REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 62/PMK.03/2022

ABOUT

VALUE ADDED TAX ON DELIVERY OF CERTAIN *LIQUEFIED PETROLEUM* GAS

BY THE GRACE OF ALMIGHTY GOD
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Weigh

a. that for the expansion of the tax base on taxable entrepreneurs who deliver certain taxable goods, it is necessary to re-regulate the provisions for the imposition of value added tax on the delivery of certain *liquefied petroleum* gas;

b. that the Regulation of the Minister of Finance Number 220/PMK.03/2020 concerning Procedures for Calculation and Collection of Value Added Tax on the Delivery of Certain *Liquefied Petroleum* Gas has not been able to accommodate the development of the need for regulation of value added tax on the delivery of certain *liquefied petroleum* gas so that it needs to be replaced;

c. that based on the considerations as referred to in letters a and b, as well as to implement the provisions of Article 16G letter a and letter i of Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended several times, the latest by Law Number 7 of 2021 concerning Harmonization of Tax Regulations, it is necessary to stipulate a Regulation of the Minister of Finance concerning Value Added Tax on the Delivery of Certain *Liquefied Petroleum Gas .*

Remember

1. Article 17 paragraph (3) of the 1945 Constitution of the Republic of Indonesia; 2. Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods (State Gazette of the Republic of Indonesia of 1983 Number 51, Supplement to the State Gazette of the Republic of Indonesia Number 3264) as amended several times, the latest by Law Number 7 2021 concerning Harmonization of Tax Regulations (State Gazette of the Republic of Indonesia Year 2021 Number 246, Supplement to the State Gazette of the Republic of Indonesia Number 6736);

3. Law Number 39 of 2008 concerning State Ministries (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916); 4. Presidential Regulation Number 57 of 2020 concerning the Ministry of Finance (State Gazette of the Republic of Indonesia of 2020 Number 98);

5. Regulation of the Minister of Finance Number 118/PMK.01/2021 concerning the Organization and Work Procedure of the Ministry of Finance (State Gazette of the Republic of Indonesia of 2021 Number 1031).

DECIDE:

Set

REGULATION OF THE MINISTER OF FINANCE CONCERNING VALUE ADDED TAX ON DELIVERY OF CERTAIN *LIQUEFIED PETROLEUM* GAS.

article 1

In this Ministerial Regulation, what is meant by:

1. Value Added Tax Law is Law Number 8 of 1983 concerning Value Added Tax of Goods and Services and Sales Tax on Luxury Goods and its amendments.

2. Taxable Goods are goods that are subject to tax under the Value Added Tax Law. 3. Taxable Services are services that are taxed under the Value Added Tax Law. 4. Taxable Entrepreneurs are entrepreneurs who deliver Taxable Goods and/or delivery of Taxable Services that are subject to tax based on the Law on Value Added Tax.

5. *Liquefied Petroleum* Gas, hereinafter abbreviated as LPG, is a hydrocarbon gas that is liquefied under pressure to facilitate storage, transportation and handling, which basically consists of propane, butane, or a mixture of both.
6. Certain LPG is LPG which is a fuel that has specificity due to certain conditions in which its user or use, packaging, volume, and/or price are still subsidized in accordance with the provisions of laws and regulations in the energy and mineral resources sector.
7. Business Entity is a company in the form of a legal entity that runs a type of business that is permanent, continuous, and is established in accordance with the provisions of laws and regulations and works and is domiciled in the territory of the Unitary State of the Republic of Indonesia which is assigned by the government to carry out certain LPG supply and distribution activities in accordance with with the provisions of laws and regulations.
8. Certain LPG Distributors, hereinafter referred to as Agents, are cooperatives, small businesses, and/or national private business entities appointed by the Business Entity to carry out certain LPG distribution activities.
9. Certain LPG Sub-Distributors, hereinafter referred to as Pangkalan, are the extension of the Agent appointed by the Agent to carry out distribution activities in order to ensure the smooth distribution of Certain LPG to final consumers.
10. Retail Selling Price is the retail selling price of Certain LPG at the Agent's delivery point including Value Added Tax and Agent's margin determined by the minister who administers government affairs in the energy and mineral resources sector.

11. Agent Selling Price is the selling price of Certain LPG at the Agent's delivery point. 12. Base Selling Price is the selling price of Certain LPG at the Base delivery point. 13. Tax Imposition Basis is the total selling price, replacement, import value, export value, or other value used as the basis for calculating the tax payable.

14. Other Value is the value in the form of money which is determined as the Tax Imposition Basis. 15. Tax Invoice is proof of tax levy made by a Taxable Entrepreneur who delivers Taxable Goods or delivery of Taxable Services.

16. Input Tax is a Value Added Tax that should have been paid by a Taxable Entrepreneur due to the acquisition of Taxable Goods and/or the acquisition of Taxable Services and/or utilization of Intangible Taxable Goods from outside the customs area and/or utilization of Taxable Services from outside the customs area and/or import of Taxable Goods.
17. Minister is the minister who carries out government affairs in the field of state finance.

Section 2

(1) The delivery of Taxable Goods in the form of Certain LPG by the Taxable Entrepreneur is subject to Value Added Tax.

(2) Value Added Tax on the delivery of Certain LPG as referred to in paragraph (1) which part of the price is subsidized, is paid by the government.

(3) Value Added Tax on the delivery of Certain LPG as referred to in paragraph (1) whose part of the price is not subsidized, is paid by the buyer.

Article 3

Delivery of Certain LPG which part of the price is subsidized as referred to in Article 2 paragraph (2) is delivery of Certain LPG from a Business Entity to the Government which is paid for through a Subsidy of Certain LPG in accordance with the provisions of the legislation, which consists of a price subsidy and Value Added Tax.

Article 4

Value Added Tax payable on delivery of Certain LPG whose part of the price is not subsidized as referred to in Article 2 paragraph (3) on:

a. the delivery point of the Business Entity, is calculated by multiplying the rate of Value Added Tax by another value as the basis for imposition of tax; and

b. Agent or Base delivery point, collected and deposited with a certain amount.

Article 5

(1) Other Values as referred to in Article 4 letter a are calculated by the formula for:

$$\frac{100}{(100 + t)} \text{ x Harga Jual Eceran}$$

provided that t is a number at the applicable Value Added Tax rate.

(2) Provisions regarding the example of calculating the Value Added Tax payable on the delivery of Certain LPG which part of the price is not subsidized using Other Values as referred to in paragraph (1) is contained in the Appendix which is an integral part of this Ministerial Regulation.

Article 6

(1) Certain amount of Value Added Tax payable on delivery of Certain LPG as referred to in Article 4 letter b is stipulated:

a. at the Agent handover point:

1. amounting to 1.1/101.1 (one point one per one hundred one point one) which will take effect on April 1, 2022; and
2. in the amount of 1.2/101.2 (one point two per one hundred one point two) which comes into force at the time the Value Added Tax rate is applied as regulated in Article 7 paragraph (1) letter b of the Value Added Tax Law,

from the excess difference between the Agent Selling Price and the Retail Selling Price;

b. at the Base handover point:

1. in the amount of 1.1/101.1 (one point one per one hundred one point one) which comes into force on April 1, 2022; and
2. in the amount of 1.2/101.2 (one point two per one hundred one point two) which comes into force at the time the Value Added Tax rate is applied as regulated in Article 7 paragraph (1) letter b of the Value Added Tax Law,

of the excess difference between the Base Selling Price and the Agent Selling Price.

(2) Certain quantities as referred to in paragraph (1) on:

a. Agent's delivery point, obtained from the result of multiplying a certain formula with the rate of Value Added Tax multiplied by a certain value in the form of the excess difference between the Agent Selling Price and the Retail Selling Price; and

b. Base delivery point, obtained from the result of multiplying a certain formula with the rate of Value Added Tax multiplied by a certain value in the form of the excess difference between the Base Selling Price and the Agent Selling Price.

(3) Value Added Tax payable at the Agent's delivery point as referred to in paragraph (1) letter a, is already included in the excess difference between the Agent Selling Price and the Retail Selling Price.

(4) Value Added Tax payable at the point of delivery of the Base as referred to in paragraph (1) letter b, is included in the excess difference between the Base Selling Price and the Agent Selling Price. (5) Provisions regarding the example of calculating a certain amount of Value Added Tax payable on the delivery of Certain LPG whose part of the price is not subsidized as referred to in paragraph (1) is contained in the Appendix which is an integral part of this Ministerial Regulation.

Article 7

The applicable Value Added Tax rates as referred to in Article 4, Article 5 paragraph (1), and Article 6 paragraph (2) are the Value Added Tax rates as stipulated in Article 7 paragraph (1) of the Value Added Tax Law, namely:

a. 11% (eleven percent) which will take effect on April 1, 2022; and

b. of 12% (twelve percent) which comes into force at the time the Value Added Tax rate is applied as regulated in Article 7 paragraph (1) letter b of the Value Added Tax Law.

Article 8

(1) Value Added Tax payable as referred to in Article 3 and Article 4 is made a Tax Invoice when: a. The Business Entity submits a request for payment of the subsidy as referred to in Article 3 to the proxy of the budget user in accordance with the provisions of the laws and regulations governing the procedures for providing the budget, calculation, payment, and accountability of certain LPG subsidy funds; and

b. Business Entities, Agents, or Bases as referred to in Article 4 deliver Certain LPG, or at the time of

payment in the event that the payment precedes the delivery.

(2) The Tax Invoice as referred to in paragraph (1) is made in accordance with the provisions of the legislation in the field of taxation.

(3) The provisions regarding instructions for filling in the information in the Tax Invoice for the delivery of Certain LPG by the Agent or Base as referred to in paragraph (1) letter b are listed in the Attachment which is an integral part of this Ministerial Regulation.

Article 9

(1) Input Tax on the acquisition of Taxable Goods and/or Taxable Services, import of Taxable Goods, as well as utilization of Intangible Taxable Goods and/or utilization of Taxable Services from outside the customs area within the customs area in connection with the delivery of Certain LPG made by the Agency The business as referred to in Article 4 letter a can be credited as long as it complies with the provisions for crediting Input Tax in accordance with the provisions of the legislation in the field of taxation.

(2) Input Tax on the acquisition of Taxable Goods and/or Taxable Services, import of Taxable Goods, as well as utilization of Intangible Taxable Goods and/or utilization of Taxable Services from outside the customs area within the customs area related to the delivery of Certain LPG made by The agent or base as referred to in Article 4 letter b cannot be credited.

Article 10

At the time this Ministerial Regulation comes into force, Regulation of the Minister of Finance Number 220/PMK.03/2020 concerning Procedures for Calculation and Collection of Value Added Tax on the Delivery of Certain *Liquefied Petroleum* Gas (State Gazette of the Republic of Indonesia Year 2020 Number 1613), is revoked and declared invalid. .

Article 11

This Ministerial Regulation comes into force on April 1, 2022

For public cognizance, ordering the promulgation of this Ministerial Regulation by placing it in the State Gazette of the Republic of Indonesia.

Set in Jakarta
on March 30, 2022
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,
ttd.
Sri Mulyani Indrawati

Promulgated in Jakarta
on March 30, 2022
DIRECTOR GENERAL OF LAW REGULATION
MINISTRY OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA,
ttd.
BENNY RIYANTO

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2022 NUMBER 355