

**MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
REGULATION
NUMBER 131 OF 2024**

CONCERNING

THE VALUE ADDED TAX TREATMENT OF IMPORTS OF TAXABLE GOODS, SUPPLIES OF TAXABLE GOODS, SUPPLIES OF TAXABLE SERVICES, THE UTILISATION OF INTANGIBLE TAXABLE GOODS FROM OUTSIDE THE CUSTOMS TERRITORY WITHIN THE CUSTOMS TERRITORY AND THE UTILISATION OF TAXABLE SERVICES FROM OUTSIDE THE CUSTOMS TERRITORY WITHIN THE CUSTOMS TERRITORY

**BY THE GRACE OF GOD ALMIGHTY
MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,**

Considering

- a. that to realise the aspect of fairness in the community, it is necessary to issue policies in the implementation of Value Added Tax rates;
- b. that in the context of implementing Value Added Tax rates to realise the aspect of fairness referred to in subparagraph a, for certain Taxable Goods and Taxable Services, it is necessary to use alternative tax bases as the tax bases as stipulated under Article 8A of Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended several times, last amended by Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into a Law;

- c. that based on the considerations referred to in letter a and letter b, it is necessary to enact a Minister of Finance Regulation concerning the Value Added Tax Treatment of Imports of Taxable Goods, Supplies of Taxable Goods, Supplies of Taxable Services, the Utilisation of Intangible Taxable Goods from Outside the Customs Territory within the Customs Territory and the Utilisation of Taxable Services from Outside the Customs Territory within the Customs Territory;

In View of

1. Article 17 paragraph (3) of the 1945 Constitution of the Republic of Indonesia;
2. Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods (State Gazette of the Republic of Indonesia of 1983 Number 51, Supplement to the State Gazette of the Republic of Indonesia Number 3264) as amended several times, last amended by Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into a Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);
3. Law Number 39 of 2008 concerning State Ministries (State Gazette of the Republic of Indonesia of 2008 Number 166, Supplement to the State Gazette of the Republic of Indonesia Number 4916) as amended by Law Number 61 of 2024 concerning the Amendment to Law Number 39 of 2008 concerning State Ministries (State Gazette of the Republic of Indonesia of 2024 Number 225, Supplement to the State Gazette of the Republic of Indonesia Number 6994);
4. Presidential Regulation Number 158 of 2024 concerning the Ministry of Finance (State Gazette of the Republic of Indonesia of 2024 Number 354);
5. Minister of Finance Regulation Number 124 of 2024 concerning the Organisation and Work Procedures of the Ministry of Finance (Official Gazette of the Republic of Indonesia of 2024 Number 1063);

HAS DECIDED:

To enact

MINISTER OF FINANCE REGULATION CONCERNING THE VALUE ADDED TAX TREATMENT OF IMPORTS OF TAXABLE GOODS, SUPPLIES OF TAXABLE GOODS, SUPPLIES OF TAXABLE SERVICES, THE UTILISATION OF INTANGIBLE TAXABLE GOODS FROM OUTSIDE THE CUSTOMS TERRITORY WITHIN THE CUSTOMS TERRITORY AND THE UTILISATION OF TAXABLE SERVICES FROM OUTSIDE THE CUSTOMS TERRITORY WITHIN THE CUSTOMS TERRITORY.

Article 1

Referred to herein this Ministerial Regulation:

1. Value Added Tax is a value added tax stipulated under Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended several times, last amended by Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into a Law.
2. Value Added Tax Law is Law Number 8 of 1983 concerning Value Added Tax on Goods and Services and Sales Tax on Luxury Goods as amended several times, last amended by Law Number 6 of 2023 concerning the Enactment of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into a Law.
3. Customs Territory is the territory of the Republic of Indonesia which includes land, waters and airspace above it as well as certain places in the exclusive economic zone and the continental shelf in which the Law stipulating customs is applicable.
4. Goods are tangible goods, which according to their nature or law, may be in the form of movable goods or immovable goods and intangible goods.
5. Taxable Goods are Goods subject to tax pursuant to the Value Added Tax Law.

6. Service is any service activity, based on a contract or legal action that results in goods, facilities, concessions or rights being available to be used, including services conducted to produce Goods due to orders or demand with materials and based on instructions from the buyer.
7. Taxable Services are services subject to tax pursuant to the Value Added Tax Law.
8. Import is any activity of entering Goods from outside the Customs Territory into the Customs Territory.
9. Entrepreneur is an individual or entity in whatever form that in the course of business activities or work produces Goods, imports Goods, exports Goods, conducts trading business, utilises intangible Goods from outside the Customs Territory, conducts Service business, including exporting Services or utilising Services from outside the Customs Territory.
10. Taxable Person is an Entrepreneur supplying Taxable Goods and/or supplying Taxable Services that are subject to taxes pursuant to the Value Added Tax Law.
11. Tax Base is the amount of the selling price, consideration, import value, export value or alternative tax base used as the basis for calculating tax payable.

Article 2

- (1) An Import of Taxable Goods and/or a supply of Taxable Goods within the Customs Territory by an Entrepreneur shall be liable to Value Added Tax.
- (2) Value Added Tax payable referred to in paragraph (1) is calculated by multiplying the rate of 12% (twelve percent) by the Tax Base in the form of the selling price or import value.
- (3) Taxable Goods with a Tax Base in the form of the selling price or import value referred to in paragraph (2) are Taxable luxury Goods in the form of motor vehicles and other than motor vehicles that are subject to sales tax on luxury goods pursuant to statutory provisions in the field of taxation.
- (4) Input VAT on an acquisition of Taxable Goods and/or Taxable Services, Import of Taxable Goods as well as the utilisation of intangible Taxable Goods and/or Taxable Services from outside the Customs Territory within the

Customs Territory in connection with the supply of Taxable Goods referred to in paragraph (1), is creditable pursuant to statutory provisions in the field of taxation.

Article 3

- (1) An Import and/or a supply of Taxable Goods within the Customs Territory by an Entrepreneur other than the Taxable Goods referred to in Article 2 paragraph (3), a supply of Taxable Services within the Customs Territory by an Entrepreneur, utilisation of intangible Taxable Goods from outside the Customs Territory within the Customs Territory, utilisation of Taxable Services from outside the Customs Territory within the Customs Territory shall be liable to Value Added Tax.
- (2) Value Added Tax payable referred to in paragraph (1) is calculated by multiplying the rate of 12% (twelve percent) by the alternative Tax Base.
- (3) The alternative base referred to in paragraph (2) is calculated as 11/12 (eleven twelfths) of the import value, selling price or consideration.
- (4) Input VAT on an acquisition of Taxable Goods and/or Taxable Services, Import of Taxable Goods as well as the utilisation of intangible Taxable Goods and/or Taxable Services from outside the Customs Territory within the Customs Territory, wherein the calculation of Value Added Tax payable uses the alternative Tax Base referred to in paragraph (2), is creditable pursuant to statutory provisions in the field of taxation.

Article 4

- (1) A Taxable Person that collects, calculates and remits Value Added Tax payable on a supply of Taxable Goods and/or Taxable Services by:
 - a. using the alternative Tax Base, the provisions on which have been separately stipulated under statutory laws and regulations in the field of taxation; and

- b. a certain amount, the provisions on which have been stipulated under statutory laws and regulations in the field of taxation, are excluded from the provisions referred to in Article 2 and Article 3.
- (2) The collection, calculation and remittance of Value Added Tax referred to in paragraph (1) are conducted pursuant to statutory provisions in the field of taxation.

Article 5

A Taxable Person supplying Taxable Goods to a buyer with the characteristics of an end consumer, to the supply of Taxable Goods referred to in Article 2 paragraph (3), the following provisions shall apply:

- a. from 1 January 2025 to 31 January 2025, Value Added Tax payable is calculated by multiplying the rate of 12% (twelve percent) by the alternative Tax Base of 11/12 (eleven twelfths) of the selling price; and
- b. from 1 February 2025, the provisions referred to in Article 2 paragraph (2) shall apply.

Article 6

This Ministerial Regulation shall come into force on 1 January 2025.

For public cognisance, this Ministerial Regulation shall be promulgated by placement in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta

on 31 December 2024

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

signed

SRI MULYANI INDRAWATI

Promulgated in Jakarta

on 31 December 2024

DIRECTOR GENERAL OF LEGISLATION

MINISTRY OF LAW OF THE REPUBLIC OF INDONESIA,

signed

DHAHANA PUTRA

OFFICIAL GAZETTE REPUBLIC OF INDONESIA OF 2024 NUMBER 1065