

REGENT OF SUKOHARJO  
CENTRAL JAVA PROVINCE  
REGULATION OF THE REGENT OF SUKOHARJO  
NUMBER 42 OF 2024  
ON  
IMPLEMENTATION GUIDELINES FOR LOCAL TAXES AND REGIONAL LEVIES

BY THE GRACE OF GOD ALMIGHTY REGENT  
OF SUKOHARJO,

Considering :

- a. that Local Taxes and Regional Levies aim to enhance the efficiency and effectiveness of regional governance, optimize resources, and promote the general welfare of the community in the region;
- b. that with the implementation of restructuring and expansion policies for Local Taxes and Regional Levies, it is necessary to establish guidelines for their collection within the region;
- c. that based on the considerations mentioned in points (a) and (b), and to implement the provisions of Article 6 paragraph (7), Article 7 paragraph (3), Article 15 paragraph (5), Article 31 paragraph (5), Article 59 paragraph (5), Article 67 paragraph (2), Article 86 paragraph (3), Article 87 paragraph (10), Article 89 paragraph (7), Article 102, Article 104 paragraph (6), Article 105 paragraph (7), Article 106 paragraph (3), Article 108 paragraph (6), Article 112 paragraph (3), Article 116 paragraphs (1) and (5), Article 117 paragraph (4), Article 120 paragraph (3), Article 122 paragraph (2), Article 123 paragraph (4), and Article 125 paragraph (4) of Regional Regulation Number 10 of 2023 on Local Taxes and Regional Levies, it is necessary to enact a Regent Regulation concerning Implementation Guidelines for Local Taxes and Regional Levies;

Rememberin:

1. Article 18 paragraph (6) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 13 of 1950 on the Formation of Regencies within the Province of Central Java, as amended by Law Number 9 of 1965 on the Formation of Batang Regency by Amending Law Number 13 of 1950 on the Formation of Regencies within the Province of Central Java (State Gazette of 1965 Number 52, Supplement to State Gazette Number 2757);
3. Law Number 23 of 2014 on Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to

- State Gazette of the Republic of Indonesia Number 5587), as amended several times, most recently by Law Number 6 of 2023 on the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to State Gazette of the Republic of Indonesia Number 6856);
4. Regional Regulation of Sukoharjo Regency Number 10 of 2023 on Local Taxes and Regional Levies (Regional Gazette of Sukoharjo Regency of 2023 Number 10, Supplement to Regional Gazette of Sukoharjo Regency Number 318);
  5. Article 18 paragraph (6) of the 1945 Constitution of the Republic of Indonesia;
  6. Number 13 of 1950 on the Formation of Regencies within the Province of Central Java, as amended by Law Number 9 of 1965 on the Formation of Batang Regency by Amending Law Number 13 of 1950 on the Formation of Regencies within the Province of Central Java (State Gazette of 1965 Number 52, Supplement to State Gazette Number 2757);
  7. Law Number 23 of 2014 on Regional Government (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to State Gazette of the Republic of Indonesia Number 5587), as amended several times, most recently by Law Number 6 of 2023 on the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to State Gazette of the Republic of Indonesia Number 6856);
  8. Regional Regulation of Sukoharjo Regency Number 10 of 2023 on Local Taxes and Regional Levies (Regional Gazette of Sukoharjo Regency of 2023 Number 10, Supplement to Regional Gazette of Sukoharjo Regency Number 318);

#### DECIDES:

To Establish :

Region refers to Sukoharjo Regency. REGULATION OF THE REGENT ON IMPLEMENTATION GUIDELINES FOR LOCAL TAXES AND REGIONAL LEVIES.

#### CHAPTER I

#### GENERAL PROVISIONS

#### Article 1

In this Regent Regulation, the following terms shall have the meanings ascribed to them:

1. Central Government, hereinafter referred to as the Government, means the President of the Republic of Indonesia, who holds executive

authority over the governance of the Republic of Indonesia, assisted by the Vice President and ministers as stipulated in the 1945 Constitution of the Republic of Indonesia.

2. Provincial Government refers to the Regional Government of Central Java Province.
3. Governor refers to the Governor of Central Java Province.
4. Region refers to Sukoharjo Regency
5. Regent refers to the Regent of Sukoharjo.
6. Regional Government refers to the Regent as the element of regional governance responsible for leading the implementation of governmental affairs within the region's authority.
7. Regional People's Representative Council, hereinafter referred to as DPRD, is the institution representing the people of the region, serving as an element of regional governance.
8. Regional Apparatus refers to the assistants to the Regent and DPRD in the administration of governmental affairs within the region's authority.
9. Official refers to an employee entrusted with specific tasks in the field of taxation and/or regional levies, in accordance with the provisions of applicable legislation.
10. Entity refers to a group of people and/or capital that form a unit, whether they engage in business or not, including limited companies, limited partnerships, other types of corporations, state-owned enterprises, regional-owned enterprises, village-owned enterprises, in any form or name, such as firms, partnerships, cooperatives, pension funds, associations, foundations, mass organizations, socio-political organizations, or other organizations, institutions, and other entities, including collective investment contracts and permanent business establishments.
11. Local Tax, hereinafter referred to as Tax, is a mandatory contribution to the Region owed by individuals or entities that is enforced by law, without direct compensation, and used for regional purposes to promote the prosperity of the people to the greatest extent possible.
12. Taxpayer Subject refers to individuals or entities that may be liable for tax.
13. Taxpayer refers to individuals or entities, including tax payers, tax withholders, and tax collectors, who have tax rights and obligations in accordance with applicable legislation.
14. Tax Responsibility refers to individuals or entities responsible for paying tax, including representatives who exercise the rights and fulfill the tax obligations of the taxpayer in accordance with tax legislation.
15. Tax Period refers to the time frame used by the taxpayer to calculate, deposit, and report the tax owed during a specified period.
16. Tax Year refers to the period of one (1) calendar year, unless the taxpayer uses a fiscal year that does not align with the calendar year.

17. Regional Taxpayer Identification Number, hereinafter referred to as NPWPD, is a number assigned to a taxpayer as an administrative tool for regional taxation, serving as the taxpayer's identity or identification for fulfilling tax rights and obligations.
18. Regional Tax Object Identification Number, hereinafter referred to as NOPD, is the identification number of a tax object used for administrative purposes with specific provisions.
19. Sales Value of the Tax Object, hereinafter referred to as NJOP, is the average price obtained from a fair sale transaction, and if no transaction occurs, the NJOP is determined by comparing prices with similar objects or based on the new acquisition value, or NJOP replacement.
20. Land and Building Tax for Rural and Urban Areas, hereinafter referred to as PBB-P2, is a tax on land and/or buildings owned, controlled, and/or used by individuals or entities.
21. Land refers to the surface of the earth, including inland waters.
22. Building refers to a technical construction that is permanently attached or affixed to the surface or subsurface of the land.
23. Acquisition Duty for Land and Building Rights, hereinafter referred to as BPHTB, is a tax on the acquisition of rights over land and/or buildings.
24. Acquisition of Land and/or Building Rights refers to a legal act or event that results in the acquisition of rights over land and/or buildings by individuals or entities.
25. Land and/or Building Rights refers to the rights over land, including management rights, along with any buildings on it, as regulated in land and building legislation.
26. Specific Goods and Services Tax, hereinafter referred to as PBJT, is a tax paid by the final consumer on the consumption of specific goods and/or services.
27. Specific Goods and Services refers to goods and services that are sold and/or provided to the final consumer.
28. Food and/or Beverages refers to food and/or drinks that are provided, sold, and/or delivered, either directly or indirectly, or by order from restaurants.
29. Electric Power refers to the energy produced by an electricity power plant and distributed for various electrical equipment.
30. Hotel Services refers to services providing accommodation, which may include food and beverage services, entertainment activities, and/or other facilities.
31. Parking Services refers to services providing or managing parking spaces outside of roadways and/or services for parking vehicles in parking areas, either related to the primary business or as a business, including motor vehicle storage services.

32. Motor Vehicles refers to all wheeled vehicles along with their trailers used on all types of land roads, or vehicles operated on water powered by technical equipment such as motors or other devices that convert certain energy sources into driving force for the motor vehicles.
33. Art and Entertainment Services refers to services providing or organizing various forms of shows, performances, games, skills, recreation, and/or events for public enjoyment.
34. Advertisement Tax refers to a tax on advertisements or the organization of advertisements.
35. Advertisement refers to objects, tools, actions, or media designed for commercial purposes to introduce, promote, encourage, or attract public attention to something.
36. Groundwater Tax, hereinafter referred to as PAT, is a tax on the extraction and/or use of groundwater.
37. Groundwater refers to water found in layers of soil or rock below the surface of the earth.
38. Non-Metallic Mineral and Rock Tax, hereinafter referred to as MBLB, is a tax on the activity of extracting non-metallic minerals and rocks from natural sources beneath or on the surface of the earth for use.
39. Non-Metallic Minerals and Rocks, hereinafter referred to as MBLB, refers to non-metallic minerals and rocks as defined in legislation regarding minerals and coal.
40. Swiftlet Nest Tax refers to a tax on the activity of extracting and/or harvesting swiftlet nests.
41. Swiftlet refers to birds belonging to the genus Collocalia, such as Collocalia fuchiap haga, Sollocalia maxina, Collocalia esculanta, and Collocalia linchi.
42. Opsen refers to an additional tax levy at a certain percentage rate.
43. Motor Vehicle Tax Opsen, hereinafter referred to as Opsen PKB, refers to an additional tax levied by the region on the principal motor vehicle tax in accordance with applicable regulations.
44. Motor Vehicle Ownership Transfer Tax Opsen, hereinafter referred to as Opsen BBNKB, refers to an additional tax levied by the region on the principal vehicle ownership transfer tax in accordance with applicable regulations.
45. Non-Metallic Mineral Tax Opsen, hereinafter referred to as Opsen Pajak MBLB, refers to an additional tax levied by the province on the principal non-metallic mineral tax in accordance with applicable regulations.
46. Regional Levy, hereinafter referred to as Retribution, refers to the collection by the region as payment for certain services or permits specifically provided and/or granted by the local government for the benefit of individuals or entities.

47. Levy Subject refers to individuals or entities that use/enjoy services, goods, or permits.
48. Levy Obligor refers to individuals or entities who, according to legislation, are required to make levy payments, including certain levy collectors.
49. Levy Responsibility refers to individuals or entities responsible for paying the levy, including representatives who exercise rights and fulfill the obligations of the levy obligor in accordance with relevant legislation.
50. Levy Period refers to a specific time period as the limit within which the levy obligor must use the services and permits from the local government.
51. Public Services refers to services provided or granted by the local government for general public interest and benefits, and can be enjoyed by individuals or entities.
52. Business Services refers to services provided or granted by the local government that may have a profit-oriented nature, as they could also be provided by the private sector.
53. Specific Permits refers to specific activities by the local government in granting permits to individuals or entities aimed at fostering, regulating, controlling, and supervising activities, space utilization, and natural resources use, facilities, or infrastructure for the public interest and environmental preservation.
54. Collection refers to a series of activities starting from the collection of tax or levy data, determining the amount of tax or levy owed, to the process of collecting tax or levy payments and monitoring the payment process.
55. Regional Tax Notification Letter, hereinafter referred to as STPPD, is a letter used by the taxpayer to report calculations and/or payments of taxes, tax objects, and/or non-tax objects, and/or assets and obligations in accordance with regional tax legislation.
56. Tax Object Notification Letter, hereinafter referred to as SPOP, is a letter used by the taxpayer to report data on the subjects and objects of PBB-P2 in accordance with regional tax legislation.
57. Regional Tax Assessment Letter, hereinafter referred to as SKPD, is a tax assessment letter that determines the amount of the tax principal owed.
58. Regional Tax Payment Letter, hereinafter referred to as SSPD, is proof of payment or tax deposit made using a form or by other means to the regional treasury at the payment places designated by the Regent.
59. Outstanding Tax Notification Letter, hereinafter referred to as SPPT, is a letter used to notify the taxpayer of the amount of PBB-P2 tax owed.
60. Regional Tax Assessment Letter for Underpayment, hereinafter referred to as SKPDKB, is a tax assessment letter that determines the principal tax amount owed, tax credit amount, underpaid principal tax amount, administrative sanction amount, and the remaining tax payable.

61. Additional Regional Tax Assessment Letter for Underpayment, hereinafter referred to as SKPDKBT, is a tax assessment letter that determines additional tax on the previously determined tax amount.
62. Regional Tax Assessment Letter - Nil (SKPDN) is a tax assessment letter that determines the principal tax amount to be equal to the tax credit amount or no tax liability, and no tax credit exists.
63. Regional Tax Assessment Letter - Overpayment (SKPDLB) is a tax assessment letter that determines the amount of overpaid tax due to tax credits being larger than the tax owed or the tax that should not be owed.
64. Regional Tax Bill (STPD) is a letter used for tax billing and/or administrative sanctions in the form of interest and/or fines.
65. Correction Decision Letter is a decision letter that corrects typographical errors, calculation mistakes, and/or misapplication of specific provisions in regional tax regulations found in SPPT, SKPD, SKPDKB, SKPDKBT, SKPDN, SKPDLB, STPD, Correction Decision Letter, or Objection Decision Letter.
66. Objection Decision Letter is a decision letter regarding objections against SPPT, SKPD, SKPDKB, SKPDKBT, SKPDN, SKPDLB, or tax deductions or collections by third parties as filed by the taxpayer.
67. Appeal Decision is the decision by a tax court body on an appeal regarding the Objection Decision Letter filed by the taxpayer.
68. Regional Levy Assessment Letter (SKRD) is a levy assessment letter that determines the principal amount of the levy owed.
69. Regional Levy Assessment Letter - Overpayment (SKRDLB) is a levy assessment letter that determines the amount of overpaid levy because the levy credit amount is greater than the levy owed or the levy that should not be owed.
70. Regional Levy Bill (STRD) is a letter used for levying bills and/or administrative sanctions in the form of interest and/or fines.
71. Research refers to a series of activities carried out to assess the completeness of tax or other documents and their attachments, including evaluating the correctness of entries and calculations.
72. Collection refers to a series of actions to ensure that the tax or levy debtor pays their tax or levy debt and the associated collection costs through actions such as warnings, immediate collection, forced notification, preventive measures, seizure, detention, and selling seized goods.
73. Immediate and Simultaneous Collection refers to the collection action carried out by an officer against a tax or levy debtor without waiting for the payment deadline, covering all tax debts across all types, periods, and years.

74. Tax Debt refers to taxes that must still be paid, including administrative sanctions such as interest, fines, and/or penalties listed in SKPD or similar letters according to regional tax laws.
75. Levy Debt refers to levies that must still be paid, including administrative sanctions such as interest, fines, and/or penalties listed in SKRD or similar letters according to regional levy laws.
76. Warning Letter refers to a letter issued by an official to warn the taxpayer or levy payer to settle their tax or levy debt.
77. Compulsory Payment Letter refers to a letter ordering the payment of tax or levy debts and associated collection costs.
78. Bailiff refers to an officer responsible for carrying out collection actions, including immediate and simultaneous collection, forced notification, seizure, and detention.
79. Audit refers to a series of activities involving the collection and processing of data, information, and/or evidence carried out objectively and professionally based on a standardized audit process to test compliance with tax and levy obligations and/or other purposes related to implementing regional tax and levy regulations.
80. Administration refers to a series of activities starting from recording, data processing, distribution of processed results, and archiving.
81. Regional Public Service Agency (BLUD) refers to a system applied by technical implementation units within regional government agencies to provide services to the community, offering flexibility in financial management as an exception to general regional financial management provisions.

## Chapter II

### TAX

#### Section One

#### Types of Tax

#### Article 2

(1) The types of taxes collected by the Regional Government consist of:

- a. PBB-P2 (Land and Building Tax for Private Individuals);
- b. BPHTB (Tax on Acquisition of Land and Buildings);
- c. PBJT (Tax on Transfer of Property);
- d. Advertising Tax (Pajak Reklame);
- e. PAT (Entertainment Tax);

- f. MBLB (Motor Vehicle Tax);
- g. Swallow Nest Tax (Pajak Sarang Burung Walet);
- h. PKB (Motor Vehicle Tax on Renewal); and
- i. BBNKB (Tax on Transfer of Motor Vehicles).

(2) The types of taxes as referred to in paragraph (1) that are collected based on the Regent's determination consist of:

- a. PBB-P2;
- b. Advertising Tax;
- c. Entertainment Tax;
- d. PKB (Motor Vehicle Tax on Renewal); and
- e. BBNKB (Tax on Transfer of Motor Vehicles).

(3) The types of taxes as referred to in paragraph (1) that are collected based on self-assessment by the taxpayer consist of:

- a. BPHTB;
- b. PBJT;
- c. MBLB; and
- d. Swallow Nest Tax.

## Section Two

### PBB-P2

#### Subsection 1

#### Tax Objects

#### Article 3

- (1) The objects of PBB-P2 (Land and Building Tax for Private Individuals) are land and/or buildings owned, controlled, and/or utilized by individuals or legal entities, except for areas used for agricultural, forestry, and mining activities.

- (2) The land as referred to in paragraph (1) includes land surfaces resulting from reclamation or filling activities.
- (3) The buildings as referred to in paragraph (1) include:
  - a. roads within a complex, such as hotels, factories, and their facilities that are part of the complex;
  - b. toll roads;
  - c. pools;
  - d. swimming luxury fences;
  - e. sports facilities;
  - f. docks;
  - g. luxury gardens;
  - h. oil, water, and gas storage facilities, or oil pipelines; and
  - i. towers.
- (4) Exemptions from the PBB-P2 tax objects as referred to in paragraph (1) include ownership, control, and/or utilization of:
  - a. offices, provincial government offices, local Land and/or buildings of central government government offices, and other state agencies recorded as state or regional property;
  - b. Land and/or buildings used solely for public interest in religion, social welfare, health, education, and national culture, without the aim of making a profit;
  - c. Land and/or buildings used solely for cemeteries, archaeological sites, or similar purposes;
  - d. Land that is a protected forest, nature reserve, recreational forest, national park, grazing land controlled by the village, and state land that has not been encumbered with a right;
  - e. Land and/or buildings used by diplomatic missions and consular posts based on reciprocity;
  - f. Land and/or buildings used for railways, mass rapid transit, light rail transit, or similar purposes;
  - g. Residential land and/or buildings based on a certain NJOP (Taxable Sales Value) determined by the Regent; and
  - h. Land and/or buildings subject to land and building tax by the central government.

Subsection 2

Taxpayers and Taxable Persons

Article 4

- (1) The subject of PBB-P2 tax is an individual or legal entity that clearly holds a right over the land and/or derives benefits from the land, and/or owns, controls, and/or derives benefits from the building.
- (2) The taxpayer for PBB-P2 is an individual or legal entity that clearly holds a right over the land and/or derives benefits from the land, and/or owns, controls, and/or derives benefits from the building.

Subsection 3

Tax Base

Article 5

- (1) The tax base for PBB-P2 is the NJOP (Taxable Sales Value).
- (2) The NJOP as referred to in paragraph (1) is determined by the Regent.
- (3) The NJOP as referred to in paragraph (1) is determined every 3 (three) years, except for certain tax objects, which may be determined annually in accordance with the development of the area.
- (4) The NJOP as referred to in paragraph (1) is determined based on the PBB-P2 assessment process.
- (5) Further provisions regarding PBB-P2 assessments as referred to in paragraph (4) are regulated by a separate Regent Regulation.

Article 6

- (1) The NJOP exempted from tax is set at Rp20,000,000.00 (twenty million rupiahs) for each taxpayer.
- (2) If a taxpayer owns or controls more than one PBB-P2 object in the region, the NJOP exempted from tax as referred to in paragraph (1) will only apply to one PBB-P2 object for each tax year.

## Article 7

1. The tax base for PBB-P2 as referred to in Article 5 paragraph (1) is determined at a rate of between 20% (twenty percent) and 100% (one hundred percent) of the NJOP after deducting the NJOP exempted from tax.
2. The percentage as referred to in paragraph
  - (1) for groups of PBB-P2 objects is determined by considering:
    - a. the increase in NJOP resulting from the assessment;
    - b. the manner of utilization of the PBB-P2 object; and/or
    - c. the clustering of NJOP within a regional area.
  - (3) The percentage of NJOP as the basis for calculating the due tax as referred to in paragraph (1) is determined as follows:
    - a. 50% (fifty percent) for tax objects with NJOP equal to or less than Rp500,000,000.00 (five hundred million rupiahs);
    - b. 55% (fifty-five percent) for tax objects with NJOP between Rp500,000,001.00 (five hundred million and one rupiah) and Rp1,000,000,000.00 (one billion rupiahs);
    - c. 60% (sixty percent) for tax objects with NJOP between Rp1,000,000,001.00 (one billion and one rupiah) and Rp5,000,000,000.00 (five billion rupiahs);
    - d. 65% (sixty-five percent) for tax objects with NJOP between Rp5,000,000,001.00 (five billion and one rupiah) and Rp10,000,000,000.00 (ten billion rupiahs);
    - e. 70% (seventy percent) for tax objects with NJOP between Rp10,000,000,001.00 (ten billion and one rupiah) and Rp50,000,000,000.00 (fifty billion rupiahs);
    - f. 75% (seventy-five percent) for tax objects with NJOP between Rp50,000,001.00 (fifty billion and one rupiah) and Rp100,000,000,000.00 (one hundred billion rupiahs);
    - g. 80% (eighty percent) for tax objects with

Tax Collection Area

Article 8

The area for collecting the due PBB-P2 tax is the region where the PBB-P2 object is located.

Section Five

Tax Year and Time of Tax Liability

Article 9

- (1) The tax year for PBB-P2 is a period of 1 (one) calendar year.
- (2) The time of tax liability for PBB-P2 is determined at the time of ownership, control, and/or utilization of the land and/or building.
- (3) The determining time for calculating the due PBB-P2 tax is based on the condition of the PBB-P2 object on January 1st.

Part Three  
BPHTB

Section 1  
Tax Object

Article 10

- (1) The object of BPHTB is the acquisition of rights over land and/or buildings.
- (2) The acquisition of rights over land and/or buildings as referred to in paragraph (1) includes:
  - a. transfer of rights due to:
    1. sale and purchase;
    2. exchange;
    3. gift;
    4. bequest gift;
    5. inheritance;
    6. contribution to a company or other legal entity;
    7. separation of rights causing transfer;
    8. designation of the buyer in an auction;
    9. execution of a court decision with permanent legal force;
    10. business mergers;
    11. business amalgamation;
    12. business expansion; or
    13. gifts.
  - b. granting of new rights due to:
    1. continuation of right release; or
    2. outside the release of rights.
- (3) The rights over land and/or buildings referred to in paragraph (1) include:
  - a. ownership rights;
  - b. business use rights;
  - c. building use rights;
  - d. usage rights;
  - e. ownership rights over apartment units; and
  - f. management rights.

(4) Excluded from BPHTB objects are acquisitions of rights over land and/or buildings:

- a. for government offices, provincial government offices, regional government offices, state organizers, and other state institutions recorded as state or regional property;
- b. by the state for government purposes and/or for the implementation of development for public interest;
- c. for diplomatic missions and consulates based on the principle of reciprocity;
- d. by individuals or entities due to the conversion of rights or other legal actions without any change in name;
- e. by individuals or entities for waqf purposes;
- f. by individuals or entities for religious purposes; and
- g. for low-income communities in accordance with applicable laws and regulations.

## Section 2

### Taxpayer and Taxable Person

#### Article 11

(1) The taxpayer of BPHTB is an individual or entity that acquires rights over land and/or buildings.

(2) The taxable person of BPHTB is an individual or entity that acquires rights over land and/or buildings.

## Section 3

### Tax Basis and Tax

#### Article 12

(1) The tax basis for BPHTB is the acquisition value of the tax object.

(2) The acquisition value of the tax object as referred to in paragraph (1) is determined as follows:

a. transaction price for sale and purchase;

b. market value for exchange, gift, bequest gift, inheritance, contribution to a company or other legal entity, separation of rights causing transfer, transfer of rights due to execution of a final and binding court decision, granting of new rights over land as a continuation of right release, granting of new rights over land outside right release, business merger, business amalgamation, business expansion, and gifts; and

c. transaction price as stated in the auction minutes for the designation of the buyer in an auction.

(3) In cases where the acquisition value of the tax object as referred to in paragraph (2) is unknown or lower than the NJOP used in the imposition of land and building tax in the year of acquisition, the tax basis for

BPHTB used will be the NJOP used in the imposition of land and building tax in the year of acquisition.

(4) The acquisition value of the tax object that is not taxable is determined as Rp80,000,000.00 (eighty million rupiah) for the first acquisition of rights by the taxpayer in the region where BPHTB is due.

(5) In the case of acquisition of rights due to bequest or inheritance as referred to in Article 10 paragraph (2) letter a numbers 4 and 5, received by an individual still within the blood family relationship in a straight line one degree up or one degree down with the donor of the bequest or heir, including husband/wife, the acquisition value of the tax object that is not taxable is determined as Rp350,000,000.00 (three hundred fifty million rupiah).

#### Section 4

##### Tax Collection Area

#### Article 13

The area for the collection of BPHTB is the region where the land and/or building is located.

#### Section 5

##### Tax Year and Tax Due Date

#### Article 14

- (1) The tax year for BPHTB is a period of 1 (one) calendar year.
- (2) The due date for BPHTB is determined:
  - a. on the date the sale and purchase binding agreement is made and signed for a sale and purchase;
  - b. on the date the deed is made and signed for exchange, gift, bequest gift, contribution to a company or other legal entity, separation of rights causing transfer, business merger, business amalgamation, business expansion, and/or gift;
  - c. on the date the heir or their authorized representative registers the transfer of rights with the land office for inheritance;
  - d. on the date of the court decision that has final and binding legal force for a court decision;
  - e. on the date the decree granting new rights over land as a continuation of the release of rights is issued;
  - f. on the date the decree granting new rights over land outside the release of rights is issued; and

g. on the date the winner of the auction is designated for an auction.

- (3) In the case of a land and/or building sale where the binding sale and purchase agreement referred to in paragraph (2) letter a is not used, the BPHTB due date for the sale and purchase is on the date the sale and purchase deed is signed.
- (4) In the event of a change or cancellation of the sale and purchase binding agreement before the sale and purchase deed is signed, which results in:
- a. overpayment or non-payment of BPHTB, the taxpayer must submit a request for the return of the excess BPHTB payment; or
  - b. underpayment of BPHTB, the taxpayer must make the necessary additional payment.
- (5) BPHTB due on the transfer of rights due to a sale and purchase must be paid no later than the date the sale and purchase deed is signed.
- (6) In the case of the acquisition of rights over land and/or buildings that is not subject to BPHTB under applicable laws and regulations, the Regent may issue a certificate stating that the acquisition is not subject to BPHTB.

## Section 6

### Reporting

#### Article 15

- (1) A notary public can only sign the deed for the transfer of rights over land and/or buildings after the taxpayer submits proof of BPHTB payment.
- (2) The notary public is required to:
- a. request proof of BPHTB payment from the taxpayer before signing the deed for the transfer of rights over land and/or buildings; and
  - b. report the creation of the deed for land and/or buildings to the Regent no later than the 10th (tenth) of the following month.
- (3) If the notary public violates the obligations set forth in paragraph (2), they will be subject to administrative sanctions, including:
- a fine of Rp10,000,000.00 (ten million rupiah) for each violation of paragraph (2) letter a; and/or
  - a fine of Rp1,000,000.00 (one million rupiah) for each report referred to in paragraph (2) letter b.

Article 16

(1) The head of the office handling national auction services can only sign the auction minutes for the acquisition of rights over land and/or buildings after the taxpayer submits proof of BPHTB payment.

(2) The head of the office handling national auction services is required to:

- a. request proof of BPHTB payment from the taxpayer before signing the auction minutes; and
- b. report the auction minutes to the Regent no later than the 10th (tenth) of the following month.

(3) The head of the office handling national auction services who violates the provisions in paragraph (2) will be subject to sanctions in accordance with applicable laws and regulations.

Article 17

The head of the land office may only register land rights or register the transfer of land rights after the taxpayer submits proof of payment of BPHTB (Land and Building Transfer Duty).

Article 18

In cases where the acquisition of land and/or building rights, as determined by the applicable laws and regulations, is not subject to BPHTB, the regent may issue a certificate stating that it is not an object of BPHTB.

Article 19

Further provisions regarding the reporting procedures for land deed officials and notaries, as referred to in Article 15 paragraph (2) letter b, and for the head of the office responsible for state auction services as referred to in Article 16 paragraph (2) letter b, shall be regulated in a separate Regent Regulation.

Part Four

PBJT

Paragraph 1

Tax Objects

Article 20

The objects of PBJT (Tax on the Sale of Certain Goods and Services) are the sale, transfer, and/or consumption of Certain Goods and Services, which include:

- a. Food and/or Beverages;
- b. Electricity;
- c. Hotel Services;
- d. Parking Services; and
- e. Arts and Entertainment Services.

#### Article 21

(1) The sale and/or transfer of Food and/or Beverages as referred to in Article 20 letter a includes Food and/or Beverages provided by:

- a. restaurants that at least provide food and/or beverage services in the form of tables, chairs, and/or eating and drinking utensils; and
- b. catering services that perform:
  - 1. the preparation of raw materials and semi-finished goods, manufacturing, storage, and serving based on orders;
  - 2. serving at the location desired by the customer, which is different from the location where the manufacturing and storage processes are carried out; and
  - 3. serving done with or without equipment and staff.

(2) Excluded from the PBJT object as referred to in paragraph (1) are the transfer of Food and/or Beverages:

- a. with business circulation that can be seen from the monthly sales value or payment receipts below Rp5,000,000.00 (five million rupiah);
- b. carried out by supermarkets and the like that do not primarily sell Food and/or Beverages;
- c. carried out by food and/or beverage factories; or
- d. provided by service providers whose main business activity is to provide passenger waiting services at airports.

Article 22

(1) The consumption of Electricity as referred to in Article 20 letter b is the use of electricity by end-users.

(2) Excluded from the consumption of Electricity as referred to in paragraph (1) are:

- a. electricity consumption by the Central Government, Provincial Regional Governments, Regional Governments, and other state organizers;
- b. electricity consumption at locations used by embassies, consulates, and foreign representations based on reciprocity principles;
- c. electricity consumption at places of worship, nursing homes, orphanages, and other similar social institutions; an
- d. electricity consumption generated independently with a certain capacity that does not require permission from the relevant technical authority.

Article 23

(1) Hotel Services as referred to in Article 20 letter c includes the provision of accommodation and supporting facilities, as well as the rental of meeting/meeting rooms at hotel service providers such as:

- a. hotels;
- b. hostels;
- c. villas;
- d. tourist cottages;
- e. motels;
- f. inns;
- g. tourism guesthouses;
- h. lodges;
- i. guesthouses/bungalows/resorts/cottages;
- j. private residences functioning as hotels; and
- k. glamping.

(2) Excluded from Hotel Services as referred to in paragraph (1) are:

- a. accommodation services provided by the government or local governments;
- b. accommodation services in hospitals, nurse dormitories, nursing homes, orphanages, and other similar social institutions;
- c. accommodation services in educational or religious activity centers;
- d. travel agency or tourism services; and
- e. room rental services for commercial use in hotels.

#### Article 24

(1) Parking Services as referred to in Article 20 letter d includes:

- a. the provision or organization of parking spaces; and/or
- b. valet parking services.

(2) The PBJT rate for Parking Services as referred to in paragraph (1) is set at 10% (ten percent).

(3) The PBJT base for Parking Services is calculated by multiplying the PBJT basis with the PBJT rate as referred to in paragraph (2).

(4) The time when PBJT for Parking Services is due as referred to in paragraph (3) is at the time of payment or transfer for the provision or organization of parking spaces.

(5) The amount for parking space provision or Parking Service rates as referred to in paragraph (4) is determined by the parking provider, considering:

- a. economic value;
- b. utility value;
- c. services and facilities received;
- d. parking time/duration or progressive rates; and
- e. security.

(6) Excluded from Parking Services as referred to in paragraphs (1) to (5) are:

- a. parking services provided by the government and local governments;
- b. parking services provided by offices that are solely for employees; and
- c. parking services provided by embassies, consulates, and foreign missions based on the reciprocity principle.

#### Article 25

(1) Arts and Entertainment Services as referred to in Article 20 letter e include:

- a. film screenings or other forms of live audiovisual entertainment shown at a specific location;
  - b. performances of arts, music, dance, and/or fashion;
  - c. beauty contests;
  - d. bodybuilding contests;
  - e. exhibitions;
  - f. circus, acrobat, and magic shows;
  - g. horse racing and motor vehicle races;
  - h. skill games;
  - i. sports played with equipment and/or facilities for sports and fitness;
  - j. recreational water rides, ecological rides, educational rides, cultural rides, snow rides, amusement rides, fishing, agro-tourism, and zoos;
  - k. massage parlors and reflexology;
- l. discotheques, karaoke, nightclubs, bars, and steam baths/spas.

(2) Excluded from Arts and Entertainment Services as referred to in paragraph (1) are:

- a. traditional cultural promotions that are not charged; and/or
- b. community service activities that are not charged.

(3) The PBJT rate for Arts and Entertainment Services consists of:

- a. film screenings or other forms of live audiovisual entertainment shown at a specific location, set at 10% (ten percent);
- b. arts performances, music, dance, and/or fashion:
  - 1. traditional arts performances are set at 5% (five percent);
  - 2. modern arts performances are set at 10% (ten percent);
  - 3. music is set at 10% (ten percent);
  - 4. fashion is set at 10% (ten percent);
- c. beauty contests are set at 10% (ten percent);
- d. bodybuilding contests are set at 10% (ten percent);
- e. exhibitions are set at 10% (ten percent);
- f. circus, acrobat, and magic shows are set at 10% (ten percent);
- g. horse racing and motor vehicle races are set at 10% (ten percent);
- h. discotheques, karaoke, nightclubs, bars, and steam baths/spas are set at 40% (forty percent);
- i. skill games are set at 10% (ten percent);
- j. sports played with equipment and/or facilities for sports and fitness are set at 10% (ten percent);
- k. recreational water rides, ecological rides, educational rides, cultural rides, snow rides, amusement rides, fishing, agro-tourism, and zoos are set at 10% (ten percent); and
- l. massage parlors and reflexology are set at 10% (ten percent).

Paragraph 2

Taxpayer and Taxable Object

Article 26

- (1) The subject of PBJT is the consumer of certain goods and services.
- (2) The taxpayer of PBJT is an individual or entity that conducts the sale, transfer, and/or consumption of certain goods and services.

Paragraph 3

Tax Base

Article 27

- (1) The tax base for PBJT is the amount paid by the consumer of certain goods or services, including:
  - a. the amount paid by the provider of Food and/or Drinks for PBJT on Food and/or Drinks;
  - b. the sale value of Electricity for PBJT on Electricity;
  - c. the amount paid to the provider of Hotel Services for PBJT on Hotel Services;
  - d. the amount paid to the provider or organizer of parking spaces and/or vehicle valet services for PBJT on Parking Services; and
  - e. the amount received by the organizer of Arts and Entertainment Services for PBJT on Arts and Entertainment Services.
- (2) In the case where the payment referred to in paragraph (1) uses vouchers or similar forms containing the value in Rupiah or other currencies, the tax base for PBJT is determined based on the Rupiah value or other currencies mentioned.
- (3) If there is no payment as referred to in paragraph (1), the tax base for PBJT is calculated based on the sale price of similar goods and services prevailing in the Region.
- (4) If the local government implements policies to control the use of private vehicles and the level of congestion, specifically for PBJT on Parking Services as referred to in paragraph (1) letter d, the local government may set the tax base as the parking rate before any deductions.

Article 28

(1) The sale value of Electricity as referred to in Article 27 paragraph (1) letter b is determined for:

- a. Electricity from other sources with payment; and
- b. Electricity generated independently.

(2) The sale value of Electricity determined for Electricity from other sources with payment as referred to in paragraph (1) letter a is calculated based on:

- a. the total fixed charges plus the variable usage costs per kWh billed on the electricity bill, for postpaid; and
- b. the amount of electricity purchased for prepaid.

(3) The sale value of Electricity determined for Electricity generated independently as referred to in paragraph (1) letter b is calculated based on:

- a. available capacity;
- b. electricity usage rate;
- c. electricity usage duration; and
- d. the applicable unit price of electricity in the Region.

(4) Based on the sale value of Electricity determined for Electricity from other sources with payment as referred to in paragraph (1) letter a and in the absence of payment as referred to in Article 27 paragraph (3), the Electricity provider as the taxpayer calculates and collects PBJT on Electricity for the electricity sold or transferred.

Paragraph 4

Tax Collection Area

Article 29

The area for PBJT tax collection is the Regional area where the sale, transfer, and/or consumption of certain goods and services occurs.

Paragraph 5

Tax Period, Tax Year, and Tax Due Date

Article 30

(1) The PBJT period is a calendar month, which serves as the basis for the taxpayer to calculate, deposit, and report the due tax.

(2) The PBJT year is a calendar year.

(3) The PBJT due date is calculated from the moment the payment/transfer/consumption of certain goods and services is made, including:

- a. payment/transfer of Food and/or Drinks for PBJT on Food and/;
- b. consumption/payment of Electricity for PBJT on Electricity; or Drinks
- c. payment/transfer of Hotel Services for PBJT on Hotel Services;
- d. payment/transfer of parking space provision services for PBJT on Parking Services; and
- e. payment/transfer of Arts and Entertainment Services for PBJT on Arts and Entertainment Services.

Part Five

Advertising Tax

Paragraph 1

Taxable Object

Article 31

(1) The taxable object of the Advertising Tax is the organization of advertising.

(2) The taxable object of advertising, as referred to in paragraph (1), includes:

- a. Billboard/videotron/megatron advertising;
- b. Fabric advertising;
- c. Sticker advertising;
- d. Leaflet advertising;
- e. Moving advertising, including on vehicles;
- f. Aerial advertising;

- g. Floating advertising;
- h. Film/slide advertising; and
- i. Display advertising.

(3) Excluded from the taxable object of advertising as referred to in paragraph (2) are:

- a. Advertising through the internet, television, radio, daily news, weekly news, monthly news, and similar media;
- b. Product labels/brands attached to goods that are traded, which serve to differentiate them from similar products;
- c. Business or profession identification names that are affixed to buildings and/or within the business or profession area, the type, size, form, and material of the advertisement being regulated in separate regulations by the Regent based on the rules governing such identification names;
- d. Advertising conducted by the central government, provincial government, or local government; and
- e. Advertising organized for political, social, and religious activities without accompanying commercial advertisements.

#### Paragraph 2

#### Taxpayer and Taxable Object

#### Article 32

- (1) The subject of the Advertising Tax is an individual or entity that uses advertising.
- (2) The taxpayer for advertising is an individual or entity that organizes advertising.

#### Paragraph 3

#### Tax Base

#### Article 33

- (1) The tax base for Advertising Tax is the rental value of the advertisement.

- (2) If the advertisement is organized by a third party, the rental value of the advertisement, as referred to in paragraph (1), is determined based on the advertisement contract value.
- (3) If the advertisement is organized by the entity itself, the rental value of the advertisement, as referred to in paragraph (1), is calculated by considering the following factors:
  - a. type;
  - b. materials used;
  - c. placement location;
  - d. display time;
  - e. duration of the advertisement;
  - f. quantity; and
  - g. size of the advertising media.
- (4) If the rental value of the advertisement, as referred to in paragraph (2), is unknown and/or considered unreasonable, the rental value of the advertisement is determined by using each factor as referred to in paragraph (3).
- (5) Further provisions regarding the calculation of the rental value of the advertisement, as referred to in paragraph (3), are regulated by the Regent's Regulation.

#### Paragraph 4

#### Tax Collection Area

#### Article 34

- (1) The area for advertising tax collection is the regional area where the advertisement is organized.
- (2) Specifically for moving advertisements, as referred to in Article 31, paragraph (2), letter e, the area for advertising tax collection is the region where the business organizing the advertisement is registered.

#### Paragraph 5

#### Tax Year and Tax Due Date

#### Article 35

- (1) The advertising tax period is one calendar month.

- (2) The advertising tax period, as referred to in paragraph (1), serves as the basis for the taxpayer to calculate, deposit, and report the due tax.
- (3) The advertising tax year is one calendar year.
- (4) The advertising tax due date is calculated from the moment the advertisement is organized.
- (5) In certain cases, the advertising tax period can be less than one month, in accordance with the provisions of applicable legislation.

## Part Six

### Groundwater Utilization Tax (PAT)

#### Paragraph 1

##### Taxable Object

#### Article 36

- (1) The taxable object for PAT is the extraction and/or utilization of groundwater.
- (2) Excluded from the taxable object of PAT, as referred to in paragraph (1), are the extraction and/or utilization of groundwater for:
  - a. basic household needs;
  - b. irrigation for small-scale agriculture;
  - c. small-scale fishing;
  - d. small-scale livestock farming; and
  - e. religious purposes.

#### Paragraph 2

##### Taxpayer and Taxable Object

#### Article 37

- (1) The subject of PAT is an individual or entity that performs the extraction and/or utilization of groundwater.
- (2) The taxpayer for PAT is an individual or entity that performs the extraction and/or utilization of groundwater.

#### Paragraph 3

##### Tax Base

Article 38

- (1) The tax base for PAT is the acquisition value of groundwater.
- (2) The acquisition value of groundwater, as referred to in paragraph (1), is the product of the raw water price multiplied by the groundwater coefficient.
- (3) The raw water price, as referred to in paragraph (2), is determined based on the maintenance and control costs of groundwater resources.
- (4) The groundwater coefficient, as referred to in paragraph (2), is expressed in a coefficient based on the following factors:
  - a. type and source of water;
  - b. location of the water source;
  - c. purpose of extraction and/or utilization of water;
  - d. volume of water extracted and/or utilized;
  - e. water quality; and
  - f. the level of environmental damage caused by the extraction and/or utilization of water.

(5) Further provisions regarding the acquisition value of groundwater, as referred to in paragraph (1), are stipulated by the Regent's Regulation.

Paragraph 4

Tax Collection Area

Article 39

The area for collecting the Groundwater Utilization Tax (PAT) payable is the region where the extraction and/or utilization of groundwater occurs.

Paragraph 5

Tax Period, Tax Year, and Tax Liability Date

Article 40

- (1) The PAT tax period is one calendar month, serving as the basis for taxpayers to calculate, pay, and report the tax due.
- (2) The PAT tax year is one calendar year.

(3) The liability for PAT arises from the moment groundwater is extracted and/or utilized.

Part Seven

Non-Metal and Rock Tax (MLB)

Paragraph 1

Taxable Object

Article 41

(1) The taxable object for MLB is the activity of extracting Non-Metal and Rock materials, including:

- kk. sulfur;
- ll. byproduct MLB from mineral a. asbestos;
- b. slate;
- c. semi-precious stones;
- d. limestone;
- e. pumice;
- f. gemstones;
- g. bentonite;
- h. dolomite;
- i. feldspar;
- j. rock salt/halite;
- k. graphite;
- l. granite/andesite;
- m. gypsum;
- n. calcite;
- o. kaolin;
- p. leucite;
- q. magnesite;
- r. mica;
- s. marble;

- t. nitrate;
- u. obsidian;
- v. ochre;
- w. sand and gravel;
- x. quartz sand;
- y. perlite;
- z. phosphate;
- aa. talc;
- bb. fuller's earth;
- cc. diatomaceous earth;
- dd. clay;
- ee. alum;
- ff. tuff;
- gg. jarosite;
- hh. zeolite;
- ii. basalt;
- jj. trachyte;
- mining; and
- mm. other MBLBs in accordance with applicable laws and regulations.

(2) Excluded from the taxable object of MBLB, as referred to in paragraph (1), are the extraction of MBLB for:

- a. household purposes and not for sale or transfer; and
- b. purposes such as pole installation for electricity/telephone, cable laying, pipeline installation, and similar activities that do not alter the surface soil's function.

Paragraph 2

Taxpayer and Taxable Subject

Article 42

(1) The subject of the MBLB Tax is any individual or entity extracting MBLB.

(2) The taxpayer for the MBLB Tax is any individual or entity extracting MBLB.

Paragraph 3

Tax Base

Article 43

(1) The tax base for MBLB Tax is the sales value of the extracted MBLB.

(2) The sales value, as referred to in paragraph (1), is calculated based on the multiplication of the volume/tonnage of MBLB extraction by the benchmark price for each type of MBLB.

(3) The benchmark price, as referred to in paragraph (2), is calculated based on the average selling price of each type of MBLB at the mining site applicable in the region.

(4) The benchmark price, as referred to in paragraph (3), is determined in accordance with laws and regulations in the field of mineral and coal mining.

Paragraph 4

Tax Collection Area

Article 44

The area for collecting the MBLB Tax payable is the region where the MBLB extraction takes place.

Paragraph 5

Tax Period, Tax Year, and Tax Liability Date

Article 45

(1) The MBLB Tax Period is one calendar month, serving as the basis for taxpayers to calculate, pay, and report the tax payable.

(2) The MBLB Tax Year is one calendar year.

(3) The liability for MBLB Tax arises at the moment of MBLB extraction at the mining site.

## Part Eight

### Swallow's Nest Tax

#### Paragraph 1

##### Taxable Object

#### Article 46

(1) The taxable object of the Swallow's Nest Tax is the extraction and/or management of swallow nests.

(2) Excluded from the taxable object of the Swallow's Nest Tax, as referred to in paragraph (1), is the extraction of swallow nests that are subject to non-tax state revenue.

#### Paragraph 2

##### Taxpayer and Taxable Subject

#### Article 47

(1) The subject of the Swallow's Nest Tax is any individual or entity that extracts and/or manages swallow nests.

(2) The taxpayer for the Swallow's Nest Tax is any individual or entity that extracts and/or manages swallow nests.

#### Paragraph 3

##### Tax Base

#### Article 48

(1) The tax base for the Swallow's Nest Tax is the selling value of the swallow nests.

(2) The selling value of the swallow nests, as referred to in paragraph (1), is calculated by multiplying the prevailing market price of swallow nests in the region by the volume of the swallow nests.

Paragraph 4

Tax Collection Area

Article 49

The area for collecting the Swallow's Nest Tax payable is the region where the extraction and/or management of swallow nests occurs.

Paragraph 5

Tax Period, Tax Year, and Tax Liability Date

Article 50

(1) The Swallow's Nest Tax Period is one calendar month, serving as the basis for taxpayers to calculate, pay, and report the tax payable.

(2) The Swallow's Nest Tax Year is one calendar year.

(3) The liability for the Swallow's Nest Tax arises at the moment of extraction and/or management of swallow nests.

Part Nine

Motor Vehicle Tax Surcharge (Opsen PKB)

Paragraph 1

Taxable Object

Article 51

The taxable object for the Motor Vehicle Tax Surcharge (Opsen PKB) is the tax payable on Motor Vehicle Tax, as stipulated by applicable laws and regulations.

Paragraph 2

Taxpayer and Taxable Subject

Article 52

(1) The subject of the Opsen PKB is the taxpayer for the Motor Vehicle Tax.

(2) The taxpayer for the Opsen PKB is the taxpayer for the Motor Vehicle Tax.

Paragraph 3

Tax Base

Article 53

The tax base for the Opsen PKB is the Motor Vehicle Tax payable

Paragraph 4

Tax Collection Area

Article 54

(1) The area for collecting the Opsen PKB payable is the region where the motor vehicle is registered.

(2) The Opsen PKB is collected simultaneously with the collection of the Motor Vehicle Tax payable.

Paragraph 5

Tax Year and Tax Liability Date

Article 55

(1) The tax year for the Opsen PKB is a period of one (1) calendar year.

(2) The liability for the Opsen PKB is established at the same time as the liability for the PKB.

Part Ten

Opsen BBNKB

Paragraph 1

Taxable Object

Article 56

The taxable object for the Opsen BBNKB is the tax payable on the BBNKB.

Paragraph 2

Taxpayer and Taxable Subject

Article 57

(1) The taxable subject for the Opsen BBNKB is the taxable subject of the BBNKB.

(2) The taxpayer for the Opsen BBNKB is the taxpayer of the BBNKB.

Paragraph 3

Tax Base

Article 58

The tax base for the Opsen BBNKB is the BBNKB.

Paragraph 4

Tax Collection Area

Article 59

(1) The tax collection area for the Opsen BBNKB payable is the region where the motor vehicle is registered.

(2) The Opsen BBNKB is collected simultaneously with the collection of the tax payable on the BBNKB.

Paragraph 5

Tax Year and Tax Liability Date

Article 60

(1) The tax year for the Opsen BBNKB is a period of one (1) calendar year.

(2) The liability for the Opsen BBNKB is established at the same time as the liability for the BBNKB.

Part Eleven

Directed Use of Tax Revenues

Article 61

(1) Revenues from the following types of taxes:

- a. Opsen PKB;
- b. PBJT on Electricity; and
- c. PAT,

are allocated to fund specific predetermined activities.

(2) Revenues from the Opsen PKB, as referred to in paragraph (1) point a, are allocated at 10% (ten percent) for road construction and/or maintenance and for the enhancement of public transportation modes and facilities.

(3) Revenues from the PBJT on Electricity, as referred to in paragraph (1) point b, are allocated at 10% (ten percent) for the provision of public street lighting.

(4) Activities for providing public street lighting, as referred to in paragraph (3), include the provision and maintenance of public street lighting infrastructure as well as payment for electricity consumption for public street lighting.

(5) Revenues from the PAT, as referred to in paragraph (1) point c, are allocated at 10% (ten percent) for the prevention, mitigation, and recovery of environmental pollution and/or damage affecting groundwater quality and quantity within the region. These activities include but are not limited to:

- a. tree planting;
- b. creating absorption wells or pits;
- c. preserving forests or trees; and
- d. waste management.

## CHAPTER III

### LEVIES

#### Part One

#### Types of Levies

#### Article 62

The types of levies consist of:

- a. General Service Levies;
- b. Business Service Levies; and

c. Specific Licensing Levies.

Part Two

General Service Levies

Paragraph 1

Types of Services Subject to Levies

Article 63

1. Types of services that constitute objects of General Service Levies as referred to in Article 62 letter (a), collected by the Regional Government, include:

- a. health services;
- b. sanitation services;
- c. roadside parking services;
- d. market services; and
- e. traffic control.

2. Services as referred to in paragraph (1) include services provided by BLUD (Regional Public Service Agency).

Paragraph 2

Health Services

Article 64

1. The object of General Service Levies in the form of health services, as referred to in Article 62 paragraph (1) letter (a), includes health services provided to individuals or entities at public health centers, mobile health centers, auxiliary health centers, clinics, regional general hospitals, and other similar health service facilities owned and/or managed by the Regional Government, excluding administrative services.

2. Excluded from the objects of Levies as referred to in paragraph (1) are health services conducted by the Central Government, Provincial Government, state-owned enterprises, region-owned enterprises, and private parties.

## Article 65

1. The subject of General Service Levies in the form of health services is individuals or entities utilizing/benefiting from health services.
2. The obligated party (Levy Payer) for General Service Levies in the form of health services is individuals or entities utilizing/benefiting from health services.
3. The Levy Payer as referred to in paragraph (2) must pay for the services utilized/benefited.
4. In cases where the Levy Payer as referred to in paragraph (3) fails to pay on time or underpays, administrative sanctions in the form of interest of 1% (one percent) per month on the unpaid or underpaid levies are imposed, calculated from the payment due date until the date of payment, for a maximum period of 24 (twenty-four) months and collected using a STRD (Regional Levy Collection Letter).

## Article 66

The level of service utilization for health services is measured based on the type of service, frequency of service, and/or duration of health service provision.

## Article 67

1. The principles and objectives in determining the tariff for General Service Levies in the form of health services are set with regard to the cost of providing health services, community affordability, fairness, and effectiveness in controlling health services.
2. Costs as referred to in paragraph (1) include operational and maintenance costs, interest costs, and capital costs in accordance with the needs of each type of health service.
3. In cases where the tariff determination as referred to in paragraph (1) fully considers the cost of service provision, the tariff is determined to cover only part of the cost.

## Article 68

General Service Levies in the form of health services payable are collected within the Regional area.

Article 69

The levy period for General Service Levies in the form of health services is when the Levy Payer utilizes the health service provided.

Article 70

The time when the General Service Levies in the form of health services become payable is upon the issuance of an SKRD (Regional Levy Determination Letter) or other equivalent document.

Paragraph 3

Sanitation Services

Article 71

1. The object of General Service Levies in the form of sanitation services, as referred to in Article 62 paragraph (1) letter (b), includes sanitation services organized by the Regional Government, such as:

- a. collection/transportation of waste from the source to the temporary disposal site;
- b. transportation of waste from the source and/or temporary disposal site to the final disposal/processing site;
- c. provision of final waste disposal/processing or incineration sites;
- d. provision and/or cleaning of septic tanks; and
- e. processing of domestic liquid waste from households, offices, industries, and other similar sources.

2. Excluded from the objects of Levies as referred to in paragraph (1) are sanitation services for public roads, parks, places of worship, social facilities, and other public spaces.

## Article 72

1. The subject of General Service Levies in the form of sanitation services is individuals or entities utilizing/benefiting from sanitation services.
2. The obligated party (Levy Payer) for General Service Levies in the form of sanitation services is individuals or entities utilizing/benefiting from sanitation services.
3. The Levy Payer as referred to in paragraph (2) must pay for the services utilized/benefited.
4. In cases where the Levy Payer as referred to in paragraph (3) fails to pay on time or underpays, administrative sanctions in the form of interest of 1% (one percent) per month on the unpaid or underpaid levies are imposed, calculated from the payment due date until the date of payment, for a maximum period of 24 (twenty-four) months and collected using a STRD (Regional Levy Collection Letter).

## Article 73

The level of service utilization for sanitation services is measured based on the type of service, frequency of service, volume, and/or type of waste/septic tank waste/liquid waste.

## Article 74

1. The principles and objectives for determining the tariff of General Service Levies for sanitation services are established by considering the cost of providing sanitation services, community affordability, fairness aspects, and the effectiveness of controlling sanitation services.
2. The costs referred to in paragraph (1) include operational and maintenance costs, interest costs, and capital costs.
3. In determining the tariff as referred to in paragraph (1), if it fully considers the cost of the service, the tariff is only set to cover part of the costs.

## Article 75

General Service Levies for sanitation services owed are collected within the Regional territory.

Article 76

The period of General Service Levies for sanitation services is at the time the obligor utilizes the sanitation services provided.

Article 77

The due date for General Service Levies for sanitation services is at the time the SKRD (Regional Levy Assessment Letter) or equivalent document is issued.

Section 4

Public Street Parking Services

Article 78

1. The object of General Service Levies for public street parking services, as referred to in Article 62 paragraph (1) letter (c), includes the provision of public street parking services determined by the Regional Government in accordance with statutory regulations.
2. Excluded from the levy object referred to in paragraph (1) are public street parking services provided by the Central Government, Provincial Government, Regional Government, state-owned enterprises, region-owned enterprises, and private entities.

Article 79

1. The subject of General Service Levies for public street parking services is any individual or entity that uses or benefits from the public street parking services.
2. The obligor of General Service Levies for public street parking services is any individual or entity that uses or benefits from the public street parking services.
3. The obligor as referred to in paragraph (2) is required to pay for the services used or enjoyed.
4. If the obligor as referred to in paragraph (3) fails to pay on time or underpays, the obligor is subject to an administrative penalty in the form of interest of 1% (one percent) per month of the unpaid or underpaid levy, calculated from the payment due date to the payment date, for a maximum period of 24 (twenty-four) months and is collected using a Regional Levy Billing Document (STRD).

Article 80

The level of service usage for public street parking services is measured based on the type of vehicle, service frequency, and/or the duration of parking usage.

Article 81

1. The principles and objectives for determining the tariff of General Service Levies for public street parking services are established by considering the cost of providing public street parking services, community affordability, fairness aspects, and the effectiveness of controlling public street parking services.
2. The costs referred to in paragraph (1) include operational and maintenance costs, interest costs, and capital costs.
3. In determining the tariff as referred to in paragraph (1), if it fully considers the cost of providing the service, the tariff is only set to cover part of the costs.

Article 82

General Service Levies for public street parking services owed are collected within the Regional territory.

Article 83

The period of General Service Levies for public street parking services is at the time the obligor utilizes the public street parking services provided.

Article 84

The due date for General Service Levies for public street parking services is at the time the SKRD (Regional Levy Assessment Letter) or equivalent document is issued.

## Section 5

## Market Services

## Article 85

1. The object of General Service Levies for market services, as referred to in Article 62 paragraph (1) letter (d), includes the provision of public/traditional/simple market facilities, such as open spaces, stalls, and kiosks managed by the Regional Government.
2. Excluded from the levy object referred to in paragraph (1) are market facilities managed by state-owned enterprises, region-owned enterprises, and private entities.

## Article 86

1. The subject of General Service Levies for market services is any individual or entity that uses or benefits from the market services.
2. The obligor of General Service Levies for market services is any individual or entity that uses or benefits from the market services.
3. The obligor as referred to in paragraph (2) is required to pay for the services used or enjoyed.
4. If the obligor as referred to in paragraph (3) fails to pay on time or underpays, the obligor is subject to an administrative penalty in the form of interest of 1% (one percent) per month of the unpaid or underpaid levy, calculated from the payment due date to the payment date, for a maximum period of 24 (twenty-four) months and is collected using a Regional Levy Billing Document (STRD).

## Article 87

The level of service usage for market services is measured based on service frequency, the duration of facility usage, and/or the type of facility usage.

## Article 88

1. The principles and objectives for determining the tariff of General Service Levies for market services are established by considering the cost of providing market services, community affordability, fairness aspects, and the effectiveness of controlling market services.

2. The costs referred to in paragraph (1) include operational and maintenance costs, interest costs, and capital costs.

3. In determining the tariff as referred to in paragraph (1), if it fully considers the cost of providing the service, the tariff is only set to cover part of the costs.

#### Article 89

General Service Levies for market services owed are collected within the Regional territory.

#### Article 90

The period of General Service Levies for market services is at the time the obligor utilizes the market services provided.

#### Article 91

The due date for General Service Levies for market services is at the time the SKRD (Regional Levy Assessment Letter) or equivalent document is issued.

### Section 6

#### Traffic Control

#### Article 92

1. Traffic control as referred to in Article 62 paragraph (1) letter (e) involves the control over the use of certain road sections, specific corridors, or particular areas at specific times by motor vehicle users.

2. The object of General Service Levies for traffic control includes the location of the road sections where the service is provided, the time of service use, and/or the type of motor vehicle.

3. Excluded from the object of General Service Levies for traffic control as referred to in paragraph (2) are:

- a. motorcycles;
- b. public passenger vehicles;
- c. fire trucks; and
- d. ambulances.

4. Certain road sections, specific corridors, or particular areas as referred to in paragraph (1) are determined based on the following criteria:

- a. having two (2) road lanes, with each lane having at least two (2) traffic lanes; and
- b. having a network and mass public transport service within the route.

5. The mass public transport referred to in paragraph (4) letter b must meet the minimum service standards in accordance with statutory regulations.

6. The specific times referred to in paragraph (1) are determined based on the traffic congestion level at a certain road section, corridor, or area.

7. The traffic congestion level referred to in paragraph (6) is determined based on the following criteria:

- a. the ratio of motor vehicle traffic volume to road capacity on one of the road lanes is equal to or greater than 0.9 (zero point nine); and
- b. the average speed is equal to or less than 10 (ten) km/h, occurring routinely on every working day.

8. The determination of whether the criteria referred to in paragraph (7) are met is carried out in accordance with statutory regulations.

#### Article 93

1. The subject of General Service Levies for traffic control includes individuals and legal entities using motor vehicles and goods on the road sections, corridors, or areas subject to traffic control levies.

2. The subject referred to in paragraph (1) is the Levy Obligor.

3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used or enjoyed.

4. Any individual or entity that fails to fulfill the obligation as referred to in paragraph (3) will be subject to sanctions in accordance with statutory regulations.

#### Article 94

The period of General Service Levies for traffic control is at the time the Levy Obligor utilizes the traffic control services provided.

## Article 95

The due date for General Service Levies for traffic control is at the time the SKRD (Regional Levy Assessment Letter) or equivalent document is issued.

## Article 96

1. The determination of the tariff for General Service Levies for traffic control must meet the principles and objectives, including:

- a. the effectiveness of traffic control; and
- b. the ability to cover part of the operational costs.

2. The effectiveness of traffic control referred to in paragraph (1) letter (a) is measured based on congestion costs.

3. The operational costs referred to in paragraph (1) letter (b) include capital costs, operational costs, maintenance costs, and interest costs.

## Article 97

1. The revenue from General Service Levies for traffic control will be used to improve traffic performance and enhance public transport services in accordance with statutory regulations.

2. The improvement of traffic performance referred to in paragraph (1) at a minimum includes:

- a. repairs on road sections, corridors, or areas subject to restrictions;
- b. installation, repair, and maintenance of road equipment on road sections, corridors, or areas directly related to road users in road sections and/or intersections;
- c. maintenance and development of traffic technology; and
- d. improvement of human resources in the field of traffic and road transport.

3. The improvement of public transport services referred to in paragraph (1) at a minimum includes:

- a. the addition and maintenance of lanes and/or roads specifically for mass public transport;
- b. the addition and maintenance of supporting facilities for mass public transport; and
- c. the use and development of information technology for the benefit of mass public transport services.

Part Three

Business Service Levies

Section 1

Types of Service Levies

Article 98

1. The types of goods and/or services that are the objects of Business Service Levies as referred to in Article 62 letter (b), collected by the Regional Government, include:
  - a. the provision of business activity spaces such as wholesale markets, shops, and other business activity places;
  - b. the provision of designated parking spaces outside the roadway;
  - c. slaughterhouse services;
  - d. recreation, tourism, and sports facilities services;
  - e. the sale of products from government business activities; and
  - f. the utilization of regional assets that do not interfere with the duties and functions of the regional government agency and/or the optimization of regional assets without changing ownership status in accordance with statutory regulations.
2. The services referred to in paragraph (1) also include services provided by BLUD (Regional Public Service Agency).

## Section 2

## Provision of Business Activity Spaces in the Form of Wholesale Markets, Shops, and Other Business Activity Spaces

## Article 99

1. The object of Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces as referred to in Article 88 paragraph (1) letter (a) includes the provision of wholesale market facilities for various types of goods, market/shop rental facilities, and other business activity spaces provided/organized by the Regional Government.
2. Excluded from the object of the Levy as referred to in paragraph (1) are wholesale market facilities, shops, and other business activity spaces that are provided, owned, and/or managed by state-owned enterprises, regional-owned enterprises, and private entities.

## Article 100

1. The subject of Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces includes individuals or entities that use/enjoy the service of providing business activity spaces such as wholesale markets, shops, and other business activity spaces.
2. The Business Service Levy Obligor for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces includes individuals or entities who, according to the regulations, are required to pay Levies for the service of providing business activity spaces such as wholesale markets, shops, and other business activity spaces.
3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.
4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

## Article 101

The level of service usage for providing business activity spaces in the form of wholesale markets, shops, and other business activity spaces is measured based on the size of the business space, the frequency of services, and/or the duration of the use of the business activity space facilities such as wholesale markets, shops, and other business activity spaces.

## Article 102

1. The principles and objectives in determining the tariff for Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces are based on the goal of obtaining reasonable profits.
2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

## Article 103

The Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces owed are collected within the Regional territory.

## Article 104

The period for Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces is at the time the Levy Obligor utilizes the service of providing business activity spaces such as wholesale markets, shops, and other business activity spaces.

## Article 105

The due date for Business Service Levies for the provision of business activity spaces in the form of wholesale markets, shops, and other business activity spaces is at the time the SKRD (Regional Levy Assessment Letter) or equivalent document is issued.

Section 3

Provision of Designated Parking Spaces Outside the Roadway

Article 106

1. The object of Business Service Levies for the provision of designated parking spaces outside the roadway as referred to in Article 98 paragraph (1) letter (b) includes the service of providing parking spaces outside the roadway that are provided, owned, and/or managed by the Regional Government.

2. Excluded from the object of the Levy as referred to in paragraph (1) are the parking services outside the roadway that are provided, owned, and/or managed by state-owned enterprises, regional-owned enterprises, and private entities.

Article 107

1. The subject of Business Service Levies for the provision of designated parking spaces outside the roadway includes individuals or entities that use/enjoy the service of providing designated parking spaces outside the roadway.

2. The Levy Obligor for the provision of designated parking spaces outside the roadway includes individuals or entities that use/enjoy the service of providing designated parking spaces outside the roadway.

3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.

4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

Article 108

The level of service usage for providing designated parking spaces outside the roadway is measured based on the type of vehicle, the frequency of services, and/or the duration of use of the designated parking space facilities outside the roadway.

Article 109

1. The principles and objectives in determining the tariff for Business Service Levies for the provision of designated parking spaces outside the roadway are based on the goal of obtaining reasonable profits.
2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

Article 110

The Business Service Levies for the provision of designated parking spaces outside the roadway owed are collected within the Regional territory.

Article 111

The period for Business Service Levies for the provision of designated parking spaces outside the roadway is at the time the Levy Obligor utilizes the service of providing designated parking spaces outside the roadway.

Article 112

The due date for Business Service Levies for the provision of designated parking spaces outside the roadway is at the time the SKRD (Regional Levy Assessment Letter) or an equivalent document is issued.

Section 4

Provision of Slaughterhouse Services for Livestock

Article 113

1. The object of Business Service Levies for slaughterhouse services for livestock as referred to in Article 88 paragraph (1) letter (c) includes the service of providing slaughterhouse facilities for livestock, including health inspections before and after slaughter, which are provided, owned, and/or managed by the Regional Government.
2. Excluded from the object of the Levy as referred to in paragraph (1) is the service of providing slaughterhouse

facilities for livestock that are provided, owned, and/or managed by state-owned enterprises, regional-owned enterprises, and private entities.

#### Article 114

1. The subject of Business Service Levies for slaughterhouse services for livestock includes individuals or entities that use/enjoy slaughterhouse services for livestock.
2. The Levy Obligor for slaughterhouse services for livestock includes individuals or entities that use/enjoy the slaughterhouse services for livestock.
3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.
4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

#### Article 115

The level of service usage for slaughterhouse services for livestock is measured based on:

- a. Type of livestock;
- b. Type of service;
- c. Frequency of service;
- d. Number of livestock to be slaughtered; and/or
- e. Duration of use of the slaughterhouse facilities for livestock.

#### Article 116

1. The principles and objectives in determining the tariff for Business Service Levies for slaughterhouse services for livestock are based on the goal of obtaining reasonable profits.
2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

Article 117

The Business Service Levies for slaughterhouse services for livestock owed are collected within the Regional territory.

Article 118

The period for Business Service Levies for slaughterhouse services for livestock is at the time the Levy Obligor utilizes the service of providing slaughterhouse services for livestock.

Article 119

The due date for Business Service Levies for slaughterhouse services for livestock is at the time the regional levy assessment letter or an equivalent document is issued.

Section 5

Provision of Recreation, Tourism, and Sports Services

Article 120

1. The object of Business Service Levies for the provision of recreation, tourism, and sports services as referred to in Article 98 paragraph (1) letter (d) includes the service of providing recreation, tourism, and sports spaces that are provided, owned, and/or managed by the Regional Government.

2. Excluded from the object of the Levy as referred to in paragraph (1) are the services of providing recreation, tourism, and sports spaces that are provided, owned, and/or managed by state-owned enterprises, regional-owned enterprises, and private entities.

Article 121

1. The subject of Business Service Levies for the provision of recreation, tourism, and sports services includes individuals or entities that use/enjoy recreation, tourism, and sports services.

2. The Levy Obligor for the provision of recreation, tourism, and sports services includes individuals or entities that use/enjoy the recreation, tourism, and sports services.

3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.

4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

#### Article 122

The level of service usage for the provision of recreation, tourism, and sports services is measured based on:

- a. Type of facility;
- b. Frequency of service; and/or
- c. Duration of use of recreation, tourism, and sports spaces.

#### Article 123

1. The principles and objectives in determining the tariff for Business Service Levies for the provision of recreation, tourism, and sports services are based on the goal of obtaining reasonable profits.

2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

#### Article 124

The Business Service Levies for the provision of recreation, tourism, and sports services owed are collected within the Regional territory.

#### Article 125

The period for Business Service Levies for the provision of recreation, tourism, and sports services is at the time the Levy Obligor utilizes the service of providing recreation, tourism, and sports services.

## Article 126

The due date for Business Service Levies for the provision of recreation, tourism, and sports services is at the time the regional levy assessment letter or an equivalent document is issued.

## Section 6

## Sale of Regional Government Business Production Results

## Article 127

1. The object of Business Service Levies for the sale of production results from Regional Government businesses as referred to in Article 98 paragraph (1) letter (e) includes the sale of production results from Regional Government businesses to individuals or entities.
2. Excluded from the object of the Levy as referred to in paragraph (1) are sales of production results by the government, state-owned enterprises, regional-owned enterprises, and private entities.

## Article 128

1. The subject of Business Service Levies for the sale of production results from Regional Government businesses includes individuals or entities that purchase the production results of Regional Government businesses.
2. The Levy Obligor for the sale of production results from Regional Government businesses includes individuals or entities that use/enjoy or purchase the production results of Regional Government businesses.
3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.
4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

## Article 129

The level of service usage for the sale of production results from Regional Government businesses is measured based on the type and/or volume of production results from Regional Government businesses.

## Article 130

1. The principles and objectives in determining the tariff for Business Service Levies for the sale of production results from Regional Government businesses are based on the goal of obtaining reasonable profits.
2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

## Article 131

The Business Service Levies for the sale of production results from Regional Government businesses owed are collected within the Regional territory.

## Article 132

The period for Business Service Levies for the sale of production results from Regional Government businesses is at the time the Levy Obligor utilizes the production results from Regional Government businesses.

## Article 133

The due date for Business Service Levies for the sale of production results from Regional Government businesses is at the time the regional levy assessment letter or an equivalent document is issued.

## Section 7

## Utilization of Regional Assets

## Article 134

1. The object of Business Service Levies for the utilization of Regional assets as referred to in Article 98 paragraph (1) letter (f) includes the utilization of Regional assets that does not interfere with the implementation of the duties and functions of the Regional Government apparatus and/or optimization of Regional assets without changing the ownership status, including the utilization of Regional property in accordance with applicable laws and regulations.
2. The utilization of Regional assets as referred to in paragraph (1) is only valid if there is approval from the Regional Government.
3. The utilization of Regional assets as referred to in paragraphs (1) and (2) is carried out through a written agreement, unless otherwise specified according to applicable laws and regulations.
4. The written agreement as referred to in paragraph (3) must at least include provisions regarding:
  - a. the identities of the parties;
  - b. rights and obligations; and
  - c. duration.
5. Excluded from the definition of utilization of Regional assets as referred to in paragraph (1) is the use of land that does not change the function of the land.
6. The use of land that does not change the function of the land as referred to in paragraph (5) includes:
  - a. the installation of electric/telephone poles; and/or
  - b. the installation/extension of electric/telephone cables along public roads.

## Article 135

1. The subject of Business Service Levies for the utilization of Regional assets includes individuals or entities that acquire the right to utilize Regional assets.

2. The Levy Obligor for the utilization of Regional assets includes individuals or entities that acquire the right to utilize Regional assets.

3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services used/enjoyed.

4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

#### Article 136

The level of service usage for the utilization of Regional assets is measured based on:

- a. type of service;
- b. frequency of service; and/or
- c. duration of utilization by considering the purpose and strategic value of the Regional assets.

#### Article 137

1. The principles and objectives in determining the tariff for Business Service Levies for the utilization of Regional assets are based on the goal of obtaining reasonable profits.

2. The reasonable profit referred to in paragraph (1) is the profit obtained if the service is provided efficiently and oriented toward market prices.

#### Article 138

The Business Service Levies for the utilization of Regional assets owed are collected within the Regional territory.

#### Article 139

The period for Business Service Levies for the utilization of Regional assets is at the time the Levy Obligor utilizes Regional assets.

Article 140

The due date for Business Service Levies for the utilization of Regional assets is at the time the regional levy assessment letter or an equivalent document is issued.

Article 141

1. The object of Business Service Levies for the utilization of Regional assets in the form of payments for used asphalt drum replacements is income for the region and must be fully deposited into the Regional General Cash Account.
2. The deposit of payment as referred to in paragraph (1) can be made either in cash or non-cash, no later than 7 (seven) working days after the completion of the work and the issuance of the SKRD (Regional Tax Assessment Letter).
3. Payments as referred to in paragraphs (1) and (2) must be evidenced by submitting a deposit receipt or Tax Payment Receipt as one of the documents verifying payment in accordance with applicable laws and regulations.

Article 142

1. The object of Business Service Levies for the utilization of Regional assets in the form of payments for Work Delay/Director Delay is income for the region and must be fully deposited into the Regional General Cash Account.
2. The deposit of payment as referred to in paragraph (1) can be made either in cash or non-cash, no later than 7 (seven) working days after the completion of the work and the issuance of the SKRD.
3. Payments as referred to in paragraphs (1) and (2) must be evidenced by submitting a deposit receipt or Tax Payment Receipt as one of the documents verifying payment in accordance with applicable laws and regulations.

Chapter Four

Specific Licensing Fees

Paragraph 1

Types of Licensing Services

Article 143

The types of licensing services that are objects of Specific Licensing Fees as referred to in Article 62 letter (c), collected by the Regional Government, include:

- a. building permit approval; and
- b. the use of foreign labor.

Paragraph 2

Building Permit Approval

Article 144

1. The object of Specific Licensing Fees in the form of building permit approval as referred to in Article 143 letter (a) includes:

- a. the issuance of building permit approval; and
- b. the issuance of a certificate of proper function, by the Regional Government to individuals or entities in accordance with the provisions of laws and regulations.

2. The issuance of building permit approval and the certificate of proper function as referred to in paragraph (1) includes:

- a. consultation services for meeting technical standards;
- b. issuance of building permit approval;
- c. building inspection;
- d. issuance of a certificate of proper function and proof of building ownership; and

- e. printing of the certificate of proper function plaque.
3. The issuance of building permit approval and the certificate of proper function as referred to in paragraph (1) is granted for requests for approval for:
- a. new construction;
  - b. buildings that have already been constructed but do not yet have building permit approval and/or a certificate of proper function;
  - c. building permit approval for changes, including:
    - 1. changes in building function;
    - 2. changes in building layers;
    - 3. changes in the building's size;
    - 4. changes in the building's appearance;
    - 5. changes in specifications and dimensions of building components affecting safety and/or health aspects;
    - 6. strengthening buildings with moderate or severe damage;
    - 7. protection and/or development of cultural heritage buildings; or
    - 8. repairs to buildings located in cultural heritage areas.

4. Building permit approval for changes as referred to in paragraph (3) letter (c) is not required for maintenance and repair work for buildings with damage not exceeding 65% (sixty-five percent).

5. Excluded from the object of the Levy as referred to in paragraph (1) is the issuance of building permit approval and the certificate of proper function for buildings owned by the Central Government, Provincial Government, Regional Government, or buildings with religious purposes.

#### Article 145

1. The subject of Specific Licensing Fees in the form of building permit approval includes individuals or entities that receive building permit approval and the certificate of proper function.

2. The Levy Obligor for Specific Licensing Fees in the form of building permit approval includes individuals or entities

that receive building permit approval and the certificate of proper function.

3. The Levy Obligor as referred to in paragraph (2) is required to pay for the services obtained.

4. If the Levy Obligor as referred to in paragraph (3) does not pay on time or underpays, the Levy Obligor will be subject to an administrative penalty in the form of an interest of 1% (one percent) per month of the outstanding Levy, which has not been paid or is underpaid, calculated from the due date of payment until the payment date, for a period of no more than 24 (twenty-four) months, and will be collected using STRD (Regional Tax Bill).

#### Article 146

1. The amount of Specific Licensing Fees for building permit approval owed is calculated by multiplying the level of service usage by the unit price of the Specific Licensing Fee for building permit approval.

2. The unit price of Specific Licensing Fees for building permit approval as referred to in paragraph (1) consists of:

- a. the local index and highest unit price standard for building permits;
- b. the volume of building infrastructure; or
- c. the unit price of retribution for building infrastructure for building infrastructure.

3. The level of service usage for the provided services as referred to in paragraph (1) is measured using a formula that reflects the cost of service provision.

4. The formula referred to in paragraph (3) consists of formulas for:

- a. the building; and
- b. the building infrastructure.

5. The building formula referred to in paragraph (4) letter (a) consists of:

- a. total floor area;
- b. integrated index; and
- c. index for the constructed building.

6. The building infrastructure formula referred to in paragraph (4) letter (b) consists of:

- a. volume;
- b. infrastructure index for building infrastructure;  
and
- c. index for the constructed building.

#### Article 147

(1) The principles and objectives in determining the tariff for Specific Licensing Fees in the form of building permit approval are based on the goal of covering part of the costs for the issuance of building permits and/or certificates of building function suitability.

(2) The costs for the issuance of building permits and certificates of building function suitability as referred to in paragraph (1) include:

- a. the issuance of building permit documents and certificates of building function suitability;
- b. inspection of the building owner;
- c. law enforcement;
- d. administration; and
- e. costs for the negative impacts of issuing the building permit and certificate of function suitability.

#### Article 148

(1) The structure and amount of the Specific Licensing Fee tariff for building permit approval are determined based on activities for the inspection of technical standards compliance and consultation services for:

- a. buildings, the tariff for building permit approval for buildings is calculated based on the Total Floor Area (TFA) multiplied by the Locality Index (LI) multiplied by the Highest Unit Price Standard (HUPS) multiplied by the Integrated Index (II) multiplied by the Built Building Index (BBI) or with the formula:  $TFA \times (LI \times HUPS) \times II \times BBI$ ; and
- b. building infrastructure, the tariff for building permit approval for building infrastructure is calculated based on Volume (V) multiplied by the Building Infrastructure Index (BII) multiplied by the Built Building Index (BBI) multiplied by the unit price of the Building Infrastructure Fee (BIF) or with the formula:  $V \times BII \times BBI \times BIF$ .

(2) The integrated index as referred to in paragraph (1) is calculated based on the function index (FI) multiplied by the sum of the parameter weight (pw) multiplied by the parameter index (PI) multiplied by the ownership factor (OF) or with the formula:  $FI \times \sum (pw \times PI) \times OF$ .

(3) The locality index as referred to in paragraph (1) letter a is set at a maximum of 0.5% (zero point five percent).

(4) Further provisions regarding the Highest Unit Price Standard as referred to in paragraph (1) letter a are determined by the Regent's Decree.

#### Article 149

(1) The Specific Licensing Fee for building permit approval owed is collected within the Regional area.

(2) The Regional Authority responsible for public works and housing affairs calculates the fee as referred to in paragraph (1) and inputs the data through the building management information system based on the integrated index determined according to the request submitted by the Fee Payer and a formula reflecting the service provision costs as referred to in Article 144 paragraph (3) to (6).

(3) The calculation of the Fee as referred to in paragraph (2) uses the applicable Highest Unit Price Standard at the time the building permit is issued.

(4) The Fee determination is based on the calculation results as referred to in paragraph (2) by issuing the SKRD (Tax Assessment Letter) or other equivalent documents.

(5) The issuance of the SKRD as referred to in paragraph (4) is accompanied by a payment slip that also contains the billing ID from the billing center as the basis for payment by the Fee Payer.

(6) The SKRD document and the payment slip as referred to in paragraph (4) and (5) are submitted to the Fee Payer through the building management information system.

(7) The determination and submission of the Fee as referred to in paragraphs (3) to (6) are carried out by the relevant Regional Authority in the field of licensing according to the provisions of the laws and regulations.

#### Article 150

(1) The period for the Specific Licensing Fee for building permit approval is counted from the moment the Fee Payer utilizes the issuance of the building permit approval.

(2) The building permit approval fee as referred to in paragraph (1) is collected within the Region.

(3) The Fee Payer as referred to in paragraph (1) downloads the SKRD and payment slip from the building management information system.

#### Article 151

(1) The payment of the building permit approval fee is made in full or in one lump sum no later than 7 (seven) working days from the issuance of the SKRD or other equivalent documents.

(2) The payment of the Fee as referred to in paragraph (1) is provided with proof of payment and recorded in the receipt book.

(3) The Fee proceeds are deposited into the Regional Treasury through the Special Treasurer of the Regional Authority no later than 1 x 24 (one time twenty-four) hours from the payment of the Fee as referred to in paragraph (1).

(4) The payment of the Fee as referred to in paragraphs (1) to (3) may be made through:

- a. cash payment at the bank;
- b. payment through an automated teller machine (ATM);
- c. online payment via a bank application; or
- d. payment via e-money.

(5) The Fee Payer for building permit approval must upload the proof of payment in the building management information system as the basis for the issuance of the building permit approval by the relevant Regional Authority in the field of licensing.

(6) If the Fee Payer does not pay on time or underpays, the Fee Payer is subject to an administrative sanction in the form of an interest of 1% (one percent) per month on the outstanding or underpaid Fee, calculated from the payment due date to the payment date, for a maximum period of 24 (twenty-four) months, and will be billed using the STRD.

#### Article 152

The time for the Specific Licensing Fee for building permit approval is counted from the issuance of the SKRD or other equivalent documents.

## Chapter 3

## Use of Foreign Workers

## Article 153

(1) The object of the Specific Licensing Fee for the use of foreign workers as referred to in Article 143 letter b includes the approval of plans for the use of foreign workers and extensions for foreign workers working in the Region.

(2) Exemptions from the object of the Fee as referred to in paragraph (1) include approval of plans for the use of foreign workers and extensions for government agencies, foreign missions, international bodies, social organizations, religious institutions, and certain positions in educational institutions in accordance with the provisions of laws and regulations.

## Article 154

(1) The subject of the Specific Licensing Fee for foreign labor includes employers of foreign workers who obtain approval for the extension of the foreign labor usage plan as authorized in accordance with the provisions of laws and regulations.

(2) Employers as referred to in paragraph (1) include:

a. foreign trade representative offices, foreign company representative offices, and foreign news agencies operating in the Region;

b. foreign private companies doing business in Indonesia;

c. legal entities in the form of limited liability companies or foundations established under Indonesian law or foreign business entities registered with the competent authority;

d. impresariat service businesses; and

e. businesses allowed by the provisions of laws and regulations to employ foreign labor.

(3) The subjects of the Fee as referred to in paragraph (1) are Fee Payers.

(4) Fee Payers as referred to in paragraph (3) are required to pay for the services used/enjoyed.

(5) If the Fee Payer as referred to in paragraph (3) does not pay on time or underpays, they will be subject to an administrative sanction in the form of interest of 1% (one percent) per month on the unpaid or underpaid Fee, calculated from the payment due date until the payment date, for a maximum period of 24 (twenty-four) months and will be collected using STRD (Tax Collection Letter).

#### Article 155

The level of foreign labor usage service is measured based on the number of approvals and the duration of the foreign labor usage plan extension.

#### Article 156

(1) The principles and objectives in determining the tariff for the Specific Licensing Fee for foreign labor usage are based on the goal of covering part of the costs for issuing approval of the foreign labor usage plan extension.

(2) The costs for issuing approval of the foreign labor usage plan extension as referred to in paragraph (1) include:

- a. field supervision;
- b. law enforcement;
- c. administration;
- d. costs for the negative impacts of approving the foreign labor usage plan extension; and
- e. activities for developing the skills and expertise of Indonesian workers in the Region in accordance with the provisions of laws and regulations.

#### Article 157

The Specific Licensing Fee for foreign labor usage owed is collected within the Region.

#### Article 158

The period for the Specific Licensing Fee for foreign labor usage corresponds to the validity period of the work permit.

Article 159

The moment when the Specific Licensing Fee for foreign labor usage becomes due is when the SKRD (Tax Assessment Letter) or other equivalent document is issued.

Part Five

Utilization of Fees

Section 1

General

Article 160

(1) The utilization of the proceeds from each type of Fee is prioritized for financing activities directly related to the provision of the relevant service.

(2) The utilization of the proceeds from Fees collected and managed by the BLUD (Regional Public Service Agency) may be used directly to finance BLUD service operations in accordance with the provisions of laws and regulations.

Section 2

Utilization of Fee Revenues

Article 161

(1) The utilization of Fee revenues is prioritized for:

- a. financing the validation of Fee payments;
- b. development and supervision;
- c. law enforcement;
- d. administration;
- e. costs for the negative impacts of service operations;  
and
- f. activities to improve and develop human resources for service providers.

(2) Provisions regarding the utilization of Fee revenues as referred to in paragraph (1) are carried out according to the allocation in the Regional Income and Expenditure Budget (APBD).

Section 3

Utilization of Fee Revenues in BLUD

Article 162

(1) The utilization of Fee revenues in BLUD is prioritized for:

- a. financing the validation of Fee payments in BLUD;
- b. development and supervision;
- c. law enforcement;
- d. administration;
- e. costs for the negative impacts of service operations in BLUD; and
- f. activities to improve and develop human resources in BLUD service providers.

(2) Provisions regarding the utilization of Fee revenues in BLUD as referred to in paragraph (1) are carried out according to the allocation in the Regional Income and Expenditure Budget (APBD).

CHAPTER IV

TAX AND LEVY COLLECTION PROCEDURES

Section One

General

Article 163

(1) The collection of Taxes and Levies shall be carried out in accordance with the general provisions and procedures for the collection of Taxes and Levies.

(2) The general provisions and procedures for the collection of Taxes and Levies as referred to in paragraph (1) include regulations regarding:

- a. registration and data collection;
- b. determination of the amount of Tax and Levy owed;
- c. payment and deposit;
- d. bookkeeping;
- e. reporting;

- f. inspection;
- g. determinations;
- h. collection;
- i. expiration of collections;
- j. cancellation of Tax and Levy receivables;
- k. objections and appeals;
- l. lawsuits;
- m. granting of Tax and Levy facilities;
- n. granting of reductions, exemptions, and deferrals on Tax principal, Levy principal, and/or their sanctions;
- o. correction and cancellation of determinations; and
- p. refunds of excess payments.

## Section Two

### Tax Collection Procedures

#### Paragraph 1

#### Tax Registration

#### Article 164

(1) Taxpayers for Taxes collected based on the Regent's decree must register themselves and/or their Tax objects with the Regent or the designated official using:

- a. a registration form for the Tax object for Taxes collected based on the Regent's decree as referred to in Article 2 paragraph (2) letters b, c, d, and e; and
- b. SPOP (Taxpayer Registration Form) for Taxes collected based on the Regent's decree as referred to in Article 2 paragraph (2) letter a.

(2) Taxpayers for Taxes collected based on self-assessment by the Taxpayer as referred to in Article 2 paragraph (3) must register themselves and/or their Tax objects with the Regent or the designated official.

(3) Taxpayers who are state-owned or regionally owned electricity providers are exempt from the provisions referred to in paragraph (2).

(4) If the Taxpayer as referred to in paragraph (2) does not register, the Regent or the designated official shall issue NPWPD (Taxpayer Registration Number) based on the data obtained or possessed by the Region.

#### Article 165

(1) Registration as referred to in Article 164 shall be done using a registration form provided by the Regional Government Unit responsible for regional financial matters.

(2) The registration form as referred to in paragraph (1) must be completed accurately, clearly, and completely, and signed by the Taxpayer, attaching:

- a. a photocopy of the identification card;
- b. a photocopy of the business identification number; and
- c. a power of attorney with sufficient stamp duty if the Taxpayer grants authority, along with the identity of the proxy.

(3) The registration form, once completed accurately, clearly, and completely, and signed by the Taxpayer or their proxy as referred to in paragraph (2), must be submitted back to the Regional Government Unit responsible for regional revenue matters within 7 (seven) days from when the form was obtained.

(4) In addition to the attachments referred to in paragraph (2), the Regional Government Unit responsible for regional financial affairs may determine additional requirements as needed, as long as they do not conflict with applicable laws and regulations.

#### Article 166

(1) The officer shall verify the completeness of the Tax registration requirements as referred to in Articles 164 and 165.

(2) If the verification results as referred to in paragraph (1) are deemed complete, the designated official shall validate the SPPT (Tax Assessment Notice) in accordance with the provisions of the applicable laws and regulations.

(3) The validated SPPT as referred to in paragraph (2) must be delivered to the Taxpayer no later than 7 (seven) working days from the date the requirements are deemed complete.

Article 167

Tax registration as referred to in Articles 164 through 166 may be carried out electronically.

Article 168

(1) Upon registration as referred to in Articles 164 and 165, the Taxpayer shall be issued a single NPWPD issued by the designated official.

(2) The issuance of the NPWPD to the Taxpayer as referred to in paragraph (1) is used for all types of Tax obligations.

(3) In addition to issuing the NPWPD as referred to in paragraph (1), the designated official may issue a registration number, NOPD (Taxpayer Registration Number), or other equivalent number for Tax types requiring registration of Tax objects.

Article 169

(1) Each individual Taxpayer shall only have one (1) NPWPD.

(2) The NPWPD as referred to in paragraph (1) shall be linked to the Taxpayer's population identification number.

(3) The NPWPD linked to the population identification number as referred to in paragraph (2) shall be used as a basis for the Government's data (profiling system).

Article 170

(1) Each corporate Taxpayer shall only have one (1) NPWPD.

(2) The NPWPD referred to in paragraph (1) shall be linked with the taxpayer's business identification number.

(3) The NPWPD that has been linked with the business identification number as referred to in paragraph (2) shall be used as a database/profiling system for the Local Government.

## Chapter 2

### Tax Registration

#### Article 171

(1) The Regent or designated official shall conduct the registration of Taxpayers and tax objects to obtain, complete, and organize data on tax objects and/or Taxpayers, including geographical information of tax objects for local tax administration purposes.

(2) Specifically for PBB-P2 (Property Tax), the registration as referred to in paragraph (1) covers all land and/or buildings within the Region.

#### Article 172

(1) The registration as referred to in Article 171 shall be carried out using a registration form provided by the local government office responsible for regional revenue management.

(2) The registration form as referred to in paragraph (1) must be filled out correctly, clearly, completely, and signed by the Taxpayer.

(3) The completed and signed registration form as referred to in paragraph (2) must be submitted back to the local government office responsible for regional revenue management no later than 7 (seven) days from the date the taxpayer receives the registration form.

#### Article 173

(1) In the event that the Taxpayer no longer meets the subjective and objective requirements, the Regent or designated official may deactivate or delete the NPWPD, registration number, NOPD (taxpayer object number), and/or any other similar numbering system, either by office or upon the request of the Taxpayer.

(2) The subjective requirements as referred to in paragraph (1) are those that are in accordance with the provisions regarding the taxpayer subject as regulated in this Regent's Regulation.

(3) The objective requirements as referred to in paragraph (1) are those that are in accordance with the provisions regarding the tax object as regulated in this Regent's Regulation.

(4) In the case of deactivation or deletion of the NPWPD, registration number, NOPD, and/or other similar

numbering system based on the Taxpayer's request, the Regent or designated official must issue a decision within 3 (three) months from the date the request is fully received.

(5) If the decision as referred to in paragraph (4) is not issued after 3 (three) months, the Taxpayer's request shall be deemed approved.

(6) Deactivation or deletion of the NPWPD, registration number, NOPD, and/or other similar numbering systems may be carried out as long as the Taxpayer:

- a. does not have any tax arrears; and
- b. is not currently undergoing any legal proceedings such as objections, appeals, lawsuits, or judicial reviews.

#### Article 174

(1) In the event that the Taxpayer has not fulfilled the tax registration obligation, the designated official shall conduct the tax registration.

(2) The Taxpayer who has not fulfilled the tax registration obligation shall undergo tax registration by the designated official.

(3) The data as referred to in paragraph (1) shall at least include:

- a. name;
- b. address;
- c. type of activity/business; and
- d. tax registration status.

(4) The results of the registration as referred to in paragraph (1) to (3) must be validated by the head of the local government office responsible for financial affairs in the Region.

(5) The head of the local government office as referred to in paragraph (4) may delegate this responsibility to the designated official in accordance with applicable laws.

## Chapter 3

## Determination of Tax Payable

## Article 175

(1) The Regent or designated official shall determine the payable tax based on the registration form of the tax object as referred to in Article 164 paragraph (1) letter (a) using the SKPD (Tax Assessment Letter) or another document deemed equivalent.

(2) In the event that the Taxpayer has not completed the registration as referred to in Article 164 paragraph (1), the Regent or designated official may issue an SKPD or another document deemed equivalent for the payable tax based on data obtained or held by the Region.

(3) The payable tax for the types of taxes as referred to in paragraphs (1) and (2) shall be determined no later than 5 (five) years from the due date of the tax.

(4) The determination of payable tax as referred to in paragraph (3) shall be without administrative sanctions.

(5) The determination of PKB (Motor Vehicle Tax) payable in the SKPD shall be calculated for 12 (twelve) consecutive months from the date of vehicle registration.

(6) For PKB under exceptional circumstances/force majeure, where the ownership and/or control is not for 12 (twelve) months, the tax already paid may be refunded for the portion of the period not yet completed.

## Article 176

(1) The Regent or designated official shall determine the PBB-P2 (Property Tax) payable based on the SPOP (Property Tax Object Notification) as referred to in Article 164 paragraph (1) letter (b) using the SPPT (Property Tax Payment Letter).

(2) The SPPT as referred to in paragraph (1) is the document used as the basis for the Taxpayer to pay the PBB-P2 due and is not proof of ownership of a PBB-P2 object.

(3) The Regent or designated official may issue an SKPD for PBB-P2 if:

a. The SPOP is not submitted by the Taxpayer and after the Taxpayer has been warned in writing by the Regent or designated official as per the warning letter; and/or

b. Based on the results of the inspection or other information, it is found that the PBB-P2 payable is

higher than the amount calculated based on the SPOP submitted by the Taxpayer.

#### Article 177

(1) The amount of tax owed for tax types collected based on the Regent's determination as referred to in Article 2 paragraph (1) letters d, e, h, and i is calculated by multiplying the tax rate with the tax base.

(2) The amount of tax owed for PBB-P2 as referred to in Article 2 paragraph (1) letter a is calculated by multiplying the tax rate with the tax base after deducting the non-taxable NJOP (Taxable Property Value).

#### Article 178

(1) The amount of tax owed for self-assessed tax types by the taxpayer as referred to in Article 2 paragraph (1) letters c, f, and g is calculated by multiplying the tax rate with the tax base.

(2) The amount of tax owed for BPHTB as referred to in Article 2 paragraph (1) letter b is calculated by multiplying the tax rate with the tax base after deducting the non-taxable acquisition value of the tax object.

#### Section 4

#### Tax Payment and Remittance

#### Article 179

(1) Tax collection is prohibited from being contracted out.

(2) The prohibition of outsourcing tax collection as referred to in paragraph (1) applies to all processes of tax collection activities that are cooperated with third parties.

(3) The prohibition of outsourcing tax collection with third parties as referred to in paragraph (2) includes:

- a. calculation of the amount of tax owed;
- b. supervision;

c. remittance; and

d. tax collection.

(4) The prohibition of outsourcing tax collection in cooperation with third parties as referred to in paragraph (2) does not apply to cooperation with third parties to support tax collection activities.

(5) Cooperation with third parties to support tax collection activities as referred to in paragraph (4) includes:

a. sending letters to taxpayers; or

b. collecting data on tax objects and subjects.

#### Article 180

(1) The taxpayer makes the payment or remittance of the tax owed using the SSPD (Tax Payment Slip).

(2) Payment or remittance of tax as referred to in paragraph (2) is carried out through an electronic payment system.

(3) If the electronic payment system is not yet available, payment or remittance of the tax can be made through cash payment.

#### Article 181

(1) The payment or remittance period for taxes owed for tax types collected based on the Regent's determination as referred to in Article 180 paragraph (2) is set for no later than:

a. 1 (one) month from the date of sending the SKPD (Tax Calculation Notice) as referred to in Article 175 paragraph (1); and

b. 6 (six) months from the date of sending the SPPT (Tax Object Notification Letter) as referred to in Article 176 paragraph (1).

(2) The date of sending the SKPD as referred to in paragraph (1) letter a and the date of sending the SPPT as referred to in paragraph (1) letter b are the dates the documents are sent, whether physically or electronically.

#### Article 182

The payment or remittance period for taxes owed for self-assessed tax types by the taxpayer as referred to in Article

2 paragraph (3) letters b, c, and d is set for no later than 10 (ten) working days after the end of the tax period.

#### Article 183

(1) Payment or remittance of BPHTB on the acquisition of land and/or buildings from buying and selling as referred to in Article 12 paragraph (2) letter a and paragraph (3) is based on the acquisition value of the tax object.

(2) If there is a change or cancellation of the sale and purchase agreement before the signing of the sale and purchase deed that results in:

a. an overpayment or no BPHTB owed, the taxpayer may request a refund for the excess BPHTB payment; or

b. underpayment of BPHTB, the taxpayer shall make payment of the deficiency.

(3) Payment or remittance of BPHTB as referred to in paragraph (1) and paragraph (2) letter b must be completed at the time of signing the sale and purchase deed.

#### Article 184

(1) A land deed officer/notary may only sign the deed of transfer of land and/or building rights after the taxpayer submits proof of BPHTB payment.

(2) The land deed officer/notary is obliged to:

a. request proof of BPHTB payment from the taxpayer before signing the deed of transfer of land and/or building rights; and

b. report the making of the deed concerning land and/or buildings to the Regent no later than the 10th (tenth) of the following month.

(3) If the land deed officer/notary violates the obligations as referred to in paragraph (2), an administrative sanction will be imposed, consisting of:

a. a fine of IDR 10,000,000 (ten million rupiah) for each violation as referred to in paragraph (2); and/or

b. a fine of IDR 1,000,000 (one million rupiah) for each report as referred to in paragraph (2) letter b.

## Article 185

(1) The head of the office in charge of state auction services may only sign the auction minutes for the acquisition of rights to land and/or buildings after the taxpayer submits proof of BPHTB payment.

(2) The head of the office in charge of state auction services is obliged to:

a. request proof of BPHTB payment from the taxpayer before signing the auction minutes; and

b. report the auction minutes to the Regent no later than the 10th (tenth) of the following month.

(3) The head of the office in charge of state auction services who violates the provisions as referred to in paragraph (2) will be subject to sanctions in accordance with the provisions of the applicable laws and regulations.

## Article 186

The head of the land office may only register land rights or the transfer of land rights after the taxpayer submits proof of BPHTB payment.

## Article 187

In the event that the acquisition of land and/or building rights is determined by the applicable laws and regulations as not being a BPHTB object, the Regent may issue a certificate stating that it is not a BPHTB object.

## Article 188

(1) BPHTB payment or remittance will be subject to SSPD examination.

(2) The examination of the BPHTB SSPD includes:

a. the consistency of the NOPD (Tax Object Identification Number) listed in the BPHTB SSPD with the NOPD listed in:

1. SPPT (Tax Object Notification Letter) or other PBB-P2 (Property Tax) payment receipts; and

2. PBB-P2 database.

b. the consistency of the NJOP (Taxable Property Value) per square meter of land listed in the BPHTB SSPD with the NJOP per square meter of land in the PBB-P2 database;

c. the consistency of the NJOP per square meter of building listed in the BPHTB SSPD with the NJOP per square meter of building in the PBB-P2 database;

d. the correctness of BPHTB calculations, including the acquisition value of the tax object, NJOP, non-taxable NJOP, rates, tax imposition on specific tax objects, BPHTB owed or to be paid;

e. the correctness of BPHTB paid, including any self-calculated reductions; and

f. the consistency of criteria for specific tax objects exempt from BPHTB, including criteria for BPHTB exemptions for low-income communities.

(3) Specific tax objects as referred to in paragraph (2) letter d include acquisition of rights through inheritance and testamentary gifts.

(4) Specific tax objects as referred to in paragraph (2) letter f are for the ownership of the first home with certain criteria set by the Regent.

(5) Certain criteria as referred to in paragraph (4) are aligned with policies on providing housing development and acquisition assistance for low-income communities regulated by the minister responsible for public works and housing.

(6) The examination process for the BPHTB SSPD as referred to in paragraph (1) must be completed no later than 1 (one) working day from the receipt of the complete BPHTB SSPD for examination at the location.

(7) If the result of the BPHTB SSPD examination as referred to in paragraph (1) shows that the tax paid is less than the tax owed, the taxpayer must pay the difference.

## Section 5

### Bookkeeping

#### Article 189

(1) The taxpayer is required to conduct bookkeeping or record-keeping electronically and/or non-electronically, under the following conditions:

a. taxpayers with annual business turnover of at least IDR 4,800,000,000 (four billion eight hundred million rupiah) must maintain bookkeeping;

b. taxpayers with annual business turnover of less than IDR 4,800,000,000 (four billion eight hundred million rupiah) may choose to either maintain bookkeeping or record-keeping.

(2) Bookkeeping or record-keeping must be carried out in good faith and reflect the actual state or business activities.

(3) Bookkeeping as referred to in paragraph (1) must comply with the applicable laws and regulations related to bookkeeping.

(4) Record-keeping as referred to in paragraph (1) letter b must include at least data on business turnover or sales along with supporting evidence to be used in calculating the tax owed.

(5) Books, records, and documents that form the basis of bookkeeping or record-keeping as referred to in paragraph (1) must be kept for 5 (five) years in Indonesia at the taxpayer's business location or residence for individual taxpayers, or at the domicile of corporate taxpayers.

(6) Any taxpayer who fails to fulfill the obligation of bookkeeping or record-keeping as referred to in paragraph (5) will be subject to sanctions in accordance with the applicable laws and regulations.

## Section 6

### Tax Reporting

#### Article 190

(1) The taxpayer for tax types that are self-assessed as referred to in Article 2 paragraph (3) is required to fill out the SPTPD (Annual Tax Return).

(2) The SPTPD as referred to in paragraph (1) includes all types of taxes as referred to in Article 2 paragraph (3) owed and paid by the taxpayer.

(3) The SPTPD as referred to in paragraph (1) must at least include business turnover and the amount of tax owed per type of tax in one tax period.

(4) Specifically for BPHTB, the SSPD is considered equivalent to the SPTPD.

(5) The BPHTB SSPD as referred to in paragraph (4) is considered submitted after payment has been made.

(6) Any taxpayer who fails to meet the obligations as referred to in paragraph (1) will be subject to sanctions in accordance with the applicable laws and regulations.

## Article 191

(1) The filling of the SPTPD as referred to in Article 190 paragraph (1) is done using the SPTPD form provided by the Regional Device in charge of the government affairs in the field of Regional income.

(2) The SPTPD form referred to in paragraph (1) can be taken directly by the Taxpayer or accessed through the official website of the Regional Device in charge of the government affairs in the field of Regional income.

(3) The SPTPD form referred to in paragraph (1) must be filled out correctly, clearly, completely, and signed by the Taxpayer.

## Article 192

(1) The SPTPD form, which has been filled out correctly, clearly, completely, and signed by the Taxpayer, shall be submitted to the Regent through the Regional Device responsible for government affairs in the field of Regional income, accompanied by the SSPD as proof of tax payment.

(2) The Taxpayer is obliged to submit the SPTPD form as referred to in paragraph (1) as a report on the SPTPD.

(3) The submission of the SPTPD as referred to in paragraph (2) is done every Tax Period.

(4) The Tax Period as referred to in paragraph (3) is the period used by the Taxpayer to calculate the tax payable that must be paid or deposited into the Regional treasury and reported in the SPTPD.

(5) The deadline for submitting the SPTPD as referred to in paragraph (1) is set at a maximum of 15 (fifteen) working days after the end of the Tax Period.

(6) The provisions regarding the Tax Period as referred to in paragraph (5) are excluded for BPHTB.

## Article 193

(1) Taxpayers who do not fulfill the obligation to report the SPTPD as referred to in Article 192 paragraph (2) shall be subject to an administrative sanction in the form of a fine.

(2) The administrative sanction in the form of a fine as referred to in paragraph (1) is determined by an STPD in rupiah for each SPTPD.

(3) The administrative sanction in the form of a fine as referred to in paragraph (2) is not imposed if the Taxpayer experiences a force majeure event.

(4) The force majeure event referred to in paragraph (3) includes:

- a. natural disasters;
- b. fire;
- c. mass riots or civil disorder;
- d. epidemics; and/or
- e. other events based on the Regent's consideration.

(5) The provisions regarding the mechanism and procedure for imposing administrative sanctions in the form of a fine as referred to in paragraph (1) shall be implemented in accordance with the provisions of the applicable legislation.

#### Article 194

(1) A Taxpayer may voluntarily correct the SPTPD that has been submitted by submitting a written statement as long as no Audit has been conducted.

(2) If the correction of the SPTPD as referred to in paragraph (1) results in overpayment, the correction must be submitted no later than 2 (two) years before the expiration of the assessment.

(3) If the correction of the SPTPD as referred to in paragraph (1) results in underpayment, the correction must be accompanied by an SSPD as proof of the payment of the underpaid tax and the administrative sanction in the form of interest.

(4) The correction of the SPTPD that results in underpayment as referred to in paragraph (3) is subject to an administrative sanction in the form of interest at 1% (one percent) per month from the underpaid tax amount, calculated from the payment due date until the payment date for a maximum period of 24 (twenty-four) months, and a part of a month is counted as a full month.

(5) No administrative sanction in the form of an increase will be imposed on the underpayment as referred to in paragraph (3).

## Article 195

(1) The Regent or the appointed official shall conduct Research and verification on the SPTPD submitted by the Taxpayer as referred to in Article 192 paragraph (1).

(2) The Research and verification of the SPTPD as referred to in paragraph (1) includes:

- a. compliance with the payment and/or deposit deadlines with the payment date in the SSPD;
- b. consistency between the SSPD and the SPTPD; and
- c. correctness of writing, calculation, and/or other administration.

(3) If based on the results of the Research and verification as referred to in paragraph (2), it is found that there is tax payable that has not been paid or underpaid, the Regent or the appointed official shall issue an STPD.

(4) The STPD as referred to in paragraph (3) shall state the amount of the tax payable, plus an administrative sanction in the form of interest at 1% (one percent) per month from the underpaid tax amount, calculated from the date the tax became due or the end of the tax period, for a maximum period of 24 (twenty-four) months, and a part of a month is counted as a full month.

(5) If the result of the Research and verification of the SPTPD as referred to in paragraph (2) indicates that the Taxpayer has provided inaccurate information, the Regent or the appointed official may conduct an Audit.

## Chapter 7

## Tax Audit

## Article 196

(1) The Regent or the appointed official is authorized to conduct an Audit to examine compliance with tax obligations and other purposes in order to implement the provisions of the legislation in the field of regional taxation.

(2) The Audit to examine compliance with tax obligations as referred to in paragraph (1) is conducted if:

- a. The Taxpayer requests a refund or compensation for overpayment of tax;
- b. There is other information in the form of concrete data indicating that the tax payable has not been paid or underpaid; or

c. The Taxpayer is selected for an Audit based on risk analysis.

(3) The risk analysis as referred to in paragraph (2) letter c is carried out by considering the behavior and compliance of the Taxpayer, which includes:

- a. compliance in submitting the tax return; and
- b. compliance in paying the tax payable.

(4) The Audit for other purposes as referred to in paragraph (1) includes the determination, verification, or collection of materials related to the purpose of the Audit, including:

- a. the issuance of NPWPD ex officio;
- b. the removal of NPWPD;
- c. the settlement of the Taxpayer's objection request;
- d. the reconciliation of data and/or evidence; and/or
- e. the audit in the context of Tax Collection.

#### Article 197

(1) In the implementation of the Examination as referred to in Article 196, the obligations of the Taxpayer being examined include:

- a. to show and/or lend books or records, documents that serve as their basis, and other documents related to the taxable object;
- b. to provide access to enter places or rooms considered necessary and provide assistance for the smooth execution of the Examination; and/or
- c. to provide the required information.

(2) In the implementation of the Examination as referred to in Article 196, the rights of the Taxpayer being examined include:

- a. to request the identity and proof of assignment of the Examiner;
- b. to request the Examiner to provide an explanation of the reasons and objectives of the Examination; and
- c. to receive documents of the Examination results and provide feedback or explanations on the results of the Examination.

(3) In the event that the Taxpayer does not fulfill the obligations as referred to in paragraph (1), the amount of the tax payable will be determined based on official estimates.

(4) The official estimate referred to in paragraph (3) is the calculation of the amount of the tax payable based on data and/or information available at the Regional Government.

(5) In the event that the Taxpayer does not fulfill the obligations as referred to in paragraph (1), causing difficulties for the examiner in calculating the gross turnover value, the tax payable can be determined using the method of calculating the highest turnover or receipts in the last 1 (one) year.

#### Article 198

(1) For the purposes of the Examination, the examiner must be equipped with identity and proof of assignment of the Examination and show these to the examined Taxpayer.

(2) In the case of bookkeeping or audit examinations, the Regent, based on a request from the Regional Apparatus responsible for government affairs in the field of regional revenue, may appoint the Regional Apparatus responsible for government affairs in the field of supervision to assist the tax examiner.

(3) For the purposes of security, if necessary, the Regional Apparatus responsible for government affairs in the field of regional revenue may request security assistance from law enforcement agencies and/or the Regional Apparatus responsible for government affairs in the field of public order.

(4) For the purposes of the Examination, if the Taxpayer is bound by an obligation to maintain confidentiality, the obligation to maintain such confidentiality shall be waived.

(5) To facilitate the Examination and tax reporting, the Regional Government may:

- a. install transaction recording devices;
  - b. issue receipts or other forms;
- and/or
- c. perforate the receipts issued by the collector.

## Chapter 8: Tax Assessment

### Article 199

(1) Within a maximum period of 5 (five) years from the tax due date, the Regent or the appointed Official may issue SKPDKB, SKPDKBT, and SKPDN for tax types collected based on the Taxpayer's self-assessment as referred to in Article 2 paragraph (3).

(2) SKPDKB referred to in paragraph (1) is issued when there is tax that is less or unpaid based on:

- a. the results of the Examination as referred to in Article 196;
- b. official estimates because:
  - 1. The Taxpayer does not submit the SPTPD within a certain period as referred to in Article 192 paragraph (5) and has been formally warned but fails to submit it within the time stipulated in the Warning Letter; or
  - 2. The Taxpayer fails to fulfill the obligations as referred to in Article 189 paragraph (1) or Article 197 paragraph (1).

(3) SKPDKBT referred to in paragraph (1) is issued when new data and/or previously undisclosed data is found, resulting in an increase in the tax payable after an examination for the issuance of SKPDKBT.

(4) SKPDN referred to in paragraph (1) is issued when the tax payable is equal to the amount of tax credit or when no tax is payable and no tax credit exists.

### Article 200

In the event that the Examination results as referred to in Article 196 show an overpayment of tax, the Regent or the appointed Official will issue SKPDLB.

## Article 201

(1) The amount of the tax deficiency in SKPDKB as referred to in Article 199 paragraph (2) letters a and b number 1 is subject to an administrative sanction in the form of interest of 1.8% (one point eight percent) per month, determined by the minister responsible for financial affairs, calculated from the tax that is less or late paid, for a period of up to 24 (twenty-four) months, with any fraction of a month counted as a full month.

(2) The amount of tax payable in SKPDKB as referred to in Article 199 paragraph (2) letter b number 2 is subject to an administrative sanction in the form of interest of 2.2% (two point two percent) per month on the tax that is less or late paid, for a period of up to 24 (twenty-four) months, with any fraction of a month counted as a full month, starting from the due date of the tax, in addition to administrative sanctions in the form of:

- a. an increase of 50% (fifty percent) of the principal tax that is underpaid for the PBJT tax type; or
- b. an increase of 25% (twenty-five percent) of the principal tax that is underpaid for tax types other than those referred to in letter a.

(3) The amount of the tax deficiency in SKPDKBT as referred to in Article 196 paragraph (3) is subject to an administrative sanction in the form of an increase of 100% (one hundred percent) of the tax deficiency.

(4) SKPDKB as referred to in paragraph (1) and paragraph (2), and SKPDKBT as referred to in paragraph (3) must be settled within a maximum period of 1 (one) month from the date of issuance.

## Chapter 9: Tax Collection

## Article 202

(1) The Regent or the appointed Official may issue STPD for tax types collected based on the Regent's determination as referred to in Article 2 paragraph (2) in the event that:

a. The tax due in the SKPD or SPPT has not been or is insufficiently paid after the payment due date;

b. Correction Decision Letters, Objection Decision Letters, and Appeal Decisions that have not been or are insufficiently paid after the payment due date; or

c. Taxpayers subject to administrative sanctions in the form of interest and/or fines.\*\*

(2) The Regent or the appointed Official may issue STPD for tax types collected based on the Taxpayer's self-assessment as referred to in Article 2 paragraph (3) in the following cases:

a. Results from the examination of SPTPD as referred to in Article 195 showing payment deficiencies due to clerical errors, miscalculations, or other administrative mistakes by the Taxpayer;

b. SKPDKB, SKPDKBT, Correction Decision Letters, Objection Decision Letters, and Appeal Decisions that have not been or are insufficiently paid after the payment due date; or

c. Taxpayers subject to administrative sanctions in the form of interest and/or fines.

(3) The amount of the claim in STPD as referred to in paragraph (1) letters a and b, and paragraph (2) letters a and b, consists of the unpaid tax principal amount plus administrative sanctions in the form of interest calculated at the monthly interest rate set by the minister responsible for financial affairs, calculated from the unpaid tax for a period of up to 24 (twenty-four) months from the tax due date, with any fraction of a month counted as a full month.

#### Article 203

(1) The tax debt as listed in the SPPT, SKPD, SKPDKB, SPKDKBT, STPD, Correction Decision Letters, Objection Decision Letters, and Appeal Decisions forms the basis for Tax Collection.

(2) Based on the Tax Collection as referred to in paragraph (1) that has not yet reached the payment or settlement due date, a reminder may be issued.

(3) The reminder as referred to in paragraph (2) is an informational notice to the Taxpayer as a reminder so that the Taxpayer can settle the tax debt before the issuance of a Warning Letter.

(4) The reminder as referred to in paragraph (2) may be issued through a reminder letter or other media.

(5) If the basis for Tax Collection as referred to in paragraph (1) has not been settled after the payment or settlement due date, tax collection may be carried out in accordance with applicable tax legislation.

#### Article 204

(1) The Regent manages tax receivables to determine the priority of Tax Collection.

(2) In order to carry out the Tax Collection as referred to in paragraph (1), the Regent is authorized to appoint an Official to carry out the Collection.

(3) The Official referred to in paragraph (2) is authorized to:

a. Appoint and dismiss Tax Court Bailiffs; and

b. Issue:

1. Warning Letters, reminder letters, or similar letters;

2. Immediate and Simultaneous Tax Collection Orders;

3. Compulsory Payment Orders;

4. Seizure Orders;

5. Detention Orders;

6. Cancellation of Seizure Orders;
7. Auction announcements;
8. Determination of reserve prices;
9. Cancellation of auctions; and
10. Other letters necessary for the implementation of Tax Collection.

(4) The Regent or the appointed Official orders the Tax Court Bailiff to carry out the Tax Collection.

#### Article 205

(1) The procedure for Tax Collection as referred to in Article 204 paragraph (4) begins with the issuance of a Warning Letter.

(2) The Warning Letter as referred to in paragraph (1) is a warning letter or other forms used to remind the Taxpayer to settle the Tax Debt in an effort to collect the tax before the Compulsory Payment Order is issued.

(3) The Warning Letter as referred to in paragraph (2) specifies the deadline for the Taxpayer to settle the Tax Debt.

(4) If the deadline as referred to in paragraph (3) is exceeded and the Taxpayer has not settled the Tax Debt, a Compulsory Payment Order will be issued to the Taxpayer.

(5) Specifically for Taxpayers who have been approved to pay in installments or postpone tax payment, no Warning Letter will be issued for the tax debt that is being paid in installments or postponed.

(6) If the obligation to pay the Tax Debt as referred to in paragraph (5) is not fulfilled after the due date, a Compulsory Payment Order will be issued without a prior Warning Let

#### Article 206

(1) The Compulsory Payment Order as referred to in Article 205 paragraph (4) and paragraph (6) is notified or delivered by the Tax Court Bailiff to the Taxpayer.

(2) If the Taxpayer does not settle the Tax Debt after 2x24 hours (two times twenty-four hours) from the delivery of the Compulsory Payment Order as referred to in paragraph (1), a seizure execution order will be issued.

(3) The seizure execution order as referred to in paragraph (2) is the order issued to carry out the seizure.

#### Article 207

(1) If the Tax Debt and/or Tax Collection costs are not settled after the seizure is carried out based on the seizure execution order as referred to in Article 206 paragraph (2), the Official referred to in Article 204 paragraph (3) is authorized to sell the seized goods by auction through an auction office.

(2) The Tax Collection costs referred to in paragraph (1) include the costs for executing the Compulsory Payment Order, the seizure execution order, auction announcements, cancellation of auctions, and other costs related to Tax Collection.

## Article 208

(1) The auction referred to in Article 207 paragraph (1) shall be held no sooner than 14 (fourteen) days from the auction announcement.

(2) The auction announcement referred to in paragraph (1) shall be made no sooner than 14 (fourteen) days from the seizure.

(3) The proceeds from the auction shall first be used to pay the Tax Collection costs, and any remaining balance shall be used to pay the unpaid Tax Debt.

## Article 209

(1) The Tax Court Bailiff referred to in Article 204 paragraph (4) has the following duties:

- a. Execute the Immediate and Simultaneous Collection Orders;
- b. Notify the Compulsory Payment Order;
- c. Execute the seizure of the Taxpayer's goods based on the seizure execution order; and
- d. Carry out detention based on the detention order.

(2) The Tax Court Bailiff must carry an identification card and assignment letter when carrying out the tasks as referred to in paragraph (1) and must present these documents to the Taxpayer.

(3) In carrying out the seizure as referred to in paragraph (1) letter c, the Tax Court Bailiff is authorized to enter and inspect all rooms, including opening cabinets, drawers, and other places to find objects subject to seizure at the business premises, the registered office, the Taxpayer's residence, or other places suspected to be storage locations.

(4) In carrying out the duties as referred to in paragraphs (1) to (3), the Tax Court Bailiff may request assistance from law enforcement officers.

(5) The Tax Court Bailiff performs duties within the jurisdiction of the Official who appointed them, unless otherwise specified in accordance with applicable laws and regulations.

#### Article 210

(1) The Tax Court Bailiff shall carry out the Immediate and Simultaneous Collection Orders based on the collection orders as referred to in Article 209 paragraph (1) letter a, if:

- a. The Taxpayer intends to leave Indonesia permanently or has plans to do so;
- b. The Taxpayer transfers ownership of goods or reduces or terminates their business or work activities in Indonesia;
- c. There are signs that the Taxpayer is going to dissolve their business, merge, spin off, or transfer ownership of their business or assets, or carry out another form of transformation;
- d. The business entity will be dissolved by the state;  
or
- e. The Taxpayer's goods are seized by a third party or there are signs of bankruptcy.

(2) The Immediate and Simultaneous Collection Order as referred to in paragraph (1) shall at least contain:

- a. The name of the Taxpayer, or the name of the Taxpayer and the Taxpayer's representative;
- b. The amount of the Tax Debt;
- c. The order to make payment; and
- d. The deadline for tax payment.

(3) The Immediate and Simultaneous Collection Order as referred to in paragraph (1) shall be issued before the issuance of the Compulsory Payment Order.

## Article 211

(1) In the process of Tax Collection, if the Taxpayer shows no good faith in settling the Tax Debt and has a minimum specified Tax Debt, preventive measures and/or detention may be carried out based on the detention order referred to in Article 204 paragraph (3) letter b number 5.

(2) Preventive measures and/or detention against the Taxpayer as referred to in paragraph (1) do not result in the cancellation of the Tax Debt or the cessation of the Tax Collection process.

## Chapter 10

## Tax Collection Expiry

## Article 212

(1) The right to perform Tax Collection expires after 5 (five) years from the moment the Tax becomes due, except when the Taxpayer commits a tax crime in the Regional Taxation field.

(2) In cases where the due date of Tax for a tax collected based on the Regent's decree differs from the date of SKPD or SPPT issuance as referred to in Article 175 paragraph (2) and Article 176 paragraph (1), the 5 (five) year period referred to in paragraph (1) is calculated from the date of the SKPD or SPPT issuance.

(3) The expiry of Tax Collection as referred to in paragraph (1) is deferred if, before the period referred to in paragraph (2) expires:

a. A Warning Letter and/or Compulsory Payment Order is issued; or

b. There is an acknowledgment of the Tax Debt from the Taxpayer, either directly or indirectly.

(4) In cases where a Warning Letter and/or Compulsory Payment Order is issued as referred to in paragraph (3) letter a, the expiry of Tax Collection is calculated from the date of delivery of the Warning Letter and/or Compulsory Payment Order.

(5) The direct acknowledgment of Tax Debt as referred to in paragraph (3) letter b occurs when the Taxpayer voluntarily declares that they still have an outstanding Tax Debt and have not settled it with the Regional Government.

(6) The indirect acknowledgment of Tax Debt as referred to in paragraph (3) letter b can be known from the Taxpayer's request for installment payment or deferral of payment and submission of objections by the Taxpayer.

(7) In the case of the Taxpayer's acknowledgment of the Tax Debt as referred to in paragraph (3) letter b, the expiry of Tax Collection is calculated from the date of that acknowledgment.

## Chapter 11

### Tax Receivables Write-Off

#### Article 213

(1) Tax receivables that cannot be collected because the right to carry out Tax Collection has expired may be written off.

(2) The Regional Government Agency responsible for revenue administration shall propose the write-off of Tax Receivables as referred to in paragraph (1).

(3) In the case of a proposal for Tax Receivables write-off as referred to in paragraph (2), the Regional Government Agency responsible for revenue administration shall conduct a field and/or administrative investigation.

(4) Based on the results of the investigation as referred to in paragraph (3), a proposed list of Tax Receivables write-offs shall be prepared and subsequently submitted to the Regent.

(5) If the Regent approves the proposal as referred to in paragraph (4), the write-off of Tax Receivables shall be determined by the Regent's Decision.

(6) The Regent's Decision as referred to in paragraph (5) shall be made after the Tax Collection has been conducted until the expiry of the Tax Collection period as referred to in Article 212 paragraph (1), proven by the execution documents of the Tax Collection.

(7) The Regent's decision as referred to in paragraph (2) shall be made considering the results of coordination with the Regional Government Agency responsible for supervision.

#### Article 214

The Regional Government Agency responsible for revenue administration shall carry out the recording and updating of data related to the impact of the Tax Receivables write-off as referred to in Article 213.

#### Chapter 12

#### Tax Objections and Appeals

#### Article 215

(1) The Taxpayer may submit an objection to the Regent or the appointed Official regarding the SPPT, SKPD, SKPDKB, SKPDKBT, SKPDLB, SKPDN, and deductions or collections by third parties.

(2) The objection referred to in paragraph (1) must be submitted in writing in Indonesian, stating the amount of

Tax payable or the amount of Tax deducted or collected based on the Taxpayer's calculation, accompanied by clear reasons.

(3) The objection must be submitted within a period of no more than 3 (three) months from the date of the letter or from the date of deduction or collection, unless the Taxpayer can demonstrate that this period cannot be met due to circumstances beyond their control.

(4) An objection can be submitted if the Taxpayer has paid the Tax payable in the SPPT, SKPD, SKPDKB, SKPDKBT, SKPDLB, SKPDN, and deductions or collections by third parties, at least the amount agreed upon by the Taxpayer.

(5) An objection that does not meet the requirements referred to in paragraphs (1) to (4) shall not be considered as an objection letter.

(6) The proof of submission of the objection letter via registered mail or other media, or the receipt of the objection letter provided by the Regent or the appointed Official to the Taxpayer, shall serve as proof of receipt of the objection letter.

#### Article 216

(1) The circumstances beyond the control of the Taxpayer referred to in Article 215 paragraph (3) include:

- a. natural disasters;
- b. fire;
- c. mass riots or upheavals;
- d. outbreaks of disease; and/or
- e. other circumstances as considered by the Regent.

(2) Other circumstances based on the Regent's consideration as referred to in paragraph (1) letter e are situations beyond the Taxpayer's control, based on the

Regent's objective assessment, that prevent the Taxpayer from meeting the deadline for filing an objection.

(3) Other circumstances based on the Regent's consideration as referred to in paragraph (1) letter e, when the Taxpayer is in a remote area or there is an acquisition of the Taxpayer by another party, which prevents the Taxpayer from submitting objections and completing the supporting documents for the objection.

#### Article 217

(1) If the Taxpayer submits an objection, the period for settling the unpaid Tax at the time of the objection submission is deferred for up to 1 (one) month from the date of issuance of the Objection Decision Letter.

(2) The unpaid Tax at the time of the objection submission as referred to in paragraph (1) is not considered as a Tax Debt as referred to in Article 203 paragraph (1).

#### Article 218

(1) The Regent or the appointed Official must make a decision on the objection submitted by the Taxpayer as referred to in Article 215 paragraph (1).

(2) In making the decision referred to in paragraph (1), the Regent or the appointed Official may conduct an examination.

(3) The decision of the Regent or the appointed Official on the objection referred to in paragraph (1) may be:

a. accepting the entire objection if the Tax payable based on the examination matches the Tax due according to the Taxpayer;

b. accepting part of the objection if the Tax payable based on the examination partially matches the Tax due according to the Taxpayer;

c. rejecting the objection if the Tax payable based on the examination matches the Tax due in the decision/notice that the Taxpayer objected to; or

d. increasing the amount of Tax payable if the Tax payable based on the examination exceeds the Tax due in the decision/notice the Taxpayer objected to.

#### Article 219

(1) The decision of the Regent or the appointed Official as referred to in Article 218 paragraph (1) must be made within a maximum period of 12 (twelve) months from the date the objection letter is received as referred to in Article 215 paragraph (6).

(2) If within the period referred to in paragraph (1) the Regent or the appointed Official does not issue a decision, the objection is considered accepted.

#### Article 220

(1) In the event the Taxpayer's objection is partially or fully granted, the excess tax paid shall be refunded with an interest reward of 0.6% (zero point six percent) per month calculated from the overpaid Tax for a maximum period of 24 (twenty-four) months, with any partial month being counted as a full month.

(2) The interest reward referred to in paragraph (1) is calculated from the month of payment until the issuance of the Objection Decision Letter.

(3) In cases where the Taxpayer's objection is rejected or partially granted, the Taxpayer shall be subject to an administrative sanction in the form of a fine of 30% (thirty

percent) of the Tax amount based on the Objection Decision, reduced by the Tax already paid before filing the objection.

#### Article 221

(1) The Taxpayer may file an appeal only to the tax judiciary body against the Objection Decision issued by the Regent or the appointed Official as referred to in Article 219 paragraph (1) no later than 3 (three) months from the date the decision is received, accompanied by a copy of the Objection Decision.

(2) The appeal application as referred to in paragraph (1) must be submitted in writing in Indonesian and accompanied by clear reasons.

(3) The appeal application as referred to in paragraph (1) suspends the obligation to pay the Tax until 1 (one) month from the date the Appeal Decision is issued.

(4) The filing of the appeal is carried out in accordance with the provisions of applicable laws and regulations.

#### Article 222

(1) In the event that the appeal is granted in whole or in part, the excess tax paid shall be refunded with an interest reward of 0.6% (zero point six percent) per month calculated from the overpaid Tax for a maximum period of 24 (twenty-four) months, with any partial month being counted as a full month.

(2) The interest reward referred to in paragraph (1) is calculated from the month of payment until the issuance of the Appeal Decision.

(3) In cases where the Taxpayer files an appeal, the administrative sanction in the form of a fine of 30% (thirty percent) referred to in Article 220 paragraph (3) will not be imposed.

(4) In cases where the appeal is rejected or partially granted, the Taxpayer will be subject to an administrative sanction in the form of a fine of 60% (sixty percent) of the Tax amount based on the Appeal Decision, reduced by the Tax already paid before filing the objection.

### Paragraph 13

#### Tax Lawsuit

#### Article 223

(1) The Taxpayer's or Tax Liability Guarantor's lawsuit against:

- a. the enforcement of a Forced Letter, a seizure order, or auction announcement;
- b. a decision on prevention in the context of Tax Collection;
- c. decisions related to the execution of tax decisions, other than those established in Article 215 paragraph (3) and Article 216; and
- d. the issuance of a Tax Assessment Letter or Objection Decision Letter that was issued contrary to the procedures or methods regulated in the applicable laws and regulations, can only be filed to the tax judiciary body.

(2) The filing of lawsuits as referred to in paragraph (1) shall be carried out in accordance with the provisions of applicable laws and regulations.

Paragraph 14

Provision of Tax Facilities

Article 224

(1) In support of investment ease policies, the Regent may provide fiscal incentives to business actors in the region.

(2) The fiscal incentives referred to in paragraph (1) may include reductions, exemptions, and the cancellation or removal of Tax principal and/or penalties.

(3) The granting of fiscal incentives as referred to in paragraph (1) is the authority of the Regent in accordance with the regional financial management policy.

Article 225

(1) Fiscal incentives as referred to in Article 224 paragraph (1) may be granted upon the request of the Taxpayer or granted by the Regent ex officio.

(2) The granting of fiscal incentives as referred to in paragraph (1) considers:

- a. the Taxpayer's ability to pay;
- b. specific conditions of the Tax object, such as the object being affected by natural disasters, fire, and/or other causes not due to intentional acts by the Taxpayer and/or other parties aiming to avoid paying Taxes;
- c. to support and protect micro and ultra-micro businesses;
- d. to support the regional government's policies in achieving regional priority programs; and/or
- e. to support the national government's policies in achieving national priority programs.

(3) The granting of fiscal incentives to the Taxpayer as referred to in paragraph (2) letters a and b shall be made by considering factors such as:

- a. the Taxpayer's compliance with tax payments for the last 2 (two) years;
- b. the sustainability of the Taxpayer's business;
- c. the contribution of the Taxpayer's business and investment to the regional economy and employment; and/or
- d. other factors determined by the Regent.

(4) The granting of fiscal incentives to the Taxpayer who is a micro and ultra-micro business actor as referred to in paragraph (2) letter c, is carried out in accordance with the criteria for micro and ultra-micro businesses in the laws and regulations regarding micro, small, medium businesses, and cooperatives.

(5) The granting of fiscal incentives to the Taxpayer as referred to in paragraph (2) letter d, is adjusted to the regional priorities outlined in the regional medium-term development plan.

(6) The granting of fiscal incentives to the Taxpayer as referred to in paragraph (2) letter e, is conducted to accelerate the completion of national strategic projects.

#### Article 226

The granting of fiscal incentives as referred to in Article 224 and Article 225 must be notified to the Regional People's Representative Council (DPRD), attaching the Regent's considerations in granting the fiscal incentives.

Article 227

(1) In the case of granting fiscal incentives upon the Taxpayer's request as referred to in Article 213 paragraph (1), the Regent or the appointed Official may conduct a Tax Examination for the purposes as referred to in Article 196 paragraph (1).

(2) The Tax Examination referred to in paragraph (1) aims to ensure that the Taxpayer who submits a request for fiscal incentives is entitled to receive such incentives based on the considerations and factors as referred to in Article 224 paragraphs (2) and (3).

Article 228

The Regent may provide regional tax facilities to the Taxpayer, including:

- a. an extension of the deadline for tax payment or reporting; and/or
- b. providing installment facilities or postponing the payment of the outstanding Tax.

Article 229

(1) An extension of the deadline for the payment or reporting of taxes, as referred to in Article 228 letter a, may be granted to a Taxpayer who experiences circumstances beyond their control, which prevents them from fulfilling their tax obligations on time.

(2) The extension of the deadline for the payment or reporting of taxes, as referred to in paragraph (1), may be granted by the Regent ex officio or based on a request from the Taxpayer.

## Article 230

(1) The provision of installment facilities or postponement of the payment of outstanding taxes, as referred to in Article 228 letter b, may be given when the Taxpayer experiences liquidity difficulties or circumstances beyond their control, which prevent the Taxpayer from fulfilling their tax payment obligations on time.

(2) The provision of installment facilities or postponement of tax payments, as referred to in paragraph (1), may be granted by the Regent based on a request from the Taxpayer, as stipulated in the Regent's decision.

(3) In granting installment facilities or postponement of the payment of outstanding taxes, as referred to in paragraph (1), the Regent considers the Taxpayer's compliance with tax payments during the last 2 (two) years.

(4) The Regent's decision on the Taxpayer's request, as referred to in paragraph (2), may include:

a. approving the total amount of tax installments and/or the installment period or postponement period as requested by the Taxpayer;

b. approving part of the requested tax installment amounts and/or installment period or postponement period; or

c. rejecting the Taxpayer's request.

(5) Approval or partial approval of installments or postponement, as referred to in paragraph (4) letters a and b, may be granted for a maximum period of 12 (twelve) months.

(6) Installment payments for each period and postponed tax payments are subject to an interest of 0.6% (zero point six percent) per month on the tax amount still to be paid, for a maximum period of 24 (twenty-four) months, with any partial month being counted as a full month.

## Article 231

Circumstances beyond the control of the Taxpayer, as referred to in Article 229 paragraph (1) and Article 230 paragraph (1), include:

a. natural disasters;

b. fires;

- c. mass riots or civil unrest;
- d. outbreaks of disease; and/or
- e. other circumstances as considered by the Regent.

#### Paragraph 15

Provision of Reductions, Reductions, Exemptions, and Postponements of Payment on Tax Principal and/or Penalties\*\*

#### Article 232

(1) The Regent or the appointed Official may grant reductions, exemptions, and postponements of payments on the tax principal and/or penalties.

(2) The granting of reductions, exemptions, and postponements, as referred to in paragraph (1), considers the conditions of the Taxpayer and/or the Tax object.

(3) The conditions of the Taxpayer, as referred to in paragraph (2), include the ability to pay or the Taxpayer's liquidity level.

(4) The conditions of the Tax object, as referred to in paragraph (2), include agricultural land that is very limited, land and buildings occupied by the Taxpayer from a certain group, the value of the Tax object up to a certain limit, and Tax objects affected by natural disasters, fires, civil unrest, and/or riots.

#### Paragraph 16

Correction and Cancellation of Tax Decisions

#### Article 233

(1) Upon the request of the Taxpayer or ex officio, the Regent or the appointed Official may make corrections to the SPPT, SKPD, SKPDKB, SKPDKBT, STPD, SKPDN, or SKPDLB that, in their issuance, contain typographical errors and/or calculation errors and/or misapplication of certain provisions in the applicable regional tax regulations.

(2) The correction referred to in paragraph (1) shall be determined in a Correction Decision Letter.

#### Article 234

(1) In the case of correction based on the Taxpayer's request as referred to in Article 233 paragraph (1), the request must be supported by convincing new facts.

(2) The submission of the request as referred to in paragraph (1) must be accompanied by the following requirements:

a. a written request in Indonesian addressed to the Regional Government Office responsible for revenue affairs;

b. a photocopy of the Taxpayer's identity number or business registration number;

c. if authorized, a notarized power of attorney and a photocopy of the identity number of the person authorized;

d. the SPPT, SKPD, SKPDKB, SKPDKBT, STPD, SKPDN, or SKPDLB for which the request is made.

(3) In addition to the requirements referred to in paragraph (2), the Regent or appointed Official may request additional data, information, and/or other necessary details.

(4) The submission of the required documents as referred to in paragraph (2) and paragraph (3) must be done no later than 7 (seven) working days from the issuance of the SPPT, SKPD, SKPDKB, SKPDKBT, STPD, SKPDN, or SKPDLB.

(5) Requests that do not meet the requirements as referred to in paragraphs (2) to (4) will not be considered, and the request documents will be returned to the Taxpayer.

#### Article 235

(1) The Regent or appointed Official shall follow up on the Taxpayer's request as referred to in Article 233 paragraph (1) by conducting research and discussion.

(2) The Regent or appointed Official shall issue a Correction Decision Letter within a maximum period of 6 (six) months from the date the correction request is received.

(3) The Correction Decision Letter referred to in paragraph (2) shall contain decisions, including:

a. granting the Taxpayer's request by correcting errors or mistakes that may involve adding, reducing, or eliminating the amount of tax owed, as well as administrative sanctions such as interest, fines, and tax increases;

b. canceling the STPD or canceling the results of the tax inspection or the tax decision that was carried out or issued contrary to the prescribed procedure; and/or

c. rejecting the Taxpayer's request.

#### Article 236

(1) In the case of corrections as referred to in Article 234 paragraph (1), the Regent or the appointed Official must consider justice and the discovery of new findings.

(2) The consideration as referred to in paragraph (1) will be followed up with research and discussion.

(3) The results of the research and discussion, as referred to in paragraph (2), will include a decision containing:

a. correcting errors or mistakes, which may involve adding, reducing, or eliminating the amount of tax owed, as well as administrative sanctions such as interest, fines, and tax increases; and/or

b. canceling the STPD or canceling the results of an inspection or tax decision that was carried out or issued in violation of prescribed procedures.

#### Paragraph 17

#### Refund of Overpaid Taxes

#### Article 237

(1) A Taxpayer may submit a refund request for overpaid taxes to the Regent or the appointed Official.

(2) The overpayment as referred to in paragraph (1) occurs in the case of:

- a. taxes paid that are greater than the amount actually owed; or
- b. taxes that were paid but were not supposed to be owed.

(3) The refund request as referred to in paragraph (1) must be accompanied by the following requirements:

- a. the request must be submitted in writing in Indonesian, stating the amount of the refund requested along with clear reasons;
- b. a photocopy of the identity number or business registration number;
- c. if authorized, a notarized power of attorney and a photocopy of the identity number of the authorized person; and
- d. a photocopy of the SPTPD (Taxpayer's Annual Tax Return) and valid proof of payment.

(4) Requests for refunds that do not meet the requirements as referred to in paragraph (3) will be considered invalid and will not be processed.

#### Article 238

(1) The Regent or appointed Official must issue a decision on the refund request within a maximum period of 12 (twelve) months from the date the overpayment refund request is received, as referred to in Article 237.

(2) If the time period referred to in paragraph (1) has passed and no decision is made by the Regent or appointed Official, the refund request will be considered approved, and an SKPDLB (Tax Refund Decision Letter) must be issued within a maximum of 1 (one) month.

#### Article 239

(1) If the Taxpayer has other outstanding tax debts, the overpaid tax will be directly applied to settle those other tax debts first.

(2) The other tax debts as referred to in paragraph (1) are tax debts that have not been paid by the Taxpayer, other than the taxes for which the overpayment refund is being requested.

#### Article 240

(1) The refund of overpaid taxes will be processed within a maximum of 2 (two) months from the issuance of the SKPDLB.

(2) If the refund is made after the 2 (two) months period, the Regent or appointed Official will provide an interest payment of 0.6% (zero point six percent) per month, calculated from the overpaid tax amount, for a period of up to 24 (twenty-four) months, with any partial month being considered as a full month.

#### Article 241

(1) The refund of overpaid taxes will be carried out by issuing a disbursement order.

(2) The disbursement order for the overpaid taxes will be charged to the tax revenue refund budget, with a corresponding correction of income for the current fiscal year.

(3) The disbursement order for overpaid taxes from previous years that have already been closed will be charged to the unforeseen budget.

### Third Section

#### Procedures for Collecting Levies (Opsen)

#### Paragraph 1

#### Opsen PKB (Motor Vehicle Tax Levy)

#### Article 242

(1) The Opsen PKB is based on the name, identity number, and/or address of the vehicle owner in the region.

(2) The amount of the principal Opsen PKB owed is calculated by multiplying the Opsen PKB rate of 66% (sixty-six percent) by the tax base as referred to in Article 55.

(3) Opsen PKB is collected simultaneously with the collection of the owed Motor Vehicle Tax.

(4) Payment of Opsen PKB is made to the regional treasury along with the payment of the Motor Vehicle Tax.

(5) The simultaneous payment as referred to in paragraph (4) means that the payment of Opsen PKB is made together with the Motor Vehicle Tax payment through a split payment mechanism, either directly or automatically.

(6) Further provisions regarding the collection of Opsen PKB as referred to in paragraph (3) and payment of Opsen PKB as referred to in paragraph (4) will be carried out in accordance with prevailing laws and regulations.

## Paragraph 2

### Opsen BBNKB (Motor Vehicle Transfer Duty Levy)

## Article 243

(1) The Opsen BBNKB is based on the name, identity number, and/or address of the vehicle owner in the region.

(2) The amount of the principal Opsen BBNKB owed is calculated by multiplying the Opsen BBNKB rate of 66% (sixty-six percent) by the tax base as referred to in Article 58.

(3) Opsen BBNKB is collected simultaneously with the collection of the owed Motor Vehicle Transfer Duty.

(4) Payment of Opsen BBNKB is made to the regional treasury along with the payment of the motor vehicle transfer duty.

(5) The simultaneous payment as referred to in paragraph (4) means that the payment of Opsen BBNKB is made together with the Motor Vehicle Transfer Duty payment through a split payment mechanism, either directly or automatically.

(6) Further provisions regarding the collection of Opsen BBNKB as referred to in paragraph (3) and payment of Opsen BBNKB as referred to in paragraph (4) will be carried out in accordance with prevailing laws and regulations.

Paragraph 3

Opsen MBLB Tax (Luxury Goods Tax on Motorized Vehicles)

Article 244

(1) The calculation, payment, and reporting of the Opsen MBLB owed is done simultaneously with the calculation, payment, and reporting of the MBLB Tax.

(2) The amount of the principal Opsen MBLB owed is calculated by multiplying the Opsen MBLB rate of 25% (twenty-five percent) by the tax base for the Opsen MBLB.

(3) The payment of Opsen MBLB as referred to in paragraph (1) to the regional/provincial treasury is made simultaneously with the payment of the MBLB Tax to the regional treasury in the MBLB Tax SSPD (Tax Return Form).

(4) The simultaneous payment as referred to in paragraph (3) means that the payment of Opsen MBLB is made together with the MBLB Tax payment through a split payment mechanism, either directly or automatically.

(5) If the Taxpayer fails to make the payment for the MBLB Tax and/or the Opsen MBLB, the Regent will carry out collection efforts.

(6) If the Regent has received payment for the collection as referred to in paragraph (5), the Regent will deposit the Opsen MBLB portion to the provincial regional treasury no later than 3 (three) working days.

(7) The reporting of Opsen MBLB as referred to in paragraph (1) is included in the MBLB Tax SPTPD.

(8) Further provisions regarding the calculation, payment, and reporting of Opsen MBLB owed as referred to in paragraph (1) will be regulated in a separate Regent Regulation.

Article 245

(1) In the event that the Taxpayer submits a request for a refund of overpaid MBLB Tax to the Regent, the refund will include the calculation of the excess payment of Opsen MBLB.

(2) If the Taxpayer's request as referred to in paragraph (1) is approved, the Regent will issue an SKPDLB (Tax Refund Decision Letter) for the MBLB Tax as stipulated in Articles 234 and 235.

(3) A copy of the SKPDLB as referred to in paragraph (2) must be submitted to the Governor no later than 3 (three) working days from the date the SKPDLB is issued.

(4) Based on the SKPDLB as referred to in paragraph (2), the Regent will return the excess payment of MBLB Tax and Opsen MBLB that have been paid by the Governor through the Regent to the Taxpayer within a maximum of 2 (two) months from the issuance of the SKPDLB.

#### Paragraph 4

#### Synergy in Levy Collection

#### Article 246

(1) In order to optimize the collection of Opsen PKB, Opsen BBNKB, and Opsen MBLB, the Regional Government will cooperate with the Provincial Government and Village Governments.

(2) The synergy referred to in paragraph (1) includes coordination, networking, partnerships, and cooperation between the Regional Government and the Government, Provincial Government, Village Government, society, business sectors, educational institutions, and other parties.

(3) The synergy referred to in paragraph (1) will be carried out in accordance with the provisions of the applicable laws and regulations.

#### Paragraph 5 Tax Reconciliation

#### Article 247

(1) The Regent conducts a reconciliation of the data on the receipt of Opsen PKB, Opsen BBNKB, and MBLB Tax with the relevant agencies every quarter.

(2) The reconciliation of the data as referred to in paragraph (1) must at least compare:

- a. SKPD or SPTPD;
- b. SSPD;
- c. bank statement; and
- d. documents related to the settlement of tax underpayments and tax refund claims.

Fourth Section  
Procedures for Collecting Retributions

Paragraph 1  
Registration and Data Collection for Retributions

Article 248

- (1) Every Retribution-collecting Regional Agency may carry out registration and data collection for the Retribution Payers.
- (2) The registration and data collection as referred to in paragraph (1) must use the registration and data collection forms provided by each Retribution-collecting Regional Agency.
- (3) The registration and data collection form as referred to in paragraph (2) must be filled out correctly, clearly, completely, and signed by the Retribution Payer along with the following documents:
  - a. a photocopy of identity card;
  - b. a photocopy of business registration number; and
  - c. a properly stamped power of attorney if the Retribution Payer gives power of attorney, along with the identity of the recipient of the power of attorney.
- (4) The registration and data collection form that has been filled out correctly, clearly, completely, and signed by the Retribution Payer or their attorney as referred to in paragraph (3) must be submitted back to the Retribution-collecting Regional Agency no later than 7 (seven) days after the Retribution Payer receives the registration and data collection form.
- (5) The Retribution-collecting Regional Agency as referred to in paragraph (4) must submit the data of the Retribution Payer to the Regent through the Regional Agency responsible for the government affairs in the field of Regional Revenue at least every 6 (six) months.
- (6) The data as referred to in paragraph (5) will be used as the basis for the regional government's profiling system.

Paragraph 2  
Determination of the Amount of Retribution Due

Article 249

- (1) The amount of Retribution due is calculated based on the multiplication of the level of service usage and the Retribution rate.

(2) The amount of Retribution due as referred to in paragraph (1) is determined by SKRD (Tax Bill) or equivalent documents, either in printed or electronic form.

(3) Other equivalent documents as referred to in paragraph (6) may include tickets, coupons, subscription cards, BLUD (Regional Public Service Agency) invoices, and payment notifications, both electronically and non-electronically.

Paragraph 3  
Payment and Deposit of Retribution

Article 250

(1) The Retribution Payer must make the payment for the due Retribution as stipulated in the SKRD or equivalent document as referred to in Article 249 paragraph (2) to the regional treasury or through the Retribution Payer acting as the collector.

(2) If the Retribution Payer makes the payment to the regional treasury as referred to in paragraph (1), the payment must be made through an electronic payment system.

(3) If the electronic payment system as referred to in paragraph (2) is not yet available, the Retribution payment can be made through cash payment.

(4) The Retribution Payer acting as the collector as referred to in paragraph (1) must deposit all collected Retribution receipts to the regional treasury in accordance with the prevailing laws and regulations.

(5) The Retribution owed as referred to in paragraph (1) can be paid upfront before the service is provided.

Article 251

In the case that the Retribution is collected for services provided by BLUD, the Retribution payment by the Retribution Payer must be deposited into the BLUD cash account in accordance with the prevailing laws and regulations.

Paragraph 4  
Retribution Inspection

Article 252

- (1) The Regent or the appointed official is authorized to conduct an inspection to test the compliance with Retribution obligations and other purposes in accordance with the applicable laws and regulations on Retribution.
- (2) The inspection to test compliance with Retribution obligations as referred to in paragraph (1) is conducted when:
  - a. The Retribution Payer applies for a refund or compensation for overpaid Retribution;
  - b. There is other information in the form of concrete data indicating that the due Retribution was not or was underpaid; or
  - c. The Retribution Payer is selected for inspection based on risk analysis.

Article 253

- (1) During the inspection as referred to in Article 252, the Retribution Payer being inspected is obligated to:
  - a. Show and/or lend books or records, documents underlying the Retribution due, and other documents related to the taxable object;
  - b. Provide access to enter places or rooms considered necessary and provide assistance to facilitate the inspection; and/or
  - c. Provide the required information.
- (2) In carrying out the inspection as referred to in Article 251, the rights of the Retribution Payer being inspected include:
  - a. Requesting the identity and assignment proof of the inspector;
  - b. Asking the inspector to explain the reasons and purposes of the inspection; and
  - c. Receiving the inspection results documents and providing responses or explanations regarding the inspection results.
- (3) If the Retribution Payer fails to meet the obligations as referred to in paragraph (1), the amount of the Retribution owed will be determined by authority.
- (5) The authority determination as referred to in paragraph (3) is based on available data and/or information held by the regional government.
- (6) If the Retribution Payer fails to meet the obligations as referred to in paragraph (1), causing difficulties in determining the gross turnover value, the Retribution owed may be determined using the highest turnover or revenue report from the last 1 (one) year.

## Article 254

- (1) For inspection purposes, the inspector must be equipped with identification and proof of assignment and show it to the Retribution Payer being inspected.
- (2) In case of bookkeeping inspection or audit, the Regent, upon request from the Retribution-collecting Regional Agency, may designate the Regional Agency responsible for supervision to accompany the Retribution inspector.
- (3) For security purposes, if necessary, the Retribution-collecting Regional Agency may request security assistance from law enforcement agencies and/or the Regional Agency responsible for public order.
- (4) For inspection purposes, if the Retribution Payer is bound by an obligation to keep certain matters confidential, the obligation to keep it confidential will be waived.
- (5) To facilitate the inspection and reporting of Retribution, the Regional Government may:
  - a. Place transaction recording devices;
  - b. Issue receipts or other similar documents; and/or
  - c. Perform perforation on the receipts issued by the collector.

## Paragraph 5

## Collection of Levies

## Article 255

- (1) The Regent or the appointed official may issue a Tax Collection Letter (STRD) if a Levy Obligor fails to pay on time or pays less than the due amount.
- (2) If a Levy Obligor fails to pay on time or pays less, the Levy Obligor will be subject to an administrative sanction in the form of an interest of 1% (one percent) per month on the unpaid or underpaid levy, calculated from the due date until the date of payment, for a period of up to 24 (twenty-four) months, and this will be collected using the STRD.

## Article 256

- (1) The levy debt as stated in the STRD serves as the basis for the collection of the levy.

(2) Based on the levy collection as referred to in paragraph (1), which has not yet reached the payment or settlement due date, a reminder may be issued.

(3) A reminder as referred to in paragraph (2) is an informational notice to the Levy Obligor to remind them to settle the levy debt before a Warning Letter is issued.

(4) The reminder referred to in paragraph (2) may be issued through a reminder letter or other media.

#### Article 257

(1) The Regent manages the levy receivables to determine the priority for levy collection.

(2) In order to carry out the levy collection as referred to in paragraph (1), the Regent is authorized to appoint an official to implement the collection.

(3) The official referred to in paragraph (1) is authorized to:

a. Appoint and dismiss levy officers; and

b. Issue:

1. Warning letters, reminders, or similar letters;
2. Immediate and simultaneous levy collection orders;
3. Compulsory payment orders;
4. Orders to carry out seizures;
5. Orders to detain property;
6. Orders to release seized property;
7. Auction announcements;
8. Letters determining the reserve price;
9. Cancellation of auctions; and
10. Other necessary letters for levy collection.

(4) The Regent or the appointed official instructs the levy officer to carry out the levy collection.

#### Article 258

(1) The procedure for levy collection as referred to in Article 257 paragraph (1) begins with the issuance of a Warning Letter.

(2) The Warning Letter referred to in paragraph (1) is a reminder or another form used to warn and remind the Levy Obligor to settle their levy debt in an effort to collect the levy before a Compulsory Payment Order is issued.

(3) The Warning Letter referred to in paragraph (2) specifies the deadline for the Levy Obligor to settle their levy debt.

(4) If the deadline referred to in paragraph (3) is exceeded and the Levy Obligor has not settled their levy debt, a Compulsory Payment Order is issued.

(5) Specifically for Levy Obligors who have been approved to pay in installments or delay payment of their levy, no Warning Letter will be issued for the debt being paid in installments or delayed.

(6) If the payment obligation for the levy debt as referred to in paragraph (5) has not been settled after the due date, a Compulsory Payment Order is issued without a prior Warning Letter.

#### Article 259

(1) The Compulsory Payment Order referred to in Article 258 paragraphs (4) and (6) shall be notified or delivered by the levy officer to the Levy Obligor.

(2) If the Levy Obligor does not settle their levy debt after 2x24 hours (two times twenty-four hours) from the delivery of the Compulsory Payment Order as referred to in paragraph (1), an order for the execution of a seizure is issued.

(3) The order for the execution of a seizure referred to in paragraph (2) is an order issued to carry out the seizure.

#### Article 260

(1) If the levy debt and/or levy collection costs are not settled after the seizure has been carried out based on the order for seizure execution as referred to in Article 259 paragraph (2), the official referred to in Article 257 paragraph (2) is authorized to conduct a public auction of the seized goods through an auction house.

(2) The Cost of Tax Collection as referred to in paragraph (1) constitutes the cost of executing the Forced Letter, an order to carry out confiscation, the announcement of the auction, the cancellation of the auction, and other costs associated with Tax Collection.

Article 261

- (1) The auction sale as referred to in Article 260 paragraph (1) shall be carried out at the earliest after a period of 14 (fourteen) days from the date of the auction announcement.
- (2) The auction announcement as referred to in paragraph (1) shall be carried out at the earliest after a period of 14 (fourteen) days from the execution of the confiscation.
- (3) The proceeds from the auction shall first be used to pay the Cost of Tax Collection and the remaining funds will be used to pay the outstanding Tax Debt.

Article 262

- (1) The Tax Officer as referred to in Article 257 paragraph (4) and Article 259 paragraph (1) shall be tasked with:
  - a. executing an Immediate and Simultaneous Tax Collection Order;
  - b. notifying the Forced Letter;
  - c. carrying out the confiscation of the taxpayer's property based on the confiscation order; and
  - d. performing the detention based on the detention order.
- (2) In carrying out their duties, the Tax Officer must be equipped with an identification card and an assignment letter, which must be shown to the taxpayer.
- (3) In carrying out the confiscation, the Tax Officer is authorized to enter and inspect all rooms, including opening cabinets, drawers, and other places to find confiscated objects at the business premises, residence, or other locations suspected to store confiscated items.
- (4) In carrying out their duties, the Tax Officer may request assistance from law enforcement officers and/or regional officials responsible for public order, safety, and community protection.
- (5) The Tax Officer shall perform their duties within the jurisdiction of the authority that appointed them, unless otherwise specified in accordance with applicable laws and regulations.

Article 263

- (1) The Tax Officer, based on the immediate and simultaneous collection order referred to in Article 262

paragraph (1), shall carry out Immediate and Simultaneous Tax Collection if:

- a. The taxpayer is about to permanently leave Indonesia or intends to do so;
- b. The taxpayer transfers the property they own or control in order to cease or reduce their business activities or work in Indonesia;
- c. There are signs that the taxpayer will dissolve, merge, or spin off their business, or transfer the company they own or control, or make any other form of change;
- d. The business entity is to be dissolved by the state; or
- e. There has been confiscation of the taxpayer's property by a third party or there are signs of bankruptcy.

(2) The Immediate and Simultaneous Collection Order shall at least contain:

- a. The name of the tax subject, or the name of the tax and the taxpayer;
- b. The amount of Tax Debt;
- c. The order to pay; and
- d. The time for the Tax payment.

(3) The Immediate and Simultaneous Collection Order shall be issued before the Forced Letter is issued.

#### Article 264

(1) In the process of Tax Collection, taxpayers who do not show good faith in settling Tax Debts and have Tax Debts above a certain minimum amount may be subject to preventive measures and/or detention.

(2) Preventive measures and/or detention against taxpayers shall not result in the cancellation of Tax Debt or the suspension of Tax Collection activities.

#### Section 6

##### Expiration of Tax Collection

#### Article 265

(1) The right to carry out Tax Collection becomes expired after 3 (three) years from the time the Tax Debt is due,

unless the taxpayer commits a criminal act in the field of Taxation.

(2) The expiration of Tax Collection as referred to in paragraph (1) is deferred if:

a. A Warning Letter is issued; or

b. There is an acknowledgment of the Tax Debt by the taxpayer, either directly or indirectly.

(3) In case a Warning Letter is issued as referred to in paragraph (2) letter a, the expiration of the Tax Collection is calculated from the date the Warning Letter is delivered.

(4) Direct acknowledgment of the Tax Debt as referred to in paragraph (2) letter b means that the taxpayer consciously declares that they still have outstanding Tax Debts and has not paid them to the local government.

(5) Indirect acknowledgment of the Tax Debt as referred to in paragraph (2) letter b can be determined from the taxpayer's request for an installment or deferral of payment, or their request for an objection.

(6) If there is an acknowledgment of the Tax Debt by the taxpayer as referred to in paragraph (2) letter b, the expiration of the Tax Collection is calculated from the date of acknowledgment.

## Section 7

### Write-off of Tax Receivables

#### Article 266

(1) Tax Receivables that are no longer collectible because the right to carry out Tax Collection has expired may be written off.

(2) Tax Receivables that are written off as referred to in paragraph (1) shall be determined by the Regent's decision.

(3) The Regent's decision as referred to in paragraph (2) shall be made after Tax Collection has been carried out up to the expiration limit as referred to in Article 265 paragraph (1), as evidenced by all documents related to the Tax Collection process.

(4) The Regent's decision as referred to in paragraph (2) shall be made after considering the results of coordination with the regional officials responsible for supervision.

## Section 8

## Blocking and Re-activation/Re-issuance of PBB P-2 Object Numbers

## Article 267

(1) The blocking of the PBB-P2 object number is carried out against:

- a. Tax arrears on PBB-P2 for individual taxpayers; and
- b. Tax arrears on PBB-P2 for corporate taxpayers.\*\*

(2) Blocking of the tax object number is carried out for tax arrears on PBB-P2 for individual taxpayers, as referred to in paragraph (1) letter a, in the following cases:

- a. The taxpayer/liable party has passed away and left no inheritance, nor heirs, with proof of certificate from the relevant authority;
- b. The taxpayer/liable party can no longer be found due to relocation or has left Indonesia; and
- c. Tax arrears that can no longer be collected because the tax object has changed or disappeared due to a natural disaster (force majeure).

(3) Regional Government agencies responsible for financial affairs may unilaterally block tax objects that are difficult to collect due to other reasons, such as tax objects in dispute.

(4) Blocking as referred to in paragraph (1) is carried out for tax objects if the taxpayer has failed to fulfill their tax payment obligations for 3 (three) consecutive years, or intermittently.

(5) Blocking as referred to in paragraph (2) is intended for tax objects categorized as inactive in the tax object management information system.

(6) The blocking as referred to in paragraph (2) does not eliminate the tax object.

## Article 268

(1) The conditions for reactivating a tax object number include:

- a. The taxpayer submits a written application personally or through an authorized representative to the Regional Government agency responsible for financial affairs;
- b. The taxpayer settles the outstanding tax obligation;

- c. A copy of the SPPT PBB-P2 or its equivalent;
- d. A copy of the taxpayer's ID card or identity document;  
and
- e. A copy of the certificate/deed of sale/other proof of ownership.

(2) In the event that the taxpayer applies for the reactivation of an inactive tax object number, the following conditions apply:

- a. The taxpayer must pay all tax debts recorded since the last SPPT was issued;
- b. The taxpayer must pay a fine of 1% (one percent) per month, accumulating on the total tax assessment each year until the last SPPT was issued, with a maximum fine of 24% (twenty-four percent) for any tax debt older than 24 (twenty-four) months;
- c. The taxpayer must pay the tax receivables that should have been paid from the time the tax object was blocked until the issuance of the new tax object number;
- d. The regional government agency responsible for financial affairs must determine the NJOP (taxable value of property) according to the period of tax assessments that have been issued; and
- e. The taxpayer must pay a fine equal to 2 (two) times the tax assessment for the year the new NJOP is issued.

## Section 9

### Objections to Retribution

#### Article 269

(1) Certain taxpayers may file an objection letter to the Regent or the appointed official regarding the SKRD (tax assessment letter) or other similar documents.

(2) The objection as referred to in paragraph (1) must be submitted in writing in Indonesian, with clear reasons.

(3) The objection as referred to in paragraph (1) must be submitted within 3 (three) months from the date the SKRD was issued, unless the taxpayer can demonstrate that they could not meet this deadline due to circumstances beyond their control.

(4) The submission of the objection as referred to in paragraph (1) does not suspend the obligation to pay the retribution or the execution of retribution collection.

## Article 270

(1) The objection letter as referred to in Article 269 paragraph (1) shall be submitted to the Head of the Regional Government agency responsible for licensing matters or the Head of the technical unit of the local retribution collector.

(2) The submission of the objection letter as referred to in paragraph (1) can be done in the following ways:

- a. Direct submission;
- b. Submission by mail; or
- c. By other means.

(3) If the objection letter is submitted by the method referred to in paragraph (2) letter a, the recipient shall provide proof of receipt of the letter, which serves as confirmation of receipt of the objection letter.

(4) The submission of the objection letter by mail, as referred to in paragraph (2) letter b, means the submission of the objection letter by mail that has proof of registered delivery.\*\*

(5) The submission of the objection letter by other means as referred to in paragraph (2) letter c includes:

- a. Through an expedition or courier service company with proof of delivery; or
- b. Through an information system.

(6) The expedition or courier service company referred to in paragraph (5) letter a is a company in the form of a legal entity.

(7) For the submission of the objection letter as referred to in paragraph (5) letter b, an Electronic Receipt will be provided.

(8) The proof of receipt of the letter as referred to in paragraph (3), the proof of delivery as referred to in paragraph (2) letter b and paragraph (5) letter a, and the Electronic Receipt as referred to in paragraph (7), all serve as proof of receipt of the objection letter.

(9) The date listed on the proof of receipt of the objection letter as referred to in paragraph (8) is considered the date the objection letter was received.

## Article 271

(1) Circumstances beyond control as referred to in Article 269 paragraph (3) include:

- a. Natural disasters;
- b. Fires;
- c. Mass riots or disturbances;
- d. Epidemic diseases; and/or
- e. Other circumstances as deemed by the Regent.

(2) Other circumstances based on the consideration of the Regent as referred to in paragraph (1) letter e refer to situations beyond the taxpayer's ability, as objectively assessed by the Regent, which cause the taxpayer to be unable to meet the deadline for submitting an objection.

(3) Other circumstances based on the consideration of the Regent as referred to in paragraph (1) letter e apply when the taxpayer is located in a remote area or there is an acquisition of the taxpayer by another party, causing the taxpayer to face obstacles in submitting objections or completing the necessary supporting documents for the objection.

## Article 272

(1) The Regent or the appointed official must make a decision on the objection within a maximum of 6 (six) months from the date the objection letter is received by issuing an objection decision letter.

(2) In making the decision as referred to in paragraph (1), the Regent or the appointed official may conduct an examination.

(3) The decision of the Regent or the appointed official regarding the objection may result in: accepting the objection in full or in part, rejecting the objection, or increasing the amount of the retribution owed.

(4) If the period referred to in paragraph (1) has passed and the Regent or appointed official has not made a decision, the objection shall be considered accepted in full.

Article 273

(1) In the event that the objection to the retribution is partially or fully granted, any excess payment of retribution will be refunded along with an interest reward of 0.6% (zero point six percent) per month, calculated on the excess retribution paid for a period of up to 12 (twelve) months, with any part of the month counted as a full month.

(2) The interest reward referred to in paragraph (1) is calculated from the month of payment until the issuance of the SKRDLB (Tax Overpayment Notification).

Section 10

Provision of Retribution Facilities

Article 274

(1) In support of investment ease policies, the Regent may provide fiscal incentives to business actors in the Region.

(2) Fiscal incentives as referred to in paragraph (1) include reductions, discounts, exemptions, or the removal of the principal retribution and/or its sanctions.

(3) The provision of fiscal incentives as referred to in paragraph (1) is within the authority of the Regent in accordance with the regional policies on regional financial management.

Article 275

(1) Fiscal incentives as referred to in Article 274 paragraph (1) can be granted upon the request of the taxpayer or granted ex officio by the Regent.

(2) The provision of fiscal incentives as referred to in paragraph (1) shall consider:

a. The taxpayer's ability to pay the retribution;

b. Certain conditions of the Retribution object, such as the object of Retribution being affected by a natural disaster, fire, and/or other causes that occur not due to intentional actions by the Retribution Obligor and/or other parties intending to avoid paying the Retribution;\*\*

c. To support and protect micro and ultra-micro business actors;\*\*

d. To support local government policies in achieving regional priority programs; and/or\*\*

e. To support the government's policies in achieving national priority programs.\*\*

(3) The provision of fiscal incentives to the Retribution Obligor as referred to in paragraph (2) points a and b, is carried out by considering several factors, including:

a. Compliance with the payment and reporting of Retribution by the Retribution Obligor over the last 2 (two) years;

b. Continuity of the Retribution Obligor's business;

c. The contribution of the Retribution Obligor's business and investment to the regional economy and job opportunities in the region; and/or

d. Other factors determined by the Regent.

(4) The provision of fiscal incentives to micro and ultra-micro business actors as referred to in paragraph (2) point c, is carried out according to the micro and ultra-micro business criteria in the laws and regulations concerning micro, small, medium businesses, and cooperatives.

(5) The provision of fiscal incentives to the Retribution Obligor as referred to in paragraph (2) point d, is adjusted to the regional priorities outlined in the regional medium-term development plan.

(6) The provision of fiscal incentives to the Retribution Obligor as referred to in paragraph (2) point e, is carried out to accelerate the completion of national strategic projects.

#### Article 276

The provision of fiscal incentives as referred to in Article 275 paragraph (1) must be notified to the Regional People's Representative Council (DPRD) along with the Regent's consideration in granting the fiscal incentive.

#### Article 277

(1) In the case of granting fiscal incentives upon the request of the Retribution Obligor as referred to in Article 275 paragraph (1), the Regent or appointed official may conduct a Retribution Inspection for the purposes referred to in Article 252 paragraph (1).

(2) The tax inspection referred to in paragraph (1) aims to ensure that the Retribution Obligor requesting fiscal incentives is entitled to receive the incentives in accordance with the considerations and factors referred to in Article 275 paragraph (2) and paragraph (3).

Paragraph 11

Granting of Reductions, Reductions, Exemptions, and Postponement of Payments on Principal and/or Sanctions of Retribution

Article 278

(1) The Regent or appointed official may grant reductions, exemptions, and postponements of payment on the principal and/or sanctions of Retribution.

(2) The granting of reductions, exemptions, and postponements of payments as referred to in paragraph (1) must consider the condition of the Retribution Obligor and/or the object of Retribution.

(3) The condition of the Retribution Obligor as referred to in paragraph (2) includes the Retribution Obligor's ability to pay or liquidity level.

(4) The condition of the Retribution object as referred to in paragraph (2) includes, among other things, very limited agricultural land, land and buildings occupied by the Retribution Obligor from a certain group, the value of the Retribution object up to a certain limit, and Retribution objects affected by natural disasters, fires, riots, and/or civil unrest.

Paragraph 12

Refund of Excess Retribution Payments

Article 279

(1) For excess payment of Retribution, the Retribution Obligor may submit a refund request to the Regent or appointed official.

(2) Excess payment as referred to in paragraph (1) occurs in the event that:

a. The paid Retribution is greater than the amount that should have been owed; or

b. Payment of Retribution that should not have been owed was made.

(3) The refund request as referred to in paragraph (1) must include the following requirements:

a. The request is submitted in writing in Indonesian, stating the amount of refund requested along with a clear explanation;

b. A photocopy of the population identification number or a photocopy of the business identification number;

c. If authorized, a power of attorney with sufficient stamp duty and a photocopy of the identification number of the person receiving the power of attorney must be attached; and

d. A photocopy of the Tax Payment Notice (SKRD) and valid payment evidence.

(4) Refund requests that do not meet the requirements as referred to in paragraph (3) will be considered as invalid requests and cannot be considered.

#### Article 280

(1) The Regent or appointed official must provide a decision within a maximum of 6 (six) months from the receipt of the request for a refund of excess Retribution payments as referred to in Article 279.

(2) If the period referred to in paragraph (1) has passed and the Regent or appointed official has not issued a decision, the request for the refund of the Retribution payment is considered granted, and the SKRDLB (Tax Overpayment Refund Certificate) must be issued within a maximum period of 1 (one) month.

#### Article 281

(1) If the Retribution Obligor has other Retribution debts, the excess payment of Retribution will be directly offset to first settle those other Retribution debts.

(2) Other Retribution debts referred to in paragraph (1) are the Retribution debts that have not yet been paid by the Retribution Obligor, other than the type of Retribution for which the excess payment refund is requested.

#### Article 282

(1) The refund of excess payment of Retribution must be completed within a maximum period of 2 (two) months from the issuance of the SKRDLB.

(2) If the refund of the excess payment of Retribution is made after 2 (two) months, the Regent or appointed official

shall provide an interest compensation of 0.6% (zero point six percent) per month, calculated from the overpaid Retribution for a maximum period of 24 (twenty-four) months, and any partial months are calculated as one full month.

#### Article 283

(1) The refund of excess payment of Retribution is carried out by issuing a fund disbursement order.

(2) The fund disbursement order for the excess payment of Retribution will be charged to the Retribution revenue refund budget, with an income correction in the current fiscal year.

(3) The disbursement order for the excess payment of Retribution for previous years that have been closed will be charged to the unforeseen budget.

### CHAPTER V

#### COOPERATION

##### Part One

#### Tax Collection Optimization Cooperation

#### Article 284

(1) In an effort to optimize tax revenue, the Regional Government may cooperate in tax collection optimization with:

- a. The Central Government;
- b. Other Regional Governments; and/or
- c. Third parties.

(2) The form of cooperation referred to in paragraph (1) may include:

- a. Exchange and/or utilization of tax, licensing, and other data and/or information in accordance with applicable regulations;
- b. Joint supervision of Taxpayers in accordance with applicable regulations;
- c. Utilization of programs/activities to improve public services, especially in the field of taxation;

- d. Assistance and capacity building in the field of taxation;
  - e. Enhancement of knowledge and capacity of personnel/human resources in taxation;
  - f. Use of payment service providers by third parties; and
  - g. Other activities deemed necessary to implement based on considerations of efficiency, effectiveness of public services, and mutual benefit.
- (3) The forms of cooperation referred to in paragraph (2) points a to e and g may be carried out together with the government and/or other Regional Governments.
- (4) The forms of cooperation referred to in paragraph (2) points c to g may be carried out with third parties.

#### Article 285

- (1) The Regional Government may:
- a. Submit cooperation offers to the intended parties as referred to in Article 284 paragraph (1); and
  - b. Accept cooperation offers from parties as referred to in Article 284 paragraph (1).
- (2) The cooperation referred to in Article 284 paragraph (2) shall be stated in a cooperation agreement document or another document agreed upon.
- (3) Specifically for the cooperation referred to in Article 284 paragraph (2) point a, the cooperation agreement document shall be established by the Regent together with the cooperation partner.
- (4) The cooperation agreement document referred to in paragraph (3) must minimally regulate provisions regarding:
- a. The subjects of the cooperation;
  - b. The aims and objectives;
  - c. The scope;
  - d. The rights and obligations of the involved parties;
  - e. The duration of the agreement;
  - f. Sources of financing;
  - g. Dispute resolution;
  - h. Sanctions;
  - i. Correspondence; and
  - j. Amendments.

Article 286

(1) In order to optimize tax collection, the Regional Government may request data and/or information from business actors providing electronic communication facilities used for trade transactions.

(2) The data and/or information referred to in paragraph (1) is data and/or information related to individuals or entities registered and with turnover.

Part Two

Retribution Collection Cooperation

Article 287

(1) The Regional Government may carry out cooperation or appoint third parties to collect Retribution.

(2) The cooperation or appointment of third parties referred to in paragraph (1) does not include the determination of tariffs, supervision, and inspection.

(3) The Retribution collection carried out by third parties referred to in paragraph (1) is based on considerations of efficiency and effectiveness in the collection of Retribution.

(4) Further provisions regarding the mechanism and procedures for implementing cooperation or the appointment of third parties as referred to in paragraph (1) are regulated in a separate Regent Regulation.

CHAPTER VI

COLLECTION INCENTIVES

Article 288

(1) Regional apparatuses that carry out tax and retribution collection may be given incentives based on specific performance achievements.

(2) The provision of incentives as referred to in paragraph (1) is determined through the Regional Budget (APBD).

(3) Further provisions regarding the procedures for granting and utilizing incentives as referred to in paragraph (1) shall be carried out in accordance with the applicable laws and regulations.

## Article 289

Provisions regarding the incentives for tax and retribution collection as referred to in Article 288 may only be implemented until regulations regarding the income of civil servants, which have considered the position classes for tax and retribution collection duties, are enacted.

## CHAPTER VII

## TRANSITIONAL PROVISIONS

## Article 290

At the time this Regent Regulation comes into effect, the rights and obligations of Taxpayers and Retribution Obligors that have not been resolved before the enactment of this Regent Regulation shall be settled based on the laws and regulations in the field of tax and retribution that were established before the enactment of this Regent Regulation.

## CHAPTER VIII

## FINAL PROVISIONS

## Article 291

Provisions regarding the MBLB Tax, Vehicle Tax Options, and the Vehicle Name Transfer Duty Options, as regulated in this Regent Regulation, shall take effect on January 5, 2025.

## Article 292

At the time this Regent Regulation comes into effect:

- a. Regent Regulation Sukoharjo No. 84 of 2017 regarding the Tariffs for Health Services at the Sukoharjo District General Hospital (Official Gazette of Sukoharjo District 2017 No. 85), as amended several times, lastly by Regent Regulation Sukoharjo No. 90 of 2022 regarding the Second Amendment to Regent Regulation No. 84 of 2017 concerning Health Service Tariffs at the Sukoharjo District General Hospital (Official Gazette of Sukoharjo District 2022 No. 90);
- b. Regent Regulation Sukoharjo No. 49 of 2019 concerning the Amendment of the Retribution Tariffs for the Use of Regional Assets in Sukoharjo District (Official Gazette of Sukoharjo District 2019 No. 49); and
- c. Regent Regulation Sukoharjo No. 55 of 2020 concerning Service Tariffs at the Regional Public Service Agency of the Sukoharjo District Health Center (Official

Gazette of Sukoharjo District 2020 No. 55), are revoked and declared not valid.

Article 293

This Regent Regulation shall come into effect on the date of its promulgation.

To ensure everyone is informed, the promulgation of this Regent Regulation is ordered by placing it in the Official Gazette of Sukoharjo District.

Enacted in Sukoharjo

On November 28, 2024

REGENT OF SUKOHARJO,

signed

ETIK SURYANI

Promulgated in Sukoharjo

On November 28, 2024

SECRETARY OF THE SUKOHARJO DISTRICT,

signed

WIDODO

Official Gazette of Sukoharjo District

2024 No. 42

A true copy

HEAD OF THE LEGAL DIVISION,

TEGUH PRAMONO, SH, MH

Senior Supervisor

NIP. 19710429 199803 1 003





