordance with Law Number 6 of 1983 on the General Provisions and Taxation Procedures, as amended several times and last by Law Number 28 of 2007, it is necessary to enact the Regulation of the Finance Minister on the Reduction or Elimination of the Administrative Sanctions of Land and Building Tax, and Acquisition Fees for Land and Building Rights and Reduction or Cancellation of Notice of Tax Due, Determination Letter on Land and Building Tax,



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

Having observed : Determination Letter on Acquisition Fees for Land and Building Rights, or Collection Letter for Acquisition Fees for Land and Building Rights, which is not true.

1. Law Number 6 of 1983 on the General Provisions and Taxation Procedures (State Gazette of the Republic of Indonesia Number 49 of 1983, Supplement to the State Gazette of the Republic of Indonesia Number 3262) as amended several times and last by Law Number 16 of 2009 (State Gazette of the Republic of Indonesia Number 62 of 2009, Supplement to State Gazette of the Republic of Indonesia Number 4999);
2. Law Number 12 of 1985 on Land and Building Tax (State Gazette of the Republic of Indonesia Number 68 of 1985, Supplement to the State Gazette of the Republic Indonesia Number 3312) as amended by the Law Number 12 of 1994 (State Gazette of the Republic of Indonesia Number 62 of 1994, Supplement to the State Gazette of the Republic of Indonesia Number 3569);
3. Law Number 21 of 1997 on Acquisition Fees for Land and Building Rights (State Gazette of the Republic of Indonesia Number 44 of 1997, Supplement to the State Gazette of the Republic Indonesia Number 3688), as amended by Law Number 20 of 2000 (State Gazette of the Republic of Indonesia Number 130 of 2000, Supplement to the State Gazette of the Republic of Indonesia Number 3988);
4. Government Regulation Number 80 of 2007 on the Procedures for Implementing Taxation Rights and Obligation in accordance with Law Number 6 of 1983 on the General Provisions and Taxation Procedures, as amended several times and last by Law Number 28 of 2007 (State Gazette of the Republic of Indonesia Number 169 of 2007, Supplement to the State Gazette of the Republic of Indonesia Number 4797);
5. Presidential Decree Number 20/P of 2005;

To enact :

HAS DECIDED:

THE PROCEDURES FOR REDUCTION OR ELIMINATION OF THE ADMINISTRATIVE SANCTIONS OF LAND AND BUILDING TAX, AND ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, AND REDUCTION OR CANCELLATION OF NOTICE OF TAX DUE, DETERMINATION LETTER ON LAND AND BUILDING TAX, COLLECTION LETTER ON LAND AND BUILDING TAX, DETERMINATION LETTER ON ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, OR COLLECTION LETTER ON ACQUISITION FEES FOR LAND AND BUILDING RIGHTS, WHICH IS NOT TRUE

Article 1

In this Regulation of the Finance Minister, the following words have the following meanings:

1. The Law on Land and Building Tax, hereinafter referred to as Law on PBB, is the Law Number 12 of 1985 on Land and Building Tax, as amended by the Law Number 12 of 1994.



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

2. The Law on Acquisition Fees for Land and Building Rights, hereinafter referred to as the Law on BPHTB is the Law Number 21 of 1997 on the Acquisition Fees for Land and Building Rights as amended by the Law Number 20 of 2000.
3. Notice of Tax Due, hereinafter referred to as SPPT, is the Notice used by the Director General of Taxation to notify the amount of Land and Building Tax owed by a Taxpayer.
4. Determination Letter on Tax and Building, hereinafter referred to as SKP PBB, is the Determination Letter on Tax as referred to in paragraph (2) Article 10 of the Law on PBB.
5. Collection Letter on Land and Building Tax, hereinafter referred to as STP PBB, is the Collection Letter as referred to in paragraph (4) Article 11 of the Law on PBB.
6. Determination Letter on Underpayment of Acquisition Fees for Land and Building Rights, hereinafter referred to as SKBKB, is the Determination that stipulates that amount of overdue BPHTB, the principle amount of BPHTB, the amount of administrative sanction and the amount accrued.
7. Determination Letter on Addition to Underpayment of Acquisition Fees for Land and Building Rights, hereinafter referred to as SKBKBT, is the Determination Letter that stipulates the additional payment over the pre-determined BPHTB.
8. Determination Letter on Overpayment of Acquisition Fees for Land and Building Rights, hereinafter referred to as SKBLB, is the Determination Letter that stipulates the over payment of BPHTB because the amount of BPHTB paid is higher than the amount due.
9. Determination Letter on Nil Payment of Acquisition Fees for Land and Building Rights, hereinafter referred to as SKBN, is the Determination Letter that stipulates that the amount of BPHTB due is equal to the amount of BPHTB paid.
10. Collection Letter on Acquisition Fees for Land and Building Rights, hereinafter referred to as STB, is the Letter to collect the outstanding BPHTB and/or administrative sanctions in the form of interests and/or fines.
11. The Primary Tax Office (*Kantor Pelayanan Pajak Pratama*), hereinafter referred to as KPP Pratama, is the Primary Tax Office that issues SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN and/ or STB.

Article 2

The Director General of Taxation on his authority or by a petition from a Taxpayer may:

- a. reduce or eliminate the administrative sanctions for PBB and BPHTB in the form of interests, fines and increased imposed due to an oversight or through no fault of the Taxpayer; and/or
- b. reduce or cancel SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB, which is not true.



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

Article 3

- (1). The reduction or elimination of administrative sanction as referred to in letter *a* of Article 2 may be applied to the administrative sanctions listed in:
 - a. SKP PBB;
 - b. STP PBB;
 - c. SKBKB;
 - d. SKBKBT; or
 - e. STB
- (2). Reduction of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2 is applicable in the event:
 - a. there has been a mistake concerning:
 - 1) the area subjected to land and/or building tax;
 - 2) the sales value of the area subjected to land and/or building tax;
 - 3) different interpretation of the Law on PBB, on SPPT, SKP PBB or STP PBB.
 - b. there has been a mistake concerning:
 - 1) the acquisition value of the taxable object; and/or
 - 2) different interpretation of the Law on PBB, on SKBKB, SKBKBT, SKBLB, SKBN or STB
- (3). Cancellation of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2 may be done if the said SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB should have not been issued in the first place.

Article 4

- (1). Petition for reduction or cancellation of administrative sanction as referred to in letter *a* of Article 2 shall meet the following requirements:
 - a. 1 (one) petition for 1 (one) SKP PBB, STP PBB, SKBKB, SKBKBT or STB;
 - b. The petition is submitted in writing in the Indonesian language by stating the amount of the administrative sanction being applied for reduction or elimination and the reasons which support the petition;
 - c. The petition is submitted to the Director General of Taxation and delivered to the KPP Pratama;
 - d. The petition should include a photocopy of the SKP PBB, STP PBB, SKBKB, SKBKBT or STB, which petitioned for a reduction or elimination of administrative sanctions;
 - e. The Taxpayer does not file an objection or files an objection but the objection cannot be sustained, or files an objection and then withdraws the objection on the SKP PBB, SKBKB or SKBKBT if the said petition for reduction or elimination is about the administrative sanction contained in SKP PBB, SKBKB or SKBKBT;



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

- f. The Taxpayer does not file an objection or files an objection but the objection cannot be sustained, or files an objection and then withdraws the objection on the SPPT or SKP PBB related to STP PBB if the said petition for reduction or elimination is about the administrative sanction contained in STP PBB;
 - g. The Taxpayer has paid the unpaid or overdue tax that is the basis for calculating the administrative sanction contained in SKP PBB, SPT PBB, SKBKB, SKBKBT or STB; and
 - h. The Taxpayer must sign the petition letter, and in the event the signatory of the said petition is not the Taxpayer, then the following provisions apply:
 - 1) the said petition should be enclosed with a Power of Attorney for:
 - a) Corporate Taxpayer; or
 - b) Individual Taxpayer whose unpaid or overdue tax that is the basis for calculating the administrative sanction is higher than Rp 2,000,000 (two million rupiah)
 - 2) the said petition should be enclosed with a Power of Attorney for Individual Taxpayer whose unpaid or overdue tax that is the basis for calculating the administrative sanction is not higher than Rp 2,000,000 (two million rupiah).
- (2). Petition for reduction or elimination of administrative sanctions that do not meet the requirements as referred to in paragraph (1), shall not be regarded as a petition, therefore it will not be considered and the Taxpayer or his / her attorney shall be notified in writing with the reasons for the rejection in a period not longer than 1 (one) month after the said petition was submitted.

Article 5

- (1). Petition for reduction of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2 shall meet the following requirements:
 - a. 1 (one) petition for 1 (one) SPPT, SKP PBB, SPT PBB, SKBKB, SKBKBT, SKBKB, SKBN or STB;
 - b. The petition is submitted in writing in the Indonesian language by stating the amount of the determination being applied for reduction and the reasons which support the petition;
 - c. The petition is submitted to the Director General of Taxation and delivered to the KPP Pratama;
 - d. The petition should include the original SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB petitioned for a reduction;



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

- e. The Taxpayer did not file an objection or filed an objection but the objection could not be sustained on the SPPT, SKP PBB, SKBKB, SKBKBT, SKBLB or SKBN when the said petition for reduction is about SPPT, SKP PBB, SKBKB, SKBKBT, SKBLB, or SKBN;
- f. The Taxpayer does not file an objection or files an objection but the objection cannot be sustained on the SPPT or SKP PBB related to STP PBB if the said petition for reduction is STP PBB; and
- g. The Taxpayer must sign the petition letter, and in the event the signatory of the said petition is not the Taxpayer, then the following provisions apply:
 - 1) the said petition should be enclosed with a Power of Attorney for:
 - a) Corporate Taxpayer; or
 - b) Individual Taxpayer whose overdue tax is higher than Rp 2,000,000 (two million rupiah)
 - 2) the said petition should be enclosed with a Power of Attorney for Individual Taxpayer whose overdue tax is not higher than Rp 2,000,000 (two million rupiah).
- (2). Taxpayer who files an objection then withdraws his objection will not be included in the context of a Taxpayer who does not file his objection as referred to in letter *e* and *f* paragraph (1).
- (3). Petition for reduction of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB that does not meet the requirements as referred to in paragraph (1) shall not be regarded as a petition, so it will not be considered and the Taxpayer or his / her attorney shall be notified in writing of the reasons for the rejection in a period not longer than 1 (one) month after the said petition is submitted.

Article 6

- (1). Petition for cancellation of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2 shall be submitted individually, with the exception of SPPT, which may be submitted collectively.
- (2). Individually submitted petition as referred to in paragraph (1) must meet the following requirements:
 - a. 1 (one) petition for 1 (one) SPPT, SKP PBB, SPT PBB, SKBKB, SKBKBT, SKBKB, SKBN or STB;
 - b. The petition is submitted in writing in the Indonesian language by including the reasons to support the petition;
 - c. The petition is submitted to the Director General of Taxation and delivered to the KPP Pratama;
 - d. The petition should include the original SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB petitioned



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA
for a cancellation;

- e. The Taxpayer must sign the petition letter, and in the event the signatory of the said petition is not the Taxpayer then the following provisions apply:
- 1) the said petition should be enclosed with a Power of Attorney for:
 - a) Corporate Taxpayer; or
 - b) Individual Taxpayer whose overdue tax is higher than Rp 2,000,000 (two million rupiah)
 - 2) the said petition should be enclosed with a Power of Attorney for Individual Taxpayer whose overdue tax is not higher than Rp 2,000,000 (two million rupiah).
- (3). Collectively submitted petition as referred to in paragraph (1) must meet the following requirements:
- a. 1 (one) petition for several SPPT of the same tax year, with the due tax for each SPPT is not more than Rp 200,000 (two hundred thousand rupiah);
 - b. The petition is submitted in writing in the Indonesian Language by including the reasons to support the petition;
 - c. The petition is submitted to the Director General of Taxation and delivered to the KPP Pratama;
 - d. The petition should include the original SPPT which petitioned for a cancellation; and
 - e. Submitted through the local Village Head/ *Lurah*.
- (4). Petition for cancellation of individually submitted SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB that does not meet the requirements as referred to in paragraph (2) shall not be regarded as a petition, so it will not be considered and the Taxpayer or his / her attorney shall be notified in writing of the reasons for the rejection in a period not longer than 1 (one) month after the said petition is submitted.
- (5). Petition for cancellation of collectively submitted SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB that does not meet the requirements as referred to in paragraph (3) shall not be regarded as a petition, so it will not be considered and the local Village Head/ *Lurah* shall be notified in writing of the reasons for the rejection in a period not longer than 1 (one) month after the said petition is submitted.

Article 7

- (1). Petition for reduction or elimination of administrative sanctions as referred to in letter *a* of Article 2 and petition for reduction or cancellation of SPPT, SKP PBB, SPT PBB, SKBKB, SKBKBT, SKBLB, SKBN, or STB as referred to in letter *b* of Article 2, may only be filed twice by a Taxpayer.



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

- (2). In the event the Taxpayer files the second petition, then the said petition must be filed no later than 3 (three) months from the delivery date of the Decision Letter by the Director General Of Taxation concerning the first petition.
- (3). The second petition as referred to in paragraph (2) shall meet the provisions as referred to in paragraph (1) of Article 4, paragraph (1) of Article 5, paragraph (2) of Article 6, or paragraph (3) of Article 6.
- (4). The second petition which is filed after the set period as referred to in paragraph (2) shall not be regarded as a petition, so it will not be considered and the Taxpayer or his / her attorney shall be notified in writing of the reasons for the rejection in a period not longer than 1 (one) month after the said petition is submitted.

Article 8

- (1). The Director General of Taxation in a period of not more than 6 (six) months since the date of receipt must issue a decision on a petition by a Taxpayer as referred to in Article 2.
- (2). If the period as referred to in paragraph (1) has elapsed and the Director General of Taxation has not issued a decision, then the filed petition shall be considered granted and the Director General of Taxation shall issue a decision conforming the Taxpayer petition not later than 1 (one) month after the intended period ends.

Article 9

- (1). With regard to the petition by a Taxpayer on:
 - a. the petition to reduce or to eliminate administrative sanctions as referred to in letter *a* of Article 2; and
 - b. the petition to reduce SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2, the Director General of Taxation may grant in part or in whole, or deny such a petition by the Taxpayer.
- (2). With regards to the petition by a Taxpayer to cancel the SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB as referred to in letter *b* of Article 2, the Director General of Taxation may grant in part or whole, or to deny such request by the Taxpayer.
- (3). Upon written request of the Taxpayer, the Director General of Taxation shall provide written explanation on the basis used to deny or grant in part the Taxpayer's petition as referred to in paragraph (1) or to deny the Taxpayer's petition as referred to in paragraph (2).

Article 10

Further provisions concerning the procedures for filing and settlement



THE FINANCE MINISTER OF
THE REPUBLIC OF INDONESIA

of the petition for reducing or eliminating the administrative sanctions of PBB and BPHTB, and reduction or cancellation of SPPT, SKP PBB, STP PBB, SKBKB, SKBKBT, SKBLB, SKBN or STB, which is not true, shall be set forth in a Regulation by the Director General of Taxation.

Article 11

This Regulation of the Finance Minister shall be effective on the date of its promulgation.

In order that this Regulation is known to the general public, it is hereby ordered that this Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta

On June 17, 2009

THE FINANCE MINISTER

(signed)

SRI MULYANI INDRAWATI

Promulgated in Jakarta

On June 17, 2009

THE MINISTER OF JUSTICE AND HUMAN RIGHTS

(signed)

ANDI MATTALATA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 147 OF 2009