



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA NUMBER 163/PMK.03/2012

CONCERNING

LIMITATIONS AND PROCEDURES FOR THE IMPOSITION OF VALUE ADDED
TAX ON SELF-BUILDING ACTIVITY

BY THE GRACE OF GOD ALMIGHTY

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA

- Considering :
- a. that in order to increase public participation in the payment of Value Added Tax on self-building activities, it needs to reorganize the limits and procedures for the imposition of Value Added Tax on self-building activities as stipulated in the Regulation of the Minister of Finance Number 39/PMK.03/2010 concerning Limitations and Procedures For the Imposition of Value Added Tax on Self-Building Activities.
 - b. that in order to ensure a sense of fairness in the imposition of Value Added Tax, based on the Article 8A paragraph (2) of Act Number 8 year 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended by Act Number 42 Year 2009 of the Minister of Finance was authorized to set another value as a Taxes Imposition Base;
 - c. that based on the considerations as referred to in letter a, and letter b, as well as to implement the provisions of Article 16C of Act Number 8 Year 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended by Act Number 42 Year 2009, it is necessary to stipulate Regulation of the Minister of Finance concerning the Limitation and Procedure for Imposition of Value Added Tax on Self-Building Activities.
- In View of :
1. Act Number 6 Year 1983 concerning General Provisions and Tax Procedures (State Gazette of the Republic of Indonesia Year 1983 Number 49, Supplement to State Gazette of the Republic of Indonesia Number 3262) as amended by Act Number 16 Year 2009 (State Gazette of the Republic Indonesia Year 2009 Number 62, Supplement to State Gazette of the Republic of Indonesia Number 4999);
 2. Act Number 8 Year 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods (State Gazette of the Republic of Indonesia Year 1983



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Number 51, Supplement to State Gazette of the Republic of Indonesia Number 3264) as amended by Act Number 42 Year 2009 (State Gazette of the Republic of Indonesia Year 2009 Number 150, Supplement to State Gazette of the Republic of Indonesia Number 5069);

DECIDES:

To stipulate : REGULATION OF THE MINISTER OF FINANCE CONCERNING LIMITATIONS AND PROCEDURES FOR THE IMPOSITION OF VALUE ADDED TAX ON SELF-BUILDING ACTIVITY.

Article 1

In this Regulation of the Minister referred to as:

1. Taxes Imposition Base is the Sales Price, Replacement, Import Value, Export Value, or other value that is used as the basis for calculating the tax payable.
2. Tax Payment Slip is a proof of payment or tax payment which has been done by using the form or has been done any other way to the treasury through the place of payment which appointed by the Minister of Finance.
3. Tax Identification Number, hereinafter referred to as NPWP is a number given to taxpayers as a means of tax administration that are used as self-identity or identity of the taxpayer in carrying out the rights and obligations of taxation.

Article 2

- (1) Upon The self-building activities of Value Added Tax payable.
- (2) Value Added Tax as referred to in paragraph (1) payable to the individual or entity who conducts activities of self-building.
- (3) The self-building activity, as referred to in paragraph (1) is an activity construct buildings which done not in the course of business activity or employment by private persons or entities whose results are used for itself or used by another party.
- (4) The building as referred to in paragraph (3) in the form of one or more construction techniques that are planted or permanently attached to a unit of land and / or water to



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the criteria:

- a. Construction consists primarily of wood, concrete, masonry or similar material, and / or steel;
- b. destined for the residence or place of business, and
- c. The overall area of at least 200m² (two hundred square meters).

Article 3

- (1) Value Added Tax payable as referred to in Article 2 shall be calculated by multiplying the rate of 10% (ten percent) of the Taxes Imposition Base.
- (2) Tax Imposition Base as referred in paragraph (1) is 20% (twenty percent) of the total costs incurred and / or paid to construct the building, not including the cost of land.

Article 4

- (1) When the Value Added Tax payable on self-building activities initiated during the construction of the building until the building is completed.
- (2) The self-building activity which is done in stages is considered a single unit activities throughout the lag time between the stages are no more than 2 (two) years.
- (3) The place of Value Added Tax payable on the self-building activities is in a building erected.

Article 5

Payment of Value Added Tax payable on self-building activity is done every month by 10% (ten percent) multiplied by 20% (twenty percent) multiplied by the amount of costs incurred and / or paid on a monthly basis.

Article 6

- (1) In the case of private persons or entities who do not build self-building activities or depositing less the Value Added Tax payable as referred to in Article 5 to the State Treasury, the Directorate General of Taxes may issue the Tax Underpayment based on inspection or verification.
- (2) In the case based on the results of inspection or verification, the individual or entity which conducts self-building activity:



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- a. Did not provide data or evidence supporting the cost and / or paid to construct the building, or
- b. Provide data or evidence supporting the costs incurred and / or paid to construct the building, but it is incorrect or incomplete,

The amount of costs incurred and / or paid to construct the building as referred to in Article 3 paragraph (2) defined by the position of the Director General of Taxes.

Article 7

- (1) Value Added Tax payable on self-building activities as referred to in Article 5 shall be deposited into the state treasury through the post office or the Tax Payment Bank later than the next 15 months after the end of the fiscal period.
- (2) Payment of Value Added Tax payable as referred to in paragraph (1) is done by using the Tax Payment Slip which should be completed in accordance with the provisions of Acts in taxation.
- (3) In the case where the building is set to be in the region of Primary Tax Office Service where the individual or entity which conducts self-building activity, Tax identification Number (NPWP) fields listed in the Tax Payment as referred to in paragraph (2) is filled with a Tax identification Number (NPWP) individual or the entity.
- (4) In the case where the building is set to be in the region of Primary Tax Office Service which is different than the Tax Office Service where the individual or entity which conducts self-building activity, the Tax Payment as referred to in paragraph (2) is filled with the following conditions:
 - a. Tax Identification Number (NPWP) column filled with:
 1. Number 0 (zero) to 9 (nine) the first digit;
 2. Digit code of Primary Tax Office Service whose jurisdiction covers the area of the building is set on 3 (three) the next digit, and
 3. Number 0 (zero) to 3 (three) digits.
 - b. In the "Taxpayer / Depositor" filled name and Tax Identification Number (NPWP) individual or entity that



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conducts self-building activities.

- (5) In the case of an individual who does self-building activities does not have Tax Identification Number (NPWP), Tax Payment as referred to in paragraph (2) is filled with the following conditions:
 - a. Tax Identification Number (NPWP) column filled with:
 1. Number 0 (zero) to 9 (nine) the first digit;
 2. Digit code of Primary Tax Office Service whose jurisdiction covers the area of the building is set on 3 (three) the next digit, and
 3. Number 0 (zero) to 3 (three) digits.
 - b. In the "Taxpayer / Depositor" filled name and address of the person or entity that does self-building activities.

Article 8

- (1) An individual or entity who conducts self-building activities shall report payment of Value Added Tax payable as referred to in Article 7 paragraph (1) to the Primary Tax Office Service whose jurisdiction covers the building was erected by using the third sheet of Tax Payment Slip as referred to in Article 7 paragraph (2), longer of the end of the month following the expiration of the tax.
- (2) In the case of the individual or entity which conducts building itself has been confirmed as a Taxable Firm and the place where the building was erected in the working area Primary Tax Office Service where the individual or entity is registered, the individual or entity performing of self-building activities shall report the self-building activities within the Periodic Tax Return of Value Added Tax by attaching three pieces of Tax Payment Slip as referred to in Article 7 paragraph (2).
- (3) In the case of the individual or entity that conducts self-building activities has been confirmed as a Taxable Firm and the place where the building was erected in the work area of Primary Tax Office Service which is different than Primary Tax Office Service where the individual or entity is registered, the individual or entity who perform the self-building activities in addition to report the payment of Value Added Tax payable as referred to in paragraph (1) shall report the self-building activities in the Periodic



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Tax Return of Value Added Tax by attaching a copy of the third sheet of Tax Payment Slip as referred to in Article 7 paragraph (2).

- (4) In the case of a Taxable Firm as referred to in paragraph (2) and (3) registered in Associate Tax Office, Tax Office Service in the environment of the Directorate General of Large Taxpayers or Tax Office Service in the Environment of the Directorate General Tax Special Jakarta, in addition Taxable Firm is required to report Value Added Tax payable as referred to in paragraph (1) shall report the self-building activities in the Periodic Tax Return of Value Added Tax by attaching a copy of the third sheet of Tax Payment slip as referred to in Article 7 paragraph (2).

Article 9

- (1) In the case of the individual or entity that conducts the self-building activities does not perform the obligation of the payment of Value Added Tax payable as referred to in Article 7 paragraph (1) and / or reporting obligation as referred to in Article 8 paragraph (1), the Head of the Primary Tax Office Service which jurisdiction covers the area buildings erected or the Head of the Tax Office where the Taxpayer is registered may issue a warning letter in accordance with example of the format as specified in Appendix I, which is an integral part of this Regulation of the Minister.
- (2) In the case of the individual or entity which conducts self-building activity has done a deposit or reporting of Value Added Tax on self-building activities, but based on the data that is owned and acquired by the Directorate General of Taxes is believed there are indications of a deposit or unusual reporting, the Head of Primary Tax Office Service as referred to in paragraph (1) may issue an Advice Letter as the example format as contained in Appendix II which are an integral part of this Regulation of the Minister.
- (3) If within a period of 14 (fourteen) days from the issuance of Warning Letter as referred to in paragraph (1) or a Advice Letter as referred to in paragraph (2), the individual or entity has not deposit and report Value Added Tax payable on self-building activities, The Head of Primary Tax Office Service which jurisdiction covers the place of building was erected to carry out the



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verification or inspection to determine the amount of Value Added Tax payable on self-building activities.

- (4) Based on the results of verification or inspection as referred to in paragraph (3), the Head of the Tax Office Service issued a tax assessment letter on self-building activity.
- (5) In the case of the individual or entity that conducts self-building activity does not have Tax Identification Number (NPWP), the Head of Primary Tax Office Service may issue a Tax Identification Number (NPWP) by position in accordance with the legislation in the field of taxation.
- (6) In the case of the individual or entity which conducts self-building activity has Tax Identification Number (NPWP) but different than the place of building was erected, The Head of Primary Tax Office Service issued a Tax Identification Number (NPWP) as a branch office in accordance with the legislation in the field of taxation.

Article 10

Input Tax paid in relation to self-building activity cannot be credited.

Article 11

The procedure for determining the positions as referred to in Article 6 paragraph (2), shall be regulated of the Director General of Taxes.

Article 12

At the time of this Regulation of the Minister comes into force:

1. Self-building activity has begun before the enactment of this Regulation of the Minister appropriate period as referred to in Article 4 paragraph (1) and has not been completed by the current Regulation of the Minister of Finance comes into force, including the self-building activity undertaken in stages as referred to in Article 4 paragraph (2), are subject to Value Added Tax based on the Regulation of the Minister of Finance Number 39/PMK.03/2010 concerning Limitations and Procedures for the Imposition of Value Added Tax on Self-Building Activity.
2. Regulation of the Minister of Finance Number 39/PMK.03/2010 concerning Limitations and



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Procedures for the Imposition of Value Added Tax on
Self-Building Activity revoked and declared invalid

Article 13

This regulation shall be effective after thirty (30) days from
the date of enactment.

For public cognizance, this Regulation of the Minister of
Finance shall be promulgated by placing it in State Gazette of
the Republic of Indonesia.

Stipulated in Jakarta

On October 22, 2012

MINISTER OF FINANCE OF
THE REPUBLIC OF
INDONESIA,

Signed.

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

On October 22, 2012

MINISTER OF JUSTICE AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA,

Signed.

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 1036 YEAR
2012

Appendix.....