

Updates

June 2017

Updates - BKPM - New Regulation - Tax Subject Status Confirmation

On 6 June 2017, BKPM issued Regulation No. 7 of 2017 on Tax Subject Status Confirmation in Licensing and Non-Licensing Services at One Stop Services in BKPM. This regulation was issued as an implementation of Presidential Instruction No. 10 of 2016 on Corruption Prevention and Eradication Actions. Due to the issuance of this regulation, any Indonesian applicant (either individual or entity) that wants to apply for a license to BKPM will first have its tax obligation status checked by BKPM. BKPM can check through its own system, which is linked to the tax office system. If the results of the check are satisfactory, the application process can continue. If the results are not satisfactory, the application process can only be continued after the applicant has cleared its outstanding tax obligations with the tax office. The elements that are checked are:

For More Information:

Cahyani Endahayu
Partner
+62 21 2960 8515
cahyani.endahayu@bakernet.com

Daniel Pardede
Partner
+62 21 2960 8609
daniel.pardede@bakernet.com

1. Whether the name of the applicant and its tax number are in line with those recorded at the tax office.
2. Whether the applicant has submitted its annual tax income report for the last two years to the tax office.

Even though the regulation has already become effective, BKPM confirmed that it will only be implemented in the third quarter of 2017. So it remains to be seen how this will impact applicants (eg, whether there is another step that will need to be conducted by applicants, and if yes, whether this will prolong the application process).

www.hhp.co.id

Hadiputranto, Hadinoto & Partners
The Indonesia Stock Exchange
Building, Tower II, 21st Floor
Sudirman Central Business District
Jl. Jenderal Sudirman Kav. 52-53
Jakarta 12190
Indonesia

Tel: +62 21 2960 8888
Fax: +62 21 2960 8999

©2017 Hadiputranto, Hadinoto & Partners. All rights reserved. Hadiputranto, Hadinoto & Partners is a member of Baker & McKenzie International. In accordance with the common terminology used in professional service organizations, reference to a "partner" means a person who is a partner, or equivalent, in such a law firm. Similarly, reference to an "office" means an office of any such law firm.

This may qualify as "Attorney Advertising" requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.