

# Summary of PMK 50/2025 – Value Added Tax and Income Tax on Crypto-Asset Trading Transactions

In order to ensure greater legal certainty and ease the administrative burden associated with tax collection, payments and the reporting of crypto-asset trading, the Minister of Finance (“**Minister**”) has now issued Regulation No. 50 of 2025 (“**Regulation 50/2025**”) on Value-Added Tax (*Pajak Pertambahan Nilai* - “**PPN**”) and Income Tax (*Pajak Penghasilan* – “**PPh**”) on Crypto-Asset Trading Transactions, which is set to come into force on 1 August 2025.

In essence, Regulation 50/2025 sets out the various PPN obligations that apply to Organizers of Trading Through Electronic Systems (*Penyelenggara Perdagangan Melalui Sistem Elektronik* – “**PPMSE**”) who facilitate crypto-asset transactions, as well as to miners of crypto-assets (“**Miners**”) who are involved in crypto-related activities. In this regard, both PPMSE and Miners must be initially designated as taxable entrepreneurs (*Pengusaha Kena Pajak*/PKP).

Under PPN provisions, crypto-assets are treated in a similar manner to securities, meaning that the assets themselves are not subject to PPN. However, the electronic services that are provided by PPMSE in support of crypto-asset trading, along with transaction verification services that are provided by Miners, continue to be subject to PPN. In addition, PPh also applies to income that is earned by sellers of crypto-assets (“**Sellers**”), PPMSE or Miners through their crypto-asset transactions.

Against the above backdrop, this edition offers an elaboration of the various provisions that are set out under Regulation 50/2025, specifically as they relate to the following matters:

1. Collection of PPN on PPMSE;
2. Collection of PPN on Miners; and
3. PPh Treatments.

## Collection of PPN on PPMSE

PPMSE are categorized as entities that provide taxable services and are therefore subject to PPN if they offer any of the following crypto-asset-related trading facilities:

1. Buying and selling of crypto-assets through fiat currency;
2. Cryptocurrency exchanges; and/or
3. Electronic wallet (e-wallet) services, including deposits, withdrawals, transfers of crypto assets to other parties’ accounts and the provision and/or management of crypto-asset storage media.

PPMSE are required to collect, deposit and report all PPN that is payable in relation to the above-listed services. Said PPN is calculated at a rate of 12% on other values, which is determined as 11/12 of the relevant commission or remuneration, in whatever name and form, as received by PPMSE.

It should be noted that this commission or remuneration must be converted into the rupiah currency based on the following conditions:

<b>Form of Commission or Remuneration</b>	<b>Conditions</b>
Fiat currency other than the rupiah	Must be converted into the rupiah currency based on an exchange rate determined by the Minister applicable at the time that the relevant tax invoices or certain documents equivalent to tax invoices are issued
Crypto-assets	<p>Must be converted into rupiah based on:</p> <ol style="list-style-type: none"> <li>1. The value determined by the exchange;</li> <li>2. The value in the PPMSE-owned system; or</li> <li>3. The value of crypto-assets that were traded prior to the relevant PPN payment deadline.</li> </ol> <p>It should also be noted that the method that is ultimately chosen must be applied consistently.</p>

In addition, PPMSE are required to issue tax invoices or equivalent documents, as well as settle the relevant VAT through the submission of tax payment slips or the use of equivalent administrative tools. PPMSE must also report all calculations and/or payments of payable PPN in their Periodic Tax Returns (*Surat Pemberitahuan – “SPT”*). Any failure to comply in this regard will result in the imposition of administrative sanctions.

#### Collection of PPN on Miners

Miners who engage in transaction verifications are required to collect PPN, as well as to complete payments and reporting of said PPN through a self-assessment mechanism. PPN is calculated through the following formula:

$$20\% \times 11/12 \text{ of the general PPN rate} \times \text{compensation value}$$

Compensation in this context refers to the monetary value of crypto-assets that are received by Miners, including those that are obtained from the system itself (block rewards).

This compensation may take the form of a fiat currency other than rupiah or crypto-assets, both of which must be converted into the rupiah using the conversion methods outlined in the previous section.

Miners must also issue tax invoices in line with the provision of taxable services and are categorized as retail traders for PPN purposes. This status permits them to issue tax invoices under a special scheme that applies to all services that are provided to end consumers.

In addition, Miners are also obliged to settle the relevant PPN through the use of tax payment slips or equivalent administrative tools, as well as to report all calculations and/or payments of payable PPN in their Periodic SPT.

### PPh Treatments

Each category of taxpayer is subject to different PPh conditions and tax rates, as detailed in the table below:

<b>Taxpayer Category</b>	<b>Remarks</b>	<b>Applicable Tax Rate</b>
<b>Domestic Sellers</b>	Income from crypto-asset transactions that are completed through PPMSE, including:  <ol style="list-style-type: none"><li>1. Transactions that use fiat currency;</li><li>2. Crypto-to-crypto swaps; and/or</li><li>3. Other types of crypto-asset transactions.</li></ol>	<b>0.21% (final) of the transaction value, as withheld by the PPMSE</b>
<b>Sellers via PPMSE who are exempted from the collection of Article-22 PPh</b> (i.e. Sellers who only provide e-wallets, aggregator services and/or who act as non-	Will remain subject to PPh but tax must be paid and reported by the Seller (self-assessment), as PPMSE do not collect the tax.	<b>0.21% (final)</b> , as paid and reported independently

transaction facilitators)		
<b>Foreign Sellers</b>	Exempt from withholding if eligible under a tax treaty (e.g., Double Taxation Avoidance Agreement [ <i>Persetujuan Penghindaran Pajak Berganda</i> /P3B]) and also provide certification of their domicile.	<b>Exempt from Article-22 PPh</b>
PPMSE acting as Sellers (on their own behalf)	Crypto-asset transactions that are conducted via another electronic PPMSE platform.	<b>0.21% (final)</b> , the same as for regular Sellers
<b>Domestic PPMSE</b>	Income from crypto-asset related services (e.g. platform fees, withdrawal fees, deposit and transfer fees, or other similar charges).	The standard corporate PPh rate, as reported in Annual SPT
<b>Miners</b>	Compensation from mining activities (e.g. block rewards, transaction fees, other mining income).	The standard PPh rate, as reported in Annual SPT
<b>Miners selling via PPMSE</b>	Treated as regular Sellers.	<b>0.21% (final)</b>
<b>Foreign PPMSE</b> (designated as tax collectors)	Transactions that are conducted by Sellers via foreign PPMSE and that meet certain thresholds (related to transaction volumes/traffic).	<b>1% (final)</b> , as withheld by the foreign PPMSE
<b>Sellers via non-designated foreign PPMSE</b>	Sellers remain liable to pay and report tax via a self-assessment mechanism.	<b>1% (final)</b> , self-assessment

### Key Takeaways

This new framework introduces a comprehensive tax framework for the trading of crypto-assets within Indonesia, which is effective from 1 August 2025. This new Regulation affirms that while crypto-assets themselves are not subject to PPN, the electronic services that are provided by PPMSE and

transaction verifications that are completed by Miners will remain subject to PPN. In addition, income from crypto-asset-related activities, whether earned by Sellers, PPMSE or Miners, will be subject to final PPh at varying rates, depending on the relevant taxpayer category and transaction structure.