



FINANCE MINISTER  
OF THE REPUBLIC OF INDONESIA

REGULATION OF THE FINANCE MINISTER  
NUMBER 181/ PMK.011/ 2009

ON

EXCISE TARIFF FOR TOBACCO PRODUCTS

BY THE GRACE OF THE ONE ALMIGHTY GOD

THE FINANCE MINISTER,

Having considered : a. that for the purpose of implementing a simple excise tariff system for tobacco products, it is necessary to establish a sustainable policy on the excise tariff for tobacco products;

b. based on the considerations as intended in letter a, and for the purpose of implementing the provisions in Article 5 paragraph (5) of Law Number 11 of 1995 on Excise as amended by the Law Number 39 of 2007, it is necessary to stipulate the Regulation of the Finance Minister on Excise Tariff for Tobacco Products.

Having observed : 1. Law Number 11 of 1995 on Excise (State Gazette of the Republic of Indonesia of 1995 Number 76, Supplement to the State Gazette of the Republic of Indonesia Number 3613), as amended by the Law Number 39 of 2007 (State Gazette of the Republic of Indonesia of 2007 Number 105, Supplement to the State Gazette of the Republic Indonesia Number 4755);

2. Presidential Decree Number 84/P of 2009;

HAS DECIDED:

To Enact : THE REGULATION OF THE FINANCE MINISTER ON  
EXCISE TARIFF FOR TOBACCO PRODUCTS

CHAPTER I

GENERAL PROVISIONS

Article 1

In this Regulation of the Finance Minister, the following words shall have the following meaning:

1. A Person means a private person or a legal entity.
2. A Manufacturer means a party that manages a manufacturing business.



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3. A cigarette is a tobacco product made from sliced tobacco rolled in paper for consumption, regardless of any substitute or additive material used in its making.
4. Machine-made Clove Cigarettes (*Sigaret Kretek Mesin*), herein after shall be referred to as SKM, shall mean a type of cigarette which is produced by mixing cloves or part of cloves, both natural or artificial, regardless of its amount, and in its production process from the paper rolling, attaching the filter, the packaging for retail sale, up to the affixing of the excise stamp are done entirely or partially by machines.
5. Machine-made White Cigarettes (*Sigaret Putih Mesin*), herein after shall be referred to as SPM shall mean a type of cigarette which is produced by mixing cloves, *klembak* (rhubarb root) or incense, and in its production process from the paper rolling, attaching the filter, the packaging for retail sale, up to the affixing of the excise stamp are done entirely or partially by machines.
6. Handmade Cloves Cigarette (*Sigaret Kretek Tangan*), herein after shall be referred to as SKT shall mean a type of cigarette which is produced by mixing cloves or part of cloves, both natural or artificial, regardless of its portion, and in its production process from the paper rolling, the packaging for retail sale, up to the affixing of the excise stamp is done without machines.
7. Filtered Handmade Cigarettes (*Sigaret Kretek Tangan Filter*) herein after shall be referred to as SKTF shall mean a type of cigarette which is produced by mixing cloves or part of cloves, both natural or artificial, regardless of its amount, and in its production process from the paper rolling, attaching the filter, the packaging for retail sale, up to the affixing of the excise stamp are done without machines.
8. Handmade White Cigarette (*Sigaret Putih Tangan*) herein after shall be referred to as SPT shall mean a type of cigarette which is produced without mixing cloves, *klembak* (rhubarb root) or incense, and in its production process from the paper rolling, attaching the filter, the packaging for retail sale, up to the affixing of the excise stamp are done without machines.
9. Filtered Handmade White Cigarette (*Sigaret Putih Tangan Filter*) herein after shall be referred to as SPTF shall mean a type of cigarette which is produced without mixing cloves, *klembak* (rhubarb root) or incense, and in its production process the paper rolling, attaching the filter, the packaging for retail sale, up to the affixing of the excise stamp are done without machines.



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10. Rhubarb Incense Cigarette (*Sigaret Klembak Menyan*) herein after shall be referred to as KLM shall mean a type of cigarette, which is produced by mixing rhubarb and/ or incense both natural and artificial regardless of its amount.
11. Cigar, herein after shall be referred to as CRT is a tobacco product made from sliced or whole tobacco leaves, rolled in such a way in tobacco leaves for consumption, regardless of any substitute or additive material used in its making.
12. Leaves Cigarette or *Klobot*, herein after shall be referred to as KLB shall mean a tobacco product made from palm leaves, corn leaves (*klobot*) or similar to that, rolled in for consumption, regardless of any substitute or additive material used in its making.
13. Sliced tobacco (*tembakau iris*), herein after shall be referred to as TIS shall mean a tobacco product made from sliced tobacco leaves for consumption, regardless of any substitute or additive material used in its making.
14. Other processed tobacco products herein after shall be referred to as HPTL shall mean a tobacco product made from tobacco leaves other than the ones described in point 4 to 13 produced in a different way according to technology development and consumer's taste, regardless of any substitute or additive material used in its making.
15. The Office of the Directorate General of Customs and Excises, herein after shall be referred to as the Office shall mean the Main Service Office of the Customs and Excises or the Supervisory Office of the Customs and Excises Office within the domain of the Directorate General of Customs and Excises.
16. An Importer of excisable goods herein after shall be referred to as Importer is an individual person or legal entity importing excisable tobacco products passing through customs area.
17. The Retail Price Limit per cigarette or Gram shall mean the range of the retail price per cigarette or per gram stipulated by the Minister for each tobacco products produced by a Manufacturer of tobacco products or imported by an Importer.
18. Market Transaction Price is the sale price at the end user level.
19. Factory Production is the production of each type of tobacco products calculated based on the purchase order for the excise stamps.



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20. The Factory Production Limit is the production limit of each tobacco products calculated based on the figures from the purchase order of excise stamps of the previous year prior to the current Budget Year.
21. Minister is the Finance Minister.
22. Director General is the Director General of Customs and Excise.
23. Customs and Excise Officials is an official of the Directorate General of Customs and Excise who is appointed for a specific position to execute a specific task under the Laws on Excise.

CHAPTER II

CLASSIFICATION OF MANUFACTURERS

Article 2

- (1) Tobacco Product Manufacturers are classified based on the types and amount of tobacco products produced in accordance with the Limit of Factory Production as stipulated in Appendix I of this Regulation of the Finance Minister.
- (2) The classification of tobacco product manufacturers shall be adjusted if the Factory Production during the current calendar year has surpassed the applicable Factory Production Limit as designated for that manufacturer.
- (3) In the event that the production in one calendar year is less than the applicable Factory Production Limit for that manufacturer of tobacco products, then a Manufacturer may propose a request to the Head of the Office to downgrade the manufacturer's classification.
- (4) The application to downgrade the Manufacturer's classification as referred to in paragraph (3) shall be submitted no later than January of the following calendar year prior to placing the purchase order of excise stamps.
- (5) In responding to the request to downgrade the Manufacturer's classification as referred to in paragraph (3), the Head of the Office may approve or reject said application no later than 10 (ten) days as of the date of the receipt of the complete application.
- (6) In the event the request to downgrade the Manufacturer's classification as referred to in paragraph (3) is approved, then the Head of the Office shall issue a decision on the downgrading of the classification of the Tobacco Product Manufacturer.



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- (7) In the event the request to downgrade the Manufacturer's classification as referred to in paragraph (3) is rejected, then the Head of the Office shall issue a letter stating the reason for rejecting such a request.
- (8) The classification of a manufacturer as referred to in paragraph (3) may only be downgraded one level below the current classification of said Manufacturer.

### CHAPTER III

#### EXCISE TARIFF

##### Article 3

- (1) The excise tariff for tobacco products is determined in rupiah for each piece or gram of tobacco products.
- (2) The excise tariff as referred to in paragraph (1) shall be determined based on:
  - a. Manufacturer's classification as referred to in Article 2 paragraph (1); and
  - b. The Retail Price Limit per Piece or Gram determined by the Minister.

##### Article 4

- (1) The Retail Price Limit per Piece or Gram for each type of tobacco product for each classification of Tobacco Product Manufacturer is as stipulated in Appendix II of this Regulation of the Finance Minister.
- (2) For the purpose of classification, the tariff per piece or per gram as referred to in paragraph (1) for each tobacco products shall be based on the type, production quantity and;
  - a. retail sale price as listed in the prevailing excise tariff based on the Regulation of the Finance Minister Number 203/ PMK.011/ 2008 on Excise Tariff for Tobacco products;
  - b. retail sale price as notified by the Manufacturer of tobacco products for a new brand of tobacco products; or
  - c. increased retail sale price.

##### Article 5

The retail sale price as referred to in Article 4 paragraph (2) must be a multiple of Rp. 25,00 (twenty five rupiah).



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Article 6

The retail sale price for a new brand from a Manufacturer of tobacco products or an Importer should not be lower than the current retail sale price of its own brand in units per piece or per gram of the same tobacco products.

Article 7

Excise tariff for tobacco products as referred to in Article 4 paragraph (2) for each Manufacturer of tobacco products or an Importer shall be determined by the Head of the Office by issuing a decision on setting the excise tariff for tobacco products.

Article 8

- (1) The excise tariff for tobacco products as referred to in Article 7 shall be declared not valid if for more than 6 (six) consecutive months, the concerned Manufacturer or Importer has:
  - a. never exercised its excise stamp order by applying the purchase order document for excise stamp; or
  - b. never carried out the export of its tobacco products by utilizing the notification document for the release of excisable goods, of which excise duties, have not been paid by the tobacco product manufacturer for export purposes.
- (2) To reinstate the excise tariff for tobacco products that has been revoked as referred to in paragraph (1), a Manufacturer or an Importer of tobacco products must submit an application for the reinstatement of the excise tariff for tobacco products in accordance with the prevailing regulations.
- (3) To reinstate the excise tariff for tobacco products that has been declared not valid as referred to in paragraph (2), the following terms and conditions shall apply:
  - a. the excise tariff for the tobacco products shall not be lower than the previously applied tariff; and
  - b. the announced retail sale price shall at least be equal to the previous prevailing retail sale price.

Article 9

- (1) The reinstatement of the excise tariff of a brand of tobacco product which is no longer valid, shall conform to the following terms and conditions:
  - a. The proposal to reinstate the excise tariff may only be submitted after 6 (six) consecutive months from the last purchase order of excise stamps;



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- b. The excise tariff for the tobacco products shall not be lower than the last excise tariff; and
  - c. the announced retail sale price shall at least be equal to the previously announced and prevailing retail sale price.
- (2) Exception to the terms and conditions as referred to in paragraph (1) letter a, in the event a brand of tobacco product is involved in a excise-related violation case, the request for the reinstatement of the excise tariff for tobacco products may only be submitted 2 (two) years after the court ruling has executorial power.

Article 10

- (1) In the event the Market Transaction Price of a product exceeds the Retail Price Limit per Piece or Gram for the level above it, then the Manufacturer or Importer of tobacco products may submit a request to readjust the excise tariff.
- (2) In the event the excise tariff of a brand's Market Transaction Price for each classification of tobacco product at the highest level of its Retail Price Limit per Piece or Gram is 5% (five percent) higher than the prevailing retail price or the price printed on the excise stamp, then the Manufacturer or Importer of tobacco products shall submit a request for a readjustment of the retail sale price as the basis for calculating the Value Added Tax (PPN).
- (3) If the monitoring by the Customs and Excise official in a certain region and within a certain period reveals that the Market Transaction Price has exceeded the Retail Price Limit per Piece or Gram as referred to in paragraph (1) and/or is 5% (five percent) higher than the prevailing retail sale price or the price printed on the excise stamp as referred to in paragraph (2), then the Director of Excise on behalf of the Director General shall notify the concerned Manufacturer or Importer of tobacco products through a notification letter.
- (4) If within 30 (thirty) days after receiving a notification letter as referred to in paragraph (3), the Manufacturer or Importer of tobacco products or their legal counsel has not filed an objection or plea, then the Director of Excise on behalf of the Director General shall notify the head of the Office to implement the readjustment of the excise tariff.



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Article 11

The excise tariff and the limit of the lowest retail sale price per piece or per gram for each type of imported tobacco products shall conform to the provisions set forth in Appendix III of this Regulation of the Finance Minister.

Article 12

A Manufacturer or an Importer of tobacco products may not lower the current retail sale price of its products.

CHAPTER IV

OTHER PROVISIONS AND  
TRANSITIONAL PROVISIONS

Article 13

The retail sale price per piece or per gram for each tobacco product bound for export will be the same as the retail sale price per piece or per gram for each tobacco product of the same type and brand of tobacco product intended for sale in the domestic market.

Article 14

- (1) The Head of the Office shall make the claim for the shortage in the excise payment and other state tax of which collection is the responsibility of the Directorate General of Customs and Excise, resulting from:
  - a. The upgrading of the Manufacturer's classification as referred to in Article 2 paragraph (2) ; and/ or
  - b. the classification of the retail sale price per unit or per gram as referred to in Article 4 paragraph (1).
- (2) The shortage in payment as referred to in paragraph (1) shall not be imposed with an administrative sanction in the form of penalty.

Article 15

If the production in the 2010 calendar year has surpassed the applicable Factory Production Limit for the Manufacturer of tobacco products in its class, the following terms and conditions apply:

- a. The Manufacturer of tobacco products shall adjust its Manufacturer's classification and adjust the tobacco product excise tariff;





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- b. The adjustment of the tobacco products' excise tariff as referred to in letter a, shall be applicable 6 (six) months from the adjustment date of the Manufacturer's classification as referred to in letter a, and shall not exceed the 2010 calendar year.

Article 16

Upon enactment of this Regulation of the Finance Minister:

- a. The Head of the Office shall reinstate the valid excise tariff based on the Regulation of the Finance Minister Number 203/PMK.011/ 2008 on Excise Tariff for Tobacco Products and effective as of January 1, 2010, based on this Regulation of the Finance Minister;
- b. The excise tariff by the Head office based on the Regulation of the Finance Minister Number 203/PMK.011/2008 on Excise Tariff for Tobacco Products is still in effect until December 31, 2009.

Article 17

Appendix I as referred to in Article 2 paragraph (1), Appendix II as referred to in Article 4 paragraph (1) and Appendix III as referred to in Article 11 are integral parts of this Regulation of the Finance Minister.

Article 18

Further provisions on the procedure for determining the excise tariff of tobacco products shall be stipulated in a Regulation of the Director General.

Article 19

With the enactment of this Regulation of the Finance Minister, the Regulation of the Finance Minister Number 203/PMK.011/2008 on the Excise Tariff for Tobacco Products shall be revoked and no longer effective.

Article 20

The provisions on the Retail Price Limit per Piece or Gram and the excise tariff per piece or per gram as referred to in Article 4 paragraph (1) and the provisions on excise tariff and the lowest retail price per piece or per gram for each type of imported tobacco products as referred to in Article 11 shall be effective as of January 1, 2010.

Article 21

This Regulation of the Finance Minister shall be effective on the date of its promulgation.



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In order that this Regulation is known to the general public, it is hereby ordered that this Regulation be promulgated in the Official Gazette of the Republic of Indonesia.

Enacted in Jakarta  
On November 16, 2009

THE FINANCE MINISTER

(signed)

SRI MULYANI INDRAWATI

Promulgated in Jakarta  
On November 16, 2009  
THE MINISTER OF JUSTICE AND HUMAN RIGHTS

(signed)

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APPENDIX I  
REGULATION OF THE FINANCE MINISTER  
NUMBER 181/ PMK.01/2009 ON  
EXCISE TARIFF ON TOBACCO PRODUCTS

**CLASSIFICATION OF TOBACCO PRODUCT MANUFACTURERS**

No.	Manufacturer		Factory Production Limit
	Type	Classification	
1	SKM	I	More than 2 billion pieces of cigarettes
		II	Not more than 2 billion pieces of cigarettes
2	SPM	I	More than 2 billion pieces of cigarettes
		II	Not more than 2 billion pieces of cigarettes
3	SKT or SPT	I	More than 2 billion pieces of cigarettes
		II	More than 500 million pieces of cigarettes but not more than 2 billion pieces of cigarettes
		III	Not more than 500 million pieces cigarettes
4	SKTF or SPTF	I	More than 2 billion pieces of cigarettes
		II	Not more than 2 billion pieces of cigarettes
5	TIS	Unclassified	No Production Limit
6	KLM or KLB	Unclassified	No Production Limit
7	CRT	Unclassified	No Production Limit
8	HPTL	Unclassified	No Production Limit

THE FINANCE MINISTER

(signed)

SRI MULYANI INDRAWATI



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APPENDIX II  
REGULATION OF THE FINANCE MINISTER  
NUMBER 181/ PMK.01/2009 ON  
EXCISE TARIFF ON TOBACCO PRODUCTS

**LIMIT OF RETAIL SALE PRICE AND EXCISE TARIFF PER PIECE OR GRAM  
DOMESTICALLY PRODUCED TOBACCO PRODUCTS**

No.	Classification of Tobacco Products Manufacturer		Limit of Retail Sale Price per piece or gram	Excise Tariff per piece or gram		
	Type	Classification				
1	SKM	I	More than Rp. 660	Rp. 310		
			More than Rp. 630 up to Rp. 660	Rp. 300		
			The lowest Rp. 600 up to Rp. 630	Rp. 280		
		II	More than Rp. 430	Rp. 230		
			More than Rp. 380 up to Rp. 430	Rp. 195		
			The lowest Rp. 374 up to Rp. 380	Rp. 155		
2	SPM	I	More than Rp. 600	Rp. 310		
			More than Rp. 450 up to Rp. 600	Rp. 275		
			The lowest Rp. 375 up to Rp. 450	Rp. 225		
		II	More than Rp. 300	Rp. 200		
			More than Rp. 254 up to Rp. 300	Rp. 165		
			The lowest Rp. 217 up to Rp. 254	Rp. 105		
3	SKT or SPT	I	More than Rp. 590	Rp. 215		
			More than Rp. 550 up to Rp. 590	Rp. 165		
			The lowest Rp. 520 up to Rp. 550	Rp. 145		
		II	More than Rp. 379	Rp. 105		
			More than Rp. 349 up to Rp. 379	Rp. 95		
			The lowest Rp. 336 up to Rp. 349	Rp. 90		
		III	The lowest Rp. 234	Rp. 65		
		4	SKTF or SPTF	I	More than Rp. 660	Rp. 310
					More than Rp. 630 up to Rp. 660	Rp. 300
The lowest Rp. 600 up to Rp. 630	Rp. 280					
II	More than Rp. 430			Rp. 230		
	More than Rp. 380 up to Rp. 430			Rp. 195		
	The lowest Rp. 374 up to Rp. 380			Rp. 155		
5	TIS	Unclassified	More than Rp. 250	Rp. 21		
			More than Rp. 149 up to Rp. 250	Rp. 19		
			The lowest Rp. 40 up to Rp. 149	Rp. 5		
6	KLB	Unclassified	More than Rp. 250	Rp. 25		
			The lowest Rp. 180 up to Rp. 250	Rp. 18		
7	KLM	Unclassified	The lowest Rp. 180	Rp. 17		
8	CRT	Unclassified	More than Rp. 100.000	Rp. 100.000		
			More than Rp. 50.000 up to Rp. 100.000	Rp. 20.000		
			The lowest Rp. 20.000 up to Rp. 50.000	Rp. 10.000		
			More than Rp. 5.000 up to Rp. 20.000	Rp. 1.200		
9	HPTL	Unclassified	The lowest Rp. 275 up to Rp. 5.000	Rp. 250		
			The lowest Rp. 275	Rp. 100		

THE FINANCE MINISTER

(signed)

SRI MULYANI INDRAWATI



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APPENDIX III  
REGULATION OF THE FINANCE MINISTER  
NUMBER 181/ PMK.01/2009 ON  
EXCISE TARIFF ON TOBACCO PRODUCTS

**EXCISE TARIFF AND MINIMUM RETAIL SALE PRICE  
FOR IMPORTED TOBACCO PRODUCTS**

No.	Type of Tobacco Products	Limit of the Lowest Retail Sale Price per Piece or Gram	Excise Tariff per Piece or Gram
1	SKM	Rp. 661	Rp. 310
2	SPM	Rp. 601	Rp. 310
3	SKT or SPT	Rp. 591	Rp. 215
4	SKTF or SPTF	Rp. 661	Rp. 310
5	TIS	Rp. 251	Rp. 21
6	KLB	Rp. 251	Rp. 25
7	KLM	Rp. 180	Rp. 17
8	CRT	Rp. 100.000	Rp. 100.000
9	HPTL	Rp. 275	Rp. 100

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MINISTER OF FINANCE

(signed)

SRI MULYANI INDRAWATI