



## COVID-19 Regulations Update Summary

The following is a list of the COVID-19 regulations update summary.

All regulations are available in Indonesian.

1. Regulation : [22/4/PADG/2020](#)
- Date : 15 April 2020
- Title (Indonesian) : Pelaksanaan Peraturan Bank Indonesia nomor 22/4/PBI/2020 tentang insentif bagi bank yang memberikan penyediaan dana untuk kegiatan ekonomi tertentu guna mendukung penanganan dampak perekonomian akibat wabah virus corona.
- Title (English) : Implementation of Bank Indonesia Regulation number 22/4/PBI/2020 concerning incentives for banks that provide funds for certain economic activities to support handling economic impacts due to corona virus outbreak.

### **Summary**

This regulation is an implementing regulation and contains technical matters related to incentives for banks that provide funds for certain economic activities to support the handling of economic impacts due to the corona virus outbreak. In this regulation Bank Indonesia provides incentives in the form of:

- Export activities;
- Import activities;
- MSME Activities (Micro Enterprises, Small and Medium Enterprises); and/or
- Economic activities in other priority sectors determined by Bank Indonesia.

The incentive for the Bank as referred to in the form of a relaxation of the obligation to fulfill the Statutory Reserves in the rupiah which must be fulfilled daily, is 0.5% (zero point five percent) determined by Bank Indonesia. In addition, the scope of the provision of funds for certain economic activities as referred to consists of:

- Export credit or export financing;
- Productive or Financing Import Credit
- productive imports;
- L/C (Letter of Credit);
- MSME Credit or MSME Financing; and/or
- Credit or other Financing determined by Bank Indonesia, in rupiah and foreign currencies to non-bank third parties.

In the case of MSME Credit or MSME Financing as referred to include MSME Credit or MSME Financing with the type of use:

- Capital; and/or
- Investment

2. Regulation : [Keppres 12/2020](#)
- Date : 13 April 2020
- Title (Indonesian) : Penetapan bencana non alam penyebaran *Corona Virus Disease 2019 (Covid-19)* sebagai bencana nasional.
- Title (English) : Determination of non-natural disaster for the spread of Corona Virus Disease 2019 (Covid-19) as national disaster.

#### **Summary**

Due to the increasing number of victims, loss of property, and the wider coverage of the area affected by the disaster, also been established by the World Health Organization (WHO) as a Global Pandemic as of 11 March 2020, therefore this Presidential Decree Number 12 of 2020 is stipulated. The handling of national disaster caused by the spread of Corona Virus Disease 2019 (Covid-19) is carried out by the Task Force established by the government. In addition, through this regulation the government also states that whatever policies taken by the Governor, Regent and Mayor as Chair of the Covid-19 Acceleration Task Force in their respective region must pay attention to the Central Government's policies.

3. Regulation : [31/PMK.04/2020](#)
- Date : 13 April 2020
- Title (Indonesian) : Insentif tambahan untuk perusahaan penerima fasilitas kawasan berikat dan/atau kemudahan impor tujuan ekspor untuk penanganan dampak bencana penyakit virus corona (*Corona Virus Disease 2019/Covid-19*).
- Title (English) : Additional incentives for companies that receive bonded zone facilities and/or ease of imports for export purpose to handle the Corona Virus Disease impact 2019 (Covid-19).

#### **Summary**

In order to anticipate the impact of the spread of Covid-19 on the industry and the availability of domestic goods, the government issued this regulation. The incentives provided for companies that receive bonded zone facilities include deferral of import duties and are not taxed in the context of importing goods originating from outside the customs area and/or other places within the customs area. The items in question such as disinfectants, masks, personal protective equipment, thermometers, and/or other items needed for handling the impact of Covid-19. Whereas the incentives given for companies that receive import facilities for export purpose are goods originating from other places in customs areas that are entered by the KITE Company (Kemudahan Impor Tujuan Ekspor/Ease of Importation for Export Purpose) Exemption or KITE IKM Company (Ease of Importation of Export Purpose for Small and Medium Industries) for further processed or combined with the results of Exemption KITE Company or KITE IKM Company, are not subject to Value Added Tax or Value Added Tax and Sales Tax on Luxury Goods. The facility is only given to Exemption KITE Companies or KITE IKM Companies whose products are 100% (one hundred percent) exported.

4. Regulation : [29/PMK.03/2020](#)
- Date : 7 April 2020
- Title (Indonesian) : Pelaksanaan pelayanan administrasi perpajakan dalam keadaan kahar akibat pandemi *Corona Virus Disease 2019*.
- Title (English) : Implementation of tax administration services in force majeure due to the pandemic of Corona Virus Disease 2019.

#### **Summary**

In order to provide legal certainty in services to taxpayers due to the pandemic of Corona Virus Disease (Covid-19), it is necessary to provide guidance on the implementation of tax administration services and the issuance of tax legal products for tax administration services at the Directorate General of Taxation.

This regulation regulates the following matters:

- The due date for Tax Administration Services can be settled for a certain settlement period.
- Provisions regarding the requirement to extend or reapply the Tax Administration Service legal product do not apply.
- Exemption from Tax Administration Services in force majeure.
- Taxpayers submit applications for Tax Administration Services electronically to the Head of the DGT Regional Office, the Head of the Tax Office where the Taxpayer is registered, or the Head of the Taxpayer Office under the Primary Tax Office where the Taxpayer is registered and attached with the Required Document.

5. Regulation : [KEP-178/PJ/2020](#)
- Date : 9 April 2020
- Title (Indonesian) : Perpanjangan jangka waktu penyelesaian pelayanan administrasi perpajakan dalam keadaan kahar akibat pandemi *Corona Virus Disease 2019*.
- Title (English) : Extension of tax administration service settlement period in force majeure due to the pandemic of Corona Virus Disease 2019.

## Summary

In order to provide legal certainty in tax administration services to taxpayers in accordance with minimum service standards, the DGT stipulates an extension period for completing Tax Administration Services in force majeure due to the pandemic of Coronavirus Disease 2019 (Covid-19), as follows:

- For Tax Administration Services, which are set for a maximum settlement period of 1 (one) working day or a maximum of 7 (seven) working days, the settlement period is extended to a maximum of 15 (fifteen) working days since the application is completely received;
- For Tax Administration Services, which are set for a settlement period of more than 7 (seven) working days but not more than 1 (one) month, the settlement period is extended to a maximum of 1 (one) month after the application is completely received; and
- Regarding Administrative Services which are set for a settlement period of 1 (one) month or more, the period of completion since the application is completely received is not given an extension.

However, this extension period does not apply to services in providing facilities exempt from collection of Article 22 of the Import Income Tax and facility of exemption from the imposition of Value Added Tax on the import of Taxable Goods.

Additionally, this extension only applies to:

- Applications submitted by taxpayers before Minister of Finance Regulation No. 29/PMK.03/2020 take effect and have not been finalized within the force majeure period; or
- Applications submitted by taxpayers after Minister of Finance Regulation No. 29/PMK.03/2020 applies.

6. Regulation : [Permenhub 18/2020](#)
- Date : 9 April 2020
- Title (Indonesian) : Pengendalian transportasi dalam rangka pencegahan penyebaran *Corona Virus Disease 2019* (Covid-19).
- Title (English) : Transportation control in order to prevent the spread of Corona Virus Disease 2019 (Covid-19).

## Summary

To suppress the spread of Covid-19, the government through the Ministry of Transportation issued this regulation in order to limit the operation of existing modes of transportation in the community. The transportation controls implemented on transportation that carry passengers and goods/logistics that consist of:

- Transportation control for the whole area
- Transportation control in areas designated as large-scale social restrictions
- Transportation control for annual homecoming (mudik) activities in 2020.

7. Regulation : [Keputusan Bersama Menteri 391/2020](#)
- Date : 9 April 2020
- Title (Indonesian) : Perubahan kedua atas Keputusan Bersama Menteri Agama, Menteri Ketenagakerjaan, dan Menteri Pendayagunaan Aparatur Negara dan Reformasi Birokrasi nomor 728 tahun 2019, nomor 213 tahun 2019, nomor 01 tahun 2019 tentang hari libur nasional dan cuti bersama tahun 2020.
- Title (English) : Second amendment to Joint Decree of the Minister of Religion, Minister of Manpower, and Minister of Administrative and Bureaucratic Reform number 728 of 2019, number 213 of 2019, number 01 of 2019 concerning national holidays and collective leave in 2020.

#### **Summary**

In the effort to support the acceleration in handling Covid-19 and provide guidance for government and private agencies in implementing national holidays and collective leave in 2020, the Government has amended joint leave in 2020 through this regulation as stipulated in previous regulation.

8. Regulation : [Instruksi Mendagri 1/2020](#)
- Date : 2 April 2020
- Title (Indonesian) : Pencegahan penyebaran dan percepatan penanganan *Corona Virus Disease 2019* di lingkungan pemerintahan daerah.
- Title (English) : Prevention of the spread and acceleration in handling 2019 Corona Virus Disease in the regional government environment.

#### **Summary**

In the context of preventing the spread and acceleration in handling Covid-19 in the Regional Government environment, it requires fast, precise, focused, integrated and synergic steps between the Government and the Regional Government. Through this Instruction the Government instructs the Regional Government to:

- Accelerate the use in refocusing budget allocations and/or changes in budget allocations that are used adequately to improve health management capacity, economic impact, and the provision of social safety net.
- Coordinate with the Regional Leaders Communication Forum (Forum Komunikasi Pimpinan Daerah/Forkopimda), social organizations and community/religious leaders to help socialize and encourage the public not to do the annual homecoming (mudik).
- Supervise and ensure that the adequacy of basic food needs in their respective regions, in terms of availability of supply and smooth distribution, as well as supervising and ensuring that industrial activities that produce basic needs and medical equipment for the management of Covid-19 continue to run well.

9. Regulation : [SE-22/PJ/2020](#)
- Date : 9 April 2020
- Title (Indonesian) : Petunjuk pelaksanaan perpanjangan jangka waktu pelaksanaan hak dan pemenuhan kewajiban perpajakan dalam Peraturan Pemerintah Pengganti Undang-Undang nomor 1 tahun 2020 tentang kebijakan keuangan negara dan stabilitas sistem keuangan untuk penanganan pandemi *Corona Virus Disease 2019 (Covid-19)* dan/atau dalam rangka menghadapi ancaman yang membahayakan perekonomian nasional dan/atau stabilitas sistem keuangan.
- Title (English) : Implementation guideline for extension period of execution of rights and fulfillment of taxation obligations in Government Regulation in Lieu of Law number 1 of 2020 concerning state financial policies and financial system stability in handling the pandemic of Corona Virus 2019 Disease (Covid-19) and/or in the context of facing threats endangering the national economy and/or financial system stability.

### **Summary**

In relation with the provisions of Article 8 and Article 28 number 1 of the Government Regulation in Lieu of Law Number 1 of 2020 which regulates the extension period in implementation of rights and fulfillment of taxation obligations to provide convenience in implementation of rights and/or fulfillment of taxation obligations due to the pandemic of Corona Virus Disease 2019 (Covid-19), the DGT establishes guidelines in the implementation period of implementing the rights and fulfillment of taxation obligations. The scope of this Circular covers the implementation instructions and procedures for calculating the extension period in implementing rights and fulfilling taxation obligations for:

1. filing Taxpayer's objection submitted by a Taxpayer as referred to in Article 25 paragraph (3) of the KUP Law;
2. refund of tax overpayment as referred to in Article 11 paragraph (2) of the KUP Law;
3. issuance of tax assessment letter in connection with the application for returning tax overpayment referred to in Article 17B paragraph (1) of the KUP Law;
4. granting of decision on objections submitted by Taxpayer as referred to in Article 26 paragraph (1) of the KUP Law;
5. granting of decision on request for reduction or elimination of administrative sanctions, reduction or cancellation of incorrect tax assessment letters, reduction or cancellation of incorrect Tax Collection Letters and cancellation of audit results, as referred to in Article 36 paragraph (1) of the KUP Law; and
6. granting of decision on the application for reducing the administrative fine of the Land and Building Tax and the reduction or cancellation of the Tax Return Form, the Land and Building Tax Assessment Letter, or the incorrect Land and Building Tax Collection Letter, as referred to in the Minister of Finance Regulation Number 81/PMK.03/2017.

10. Regulation : [SE-04/PP/2020](#)
- Date : 16 April 2020
- Title (Indonesian) : Perubahan atas Surat Edaran Ketua Pengadilan Pajak nomor SE-03/PP/2020 tentang pedoman penyesuaian pelaksanaan persidangan dan layanan administrasi selama masa pencegahan penyebaran *Corona Virus Disease 2019 (Covid-19)* di lingkungan Pengadilan Pajak.
- Title (English) : Amendment to Circular Letter of the Head of Tax Court number SE-03/PP/2020 concerning guidelines on adjusting the trial and administrative services during the prevention of Corona Virus Disease 2019 (Covid-19) spread in the tax court area.

### **Summary**

Based on the evaluation results of the Head of the Tax Court, it is necessary to stipulate changes to the guidelines for implementing trial adjustments and administrative services during the period of preventing the Covid-19 spread in the Tax Court, as previously stipulated in SE-03/PP/2020. The amendment regulations in SE-04/ PP/2020 are as follows:

- Provisions regarding the Covid-19 prevention period in the Tax Court area as stipulated in letter E number 3 SE-03/PP/2020 which were originally set to be effective from 17 March 2020 to 21 April 2020, are changed to be effective from 17 March 2020 until 23 April 2020.
- Other provisions in SE-03/PP/2020 are stated to remain valid.

### **Contact:**

Clients & Markets Deloitte Indonesia

Email: [IDMarcomm@deloitte.com](mailto:IDMarcomm@deloitte.com)

COVID-19 regulation update

Page 8





Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organisation”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax & legal and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organisation”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Ho Chi Minh City, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Shanghai, Singapore, Sydney, Taipei, Tokyo and Yangon.

#### **About Deloitte Indonesia**

In Indonesia, services are provided by Deloitte Touche Solutions.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organisation”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.