



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 : [PP 23/2020](#)
- Date : 9 May 2020
- Title (Indonesian) : Pelaksanaan program pemulihan ekonomi nasional dalam rangka mendukung kebijakan keuangan negara untuk penanganan pandemi *Corona Virus Disease* 2019 (Covid-19) dan/atau menghadapi ancaman yang membahayakan perekonomian nasional dan/atau stabilitas sistem keuangan serta penyelamatan ekonomi nasional.
- Title (English) : Implementation of the national economic recovery program in order to support the country's financial policies for handling the 2019 Corona Virus Disease pandemic and/or facing threats that endanger the national economy and/or financial system stability and save the national economy.

Summary

In order to support the recovery of the national economy due to the negative impact of the Covid-19 pandemic, through this regulation, the government established the National Economic Recovery Program (PEN Program) which aims to protect, maintain and improve the ability of business actors to conduct their businesses. This regulation regulates the implementation of PEN programs carried out by the government through:

- a. State Capital Participation (PMN) given to SOEs or through designated SOEs with the aim of improving the capital structure of SOEs or their subsidiaries affected by Covid-19, and increasing the business capacity of SOEs and their subsidiaries, including to carry out special assignments by the Government in implementing PEN Program
- b. Fund Placement which aims to provide liquidity support to the banking industry conducting loan/financing restructuring and/or providing additional credit/working capital financing to Participating Banks as determined by the Ministry of Finance.
- c. Government investment is carried out in accordance with applicable regulations.
- d. Guarantees that can be carried out directly by the government, and / or through a designated guarantee business entity.

In addition, the PEN Program can also be implemented through state expenditure that is not limited to the provision of interest subsidies to bank debtors, finance companies, and channelling institutions for government credit programs that meet the requirements.

2. Regulation : [22/7/PBI/2020](#)
- Date : 29 April 2020
- Title (Indonesian) : Penyesuaian pelaksanaan beberapa ketentuan bank indonesia sebagai dampak pandemi *Corona Virus Disease* 2019 (COVID-19).
- Title (English) : Adjustment to the Implementation of several Bank Indonesia Regulations as a result of the 2019 Corona Virus Disease pandemic (COVID-19).

Summary

In order to support the implementation of government policies to accelerate the handling of the Corona Virus Disease 2019 (COVID-19) pandemic and to maintain the implementation of various Bank Indonesia regulations in accordance with its objectives, it is necessary to adjust the implementation of several Bank Indonesia Regulations. This adjustment includes provisions regarding the following matters:

- Licensing Process which include:
 - Omission of an on-site visit in the Licensing process of payment system service providers and non-bank foreign currency exchange business activities.
 - Granting conditional approval in the Licensing process of payment system service providers and non-bank foreign currency exchange business activities.
 - Omission of the period of time for submission of documents by the applicant for licensing process of certain payment system service providers and non-bank foreign currency exchange business activities.
 - Extension of licensing processing period related to deposit certificate transactions and issuance and commercial securities transactions on the money market.
 - Temporary suspension of certain licenses related to rupiah money processing services.
- Submission of reports which include:
 - Extension of the deadline for online reports submitted by certain Parties through the Bank Indonesia reporting application.
 - Changes to the submission media and extension of the deadline for the submission of reports submitted offline.
 - Exemption from reporting requirements through Bank Indonesia's integrated reporting system.
 - Exemption from sanctions for late submission of cash flow projection reports to commercial bank head office reports.
 - Adjustment of authority in signing of data supporting documents related to the management of nonbank corporate foreign debt.
- Correspondence and/or meeting with Bank Indonesia;
- Administrative sanctions to Non-Natural Resource Exporters in the form of suspension of export services;
- Bank Indonesia cash services;
- Cost of SKNBI (Bank Indonesia National Clearing System);
- Credit card operations which include:
 - Value of late charge.
 - The minimum percentage of payment.
 - The maximum credit card interest rate.
- Fulfilment of the obligation to implement several Bank Indonesia Regulations which include:
 - implementation time of the integrated reporting system of Bank Indonesia and ownership of payment system certificate and the management of rupiah money;
 - time to fulfil the ownership of treasury certificates and submission of internal procedures of the market code of ethics and requirements for operating licenses for systematic internalisers;
 - Targeting the implementation of SNTC (National Standard of Chip Technology) and Use of ATM/Debit Card Online PIN.

- 3 Regulation : [46/PMK.07/2020](#)
- Date : 30 April 2020
- Title (Indonesian) : Pengelolaan hibah dari pemerintah pusat kepada pemerintah daerah dalam rangka penanganan pandemi *Corona Virus Disease 2019* (Covid-19) dan dampak akibat pandemi *Corona Virus Disease 2019* (Covid-19).
- Title (English) : Management of grants from the central government to local governments in the context of handling the 2019 Corona Virus Disease pandemic (Covid-19) and the impact of the 2019 Corona Virus Disease pandemic (Covid-19).

Summary

Through this regulation, the Ministry of Finance stipulates that the regional government (*Pemda*) can get special grants for handling the Covid-19 outbreak as well as handling the economic and/or social impacts caused. This regulation also stipulates that the calculation of grant allocation per region is based on several criteria, including:

- National directions and priorities,
- Distribution of disasters and the magnitude of the impact of the pandemic,
- Synchronizing program or grant activities with other funding sources,
- Regional readiness, and
- Other considerations in accordance with statutory provisions.

4. Regulation : [45/PMK.04/2020](#)
- Date : 29 April 2020
- Title (Indonesian) : Tata cara penyerahan surat keterangan asal atau *invoice declaration* beserta dokumen pelengkap pabean penelitian surat keterangan asal dalam rangka pengenaan tarif bea masuk atas barang impor berdasarkan perjanjian atau kesepakatan internasional selama pandemi *Corona Virus Disease 2019* (Covid-19).
- Title (English) : Procedure for submitting certificate of origin or invoice declaration along with customs complementary documents for inspection of certificate of origin in order to impose tariffs on imported goods under international treaties or agreements during 2019 Corona Virus Disease pandemic (Covid-19).

Summary

In order to provide legal certainty for services in importing goods using Certificate of Origin (SKA) based on Affixed Signature and Stamp (ASnS) from trading partner countries during the Covid-19 pandemic. Through this regulation, the government regulates the provisions on the procedure for submitting Certificate of Origin or Invoice Declaration along with the Customs Supplementary Document for the Inquiry of Certificate of Origin. This regulation regulates the following provisions:

- a. Submission of SKA or Invoice Declaration along with Customs Complementary Documents for the Inquiry of Certificate of Origin must be done via electronic mail (e-mail) or other electronic media by referring to the customs notification of import PPFTZ-01 importing goods into the Free Zone from outside the relevant Customs Area.

- b. Use of the signature of an authorized official and/or official stamp from the SKA Issuing Agency if the international agreement or agreement has governed the use of an authorized official's signature and/or official stamp from the SKA Issuing Institution of the Exporting Member Country electronically and/or Member Country of the agreement or agreement international website provides a check on the validity of SKA.
- c. Exporter's signature.
- d. Overleaf Notes.

However, the implementation of the above procedural provisions does not apply to SKA in the form of Electronic SKA (e-Form).

5. Regulation : [44/PMK.03/2020](#)
- Date : 27 April 2020
- Title : Insentif pajak untuk wajib pajak terdampak pandemi *Corona Virus Disease* 2019.
(Indonesian)
- Title (English) : Tax incentives for taxpayers affected by the Corona Virus Disease 2019 pandemic.

Summary

Considering the development of the current economic conditions, especially with the increasingly widespread impact of the Covid-19 pandemic, through this regulation, the government is providing an expansion of tax incentives for taxpayers for income tax (PPh) and value added tax (VAT). The following is the form of tax incentives provided:

- Income Tax Article 21 incentives given from the April 2020 Tax Period to September 2020 Tax Period for employees who receive income from employers who:
 - Have a Code of Business Classification as stated in Attachment letter A in this regulation;
 - Have been designated as a KITE (Ease of Import for Export Purposes) Company; or
 - Have obtained a Bonded Zone Operator license, Bonded Zone Entrepreneur license, or PDKB (Bonded Zone Entrepreneur) permit.
 - Have a TIN (Taxpayer Identification Number/NPWP); and
 - During the Tax Period, receiving or obtaining a fixed and regular Gross Income which is annualized not more than Rp.200,000,000.00 (two hundred million rupiah).
- Final Income Tax Incentives based on PMK 23 of 2018, subject to final Income Tax of 0.5% (zero point five percent) of the total gross circulation, which is paid in full by:
 - Paid by the taxpayer himself who has a certain gross circulation; or
 - Deducted or collected by the withholder or tax collector who is designated as the withholder or tax collector of the tax given
 for April 2020 Tax Period to September 2020 Tax Period.
- Income Tax Article 22 Imports given to taxpayers with the following criteria:
 - Have a Code of Business Classification as listed in Attachment letter I in this regulation;
 - Have been designated as a KITE Company; or

- Have obtained a Bonded Zone Operator permit, a Bonded Zone Entrepreneur license, or PDKB permit, at the time of release of goods from a Bonded Zone to Other Places within the Customs Area.
 - Income tax article 25 incentives for taxpayers who,
 - Have a Code of Business Classification as listed in Attachment letter N of this rule;
 - Have been designated as a KITE Company; or
 - Have obtained a Bonded Zone Operator permit, a Bonded Zone Entrepreneur license, or PDKB permit;
- are given a reduction in the amount of Income Tax Article 25 is 30% (thirty percent) from the supposed Income Tax Article 25 instalment.
- VAT incentives for taxpayers who:
 - Have a Code of Business Classification as listed in Attachment letter I in this regulation;
 - Have been designated as a KITE Company; or
 - Have obtained a Bonded Zone Operator permit, a Bonded Zone Entrepreneur license, or PDKB permit, at the time of release of goods from a Bonded Zone to Other Places within the Customs Area.

and submit a letter of notification of Value Added Tax overpayment for restitution with an overpayment amount of at most Rp5.000,000,000.00 (five billion rupiahs) can be given a preliminary refund of overpayment of tax as a low-risk PKP as referred to in Article 9 paragraph (4c) of the VAT Law.

6. Regulation : [43/PMK.05/2020](#)
- Date : 24 April 2020
- Title : Mekanisme pelaksanaan anggaran belanja atas beban anggaran pendapatan dan (Indonesian) belanja negara dalam penanganan pandemi *Corona Virus Disease 2019*.
- Title (English) : Procedures of the implementation of the budget for the state budget income and expenditure in handling the Corona Virus Disease 2019.

Summary

Through this Minister of Finance Regulation, the government regulates the mechanism for implementing the expenditure budget at the expense of the APBN in the Covid-19 pandemic. The activities in handling the Covid-19 pandemic are carried out based on the allocation of funds in the DIPA (List of Budget Implementation Fines) of the state ministries/agencies. In addition, this regulation also sets out activities planning, coordination of implementation, and monitoring and evaluation of the performance of the Covid-19 pandemic handling, and the allocation of Covid-19 pandemic handling funds are grouped in the special Covid-19 account classification.

7. Regulation : [35/PMK.07/2020](#)
- Date : 16 April 2020
- Title : Pengelolaan transfer ke daerah dan dana desa tahun anggaran 2020 dalam rangka (Indonesian) penanganan pandemi *Corona Virus Disease 2019 (Covid-19)* dan/atau menghadapi ancaman yang membahayakan perekonomian nasional.

Title (English) : Management of transfer to regions and village fund for the 2020 fiscal year in the context of handling the 2019 Corona Virus Disease pandemic (Covid-19) and/or facing threats that endanger the national economy.

Summary

Based on the provisions of Article 2 paragraph (2) of the Government Regulation in Lieu of Law Number 1 of 2020, further provisions regarding state financial policy are regulated through this regulation. In the framework of implementing the State Budget for 2020 Fiscal Year policy, adjustments and/or stipulations on the allocation ceiling for the Transfer to Regions and Village Fund for the 2020 Fiscal Year.:

- a) Revenue Sharing Funds (DBH);
- b) General Allocation Fund (DAU);
- c) Physical Special Allocation Fund (DAK);
- d) Non-Physical Special Allocation Fund (DAK);
- e) Regional Incentive Fund (DID);
- f) Special Autonomy Fund and Infrastructure Supplement Fund (DTI);
- g) Privileged Fund; and
- h) Village Fund.

The scope of the management of Transfer to Regions and Village Fund for the 2020 Fiscal Year stipulated in this Ministerial Regulation includes:

1. Allocation,
2. Usage,
3. Distribution, and
4. Monitoring and Evaluation.

8. Regulation : [SE-29/PJ/2020](#)

Date : 30 April 2020

Title (Indonesian) : Petunjuk pelaksanaan Peraturan Menteri Keuangan nomor 44/PMK.03/2020 tentang insentif pajak untuk wajib pajak terdampak pandemi *Corona Virus Disease* 2019.

Title (English) : Instructions for implementing the Minister of Finance Regulation Number 44/PMK.03/2020 concerning tax incentives for taxpayers affected by the Corona Virus Disease 2019 pandemic.

Summary

In connection with the enactment of the Minister of Finance Regulation (PMK) number 44/PMK.03 2020 which regulates the provision of incentives for taxpayers to maintain stability of economic growth, public purchasing power, and productivity of certain sectors related to the Covid-19 pandemic, through this Circular DGT regulates the implementation guidelines for PMK 44/PMK.03/2020 with the following scope:

1. Definition of the terms used in this regulation;
2. the procedure for granting Income Tax (PPh) Article 21 incentives borne by the Government (PPh Article 21 DTP (Borne by the Government));

3. the procedure for granting final income tax incentives based on PP 23 of 2018 is borne by the Government (final PPh DTP)
4. procedures for exemption from income tax Article 22 import;
5. procedures for reducing the amount of instalment of Income Tax Article 25;
6. Provisions regarding resubmission of the use of Article 21 DTP Income Tax incentives, requests for DTP final income tax Statement, application for Free Tax Collection Letter (SKB) Article 22 Import Tax Collection, and/or notification utilizing incentives to reduce the amount of income tax Article 25 instalment.
7. procedures for submitting reports on the realization of the use of Income Tax Article 21 DTP incentives, final DTP income tax report, realization report on the utilization of final DTP income tax Incentives, exemption from collecting Income Tax Article 22, and/or reducing the amount of Income Tax Article 25 instalment;
8. procedures for the preliminary refund of overpayment of Value Added Tax (VAT);
9. provisions relating to the Code of Business Classification (KLU) that get income tax Article 21 DTP incentives, exemption from Income Tax Article 22 Import, and a reduction in the amount of Income Tax Article 25 instalments, and a preliminary refund of overpayment of VAT payment;
10. Provisions relating to KITE companies, Bonded Zone Operators, Bonded Zone Entrepreneurs, and Entrepreneurs in Bonded Zones concurrently Operators in Bonded Zones (PDKB) who get Income Tax Article 21 DTP incentives, exemption of Income Tax Article 22 Import, reduction in the amount Income Tax article 25 instalment, and preliminary refunds of overpayment of VAT; and
11. procedures for supervision over the use of Income Tax Article 21 DTP incentives, Income Tax final DTP, exemption of Income Tax Article 22 Import, a reduction in the amount of Income Tax Article 25 instalment, and a preliminary refund of overpayment of VAT payment.

9. Regulation : [SE-26/PJ/2020](#)
- Date : 24 April 2020
- Title (Indonesian) : Prosedur pelaksanaan pelayanan administrasi perpajakan dalam keadaan kahar akibat pandemi *Corona Virus Disease* 2019.
- Title (English) : Procedures for implementing tax administration services that are in force majeure due to the 2019 Corona Virus Disease pandemic.

Summary

Seeing the latest development in the spread of Covid-19 in Indonesia, which has implications for the implementation of government administrative services, it is necessary for some tax administration service procedures to be adapted to this condition through this circular letter. This regulation sets the following provisions:

1. Definition of the terms used in this regulation;
2. General provisions concerning the implementation of providing Tax Administration Services in Force Majeure Condition are as follows:
 - During Force Majeure condition, the vertical unit within the DGT continues to operate in accordance with the work from home (WFH) policy that is conducted in accordance with the guidelines for carrying out tasks related to efforts to increase awareness of preventing the spread of Corona Virus Disease 2019 within the Directorate General of Taxation, however,

activities in the taxation service which have direct contact with the Taxpayer have been temporarily dismissed.

- Tax Administration Services for Taxpayers are implemented through the optimization of available electronic facilities and if electronic facilities are not available/cannot be used, Tax Administration Services can be done by post or expedition/courier service with proof of mail delivery.
 - The Head of the Regional Office of the DGT, the Head of the Tax Office (Tax Service Office) and the Head of the Tax Office, Counselling, and Tax Consultation Office educating Taxpayers to optimize electronic channels for submitting tax administration service requests.
3. Period of Completion of Tax Administration Services in Force Majeure Condition.
 4. Tax Administration Service Procedure in Force Majeure Condition.

10. Regulation : [SE-06/PP/2020](#)

Date : 4 May 2020

Title (Indonesian) : Perubahan ketiga 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) : Third 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 results of the evaluation of the Head of the Tax Court on the implementation of adjustments to the trial and administrative services during the prevention period of Covid-19 spread in the Tax Court, several changes were written in this regulation, as follows:

- Provisions regarding the Covid-19 prevention period in the Tax Court area which were previously set to be effective from 17 March 2020 to 13 May 2020, are amended to be effective from 17 March 2020 to 1 June 2020
- Other provisions in SE-03/PP/2020 are stated to remain valid.

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