

Consolidated Excise Law after HPP Law

Composition in One Script of Law of the Republic of Indonesia Number 11 of 1995 concerning Excise as amended several times, most recently by Law of the Republic of Indonesia Number [7 of 2021](#)

General Explanation

To increase sustainable economic growth in order to create a just, prosperous and prosperous society based on Pancasila and the 1945 Constitution of the Republic of Indonesia, various efforts are needed from the Government to take various steps of consolidative fiscal policy.

This consolidated fiscal policy can be realized by taking strategic steps that focus on improving the budget deficit and increasing the *tax ratio*, which among others is through the implementation of policies to increase tax revenue performance, reform tax administration, increase the tax base, create a tax system that prioritizes the principles of taxation, justice and legal certainty, as well as increasing taxpayer compliance. At the global level, countries in the world also implement various tax policies that are expected to be able to increase revenues by expanding the tax base and adjusting tax rates.

In order to increase the *tax ratio*, the Government has made various efforts, including through tax reforms that focus on organization, human resources, data-based information technology, business processes, and tax regulations. This is carried out by improving service functions, implementing the Tax Amnesty program, implementing the *Automatic Exchange of Financial Account Information* scheme, strengthening the effectiveness of the extensification function, and law enforcement. However, this is not enough to compensate for changing business patterns and the dynamic dynamics of globalization as well as overcome existing *aggressive tax planning* practices.

Therefore, in line with sustainable tax reform, especially in the regulatory and business process aspects, it is necessary to adjust tax policy arrangements that are comprehensive, consolidated, and harmonious, so it is necessary to establish a Law on the Harmonization of Tax Regulations. Adjustment of this policy setting aims to promote sustainable economic growth and support the acceleration of economic recovery; optimize state revenues to finance national development independently towards a just, prosperous and prosperous Indonesian society; realizing a tax system that is more just and with legal certainty; implement administrative reforms, consolidated taxation policies, and broaden the tax base; and increase taxpayer compliance.

Tax policies that are comprehensive, consolidated, and harmonious are carried out through arrangements covering General Provisions and Tax Procedures, Income Tax, Value Added Tax and Sales Tax on Luxury Goods, Taxpayer Voluntary Disclosure Program, Carbon Tax, and Excise.

The material on General Provisions and Tax Procedures contains several amended and/or added provisions, among others regarding cooperation in tax collection assistance between countries, Taxpayer's power of attorney, provision of data in the context of law enforcement and cooperation in the interest of the state, and expiration of tax criminal prosecution.

In the Income Tax material, there are several provisions that are amended and/or added, among others, regarding changes in the imposition of taxes on in-kind and/or enjoyment, rates of individual and corporate Income Tax, depreciation and amortization, as well as international agreements/agreements in the field of taxation.

Material changes to Value Added Tax and Sales Tax on Luxury Goods include, among others, the reduction of exemptions from Value Added Tax objects, re-arrangement of Value Added Tax facilities, changes to Value Added Tax rates, and the imposition of final Value Added tax rates.

To encourage taxpayer compliance, there is a Taxpayer Voluntary Disclosure Program material which provides an opportunity for taxpayers to disclose their assets that have not been disclosed. Furthermore, there is a new regulation regarding the carbon tax imposed on carbon emissions that have a negative

impact on the environment. The imposition of a carbon tax is carried out by taking into account the carbon tax roadmap and/or the carbon market roadmap. As for changes to the provisions on Excise material, among

others, the addition of excisable goods, the authority of Customs and Excise Officials, investigations, and payment of administrative sanctions.

CHAPTER I **GENERAL REQUIREMENTS**

article 1

In this law what is meant by:

1. Tax is a national levy imposed on certain goods that have the nature or characteristics specified in this law.
2. Factory is a certain place including buildings, yards and fields which are part of it, which are used to produce excisable goods and/or to pack excisable goods in packages for retail sale. 3. Person is an individual or legal entity. *)
4. A factory entrepreneur is a person who runs a factory.
5. Storage area is a place, building, and/or field that is not part of the factory, which is used to store excisable goods in the form of ethyl alcohol that is still payable with excise duty for the purpose of being distributed, sold, or exported. *)
6. A storage place entrepreneur is a person who manages a storage area.
7. A retail point of sale is a place for retailing excisable goods to the final consumer. 8. Entrepreneur of a place of retail sale is a person who operates a place of retail sale. *) 9. A distributor is a person who distributes or sells taxable goods whose taxes have been paid and which are solely intended for non-end consumers. *)
10. Tax documents are documents used in the framework of the implementation of this law in the form of forms or through electronic media. *)
11. Office is the Office of the Directorate General of Customs and Excise. *)
12. The Directorate General of Customs and Excise is the implementing element of the main tasks and functions of the Ministry of Finance in the field of customs and excise.
13. Minister is the Minister of Finance of the Republic of Indonesia.
14. Director General is the Director General of Customs and Excise.
15. Customs and Excise Officers are officials of the Directorate General of Customs and Excise who are appointed in certain departments to perform certain tasks based on this law. *)
16. Temporary storage place is a building and/or field or other equivalent place in the customs area to store goods while waiting for loading or releasing. *)
17. Bonded storage is a building, place, or area that meets certain requirements used to store goods for a specific purpose by obtaining a suspension of import duty. *)
18. Customs area is the territory of the Republic of Indonesia which includes land, waters and air space above it, as well as certain places in the exclusive economic zone and continental shelf in which customs laws apply. *)
19. An excise audit is a series of activities to examine financial statements, books, records and documents that serve as basic evidence of bookkeeping, and other documents related to business activities, including electronic data, as well as letters relating to activities in the excise sector and/or inventory of goods in the context of implementation. statutory provisions in the field of excise. *)
20. Invoices are letters in the form of stipulations used to collect excise debts, excise shortages, administrative sanctions in the form of fines, and/or interest. *)

Explanation of Article 1

Quite clear.

Related Rules

There are no related regulations.

Section 2

- (1) Certain items that have properties or characteristics:
 - a. its consumption needs to be controlled;
 - b. its circulation needs to be monitored;
 - c. its use may have a negative impact on society or the environment; or
 - d. its use requires imposition of state levies for justice and balance, subject to excise duty under this law. *)
- (2) The goods as referred to in paragraph (1) shall be declared as excisable goods.

Explanation of Article 2

Sentence (1)

Letter A

Quite clear.

Letter b

Quite clear.

The letter c

Quite clear.

The letter d

What is meant by "its use requires imposition of state levies in the context of fairness and balance" is that excise levies may be imposed on goods categorized as luxury goods and/or high value, but are not basic necessities, so that the balance of the imposition of levies between high-income consumers is maintained. with low-income consumers.

Sentence (2)

Quite clear.

Related Rules

There are no related regulations.

Article 3

- (1) The imposition of excise shall come into effect for Excisable Goods made in Indonesia upon completion and for Excisable Goods imported at the time of their entry into the Customs Area in accordance with the provisions of the Customs Law.
- (2) The responsibility for excise duty for Excisable Goods made in Indonesia rests with the Tax Entrepreneur or Storage Place Entrepreneur, and for imported Excisable Goods lies with the Importer or other parties as referred to in the Customs Law.
- (3) The fulfillment of the provisions in this Law is carried out by using excise documents and/or excise complementary documents.

Explanation of Article 3

Sentence (1)

Confirmation of the time of imposition of excise duty on an item that is designated as Excisable Goods is important because since then juridically (because of the law) excise debt has arisen so that it is necessary to supervise the goods because the rights of the state have been attached to them.

For excisable goods made in Indonesia, the time of imposition of excise is when it is finished, so that is when supervision is carried out on the goods. What is meant by "goods completed" is when the process of making the goods is completed with the purpose of being used.

For imported excisable goods, the time of imposition of excise is at the time of entering the customs area.

Sentence (2)

Taking into account the notion of Factory Entrepreneur and Storage Place Entrepreneur as regulated in Article 1, the responsibility for excise on Excisable Goods if it is still in the Factory lies with the Factory Entrepreneur, while if it is in the Storage Place, the responsibility shifts to the Storage Place Entrepreneur.

Affirmation of this responsibility in connection with the provisions regarding the payment of excise duty

which is carried out when the Excisable Goods are released from the Factory or Storage Place.

For imported excisable goods, considering that the juridical definition at the time of imposition of excise is when the goods and means of transport enter the Customs Area as the principle of imposition of duty in the Customs Law, whereas when the goods enter the Customs Area it cannot be known for the purpose of being used, or other purposes, and the owner is not yet known, then the responsibility for excise duty on imported Excisable Goods follows the stages of duty responsibility on imported goods as regulated in the Customs Law.

Sentence (3)

What is meant by "supplementary tax documents" are all documents used as supplementary documents from tax documents.

Related Rules

There are no related regulations.

Pasal 3A

- (1) Excise documents and/or complementary excise documents as referred to in Article 3 paragraph (3) shall be submitted in written form on a form or in the form of electronic data. *)
- (2) Excise documents and/or complementary excise documents as referred to in paragraph (1) are legal evidence according to this law. *)
- (3) Further provisions regarding excise documents and/or complementary excise documents as referred to in paragraph (1) shall be regulated by or based on ministerial regulations. *)

Explanation of Article 3A

Quite clear.

Related Rules

There are no related regulations.

Article 3B

All provisions as stipulated in this law apply to taxable goods. *)

Explanation of Article 3B

The enforcement is carried out by the Directorate General of Customs and Excise.

Related Rules

There are no related regulations.

CHAPTER II GOODS SUBJECT TO TAX, TAX TARIFF, AND BASIC PRICES

First part Taxable Goods

Article 4

- (1) Tax is imposed on Taxable Goods consisting of:

- a. ethyl alcohol or ethanol, regardless of the materials used and the manufacturing process; b. drinks containing ethyl alcohol in any amount, regardless of the ingredients used and the manufacturing process, including concentrates containing ethyl alcohol; and
- c. tobacco products, which include cigarettes, cigars, leaf cigarettes, sliced tobacco, electric cigarettes, and other tobacco processing products, regardless of whether or not substitute or auxiliary materials are used in their manufacture. **)

(2) The addition or reduction of the types of Excisable Goods shall be regulated by a Government Regulation after being submitted by the Government to the House of Representatives of the Republic of Indonesia to be discussed and agreed upon in the preparation of the Draft State Revenue and Expenditure Budget. **)

Explanation of Article 4

Sentence (1)

Letter A

What is meant by ethyl alcohol or ethanol are liquid, clear and colorless goods, which are organic compounds with the chemical formula C₂H₅OH, which are obtained either by fermentation and/or distillation or by chemical synthesis.

Letter b

What is meant by drinks containing ethyl alcohol are all liquid goods commonly referred to as drinks containing ethyl alcohol produced by fermentation, distillation, or other methods, including beer, shandy, wine, gin, whiskey, and the like.

What is meant by concentrate containing ethyl alcohol is material containing ethyl alcohol which is used as raw material or auxiliary material in the manufacture of drinks containing ethyl alcohol.

The letter c

What is meant by "cigarettes" are tobacco products made from chopped tobacco wrapped in paper by rolling it, for use, regardless of the substitute or auxiliary materials used in its manufacture.

Cigarettes consist of kretek cigarettes, white cigarettes, and rhubarb incense cigarettes.

Clove cigarettes are cigarettes which are mixed with cloves, or parts thereof, either original or imitation, regardless of the amount.

White cigarettes are cigarettes that are not mixed with cloves, rhubarb or frankincense.

White cigarettes and kretek cigarettes consist of cigarettes made by machines or made by other means, from machines.

What is meant by machine-made white cigarettes and kretek cigarettes are white cigarettes and kretek cigarettes whose manufacture starts from rolling, installing filters, packing them in packages for retail sale, to sticking excise stamps, wholly or partially using machines.

What is meant by white cigarettes and kretek cigarettes made by other means than machines are white cigarettes and kretek cigarettes which are in the manufacturing process starting from rolling, installing filters, packaging in packages for retail sale, up to the affixing of excise stamps, without using machines.

Rhubarb frankincense cigarettes are cigarettes which in their manufacture are mixed with rhubarb and/or frankincense, genuine or artificial, regardless of the amount.

What is meant by "cigar" is a tobacco product made from sliced tobacco leaves or not, by rolling them in such a way with tobacco leaves, for use, regardless of the substitute or auxiliary materials used in their manufacture.

What is meant by "leaf cigarettes" are tobacco products made with palm leaves, corn leaves (klobot), or the like, by rolling them, for use, regardless of the substitute or auxiliary materials used in their manufacture.

What is meant by "sliced tobacco" is a tobacco product made from chopped tobacco leaves, for use, regardless of the substitute or auxiliary materials used in its manufacture.

What is meant by "electronic cigarettes" are tobacco products in the form of liquid, solid, or other forms, originating from the processing of tobacco leaves made by extraction or other methods in accordance with technological developments and consumer tastes, without regard to substitute materials or auxiliary materials in their manufacture. , which is provided to final consumers in retail sales packaging which is consumed by heating it using an electric heater and then sucking it in.

What is meant by "other tobacco processing products" are tobacco products made from tobacco leaves other than those referred to in this letter which are made in other ways in accordance with technological developments and consumer tastes, without regard to substitute materials or

auxiliary materials used in their manufacture.

Sentence (2)

What is meant by "House of Representatives of the Republic of Indonesia" is the permanent apparatus of the House of Representatives of the Republic of Indonesia, namely commissions whose duties and authorities are in the fields of finance, banking, and development planning.

Related Rules

There are no related regulations.

The second part Tax Tariff

Article 5

(1) Excisable goods in the form of tobacco products are subject to excise duty based on the highest tariff:

a. for those made in Indonesia:

1. 275% (two hundred and seventy five percent) of the base price if the base price used is the factory selling price; or
2. 57% (fifty seven percent) of the base price if the base price used is the retail selling price.

b. for imported:

1. 275% (two hundred and seventy five percent) of the base price if the base price used is customs value plus import duty; or
2. 57% (fifty seven percent) of the base price if the base price used is the retail selling price. *)

(2) Other excisable goods are subject to excise duty at the highest rate:

a. for those made in Indonesia:

1. 1.150% (one thousand one hundred and fifty percent) of the base price if the base price used is the factory selling price; or
2. 80% (eighty percent) of the base price if the base price used is the retail selling price.

b. for imported:

1. 1.150% (one thousand one hundred and fifty percent) of the base price if the base price used is customs value plus import duty; or
2. 80% (eighty percent) of the base price if the base price used is the retail selling price. *) (3)

The excise tariff as referred to in paragraphs (1) and (2) can be changed from the percentage of the base price to the amount in rupiah for each unit of excisable goods or vice versa or a combination of both.

(4) Determination of the target amount of state revenue from excise in the Draft State Revenue and Expenditure Budget (RAPBN) and alternative policies of the Minister in optimizing efforts to achieve revenue targets, taking into account industrial conditions and aspirations of industrial business

actors, are submitted to the House of Representatives of the Republic of Indonesia (DPR RI) for get approval. *)

(5) Further provisions regarding the amount of excise tariff as referred to in paragraph (1) and paragraph (2), as well as the change in tariff as referred to in paragraph (3) shall be regulated by a ministerial regulation. *)

Explanation of Article 5

Sentence (1)

Letter A

The determination of the maximum tariff of 275% (two hundred and seventy five percent) of the factory selling price or 57% (fifty seven percent) of the retail selling price is based on the consideration that if goods are subject to excise duty, which due to their nature or characteristics have a negative impact on health, wants to be limited the circulation and use is strictly controlled, the way to limit it is through a tariff instrument so that the excisable goods in question can be subject to the highest excise rate.

Letter b

The determination of the maximum tariff of 275% (two hundred and seventy five percent) of the customs value plus import duty or 57% (fifty seven percent) of the retail selling price is based on the consideration that if goods are subject to excise duty, which due to its nature or characteristics has a negative impact on health If you want to strictly limit the import, circulation, and use, then the way to limit it is through a tariff instrument so that the excisable goods can be subject to the highest excise rate.

Sentence (2)

Letter A

The determination of the maximum tariff of 1.150% (one thousand one hundred and fifty percent) of the factory selling price or 80% (eighty percent) of the retail selling price is based on the consideration that if goods are subject to excise duty, which due to its nature or characteristics has a negative impact on health, the environment, and social order would like to strictly limit the circulation and use, then the way to limit it is through tariff instruments so that the excisable goods in question can be subject to the highest excise rates. In addition, the highest tariffs can also be imposed in the context of justice and balance, for example goods consumed by people with high incomes.

Letter b

The determination of the maximum tariff of 1.150% (one thousand one hundred and fifty percent) of the customs value plus import duty or 80% (eighty percent) of the retail selling price is based on the consideration that if goods are subject to excise duty, which due to its nature or characteristics has a negative impact on health, the environment life, and social order, want to strictly limit the import, circulation, and use, then the way to limit it is through a tariff instrument so that the excisable goods in question can be subject to the highest excise rate. In addition, the highest tariffs can also be imposed in the context of justice and balance, for example goods consumed by people with high incomes.

Sentence (3)

The change in the excise rate as referred to in this paragraph may be in the form of a change from the percentage of the base price (*ad valorum*) to the amount in rupiah for each unit of excisable goods (specific) or vice versa. Likewise, it can be a combination of the two systems.

This tariff change has several purposes, among others, for the benefit of state revenues, to limit the consumption of excisable goods, and to facilitate the collection or supervision of excisable goods.

Sentence (4)

What is meant by "DPR RI" is the commission in charge of finance.

What is meant by "alternative policy" is a policy on the amount of excise tariff on tobacco products made in Indonesia.

The approval of the DPR RI in this paragraph, among others, is an effort to protect and take sides with the labor-intensive tobacco products industry, especially those whose production process uses other methods than machines.

Sentence (5)

Quite clear.

Related Rules

There are no related regulations.

Part Three Basic price

Article 6

- (1) The basic price used for calculating excise duty on excisable goods made in Indonesia is the factory selling price or the retail selling price.
- (2) The basic price used for calculating excise duty on imported excisable goods is the customs value plus import duty or retail selling price.
- (3) Further provisions regarding the determination of the basic price shall be regulated by a ministerial regulation. *)

Explanation of Article 6

Sentence (1)

What is meant by "factory selling price" is the factory delivery price to distributors or consumers, which does not include excise duty.

What is meant by "retail selling price" is the price determined as the basis for calculating the amount of excise duty.

Sentence (2)

What is meant by "customs value and import duty" is the customs value and import duty as referred to in the customs law.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

BAB III REDEMPTION, DELAY, AND FACILITIES *)

First Part Repayment *)

Article 7

- (1) Excise duty on excisable goods made in Indonesia is paid at the time the excisable goods are released from the factory or place of storage.
- (2) Excise duty on imported excisable goods is paid at the time the excisable goods are imported for use.
- (3) The method of paying the excise duty as referred to in paragraphs (1) and (2) is carried out by:
 - a. payment;
 - b. affixing tax tape; or
 - c. affixing other signs of payment of excise duty. *)
- (3a) The printing of excise stamps as referred to in paragraph (3) letter b and the procurement of other excise payment signs as referred to in paragraph (3) letter c shall be carried out by state-owned enterprises and/or bodies or institutions appointed by the Minister with the stipulated conditions. *)

- (3b) The requirements set forth as referred to in paragraph (3a) at least fulfill the principles of security, continuity, effectiveness, efficiency, and provide equal opportunities. *)
- (4) The excise stamp as referred to in paragraph (3) letter b and other signs of payment of excise as referred to in paragraph (3) letter c shall be provided by the Minister. *)
- (5) In the event that the payment of excise duty by means of affixing excise stamps as referred to in paragraph (3) letter b or affixing other signs of payment of excise duty as referred to in paragraph (3) letter c, in its implementation it is not in accordance with the legislation in the field of excise, excise is considered not paid off. *)
- (6) Deleted. *)
- (7) Deleted. *)
- (8) Further provisions on tax repayment are regulated by or based on ministerial regulations. *)

Explanation of Article 7

Sentence (1)

Quite clear.

Sentence (2)

What is meant by "imported for use" is to be imported into the customs area with the aim of being used, owned, or controlled by a person who is domiciled in Indonesia.

Sentence (3)

Basically, the payment of excise duty on excisable goods is the fulfillment of requirements in order to

secure the rights of the state attached to excisable goods so that the excisable goods can be approved for release from factories, storage places, or imported for use.

Taxable goods that have been made and used before being released from the factory are considered to have been released and the tax must be paid.

Letter A

Payment of excise duty by way of payment is proven by the required excise documents. For excisable goods made in Indonesia, payment must be made before excisable goods are removed from the factory or storage area. For imported excisable goods, payment of excise is made at the time the excisable goods are imported for use.

Letter b

Tax repayment by affixing a tax tape is done by affixing a tax tape that should be affixed in accordance with the applicable provisions.

For taxable goods made in Indonesia, the affixing of the tax tape must be done before the taxable goods are removed from the factory.

For imported taxable goods, the affixing of the tax tape must be done before the taxable goods are imported for use. The affixing of the tax tape can be done at a temporary storage place, a bonded storage place, or at a place where taxable goods are manufactured abroad. The letter c

Payment of excise duty by means of affixing other signs of payment of excise duty is carried out by affixing other signs of payment of excise duty that should be and affixed in accordance with applicable regulations, including: *barcodes* and *holograms*.

For excisable goods made in Indonesia, another sign of payment of excise must be affixed before the excisable goods are removed from the factory.

For imported excisable goods, another sign of payment of excise must be affixed before the excisable goods are imported for use. The affixing of other marks of payment of excise duty may be carried out at a temporary storage place, a bonded storage place, or at a place where excisable goods are manufactured abroad.

Ayat (3a)

Quite clear.

Ayat (3b)

Quite clear.

Sentence (4)

What is meant by "provided" is provided in the form of physical goods and/or design specifications.

Sentence (5)

Tax is considered not paid if the affixing of tax tape or the affixing of other tax payment marks on taxable goods is not in accordance with the applicable provisions, among others: a. the attached tax tape does not match the tax tariff and/or the basic price of taxable goods set; b. the attached excise tape is not intact or damaged; or

c. affixed tax tape or tax amortization mark,

others affixed to excisable goods which are not entitled to and/or do not comply with the stipulated specifications.

Sentence (6)

Quite clear.

Sentence (7)

Quite clear.

Sentence (8)

Quite clear.

Related Rules

There are no related regulations.

**Part One
Delay *)**

Pasal 7A

- (1) The payment of excise duty as referred to in Article 7 paragraph (3) letter a may be paid periodically to the manufacturer within a maximum period of 45 (forty five) days from the date of release of excisable goods without interest. *)
- (2) The deferred payment of excise duty may be granted to the manufacturer within the following period: a. no later than 90 (ninety) days from the date of ordering excise stamps for those who pay off by attaching excise stamps as referred to in Article 7 paragraph (3) letter b; b. no later than 45 (forty five) days from the date of release of excisable goods for those who pay off by means of affixing other signs of payment of excise as referred to in Article 7 paragraph (3) letter c. *)
- (3) Delay in payment of excise duty may be granted to importers of excisable goods within a maximum period of 60 (sixty) days from the date of ordering excise stamps for those who make payments by attaching excise stamps as referred to in Article 7 paragraph (3) letter b. *)
- (4) For periodic payments as referred to in paragraph (1), the manufacturer must submit a guarantee. *) (5) In order to obtain the delay as referred to in paragraphs (2) and (3), the manufacturer or importer of excisable goods is obliged to submit a guarantee. *)
- (6) The type and amount of the guarantee as referred to in paragraph (4) and paragraph (5) is regulated by or based on a ministerial regulation. *)
- (7) A factory entrepreneur whose excise duty is paid by means of periodic payments as referred to in paragraph (1) who does not pay excise until the expiration of the periodic payment period is obliged to pay the excise duty owed and be subject to administrative sanction in the form of a fine of 10% (ten percent) of the excise value. owed. *)
- (8) Manufacturers or importers of excisable goods who receive a delay as referred to in paragraphs (2) and (3) who do not pay excise until the due date of the delay, are obliged to pay the excise owed and are subject to administrative sanctions in the form of a fine of 10% (ten percent). of the amount of tax owed. *)
- (9) Further provisions regarding periodic payments as referred to in paragraph (1) and delays as referred to in paragraphs (2) and (3) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 7A

Sentence (1)

What is meant by "from the date of release of excisable goods" is the date of registration of the export document.

Sentence (2)

What is meant by "delay" is the ease of payment provided to factory entrepreneurs in the form of deferral of excise payments without being subject to interest.

Letter A

What is meant by "since the date of ordering excise stamps" is the date of registration of documents for ordering excise stamps.

Letter b

Quite clear.

Sentence (3)

What is meant by "delay" is the ease of payment provided to importers of excisable goods in the form of deferral of payment of excise without incurring interest.

Sentence (4)

Guarantees can be in the form of bank guarantees or guarantees from insurance companies.

Sentence (5)

Guarantees can be in the form of bank guarantees, guarantees from insurance companies, or *corporate guarantees*.

The type and amount of the guarantee is determined by considering the level of compliance of the manufacturer or importer of excisable goods during the delay. For example, a manufacturer or importer of excisable goods who have never violated their deferral may submit a guarantee in the form of a *corporate guarantee*.

Sentence (6)

Quite clear.

Sentence (7)

Quite clear.

Sentence (8)

Quite clear.

Sentence (9)

Quite clear.

Related Rules

There are no related regulations.

**Part Two
Facilities****Paragraph 1
Free of Excise****Article 8**

- (1) Excise is not collected on excisable goods as referred to in Article 4 paragraph (1) on:
- a. sliced tobacco made from tobacco from plants in Indonesia which is not packaged for retail sale or packaged for retail sale with traditional packaging materials commonly used, if in its manufacture it is not mixed or added with tobacco originating from abroad or other materials commonly used in the manufacture of tobacco products and/or their packaging or tobacco slices is not affixed with trademarks, etiquette, or the like;
 - b. drinks containing fermented or distilled ethyl alcohol made by the people in Indonesia simply for livelihood purposes and not packaged for retail sale.
- (2) Tax is also not collected on taxable goods when:
- a. be transported directly or further transported to destinations outside the customs area;
 - b. exported;
 - c. put into the factory or storage area;
 - d. used as raw materials or auxiliary materials in the manufacture of final products which are excisable goods;
 - e. has been destroyed or damaged before being removed from the factory, storage area or before being granted import approval for use.
- (2a) Changes in excisable goods that are not subject to excise duty as referred to in paragraph (1) and changes in the destination of excisable goods that are not subject to excise duty as referred to in paragraph (2) shall be determined by the Minister. *)
- (3) Manufacturers, entrepreneurs of storage places, importers of excisable goods, or any person violating the provisions regarding the non-collection of excise as referred to in paragraph (2) shall be subject to administrative sanctions in the form of a fine of at least 2 (two) times the value of excise and a maximum of 10 (ten) times the value of the tax that should be paid. *)
- (4) Further provisions regarding the implementation of paragraph (1) and paragraph (2) are regulated by or based on ministerial regulations. *)

Elucidation of Article 8**Sentence (1)**

The non-collection of excise duty on excisable goods as referred to in this paragraph is to provide relief to the people in several regions who make these goods in a simple manner and are a source of livelihood.

What is meant by "packaged for retail sale" is packed in packages with certain contents by using objects that can protect against damage and improve its marketing.

Sentence (2)

The obligation to pay excise is still attached to the excisable goods as regulated in this paragraph, but the collection is not carried out as long as it fulfills the specified requirements, as evidenced by the required excise documents and the excisable goods are still under supervision. Letter A

What is meant by "transported directly" is transported by means of transportation through the customs office without prior unloading.

What is meant by "transported further" is being transported by means of transportation through the customs office by unloading it first.

Letter b

Quite clear.

The letter c

Excise duty is not collected on excisable goods as referred to in this letter because in the factory or storage place, excisable goods may be stockpiled for which excise has not been paid, originating from factories or other storage places or from imports.

The collection or payment of excise duty on the said excisable goods is carried out at the time it is re-issued from the factory or storage place.

The letter d

Taxable goods that are used as raw materials or auxiliary materials according to the provisions of this letter are not taxed, because the tax will be levied on final products that are also taxable goods, such as ethyl alcohol that is used as a raw material in the manufacture of beverages containing ethyl alcohol or as an auxiliary material in the manufacture of tobacco products.

Huruf e

Quite clear.

Ayat (2a)

Quite clear.

Sentence (3)

What is meant by "violating the provisions regarding the non-collection of excise" is if excisable goods are found to deviate from their destination so that they no longer meet the provisions as stipulated in paragraph (2), for example, excisable goods cannot be proven to have been transported directly or exported.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Paragraph 2 Tax Exemption

Article 9

(1) Tax exemption can be granted on taxable goods:

- a. which are used as raw materials or auxiliary materials in the manufacture of final products which are not excisable goods;
- b. for research and scientific development purposes;
- c. for the needs of foreign country representatives and their officials working in Indonesia based on reciprocity;
- d. for the purposes of foreign national experts assigned to international agencies or organizations in Indonesia;
- e. carried by passengers, crew of transportation means, border crossers or shipments from abroad in a specified amount;
- f. used for social purposes;
- g. which is put into the bonded storage area.

(1a) The change in the destination of excisable goods that are granted exemption from excise as referred to in paragraph (1) shall be determined by the Minister. *)

(2) Exemption from excise duty may also be granted on certain excisable goods, namely: a.

- ethyl alcohol that is tampered with so that it is not good to drink;
- drinks containing ethyl alcohol and tobacco products, which are consumed by passengers and crew of transportation means departing directly outside the customs area.

(3) Manufacturers, entrepreneurs of storage places, importers of excisable goods, or any person who violates the provisions on exemption from excise as referred to in paragraph (1) or paragraph (2), shall be

subject to administrative sanctions in the form of a fine of at least 2 (two) times the excise value and a maximum of 2 (two) times the excise value. 10 (ten) times the value of excise that should be paid. *)

(4) Further provisions regarding the procedure for exemption from excise as referred to in paragraphs (1) and (2) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 9

Sentence (1)

What is meant by "exemption" is a facility granted to a factory entrepreneur or storage place entrepreneur or importer not to pay the excise owed.

Letter A

Excise exemption facilities based on the provisions in this letter are intended to support the growth or development of industries that use excisable goods as raw materials or auxiliary materials in the manufacture of final products that are not excisable goods, both for export purposes and for domestic marketing, such as ethyl alcohol used as raw material or auxiliary material in the manufacture of ethyl acetate, acetic acid, drugs and so on.

Letter b

Excisable goods that may be granted exemption under the provisions in this letter are limited in number according to a reasonable need.

The letter c

Quite clear.

The letter d

Excisable goods that may be granted exemption under the provisions in this letter are limited in number according to a reasonable need.

Huruf e

1. What is meant by "passenger" is anyone who crosses the border of the country's territory by using means of transportation but is not a crew of transportation means and is not a border crosser.
2. What is meant by "crew of the means of transport" is anyone who due to the nature of his work must be in the means of transport and come with the means of transport.
3. What is meant by "border crosser" is a resident who resides or resides within the border area of the country and has an identity card issued by the authorized agency who travels across the border in the border area through a cross-border supervisory post.

The letter f

What is meant by "social purpose" is, among others, for natural disaster assistance.

The letter g

What is meant by "bonded storage place" is a bonded storage place as regulated in the law in the field of customs.

Sentence (1a)

Quite clear.

Sentence (2)

Letter A

What is meant by "ethyl alcohol which is damaged so that it is not good for drinking" is ethyl alcohol which is damaged with certain destructive substances, which in trade terms is commonly called burnt spiritus (*brand spiritus*).

Letter b

Quite clear.

Sentence (3)

What is meant by "violating the provisions on excise exemption" is abusing the excise exemption facility. For example, ethyl alcohol is granted exemption from excise duty because it will be used as a raw material or as an auxiliary material in the manufacture of certain predetermined end products, but turns out to be used to make other end products other than those specified.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

CHAPTER IV **BILLING, RETURN AND EXPIRED**

First Part **Billing**

Article 10

(1) Billing is made on:

- a. excise debt that is not paid on time;
- b. lack of taxes; and/or
- c. administrative sanctions in the form of fines. *)

(2) Excise payables, shortages of excise, and administrative sanctions in the form of fines as referred to in paragraph (1) must be paid no later than 30 (thirty) days from the date of receipt of the invoice. *) (2a) Payment of excise debt, shortage of excise, and/or administrative sanctions in the form of fines as referred to in paragraph (1), which exceeds the period as referred to in paragraph (2), shall be subject to interest of 2% (two percent) every month for a maximum of 24 (fourteen) days. twenty four) months from the value of excise debt, lack of excise duty, and/or administrative sanctions in the form of unpaid fines. *)

(2b) In certain cases, at the request of the manufacturer, the Director General may provide convenience

for the payment of the bill as referred to in paragraph (1) within a maximum period of 12 (twelve) months and is subject to interest of 2% (two percent) every month. *)

(2c) Payment of excise debt, excise shortages, and administrative sanctions in the form of fines as referred to in paragraph (2) and interest as referred to in paragraph (2a) shall be rounded up in thousands of rupiah. *)

(3) Further provisions regarding the procedure for collection and installments shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 10

Sentence (1)

Letter A

What is meant by "excise debt that is not paid on time", among others:

- a. tax debt arising as a result of taxes whose periodic payment as referred to in Article 7A paragraph (1) is not paid until the periodic payment period ends; and
- b. excise debt arising from excise whose payment is delayed as referred to in Article 7A paragraph (2) and paragraph (3) is not paid until the maturity of the postponement ends. Letter b

What is meant by "tax deficiency", among others:

- a. shortage of excise duty due to a miscalculation in the notification document or the order for excise stamps; and
- b. lack of excise due to the results of the enumeration.

The letter c

Quite clear.

Sentence (2)

What is meant by "date of receipt" is the date of the postal stamp of delivery, the date of facsimile, or other delivery media. In the event that the invoice is sent directly, what is referred to is the date on which the invoice was received in person.

Ayat (2a)

In the imposition of interest, when the period is less than 1 (one) month, 1 (one) full month is calculated. For example, 7 (seven) days are counted as 1 (one) full month; 1 (one) month 7 (seven) days are counted as 2 (two) full months.

Ayat (2b)

What is meant by "in certain cases" is a factory entrepreneur experiencing financial difficulties or in a state of force majeure.

Sentence (2c)

What is meant by "rounded up in thousands of rupiah" is rounded up so that part of the thousand becomes a full thousand.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Article 11

- (1) State bills based on this law have a pre-emptive right to all claims for assets owed.
- (2) The foregoing as referred to in paragraph (1) does not apply to:
 - a. court costs that are solely caused by a sentence to auction a movable or immovable property; b. costs that have been incurred to save an item;
 - c. court costs solely due to the auction and settlement of an inheritance.
- (3) The preemptive right as referred to in paragraph (1) is lost after two years have elapsed since the issuance of the Invoice, unless within that period a delay in payment is granted.
- (4) If a payment delay is granted as referred to in paragraph (3), the period of two years must be added to the period of delay in payment.

Elucidation of Article 11**Sentence (1)**

This paragraph stipulates the position of the state as a preferred creditor who is declared to have pre-emptive rights to the property owed which will be auctioned in public.

After the excise debt and/or administrative fines are paid off, the payments to other creditors will be settled.

The purpose of this paragraph is to provide an opportunity for the Government to obtain a share from other creditors in advance of the proceeds from a public auction of the property owed, in order to cover or pay off the debt.

What is meant by "assets owed" are all assets of the debtor. In the event that the debtor is an individual, the assets owed include personal assets.

Sentence (2)

The preemptive right to indebted property to be auctioned in public will only take effect after the costs as referred to in letters a, b, and c have been paid for.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

**Part Two
Returns****Article 12**

- (1) A refund of tax paid is given in the case of:
 - a. there is an overpayment due to a calculation error;
 - b. excisable goods are exported;
 - c. excisable goods are reprocessed at the factory or destroyed;
 - d. goods subject to excise duty are exempted from excise as referred to in Article 9; e. excise tape is returned because it is damaged or not used; or
 - f. there is an overpayment as a result of the decision of the Tax Court. *)

- (2) (2) Refund of excise as referred to in paragraph (1) shall be made no later than 30 (thirty) days after the overpayment is determined. *)
- (3) If the excise refund is made after the period of 30 (thirty) days as referred to in paragraph (2), the government will give an interest of 2% (two percent) per month, calculated after the period ends until the time the refund is made. *)
- (4) Further provisions on tax refunds are regulated by or based on ministerial regulations. *)

Elucidation of Article 12

Sentence (1)

Letter A

What is meant by "overpayment due to a calculation error" is an error in counting in multiplication, subtraction, in the application of tariffs or prices, or errors in enumeration. In such case, the excise that has been paid may be refunded in the amount of the excess payment due to the calculation error.

Letter b

Excisable goods whose excise duty is settled by way of payment or affixing other signs of payment of excise duty for which excise has been paid but then exported may be given a refund as long as the realization of export is proven with sufficient proof of export.

Taxable goods whose tax is paid by attaching a tax tape that has been paid but then exported can be given a refund as long as it is proven that the export has been realized with sufficient proof of export and the tax tape that has been attached must be destroyed before being exported.

The return of excise duty on exported excisable goods whose excise has been paid by means of affixing excise tape or affixing other signs of payment of excise duty can only be given to factory entrepreneurs.

The letter c

Quite clear.

The letter d

Quite clear.

Huruf e

Excise stamps ordered and received by the manufacturer or importer of excisable goods, if they have not been attached to excisable goods, can be returned to the Directorate General of Customs and Excise.

The return of the tax tape is due to, among others:

- a. there is a change in the design of excise stamps;
- b. changes in excise rates or retail prices;
- c. the excise tape is damaged before it is attached; or
- d. the factory in question is no longer in production.

Upon the return of excise stamps, the manufacturer or importer of excisable goods is entitled to a refund of the excise duty that has been paid.

The letter f

Quite clear.

Sentence (2)

The advantage of the payment can be known by the customs and tax officials from the results of the inspection or upon the relevant application.

Once it is known and proven that there is an overpayment, the customs and tax office issues a ruling letter.

Refunds of excise duty can be calculated with unpaid excise debt.

Sentence (3)

In giving interest, if the period is less than 1 (one) month, 1 (one) full month is calculated. For example, 7 (seven) days are counted as 1 (one) full month; 1 (one) month 7 (seven) days are counted as 2 (two) full months.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Part Three Expires

Article 13

(1) The right to collect debts under this law expires after ten years from the date of the obligation to pay. (2) The expiration period as referred to in paragraph (1) cannot be taken into account in the event that there is an acknowledgment of debt.

Elucidation of Article 13

Quite clear.

Related Rules

There are no related regulations.

BAB V PERMISSIONS

Article 14

(1) Everyone who will carry out activities as:

- a. factory entrepreneur;
- b. storage place entrepreneur;
- c. importers of excisable goods;
- d. distributor; or
- e. retail retailer,

must have a permit in the form of an Entrepreneur Identification Number for Excisable Goods from the Minister. *)

(1a) The obligation to have a license to carry out activities as a distributor as referred to in paragraph (1) letter d or a retailer as referred to in paragraph (1) letter e applies to ethyl alcohol and beverages containing ethyl alcohol. *)

(1b) The obligation to have a license to carry out activities as a distributor or entrepreneur at a retail outlet other than ethyl alcohol and beverages containing ethyl alcohol as referred to in paragraph (1a) is stipulated by a ministerial regulation. *)

(1c) The importer of excisable goods that already has a permit in the form of the Excisable Goods Entrepreneur Identification Number as referred to in paragraph (1) letter c can carry out the import of excisable goods. *)

(2) The permit as referred to in paragraph (1) is granted to:

- a. a person domiciled in Indonesia; or

b. a person who legally represents a legal entity or individual domiciled outside Indonesia. *) (3) In the event that the holder of the permit as referred to in paragraph (2) letter a is an individual, if the person concerned dies, the permit can be used for twelve months from the date of death in question by the heirs or the authorized person and after that period has passed, the permit shall be obligatory. updated.

(3a) The permit as referred to in paragraph (1) may be frozen, in the event that:

- a. there is sufficient preliminary evidence that the permit holder has committed a criminal offense in the excise sector;

b. there is sufficient evidence that the licensing requirements are no longer met; or c. the license holder is under the supervision of the curator in relation to his debt. *) (4) The

- permit as referred to in paragraph (1) may be revoked in the event that:
- a. at the request of the permit holder concerned;
 - b. no activities are carried out for 1 (one) year;
 - c. licensing requirements are no longer met;
 - d. the license holder no longer legally represents a legal entity or individual domiciled outside Indonesia;
 - e. the permit holder is declared bankrupt;
 - f. the provisions as referred to in paragraph (3) are not fulfilled;
 - g. the permit holder shall be sentenced based on a judge's decision that has permanent legal force for violating the provisions of this law;
 - h. the permit holder violates the provisions of Article 30; or
- i. permit in the form of the Entrepreneur Identification Number for Excisable Goods is transferred, authorized, and/or cooperated with other people/parties without the approval of the Minister. *) (5) In the event that the permit as referred to in paragraph (1) is revoked, for taxable goods whose taxes have not been paid and which are still in the factory or storage place, the tax must be paid and removed from the factory or storage place within 30 (thirty) days from the receipt of the letter permit revocation decision. *) (5a) In the event that the provisions as referred to in paragraph (5) are not met, taxable goods as referred to in Article 2 paragraph (1) letter a, letter b, and letter c are destroyed. *) (5b) In the event that the provisions as referred to in paragraph (5) are not fulfilled, the excisable goods as referred to in Article 2 paragraph (1) letter d shall be further regulated by a ministerial regulation. *) (6) The provisions regarding the settlement as referred to in paragraph (5) do not apply to importers of excisable goods, distributors, and entrepreneurs at retail places. *) (7) Everyone who carries out the activities as referred to in paragraph (1) without having a permit is subject to administrative sanctions in the form of a fine of a minimum of Rp. 20,000,000.00 (twenty million rupiah) and a maximum of Rp. 200,000,000.00 (two hundred million rupiah). *) (8) Further provisions regarding licensing are regulated by or based on government regulations. *)

Elucidation of Article 14

Sentence (1)

Quite clear.

Sentence (1a)

Quite clear.

Sentence (1b)

Quite clear.

Sentence (1c)

Quite clear.

Sentence (2)

Quite clear.

Sentence (3)

The definition of a license that must be renewed means that after the twelve month period ends, it must have a new permit.

Ayat (3a)

What is meant by "frozen" is that it is not permitted to carry out business activities in the excise sector until a decision is issued to re-apply or revoke the permit, without reducing the obligations that must be completed to the state.

Sentence (4)

Letter A

Quite clear.

Letter b

Quite clear.

The letter c

In order to obtain the permit as referred to in paragraph (1), it is necessary to fulfill the stipulated requirements; If the specified requirements are no longer met, the permit may be revoked.

The letter d

Permits for legal entities or individuals domiciled outside Indonesia based on the provisions

stipulated in paragraph (2) are only granted to legal entities or individuals residing in Indonesia who legally represent them. Therefore, if a legal entity or individual residing in Indonesia no longer legally represents a legal entity or individual domiciled outside Indonesia, the permit may be revoked.

Huruf e

Quite clear.

The letter f

Quite clear.

The letter g

The revocation of the license as regulated in this letter is an additional administrative sanction.

The letter h

Quite clear.

The letter i

Quite clear.

Sentence (5)

Quite clear.

Ayat (5a)

Quite clear.

Ayat (5b)

Quite clear.

Sentence (6)

Taxable goods that have been tax paid and are at the place of business of importers of taxable goods, distributors, and operators of retail sales places, whose permits have been revoked, must be transferred to the places of business of importers of taxable goods, distributors, or operators of other retail sales points or destroyed .

Sentence (7)

What is meant by "carrying out activities" are all actions that indicate the direction of carrying out activities of production, storage, import, distribution, or sale of excisable goods.

The administrative sanctions provided for in this paragraph are imposed on violations that do not result in state losses.

Sentence (8)

Quite clear.

Related Rules

There are no related regulations.

Article 15

(1) The manufacture of excisable goods in the form of tobacco products may be permitted to be carried out outside the factory and is the responsibility of the factory entrepreneur concerned. (2) Provisions regarding the implementation of paragraph (1) are further regulated by the Minister.

Elucidation of Article 15

Sentence (1)

The provisions in this paragraph provide the possibility for the Entrepreneur of the Factory of Excisable Goods in the form of tobacco products that have been given a permit based on the provisions in Article 14 to produce tobacco products outside the factory with the permission of the Minister.

This is intended to give later to the entrepreneur concerned in order to increase production and provide job opportunities to people who cannot be accommodated to work in the factory. **Sentence (2)**

Quite clear.

Related Rules

There are no related regulations.

BAB VI **BOOKING AND COUNTING *)**

First Part **Bookkeeping *)**

Article 16

- (1) Manufacturers, operators of storage places, importers of excisable goods, or distributors who are required to have permits as referred to in Article 14 paragraph (1) letter a, letter b, letter c, and letter d are obligated to keep books of account. *)
- (2) Exempted from the obligation as referred to in paragraph (1) but obliged to make records are entrepreneurs of small-scale factories, small-scale distributors who are required to have permits, and entrepreneurs of retail outlets who are required to have permits. *)
- (3) The factory entrepreneur is obliged to periodically notify the Head of the Office of the finished excisable goods. *)
- (4) Manufacturers, entrepreneurs of storage places, importers of excisable goods, or distributors who are required to have a permit, who do not keep the books of account as referred to in paragraph (1) are subject to administrative sanctions in the form of a fine of Rp. 50,000,000.00 (fifty million rupiahs). *)
- (5) Entrepreneurs of small-scale factories, small-scale distributors who are required to have a permit, and entrepreneurs of retail outlets that are required to have a permit, who do not register as referred to in paragraph (2) are subject to administrative sanctions in the form of a fine of Rp. 10,000,000.00 (ten million rupiahs). . *)
- (6) The manufacturer who does not notify the finished excisable goods as referred to in paragraph (3) is subject to administrative sanctions in the form of 2 (two) times the excise value of the excisable goods that are not notified. *)
- (7) Further provisions regarding the recording as referred to in paragraph (2) and notification of finished excisable goods as referred to in paragraph (3) shall be regulated by or based on a ministerial regulation. *)

Elucidation of Article 16

Sentence (1)

What is meant by "bookkeeping" is a recording process that is carried out regularly to collect data and information covering and affecting the condition of assets, debts, capital, income, and costs which specifically describe the total cost of acquisition and delivery of goods or services, which are then summarized. in the financial statements.

Sentence (2)

The obligation to register is intended to provide convenience in fulfilling the provisions of this law while still guaranteeing the security of state rights.

What is meant by "recording" is the process of collecting and writing data on a regular basis about:

- a. entry, production, and release of excisable goods; and
- b. receipt, use, and return of excise stamps or other signs of payment of excise duty.

What is meant by small-scale factory entrepreneurs and small-scale distributors are individuals who are not confirmed as Taxable Entrepreneurs as referred to in the legislation in the field of taxation.

Sentence (3)

What is meant by "periodically" can be daily, weekly, monthly, or yearly, which is adapted to the type of taxable goods.

For example:

- a. for ethyl alcohol and beverages containing ethyl alcohol, the manufacturer shall notify the customs and excise officers of the finished excisable goods every day;
- b. for tobacco products, the manufacturer shall notify the customs and excise officers of the finished excisable goods every month.

Sentence (4)

Quite clear.

Sentence (5)

Quite clear.

Sentence (6)

Quite clear.

Sentence (7)

Quite clear.

Related Rules

There are no related regulations.

Article 16A

- (1) Bookkeeping must be maintained properly reflecting actual business conditions or activities and at least consisting of records regarding assets, liabilities, capital, income, costs, and inflows and outflows of excisable goods. *)
- (2) Bookkeeping must be kept in Indonesia by using Latin letters, Arabic numerals, rupiah currency, and Indonesian language, or in a foreign currency and other language permitted by the Minister. *) (3) Financial reports, books, records and documents that serve as basic evidence of bookkeeping, and other documents related to business activities as well as letters relating to activities in the excise sector must be kept for 10 (ten) years at their place of business in Indonesia. *)
- (4) Further provisions regarding guidelines for the administration of bookkeeping are regulated by or based on a ministerial regulation. *)

Elucidation of Article 16A**Sentence (1)**

Bookkeeping must be maintained in a manner or system commonly used in Indonesia, for example based on financial accounting standards, unless the legislation in the field of excise provides otherwise. It is intended that the bookkeeping held can be trusted and relied upon in the context of supervision of the production of excisable goods, circulation of excisable goods, and/or the value of excise that should be paid.

Sentence (2)

Quite clear.

Sentence (3)

Financial reports, books, records and documents that serve as basic evidence of bookkeeping, and other documents related to business activities as well as letters relating to activities in the excise sector including the results of electronic data processing must be stored for 10 (ten) years in Indonesia with the intention that if excise audit is carried out, it is still available and can be provided immediately.

In the event that the stored data is in the form of electronic data, the reliability of the data processing system used must be maintained so that the stored electronic data can be opened, read, or retrieved at any time.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Article 16B

Manufacturers, entrepreneurs of storage places, importers of excisable goods, or distributors who are required to have a permit, who do not implement the provisions as referred to in Article 16A are subject to administrative sanctions in the form of a fine of Rp. 25,000,000.00 (twenty five million rupiah). *)

Elucidation of Article 16B

Quite clear.

Related Rules

There are no related regulations.

Article 17

- (1) Customs and excise officials are obligated to maintain an account book for excisable goods for each manufacturer or operator of a place of storage regarding certain excisable goods that are still owed excise duty and are in the factory or storage place.
- (2) Customs and excise officials shall record excisable goods as referred to in Article 16 paragraph (3) and Article 25 paragraph (1) or paragraph (3) which are still owed by excise in the account book of excisable goods. *)
- (3) The manufacturer or the storage place entrepreneur is responsible for the excise payable from the existing excisable goods according to the account book for excisable goods.

Elucidation of Article 17

Sentence (1)

What is meant by "account book for excisable goods" is a register book containing records of the amount of certain excisable goods, namely ethyl alcohol and drinks containing ethyl alcohol that are made, entered, removed as well as deductions, shortages, and excess of the results of enumeration from a factory or storage.

Sentence (2)

Quite clear.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Article 18

- (1) The account book for excisable goods is closed at the end of each calendar year. *)
- (2) The account book for excisable goods is also closed after the enumeration has been carried out or at the request of the manufacturer or the owner of the place of storage.
- (3) The provisions regarding the account book for excisable goods as referred to in paragraphs (1) and (2), as well as in Article 17 paragraphs (1) and (2) shall be further regulated by the Minister.

Elucidation of Article 18

Quite clear.

Related Rules

There are no related regulations.

Article 19

- (1) Customs and excise officials are obliged to maintain a credit account book for every factory entrepreneur who gets the convenience of periodic payments as referred to in Article 7A paragraph (1). *)
- (1a) Customs and excise officials are obligated to maintain a credit account book for every manufacturer or importer of excisable goods regarding excise duty which has been delayed in payment as referred to in Article 7A paragraph (2) and paragraph (3). *)
- (2) Further provisions regarding the credit account book as referred to in paragraph (1) and paragraph (1a) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 19

What is meant by "credit account book" is a book containing records of the amount of excise that is subject

to delay in payment or that is facilitated by periodic payments and their settlement.

Related Rules

There are no related regulations.

Part Two Enumeration

Article 20

- (1) Certain Excisable Goods that are in the Factory or Storage Area can be enumerated at any time by the Customs and Excise Official.
- (2) The Factory Entrepreneur or Storage Place Entrepreneur is obliged to show all Excisable Goods that are in the place referred to in paragraph (1), as well as to provide manpower and equipment for the purposes of enumeration.
- (3) The provisions regarding the enumeration shall be further regulated by the Minister.

Explanation of Article 20

Sentence (1)

What is meant by "enumeration" is an activity to find out the quantity, type, quality and condition of excisable goods.

To avoid the possibility of excise manipulation or evasion, this law authorizes customs and excise officials to enumerate certain excisable goods such as ethyl alcohol and beverages containing ethyl alcohol, both in factories and storage areas. In the enumeration carried out it is possible to find a shortage or excess of excisable goods based on the account book of excisable goods in accordance with the nature or characteristics of the excisable goods.

Customs and excise officials who carry out the enumeration must be equipped with a letter of assignment.

Sentence (2)

What is meant by "providing energy and equipment" is providing the necessary manpower and equipment to assist the activities of the customs and tax office in doing the counting. *) **Sentence (3)**

Quite clear.

Related Rules

There are no related regulations.

Article 21

- (1) In the event that the total result of the enumeration as referred to in Article 20 is found to be smaller than the amount stated in the Account Book of Excisable Goods, the Factory Entrepreneur or Storage Place Entrepreneur shall be given a discount of a maximum of ten percent of the total number of Excisable Goods produced or entered since the last enumeration. .
- (2) The deduction as referred to in paragraph (1) is deducted from the difference between the results of the enumeration and the Account Book for Excisable Goods, and the remainder is a shortfall whose excise duty must be paid by the Factory Entrepreneur or Storage Place Entrepreneur within thirty days after the closing date of the Account Book for Excisable Goods. .
- (3) Provisions on the type of Taxable Goods that can be given a deduction and the amount of the deduction are further regulated by the Minister.

Elucidation of Article 21

Sentence (1)

What is meant by "deduction" is relief given to entrepreneurs for the shortage of Excisable Goods obtained at the time of enumeration. This deficiency can occur due to natural causes of certain excisable goods, including evaporation or shrinkage.

Sentence (2)

In determining the shortage of Taxable Goods that must be paid the tax can be given as an example as follows:

- On November 30, 1995 Customs and Excise Officials conducted an enumeration of a factory. -

The existing data are as follows:

The last enumeration was carried out on October 31, 1995 and at the close of the Account Book for Excisable Goods, it shows

- Saldo	175.000
- Produksi Pabrik sampai dengan saat dilakukan pencacahan	50.000 +
	225.000
- Pengeluaran	190.000 -
- Saldo buku	35.000
- Hasil pencacahan	25.000 -
- Selisih kurang	10.000
- Potongan (maksimum) 10% x 50.000	5.000 -
- Kekurangan (bayar cukai)	5.000

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Article 22

Deductions are not given if the total result of the enumeration as referred to in Article 20 is found to be equal to or greater than the amount of preparation listed in the Account Book of Excised Goods.

Elucidation of Article 22

No discount is given for the excess amount of inventory listed in the account book of Excisable Goods based on the results of the enumeration because in principle the entrepreneur must report the Excisable Goods that are made, entered, or issued correctly.

Example:

- Saldo	175.000
- Produksi Pabrik sampai dengan saat dilakukan pencacahan	50.000 +
	225.000
- Pengeluaran	75.000 -
- Saldo buku	150.000
- Hasil pencacahan	170.000 -
- Kelebihan	20.000

This amount of 20,000 is not deducted and is recorded in the Excisable Goods Account Book.

Related Rules

There are no related regulations.

Article 23

(1) Shortage of Excisable Goods as referred to in Article 21 paragraph (2) is granted allowances in the amount of which does not exceed three times the amount of the discount as referred to in Article 21 paragraph (1).

(2) Excess of Excisable Goods as referred to in Article 22, is granted allowances in the amount of which does not exceed one percent of the amount of Excisable Goods that should exist according to the

Account Book of Excisable Goods.

(3) Factory Entrepreneur or Storage Place Entrepreneur inside the Factory or Storage Place is found to have a shortage of Excisable Goods as referred to in Article 21 paragraph (2) or an excess of Excisable Goods as referred to in Article 22 which exceeds the allowance as referred to in paragraph (1) or paragraph (2) is subject to administrative sanctions in the form of a fine of a maximum of ten times the

excise value and at least twice the excise value of the excisable goods found to be less or more.

Elucidation of Article 23

Sentence (1)

What is meant by "leniency" is the shortage limit after being given a deduction or the excess limit allowed at the time of enumeration to determine whether there is a violation or not.

The relaxation of $3 \times$ the deduction given, when seen from the example of the calculation of the deficiency in article 21 paragraph (2), is $3 \times 5,000 = 15,000$.

Sentence (2)

The amount of allowance of one percent of the amount of Excisable Goods that should exist according to the Account Book of Excisable Goods, when viewed from the example of calculating the excess in Article 22 is 1% of the book balance, namely $1\% \times 150,000 = 1,500$.

Sentence (3)

If the shortage as referred to in Article 21 paragraph (2) or the excess as referred to in Article 22 exceeds the allowable limit, then this is a violation that may be subject to administrative sanctions.

Based on the example of calculating the shortfall in Article 21 paragraph (2), because the shortage does not exceed the allowance, then there is no violation; but based on the example of calculating the excess in Article 22, because the excess exceeds the allowance, it is a violation that can be subject to administrative sanctions in the form of fines.

Related Rules

There are no related regulations.

BAB VII hoarding

Article 24

- (1) Taxable Goods whose taxes have not been paid can be stored in Temporary Storage Places or Bonded Storage Places as regulated in the Law on Customs.
- (2) Taxable goods that have not yet been taxed that are used as raw materials or auxiliary materials can be stored in the factory.
- (3) The provisions regarding stockpiling as referred to in paragraphs (1) and (2) shall be further regulated by the Minister.

Explanation of Article 24

Quite clear.

Related Rules

There are no related regulations.

BAB VIII IMPORT, EXPORT, TRANSPORT AND TRADE

Part One Income and Expenditure

Article 25

- (1) The entry or exit of excisable goods to or from the factory or storage place must be notified to the Head of the Office and protected by excise documents.
- (2) (1) The import or export of excisable goods as referred to in paragraph (1) may be carried out under the supervision of a customs and excise official.
- (3) In the case of import or export of taxable goods under the supervision of the customs and tax office, the

basis for recording in the account book of taxable goods as referred to in Article 17 is what is found by the relevant customs and tax office.

- (4) The manufacturer or storage place entrepreneur who removes excisable goods from the factory or storage place, who does not implement the provisions as referred to in paragraph (1) is subject to administrative sanctions in the form of a fine of 2 (two) times the excise value of the excisable goods issued. *)
- (4a) Factory entrepreneur or storage place entrepreneur, who imports excisable goods into the factory or storage place without heeding the provisions as referred to in paragraph (1) is subject to administrative sanctions in the form of a minimum fine of Rp. 10,000,000.00 (ten million rupiah) and a maximum of Rp. 50,000,000. ,00 (fifty million rupiah). *)
- (5) Further provisions regarding the entry or exit of excisable goods as referred to in paragraph (1), paragraph (2), and paragraph (3) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 25

Sentence (1)

Excisable goods that are stockpiled in factories or storage areas are still subject to excise duty. Therefore, the entry of excisable goods into the place must be notified to the Head of the Office and protected by excise documents.

Likewise, the release of taxable goods from the said place, whether the tax has not been paid or those who obtain tax exemption or those who have already paid the tax must be notified to the Head of Office and protected tax documents as a monitoring tool or as recording material in the account book of taxable goods as referred to in Article 17 paragraph (2).

Sentence (2)

Basically, for the entry or exit of excisable goods, a self-notification system applies which gives full confidence to entrepreneurs so that they do not require physical supervision by customs and excise officials. However, if there is an allegation that the entrepreneur will or has made a deviation that results in state losses, as well as for excisable goods which due to their nature or characteristics may have a negative impact on public order, such as drinks containing ethyl alcohol, customs and excise officials can supervise the entry or exit of excisable goods to or from factories or storage places.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Ayat (4a)

Quite clear.

Sentence (5)

Quite clear.

Related Rules

There are no related regulations.

Article 26

- (1) In an emergency, taxable goods whose taxes have not been paid can be moved outside the factory or storage place without the protection of tax documents.
- (2) The transfer of excisable goods as referred to in paragraph (1) must be immediately reported to the Head of the Office within the stipulated period.
- (3) Manufacturers or storage owners who do not report the transfer of excisable goods whose excise has not been paid due to an emergency as referred to in paragraph (2) shall be subject to administrative sanctions in the form of a minimum fine of Rp. 1,000,000.00 (one million rupiah) and a maximum of Rp. 10,000,000. ,00 (ten million rupiah). *)
- (4) Further provisions regarding the implementation of paragraph (1) and paragraph (2) are regulated by or based on ministerial regulations. *)

Explanation of Article 26

Sentence (1)

In principle, this law stipulates that the importation, production, or transportation of taxable goods whose

taxes have not been paid to or from the factory or storage place must be protected by tax documents. However, in emergency situations, such as fire, flood or other natural disasters, to save the taxable goods, the transfer can be carried out without the specified tax documents.

Sentence (2)

On the transfer of excisable goods as referred to in paragraph (1), the manufacturer or the operator of the storage place within the stipulated period must report it to the local Head of Office and must comply with the instructions of the Head of the Office concerned.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Part Two Transport and Trade

Article 27

- (1) Transport of taxable goods that have not yet been taxed must be covered by tax documents. (2) The transport of certain taxable goods, even if the tax has been paid, must be covered by a tax document.
- (3) Any person who does not comply with the provisions concerning the transportation of excisable goods whose excise duty has not been paid as referred to in paragraph (1) shall be subject to administrative sanctions in the form of a fine of at least 2 (two) times the value of excise duty and a maximum of 10 (ten) times the value of excise that should be paid. *)
- (4) Any person who does not comply with the provisions concerning the transportation of excisable goods as referred to in paragraph (2) shall be subject to administrative sanctions in the form of a fine of a minimum of Rp. 5,000,000.00 (five million rupiah) and a maximum of Rp. 50,000,000.00 (fifty million rupiah). *)
- (5) Further provisions regarding the transportation of excisable goods as referred to in paragraph (1) and paragraph (2) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 27

Sentence (1)

To prevent tax evasion and abuse of the use of taxable goods, the transport of taxable goods, both in the state of having been packaged in packaging for retail sale and in bulk or packaged in packaging not for retail sale, the tax of which has not been paid must be covered with tax documents. **Sentence (2)**

Considering the fragile nature of certain taxable goods such as ethyl alcohol and beverages containing ethyl alcohol, even if the tax has been paid, their transport should be covered with tax documents.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Sentence (5)

Quite clear.

Related Rules

There are no related regulations.

Article 28

The period specified in the excise document as referred to in Article 27 paragraph (1) or paragraph (2), before it is exceeded, the validity period may be extended by the Head of the Office that supervises the place where the Excised Goods are located.

Elucidation of Article 28

In the excise document which functions as a transport protection document, the period of validity is stipulated with the intention that the excisable goods transported from the time of transportation to the destination must be within the stipulated period. Due to the possibility of obstacles in transportation that cause the time period stipulated in the relevant excise document to be unfulfilled, the provisions in this article make it easy for the carrier to report to the Head of the Office supervising the area where the excisable goods are located to obtain an extension of the document period. the relevant tax.

Related Rules

There are no related regulations.

Article 29

- (1) Excisable goods whose excise duty is settled by means of affixing an excise stamp or affixing other signs of payment of excise duty may only be offered, delivered, sold, or made available for sale, after being packaged for retail sale and affixed with excise stamps or affixed with other required excise payment marks. *)
- (2) Taxable goods whose tax payment is made by affixing a tax tape or affixing other tax payment marks that are in a retail sales place or other place whose activity is to sell are considered prepared for sale. *)
- (2a) Manufacturers or importers of excisable goods who attach excise stamps or affix other signs of payment of excise duty on excisable goods that are not in accordance with the excise stamps or other signs of payment of excise duty that are required, causing a shortage of excise payments, are obliged to pay off the excise duty and be subject to administrative sanctions in the form of fines. at least 2 (two) times the excise value and at most 10 (ten) times the excise value from the excise value that should be paid. *)
- (3) Further provisions regarding the implementation of paragraph (1) and paragraph (2) are regulated by or based on ministerial regulations. *)

Explanation of Article 29

Sentence (1)

Excisable goods whose excise duty is paid by means of affixing excise tape or affixing other signs of payment of excise duty must be packaged for retail sale in accordance with the provisions of the legislation in the field of excise in the context of monitoring and securing state revenues.

What is meant by "excise stamps or other signs of payment of excise duty that are required" are excise stamps attached or other signs of payment of excise duty affixed to the packaging in accordance with the provisions of the legislation in the field of excise.

Sentence (2)

Quite clear.

Ayat (2a)

The violation as referred to in this paragraph, for example, is that a factory entrepreneur attaches an excise stamp on the product of hand-rolled kretek tobacco to the product of machine-made kretek, but the excise tape actually belongs to him or her.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

BAB IX FIELD

Article 30

- (1) Inside the factory, it is prohibited to produce goods other than excisable goods as stipulated in the relevant permit.
- (2) The prohibition as referred to in paragraph (1) does not apply to:
 - a. Ethyl alcohol factory that produces in an integrated manner other goods that are not excisable goods by using ethyl alcohol as raw material or auxiliary material;

- b. Factory of Excisable Goods other than ethyl alcohol that produces other goods that are not Excisable Goods, as long as within the factory there is a physical separation between Excisable Goods and non-Excisable Goods, both in production and in the stockpiling of raw materials or auxiliary materials and production results finally.

Explanation of Article 30

Sentence (1)

Quite clear.

Sentence (2)

Letter A

What is meant by "producing in an integrated manner" is a series of production processes, starting from the manufacture of ethyl alcohol as raw material to the manufacture of final products that are not excisable goods, which are carried out in the ethyl alcohol factory. Letter b

In a Factory of Excisable Goods it is possible to produce other finished goods that are not Excisable Goods, provided that physical separation is carried out for the production site and the place for stockpiling of raw materials or auxiliary materials and the final product is between Excisable Goods and non-Excisable Goods. The physical separation of production and stockpiling locations within the factory is intended to facilitate supervision and inspection as well as excise calculations.

Related Rules

There are no related regulations.

Article 31

- (1) Inside the storage area it is forbidden to:

- a. store taxable goods whose tax has been paid or which obtain tax exemption; b. store goods other than excisable goods specified in the relevant permit.

- (2) Taxable goods whose tax has been paid or which have obtained tax exemption found to be in storage are considered to have not yet paid their tax or have not obtained tax exemption. (3) The storage place entrepreneur who violates the provisions regarding prohibition as referred to in paragraph (1) letter b is subject to administrative sanctions in the form of a fine of a minimum of Rp. 5,000,000.00 (five million rupiah) and a maximum of Rp. 50,000,000.00 (fifty million rupiah). *)

Elucidation of Article 31

Quite clear.

Related Rules

There are no related regulations.

Article 32

- (1) In factories, places of business for importers of excisable goods, places of business for distributors, and places of retail sale, where excise duty is settled by affixing excise tape or affixing other signs of payment of excise duty are prohibited:
- a. keep or provide excise stamps and/or other signs of payment of excise duty that have been used; and/or
 - b. store or provide packaging of used excisable goods with excise stamps and/or other signs of payment of excise that are still intact. *)
- (2) Manufacturers, importers of excisable goods, distributors, or entrepreneurs at retail outlets, whose excise duty is paid by attaching excise tape or affixing other excise payment signs, violating the provisions of the prohibition as referred to in paragraph (1) shall be subject to administrative sanctions in the form of a fine of at least 2 (two) times the excise value and a maximum of 10 (ten) times the excise value of the excise stamp or other excise payment sign found to have been used. *)

Explanation of Article 32

Quite clear.

Related Rules

There are no related regulations.

BAB X AUTHORITY IN EXCISE

First Part General

Article 33

(1) Authorized customs and tax office:

- a. take the necessary action on excisable goods and/or other goods related to excisable goods in the form of termination, inspection, prevention, and sealing to implement this law; b. take the necessary action in the form of not serving orders for excise stamps or other signs of payment of excise; and c. prevent excisable goods, other goods related to excisable goods, and/or means of transportation.
*)

(2) In exercising the authority as referred to in paragraph (1), customs and excise officials may be equipped with firearms whose types and conditions for use are regulated by government regulations. *)

(3) Further provisions regarding the procedure for taking action as referred to in paragraph (1) letter a and letter b as well as prevention as referred to in paragraph (1) letter c shall be regulated by or based on a government regulation. *)

Explanation of Article 33

Sentence (1)

Letter A

Actions in the form of termination, inspection, prevention, and sealing are carried out within the scope of administrative authority.

Letter b

Actions in the form of not serving orders for excise stamps or other signs of payment of excise duty are carried out within the scope of administrative authority.

The letter c

What is meant by "preventing taxable goods" is taking administrative action to delay the production, loading, and transportation of taxable goods.

What is meant by "intermediate transportation means" is to take administrative action to prevent the departure of transportation means, except for public transportation means. **Sentence (2)**

Given the magnitude of the danger of using firearms for the safety and security of people, their use is strictly limited. Therefore, the types and conditions for the use of firearms will be further regulated by government regulations by taking into account the applicable laws and regulations. **Sentence (3)**

Quite clear.

Related Rules

There are no related regulations.

Article 34

- (1) In carrying out their duties based on this law, customs and excise officials may request assistance from the Indonesian National Police, the Indonesian National Armed Forces, and/or other agencies. *)
- (2) At the request as referred to in paragraph (1), the Indonesian National Police, the Indonesian National Armed Forces, and/or other agencies are obliged to fulfill it. *)

Explanation of Article 34

Sentence (1)

Quite clear.

Sentence (2)

All government agencies, both civilian and military if requested, are obliged to provide assistance and protection or order to protect customs and excise officials in all matters relating to their work in accordance with statutory regulations.

Related Rules

There are no related regulations.

Second Part Examination *)

Article 35

(1) Customs and excise officials are authorized to conduct inspections of:

- a. factories, storage places, or other places used to store taxable goods and/or other goods related to taxable goods, whose taxes have not been paid or obtained tax exemptions; b. a building or other place that is directly or indirectly related to the building or place as referred to in letter a;
- c. place of business of distributor, place of retail sale, or other place that is not a residence, in which goods subject to excise are contained; and
- d. excisable goods and/or other goods related to excisable goods which are in place as referred to in letter a, letter b, and letter c. *)

(2) In carrying out the inspection as referred to in paragraph (1), the customs and excise official is

authorized to take samples of excisable goods. *)

(3) In carrying out the inspection as referred to in paragraph (1) letter d, the customs and excise officer is authorized to request records of stockpiles of goods, excise documents, and/or complementary excise documents, which must be carried out based on this law. *)

(4) Anyone who causes customs and excise officials to be unable to implement the provisions as referred to in paragraph (1), paragraph (2), and paragraph (3) shall be subject to administrative sanctions in the form of a fine of at least Rp. 10,000,000.00 (ten million rupiah) and a maximum of Rp. IDR 100,000,000.00 (one hundred million rupiah). *)

Explanation of Article 35

Sentence (1)

Letter A

Quite clear.

Letter b

The inspection is carried out considering that at the time of the inspection it is possible that the excisable goods have been transferred to a building or to another place that has a direct or indirect relationship with the factory, storage place, or other place that is being inspected. The letter c

Quite clear.

The letter d

Quite clear.

Sentence (2)

Quite clear.

Sentence (3)

What is meant by "stock of goods" is stock of goods subject to excise duty, excise stamps, and other signs of payment of excise duty.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Article 36

- (1) Manufacturers, entrepreneurs of storage places, importers of excisable goods, distributors, entrepreneurs of retail outlets, users of excisable goods who obtain excise exemption facilities as referred to in Article 9, upon which inspections are carried out, must provide personnel, equipment, and submit books, records, and/or documents that are required to be held under this law. *)
- (1a) In the event that a manufacturer, storage place operator, importer of excisable goods, distributor, retailer, user of excisable goods who obtain excise exemption facilities as referred to in Article 9, for whom inspection is carried out, are not present or unable to do so, the obligations as referred to in Article 9 are: referred to in paragraph (1) shall be transferred to the representative. *)
- (2) Manufacturers, operators of storage places, importers of excisable goods, distributors, entrepreneurs of retail outlets, users of excisable goods who are granted exemption from excise as referred to in Article 9, for which inspections, records and/or documents are carried out at the time of inspection as referred to in Article 9 referred to in paragraph (1) shall be subject to an administrative sanction in the form of a fine of at least Rp. 25,000,000.00 (twenty five million rupiah) and a maximum of Rp. 250,000,000.00 (two hundred and fifty million rupiah). *)

Explanation of Article 36

Sentence (1)

Quite clear.

Sentence (1a)

What is meant by "representing" are employees or subordinates or other responsible parties by manufacturers, storage places, distributors, retailers, or users of excisable goods who get the excise exemption facility as referred to in Article 9, for which inspection is carried out.

Sentence (2)

Quite clear.

Related Rules

There are no related regulations.

Article 37

- (1) Customs and excise officials are authorized to stop and inspect the means of transport as well as excisable goods and/or other goods related to excisable goods in the means of transport. *) (2) The transporter is obliged to show tax documents and/or tax supplementary documents which are required according to this law.
- (3) The means of transportation that are sealed by the postal service or other law enforcement agencies are excluded from the inspection as referred to in paragraph (1).
- (4) Everyone who causes customs and excise officials to be unable to implement the provisions as referred to in paragraph (1) and the carrier who does not heed the provisions as referred to in paragraph (2) is subject to administrative sanctions in the form of a fine of at least Rp. 2,500,000.00 (two million five hundred thousand rupiah) and a maximum of Rp. 25,000,000.00 (twenty five million rupiah). *)

Explanation of Article 37

Sentence (1)

The termination and inspection carried out by customs and excise officials on transportation means is aimed at guaranteeing the rights of the state and compliance with laws and regulations whose implementation is borne by the Directorate General of Customs and Excise.

Accordingly, the termination and inspection of the means of transport and the goods subject to excise duty are only carried out selectively based on information on the existence of excisable goods that do not meet the administrative requirements required by this law.

Sentence (2)

What is meant by "tax documents and tax supplementary documents" are all documents required based on this law to protect the transport of taxable goods.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Article 38

- (1) Inspection of buildings or other places as referred to in Article 35 must be with a letter of order from the Director General.
- (2) The warrant as referred to in paragraph (1) is not required to perform:
 - a. the pursuit of people and/or excisable goods entering the building;
 - b. inspection of buildings or other places by Customs and Excise Officials who are permanently appointed to supervise buildings or other places.

Elucidation of Article 38**Sentence (1)**

The inspection of the Factory, Storage Place, Retail Sales Place of Excisable Goods, or other places as referred to in Article 35 must be with an order from the Director General or the Customs and Excise Official he appoints, which means that the inspection carried out by the Customs and Excise Official is only can be carried out if accompanied by a warrant with the intention of preventing abuse of authority.

Sentence (2)

A warrant is not required if the Customs and Excise Official conducts continuous investigation of a person who is reasonably suspected of violating the provisions of this Law and conducts an inspection due to his permanent appointment to supervise the object being inspected.

Related Rules

There are no related regulations.

Article 39

- (1) Customs and excise officials are authorized to conduct excise audits on manufacturers, storage operators, importers of excisable goods, distributors, and users of excisable goods who are granted exemption from excise as referred to in Article 9. *)
 - (1a) In carrying out a tax audit as referred to in paragraph (1), customs and tax officials are authorized to:
 - a. requesting financial reports, books, records and documents that serve as basic evidence of bookkeeping, and other documents related to business activities, including electronic data and letters relating to activities in the excise sector;
 - b. request verbal and/or written information from manufacturers, storage places, importers of excisable goods, distributors, users of excisable goods who obtain excise exemption facilities as referred to in Article 9, and/or other related parties;
 - c. entering the building or room where financial reports, books, records and documents are stored as evidence of basic bookkeeping, and other documents related to business activities, including electronic data storage facilities/media, excise stamps or other signs of payment of excise duty, stock of goods, and / or goods that can provide instructions on the state of business activities and / or other places that are considered important, as well as carry out inspections at those places; or
 - d. take security measures deemed necessary to the building or room as referred to in letter c. *)
 - (1b) Manufacturers, entrepreneurs of storage places, importers of excisable goods, distributors, or users of excisable goods who obtain excise exemption facilities as referred to in Article 9, for which excise audits are conducted, are obligated to provide oral and/or written statements, provide personnel, equipment, and submit financial reports, books, records and documents that form the basis for bookkeeping, and other documents related to business activities, including electronic data and letters relating to activities in the excise sector. *)
 - (1c) In the event that a manufacturer, storage place operator, importer of excisable goods, distributor, or user

of excisable goods who obtains the excise exemption facility as referred to in Article 9, for whom an excise audit is conducted, is not present or unable to do so, the obligation as referred to in paragraph (1b) turn to the representative. *)

- (2) Anyone who causes customs and excise officials to be unable to exercise their authority to audit excise shall be subject to administrative sanctions in the form of a fine of Rp. 75,000,000.00 (seventy five million rupiah). *)
- (3) Further provisions regarding the excise audit as referred to in paragraph (1) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 39

Sentence (1)

The excise audit is intended to assess the compliance of manufacturers, storage places, importers of excisable goods, distributors, and users of excisable goods who obtain excise exemption facilities as referred to in Article 9, with the provisions of laws and regulations in the field of excise. **Sentence (1a)**

Letter A

Quite clear.

Letter b

What is meant by "other related parties" are parties that have a relationship or connection with transactions carried out by manufacturers of factories, entrepreneurs of storage places, importers of excisable goods, distributors, or users of excisable goods who obtain excise exemption facilities as referred to in paragraph (1). Article 9. For example, buyers, sellers, banks, and other parties who are believed to be able to provide information in connection with the transaction.

The letter c

Quite clear.

The letter d

What is meant by "security measures" is the sealing action taken to guarantee financial statements, books, records and documents which are the basic evidence of bookkeeping, and other documents related to business activities, including electronic data and letters relating to activities in the excise sector, and important goods so that they are not removed, not changed or moved from place to place/room until the inspection can be continued and/or other actions are taken justified by the provisions in the legislation in the field of excise while taking into account the continuity of business activities.

Sentence (1b)

Quite clear.

Sentence (1c)

In the event that a manufacturer, storage place entrepreneur, importer of excisable goods, distributor, or user of excisable goods who obtains the excise exemption facility as referred to in Article 9, is a legal entity, then what is meant by "not in place or unable" is the management of the legal entity is not present or unable to attend.

What is meant by "representative" is the employee or subordinate in charge or other party appointed by the manufacturer, operator of storage place, importer of excisable goods, distributor, or user of excisable goods who obtain excise exemption facilities as referred to in Article 9, against which an excise audit is conducted.

Sentence (2)

Quite clear.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Part Three Sealing

Article 40

Customs and excise officials are authorized to lock, seal, and/or attach the necessary security signs to parts of factories, storage places, places of business for importers of excisable goods, business places for distributors, places for retail sales, other places, or transportation facilities that in it there are excisable goods for excise security. *)

Explanation of Article 40

The authority of customs and excise officials is intended to ensure better supervision in the context of securing state finances.

Related Rules

There are no related regulations.

Part Four Special Authority of the Director General *)

Article 40A

- (1) The Director General because of his position or at the request of the person concerned may:
 - a. correct the invoice or objection decision, in which there are written errors, calculation errors, and/or errors in the application of the provisions of this law; or
 - b. reduce or eliminate administrative sanctions in the form of fines in the event that the sanctions are imposed on people who are sanctioned because of their mistakes or not because of their mistakes. *)
- (2) Further provisions regarding procedures for submitting applications, corrections, reductions, or deletions as referred to in paragraph (1) shall be regulated by or based on a ministerial regulation. *)

Explanation of Article 40A

Sentence (1)

Letter A

The correction of the bill or objection decision letter according to this provision is carried out to carry out good governance so that when there is a mistake or human mistake in a determination it needs to be corrected as it should be.

The term correct can mean adding, subtracting, or deleting according to the nature of the error and error.

The Director General because of his position can correct or cancel an invoice that is incorrect, for example, does not meet the formal requirements even though the material requirements have been met.

Letter b

The Director General may reduce or abolish administrative sanctions in the form of fines if the person who is subject to the sanction turns out to have only made a mistake, not an intentional mistake, or the error is caused by the actions of another person who does not have a business relationship with him and without his knowledge and approval.

Sentence (2)

Quite clear.

Related Rules

There are no related regulations.

Article 40B

- (1) Customs and Excise officials are authorized to conduct research on alleged violations in the excise sector. **)
- (2) In the event that the results of the investigation into the alleged violation as referred to in paragraph (1) constitute an administrative violation in the field of excise, it shall be resolved administratively in accordance with the provisions of the legislation in the field of excise. **)

- (3) The results of the research as referred to in paragraph (1) may not be investigated if: a. there are allegations of violations as referred to in Article 50, Article 52, Article 54, Article 56, and Article 58; and
 - b. the person concerned shall pay an administrative sanction in the form of a fine of 3 (three) times the excise value that should have been paid. **)
- (4) (2) Excisable goods related to alleged violations that are not investigated as referred to in paragraph (3) are determined to be state property. **)
- (5) Other items related to alleged violations that are not investigated as referred to in paragraph (3) can be determined to be state property. **)

- (6) Further provisions regarding alleged violations that have not been investigated as referred to in paragraph (3) shall be regulated by a Ministerial Regulation. **)

Explanation of Article 40B

Sentence (1)

What is meant by "investigation on alleged violations" are all efforts made by Customs and Excise officials on people, places, goods, and transportation means such as requesting information from related parties, inspecting goods, inspecting places/buildings, inspecting transportation means, checking bookkeeping and recording, and/or other actions based on statutory regulations in the context of searching for and collecting materials and information to determine whether or not violations in the excise sector, both administrative and criminal.

Sentence (2)

Quite clear.

Sentence (3)

This is intended so that the approach to law enforcement in the field of excise is *restorative justice*, namely a law enforcement approach that prioritizes the restoration of the rights or conditions of the victims, where in criminal acts in the field of excise the role of the victim is the state, because the state loses its rights, namely state revenue in the field of excise. excise field.

Sentence (4)

Quite clear.

Sentence (5)

What is meant by "other goods" are goods other than excisable goods involved in the criminal act that occurred, such as means of transport, communication equipment, media or storage places, as well as documents and letters.

Sentence (6)

Quite clear.

Related Rules

There are no related regulations.

CHAPTER XI

OBJECTIONS, APPEALS AND CLAIMS *)

Part One

Objection *)

Article 41

- (1) Deleted. *)
- (2) Persons who object to the stipulation of customs and excise officials in the enforcement of this law, resulting in a shortage of excise duty and/or administrative sanctions in the form of fines, may file an objection in writing to the Director General within 30 (thirty) days from the date of receipt of the invoice. by submitting a guarantee in the amount of the shortage of excise duty and/or administrative sanctions in the form of a prescribed fine. *)
- (3) The Director General decides on the objection as referred to in paragraph (2) within a period of 60 (sixty) days from the receipt of the objection. *)

(4) If within the period of 60 (sixty) days as referred to in paragraph (3), the Director General does not make a decision, the objection in question is deemed granted and the guarantee is returned. *) (5) If the Director General decides to grant the objection submitted, the guarantee must be returned. *) (6) In the event that the guarantee is in the form of cash, if the return of the guarantee is made after a period of 30 (thirty) days from the receipt of the objection as referred to in paragraph (4) and paragraph (5), the Government shall provide an interest of 2% (two percent) per month for a maximum of 24 (twenty four) months. *)

(7) If the Director General decides to reject the objection submitted, the guarantee is disbursed to pay

excise duty and/or administrative sanctions in the form of a prescribed fine. *)

(8) Further provisions regarding objections are regulated by or based on ministerial regulations. *)

Explanation of Article 41

Sentence (1)

Quite clear.

Sentence (2)

In the event that the 30 (thirty) day time limit is passed, the right of the person concerned to file an objection becomes null and void.

Guarantees can be in the form of cash, bank guarantees, or guarantees from insurance companies.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Sentence (5)

The decision of the Director General on the submission of an objection can be in the form of granting in whole or in part so that the amount of the guarantee returned is in accordance with the decision.

Sentence (6)

In giving interest, if the period is less than 1 (one) month, 1 (one) full month is calculated. For example, 7 (seven) days are counted as 1 (one) full month; 1 (one) month 7 (seven) days are counted as 2 (two) full months.

Sentence (7)

Quite clear.

Sentence (8)

Quite clear.

Related Rules

There are no related regulations.

Article 42

Deleted. *)

Explanation of Article 42

Quite clear.

Related Rules

There are no related regulations.

Article 43

Deleted. *)

Explanation of Article 43

Quite clear.

Related Rules

There are no related regulations.

Part One Appeal and Lawsuit *)

Pasal 43A

People who object to the decision of the Director General as referred to in Article 41 paragraph (3) may file an appeal within a maximum period of 60 (sixty) days from the date of the stipulation or decision. *)

Explanation of Article 43A

Quite clear.

Related Rules

There are no related regulations.

Article 43B

People who object to the revocation of licenses not on their own application as referred to in Article 14 paragraph (4) letter b, letter c, letter d, letter e, letter f, letter g, letter h, or letter i may file a lawsuit within a maximum period of time. 60 (sixty) days from the date of stipulation or decision. *)

Explanation of Article 43B

Quite clear.

Related Rules

There are no related regulations.

Article 43C

The application for appeal as referred to in Article 43A or the lawsuit as referred to in Article 43B shall be submitted to the Tax Court as referred to in the law governing the tax court. *)

Explanation of Article 43C

Quite clear.

Related Rules

There are no related regulations.

Article 44

Deleted. *)

Explanation of Article 44

Quite clear.

Related Rules

There are no related regulations.

The second part Appeal Institution - Removed *)

Article 45

Deleted. *)

Explanation of Article 45

Quite clear.

Related Rules

There are no related regulations.

Article 46

Deleted. *)

Explanation of Article 46

Quite clear.

Related Rules

There are no related regulations.

Article 47

Deleted. *)

Explanation of Article 47

Quite clear.

Related Rules

There are no related regulations.

Article 48

Deleted. *)

Explanation of Article 48

Quite clear.

Related Rules

There are no related regulations.

Article 49

Deleted. *)

Explanation of Article 49

Quite clear.

Related Rules

There are no related regulations.

CHAPTER XII CRIMINAL PROVISIONS

Article 50

Every person without having the permit as referred to in Article 14 carries out factory activities, storage areas, or imports excisable goods with the intention of evading the payment of excise, shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 5 (five) years and a fine at least 2 (two) times the value of excise duty and a maximum of 10 (ten) times the value of excise that should be paid. *)

Explanation of Article 50

Quite clear.

Related Rules

There are no related regulations.

Article 51

Deleted. *)

Explanation of Article 51

Quite clear.

Related Rules

There are no related regulations.

Article 52

Factory operators or storage place operators who remove taxable goods from the factory or storage place without heeding the provisions as referred to in Article 25 paragraph (1) with the intention of avoiding tax payment shall be punished with a minimum prison term of 1 (one) year and a maximum of 5 (five) years) years and a minimum fine of 2 (two) times the tax value and a maximum of 10 (ten) times the tax value that should be paid. *)

Explanation of Article 52

Quite clear.

Related Rules

There are no related regulations.

Article 53

Any person who intentionally shows or submits books, records, and/or documents as referred to in Article 36 paragraph (1) or financial statements, books, records and documents which are the basic evidence of bookkeeping, and other documents related to business activities, including electronic data and letters relating to activities in the excise sector as referred to in Article 39 paragraph (1b) that are fake or falsified, shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 6 (six) years and a fine of at least IDR 75,000,000.00 (seventy five million rupiah) and a maximum of IDR 750,000,000.00 (seven hundred and fifty million rupiah). *)

Explanation of Article 53

Quite clear.

Related Rules

There are no related regulations.

Article 54

Anyone who offers, delivers, sells, or makes available for sale excisable goods that are not packaged for retail sale or are not attached with excise stamps or are not affixed with other signs of payment of excise duty as referred to in Article 29 paragraph (1) shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 5 (five) years and/or a fine of at least 2 (two) times the excise value and a maximum of 10 (ten) times the excise value that should be paid. *)

Explanation of Article 54

Quite clear.

Related Rules

There are no related regulations.

Article 55

Everyone who:

- a. making illegally, imitating, or falsifying excise stamps or other signs of payment of excise duty; b. buy, keep, use, sell, offer, deliver, make available for sale, or import fake or falsified excise stamps or other excise payment signs; or
- c. use, sell, offer, deliver, provide for sale, or import excise stamps or other signs of payment of excise duty that have been used,

shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 8 (eight) years and a fine of at least 10 (ten) times the value of the excise duty and a maximum of 20 (twenty) times the value of the excise that should be paid. *)

Explanation of Article 55

Quite clear.

Related Rules

There are no related regulations.

Article 56

Everyone who hoards, keeps, owns, sells, exchanges, obtains, or gives excisable goods which he knows or should reasonably suspect originates from a criminal act based on this law, shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 5 (five) years. (five) years and a fine of at least 2 (two) times the value of the excise duty and a maximum of 10 (ten) times the value of the excise that should be paid. *)

Explanation of Article 56

Quite clear.

Related Rules

There are no related regulations.

Article 57

Any person who without permission opens, removes, or damages a lock, seal, or security sign as regulated in this law shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 2 (two) years and 8 (eight) months and / or a minimum fine of Rp. 75,000,000.00 (seventy five million rupiah) and a maximum of Rp. 750,000,000.00 (seven hundred and fifty million rupiah). *)

Explanation of Article 57

Quite clear.

Related Rules

There are no related regulations.

Article 58

Any person who offers, sells, or delivers excise stamps or other signs of payment of excise to those who are not entitled to or buys, receives, or uses excise stamps or other signs of payment of excise duty which are not his right, shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 1 (one) year. 5 (five) years and/or a fine of at least 2 (two) times the excise value and a maximum of 10 (ten) times the excise value that should be paid. *)

Elucidation of Article 58

Quite clear.

Related Rules

There are no related regulations.

Pasal 58A

- (1) Everyone who illegally accesses electronic systems related to services and/or supervision in the excise sector shall be punished with imprisonment for a minimum of 1 (one) year and a maximum of 5 (five) years and/or a fine of at least Rp. 50,000,000. 00 (fifty million rupiah) and a maximum of Rp. 1,000,000,000.00 (one billion rupiah). *)
- (2) Acts as referred to in paragraph (1) which result in non-fulfillment of state levies based on this law shall be punished with imprisonment for a minimum of 2 (two) years and a maximum of 10 (ten) years and/or a fine of at least Rp. 1,000,000,000. ,00 (one billion rupiah) and a maximum of Rp. 5,000,000,000.00 (five billion rupiah). *)

Elucidation of Article 58A

Sentence (1)

What is meant by "access" is the action or effort taken to login to the excise system.

Sentence (2)

Quite clear.

Related Rules

There are no related regulations.

Article 59

- (1) In the event that the criminal fine is not paid by the person concerned, it will be taken from the assets and/or income of the person concerned instead.
- (2) In the event that the compensation as referred to in paragraph (1) cannot be fulfilled, the fine shall be replaced with a maximum imprisonment of six months.

Elucidation of Article 59

Sentence (1)

If the fine is not paid in whole or in part, the property of the perpetrator of the crime and/or the legal income he has earned will be confiscated.

The proceeds from the auction of legal assets and/or income are used to pay off the criminal fine. Confiscation and auctions are carried out in accordance with applicable laws and regulations. **Sentence (2)**
Quite clear.

Related Rules

There are no related regulations.

Article 60

Criminal acts in this law cannot be prosecuted after ten years have elapsed since the crime occurred.

Explanation of Article 60

Quite clear.

Related Rules

There are no related regulations.

Article 61

- (1) If a criminal act according to this Law is committed or on behalf of a legal entity, company, company, association, foundation, or cooperative, criminal charges and criminal sanctions will be imposed on:
 - a. the legal entity, company, company, association, foundation, or cooperative; and/or b. those who give orders to commit such crimes or who act as leaders or who neglect to prevent them.
- (2) A criminal act according to this law is considered to be committed by or on behalf of a legal entity, company, company, association, foundation, or cooperative if the crime is committed by people, either based on employment or based on other relationships, acting within a legal entity., company, company, association, foundation, or cooperative, regardless of whether the individual has acted individually or together.
- (3) If a criminal charge is made against a legal entity, company, association, foundation, or cooperative at the time of prosecution it is represented by a manager, or if there is more than one manager, or if there is more than one manager by one of them and the representative can be represented by someone else.
- (4) For legal entities, corporations, companies, associations, foundations, or cooperatives that are sentenced under this law, the main punishment imposed is always in the form of a maximum fine of Rp. imprisonment, without abolishing a fine if the crime is punishable by imprisonment and a fine.

Elucidation of Article 61

Sentence (1)

This paragraph provides for the possibility that a legal entity, company, company, association, foundation, or cooperative may be punished, because in reality it is possible for individuals to take actions on behalf of these entities, and/or those who have given orders to commit crimes must also be punished. criminal act or who acts as a leader or who neglects prevention so that the crime occurs.

The crime in question does not have to be committed by one person, but can also be committed by more than one person.

Included in the definition of "leadership" are people who actually have the authority to participate in determining policies, and/or making decisions in running a legal entity, company, company, association, foundation, or cooperative.

Sentence (2)

What is meant by "other relationships" in this paragraph are, among others, ownership relationships and partnership relationships.

Sentence (3)

What is meant by "other person" is a legal representative or other individual outside a legal entity, company, company, association, foundation, or cooperative who legally receives power of attorney from the management to act for and on behalf of the management.

Sentence (4)

This paragraph emphasizes that legal entities, companies, companies, associations, foundations, or cooperatives can only be subject to a fine. Therefore, criminal acts committed by legal entities, companies, companies, associations, foundations, or cooperatives, which are threatened with imprisonment, the sentence imposed will be replaced by a fine. This substitution does not eliminate the penalty imposed.

Related Rules

There are no related regulations.

Article 62

- (1) Excisable goods that are involved in a criminal act based on the provisions of this law are confiscated by the state.
- (2) Other items involved in a criminal offense under the provisions of this law may be confiscated for the state.
- (3) Further provisions regarding the settlement of confiscated goods for the state as referred to in paragraphs (1) and (2) shall be regulated by a ministerial regulation. *)

Elucidation of Article 62

Sentence (1)

Quite clear.

Sentence (2)

What is meant by "other goods" are goods directly related to taxable goods, such as means of transport used to transport taxable goods, equipment or machines used to make taxable goods.

Other goods which are involved in a criminal act based on the provisions of this law can be confiscated for the state as an affirmation that a crime in the field of excise has a special nature so that it requires separate treatment of other goods involved in the said crime.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

BAB XIII INVESTIGATION

Article 63

- (1) Certain Civil Servant Officers within the Director General of Customs and Excise are given special authority as investigators as referred to in Law Number 8 of 1981 concerning Criminal Procedure Code to investigate criminal acts in the excise sector.
- (2) Investigators as referred to in paragraph (1) due to their obligations are authorized to:
 - a. receive a report or information from a person regarding the existence of a crime in the excise sector;
 - b. summon people to be heard and examined as suspects or witnesses;
 - c. make arrests and detentions of people suspected of committing criminal acts in the field of excise;
 - d. take pictures and/or record through audio-visual media on people, goods, means of transportation, or anything that can be used as evidence of a criminal act in the field of excise; e. examine records and bookkeeping required under this Law and other bookkeeping;
 - f. take fingerprints of people;
 - g. search residence, clothing and body;
 - h. search the place or means of transport and examine the goods contained therein if a criminal act in the excise sector is suspected;
 - i. confiscate objects that are strongly suspected to be goods that can be used as evidence in criminal cases in the field of excise;
 - j. provide security signs and secure anything that can be used as evidence in connection with criminal acts in the excise sector;
 - k. bring in the necessary expertise in connection with the examination of the matter. l. order to stop a suspected perpetrator of a criminal act in the excise sector and examine the suspect's identification card;
 - m. stop the investigation;
 - n. take other necessary actions for the smooth investigation of criminal acts in the field of excise according to the responsible law.
- (3) The investigator as referred to in paragraph (1) shall notify the commencement of the investigation and submit the results of the investigation to the Public Prosecutor in accordance with the provisions regulated by Law Number 8 of 1981 concerning Criminal Procedure Code.

Elucidation of Article 63

Sentence (1)

Quite clear.

Sentence (2)

Letter A

Quite clear.

Letter b

Quite clear.

The letter c

The arrest and understanding as referred to in this letter is carried out especially in the case of

being caught red-handed.

The letter d

Quite clear.

Huruf e

What is meant by "other bookkeeping" is the company's books and other records that are not required under this law, which are suspected to be related to the criminal act being investigated.

The letter f

Quite clear.

The letter g

Residential searches are carried out with the permission of the chairman of the local district court.

The letter h

Quite clear.

The letter i

Quite clear.

The letter j

Quite clear.

The letter k

Quite clear.

Lamb l

Quite clear.

The letter m

The termination of the investigation must be notified to the investigators of the state police of the Republic of Indonesia and the public prosecutor.

The letter n

Quite clear.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Article 64

- (1) In the interest of state revenues, at the request of the Minister, the Attorney General may terminate the investigation of criminal acts in the excise sector at the latest within 6 (six) months from the date of the request letter. **)
- (2) The termination of the investigation as referred to in paragraph (1) is only carried out for criminal acts as referred to in Article 50, Article 52, Article 54, Article 56, and Article 58, after the person concerned has paid an administrative sanction in the form of a fine of 4 (four) times the value of the excise tax charged. should be paid. **)
- (3) In the event that the criminal case has been transferred to the court, the defendant can still pay the administrative sanction as referred to in paragraph (2). **)
- (4) The payment as referred to in paragraph (3) is considered to be prosecuted without being accompanied by an imprisonment sentence. **)
- (5) In the event that the payment made by the suspect or defendant at the stage of investigation until the trial does not meet the amount as referred to in paragraph (2), the payment can be calculated as payment of a criminal fine imposed on the defendant. **)
- (6) (2) Excisable goods related to the termination of the investigation of criminal acts in the field of excise as referred to in paragraph (1) shall be determined to be state property. **) (7) Other goods related to the termination of the investigation of criminal acts in the field of excise as referred to in paragraph (1) may be determined to be state property. **)
- (8) The Minister and the Attorney General may delegate further authority to the appointed official in relation to requests for and termination of investigations of criminal acts in the excise sector as referred to in paragraph (1). **)
- (9) Further provisions regarding the termination of the investigation as referred to in paragraph (1) shall be regulated by or based on a Government Regulation. **)

Explanation of Article 64

Sentence (1)

Quite clear.

Sentence (2)

Administrative sanctions in the form of a fine of 4 (four) times the value of excise that should be paid are considered sufficient to provide deterrent and are a form of balance between *restorative justice* and *fiscal recovery*.

Sentence (3)

Quite clear.

Sentence (4)

For cases that have been transferred to the court, the payment of administrative sanctions in the form of fines for stopping the investigation as referred to in paragraph (1) becomes a consideration for the public prosecutor to prepare an indictment without being accompanied by the imposition of a corporal punishment.

The administrative sanction in the form of a fine that has been paid by the defendant will be calculated as payment for the penalty imposed by the judge.

Sentence (5)

Payment of administrative sanctions in the form of fines carried out by suspects or defendants who have not fulfilled the amount in accordance with the provisions as referred to in paragraph (2), will be calculated as payment for the criminal fines imposed by the judge, while the shortfall will be charged to the defendant.

Sentence (6)

Quite clear.

Sentence (7)

What is meant by "other goods" are goods other than excisable goods involved in a criminal act that has been confiscated by a Civil Servant Investigator of the Directorate General of Customs and Excise, such as transportation facilities, communication equipment, media or storage places, and documents and letters.

Sentence (8)

Quite clear.

Sentence (9)

Quite clear.

Related Rules

There are no related regulations.

CHAPTER XIII OFFICER BUILDING *)

Article 64A

- (1) Attitudes and behavior of the employees of the Directorate General of Customs and Excise are bound by a code of ethics that serves as a guideline for carrying out their duties as regulated in this law. *)
- (2) Violations of the code of ethics by employees of the Directorate General of Customs and Excise are resolved by the code of ethics commission. *)
- (3) Further provisions regarding the code of ethics are regulated by a ministerial regulation. *) (4) Further provisions regarding the formation, composition, and work procedure of the code of ethics commission shall be regulated by a ministerial regulation. *)

Explanation of Article 64A

Quite clear.

Related Rules

There are no related regulations.

Article 64B

If the customs and tax office in calculating or setting the tax is not in accordance with this law resulting in

the non-fulfillment of the national collection, the customs and tax office shall be subject to sanctions in accordance with the provisions of the applicable laws and regulations. *)

Explanation of Article 64B

Quite clear.

Related Rules

There are no related regulations.

Article 64C

- (1) In the event that there are indications of criminal acts in the field of excise involving employees of the Directorate General of Customs and Excise, the Minister may assign an internal audit unit within the Ministry of Finance to conduct employee examinations in order to find preliminary evidence. *) (2) Further provisions as referred to in paragraph (1) shall be regulated by a ministerial regulation. *)

Explanation of Article 64C

Quite clear.

Related Rules

There are no related regulations.

Article 64D

- (1) Individuals, groups of people, and/or work units who are instrumental in dealing with violations in the excise sector are entitled to receive premiums. *)
(2) The maximum amount of premium is 50% (fifty percent) of the administrative sanctions in the form of fines and/or from the auction results of goods resulting from violations in the field of excise. *)
(3) In the event that the caught goods are goods which according to the prevailing laws and regulations may not be auctioned, the amount of the value of the goods as the basis for calculating the premium shall be determined by the Minister. *)
(4) Further provisions regarding the provision of premiums as referred to in paragraph (1) and paragraph (2) shall be regulated by a ministerial regulation. *)

Explanation of Article 64D

Sentence (1)

What is meant by "beneficial" is meritorious in handling:

- a. administrative violations include providing information, finding both administratively and physically, and/or until the settlement of collection by customs and excise officials; or b. criminal offenses in the field of excise include providing information, making arrests, investigating, and/or up to prosecution.

Sentence (2)

Quite clear.

Sentence (3)

Quite clear.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Article 64E

- (1) The Directorate General of Customs and Excise is given incentives based on performance achievements in the excise sector. *)
(2) The provision of incentives as referred to in paragraph (1) is stipulated through the State Revenue and

- Expenditure Budget. *)
- (3) Further provisions regarding the procedure for granting and utilizing incentives as referred to in paragraph (1) shall be regulated by a ministerial regulation. *)

Explanation of Article 64E

Quite clear.

Related Rules

There are no related regulations.

CHAPTER XIV OTHER PROVISIONS

Article 65

Manufacturers, entrepreneurs of storage places, importers of excisable goods, distributors, entrepreneurs of retail outlets, or users of excisable goods who are granted exemption from excise as referred to in Article 9, are responsible for the actions of the person who is employed or appointed as a representative or as a proxy, related to their work in the context of implementing this law. *)

Explanation of Article 65

Quite clear.

Related Rules

There are no related regulations.

Article 66

- (1) Excisable goods and other goods originating from unknown violators are controlled by the state and are under the supervision of the Directorate General of Customs and Excise, and if within fourteen days of being controlled by the violators the state remains unknown, the excisable goods and other goods shall become the property of country.
- (2) Excisable goods whose owner is unknown, are controlled by the state and are under supervision and must be officially announced by the Directorate General of Customs and Excise to be completed by the person concerned within thirty days from the time they are controlled by the state, and if within the said period the person concerned does not fulfill their obligations, the excisable goods become the property of the state.
- (3) Further provisions regarding the settlement of excisable goods as referred to in paragraph (1) and paragraph (2) shall be regulated by a ministerial regulation. *)

Elucidation of Article 66

Sentence (1)

What is meant by "unknown violator" is a person who violates the provisions of the excise legislation, both administrative provisions and criminal provisions, which are not known.

In such circumstances, the excisable goods and other goods involved in the violation are controlled by the state and under the supervision of the Directorate General of Customs and Excise and within fourteen days of being controlled by the state shall be declared to be state property if the owner remains unknown.

Sentence (2)

Quite clear.

Sentence (3)

Quite clear.

Related Rules

There are no related regulations.

Article 66A

- (1) State revenue from excise on tobacco products made in Indonesia is distributed to provinces that produce excise on tobacco products in the amount of 2% (two percent) which is used to finance the improvement of the quality of raw materials, industrial development, social environment development, socialization of regulations in the field of excise, and/or eradication illegal taxable goods. *)
- (2) The allocation of funds for excise on tobacco products as referred to in paragraph (1) is determined based on the realization of tobacco excise revenues in the current year. *)
- (3) The governor manages and uses the tobacco product excise-sharing funds and regulates the distribution of the tobacco-product excise-sharing funds to the regents/mayors in their respective regions based on the contribution of tobacco excise revenues. *)
- (4) The distribution of funds for excise on tobacco products as referred to in paragraph (3) is carried out with the approval of the Minister, with a composition of 30% (thirty percent) for producing provinces, 40% (forty percent) for producing districts/cities, and 30% (thirty percent) for producing districts/cities. thirty percent) for other districts/cities. *)

Elucidation of Article 66A

Sentence (1)

Excise on tobacco products made in Indonesia is distributed to the regions because excisable goods in the form of tobacco products have properties or characteristics whose consumption needs to be controlled and monitored as well as having a negative impact on society and optimizing efforts for state revenue from excise.

Control and supervision are carried out by the central government and local governments.

The excise revenue-sharing fund is part of the fiscal capacity whose calculation is adjusted to the General Allocation Fund (DAU) formula which is determined every year in the discussion of the RAPBN.

Sentence (2)

Quite clear.

Sentence (3)

Distribution, management, and use of the distribution of funds for excise on tobacco products to districts/cities that contribute to tobacco excise duty and is calculated based on the contribution of tobacco excise revenues.

Sentence (4)

Quite clear.

Related Rules

There are no related regulations.

Article 66B

Distribution of funds for excise on tobacco products is carried out by way of book-entry from the general state treasury account to the provincial general treasury account and the district/city general treasury account. *)

Elucidation of Article 66B

Quite clear.

Related Rules

There are no related regulations.

Article 66C

- (1) The Minister shall monitor and evaluate the use of the budget for improving the quality of raw materials, fostering industry, fostering the social environment, socializing provisions in the field of excise, and/or eradicating illegal excisable goods originating from revenue-sharing funds for excise on tobacco products made in Indonesia. *)
- (2) If the results of monitoring and evaluation on the use of the budget for improving the quality of raw materials, fostering industry, fostering the social environment, socializing provisions in the field of

excise, and/or eradicating illegal excisable goods originating from the revenue sharing fund for tobacco products, indicate that there are deviations in implementation, they will be followed up accordingly. with the applicable laws and regulations. *)

Elucidation of Article 66C

Quite clear.

Related Rules

There are no related regulations.

Pasal 66D

- (1) For misuse of the allocation of funds for excise on tobacco products, sanctions may be imposed in the form of suspension up to the termination of distribution of funds for excise on tobacco products made in Indonesia. *)
- (2) Further provisions regarding sanctions for misuse of allocation of funds for excise on tobacco products as referred to in paragraph (1) shall be regulated by a ministerial regulation. *)

Explanation of Article 66D

Quite clear.

Related Rules

There are no related regulations.

Article 67

The requirements and procedures for the import of Excisable Goods from an area that has been designated as a free trade area and/or free port as well as Customs Declaration on installations and equipment located in the Indonesian Continental Shelf and the Indonesian Exclusive Economic Zone shall apply the Customs Law.

Elucidation of Article 67

Quite clear.

Related Rules

There are no related regulations.

Article 68

Provisions on the procedure for imposing administrative sanctions and adjusting the amount of administrative sanctions as well as adjusting the amount of interest according to this Law shall be further regulated by a Government Regulation.

Elucidation of Article 68

Quite clear.

Related Rules

There are no related regulations.

BAB XV TRANSITIONAL TERMS

Article 69

- (1) With the enactment of this Law, all permits that already exist and have a specified time limit are declared to remain valid until the expiration of their validity period, while for permits that have no specified validity period, they are declared to remain valid for one year from the enactment of this Law.
- (2) The permit as referred to in paragraph (1) when it has expired, must be renewed based on the

provisions of this Law.

- (3) Factory Entrepreneurs or Storage Place Entrepreneurs who before the enactment of this Law have been running their business which due to the old excise statutory regulations are not required to have a permit as regulated in this Law, within three months of the enactment of this Law must already have permission.

Elucidation of Article 69

Quite clear.

Related Rules

There are no related regulations

Article 70

With regard to excise matters which at the time of the enactment of this Law cannot be resolved, the settlement shall be carried out based on the provisions of the legislation in the field of excise which relieves everyone.

Explanation of Article 70

Although the old excise statutory regulations have been revoked with the enactment of this law, all unfinished excise matters, such as orders for excise stamps, the use of excise stamps, excise payables, refunds of excise, and so on, the provisions of laws and regulations apply for settlement. - the most lightening invitation for everyone.

Related Rules

There are no related regulations.

BAB XVI CLOSING

Article 71

With the coming into force of this law, it is stated that it no longer applies:

1. The Kerosene Excise Ordinance (*Ordonnantie Van December 27, 1886 Stbl. 1886 No. 249 and Ordonnantie Van 11 May 1908 Stbl. 1908 No. 361*), as has been amended and added several times, most recently by Government Regulation in Lieu of Law Number 2 Prp Year 1965 concerning the State Revenue Policy of 1966 (State Gazette of the Republic of Indonesia of 1965 Number 121);
2. Distilled Alcohol Excise Ordinance (*Ordonnantie Van February 27, 1898 Stbl. 1898 No. 90 en 92 and Ordonnantie Van July 10, 1923 Stbl. 1923 No. 344*), as has been amended and added several times, most recently by Government Regulation in Lieu of Law Number 2 PRP of 1965 concerning the State Revenue Policy of 1966 (State Gazette of the Republic of Indonesia of 1965 Number 121);
3. Beer Excise Ordinance (*Bieraccijns Ordonnantie Stbl. 1931 No. 488 en 489*), as amended and added several times, most recently by Government Regulation in Lieu of Law Number 2 Prp of 1965 concerning State Revenue Policy of 1966 (State Gazette of the Republic of Indonesia of 1965 Number 121);
4. Tobacco Excise Ordinance (*Tabacsaccijn Ordonnantie Stbl. 1932 No. 517*) as amended and added several times, most recently by Government Regulation in Lieu of Law Number 2 Prp of 1965 concerning State Revenue Policy of 1966 (State Gazette of the Republic of Indonesia of 1965 Number 121);
5. Sugar Excise Ordinance (*Suikeraccijns Ordonnantie Stbl. 1933 No. 351*) as amended and added several times, most recently by Government Regulation in Lieu of Law Number 2 Prp of 1965 concerning State Revenue Policy of 1966 (State Gazette of the Republic of Indonesia of 1965 Number 121).

Elucidation of Article 71

Quite clear.

Related Rules

There are no related regulations.

Article 72

This law came into force on April 1, 1966.

Elucidation of Article 72

Quite clear.

Related Rules

There are no related regulations.