



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY OF

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF
INDONESIA NUMBER 76/PMK.011/2012

CONCERNING

AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER
176/PMK.011/2009 CONCERNING THE EXEMPTION OF IMPORT DUTY ON
IMPORTED MACHINES, AS WELL AS GOODS AND MATERIALS FOR THE
BUILDING OR DEVELOPMENT OF INDUSTRIES IN THE FRAMEWORK OF
INVESTMENT

BY THE GRACE OF GOD ALMIGHTY

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

- Considering :
- a. that in the framework to support the development of motor vehicle assembly industry, it is necessary to provide grant exemption of import duty facility in the framework of investment;
 - b. that in order to provide legal certainty for companies that have obtained the import duty exemption facility in building and/or development but not yet realize the whole importation of goods and materials within 4 (four) years due to the provisions of the import trade in the form of import quotas, it is necessary to give additional importation period for goods and materials for those companies;
 - c. that in order to improve the monitoring of goods that have exemption of import duty facility in the framework of investment in order to avoid misuse of the provision of such facility, it is necessary to improve the arrangements concerning the transfer of machinery and/or goods and materials, obligation to report the realization of import, and monitoring mechanisms of those goods;
 - d. that based on the considerations as intended in paragraphs a, b and c, it is necessary to stipulate Regulation of the Minister of Finance concerning Amendment to Regulation of the Minister of Finance Number 176/PMK.011/2009 concerning the Exemption of Import Duty on Imported Machines, as well as Goods and Materials for the Building or Development of Industries in the Framework of Investment.
- In View of :
1. Act Number 10 Year 1995 concerning Customs (State Gazette of the Republic of Indonesia Number 75 Year 1995, Supplement to State Gazette of the Republic of Indonesia Number 3612 Year 1995) as amended by Act Number 17 Year 2006 (State Gazette of the Republic of



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- Indonesia Number 93 Year 2006, Supplement to State Gazette of the Republic of Indonesia Number 4661);
2. The Presidential Decree Number 56/P Year 2010;
 3. Regulation of the Minister of Finance Number 176/PMK.011/2009 concerning The Exemption of Import Duty on Imported Machines, as well as Goods and Materials for the Building or Development of Industries in the Framework of Investment;

DECIDES:

To stipulate : REGULATION OF THE MINISTER OF FINANCE CONCERNING AMENDMENT TO REGULATION OF THE MINISTER OF FINANCE NUMBER 176/PMK.011/2009 CONCERNING THE EXEMPTION OF IMPORT DUTY ON IMPORTED MACHINES, AS WELL AS GOODS AND MATERIALS FOR THE BUILDING OR DEVELOPMENT OF INDUSTRIES IN THE FRAMEWORK OF INVESTMENT

Article I

Several provisions in Regulation of the Minister of Finance Number 176/PMK.011/2009 concerning The Exemption of Import Duty on Imported Machines, as well as Goods and Materials for the Building or Development of Industries in the Framework of Investment shall be amended as follows:

1. Provision of paragraph (1) Article 5 is amended becomes as follows:

Article 5

- (1) Companies carry out the Building as intended in Article 3 paragraph (3) or Development as intended in Article 4 paragraph (3), as long as using domestic production machine of at least 30% (thirty percent) of the total value of machines, can be granted import duty exemption as intended in Article 2 paragraph (1) on the import of Goods and Materials for the need of production/need of additional production for 4 (four) years according to their installed capacity, in the importation period of 4 (four) years since the decision in force of the decision on the exemption of import duty.
 - (2) The Use and the composition of domestic production machine as referred to in the paragraph (1) stated by the appointed Minister who is responsible for the industrial sector.
2. Between Article 5 and Article 6 is inserted 1 (one) Article, namely Article 5A which reads as follows:

Article 5A

- (1) Against the company which has obtained the facility as intended in Article 5 paragraph (1) but not realize yet the



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whole importation of Goods and Materials within a period of 4 (four) years due to the provisions of the import trade in the form of import quotas, based on the Regulation of the Minister who has responsible in trade, can be given an extension period of importation for 1 (one) year since the issuance the decree for extension approval, with the amount of remaining import allocation which has not been realized.

- (2) The Extension of period of importation as intended in paragraph (1) is given only for 1 (once).
- (3) The provision of extension of importation period as intended in paragraph (1), by taking into account the amount of Goods and Materials for the production needs for 1 (one) year and consider determining a quota allocation that is given by the ministers who is responsible in trade.

3. Provision of Article 6 is amended, so it is read as follows:

Article 6

The exemption of import duty facility as intended in Article 3, Article 4 and Article 5 shall apply to motorized vehicle assembling industry include motorized vehicle component industry.

4. Provision of Article 7 is amended, so it is read as follows:

Article 7

- (1) To obtain the exemption of import duty facility for the import of Machines and/or Goods and Materials for the Building of industries, Company shall propose application signed by the company leadership to the Head of Investment Coordinating Board.
- (2) The applications for exemption of import duty facility for the import of machines as intended in paragraph (1) shall be accompanied with:
 - a. Notary deeds of Company;
 - b. Investment Approval;
 - c. Tax Identification Number (NPWP) and receipt of application for the status of Taxable Firm;
 - d. Customs Identity Number (NIK);
 - e. Importer's Identification Number (API/API-T/API-P);
 - f. List of Machines covering volume, type, and technical specifications in details per port of entry place; and
 - g. Brief description of production process, for industries producing goods, or brief description of business activities, for service industries.
- (3) Applications for the exemption of import duty facility for the import of goods and materials as intended in paragraph (1) shall be accompanied with:
 - a. Statement from the relevant technical agency containing



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information that the composition of machines has met the requirements as intended in Article 5 paragraph (2), in case the Company using Domestic Production Machine;

- b. List of goods and materials consist of volume, type and technical specification in details per port of entry place; and
 - c. Customs notification on the import of machines or invoice on the purchase of Domestic Machine for the Building as intended in Article 3.
5. Provision of Article 8 is amended, so it read as follows:

Article 8

- (1) To obtain the exemption of import duty facility for the import of Machines and/or Goods and Materials for the Development of industries, Company shall propose applications signed by the company leadership to the Head of the Investment Coordinating Board.
 - (2) The applications for the exemption of import duty facility for the import of Machines as intended in paragraph (1) shall be accompanied with:
 - a. Notary deeds of Company;
 - b. Investment Approval;
 - c. Tax Identification Number (NPWP) and receipt of application for the status of Taxable Firm;
 - d. List of Machines covering volume, type, and technical specifications in details per port of entry place;
 - e. Customs Identity Number (NIK);
 - f. Importer's Identification Number (API/API-T/API-P); and
 - g. Brief description of production process, for industries producing goods, or brief description of business activities, for service industries.
 - (3) The applications for the exemption of import duty facility for the import of Goods and Materials as intended in paragraph (1) shall be accompanied with:
 - a. Statement from the relevant technical agency containing information that the composition of machines has met the requirements as intended in Article 5 paragraph (2), in case of Company using Domestic Production Machines;
 - b. List of goods and materials consist of volume, type and technical specification in details per port of entry place; and
 - c. Customs notification on the import of machines or invoice on the purchase of Domestic Machines for the Building as intended in Article 4.
6. Between paragraph (1) and paragraph (2) of Article 9 is



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inserted 1 (one) paragraph, called paragraph (1a), and paragraph (4) and paragraph (5) of Article 9 is amended, between paragraph (4) and paragraph (5) of Article 9 is inserted 1 (one) paragraph, called paragraph (4a), and paragraph (5) of Article 9 is demolished, so Article 9 is as follows:

Article 9

- (1) Upon the application as intended in Article 7 and Article 8, Head of Investment Coordinating Board on behalf of the Minister gives approval or rejection.
 - (1a The approval or rejection as intended in paragraph (1), is) given at the latest 7 (seven) working days since the application received completely.
 - (2) In case of the application is approved, the Head of Investment Coordinating Board on behalf of the Minister issues a decision for exemption of import duty and attachments in the form of a list of at least contain the number, types, specifications, and estimates the price of Machinery and/or Goods and Materials granted exemption of import duty in details per port of entry place.
 - (3) In case of the application is rejected, Head of Investment Coordinating Board on behalf of the Minister makes letter of rejection application by stating the reason of rejection.
 - (4) A copy of the decision of the exemption of import duty and its attachment as intended in paragraph (2), among others, addressed to the Director General of Customs and Excise and the Head of Customs Office of entry place of goods.
 - (4a Head of Investment Coordinating Board shall submit a) copy of the decision of the exemption of import duty and its attachment as intended in paragraph (4) to the Director General of Customs and Excise and the Head of Customs Office of entry place of goods within a period of 7 (seven) days since the decision for import duty exemption is issued.
 - (5) Removed.
7. Between Article 9 and Article 10 is inserted 1 (one) Article, called Article 9A, which is read as follows:

Article 9A

Issuance of the decision for exemption of import duty by the Head of Investment Coordinating Board on behalf of the Minister as intended in Article 9 paragraph (2), conducted by the delegation of authority as provided for in Presidential Regulation Number 27 Year 2009 concerning Integrated One Stop Services in Investment.



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8. The provisions of Article 13 is amended as follows:

Article 13

- (1) The Company which obtained exemption of import duty shall submit a report of the realization of the import to the Head of Investment Coordinating Board at the latest 7 (seven) working days after realization of the import.
- (2) In case of the Company does not meet the provisions on the submission of report on the realization of import as intended in paragraph (1), the Company may be subject to the provisions of administrative sanctions that is regulated by the Head of Investment Coordinating Board.

9. The provisions of Article 14 is amended as follows:

Article 14

- (1) Machinery as intended in Article 3 and Article 4, can be transferred after be used for a minimum period of 2 (two) years from the date of import customs notification.
- (2) The period of the Transfer as intended in paragraph (1) does not apply in the case of:
 - a. Emergencies condition (force majeure);
 - b. Machinery is re-exported, or
 - c. Machinery is transferred to the Company that has exemption of import duty facility for Building of Development of industry in the framework of Investment.
- (3) The transfer of machinery as intended in paragraph (1) and paragraph (2) done after obtaining permission from the Director General of Customs and Excise on behalf of the Minister.
- (4) The transfer as intended in paragraph (1) is performed within a period of minimum 2 (two) years and a maximum 5 (five) years, resulting cancellation of exemption of import duty facility provided and the Company shall pay the import duty payable.
- (5) Exempted to pay import duty payable as intended in paragraph (4) in terms of:
 - a. Transfer of Machinery is after a period of 5 (five) years from the date of import customs notification; or
 - b. Transfer of Machinery is made according to the provisions as intended in paragraph (2).
- (6) In the case of transfer of machinery do not match the provisions as intended in paragraph (3), the Company shall pay:
 - a. import duty payable on imported machinery, and
 - b. Administrative sanctions such as fines in accordance with provision of regulation in the field of customs.
- (7) The provisions on exemption of import duty to pay



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import duty obligation as intended in paragraph (4) does not apply to the machinery in case of Emergency Condition (force majeure), but the machinery still has economic value.

- (8) Payment of import duty as intended in paragraph (7) based on the delivered price with the tariff:
 - a. if the import duty tariff is 5% (five percent) or more subject to tariff of 5% (five percent); or
 - b. if the import duty tariff is less than 5% (five percent) subject to tariff according to the type of goods.
10. Between Article 14 and Article 15 inserted 3 (three) articles, called Article 14A, Article 14B and Article 14C which are read as follows:

Article 14A

- (1) Goods and Materials as intended in Article 3 and Article 4, cannot be transferred except in case of an Emergency Condition (force majeure).
- (2) Goods and Materials as intended in Article 3 and Article 4 can be re-exported or destroyed.
- (3) The transfer of goods and materials as intended in paragraph (1) and the implementation of re-export or destroying as intended in paragraph (2) be done after obtaining permission from the Director General of Customs and Excise on behalf of the Minister.
- (4) On the transfer of goods and materials and re-exporting or destroying of goods and materials as intended in paragraph (3), exempted from the obligation to pay import duty payable on imported Goods and Materials.
- (5) Exemption from the obligation to pay import duty as intended in paragraph (4) shall not apply to goods and materials in case of an Emergency Condition (force majeure) or destroying, but the Goods and Materials get Emergency Conditions (force majeure) or after destroying still have economic value.
- (6) Payment of customs duty for goods and materials in damaged condition in the case of an Emergency Condition (force majeure) or after the destroying as intended in paragraph (5) is based on the delivered price with following tariff rate:
 - a. if the import duty tariff is 5% (five percent) or more subject to tariff of 5% (five percent); or
 - b. if the import duty tariff is less than 5% (five percent) subject to tariff according to the type of goods.
- (7) In case of Company abusing the provisions as intended in paragraph (3), the Company shall pay the import duty payable subject to administrative sanctions and fines in accordance with regulations in the field of customs.



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Article 14B

- (1) Supervision of Machinery and/or Goods and Materials that get the exemption of import duty facility include:
 - a. supervision at the process of issuance of the decision of the exemption of import duty facility;
 - b. supervision at the importation of Machinery and/or Goods and Materials that get the exemption of import duty facility, and
 - c. Supervision at the using of the exemption of import duty facility in accordance with the purpose of granting the exemption of import duty facility.
- (2) Supervision as intended in paragraph (1) performed with the following provisions:
 - a. Supervision as intended in paragraphs (1) a and c is conducted by the Investment Coordinating Board.
 - b. Supervision as intended in paragraph (1) b is conducted by the Directorate General of Customs and Excise.
- (3) Supervision conducted by the Investment Coordinating Board as intended in paragraph (2) a does not eliminate the authority of the Director General of Customs and Excise in conducting surveillance of the exemption of import duty facility through the audit based on risk management.
- (4) Head of Investment Coordinating Board and the Director General of Customs and Excise may make monitoring procedures as intended in paragraph (1) either individually or together.

Article 14C

The Regulation of Director General of Customs and Excise shall further regulate the procedure of transfer of Machinery and/or Goods and Materials.

11. Provisions of paragraphs (1), (3), and (4) of Article 15 are amended, and between paragraph (3) and paragraph (4) of Article 15 is inserted 1 (one) paragraph, called Paragraph (3a), so Article 15 is read as follows:

Article 15

- (1) Head of Investment Coordinating Board submit a written report as follows:
 - a. report on the approval to grant the exemption of import duty facility; and
 - b. report on the realization of the import Machinery and/or Goods and Materials,
To the Minister through the Head of the Fiscal Policy Board, with copies to the Director General of Customs and Excise with attention to Director of Customs Facility.
- (2) The report as intended in paragraph (1) shall be



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submitted every six (6) months, for the first semester in July of the current year and for the second semester in January of the next year.

- (3) The report as intended in paragraph (1) a, is a list of granting the exemption of import duty in the semester period at least contain the following data elements:
 - a. Number and date of the Investment Approval or the Extension Approval;
 - b. Company's name and Tax Identification Number;
 - c. Type of industry sector;
 - d. Value of Investment;
 - e. Number and Date of the Exemption of Import Duty Decree;
 - f. General description of types of Machinery and/or Goods and Materials will be imported; and
 - g. Estimated the customs value amount of plan to import Machinery and/or Goods and Materials.
- (3a) The report as intended in paragraph (1) b, at least contain the number, types, specifications, and prices of Machinery and/or Goods and Material that are granted import duty exemption in detail by the port of entry.
- (4) Implementation of this Ministerial Regulation will be evaluated periodically by consider the report as intended in paragraph (1).

12. Between Article 17 and Article 18 is inserted 1 (one) Article, called Article 17A which is read as follows:

Article 17A

Transfer of the Machine and/or Goods and Materials that have granted the exemption of import duty facility in the framework of Investment prior to the enactment of this Regulation of the Minister, will be processed based on the provisions as set forth in this Regulation of the Minister.

Article II

1. With the enforcement of this Regulation of the Minister of Finance, companies that have exemption of import duty for the import of Goods and Materials as intended in Article 5 paragraph (1) already expired, and Companies already filed application for the extension before this Regulation of the Minister comes into force, can obtain extension of import period as intended in Article 5A as the amount of the rest of import allocation is not realized, after issuance of approval for period extension.
2. This Regulation of the Minister shall come into force 30 (thirty) days after the date of promulgation.

For public cognizance, this Regulation of the Minister of Finance shall be promulgated by placing it in State Gazette of the Republic of Indonesia.



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Stipulated in Jakarta

on May 21, 2012

MINISTER OF FINANCE,

Signed.

AGUS D.W. MARTOWARDOJO

Promulgated in Jakarta

on May 22, 2012

MINISTER OF JUSTICE AND HUMAN RIGHTS,

Signed.

AMIR SYAMSUDDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA NUMBER 539 YEAR 2012