REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 64/PMK.03/2022

CONCERNING

VALUE ADDED TAX ON DELIVERY OF CERTAIN AGRICULTURAL PRODUCTS

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

Weigh

a. that in order to provide justice and legal certainty, as well as simplify tax administration in the implementation of rights and/or fulfillment of tax obligations for taxable entrepreneurs who deliver certain agricultural products, it is necessary to re-regulate the provisions concerning the imposition of value added tax on the delivery of certain agricultural products;

b. that the Regulation of the Minister of Finance Number 89/PMK.010/2020 concerning Other Values as the Basis for Imposition of Taxes on the Delivery of Certain Agricultural Products has not been able to accommodate the development of regulatory needs as referred to in letter a, so 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 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 Agricultural Products;

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 AGRICULTURAL PRODUCTS.

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. Value Added Tax is a tax imposed under the Value Added Tax Law.

3. Taxable Goods are goods that are subject to tax under the Value Added Tax Law. 4. Taxable Services are services that are taxed under the Value Added Tax Law. 5. Taxable Entrepreneurs are entrepreneurs who deliver Taxable Goods and/or delivery of Taxable Services which are subject to tax based on the Law

on Value Added Tax.

6. 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.
7. Selling Price is value in the form of money, including all costs that are requested or should be requested by the seller due to the delivery of Taxable Goods, excluding Value Added Tax collected under the Value Added Tax Law, and discounted prices included in the tax invoice.
8. Tax Invoice is proof of tax levy made by a Taxable Entrepreneur who delivers Taxable Goods or delivery of Taxable Services.
9. 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.

10 Tax Service Office is a vertical agency of the Directorate General of Taxes which is under and directly responsible to the head of the Regional Office of the Directorate General of Taxes. 11. Tax Period is the period of time that becomes the basis for the Taxable Entrepreneur to calculate, deposit, and report the Value Added Tax payable within a certain period of time as stipulated in the Law on Value Added Tax.

12. Fiscal Year is a period of 1 (one) calendar year unless the Taxable Entrepreneur uses a book year that is not the same as the calendar year.
13. Minister is the minister who carries out government affairs in the field of state finance.

Section 2

(1) Taxable Entrepreneurs who carry out certain agricultural product delivery activities may use a certain amount to collect and deposit the Value Added Tax payable.

(2) The provisions regarding the details of certain agricultural products as referred to in paragraph (1) are listed in the Appendix which is an integral part of this Ministerial Regulation.

Article 3

(1) Certain quantities as referred to in Article 2 paragraph (1) are stipulated:

a. 1.1% (one point one percent) of the Selling Price, which will take effect on April 1, 2022; and b. 1.2% (one point two percent) of the Selling Price, 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.

(2) The certain amount as referred to in paragraph (1) is obtained from the result of multiplying 10% (ten percent) of the rate of Value Added Tax as regulated in Article 7 paragraph (1) of the Value Added Tax Law multiplied by the Selling Price.

(3) Value Added Tax rates as referred to in paragraph (2) are:

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 4

(1) The Taxable Entrepreneur who in his submission uses a certain amount to collect and deposit the Value Added Tax payable as referred to in Article 2 paragraph (1) must submit a notification to the head of the Tax Service Office where the Taxable Entrepreneur is confirmed.

(2) The notification as referred to in paragraph (1) shall be submitted no later than the deadline for submission of the first Tax Period Value Added Tax Return when the use of a certain amount of Value Added Tax is payable on the delivery of certain agricultural products.

Article 5

(1) The Taxable Entrepreneur who in his submission uses a certain amount to collect and deposit the Value Added Tax payable as referred to in Article 2 paragraph (1) may switch to collecting the Value Added Tax payable at the rate as regulated in Article 7 paragraph (1) of the Law. Value-added tax.

(2) The payable Value Added Tax as referred to in paragraph (1) is calculated by multiplying the rate as stipulated in Article 7 paragraph (1) of the Value Added Tax Law by the Selling Price as the Basis for Imposition of Tax on the delivery of certain agricultural products.

(3) The obligation to collect Value Added Tax payable at the rate as referred to in paragraph (1) shall come into force in the first Tax Period after the end of the Fiscal Year using a certain amount as referred to in Article 2 paragraph (1).

(4) The Taxable Entrepreneur who switches to collect the Value Added Tax payable at the rate as regulated in Article 7 paragraph (1) of the Value Added Tax Law must submit a notification to the head of the Tax Service Office where the Taxable Entrepreneur is confirmed.

(5) The notification as referred to in paragraph (4) is submitted no later than the deadline for submitting the first Tax Period Value Added Tax Return after the end of the Fiscal Year using a certain amount as referred to in Article 2 paragraph (1).

(6) The Taxable Entrepreneur who switches to collect the Value Added Tax payable at the rate as stipulated in Article 7 paragraph (1) of the Value Added Tax Law cannot again collect and deposit the Value Added Tax payable on the delivery of certain agricultural products with a certain amount as referred to in paragraph (1). in Article 2 paragraph (1) for the Tax Period-Fiscal Period and the following Fiscal Years.

Article 6

(1) The notification as referred to in Article 4 paragraph (1) and Article 5 paragraph (4) shall be submitted electronically through certain channels provided and/or determined by the Directorate General of Taxes.

(2) In the event that certain channels as referred to in paragraph (1) are not yet available or there is interference with certain channels in question, the notification as referred to in paragraph (1) shall be submitted in writing to the head of the Tax Service Office where the Taxable Entrepreneur is confirmed.

(3) The written submission as referred to in paragraph (2) is carried out:

a. directly;

b. through the registered electronic postal address of the Tax Service Office;

c. by post with proof of mail delivery; or

d. courier service company or courier service with proof of mail delivery.

(4) The notification as referred to in paragraph (2) is signed by:

a. the individual concerned, for an individual Taxable Entrepreneur;

b. a representative who is given the authority to carry out business activities and is responsible for taxation, as evidenced by a photocopy of the document of establishment of a business entity in the form of a deed of establishment or document of establishment and amendments thereto, for corporate Taxable Entrepreneurs; or

c. power, which is accompanied by a special power of attorney.

(5) The provisions regarding the sample notification as referred to in paragraph (2) are listed in the Appendix which is an integral part of this Ministerial Regulation.

Article 7

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 agricultural products as referred to referred to in Article 2 paragraph (1) cannot be credited.

Article 8

Industrial business entities processing agricultural, plantation, and forestry products that obtain certain agricultural products from a Taxable Entrepreneur which in their delivery use a certain amount to collect and deposit the Value Added Tax payable as referred to in Article 2 paragraph (1) shall be appointed as Value Added Tax collector.

Article 9

The Taxable Entrepreneur who in his submission uses a certain amount to collect and deposit the Value Added Tax payable as referred to in Article 2 paragraph (1) is obliged to make a Tax Invoice in accordance with the provisions of the legislation in the field of taxation.

Article 10

(1) Taxable Entrepreneurs who collect Value Added Tax payable on the delivery of certain agricultural

products by using Other Values as the Basis for Imposition of Taxes based on the provisions in the Regulation of the Minister of Finance Number 89/PMK.010/2020 concerning Other Values as the Basis for Imposition of Taxes on Delivery of Produced Goods Certain Farms are considered:

1. use a certain amount to collect and deposit the Value Added Tax payable on the delivery of certain agricultural products as referred to in Article 2 paragraph (1); and
2. has submitted the notification as referred to in Article 4 paragraph (1).

(2) The Taxable Entrepreneur as referred to in paragraph (1) may switch to collect the Value Added Tax payable by multiplying the rate of Value Added Tax as stipulated in Article 7 paragraph (1) of the Value Added Tax Law by the Selling Price as the basis for imposition of tax on the delivery of goods. certain agricultural products, by following the provisions as referred to in Article 5.

Article 11

At the time this Ministerial Regulation comes into force, the Regulation of the Minister of Finance Number 89/PMK.010/2020 concerning Other Values as the Basis for Imposition of Taxes on the Delivery of Certain Agricultural Products (State Gazette of the Republic of Indonesia of 2020 Number 838), is revoked and declared invalid.

Article 12

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 364