MINISTER OF FINANCE AND MINISTER OF AFFAIRS
NUMBER 15/PMK.07/2014
NUMBER 10 OF 2014

ABOUT

STAGES OF PREPARATION AND IMPLEMENTATION OF RURAL AND URBAN LAND AND BUILDING TAX TRANSFER AS A REGIONAL TAX

WITH THE GRACE OF GOD ALMIGHTY THE
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
AND
THE MINISTER OF INTERNAL AFFAIRS OF THE REPUBLIC OF INDONESIA

Weigh

a. that in order to implement the provisions of Article 182 point 1 of Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, a Joint Regulation of the Minister of Finance and the Minister of Home Affairs Number 213/PMK.07/2010 and Number 58 of 2010 concerning the Stages of Tax Transfer Preparation has been stipulated Rural and Urban Land and Buildings as Local Taxes;

b. that the Joint Regulations of the Minister of Finance and the Minister of Home Affairs Number 213/PMK.07/2010 and Number 58 of 2010 are deemed unable to resolve various problems of the transfer of Rural and Urban Land and Building Taxes;

c. that based on the considerations as referred to in letters a and b, it is necessary to stipulate a Joint Regulation of the Minister of Finance and the Minister of Home Affairs concerning the Stages of Preparation and Implementation of the Transfer of Rural and Urban Land and Building Taxes as Regional Taxes;

Remember

1. Law Number 6 of 1983 concerning General Provisions and Tax Procedures (State Gazette of the Republic of Indonesia of 1983 Number 49, Supplement to the State Gazette of the Republic of Indonesia Number 3262) as amended several times, most recently by Law Number 16 of 2009 (State Gazette of the Republic of Indonesia). Indonesia Year 2009 Number 62, Supplement to the State Gazette of the Republic of Indonesia Number 4999);
2. Law Number 12 of 1985 concerning Land and Building Tax (State Gazette of the Republic of Indonesia of 1985 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 3312) as amended by Law Number 12 of 1994 (State Gazette of the Republic of Indonesia of 1994 Number 62 , Supplement to the State Gazette of the Republic of Indonesia Number 3569);
3. Law Number 28 of 2009 concerning Regional Taxes and Regional Levies (State Gazette of the Republic of Indonesia of 2009 Number 130, Supplement to the State Gazette of the Republic of Indonesia Number 5049);

DECIDE:

Set

JOINT REGULATION OF THE MINISTER OF FINANCE AND MINISTER OF INTERNATIONAL STATES CONCERNING THE PHASE OF PREPARATION AND IMPLEMENTATION OF THE TRANSFER OF RURAL AND URBAN LAND AND BUILDING TAX AS REGIONAL TAX.

CHAPTER I
GENERAL PROVISIONS

article 1

In this Joint Regulation, what is meant by:

1. Rural and Urban Land and Building Tax, hereinafter referred to as PBB-P2, is a tax on land and/or buildings

owned, controlled, and/or utilized by individuals or entities, except for areas used for plantation, forestry, and mining business activities.

2. Regional Government is the Governor, Regent, Mayor and regional apparatus as elements of regional government administration.
3. The Year of Transfer is the year when the authority to collect PBB-P2 is transferred to the Regional Government, no later than 2014.
4. Collection is a series of activities starting from collecting data on tax objects and subjects, determining the amount of tax payable to collecting tax activities to taxpayers and supervising their deposit.
5. PBB-P2 receivables are details of receivables arising from PBB-P2 income as regulated in the taxation law, which have not been repaid until December 31 before the Year of Transfer, both unexpired and the right of collection has expired in accordance with the taxation law but has not been made the write-off of PBB-P2 receivables by the Minister of Finance.
6. PBB-P2 net receivables is the value of PBB-P2 receivables as of December 31 before the year of transfer minus the allowance for uncollectible PBB-P2 receivables so that the value of PBB-P2 receivables equals the *net realizable value* .

Section 2

(1) The authority to collect PBB-P2 is transferred from the Government to the Regional Government starting January 1, the Year of Transfer.

(2) Preparation for the transfer of PBB-P2 as local tax is carried out no later than December 31 before the Year of Transfer.

CHAPTER II
PREPARATION FOR TRANSFER OF PBB-P2

Part One
Duties and Responsibilities of the Ministry of Finance

Article 3

(1) In the context of transferring the authority to collect PBB-P2 as referred to in Article 2 paragraph (1), the Directorate General of Taxes is in charge and responsible for compiling:

a. The implementation rules of PBB-P2 as reference materials for District Governments in compiling District Regulations and District Head Regulations;

b. *Standard operating and procedure* (SOP) related to PBB-P2 as a reference for local governments in preparing SOPs;

c. The structure, duties, and organizational functions of the Directorate General of Taxes related to the collection of PBB-P2 as a reference material for the Regional Government to formulate the organizational structure and working procedures of the collection of PBB-P2;

d. Data on PBB-P2 receivables and their supporting data;

e. Decree of the Minister of Finance regarding the determination of the Sale Value of Non-Taxable Tax Objects (NJOPTKP) which is valid within a period of 10 (ten) years prior to the Year of Transfer;

f. Copies of the Village/Kelurahan Map, Block Map, and Land Value Zone Map in *softcopy* ; g. The results of the multiplication of PBB-P2 database before the Transfer Year; and h. The result of duplicating the application system related to PBB-P2 and its *source code* ; to be submitted to the local government.

(2) The compilation results as referred to in paragraph (1) letter a, letter b, and letter c, shall be submitted by the Director General of Taxes to the Director General of Fiscal Balance. (3) The Directorate General of Fiscal Balance is in charge and responsible for duplicating the results of the compilation as referred to in paragraph (2), and then submits the results of the compilation to the Regional Government, as well as monitoring and fostering the implementation of the transfer of authority to collect PBB-P2 to the Regional Government.

(4) The Directorate General of Taxes in cooperation with the Regional Government carries out maintenance activities for the PBB-P2 database in order to update the PBB-P2 receivable data until December 31 before the Transfer Year.

Part Two
Duties and Responsibilities of the Ministry of Home Affairs

Article 4

(1) The Secretariat General and the Directorate General of Regional Finance of the Ministry of Home Affairs are in charge and responsible for preparing guidelines for the organizational structure and work procedures of the Regional Government.

(2) The preparation of guidelines for the organizational structure and working procedures of the Regional Government as referred to in paragraph (1) shall be stipulated by a Regulation of the Minister of Home Affairs after coordinating with other relevant agencies.

Part Three
Duties and Responsibilities of Local Government

Article 5

(1) In order to accept the transfer of authority to collect PBB-P2 as referred to in Article 2 paragraph (1), the Regional Government has the duty and responsibility to prepare:

a. Regional Regulations, Regional Head Regulations, and SOPs;

b. Organizational structure and work procedures;

c. Human Resources;

d. Facilities and infrastructure;

e. Cooperation with related parties, among others, the Primary Tax Service Office, banks, land offices, and Notary/Land Deed Making Officials; and

f. Opening a PBB-P2 holding account at a healthy bank.

(2) Regional Regulations concerning PBB-P2 and Regional Head Regulations as the elaboration and implementation basis as referred to in paragraph (1) letter a are drawn up taking into account the provisions of the implementing regulations for the collection of PBB-P2 that have been in force at the Directorate General of Taxes and adapted to real needs and objective conditions. according to the authority as an autonomous region.

(3) The preparation of the organizational structure and work procedures as referred to in paragraph (1) letter b is guided by the Regulation of the Minister of Home Affairs as referred to in Article 4 paragraph (2).

(4) In the context of preparing human resources as referred to in paragraph (1) letter c, the Regional Government may request assistance from the Ministry of Finance and the Ministry of Home Affairs to provide guidance, education and technical training for PBB-P2 collection.

(5) The preparation of facilities and infrastructure as referred to in paragraph (1) letter d, is carried out by prioritizing the use of facilities and infrastructure owned by the Regional Government. (6) The cooperation with the Primary Tax Service Office as referred to in paragraph (1) letter e, is carried out, among others, through the maintenance of PBB-P2 database in the context of updating PBB-P2 receivables data before the year of transfer.

(7) The opening of a PBB-P2 holding account at a healthy bank as referred to in paragraph (1) letter f is stipulated by a Decree of the Regional Head.

Article 6

(1) In the event that the maintenance of the database as referred to in Article 5 paragraph (6) has not been fully completed by January 31 of the Transfer Year, the Regional Government shall follow up on the completion of the data updating activity of the said PBB-P2 receivables.

(2) In the context of completing the data updating of PBB-P2 receivables as referred to in paragraph (1), the Regional Government may request assistance/assistance up to 2 (two) years after the Transfer Year, to the Regional Office of the Directorate General of Taxes and/or the Primary Tax Service Office.

CHAPTER III
PREPARATION FOR THE TRANSFER OF PBB-P2

Article 7

The transfer of authority to collect PBB-P2 as referred to in Article 2 paragraph (1) can only be carried out on January 1 of the Year of Transfer.

Article 8

The deadline for the completion of the preparation for the transfer of authority to collect PBB-P2 by the Directorate General of Taxes as referred to in Article 3 paragraph (1), which relates to the compilation of: a. implementing regulations for PBB-P2, no later than November 30, 2010;

b. SOP related to PBB-P2, no later than November 30, 2010;

c. structure, duties, and organizational functions of the Directorate General of Taxes related to the collection of PBB-P2, no later than November 30, 2010;

d. data on PBB-P2 receivables and their supporting data, no later than January 31 of the Year of Transfer;

e. Decree of the Minister of Finance regarding the determination of NJOPTKP which is valid for a period of 10 (ten) years prior to the Transfer Year, no later than December 31 before the Transfer Year;

f. a copy of the Village Village Map, Block Map, and Land Value Zone Map in *softcopy* , no later than 3 (three) months prior to the Transfer Year;

g. the result of duplicating the PBB-P2 database, no later than 3 (three) months prior to the Transfer Year; and

h. the result of duplicating the application system related to PBB-P2, no later than 3 (three) months prior to the Transfer Year.

Article 9

The deadline for completing the preparation for the transfer of authority to collect PBB-P2 by the Regional Government as referred to in Article 5 paragraph (1) is no later than December 31 before the Year of Transfer.

Article 10

(1) The compilation results as referred to in Article 3 paragraph (1) letter d and letter e, shall be submitted by the Head of the Regional Office of the Directorate General of Taxes/Head of the Primary Tax Service Office to the regional government in their working environment, no later than January 31 of the Transfer Year.

(2) The compilation results as referred to in Article 3 paragraph (1) letter f, letter g, and letter h, shall be submitted by the Head of the Regional Office of the Directorate General of Taxes/Head of the Primary Tax Service Office to the Regional Government in their working environment, no later than January 5 of the Transfer Year.

(3) The submission of the data compilation as referred to in Article 3 paragraph (1) letter d, letter e, letter f, letter g, and letter h shall be stated in the Minutes of Handover.

(4) In the context of submitting the compilation of data to the relevant Regional Government as referred to in paragraph (2), the Directorate General of Fiscal Balance coordinates with the Regional Government, the Directorate General of Taxes, the Directorate General of Regional Finance, the Ministry of Home Affairs.

(5) In the event that PBB-P2 receivables that have been submitted as referred to in paragraph (3) have changed according to the results of the audit of the Financial Statements of the Ministry of Finance by the Supreme Audit Agency, the Head of the Primary Tax Service Office submits the changes to the data on the said PBB-P2 receivables to the Regional Government.

CHAPTER IV
SETTLEMENT OF APPLICATION FOR PBB-P2 SERVICES

Article 11

(1) The Directorate General of Taxes submits applications for PBB-P2 services that have not been completed until December 31 before the Year of Transfer to the Regional Government. (2) PBB-P2 services as referred to in paragraph (1), among others, registration of new data, mutation of objects/subjects, correction of Tax Returns Payable (SPPT)/Tax Assessment Letters (SKP)/Tax Collection Letters (STP)/other decrees , cancellation of SPPT/SKP/STP, making copies of SPPT/SKP/STP, request for revocation of determination as a Taxpayer, objection to SPPT/SKP, reduction of the amount of tax payable, reduction of administrative fines, refund of overpayment, re determination of payment due date,

postponement of return of Tax Object Notification Letter (SPOP), and provision of PBB information.

(3) The Directorate General of Taxes submits files related to the application for PBB-P2 services as referred to in paragraph (2) to the Regional Government as stated in the Minutes of Handover and attached with a recapitulation of the application for PBB-P2 services.

(4) The Regional Government follows up on the application for PBB-P2 services as referred to in paragraph (3).

(5) In the event that the Regional Government requires assistance/assistance related to the completion of the application for PBB-P2 services as referred to in paragraph (4), the Regional Office of the Directorate General of Taxes and/or the Primary Tax Service Office shall provide assistance/assistance.

Article 12

The Regional Office of the Directorate General of Taxes and/or the Primary Tax Service Office shall take steps to accelerate the completion of PBB-P2 services prior to the Transfer Year.

Article 13

(1) PBB-P2 receivables as referred to in Article 3 paragraph (1) letter d, consist of *net* receivables and allowance for uncollectible PBB-P2 receivables and their supporting documents.

(2) The supporting documents as referred to in paragraph (1) can be in the form of a list of unpaid SPPT, STP, SKP, billing documents that are being actively billed, or PBB-P2 Receivable Allowance Working Papers that are not collectible.

(3) With respect to PBB-P2 receivables as referred to in paragraph (1), the Regional Government shall: a. Billing; and/or

b. Elimination of PBB-P2 receivables that have expired based on statutory regulations.

Article 14

In the event that the PBB-P2 database submitted to the Regional Government shows the payment status of the Taxpayer has not been paid off, but the Taxpayer can show proof of payment of other supporting evidence, the Regional Government follows up by recording the payment in the PBB-P2 database.

Article 15

(1) In the event that the Regional Government completes the application for PBB-P2 services as referred to in Article 11 paragraph (4) which has an impact on:

a. PBB-P2 receipts, then the PBB-P2 receipts are regional revenues;

b. Financial expenditure, the financial expenditure is regulated as follows:

1. Up to IDR 50,000,000 (fifty million rupiah) is followed up by the Regional Government. 2. More than IDR 50,000,000 (fifty million rupiah) is followed up by the Ministry of Finance. (2) The completion of the application for PBB-P2 services as referred to in Article 11 paragraph (2) for Regional Governments that have not yet implemented PBB-P2 collection is followed up by the Ministry of Finance.

(3) The procedure for completing the application for PBB-P2 services as referred to in paragraph (1) letter b number 2 and paragraph (2) is regulated by or based on a Regulation of the Minister of Finance.

CHAPTER V
CONSTRUCTION AND MONITORING

Article 16

(1) The Ministry of Finance and the Ministry of Home Affairs jointly or individually provide guidance and monitoring of the preparation and implementation of PBB-P2 collection to the Regional Government. (2) The guidance as referred to in paragraph (1) includes, among others, the provision of guidance, consultation, education and technical training, as well as the implementation of supervision. (3) The monitoring as referred to in paragraph (1) includes, among others, *monitoring* and evaluation as well as collecting data and information regarding the acceptance of PBB-P2.

(4) In the context of collecting data and information as referred to in paragraph (3), the Regional Head submits

the target and realization of PBB-P2 revenue every year no later than March of the following year to the Director General of Fiscal Balance, Ministry of Finance and Director General of Regional Finance, Ministry of Home Affairs.

Article 17

The Ministry of Finance, Ministry of Home Affairs, and Local Governments conduct socialization regarding the transfer of authority to collect PBB-P2.

CHAPTER VI
FUNDING

Article 18

All costs arising from the implementation of the transfer of authority to collect PBB-P2 related to the Ministry of Finance, Ministry of Home Affairs, and Regional Governments are charged to their respective budgets.

CHAPTER VII
TRANSITIONAL PROVISIONS

Part One Write-off of Accounts Receivable

Article 19

The proposal for the write-off of PBB-P2 receivables submitted by the Director General of Taxes to the Minister of Finance up to December 31 before the Transfer Year, the determination of the write-off of the PBB-P2 receivables is still the authority of the Minister of Finance.

Part Two
Settlement and Follow-up on Decision on Lawsuit, Appeal, and/or Review

Article 20

(1) The Directorate General of Taxes conveys to the Regional Government:

a. Decisions on lawsuits, appeals, and/or reviews related to PBB-P2 that were received up to December 31 before the Year of Transfer and have not been followed up by the Directorate General of Taxes;

b. Decision on lawsuit, appeal, and/or review related to PBB-P2 received after the year of transfer.

(2) The Regional Government follows up on the decision on the lawsuit, appeal and/or review related to PBB-P2 as referred to in paragraph (1).

(3) In the event that the Regional Government follows up on the decision on the lawsuit or appeal related to PBB-P2 as referred to in paragraph (2) which is submitted for judicial review by the Taxpayer, the Regional Government may request files related to the material of the lawsuit, the appeal to the Directorate General of Taxes.

Article 21

The follow-up to the decision on lawsuits, appeals and/or reconsideration for Regional Governments which up to January 1, 2014 has not yet carried out the collection of PBB-P2, is carried out by the Ministry of Finance.

Article 22

In terms of:

a. The Decree on Objection related to PBB-P2 submitted to the Regional Government is filed for appeal by the Taxpayer, completed by the Regional Government and can coordinate with the Ministry of Finance;

b. the decision on the lawsuit or appeal related to PBB-P2 which is submitted to the Regional Government is filed for judicial review by the Taxpayer, completed by the Regional Government and can coordinate

with the Ministry of Finance.

Article 23

The Ministry of Finance completes or follows up on:

a. Application for PBB-P2 services as referred to in Article 15 paragraph (2); and b.

The decision on the lawsuit, appeal or review as referred to in Article 21;

with reference to the provisions of the prevailing laws and regulations when submitting an application for PBB-P2 services.

CHAPTER VIII
OTHER PROVISIONS

Article 24

In the event that PBB-P2 has been transferred to the Regional Government, against PBB-P2 Services, the lawsuit, appeal, and/or review of PBB-P2 that has been processed or resolved, until the enactment of this Joint Regulation is declared valid and remains in effect.

Article 25

In the event that PBB-P2 has been transferred to the Regional Government, the period from January 1, the Year of Transfer until the enactment of this Joint Regulation and its implementing regulations, is not taken into account in determining the period of completion of PBB-P2 services, lawsuits, appeals, and/or reconsideration. PBB-P2.

Article 26

(1) The application for PBB-P2 services for the Fiscal Year before the Transfer Year submitted in the Transfer Year and after the Transfer Year is completed by the Regional Government. (2) In the event that there is a request for data or information on PBB-P2 by the Taxpayer in the Transfer Year and Transfer Year, the Regional Government will follow up.

(3) In the event that there is a request for data or information on PBB-P2 by the Taxpayer in the Year of Transfer and Year of Transfer, the Regional Government carrying out the collection of PBB-P2 shall be followed up by the Regional Government.

Article 27

The Regional Government follows up on the application for PBB-P2 services as referred to in Article 11 paragraph (4) and Article 26 paragraph (1) by:

(1) Referring to the provisions of the legislation in force at the time the PBB-P2 is owed; and (2)

Using procedures and settlement procedures as applicable in each Regional Government.

Article 28

(1) In the event that there are PBB-P2 objects managed by the Directorate General of Taxes after the Transfer Year, the Directorate General of Taxes is obliged to hand over the management of the PBB P2 objects to the Regional Government.

(2) In the event that there is an object of Plantation, Forestry and Mining PBB (PBB-P3) which is managed by the Regional Government after the Transfer Year, the Regional Government is obliged to submit the management of the PBB-P3 object to the Directorate General of Taxes.

Article 29

(1) In the event that the Regional Government as of January 1, 2014 has not yet collected PBB-P2, the Directorate General of Taxes still submits the compilation results as referred to in Article 3 paragraph (1) letter d, letter e, letter f, letter g, and letter h to the Regional Government. related to the Minutes of Handover.

(2) The submission of the compilation results as referred to in paragraph (1) is received by the relevant Regional Government no later than May 31, 2014.

(3) In the event that the Regional Government up to January 1, 2014 has not collected PBB-P2, the Regional

Government concerned shall conduct socialization to the public and related agencies regarding the regional policy of not collecting PBB-P2.

Article 30

(1) In order to issue SPPT PBB-P2, Local Governments may use data from:

a. SPOP as a result of data collection on tax objects and subjects conducted by the Regional Government; or

b. Database received from the Directorate General of Taxes in the event that there is no SPOP. (2) The issuance of SPPT based on the database as referred to in paragraph (1) letter b is carried out no later than 4 (four) years after the Transfer Year.

CHAPTER IX
CLOSING PROVISIONS

Article 31

At the time this Joint Regulation of the Minister of Finance and the Minister of Home Affairs comes into force, the Joint Regulation of the Minister of Finance and the Minister of Home Affairs Number 213/PMK.07/2010 and Number 58 of 2010 concerning the Preparation Stages for the Transfer of Rural and Urban Land and Building Taxes as Regional Taxes is revoked. and declared invalid.

Article 32

This Joint Regulation comes into force on the date of promulgation.

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

Stipulated in Jakarta
On January 24, 2014
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,
signed.
MUHAMAD CHATIB BASRI