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Provisions on Tax Rights and Obligations of Mining License Holders and Changes to Bonded Zones

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ABOUT DDTC Newsletter

Published every two weeks, DDTC Newsletter provides a summary of key tax law changes, both the current modifications and changes in taxation regulations, particularly those pertaining to domestic policies.

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Provisions on Tax Rights and Obligations of Mining License Holders and Changes to Bonded Zones

Tax Rights and Obligations of Taxpayers in the Mineral Mining Business Sector

Meet Our Experts



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The Ministry of Finance has released a regulation detailing taxation rights and obligations for taxpayers in the mineral mining business sector. This regulation has been released to implement the provisions under Article 17 paragraph (4) of Government Regulation No. 37 of 2018 concerning the Tax Treatment and/or Non-Tax State Revenues in the Mineral Mining Business Sector (Gov. Reg. 37/2018).

Details of the tax rights and obligations are outlined in the Minister of Finance Regulation No. 61/PMK.03/2021 concerning Tax Rights and Obligations for Holders of Mining Business License, Special Mining Business License, People's Mining License, Special Mining Business License for Production Operations as Continuation of Contract Operations, or Contracts of Work in the Context of Cooperation in the Mineral Mining Business Sector (MoF Reg. 61/2021). This regulation has been effective as of 15 June 2021.

In further detail, at least five groups of taxpayers in the mineral mining business sector are regulated under MoF Reg. 61/2021, including:

(i) holders of Mining Business License (*Izin Usaha Pertambangan*/IUP), i.e. a license to carry out a mining business. The scope of the definition of IUP also includes holders of Rock Mining License (*Surat Izin Penambangan Batuan*/SIPB). SIPB refers to a license granted to carry out certain types of rock mining business or for certain purposes;

(ii) holders of People's Mining License (*Izin Pertambangan Rakyat*/IPR), i.e. a license to carry out mining business in a people's mining area (*Wilayah Pertambangan Rakyat*/WPR) with a limited area and investment;

(iii) holders of Special Mining Business License (*Izin Usaha Pertambangan Khusus*/IUPK), i.e. a license to carry out mining business in a special mining business license area (*Wilayah Izin Usaha Pertambangan Khusus*/WIUPK);

(iv) holders of IUPK as Continuation of Contract Operations, i.e. business license granted as extensions after the completion of Contracts of Work (CoW) (*Kontrak Karya*/KK). This group also includes Production Operation IUPK, which constitutes a change in the form of mining business from a CoW in which the contract has not yet expired. CoW refers to an agreement between the government and an Indonesian corporate entity to carry out mineral mining business; and

(v) holders of CoW that carry out mining business in various mining areas, including WIUP, WIUPK, WPR, or CoW areas which have been granted by the central government or provincial government as per their respective authorities.

The abovementioned groups of taxpayers may cooperate with each other or other parties in exploiting mineral production. Within this cooperation, both taxpayers in the mineral mining sector and other parties must carry out the stipulated tax rights and obligations.

In further detail, there are seven tax rights and obligations to be fulfilled. These tax rights and obligations are indicated in Table 1.

Provisions on Tax Rights and Obligations of Mining License Holders and Changes to Bonded Zones

Table 1 Tax Rights and Obligations for Taxpayers Holding Mining License

No.	Taxpayers holding IUP, IUPK, IPR, IUPK as Continuation of Contract Operations, or CoW	Taxpayers in cooperation with holders of IUP, IUPK, IPR, IUPK as Continuation of Contract Operations, or CoW
1.	To recognize come from all sales/transfer of mineral production as referred to under Article 3 in calculating income taxes.	To recognize all income earned or accrued from cooperation in calculating income taxes.
2.	To charge expenses related to the activities to obtain, collect, and maintain income from the cooperation as a deduction from gross income in calculating taxable income.	To charge expenses related to the activities to obtain, collect, and maintain income from the cooperation as a deduction from gross income in calculating taxable income.
3.	To perform withholding and/or collection of taxes.	To perform withholding and/or collection of taxes.
4.	To calculate the amount of tax payable.	To calculate the amount of tax payable.
5.	To pay and/or settle the underpayment of tax payable.	To pay and/or settle the underpayment of tax payable.
6.	To file tax returns (*Surat Pemberitahuan*/SPT) that are filled out correctly, completely, clearly, and signed.	To file tax returns (*Surat Pemberitahuan*/SPT) that are filled out correctly, completely, clearly, and signed.
7.	Other tax rights and obligations.	Other tax rights and obligations.

Source: MoF Reg. 61/2021.

Changes to Provisions on Bonded Zones

Meet Our Experts



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The government revises the provisions on bonded areas. Changes to these provisions are intended to further improve the competitiveness of domestic industries and maintain the investment climate and as a form of implementation of job creation and national economic recovery, changes are imperative.

Changes to the provisions on bonded zones are outlined in the Minister of Finance Regulation No. 65/PMK.04/2021 concerning the Amendment to the Minister of Finance Regulation No. 131/PMK.04/2018 concerning Bonded Zones (MoF Reg. 65/2021).

Broadly speaking, the changes under MoF Reg. 65/2021 pertain to the obligations of bonded zone entrepreneurs and entrepreneurs in bonded zones that also act as operators in bonded zones (*Penyelenggara Di Kawasan Berikat*/PDKB); affirmation of customs, excise, and tax treatment in bonded zones; as well as suspension and revocation of license as bonded zone operators, bonded zone entrepreneurs, and/or PDKB.

The revised obligations of bonded zone and PDKB entrepreneurs include the requirement to submit a report on stocktake results (*stock opname*) no later than two months after the implementation of the stocktake (*stock opname*). The report on stocktake results is submitted to the Head of the Tax Office where the Periodic Value Added Tax Returns are filed.

Next, in terms of affirmation of customs, excise, and tax treatment, there is the additional Article 20 paragraph (3a) under MoF Reg. 65/2021. The Article states that goods entitled to facilities in bonded zones include

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raw materials, auxiliary materials, and/or packaging and packaging tools belonging to non-resident tax subjects which are intended to be exported after being processed or assembled in the bonded zones.

These facilities, however, are granted insofar as the goods remain in the bonded zones until exported. Release of said goods prior to export is only permitted for the delivery between bonded zones and/or temporary release.

On another note, it is also affirmed that the entry of goods into bonded zones does not constitute a supply of taxable goods, the entry is not subject to Value Added Tax (VAT) or VAT and Sales Tax on Luxury Goods (STLGs), and no tax invoice is prepared. Provisions on the entry and release of goods in bonded zones are also confirmed.

Through MoF Reg. 65/2021, the Ministry of Finance also asserts that the license as bonded zone operators, bonded zone entrepreneurs, and PDKB may be suspended based on one of the following two things:

First, if based on research, audits, and/or audit results conducted by the Directorate General of Customs and Excise (DGCE), bonded zone operators, bonded zone entrepreneurs, and/or PDKB carry out activities that deviate from the granted license and/or show an inability to organize and/or manage bonded zones.

Second, if there are recommendations from the Directorate General of Taxes (DGT), in the event that the bonded zone operators, bonded zone entrepreneurs, and/or PDKB violate the statutory provisions in the field of taxation based on sufficient preliminary evidence.

Further, the provisions related to the use of corporate guarantees in bonded zones have also been amended. These changes are outlined in Article 51 paragraph (1) of MoF Reg. 65/2021 which confirms that only bonded zone entrepreneurs or PDKB with a low-risk profile may use corporate guarantees as collateral. This differs from the previous regulation which only stated that bonded zone entrepreneurs and PDKB could use corporate guarantees as collateral, without mentioning the risk profile.

Deduction of Gross Income for the Exemption of Donations and Costs of Social Infrastructure Development

Meet Our Experts



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The Ministry of Finance has issued a regulation concerning the deduction of gross income for the exemption of donations and costs of social infrastructure development. The policy is stipulated under the Minister of Finance Regulation No. 62/PMK.03/2021 concerning Procedures for the Involvement of the Central Government and/or Regional Governments in the Context of Imposing Donations and/or Costs of Social Infrastructure Development Deductible from Taxpayers' Gross Income of in the Mineral Mining Business Sector (MoF Reg. 62/2021).

This regulation has been issued as an implementing regulation of Government Regulation no. 37 of 2018 concerning Tax Treatment and/or Non-Tax State Revenues in the Mineral Mining Business Sector. Promulgated on 14 June 2021, MoF Reg. 62/2021 has come into force thereafter.

As per Article 1 of MoF Reg. 62/2021, the amount of taxable income for taxpayers that conduct business in the mineral mining sector is determined based on gross income subtracted by costs to earn, collect, and maintain income.

Costs to obtain, collect, and maintain such income include expenses in the form of donations and/or costs through certain agencies/institutions. Said donations and/or costs may be given in the form of money and/or goods. Expenses in the form of donations and/or costs may include the following five things:

(i) donations in the context of national disaster management, which constitute donations for victims of national disasters submitted through disaster management agencies or institutions/ parties that have obtained permission from the competent agencies/institutions;

(ii) donations in the context of research and development, which constitute contributions to research and development carried out in the territory of the Republic of Indonesia submitted through research and development institutions;

(iii) donations of educational facilities, which constitute donations in the form of educational facilities submitted through educational institutions;

(iv) donations in the context of sports development, which constitute contributions to fostering, developing, and coordinating an organization or a group of organizations of branches/types of competitive sports submitted through sports coaching institutions; and

(v) social infrastructure development costs, which constitute costs incurred to provide facilities and infrastructure for the public interest including in the health sector, and are non-profit in nature through institutions engaged in community improvement and development.

The institutions referred to in points (ii), (iii), (iv), and (v) are philanthropic institutions that involve the central government and/or regional governments in the donation distribution program.

In the event that the expenses in the form of donations and/or costs are directly submitted in the form of facilities and/or infrastructure to the central government and/or regional government, the donation is deemed to have been fulfilled. Donations are directly submitted by taxpayers to the central government and/or regional governments as per statutory provisions.

Philanthropic institutions involve the central government by adjusting the philanthropic institutions' donation distribution programs based on the central government's policy programs. On the other hand, philanthropic institutions involve regional governments by adjusting the philanthropic institutions' distribution programs based on regional governments' policy programs.

Philanthropic institutions involve the central government and regional governments by adjusting the donation distribution programs to the policy programs of the central government and regional governments. The involvement of the central government and/or regional governments by the donation-collecting institution is evidenced by an approval document on the donation distribution program plans by the donation-collecting institution.

A taxpayer's expenses in the form of donations and/or costs in the mineral mining business sector may be deducted from gross income if the following five requirements are met:

(i) the taxpayers do not suffer tax losses based on the annual income tax return for the previous tax year;

(ii) donations and/or costs do not result in any losses in the Tax Year the donation is made;

(iii) supported by valid evidence;

(iv) donations and/or costs submitted through disaster management agencies or institutions/ parties that have obtained permission from the competent authorities and/or philanthropic institutions involving the central government and/or regional governments in the donation distribution programs; and

(v) donations and/or costs are not submitted through an affiliated donation-collecting institution.

Expenses on social infrastructure development, on the other hand, may be submitted directly to the central government and/or regional government if the following three elements are met:

(i) the taxpayer does not suffer tax losses based on the annual income tax return for the previous tax year;

(ii) donations and/or costs do not result in any losses in the tax year the donation is made; and

(iii) supported by valid proof of donation receipt from the central government and/or regional governments.

Further, taxpayers giving donations are required to report receipts of donations and/or costs to the Director General of Taxes. Taxpayers report receipts of donations by filling out and submitting forms for receipts of donations and submitting copies of approval documents.

A copy of the approval document does not need to be submitted if the expenses of donations and/or costs are directly submitted in the form of facilities and/or infrastructure to the central government and/or regional government.

Reports of donation receipt are submitted electronically through the Directorate General of Taxes' (DGT) website or other channels integrated with the DGT's system. Receipts of donations are to

be reported no later than upon the submission of the annual income tax return for the tax year concerned. Provisions on the reporting of receipts of donations take effect from 1 January 2022.

Moreover, this regulation also stipulates that philanthropic institutions are required to submit reports of donation collection to the Director General of Taxes. Reports of donation collection by philanthropic institutions are adjusted to the provisions on donations to national disaster management, research and development donations, educational facilities donations, sports development donations, and social infrastructure development costs that are deductible from gross income.

July 2021 Interest Penalties and Compensation Interest Rates

Meet Our Experts



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The government has released monthly interest rates as the basis for calculating administrative penalties in the form of interest and the granting of interest compensation for the period between 1 July 2021 to 31 July 2021.

Details of the interest rates are stipulated under the Minister of Finance of the Republic of Indonesia Decree No. 38/KM.10/2021 concerning Interest Rates as the Basis for Calculating Administrative Penalties in the Form of Interest and Interest Compensation for the Period between 1 July 2021 to 31 July 2021 (MoF Decree 38/2021). This regulation was signed on 29 June 2021.

Four monthly interest rates apply for administrative penalties, ranging from 0.54% to 1.79%. The four monthly interest rates are the same as the monthly interest rates for the June 2021 period. Details of monthly interest rates for tax interest penalties for the period between 1 July 2021 to 31 July 2021 can be seen in Table 2.

The amount of monthly interest rates in the MoF Decree varies as it is the result of the calculation of the monthly interest rate. The calculation is based on the reference interest rate formula set by the minister of finance plus the uplift factor of each article and divided by 12.

On the other hand, the interest rate as the basis for the granting of interest compensation is set at 0.54%. The monthly interest rate is the same as the previous period. Details of the monthly rates on tax interest compensation for the period between 1 July 2021 and 31 July 2021 can be seen in Table 3.

Postponement of Trial Proceedings and Temporary Suspension of Face-to-Face Services at the Tax Court (21-25 June 2021)

The Tax Court has again postponed trial proceedings and temporarily suspended face-to-face services. This policy is outlined in Circular No. 06/PP/2021 concerning Postponement of Trial Proceedings and Temporary Suspension of Face-to-Face Administrative Services (Through the Helpdesk/Delivered Directly) at the Tax Court from 21 June 2021 to 25 June 2021 (SE-06/2021).

The postponement of trial proceedings and the temporary suspension of face-to-face services are due to the increasing number of confirmed Covid-19-positive cases at the Tax Court. This circular has been issued to provide information and legal certainty concerning the Tax Court's policies on the conduct of trial proceedings and face-to-face administrative

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Table 2 Details of Monthly Interest Rates of Interest Penalties

Articles in General Tax Provisions and Procedures	The Granting of Interest Compensation for	The Imposition of Administrative Penalties
Article 19 paragraph (1)	Notice of Tax Underpayment Assessment (*Surat Ketetapan Pajak Kurang Bayar*/SKPKB) or Additional SKPKB, and Correction Decree, Objection Decision Letter, Decision on Appeal, or Decision on Case Review, which causes the amount of tax payable to increase, but at the time of maturity, it is not paid or underpaid. (Collection Interest)	0.54%
Article 19 paragraph (2)	Taxpayers are allowed to pay in installments or postpone tax payments. (Installments/postponement of tax payments)	
Article 19 paragraph (3)	Taxpayers are allowed to postpone the filing of Annual Tax Returns and the temporary calculation of the tax payable as referred to in Article 3 paragraph (5) is actually less than the actual amount of tax payable. (Underpayment of postponement of the filing of Annual Tax Returns)	
Article 8 paragraph (2)	Underpayment of Correction of Annual or Periodic Tax Returns.	0.95%
Article 8 paragraph (2a)	The taxpayer corrects Periodic Tax Returns on his own (before audits) which results in higher tax liability.	
Article 9 paragraph (2a)	Late remittance of periodic income tax.	
Article 9 paragraph (2b)	Late remittance of Annual Income Tax/Article 29 Income Tax.	
Article 14 paragraph (3)	The issuance of Notice of Tax Collection (*Surat Tagihan Pajak*/STP) by the DGT due to: (i) Unpaid/underpaid income tax (ii) Based on the research results, there are taxes that are underpaid due to writing errors and/or miscalculations. (Income tax in the current year is not paid/underpaid or from the results of the research, there is tax underpayment due to writing errors and/or miscalculations)	
Article 8 paragraph (5)	Disclosure of inaccuracy of Tax Returns after audits, but the Notice of Tax Assessment (*Surat Ketetapan Pajak*/SKP) has not been issued. (Underpaid tax that arises due to the disclosure of incorrect Tax Return filling)	1.37%
Article 13 paragraph (2)	SKPKB is issued because the tax payable is not paid/underpaid due to matters regulated under Article 13 paragraph 1 subparagraph (a) to (e) of the General Tax Procedures and Provisions Law. (SKPKB Penalties)	1.79%
Article 13 paragraph (2a)	SKPKB is issued as the taxable person for VAT purposes has not performed any supplies, but has received refunds/has credited the input VAT as referred to in Article 9 paragraph (6a) of the VAT Law. (Refund of input VAT from taxable persons for VAT purposes that are not producing)	

Source: Job Creation Law and MoF Decree 38/2021.

Table 3 Details of Monthly Interest Rates of Interest Compensation

Articles in General Tax Provisions and Procedures	The Granting of Interest Compensation for	Monthly Interest Rate
Article 11 paragraph (3)	The refund of tax overpayment is performed in 1 (one) month after the application.	0.54%
Article 17B paragraph (3)	Notice of Overpayment Assessment (*Surat Ketetapan Pajak Lebih Bayar*/SKPLB) is issued late after the 1 month period expires.	
Article 17B paragraph (4)	SKPLB is issued because the preliminary investigation of tax crime: a. does not proceed with the investigation, b. proceeds with the investigation but there is no prosecution of tax crime, or c. proceeds with the investigation and prosecution of the tax crime but it is acquitted.	
Article 27B paragraph (4)	The refund of tax overpayment on the filing of objections, requests for appeal, or requests for case review that are granted partially or in full.	

Source: Job Creation Law and MoF Decree 38/2021.

services in an effort to protect judges, registrar, employees, and all users of tax court services.

This regulation stipulates that trial proceedings at the Tax Court, including electronic trials, originally scheduled from 21 June 2021 to 25 June 2021, are postponed. The adjourned trials will be rescheduled subject to further notice.

In the event of trial postponement, the panel of judges or single judges order the alternate registrar to notify the parties of the adjournment of the trial through electronic media or other media and record it in the minutes of hearing. Trial proceedings at the Tax Court including electronic trials will be held starting Monday, 28 June 2021 subject to further notice.

On another note, all face-to-face administrative services, including the filing of appeals/lawsuits, submission of requests for case reviews, information services, and submission of court documents and other letters are temporarily suspended.

Face-to-face services are temporarily suspended from 21 June 2021 to 25 June 2021. During the temporary suspension of face-to-face administrative services, appeals/lawsuits and court documents and other letters may be submitted by post.

From 21 June 2021 to 25 June 2021, the Tax Court will conduct close contact tracing, data collection, disinfection/sterilization in all office environments, and swab tests on Tax Court judges, officials, employees, and support staff in close contact with those who have been confirmed Covid-19-positive.

To obtain Tax Court information services, service users may use email (informasipp@kemenkeu.go.id), contact service on the Tax Court Secretariat's webpage (www.setpp.kemenkeu.go.id), and Whatsapp at number 081211007510.

If so required, provisions on the implementation of this circular shall be further stipulated by the Chairperson of the Tax Court. Promulgated on 18 June 2021, this regulation has come into effect thereafter.

In connection with the postponement of trial proceedings and the temporary suspension of face-to-face services at the Tax Court from 21 June 2021 to 25 June 2021, the Tax Court stipulates guidelines for adjustments of trial proceedings and other administrative services. The guidelines for adjustments of trial proceedings and administrative at the Tax Court constitute a follow-up to SE-06/2021.

These provisions are outlined in Circular No. SE-07/PP/2021 concerning Guidelines for Adjustments of Trial Proceedings and Other Administrative Services as a Follow-up to the Chairperson of the Tax Court Circular No. SE-06/PP/2021 (SE-07/2021).

This circular contains an elucidation of the period of preparation and implementation of trial proceedings as well as other administrative services in connection with the postponement of trial proceedings and the temporary suspension of face-to-face services. The period of preparation and implementation of trial proceedings does not take into account the period from 21 June 2021 to 27 June 2021 (seven days) within the period referred to in Law no. 14 of 2002 concerning the Tax Court (Tax Court Law).

Moreover, the period of other administrative services does not take into account the period from 21 June 2021 to 27 June 2021 in calculating the period stipulated under the Tax Court Law either. Other administrative services include the delivery of tax court decisions, submission of requests for case reviews from relevant parties, the delivery of case reviews to the Supreme Court, the delivery of copies of case review decisions, license of attorney-at-law, and other court documents.

If so required, provisions on the implementation of this circular shall be further stipulated by the Chairperson of the Tax Court. Promulgated on 18 June 2021, this regulation has come into effect thereafter.

Postponement of Trial Proceedings and Temporary Suspension of Face-to-Face Services at the Tax Court (28 June to 2 July 2021)

Meet Our Experts



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The Tax Court postpones trial proceedings and temporarily suspended face-to-face services (through the helpdesk/delivered in person) at the tax court from Monday, 28 June 2021 to Friday, 2 July 2021.

The postponement of trial proceedings and temporary suspension of all services are is outlined in Chairperson of the Tax Court Circular No. SE-08/PP/2021 concerning the Postponement of Trial Proceedings and Temporary Suspension of Face-to-Face Administrative Services (Through the Helpdesk/Delivered Directly) at the Tax Court from 28 June 2021 to 2 July 2021 (SE-08/2021).

The postponement of trial proceedings and the temporary suspension of face-to-face services are due to the increasing number of confirmed Covid-19-positive cases at the Tax Court. This policy also embodies the tax court's commitment to follow up on the provisions on thorough handling of Covid-19 as per prevailing regulations.

Through SE-8/2021, the Chairperson of the Tax Court stipulates that trial proceedings in the tax court, including electronic trials, formerly scheduled from Monday, 28 June 28, 2021, to Friday, 2 July 2021, are postponed and will be rescheduled subject to further notice.

In light of the postponement, the panel of judges or single judges order the alternate registrar to notify the parties of the adjournment of the trial through electronic media or other media and record it in the minutes of hearing. Trial proceedings at the Tax Court including electronic trials will be held starting Monday, 5 July 2021 subject to further notice.

All face-to-face administrative services (through the helpdesk/delivered in person), on the other hand, including the filing of appeals/lawsuits, submission of requests for case reviews, information services, and submission of court documents and other letters are temporarily suspended from Monday, 28 June 28, 2021, to Friday, 2 July 2021.

During the temporary suspension of face-to-face administrative services (through the helpdesk/delivered in person), appeals/lawsuits and court documents, and other letters may be submitted by post.

Information service users may use email (informasipp@kemenkeu.go.id), contact service on the Tax Court Secretariat's webpage (www.setpp.kemenkeu.go.id), and Whatsapp at number 081211007510 to obtain Tax Court information services.

In connection with the postponement of trial proceedings and the temporary suspension of the face-to-face services, the Chairperson of the Tax Court also establishes guidelines for the adjustments to trial proceedings and other administrative services at the tax court.

The guidelines for the adjustments to trial proceedings and administrative services are outlined in the Chairperson of the Tax Court Circular No. SE-09/PP/2021 concerning Guidelines for Adjustments of Trial Proceedings and Other Administrative Services as a Follow-up to the Chairperson of the Tax Court Circular No. SE-08/PP/2021 (SE-09/2021).

This circular contains an elucidation of the period of preparation and implementation of trial proceedings as well as other administrative services in connection with the postponement of trial proceedings and the temporary suspension of face-to-face services starting from 28 June 2021 to 2 July 2021. Through SE-09/2021, the Chairperson of the Tax Court stipulates two clauses in terms of the adjustments to the period of the preparation and implementation of trial proceedings.

First, the period of preparation and implementation of trial proceedings does not take into account the period from 28 June 2021 to 4 July 2021 (7 days) within the calculation of the period referred to under Article 48 of Law no. 14 of 2002 concerning the Tax Court (Tax Court Law).

Second, the period of trial execution does not take into account the period from 28 June 2021 to 4 July 2021 (7 days) within the calculation of the period referred to under Article 81 and Article 82 of the Tax Court Law.

Moreover, the period of other administrative services, such as the delivery of tax court decisions, submission of requests for case reviews from relevant parties, the delivery of case reviews to the Supreme Court, the delivery of copies of case review decisions, license of attorney-at-law, and other court documents, does not take into account the period from 28 June 2021 to 4 July 2021 (7 days) in calculating the period stipulated under the Tax Court Law either.

The chairperson of the tax court circular has come into force as of 25 June 2021. If so required, provisions on the implementation of this circular shall be further stipulated by the Chairperson of the Tax Court.

Provisions on Tax Rights and Obligations of Mining License Holders and Changes to Bonded Zones

Changes in Tariffs of Plantation Fund Levies on Palm Oil Exports

Meet Our Experts



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Denny Vissaro is the Manager of DDTC Fiscal Research at DDTC. His research coverage consists of fiscal policy, international taxation, tax administration, public finance and fiscal decentralization. Most of his research projects are related to the works of Directorate General of Taxes and Fiscal Policy Agency. He is also responsible as the Chief Editor for the Indonesia Taxation Quarterly Report. He holds a Master's degree in Economics of Development from Erasmus Universiteit Rotterdam. In 2017, he was appointed as a national reporter and speaker at Rust Conference, in Austria. Additionally, he is Certified in Principles of International Taxation and Transfer Pricing from the Chartered Institute of Taxation, United Kingdom.

The Ministry of Finance amends the provisions on the service tariffs for the Public Service Agency (*Badan Layanan Umum*/BLU) of Indonesia Palm Oil Plantation Fund Management Agency (*Badan Pengelola Dana Perkebunan Kelapa Sawit*/BPKDS). This levy constitutes compensation for services provided by BLU BKPDS to the Ministry of Finance.

Changes to service tariffs are outlined in the Minister of Finance Regulation No. 76/PMK.05/2021 concerning the Second Amendment to the Minister of Finance Regulation No. 57/PMK.05/2020 concerning Service Tariffs for Public Service Agency of Indonesia Palm Oil Plantation Fund Management Agency at the Ministry of Finance (MoF Reg. 76/2021).

Through MoF Reg. 76/2021, the Ministry of Finance revises the tariffs of plantation fund levies on exports of palm oil, crude palm oil (CPO), and derivative products. On another note, the Ministry of Finance also increases the price thresholds for palm oil, crude palm oil (CPO), and derivative products, which are subject to plantation fund levies on exports of palm oil, CPO, and derivative products.

Changes to service tariffs and thresholds are listed in Appendix I of MoF Reg. 76/2021. As per the Appendix of MoF Reg. 76/2021, the CPO price threshold subject to plantation fund levies on CPO exports rises to US$750 per ton, from formerly US$670 per ton. Furthermore, for every CPO price increase of US$50 per ton, the tariff of plantation fund levy will also increase by US$20.

In further detail, in the event the CPO price reaches US$750 per ton, the tariff of plantation fund levy on CPO exports is US$ 55. Next, if the CPO price is above US$750 to US$800 per ton, the tariff of plantation fund levy on CPO exports is US$75. Additionally, if the CPO price is above US$800 to US$850 per ton, the tariff of plantation funds levy on CPO exports is US$95.

Furthermore, CPO prices above US$850 to US$900 per ton shall be subject to a plantation fund levy tariff on CPO exports of US$115. Next, if the CPO price is above US$900 to US$950 per ton, the tariff of plantation fund levy on CPO exports is US$135. In contrast, if the CPO price is above US$1000, the tariff will remain as per the highest tariff for plantation fund levy on CPO exports of US$175.

In addition to the threshold and tariffs of plantation fund levies on CPO exports, the Appendix of MoF Reg. 76/2021 also outlines the thresholds and tariffs of plantation fund levies on exports of palm oil and other derivative products. MoF Reg. 76/2021 comes into force as of 2 July 2021 and replaces the tariffs formerly applicable under MoF Reg. 191/2020.

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