



Indonesian Tax Amnesty

The long-awaited Indonesian Tax Amnesty has finally been approved by the Indonesian parliament. This is a good opportunity for Indonesian tax residents to get tax relief for their unreported net assets.

Below are the key features of the Indonesian tax amnesty:

1. The tax amnesty is applicable for Indonesian individual or corporate tax residents.
2. The tax amnesty is to cover fiscal years up to 31 December 2015. This means that taxpayers can report their undisclosed assets from past years up to 31 December 2015.
3. The reporting period of the tax amnesty to the Indonesian tax office is from 1 July 2016 to 31 March 2017.



4. The tariff of the tax amnesty is applied on a net asset basis as follows:

Assets	0-3 months	>3-6 months	>6-9 months
Declaration of Offshore Assets without repatriation	4%	6%	10%
Onshore Assets or Repatriated Offshore Asset	2%	3%	5%

Small Taxpayers	Gross Assets up to IDR10bn	Gross Assets More than IDR10bn
With revenue <IDR4.8billion	0.5%	2%

- Taxpayers are given three opportunities to submit applications to the Indonesian tax office from 1 July 2016 to 31 March 2017.
- Cash should be reported using nominal value, while non-cash assets should be reported using fair value. Fair value refers to the condition of assets based on the taxpayer's assessment.
- Repatriated offshore assets should be invested in Indonesian territory in the following instruments:
 - Government bonds
 - State-owned enterprise bonds
 - Financial investments in appointed banks
 - Corporate bonds supervised by OJK
 - Government-related infrastructure projects
 - Sectors to be determined by the Ministry of Finance
 - Other investment based on prevailing law
- Repatriated offshore assets need to be retained in Indonesia for at least 3 years, while onshore assets cannot be transferred out of Indonesia for at least 3 years.

Deloitte can assist clients in tax consultation in the areas of tax planning for high net worth individuals, corporate tax restructuring as well as preparation of tax amnesty applications, corporate tax returns and individual tax returns.

Key contact



Melisa Himawan
Tax Leader
mehimawan@deloitte.com



Dionisius Damijanto
Tax Partner
ddamijanto@deloitte.com



Irene Atmawijaya
Tax Partner
iatmawijaya@deloitte.com

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte's more than 225,000 professionals are committed to making an impact that matters. Deloitte serves 4 out of 5 Fortune Global 500® companies.

About Deloitte Southeast Asia

Deloitte Southeast Asia Ltd – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam – was established to deliver measurable value to the particular demands of increasingly intra-regional and fast growing companies and enterprises.

Comprising 270 partners and over 7,300 professionals in 25 office locations, the subsidiaries and affiliates of Deloitte Southeast Asia Ltd combine their technical expertise and deep industry knowledge to deliver consistent high quality services to companies in the region.

All services are provided through the individual country practices, their subsidiaries and affiliates which are separate and independent legal entities.

About Deloitte Indonesia

In Indonesia, services are provided by Deloitte Tax Solutions.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, any of its member firms, or any of the foregoing's affiliates (collectively the "Deloitte Network") are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

© 2016 Deloitte Tax Solutions