



**CHAIRMAN OF INVESTMENT COORDINATING BOARD
REPUBLIC OF INDONESIA**

COPY

REGULATION OF THE CHAIRMAN OF INVESTMENT COORDINATING BOARD
REPUBLIC OF INDONESIA

NUMBER 18 OF 2015

ON

AMENDMENT ON REGULATION OF THE CHAIRMAN OF INVESTMENT
COORDINATING BOARD NUMBER 8 OF 2015 ON PROCEDURES FOR
APPLYING INCOME TAX FACILITY FOR INVESTMENT PURPOSES FOR
SPECIFIC BUSINESS AREAS AND/OR SPECIFIC REGIONS

BASED ON BELIEF IN THE ONE AND ONLY GOD

CHAIRMAN OF INVESTMENT COORDINATING BOARD OF
THE REPUBLIC OF INDONESIA

Considering: a. that for the purpose of supporting national deregulation program namely the acceleration for the arrangement of investment license in a specific industrial estate, the Investment Coordinating Board has issued Regulation of the Chairman of Investment Coordinating Board Number



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14 of 2015 on Guidelines and Procedures for Investment Principle License.

- b. that in line with the consideration as referred to in letter a, it needs to simply Regulation of the Chairman of Investment Coordinating Board Number 8 of 2015 on Procedures for Applying Income Tax Facility For Investment Purposes For Specific Business Areas and/or Specific Regions
- c. that in line with the consideration as referred to in letter a and letter b, it needs to stipulate Regulation of the Chairman of Investment Coordinating Board on Amendment of Regulation of the Chairman of Investment Coordinating Board Number 8 of 2015 on Procedures for Applying Income Tax Facility For Investment Purposes For Specific Business Areas and/or Specific Regions;

- In view of:
1. Law Number 25 of 2007 on Investment (State Gazette of the Republic of Indonesia of 2007 Number 67, State Gazette of the Republic of Indonesia Number 4724);
 2. Law Number 25 of 2009 on Public Services (State Gazette of the Republic of Indonesia of 2009 Number 112, Supplement to State Gazette of the Republic of Indonesia Number 5038);



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3. Government Regulation Number 94 of 2010 on the Calculation of Taxable Income and Income Tax Payment in the Current Year (State Gazette of the Republic of Indonesia of 2010 Number 161, Supplement to State Gazette of the Republic of Indonesia Number 5183);
4. Government Regulation Number 96 of 2012 on Implementation of Law Number 25 of 2009 on Public Services (State Gazette of the Republic of Indonesia of 2012 Number 215, Supplement to State Gazette of the Republic of Indonesia Number 5357);
5. Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Specific Business Area and/or in Specific Regions (State Gazette of the Republic of Indonesia of 2015 Number 77, Supplement to State Gazette of the Republic of Indonesia Number 5688);
6. Presidential Regulation Number 90 of 2007 on Investment Coordinating Board, as amended by Presidential Decree Number 86 of 2012 (State Gazette of the Republic of Indonesia of 2012 Number 210);
7. Presidential Regulation Number 97 of 2014 on the Implementation of One Stop Services (State Gazette of the Republic of Indonesia of 2014 Number 221);



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8. Regulation of Minister of Finance Number 130/PMK.011/2011 on Granting of Exemption or Tax Reduction Incentive of Corporate Income, as amended by the Regulation of Minister of Finance Number 192/PMK.011/2014;
9. Regulation of Minister of Finance Number 258/PMK.011/2014 on the Implementation of One Stop Finance at the Investment Coordinating Board;
10. Regulation of the Chairman of Investment Coordinating Board Number 90/SK/2007 on Organization and Work Procedure of the Investment Coordinating Board as already amended by Regulation of the Chairman of the Investment Coordinating Board Number 1 of 2011;
11. Regulation of the Chairman of Investment Coordinating Board Number 9 of 2015 on the Implementation of One Stop Services at the Investment Coordinating Board;
12. Regulation of the Chairman of Investment Coordinating Board Number 14 of 2015 on Guidelines and Procedures for Investment Principle License;

DECIDES:

To stipulate: REGULATION OF THE CHIRMAN OF INVESTMENT COORDINATING BOARD ON AMENDMENT OF REGULATION THE CHAIRMAN OF INVESTMENT COORDINATING BOARD



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NUMBER 8 OF 2015 ON APPLICATION PROCEDURES FOR INCOME TAX FACILITIES OF INVESTMENT IN SPECIFIC BUSINESS AREA AND/OR IN SPECIFIC REGIONS.

Article I

Provisions of the Chairman of Investment Coordinating Board Number 8 of 2015 on Application Procedures for Income Tax Facilities of Investment in Specific Business Area and/or in Specific Regions, is amended as follows:

1. The provisions of Article 1 is amended to read as follows:

Article 1

In this Regulation referred to as:

1. Investment means any form of investment activities, either by domestic Investor as well as foreign capital investment, to conduct business within the territory of the Republic of Indonesia.
2. Taxpayer means an entity that makes an investment either incorporated or not incorporated.
3. Specific Business Area mean business fields in the sector of economic activity with high priority on a national scale.
4. Specific Region means an area that economically has viable potential to be developed.



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5. Corporate Income Tax Facility/ Tax Allowance mean income tax facility as stipulated in Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Specific Business Area and/or in Specific Regions.
6. Investment Principle License hereinafter referred Principle License mean a license which must be held in order to start a business.
7. Extension Principle License of Investment hereinafter referred Extension Principle License means Principle License that must be held by the company to initiate activities within the framework of business expansion.
8. Amendment Principle License of Investment hereinafter referred to Amendment Principle License means a principle license that must be held the company in order to amend any plans or realization of the predetermined investment.
9. Investment License means Principle License that is held by the company with the specific criteria set out in the Regulation of Investment Coordinating Board.
10. Investment Coordinating Board hereinafter abbreviated to BKPM means a Non-Government Organization (LPNK) being responsible for investment, led by a



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chairman who is under and responsible directly to the President.

11. Technical Ministry means ministry promoting the sector.
12. One Stop Services hereinafter referred PTSP means an integrated service in a single process starting from the proposal up to completion of service products through a single door.
13. The Central PTSP means service linked with investment services under the authority of Central Government, which shall be integrated in a single process starting from the proposal up to the completion of service products through a single door at the BKPM, the implementation is carried out by:
 - a. delegation or transfer of authority from the Minister/Head of LPNK to the Chairman of BKPM; and/or
 - b. Ministry official assignment/LPNK at the BKPM.
14. Liaison officer means an officer of the Ministry/LPNK appointed as Front officer/Back officer to provide services and/or processing an application for Licensing and Non-licensing related to investments under the authority of the Technical Minister/Head of LPNK



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following with clear description of duties, rights, powers, duties, and responsibilities.

15. Front officers of Central PTSP at the BKPM means the officer who received the facility application from the taxpayer consisting of a Liaison officer and officials of BKPM in the Directorate of Facility Service unit.
16. Trilateral Meeting means a discussion meeting in the framework of decision-making for proposing the granting of Reduction Tax Facility/Incentive of Corporate Income/Tax Allowance of the Chairman of BKPM to the Minister of Finance through the Director General of Taxation, which is in the presence of officials of Echelon I or a representative of the BKPM, the Ministry of Finance cq Director General of Taxation and Advisor to the Minister of Finance and the Technical Ministry in accordance with the business proposed in the application.
2. The provisions of paragraph (2) and (3) Article 2 are amended so that Article 2 shall further be read as follows:

Article 2

- (1) Tax Reduction Facility of Corporate income/ Tax Allowance can be given to the taxpayer who makes



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an investment, both new investments and expansion of the existing business, at:

- a. Specific Business Areas as contained in Appendix I of the Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Specific Business Areas and/or in Specific Regions; and/or
- b. Specific Business Areas and Specific Regions as contained in Appendix II of Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Specific Business Areas and/or in Specific Regions.

(2) Application Facilities of Corporate Income Tax/Tax Allowance as referred to in paragraph (1) shall be submitted by the taxpayer who has/hold:

- a. Principle License/Investment License and amendments issued by BKPM;
- b. Principle License/Expansion Investment License and amendments issued by BKPM; or
- c. Investment license issued by other institutions authorized by the legislation.

(3) Application Facilities of Corporate Income Tax/Tax Allowance as referred to in paragraph (1) shall be



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submitted by the taxpayer to the Central PTSP at BKPM following with the required documents as contained in Appendix I which is an integral part of this Regulation, such as:

- a. application signed on the sufficient stamp-duty by the Management of Taxpayer in accordance with the format as contained in Appendix II, which is an integral part of this Regulation;
- b. power of attorney sufficiently affixed stamp-duty if the arrangement of applications are not made directly by the management of Taxpayer in accordance with the format contained in Appendix III which is an integral part of this Regulation;
- c. copy of Principle License/Investment License and amendments or Principle License/Expansion Investment License and it's amendment issued by BKPM or investment license issued by other institutions authorized by the legislation;
- d. copy of Corporate Taxpayer Identification Number (TIN);



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- e. copy of establishment deed of legal entity and amendments following with legalization/ approval of the Minister of Law and Human Right or the District Court;
- f. details of fixed assets separated between fixed assets that may receive income tax facility and that mat not receive income tax facilities in accordance with the format set forth in the Minister of Finance on the implementation of Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in the Specific Business Area and/or in Specific Regions;
- g. explanation of Investment financing source of the companies following with supporting documents; and
- h. explanation on compliance of qualitative requirements set out in the Technical Regulation on the implementation regulation of Government Regulation Number 18 of 2015 on Income Tax Facilities for Investment in Specific Business Areas and/or in Specific Regions.



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3. Appendix I, amended as set out in Appendix I of this Regulation.
4. Appendix II, amended as set out in Appendix II of this Regulation.
5. Appendix V, amended as set out in Appendix V of this Regulation.
6. Appendix VI amended as set out in Appendix VI of this Regulation.
7. Appendix VII amended as set out in Appendix VII of this Regulation.

Article II

This regulation come into force on October 26, 2015.



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For the purpose of public knowledge, instruct the Enactment of this Regulation by putting placement in the official Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On October 6, 2015

CHAIRMAN OF INVESTMENT COORDINATING BOARD

REPUBLIC OF INDONESIA,

Sgn.

FRANKY SIBARANI

Enacted in Jakarta

October 8, 2015

DIRECTOR GENERAL OF REGULATION OF LEGISLATION

MINISTRY OF LAW AND HUMAN RIGHTS

REPUBLIC OF INDONESIA

Sgn.

WIDODO EKATJAHJANA

OFFICIAL GAZETTE OF THE REPUBLIC OF INDONESIA OF 2015 NUMBER 1482

Certified true copy

Senior Secretary of BKPM

Head of Legislation Bureau,

Public Relation and Administration of Chairman

Stamped and signed

Ariesta R. Puspasari

AFFIDAVIT

This is to certify that I have translated the foregoing from Indonesian to English, that is true and complete, and I am competent in both languages.

