

THE MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA
REGULATION OF DIRECTOR GENERAL OF TAXATION
NUMBER PER-25/PJ/2018
CONCERNING
PROCEDURES FOR THE APPLICATION OF DOUBLE TAXATION AVOIDANCE
AGREEMENT
THE DIRECTOR GENERAL OF TAXATION

Considering:

- a. whereas provisions on the procedures for the application of double taxation avoidance agreement have been stipulated in Regulation of the Director General of Taxation Number PER-10/PJ/2017;
- b. whereas in the context of administrative simplification and facilitation, provision of legal certainty, and preventing abuse of double taxation avoidance agreement, it is necessary to re-stipulate provisions on the procedures for the application of Double Taxation Avoidance Agreement;
- c. whereas based on the considerations as intended in points a and b, as well as to implement the provisions of Article 24 paragraph (2) of Government Regulation Number 94 Year 2010 regarding the Calculation of Taxable Income and the Settlement of Income Tax in Current Year, it is necessary to stipulate Regulation of the Director General of Taxation regarding Procedures for the Application of Double Taxation Avoidance Agreement;

In View of:

1. Law Number 6 Year 1983 regarding General Provisions and Procedures for Taxation (State Gazette of the Republic of Indonesia Year 1983 Number 49, Supplement to State Gazette of the Republic of Indonesia Number 3262) as amended several times most recently by Law Number 16 Year 2009 (State Gazette of the Republic of Indonesia Year 2009 Number 62, Supplement to State Gazette of the Republic of Indonesia Number 4999);
2. Law Number 7 Year 1983 regarding Income Tax (State Gazette of the Republic of Indonesia Year 1983 Number 50, Supplement to State Gazette of the Republic of Indonesia Number 3263) as amended several times most recently by Law Number 36 Year 2008 (State Gazette of the Republic of Indonesia Year 2008 Number 133, Supplement to State Gazette of the Republic of Indonesia Number 4893);
3. Government Regulation Number 94 Year 2010 regarding the Calculation of Taxable Income and the Settlement of Income Tax in Current Year (State Gazette of the Republic of Indonesia Year 2010 Number 161 Supplement to State Gazette of the Republic of Indonesia Number 5183);
4. Regulation of the Minister of Finance of the Republic of Indonesia Number 12/PMK.03/2017 regarding Proof of Withholding and/or Collection of Income Tax (Official Gazette of the Republic of Indonesia Year 2017 Number 248);

HAS DECIDED:

To Stipulate:

REGULATION OF THE DIRECTOR GENERAL OF TAXATION CONCERNING PROCEDURES FOR THE APPLICATION OF DOUBLE TAXATION AVOIDANCE AGREEMENT.

**CHAPTER I
GENERAL PROVISIONS**

Article 1

Referred to herein as:

1. Income Tax Law, hereinafter referred to as PPh Law, shall be Law Number 7 Year 1983 regarding Income Tax as amended several times most recently by Law Number 36 Year 2008.
2. Double Taxation Avoidance Agreement, hereinafter referred to as P3B, shall be the agreement between the Government of Indonesia and the government of counterparty country or counterparty jurisdiction to prevent any imposition of double taxation and tax evasion.
3. Benefits of P3B shall be facilities in P3B which may be in the form of tax rates lower than tax rates set out in the PPh Law or exemption from the imposition of tax in country of source.
4. Non-Resident Taxpayer, hereinafter briefly referred to as WPLN, shall be foreign tax subject as intended in the PPh Law receiving and/or obtaining income originating from Indonesia either through permanent establishment in Indonesia or otherwise.
5. Tax Withholder and/or Collector shall be government agency, resident tax subject, activity organizer, permanent establishment, or other representatives of foreign company obligated to perform tax withholding and/or collection of incomes received or earned by WPLN.
6. Certificate of Domicile of WPLN, hereinafter briefly referred to as SKD WPLN, shall be a statement letter in the form of a form filled in by WPLN and ratified by Competent Authority of counterparty country or counterparty jurisdiction P3B in the context of the application of P3B.
7. Certificate of Residence shall be a statement letter in any name whatsoever explaining status of a resident for the purposes of taxation for WPLN issued and ratified by Competent Authority of counterparty country or counterparty jurisdiction of P3B in the context of the application of P3B.
8. Official Authorized to Ratify SKD WPLN or Competent Authority, hereinafter referred to as Competent Authority, shall be an official authorized to ratify SKD WPLN and/or Certificate of Residence based on domestic regulation in counterparty country or counterparty jurisdiction of P3B.
9. Agent shall be an individual or entity acting as a mediator and taking action for and/or on behalf of other party.
10. Nominee shall be an individual or entity legally having an asset and/or income (legal owner) for interests or based on mandate of the party actually becoming owner of assets and/or of the party actually enjoying benefits of income.
11. Conduit shall be a company obtaining Benefit of P3B in relation to income earned in Indonesia, whereas economic benefit of the income is owned by individual or entity in other country which may not obtain Benefit of P3B if the income is directly received.

CHAPTER II
BENEFITS OF P3B AND TAX WITHHOLDING AND/OR COLLECTION
OBLIGATIONS

Article 2

WPLN receiving and/or earning income from Indonesia may obtain Benefits of P3B in accordance with the provisions stipulated in P3B with the following provisions:

- a. the income recipient shall not be Indonesian resident tax subject;
- b. the income recipient shall be an individual or entity constituting resident tax subject of counterparty country or counterparty jurisdiction of P3B;
- c. there is no abuse of P3B; and
- d. the income recipient shall be beneficial owner, in the event of being required in P3B.

Article 3

- (1) Tax Withholders and/or Collectors shall be obligated to withhold and/or collect tax payable on income received and/or earned by WPLN in accordance with the provisions stipulated in the PPh Law.
- (2) In the event that there are special provisions in P3B, Tax Withholder and/or Collector as intended in paragraph (1) shall withhold and/or collect taxes in accordance with the provisions in P3B insofar as the WPLN submits SKD WPLN which includes information on the fulfillment of provisions as intended in Article 2.
- (3) In the event that based on data and/or information owned by the Director General of Taxation, it is known that the provisions as intended in Article 2 are not complied with, Tax Withholder and/or Collector shall be obligated to withhold and/or collect taxes in accordance with the provisions stipulated in the PPh Law.

CHAPTER III
SKD WPLN

Article 4

- (1) SKD WPLN as intended in Article 3 paragraph (2) sub-paragraph b must meet the following requirements:
 - a. using DGT Form;
 - b. completed correctly, completely and clearly;
 - c. signed or given a sign equal to signature by WPLN in accordance with common practices in the P3B counterparty country or counterparty jurisdiction;
 - d. legalized by being signed or given a sign equal to signature by the Competent Authority in accordance with common practices in the P3B counterparty country or counterparty jurisdiction;

- e. there is statement of WPLN that there is no abuse of P3B as intended in Article 2 sub-article c;
 - f. there is statement that the WPLN is the beneficial owner if it is so required in P3B as intended in Article 2 sub-article d; and
 - g. used for the period specified in SKD WPLN.
- (2) The legalization by the Competent Authority as intended in paragraph (1) subparagraph d shall be set forth in Part II of the DGT Form.
- (3) The legalization as intended in paragraph (2) may be replaced by a Certificate of Residence which must meet the following provisions:
- a. using English language;
 - b. at least including information on:
 - 1) name of WPLN;
 - 2) date of issuance;
 - 3) tax year of the validity of Certificate of Residence; and
 - 4) name and signed or given a sign equal to signature by Competent Authority in accordance with common practices in the P3B counterparty country or in counterparty jurisdiction.
- (4) In the event that the WPLN uses Certificate of Residence as intended in paragraph (3), the WPLN shall remain to be obligated to fill in Form DGT other than Part II.
- (5) The Certificate of Residence meeting the provisions as intended in paragraph (3) shall form an inseparable part of SKD WPLN.
- (6) The statement as intended in paragraph (1) sub-paragraph e and sub-paragraph f shall be made by filling in SKD WPLN declaring that:
- a. abuse of P3B does not occur; and
 - b. the WPLN is the beneficial owner in the event of being required in P3B,
- as specified in attachment constituting inseparable part of this Regulation of the Director General.
- (7) The maximum period specified in SKD WPLN as intended in paragraph (1) subparagraph g shall be 12 (twelve) months.
- (8) Form DGT shall use the form with the format as specified in attachment constituting inseparable part of this Regulation of the Director General.

CHAPTER IV ABUSE OF P3B

Article 5

- (1) There shall not be any abuse of P3B as intended in Article 2 sub-article c in the event that:
- a. WPLN has:
 - 1) economic substance in the establishment of entity or the implementation of transactions;
 - 2) legal form similar to economic substance in the establishment of entity or the implementation of transaction;

- 3) business activity managed by own management and the management has sufficient authorities to enter into transaction;
 - 4) fixed assets and non-fixed assets, which are sufficient and adequate to conduct business activity in the P3B counterparty country or in counterparty jurisdiction other than assets generating incomes from Indonesia;
 - 5) employees in sufficient and adequate number with certain expertise and skill in accordance with business field conducted by company; and
 - 6) active activity or business other than only receiving incomes in the form of dividend, interest and/or royalty originating from Indonesia; as well as
- b. there is no direct or indirect transaction arrangement for the purpose of obtaining benefits of the application of P3B among other things:
- 1) reduction of tax charges; and/or
 - 2) tax exemption in any country or jurisdiction (double non taxation),
- contrary to the objectives and purposes of the entering into of P3B.
- (2) Active activity or business as intended in paragraph (1) sub-paragraph a sub sub-paragraph 6 shall be activity or business actively conducted by WPLN in accordance with actual circumstance indicated by costs spent, efforts taken, or sacrifice occurring, directly relating to business or activity in the context of earning, collecting, and maintaining incomes, including significant activity conducted by WPLN to maintain the survival of the entity.
- (3) In the event that there is difference between legal form of a transaction structure/scheme and economic substance, taxation treatment shall be applied in accordance with provisions applicable based on economic substance (substance over form) as intended in paragraph (1) sub-paragraph a sub-subparagraph 1.

CHAPTER V BENEFICIAL OWNER

Article 6

- (1) WPLN shall meet provisions as Beneficial Owner as intended in Article 2 sub-article d in the event that:
- a. for individual WPLN, he does not act as Agent or Nominee; or
 - b. for corporate WPLN, it must meet the following provisions:
 - 1) not acting as Agent, Nominee, or Conduit;
 - 2) having control to use or benefit from funds, assets, or rights generating income from Indonesia;
 - 3) not more than 50% of the income of the entity is used to fulfill liabilities to other parties;
 - 4) bearing risk of asset, capitals, or liabilities owned; and
 - 5) having no liabilities whether written or not written to continue a part of or the entire incomes received from Indonesia to other party.
- (2) Regarded as corporate income as intended in paragraph (1) sub-paragraph b sub-sub-paragraph 3 shall be the entire income of WPLN in any name and in any form whatsoever as well as from any sources, in accordance with unconsolidated financial statement of WPLN.

- (3) Not regarded as liabilities to other party as intended in paragraph (1) subparagraph b sub-sub-paragraph 3 shall be the granting of commission fee to:
 - a. employee given properly in work relation; and
 - b. other party for other costs commonly spent by WPLN in conducting business.

CHAPTER VI
PROCEDURES FOR THE SUBMISSION OF SKD WPLN, TAX WITHHOLDING
AND/OR COLLECTION AND REPORTING

Article 7

- (1) In the context of tax withholding and/or collection in accordance with provisions stipulated in P3B as intended in Article 3 paragraph (2), WPLN shall submit SKD WPLN meeting the requirements as intended in Article 4 to Tax Withholder and/or Collector.
- (2) Tax Withholder and/or Collector receiving SKD WPLN as intended in paragraph (1) must convey electronic information in the said SKD WPLN to the Director General of Taxation through the website of the Directorate General of Taxation or certain channels designated by the Director General of Taxation.
- (3) For the submission of SKD WPLN as intended in paragraph (2), proper receipt of SKD WPLN shall be issued, and Tax Withholder and/or Collector as intended in paragraph (2) shall convey the receipt of SKD WPLN to the WPLN.
- (4) The submission of SKD WPLN as intended in paragraph (2) shall only be done 1 (once) to receive Benefits of P3B in accordance with the period specified in SKD WPLN.
- (5) WPLN already having SKD WPLN receipt as intended in paragraph (3) shall not be required to submit SKD WPLN as intended in paragraph (1) for the next tax withholding and/or collection in accordance with the period specified in SKD WPLN for income originating from:
 - a. Tax Withholder and/or Collector as intended in paragraph (2); or
 - b. Tax Withholder and/or Collector other than the Tax Withholder and/or Collector as intended in sub-paragraph a.
- (6) WPLN as intended in paragraph (5) shall submit receipt of SKD WPLN as intended in paragraph (3) to Tax Withholder and/or Collector as intended in paragraph (5) sub-paragraph b.
- (7) In the context of tax withholding and/or collection in accordance with the provisions stipulated in P3B as intended in Article 3 paragraph (2), Tax Withholder and/or Collector receiving receipt of SKD WPLN as intended in paragraph (6) must check the information in SKD WPLN in the website of the Directorate General of Taxation or certain channels designated by the Director General of Taxation based on the receipt of SKD WPLN received.
- (8) In the event that based on the checking by Tax Withholder and/or Collector as intended in paragraph (7), it is known that the provisions as set out in Article 2 have not been met, the Tax Withholder and/or Collector shall be obligated to conduct tax withholding and/or collection in accordance with the provisions stipulated in the PPh Law.

Article 8

- (1) Tax Withholder and/or Collector must make tax withholding and/or collection slip in the form of electronic document in accordance with provisions on slip of withholding and/or collection of income tax.
- (2) In the event that the electronic document as intended in paragraph (1) is not available, Tax Withholder and/or Collector must make tax withholding and/or collection slip in the form of hard copy in accordance with the provisions on income tax withholding and/or collection slip.

Article 9

- (1) Withholder and/or Collector shall be obligated to report tax withholding and/or collection in accordance with the provisions on the reporting of Tax Return.
- (2) In the event that there is income received and/or earned by WPLN but there is no tax withheld and/or collected in Indonesia based on the provisions stipulated in P3B, Tax Withholder and/or Collector must remain to report the income received and/or earned in Tax Return in accordance with the provisions on the reporting of Tax Return.
- (3) Tax Withholder and/or Collector must submit receipt of SKD WPLN as intended in Article 7 paragraph (3) in lieu of SKD WPLN to be attached to Periodic Tax Return for the period where tax becomes payable.

CHAPTER VII

REFUND OF THE EXCESSIVE TAX WITHHOLDING AND/OR COLLECTION

Article 10

- (1) WPLN may request for the refund of excessive tax withholding and/or collection related to the application of P3B caused by:
 - a. errors in the application of P3B;
 - b. late fulfillment of administrative requirements to apply for P3B after tax withholding and/or collection; or
 - c. Mutual Agreement.
- (2) Erroneous application of P3B as intended in paragraph (1) sub-paragraph a shall include, among other things, administrative errors, such as wrong withholding, wrong writing, and/or wrong calculation.
- (3) Late fulfillment of administrative requirements to apply P3B as intended in paragraph (1) sub-paragraph b shall be the late submission of SKD by WPLN after tax withholding or collection.
- (4) Mutual Agreement as intended in paragraph (1) sub-paragraph c shall be the result agreed in the application of P3B by Competent Authority of the Government of Indonesia and of the government of counterparty country or counterparty jurisdiction of P3B in relation with Mutual Agreement Procedure which has been implemented in accordance with provisions of laws and regulations in the tax sector.

- (5) The refund of excessive tax withholding and/or collection as intended in paragraph (1) may be conducted in the event that tax withholding and/or collection has been reported in Periodic Tax Return of the Tax Withholder or Collector for the period in which the tax has become payable.
- (6) Procedures for the refund of excessive tax withholding and/or collection as intended in paragraph (1) shall be implemented in accordance with the provisions on the procedures for the refund of tax overpayment that should not be payable.

CHAPTER VIII SPECIAL PROVISIONS

Article 11

- (1) In the event that the income recipient is the Government of counterparty country or counterparty jurisdiction of P3B, Central Bank or certain institutions the names of which are expressly mentioned in P3B or which have been agreed by tax authorities in Indonesia and tax authorities in the counterparty country or in counterparty jurisdiction of P3B, the application of P3B may be conducted by not using Form DGT as intended in Article 4 paragraph (1).
- (2) The income recipient as intended in paragraph (1) shall be obligated to submit Certificate of Residence in compliance with the provisions as set out in Article 4 paragraph (3) or statement letter from the tax authorities in the counterparty country or in counterparty jurisdiction of P3B declaring that the income recipients are parties which may be exempted from the tax imposition in the country of origin of certain income based on the P3B.
- (3) The Certificate of Residence or statement letter as intended in paragraph (2) may be used for tax year specified in the Certificate of Residence or statement letter.

Article 12

To apply provisions stipulated in P3B other than provisions on withholding and/or collection of Income Tax, WPLN must submit Certificate of Residence meeting the provisions as intended in Article 4 paragraph (3) to the Tax Service Office the operational area of which covers the residence, place of business activity or domicile of the WPLN in Indonesia by no later than at the time of the expiration of the time limit of the submission of Periodic SPT for the tax period when tax becomes payable.

CHAPTER IX TRANSITIONAL PROVISIONS

Article 13

As this Regulation of the Director General comes into effect:

1. SKD having already been legalized based on Regulation of the Director General of Taxation Number PER-10/PJ/2017 regarding Procedures for the Application of Double Taxation Avoidance Agreement, may remain to be used up to December 31, 2018; and

2. Regulation of the Director General of Taxation Number PER-10/PJ/2017 regarding Procedure for the Application of Double Taxation Avoidance Agreement, shall be revoked and declared null and void.

**CHAPTER X
CLOSING PROVISIONS**

Article 14

This Regulation of the Director General shall come into effect on January 1, 2019.

Stipulated in Jakarta
on November 21, 2018
DIRECTOR GENERAL OF TAXATION,
signed
ROBERT PAKPAHAN

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NOTE

ATTACHMENT TO
REGULATION OF THE DIRECTOR
GENERAL OF TAXATION
NUMBER PER-25/PJ/2018 CONCERNING
PROCEDURES FOR THE APPLICATION
OF DOUBLE TAXATION AVOIDANCE
AGREEMENT

- A. Provisions for Foreign Taxpayers
 1. Foreign Taxpayers (WPLN) shall use the format of SKD WPLN as specified in the Attachment to this Regulation of the Director General (Form DGT).
 2. The Statement as intended in Article 4 paragraph (1) sub-paragraphs e and f shall be prepared by filling in the statement in:
 - a. PART III for WPLN in the forms of banking institution and pension fund;
 - b. PART IV for Individual WPLN; or
 - c. PART V and PART VI for corporate (Non-Individual) WPLN other than WPLN of banking institution, WPLN of pension fund, and individual WPLN.
 3. The following WPLN:
 - a. WPLN of banking institution; or
 - b. WPLN of pension fund,

must fill in PART I and PART III as well as must request the ratification of Competent Authority (CA) of counterparty country or counterparty jurisdiction of P3B in PART II page 1 of Form DGT. The ratification of PART II may be replaced with Certificate of Residence (CoR) issued by CA of counterparty country or counterparty jurisdiction of P3B.

4. WPLN other than those mentioned in letter A point 3 above, shall be subject to the following provisions:
 - a. Individual WPLN:
 - 1) must fill in PART I in page 1 (one) of Form DGT;
 - 2) must fill in PART IV in page 2 (two) of Form DGT;
 - 3) must fill in and sign statement in PART VII page 2 (two) of Form DGT; and
 - 4) must request the ratification from CA of counterparty country or counterparty jurisdiction of P3B in PART II page 1 of Form DGT. The ratification of PART II may be replaced with CoR issued by CA of counterparty country or counterparty jurisdiction of P3B;
 - b. Non-Individual WPLN:
 - 1) must fill in PART I in page 1 (one) of Form DGT;
 - 2) must fill in PART V and PART VI in page 2 (two) of Form DGT;
 - 3) must fill in and sign statement in PART VII page 2 (two) of Form DGT; and
 - 4) must request the ratification from CA of counterparty country or counterparty jurisdiction of P3B in PART II page 1 of Form DGT. The ratification of PART II may be replaced with CoR issued by CA of counterparty country or counterparty jurisdiction of P3B;
5. In the event that there is difference between the information completed by Tax Withholder and/or Collector in the website for the submission of SKD WPLN owned by the Directorate General of Taxation or certain channels designated by the Director General of Taxation and document of SKD WPLN, the document of SKD WPLN shall prevail.
6. The submission of SKD WPLN as intended in Article 8 and Article 9 of Regulation of the Director General is illustrated as follows:

Mr. A is a WPLN of an Indonesian P3B counterparty country. Mr. A obtains income from PT XYZ in Indonesia throughout 2019. Mr. A has SKD WPLN valid from January up to December 2019 but it has not been submitted through website of the Directorate General of Taxation or certain channels designated by the Director General of Taxation until March 20, 2019 before the submission of Periodic Tax Return of February.

In connection therewith, PT XYZ may conduct tax withholding in accordance with provisions of P3B as from the tax period of February up to the tax period of December 2019 because SKD WPLN is submitted by no later than at the same time with the reporting of Periodic Tax Return of Withholding and/or Collection of PT XYZ for the tax period of February 2019.

Meanwhile for the tax period of January 2019, request for the refund of tax overpayment may be submitted because SKD WPLN has been received after the period of the preparation of proof of tax withholding and/or collection, as well as the submission of Periodic Tax Return PPh of January has been exceeded.

B. Provisions on the Examination of Form DGT of Banking institution and Pension Fund by Tax Withholder and/or Collector

To perform tax withholding and/or collection in accordance with provisions in P3B, Tax Withholder and/or Collector must ensure that the WPLN meets the requirements as intended in Article 2 and Article 3 of this Regulation of the Director General of Taxation. Tax Withholder and/or Collector shall ensure the fulfillment of the requirements by examining Form DGT already submitted by WPLN and documents used to enter into transaction with WPLN.

C. Provisions on the Examination of Form DGT from other than Banking Institution and Pension Fund by Tax Withholder and/or Collector

1. To perform tax withholding and/or collection in accordance with the provisions set out in P3B, Tax Withholder and/or Collector must ensure that WPLN meets the requirements as intended in Article 2 and Article 3 of this Regulation of the Director General of Taxation. Tax Withholder and/or Collector shall ensure the fulfillment of the requirements by examining Form DGT which has been submitted by WPLN and documents used to enter into transaction with WPLN.
2. Tax Withholder and/or Collector must examine Form DGT to ensure that the income recipient is non-Indonesian resident tax subject and/or nonresident tax subject of other country other than counterparty country or counterparty jurisdiction of P3B. In the event that the income recipient is resident tax subject and/or resident tax subject of other country other than counterparty country or counterparty jurisdiction P3B, Tax Withholder and/or Collector shall be obligated to withhold and/or collect tax payable in accordance with provisions stipulated in the PPh Law.
3. Tax Withholder and/or Collector must examine whether there is regulation on transaction both directly and indirectly for the purpose of obtaining benefits of P3B contrary to the objectives and purposes of the entering into of P3B by ensuring whether Form DGT includes the following answers:
 - a. "Yes" in Part IV Point 2; or
 - b. "Yes" in Part V Point 11.

In the event that Form DGT includes the answers in accordance with point a or point b above, provisions in P3B cannot be applied.

4. Tax Withholder and/or Collector must examine whether there is abuse of P3B or not by ensuring whether Form DGT Part V point 5 up to point 10 includes answer "No". In the

event that there is answer "No" at point 5 up to point 10, provisions of P3B cannot be applied.

5. Tax Withholder and/or Collector must examine whether WPLN is beneficial owner required in P3B by ensuring whether Form DGT includes the following answers:
 - a. "Yes" in Part IV Point 3; or
 - b. "Yes" in Part VI Point 1; or
 - c. "No" for either or the entire questions in Part VI Point 2 up to Point 4; or
 - d. "Yes" in Part VI Point 5.

In the event that Form DGT includes the answers in accordance with points a, b, c, or d above, provisions in P3B cannot be applied.

D. Miscellaneous Provisions

1. In the event that there is no tax being withheld and/or collected because of the application of P3B provisions, Tax Withholder and/or Collector shall include amount of gross income and number 0 (zero) in column of amount of PPh being withheld and/or collected in slip of withholding and/or collection of income tax.
2. SKD WPLN must be kept by Tax Withholder and/or Collector submitting SKD WPLN through website of the Directorate General of Taxation or certain channels designated by the Director General of Taxation.
3. If necessary for the implementation of supervision of Taxpayer compliance, audit, initial proof inspection, investigation, objection, revision, reduction or nullification of administrative sanctions, reduction or cancellation of incorrect tax assessment letter, or reduction or cancellation of incorrect tax collection letter, Tax Withholder and/or Collector as intended in point 2 shall be obligated to submit the SKD WPLN in accordance with taxation provisions applicable.

E. Format of Form DGT




**CERTIFICATE OF DOMICILE OF NON RESIDENT
FOR INDONESIA WITHHOLDING TAX**

Guidance :

- 1 This form is to be completed by a person (which includes a body of a person, corporate or non corporate) who is a resident of a country which has concluded Double Taxation Convention (DTC) with Indonesia.
- 2 For person who is:
 - a banking institution, or
 - a pension fund,**completes only DGT Page 1.**
- 3 For individual, **completes PART I and PART II of DGT Page 1, and PART IV and PART VII of DGT Page 2.**
- 4 For non individual other than mentioned in number 2, **completes PART I and PART II of DGT Page 1, and PART V, PART VI, and PART VII of DGT Page 2**

All particulars in the form are to be properly furnished, and the form shall be signed as completed. This form must be certified by the Competent Authority or his authorized representative or authorized tax office in the country where the income recipient is a tax resident before submitted to Indonesian withholding agent/custodian.

PART I		INCOME RECIPIENT	
Tax ID Number	:	_____	(1)
Name	:	_____	(2)
Full address	:	_____	(3)
Country	:	_____	(4)
Contact Number	:	_____ (5)	email : _____ (6)

PART II		CERTIFICATION BY COMPETENT AUTHORITY OR AUTHORIZED TAX OFFICE OF THE COUNTRY OF RESIDENCE	
For the purpose of tax relief, it is hereby confirmed that the taxpayer mentioned in Part I is a resident in _____ (7) for the period _____ (8) _____ (9) to _____ (10) _____ (11) within the meaning of the Double Taxation Convention in accordance with Double Taxation Convention concluded between Indonesia and _____ (12)			
_____ (13) Name and Signature of the Competent Authority or his authorized representative or authorized tax office		 _____ (14) Capacity/designation of signatory	_____ / ____ / ____ (15) Place, date (mm/dd/yy)
Office address: _____		(16)	

PART III		DECLARATION BY THE INCOME RECIPIENT (BANKING INSTITUTION AND PENSION FUND)	
I declared that:			
1. this company is not an Indonesian resident taxpayer;			
2. this company a resident of _____ (17) for income tax purposes within the meaning of DTC of both countries;			
3. the purposes of the transaction is not to obtain the benefit under the convention directly or indirectly that is contrary to the object and purpose of the DTC;			
4. in relation with the earned income, this company is not acting as an agent, nominee, or conduit;			
5. the beneficial owner is not an Indonesian resident taxpayer and/or not a resident taxpayer of the country other than mentioned in Part I; and			
6. I have examined the information stated on this form and to the best knowledge and belief it is true, correct and complete.			
_____ (18) Signature of the income recipient or individual authorized to sign for the income recipient		_____ (19) Place, date (mm/dd/yy)	_____ (20) Capacity in which acting

PART IV	TO BE COMPLETED IF THE INCOME RECIPIENT IS AN INDIVIDUAL
1. Place and Date of birth (mm/dd/yyyy) : _____, _____ / _____ / _____	(21)
2. The purposes of the transaction is to directly or indirectly obtain the benefit under the convention that is contrary to the object and purpose of the DTC.	<input type="checkbox"/> Yes <input type="checkbox"/> No (22)
3. Are you acting as an agent or a nominee?	<input type="checkbox"/> Yes <input type="checkbox"/> No (23)
4. Do you have permanent home in Indonesia?	<input type="checkbox"/> Yes <input type="checkbox"/> No (24)
5. In what country do you ordinarily reside? _____	(25)
6. Have you ever been resided in Indonesia?	<input type="checkbox"/> Yes <input type="checkbox"/> No (26)
If so, in what period? _____ / _____ / _____ to _____ / _____ / _____	
Please provide the address : _____	
7. Do you have any office, or other place of business in Indonesia?	<input type="checkbox"/> Yes <input type="checkbox"/> No (27)
If so, please provide the address : _____	
PART V	TO BE COMPLETED IF THE INCOME RECIPIENT IS NON INDIVIDUAL
1. Country of registration/incorporation : _____	(28)
2. Which country does the place of management or control reside? _____	(29)
3. Address of Head Office : _____	(30)
4. Address of branches, offices, or other place of business in Indonesia (if any) : _____	(31)
5. The entity has relevant economic substance either in the entity's establishment or the execution of its transaction.	<input type="checkbox"/> Yes <input type="checkbox"/> No (32)
6. The entity has the same legal form and economic substance either in the entity's establishment or the execution of its transaction.	<input type="checkbox"/> Yes <input type="checkbox"/> No (33)
7. The entity has its own management to conduct the business and such management has an independent discretion.	<input type="checkbox"/> Yes <input type="checkbox"/> No (34)
8. The entity has sufficient assets to conduct business other than the assets generating income from Indonesia.	<input type="checkbox"/> Yes <input type="checkbox"/> No (35)
9. The entity has sufficient and qualified personel to conduct the business.	<input type="checkbox"/> Yes <input type="checkbox"/> No (36)
10. The entity has business activity other than receiving dividend, interest, royalty sourced from Indonesia.	<input type="checkbox"/> Yes <input type="checkbox"/> No (37)
11. The purposes of the transaction is to directly or indirectly obtain the benefit under the convention that is contrary to the object and purpose of the DTC.	<input type="checkbox"/> Yes <input type="checkbox"/> No (38)
PART VI	TO BE COMPLETED IF THE INCOME RECIPIENT IS NON INDIVIDUAL AND THE INCOME EARNED IS/ARE DIVIDEND, INTEREST, AND/OR ROYALTY
1. The entity is acting as an agent, nominee or conduit	<input type="checkbox"/> Yes <input type="checkbox"/> No (39)
2. The entity has controlling rights or disposal rights on the income or the assets or rights that generate the income.	<input type="checkbox"/> Yes <input type="checkbox"/> No (40)
3. No more than 50 per cent of the entity's income is used to satisfy claims by other persons.	<input type="checkbox"/> Yes <input type="checkbox"/> No (41)
4. The entity bear the risk on its own asset, capital, or the liability	<input type="checkbox"/> Yes <input type="checkbox"/> No (42)
5. The entity has contract/s which obliges the entity to transfer the income received to resident of third party.	<input type="checkbox"/> Yes <input type="checkbox"/> No (43)
PART VII	DECLARATION BY THE INCOME RECIPIENT
I declared that I have examined the information provided in this form and to the best of my knowledge and belief it is true, correct, and complete. I further declared that	
<input type="checkbox"/>	I am not an Indonesian resident taxpayer, will not be an Indonesian resident taxpayer during the period mentioned in Part II. (44)
<input type="checkbox"/>	this company is not an Indonesian resident taxpayer and/or not a resident taxpayer of the country other than mentioned in Part I. (45)
_____ Signature of the income recipient or individual authorized to sign for the income recipient	_____, _____ / _____ / _____ Place, date (mm/dd/yy)
(46)	(47)
	_____ Capacity in which acting
	(48)
<i>This form is available and may be downloaded at this website: http://www.pajak.go.id</i>	

**INSTRUCTIONS
FOR CERTIFICATE OF DOMICILE OF NON-RESIDENT
FOR INDONESIA WITHHOLDING TAX (FORM DGT)**

Part I Income Recipient:

Number 1:

Please fill in the income recipient's taxpayer identification number in country where the income recipient is registered as a resident taxpayer.

Number 2:

Please fill in the name of the income recipient.

Number 3:

Please fill in the income recipient's address.

Number 4:

Please fill in the name of country where the income recipients is registered as a resident taxpayer.

Number 5:

Please fill in the income recipient's contact number.

Number 6:

Please fill in the income recipient's contact e-mail.

Part II Certification by Competent Authority or Authorized Tax Office of the Country of Residence:

Number 7:

Please fill in the name of country where the income recipients is registered as a resident taxpayer.

Number 8:

Please fill in the starting month of the calendar year to be covered.

Number 9:

Please fill in the starting calendar year of the income received to be covered.

Number 10:

Please fill in the ending month of the calendar year to be covered (maximum 12 months from the starting month).

Number 11:

Please fill in the ending calendar year of the income received to be covered.

Number 12:

Please fill in the name of country where the income recipients is registered as a resident taxpayer.

Number 13 and 14:

The Competent Authorities or his authorized representative should certify this for by signing it. The position of the signor should be filled in Number 14.

Number 15:

Please fill in the date when the form is signed by the Competent Authorities or his authorized representative.

Number 16:

Please fill in the office address of the Competent Authority or authorized representative.
Part III Declaration by the Income Recipient (Banking Institution and Pension Fund):

Number 17:

This form shall be filled by the management of the claimant. Please fill in the name of country where income recipient is registered as a resident taxpayer.

Number 18:

The income recipient or individual authorized to sign for the income recipient shall sign this form.

Number 19:

Please fill in the place and date of signing.

Number 20:

Please fill in the capacity of the income recipient or individual authorized to sign for the income recipient who signs this form.

Part IV To be completed if the Income Recipient is an Individual:

Number 21:

Please fill in the income recipient's place and date of birth.

Number 22:

Please check the appropriate box in accordance with the claimant's facts and circumstances.

Number 23:

Please check the appropriate box. You are acting as an agent if you act as an intermediary or act for and on behalf of other party in relation with the income source in Indonesia. You are acting as a nominee if you are the legal owner of income or of assets that the income is generated and you are not the real owner of the income or assets.

Number 24:

Please check the appropriate box.

Number 25:

Please fill in the name of country where you ordinarily reside.

Number 26:

Please check the appropriate box. In case you have ever been resided in Indonesia, please fill the period of your stay and address where you are resided.

Number 27:

Please check the appropriate box. In case you have any offices, or other place of business in Indonesia, please fill in the address of the offices, or other place of business in Indonesia

Part V To be Completed if the income Recipient is non-Individual:

Number 28:

Please fill in the country where the entity is registered or incorporated.

Number 29:

Please fill in the country where the entity is controlled or where its management is situated.

Number 30:

Please fill in the address of the entity's Head Office.

Number 31:

Please fill in the address of any branches, offices, or other place of business of the entity situated in Indonesia.

Number 32-38:

Please check the appropriate box in accordance with the claimant's facts and circumstances.

Part VI To be completed if the income earned are dividend, interest, or royalty:

Number 39-43:

Please check the appropriate box in accordance with the claimant's facts and circumstances.

Part VII Declaration by the Income Recipient:

Number 44:

Please check the box if the income recipient is individual.

Number 45:

Please check the box if the income recipient is non individual other than banking institution and pension fund.

Number 46:

The income recipient or individual authorized to sign for the income recipient (for non individual) shall sign this form.

Number 47:

Please fill in the place and date of signing.

Number 48:

Please fill in the capacity of the income recipient or individual authorized to sign for the income recipient who signs this form.