



## Indonesia Tax Info

### Super Tax Deduction Facility for Labor-Intensive Industries

Government Regulation Number 45/2019 (“GR-45”) was issued in 2019 to introduce new income tax facilities (please refer to [Tax Alert July 2019 – 2<sup>nd</sup> edition](#)). These so-called Super Tax Deduction facilities are intended for the three categories below:

1. Labor-intensive industries
2. Human resources development expenditures
3. Research and development expenditures

On 9 March 2020, the Minister of Finance (“MoF”) issued implementing Regulation Number 16/PMK.010/2020 (“PMK-16”) regarding Net Income Reduction for New Investment or Expansion in Certain Labor-Intensive Business Sectors. In general, PMK-16 implements the key features of MoF Regulation Number 11/PMK.010/2020 (“PMK-11”) with modifications in order to fit the labor-intensive industry requirements. PMK-11 constitutes the implementing regulation of Government Regulation Number 78/2019 regarding Tax Allowance Facility (please refer to [Tax Alert December 2019](#) and [Tax Info February 2020](#)).

#### In this issue:

1. [Super Tax Deduction Facility for Labor-Intensive Industries](#)
2. [New Regulation to Improve Facilities in Special Economic Zone \(SEZ\)](#)
3. [Exemption from Penalty for Late Submission of Certain Tax Returns and Late Issuance of Value Added Tax \(VAT\) Invoices due to Directorate General of Taxation \(DGT\)’s Technical Downtime](#)

#### Customs Focus

4. [Customs Duty Exemption and Non-collection of Import Taxes for Importation of Goods in relation to Oil and Gas Business Activities](#)

## 1. The facility

Super Tax Deduction facility for labor-intensive industries is provided in form of investment allowance, i.e., net income deduction of 60% from the investment amount (tangible fixed assets (including land), which are used for the main business activities). This investment allowance is spread over six years (10% annually) starting from the fiscal year of commencement of commercial production.

## 2. Criteria for eligible taxpayers

To be eligible for this facility, taxpayers must fulfil the following cumulative criteria:

- a. They constitute domestic corporate taxpayers.
- b. Their main business activity is among the industrial sectors listed in the Appendix of PMK-16.
- c. They employ minimum average of 300 Indonesian employees (*Tenaga Kerja Indonesia* (“TKI”)) working on the investment that obtains the facility.

Appendix of PMK-16 provides a list of Indonesian Standard Industrial Classifications (*Klasifikasi Baku Lapangan Usaha Indonesia* (“KBLIs”)), the relevant products, business regions, and other criteria that need to be fulfilled in order to be eligible for the facility.

Thirty-seven out of 45 KBLIs listed in PMK-16 are also in the list of industrial sectors eligible for the Tax Allowance facility. Under the Tax Allowance facility, the requirements of minimum investment and number of employees for industrial sectors have been reduced significantly (please refer to [Tax Info January 2020](#)). Therefore, taxpayers may wish to compare this facility vis-a-vis the Tax Allowance facility to analyze the most appropriate facility for their investment.

Unlike regulations on Tax Allowance facility, PMK-16 does not provide a clear guidance on business expansion that is eligible for Super Tax Deduction facility.

Taxpayers who have been granted with Tax Allowance facility, Tax Holiday facility, or income tax facilities under Special Economic Zone (*Kawasan Ekonomi Khusus* (“SEZ”)), shall not be eligible for this Super Tax Deduction facility.

## 3. Fixed asset requirements

The facility shall be provided for tangible fixed assets that are:

- a. Newly obtained, with certain exception;
- b. Listed in the license that is used as basis to apply for this facility;
- c. Used for main business activities.

These assets cannot be transferred or used for other activities before the seventh anniversary of the commercial production date, unless they are replaced by new tangible fixed assets.

## 4. Application of the facility

This facility should be applied through the Online Single Submission (“OSS”) system or through Capital Investment Coordinating Board (BKPM) before the start of commercial production. The taxpayer can apply either:

- a. Along with the registration for main business identification number (*Nomor Induk Berusaha* or NIB) for new taxpayers; or
- b. At the latest one year after the issuance of business license by the OSS system

MoF will issue its decision letter within five working days after complete application is filed by taxpayers.

## 5. Reporting requirements

Taxpayers who have been granted with this facility shall be required to submit the following annual reports to the Directorate General of Taxation (“DGT”) within 30 days after the end of the fiscal year:

- a. A report on the amount of realized investment (starting from the granting of facility until the commencement of commercial production date); and
- b. A report on the realized number of TKI (starting from the commencement until the sixth year of commercial production).

Failure to comply may trigger an audit from the DGT.

Please note that the report on the realized number of TKI has to disclose detailed employee data, monthly employee income tax paid for each employee, and other salary-related expenses. Therefore, taxpayers should maintain proper reconciliation between this report and the data reported in the employee income tax returns and annual corporate income tax return.

## 6. Sanctions

This investment allowance deduction cannot be utilized, in the case:

- a. The main business activity no longer fulfils the business activity requirements;
- b. The taxpayer does not meet the minimum TKI number requirement; or
- c. The fixed assets are transferred or used inappropriately before the six-year period lapses or they are replaced not in accordance to the applicable procedures.

If rule numbers 1 and 3 above are breached:

- a. The taxpayer will incur sanction as per prevailing tax regulations;
- b. The facility cannot be utilized in the next fiscal year(s); and
- c. The taxpayer is no longer eligible for this facility.

If rule number 2 above is breached:

- a. The income tax that is supposedly due has to be repaid;
- b. The taxpayer will incur sanction as per prevailing tax regulations;
- c. The taxpayer can still utilize this facility in the fiscal year when the taxpayer fulfils the minimum number of TKI requirement; and
- d. There will be no extension for the lost years of the facility utilization.

## 7. Transitional provision

PMK-16 is effective from 9 March 2020.

Taxpayers whose principle license, investment license, investment registration, or business license were issued prior to the release of PMK-16 can apply for this facility, provided that:

- a. The holder of such principle license, investment license, investment registration, or business license has never been issued with approval or rejection decision for Tax Allowance facility, Tax Holiday facility, or income tax facilities under SEZ;
- b. The business activity is listed in PMK-16;
- c. The minimum number of TKI requirement is met;
- d. The taxpayer applies for the facility before the start of commercial production; and
- e. The application is submitted within one year after PMK-16 is in effect (i.e., the deadline is 8 March 2021).

## 8. Closing

PMK-16 does not regulate minimum investment amount requirement. It appears that this facility is more suitable to industrial sectors that are light capital-wise yet labor-intensive. Considering the current Tax Allowance facility has relaxed its requirements significantly, taxpayers should compare and analyze the key features of these two facilities to determine the most suitable facility for their investment.

Implementing regulation for Super Tax Deduction related to human resources development expenditures has been issued back in 2019 (please refer to [Tax Info September 2019](#)). On the other note, the implementing regulation for Super Tax Deduction related to research and development expenditures is yet to be issued.

### **New Regulation to Improve Facilities in SEZ**

To attract investment in Indonesia, the Government has long introduced SEZ scheme, which is a region with geo-economic and geo-strategic advantage dedicated for development of certain business sectors. Businesses in SEZ are granted with various facilities, including facilities in taxes, import and export, manpower, immigration, etc., as previously stipulated in Government Regulation Number 96 Year 2015 (“GR-96”).

With the changes in business needs and taxation in Indonesia, GR-96 is viewed as less attractive to investors than tax facilities for non-SEZ, especially the prevailing tax holiday scheme. As such, on 20 February 2020 the Government issued Regulation Number 12 (“GR-12”) and revoked GR-96.

The National Council of SEZ will determine the main business sectors in a SEZ that can enjoy various facilities offered under GR-12 from the list below:

1. Development and management of specific economic zone;
2. Provision of specific economic zone infrastructure;
3. Upstream to downstream processing industries of certain commodities;
4. Certain product manufacturing industries;
5. Energy development;
6. Logistics center;
7. Tourism;
8. Health;
9. Education;
10. Technology research and development;
11. Financial services;
12. Creative industry; and
13. Other business sectors as stipulated by the National Council.

The taxpayers in SEZ are classified into:

1. Business Entity (*Badan Usaha*), a taxpayer that develops and manages an SEZ; and
2. Business Player (*Pelaku Usaha*), a taxpayer that carries out business in the SEZ.

The table below provides a list of criteria that must be met for taxpayers to be eligible for the facilities:

Business Entity	Business Player
<ol style="list-style-type: none"><li>1. A domestic taxpayer who conduct business in SEZ, including a branch;</li><li>2. Registered as a Business Entity;</li><li>3. Has a clear boundaries relevant to the progress of SEZ development as set by the Government (GR-12 is not clear whether the boundaries refer to area (as per GR-96) or progress of SEZ development as a whole); and</li><li>4. Carries necessary license to conduct its business/activities.</li></ol>	<ol style="list-style-type: none"><li>1. A domestic taxpayer who conduct business in SEZ, including a branch; and</li><li>2. Carries the necessary license to conduct its business/activities.</li></ol>

## 1. Income Tax

The income tax facilities available in SEZ are as follow:

- a. Tax holiday
- b. Tax allowance
- c. Other income tax facilities as per prevailing regulations.

### 1.1. Tax Holiday Facility

Business Entity and Business Player investing in main business sector can apply for tax holiday facility. However, the detailed arrangements for tax holiday facility in SEZ (i.e., with regards to the amount, process, utilization, restriction and sanction, and obligations (including reporting requirement) is subject to further implementing regulation to be issued by the MoF. Although the details of such facility are not available yet, one can expect that it should be at least similar to the non-SEZ tax holiday facility.

Income received/earned by taxpayer from other than main business activity that has been granted with tax holiday, will be subject to normal income tax provisions.

### 1.2. Tax Allowance

This facility is available for Business Entity and Business Player that invests in:

- a. Business activities that are not granted with tax holiday facility; and
- b. Business activities apart from the main business sector.

Tax allowance facilities in SEZ consist of:

- a. A reduction of net income at 30% of tangible fixed assets including land;
- b. Accelerated depreciation and amortization;
- c. A maximum 10% withholding tax rate on dividend payment to foreign shareholders; and
- d. Tax losses carry forward period may be extended to between five to ten years (normally five years).

Similar to tax holiday, the arrangements regarding the application, decision, utilization, prohibition and sanctions, and obligations (including reporting requirement), related to tax allowance facility in SEZ is subject to the MoF implementing regulation.

### 1.3. Other Matters

GR-96 requires a “new” taxpayer to be eligible for tax holiday facility. However, GR-12 is silent on this matter. It appears that such requirement is no longer exist. However, this needs to be confirmed with the implementing MoF regulation.

GR-96 provides that taxpayers in SEZ are not eligible for regular tax holiday/tax allowance facility. However, this provision is removed in GR-12. Instead, it only stipulates that taxpayer who has already obtained tax holiday can no longer apply for tax allowance, and vice versa. Despite this, there is still a question on whether a taxpayer in SEZ may apply for regular tax holiday/tax allowance facility. This may be confirmed under the further MoF implementing regulation.

### 1.4. Income tax on land

A new provision is introduced in GR-12 with regards to income tax treatment on land-related transactions. As one may aware, in order to develop an SEZ, the Business Entity has to acquire land with corresponding area to the Business Entity’s commitment to the Government, and the land will either be developed for infrastructure or intended manufacturing facility, or to be sold/rented to Business Players.

GR-12 confirms that the following land transactions carried out by Business Entity are not subject to income tax:

- a. Purchase of land for SEZ;
- b. Sale of land and/or building in SEZ; and/or
- c. Rental of land and/or building in SEZ.

## 2. Value Added Tax (“VAT”)

Business Entity and Business Player that constitute VAT-able entrepreneurs (*Pengusaha Kena Pajak* or “PKP”) in SEZ have to collect and issue VAT invoices for their delivery of taxable goods and/or taxable services. However, there are several VAT facilities available in SEZ:

- a. VAT-not-collected
- b. VAT exemption.

### 2.1. VAT-Not-Collected

Some of the major changes with regards to the VAT-not-collected facility:

- a. Delivery of taxable services and/or intangible taxable goods, including land and building rental with a minimum five-year rental period, in SEZ by Business Entity/Business Player to other Business Entity/Business Player, either within the same SEZ or in other SEZ can enjoy VAT-not-collected facility.
- b. Delivery of certain taxable services to Business Entity/Business Player by entrepreneur in other Indonesian customs area (“TLDDP”) or outside of TLDDP can enjoy VAT-not-collected facility.
- c. Utilization of taxable services and/or intangible taxable goods from overseas by Business Entity/Business Player in the SEZ can enjoy VAT-not-collected facility.
- d. Certain taxable goods now include land/building and spareparts as capital goods that can enjoy the VAT-not-collected facility.
- e. The list of services whose VAT-not-collected is the same as the list of export of taxable services whose VAT-not-collected under MoF Regulation Number 32/PMK.010/2019.
- f. VAT-not-collected has to be repaid in the case the relevant taxable goods and/or taxable services is delivered to TLDDP.
- g. If the SEZ is a zone converted from free trade zone or free port (“FTZ/FP”), the delivery of taxable services from and to FTZ/FP can be covered under the VAT-not-collected facility as well.

### 2.2. VAT Exemption

Import and delivery of certain taxable goods and/or taxable services and certain strategic goods, can enjoy VAT exemption facility. However, this is subject to further MoF implementing regulation.

## 3. Import Facility

GR-96 only provided import duty exemption for Business Entity/Business Player’s construction and development activities that are related to main business activities. Under GR-12, the exemption facility is now expanded to import tax as well. The facility is also available to Business Entity/Business Player’s main business activities after the construction/development has finished.

## 4. Facilities for Tourism SEZ

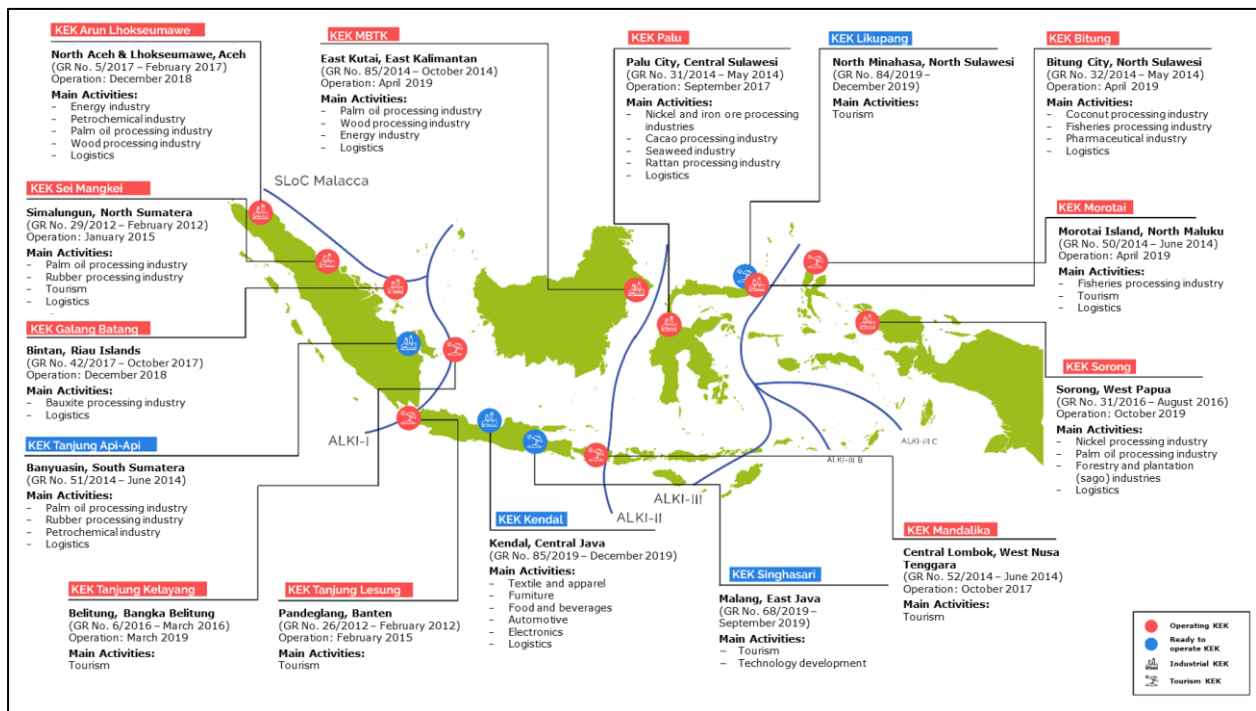
Some facilities specific for SEZ in tourism industry are as follow:

- a. Importation of capital goods and materials for certain activities is eligible for facilities on import duty and excise (subject to further implementing regulation);
- b. Stores in the SEZ can participate in VAT refund scheme for foreign passport holders;
- c. Purchase of houses which becomes the main business activities in tourism SEZ is exempted from sales tax on luxury goods and income tax on sales of very luxury goods.

## 5. Closing

GR-12 only highlights the various facilities in the SEZ in a nutshell. Therefore, to better understand the details and the implementation of these facilities, taxpayers will have to wait until MoF issues its implementing regulation. Under GR-12’s stipulation, the implementing regulations should be issued within 60 days after GR-12 becomes effective, i.e. by 23 April 2020. Further, GR-12 stipulates that implementing regulations for GR-96 that are currently in effect are still valid as long as they do not contradict with GR-12. Nevertheless, Business Entity/Business Player in SEZ should wait and closely monitor this development before applying for the facilities.

Currently Indonesia has 15 SEZs as depicted below (source: [www.kek.go.id](http://www.kek.go.id)). Whilst there is an expectation that GR-12 will enhance investments in SEZs, it remains to be seen whether the implementing regulations will be attractive to new investors. Deloitte Indonesia will monitor this and provide further update once these implementing regulations are issued.



## Exemption from Penalty for Late Submission of Certain Tax Returns and Late Issuance of VAT Invoices due to DGT's Technical Downtime

### 1. Late Submission of VAT Return and Late Issuance of VAT Invoices

Under DGT Decision Number KEP-157/PJ/2020 ("KEP-157") on 20 March 2020:

- December 2019 VAT returns that were submitted through e-filing system between 1 and 7 February 2020 are exempted from tax penalty that would otherwise due for late submission; and
- VAT invoices required to be issued between 29 January and 3 February 2020 but were only issued between 3 and 7 February 2020 are exempted from tax penalty that would otherwise due for late VAT invoice issuance.

### 2. Late Submission of Withholding Tax Return

Under DGT Decision Number KEP-158/PJ/2020 ("KEP-158") on 20 March 2020, Article 21, Article 26, and Article 4 (2) Withholding Tax returns for Fiscal Period of January 2020 (e-filing deadline was 20 February 2020) that were reported between 21 and 28 February 2020, are exempted from tax penalty that would otherwise due for late submission.

## CUSTOMS FOCUS

### Customs Duty Exemption and Non-collection of Import Taxes for Importation of Goods in relation to Oil and Gas Business Activities

With the aim to support and improve service, to encourage administrative compliance, and to ensure certainty of law in oil and gas business, the MoF has revised the provisions of customs duty exemption and non-collection of import taxes (“PDRI”) for importation of goods in relation to oil and gas business activities through promulgation of MoF Regulation Number 217/PMK.04/2019 (“PMK-217”), which revoked MoF Regulation Number 20/PMK.010/2005 (“PMK-20”) and MoF Regulation Number 117/PMK.011/2007 (“PMK-117”). Key changes are discussed in the table below:

Description	PMK-20 and PMK-117 (Former Regulations)	PMK-217 (Current Regulation)
Business activity eligible for customs duty exemption and non-collection of PDRI	<p><u>PMK-20</u> Business activity of oil and gas exploration.</p> <p><u>PMK-117</u> Business activity of upstream oil, gas, and geothermal energy.</p>	<p>Business activity of upstream oil and gas.</p> <p>The import facilities for geothermal energy is excluded from PMK-217 because it is now governed under separate MoF Regulation Number 218/PMK.04/ 2019, dated 31 December 2019.</p>
Granting of customs duty exemption and non-collection of PDRI for contractor (facility recipient)	<p><u>PMK-20</u> Exemption from customs duty and non-collection of PDRI on import of goods for the purpose of oil and gas exploration shall be granted to contractor entering into Production Sharing Contract (<i>Kontrak Bagi Hasil</i>) with PT Pertamina (Persero) (“PERTAMINA”), which is transferred to Implementation Board of Upstream Oil and Gas Business Activity (<i>Badan Pelaksana Kegiatan Usaha Hulu Minyak dan Gas Bumi</i> or “BPMIGAS”).</p> <p><u>PMK-117</u> Exemption from customs duty and non-collection of PDRI shall be granted to:</p> <ol style="list-style-type: none"> <li>Business entity or permanent establishment (“PE”) entering into Cooperation Contract (<i>Kontrak Kerja Sama</i>) with BPMIGAS; and</li> <li>PERTAMINA.</li> </ol>	<p>Exemption from customs duty and non-collection of PDRI shall be granted to contractor in form of business entity or PE entering into Cooperation Contract with:</p> <ol style="list-style-type: none"> <li>Work unit responsible for managing business activity in the field of upstream oil and gas; or</li> <li>State-owned company involved in the field of oil and gas energy.</li> </ol>
Party performing import	Contractor (facility recipient).	Contractor or supplier (vendor).
Duration of exemption from customs duty and non-collection of PDRI	<p><u>PMK-20 and PMK-117</u> Application for exemption from customs duty and non-collection of PDRI must be enclosed with Import Plan (<i>Rencana Impor Barang</i> or “RIB”) for maximum of 12 months.</p>	<ol style="list-style-type: none"> <li>Exemption from customs duty and non-collection of PDRI shall be valid for maximum of 12 months since the stipulation date.</li> <li>In the event Cooperation Contract is in the form of Production Sharing Contract expires in less than 12 months, exemption from customs duty and non-collection of PDRI shall be valid until the end of contract period.</li> <li>In the event project has reached break-even point from economic perspective, exemption from customs duty and non-collection of PDRI shall be valid until recommended date for revocation of exemption from customs duty and non-collection of PDRI for exploitation stage from the Minister of Energy and Mineral Resources.</li> </ol>



Description	PMK-20 and PMK-117 (Former Regulations)	PMK-217 (Current Regulation)
		<p>4. In the event the commencement of commercial production pursuant to Gross Split Production Sharing Contract is less than 12 months away, exemption from customs duty and non-collection of PDRI shall be valid until the commencement of commercial production.</p>
Procedures of application for customs duty exemption and non-collection of PDRI	<p><u>PMK-20</u> Application for exemption from customs duty and non-collection of PDRI shall be filed to the Director General of Customs and Excise, and copy of RIB shall be submitted to the Director General of Oil and Gas and Head of BPMIGAS.</p> <p><u>PMK-117</u> Application for exemption from customs duty and non-collection of PDRI shall be filed to the Director General of Customs and Excise, enclosed with RIB that is already approved and validated by the Director General of Oil and Gas.</p>	<p>1. Contractor shall file application to the MoF through Head of Regional Tax Office or Head of Primary Tax Office responsible for the Working Area through electronic channel (i.e. Indonesia National Single Window or “INSW”).</p> <p>2. In the event application through INSW system is not possible, the application shall be filed through electronic channel to web portal of Directorate General of Customs and Excise.</p>
Importer’s obligation	<p><u>PMK-20 and PMK-117</u> To submit realization report of goods import obtaining customs duty exemption and non-collection of PDRI to the Directorate General of Customs and Excise with copies to the Directorate General of Oil and Gas and Head of BPMIGAS no later than 30 (thirty) days after the stipulation of facility.</p>	<p>1. To submit realization report of goods import to Head of Regional Tax Office or Head of Primary Tax Office that issues Decision of the Minister of Finance.</p> <p>2. To submit realization report of leased goods export to Head of Regional Tax Office or Head of Primary Tax Office that issues Decision of the Minister of Finance.</p> <p>3. Contractor and supplier (vendor) must perform bookkeeping pursuant to the applicable financial accounting standard.</p> <p>Submission of reports as described above shall be performed through electronic channel (i.e. INSW system) or web portal of Directorate General of Customs and Excise.</p>

PMK-217 shall come into force 60 (sixty) days after 31 December 2019.

# Contact Persons

Questions concerning any of the subjects or issues contained in this newsletter should be directed to your usual contact in our firm, or any of the following Tax Partners:

<b>Melisa Himawan</b> Tax Managing Partner	Business Tax	mehimawan@deloitte.com
<b>Ali Mardi Djohardi</b>	Business Tax	alimardi@deloitte.com
<b>Balim</b>	Transfer Pricing	bbalim@deloitte.com
<b>Cindy Sukiman</b>	Business Tax	csukiman@deloitte.com
<b>Dionisius Damijanto</b>	Business Tax	ddamijanto@deloitte.com
<b>Heru Supriyanto</b>	Business Tax	hsupriyanto@deloitte.com
<b>Irene Atmawijaya</b>	Global Employer Services and Business Process Solutions	iatmawijaya@deloitte.com
<b>John Lauwrenz</b>	Business Tax and Merger & Acquisition	jlauwrenz@deloitte.com
<b>Ratna Lie</b>	Business Tax and Business Process Solutions	ratnalie@deloitte.com
<b>Roy David Kiantiong</b>	Transfer Pricing	rkiantiong@deloitte.com
<b>Roy Sidharta Tedja</b>	Business Tax, Indirect Tax and Business Process Solutions	roytedja@deloitte.com
<b>Shivaji Das</b>	Transfer Pricing	shivdas@deloitte.com
<b>Turmanto</b>	Business Tax and Global Trade Advisory (Customs)	tturmanto@deloitte.com
<b>Yan Hardyana</b>	Business Tax	yhardyana@deloitte.com

## Deloitte Touche Solutions

The Plaza Office Tower, 32<sup>nd</sup> Floor

Jl. M.H. Thamrin Kav 28-30

Jakarta 10350, Indonesia

Tel: +62 21 5081 8000

Fax: +62 21 2992 8303

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

[www.deloitte.com/id](http://www.deloitte.com/id)



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms and their affiliated entities are legally separate and independent entities. 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, its member firms or their related entities (collectively, the “Deloitte network”) 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 entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.