



Indonesia Tax Info June 2022

FAQs issued by DGT for the new VAT invoice regulation

On 31 March 2022, the Directorate General of Taxation (DGT) issued regulation Number PER-03/PJ/2022 (PER-03) regarding VAT invoice (please refer to [Tax Alert April 2022](#)). Despite its objective to provide certainty as well as simplification in processing and administration around VAT invoice, there remain various unclear matters related to the implementation of the provisions in PER-03. As such, the DGT issued a list of frequently asked questions (FAQs) to provide answers commonly sought by the taxpayers.

Below are some of the questions addressed in the FAQs.

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Address used for the preparation of a VAT invoice in the case of VAT centralization

A PKP may request the DGT to centralize the VAT administration under one location (central PKP), except for a PKP registered with certain tax offices (i.e., Large Tax Office, Special Tax Office, and Medium Tax Office (*Kantor Pelayanan Pajak Wajib Pajak Besar/Khusus/Madya* (KPP WP BKM)) in which the VAT administration is automatically centralized. Under Article 6(6) and (7) of PER-03, if a delivery is made to another branch, the identity of buyer/service recipient stated in the VAT invoice must comprise:

- Name of the central PKP;
- Tax identification number (NPWP) of the central PKP; and
- Address where the actual delivery is made.

The FAQs confirm that Articles 6(6) and (7) are only applicable for buyer/recipient registered under KPP WP BKM, and the branch to where the delivery is made must have already been registered for tax purpose with the tax office administering the jurisdiction of the branch. Otherwise, the address used in the VAT invoice must be the address of the central PKP. If the PKP that does not comply with the requirements above, it will be considered as issuing an incomplete VAT invoice which would be subject to a tax penalty, whereas the VAT invoice will not be creditable by the PKP purchasing the taxable goods and/or taxable services.

Deadline for uploading the VAT invoice

PER-03 requires all VAT invoices prepared during a particular month to be uploaded and validated by the DGT by no later than the 15th day of the following month. The date printed on the VAT invoice is used to determine the deadline for uploading and validating, regardless of whether it is an initial VAT invoice or a revision of VAT invoice. The deadline does not apply to documents that are not prepared using e-*Faktur*, such as return note (*nota retur*) or documents equivalent to VAT invoices.

VAT invoice transaction code

Delivery of taxable goods and/or taxable services of which the VAT is subject to the “final” VAT mechanism (*PPN yang dipungut dengan besaran tertentu*) (please refer to [Tax Info May 2022](#)) should use the transaction code “05” in the VAT invoice.

VAT invoice for retail PKP

A PKP qualifying as a retail business (*pedagang eceran* (retail PKP)) is allowed to issue the VAT invoice without having to include the buyer’s identity information and the authorized signatory’s name and signature, provided that the retail PKP criteria have been satisfied. The FAQs document clarifies that the criteria of the retail VAT invoice is made for any delivery of taxable goods and/or taxable services to a buyer having end-consumer characteristics.

Article 6(6) and (7) of PER-03 are only applicable for buyer/service recipient which central PKP is registered with KPP WP BKM and the branch where the delivery is made has already obtained NPWP for branch.

VAT invoice in relation to delivery eligible for a VAT facility

If a delivery of taxable goods and/or taxable services is eligible for VAT facility but the basis for implementing the facility is not issued yet, the PKP should issue the VAT invoice using the transaction code “07 or “08” and indicate a note “Other” as its regulation basis.

The government is in the process of issuing operating regulations on the VAT facilities applicable for delivery of certain taxable goods and/or taxable services.

Other matters

A combined VAT invoice (*Faktur Pajak Gabungan*) for deliveries to a same buyer in a month must be made by the end of such month at the latest.

Please note that by law the FAQs document is not included within the hierarchy of the prevailing laws and regulations in Indonesia. However, in the absence of further operative regulation clarifying some practical issues, taxpayers may use the FAQs as reference during the transitional period until such regulation is issued.

Customs Focus

Updates on the ASEAN Trade-In Goods Agreement (ATIGA)

To accommodate amendment to the Operational Certification Procedures for the ASEAN Trade-In Goods Agreement (ATIGA) and amendment of Certificate of Origin Form D, the Minister of Finance (MoF) has issued Regulation Number 81/PMK.04/2022 (PMK-81) to amend MoF Regulation Number 131/PMK.04/2020 (PMK-131) concerning Procedures for Imposing Import Duty Tariffs on Imported Goods based on the ASEAN Trade-In Goods Agreement.

The salient points of changes in PMK-81 include the following:

Provisions of issued retroactively

Previously under PMK-131, the Certificate of Origin (CO) Form D must be issued before, on, or at the latest, three days after the date of shipment or export. Under PMK-81, the CO Form D must be issued before or on the date of shipment or export. A CO Form D is an evidence of the origin of goods issued by a designated issuing agency, which serves as basis to grant the preferential tariffs. Under PMK-81, the issuing agency can issue CO Form D after the date of shipment or import, provided it does not exceed a one year period. In such case, the issuing agency should give a tick mark on “Issued Retroactively” box in the form. Whereas previously under PMK-131, CO Form D could be issued limitedly within three days after the date of shipment or export and give a tick mark on column “Issued Retroactively”.

PMK-81 provides policy updates on the provisions of ATIGA regarding Issuance and Retroactive Issuance of CO Form D, Back-to-Back CO, and Retroactive Check starting date.

Back-to-back CO

PMK-81 now confirms that a Back-to-Back CO can be issued based on one or more CO Form D and/or List of Origin of Goods (*Deklarasi Asal Barang* (DAB)). Whereas previously under PMK-131, it was not specifically stated that Back-to-Back CO could be issued based on one or more CO Form D and/or DAB.

Retroactive Check Process Starting Date

If there are doubts about the legitimacy of CO Form D and/ or DAB and its content, a request for Retroactive Check can be submitted to the relevant issuing agency and/ or relevant authority. Previously under PMK-131, the Retroactive Check must be processed starting from the date the request for Retroactive Check was submitted. Now under PMK-81, the Retroactive Check must be processed starting from the date the Retroactive Check request is received.

PMK-81 takes effect on 17 May 2022. Under the transition rule of PMK-81, CO Form D issued until 31 October 2022 using the prescribed format in the Attachment A of PMK-131, shall remain valid and will be processed in accordance with the PMK-81 rules.

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