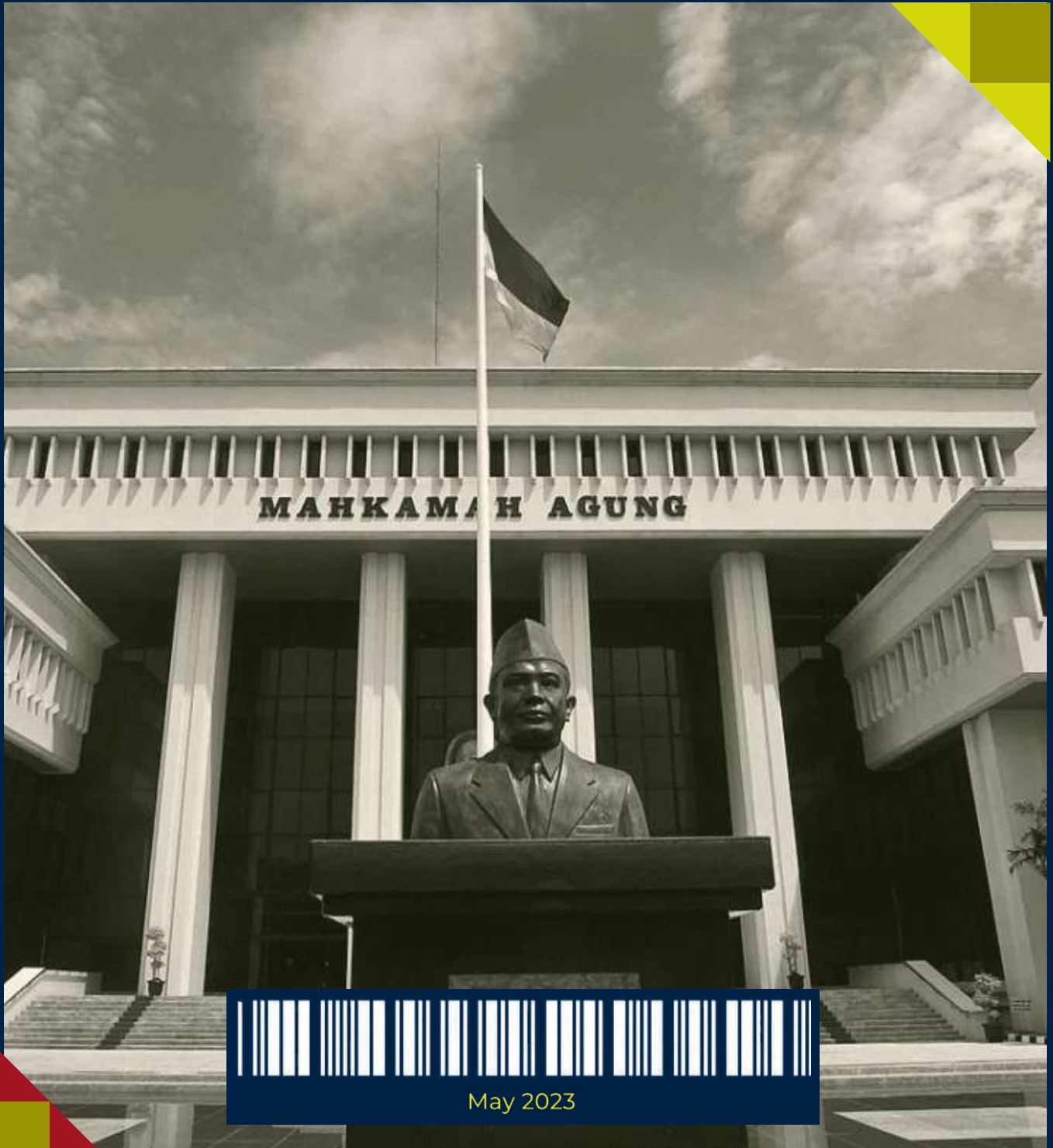




Monthly Newsletter

# State-of-the-Art Tax Administrative System

The Rise of Government-based Tax Disputes Services



May 2023

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# Social Responsibility: Visiting a Special Foundation

On Friday, 26 May 2023, our management and interns from MIB visited a special foundation which helps children in need.

Yayasan Amal Mulia Indonesia is a foundation that helps children with disabilities, special needs, and orphans, as well as the elderly, located in Jakarta Selatan.





# Pictures from our visit

# Social Responsibility: Visiting a Special Foundation

**"We hope that we can take part in the betterment of society and provide positive impacts on future generations."**

On the sunny day of 26 May 2023, our management and interns from PT MIB Global Grup visited a special foundation that helps children in need, Yayasan Amal Mulia Indonesia. Yayasan Amal Mulia Indonesia is a foundation which houses children with disabilities and special needs, orphans, also elders, They are located in Jakarta Selatan. MIB has become familiar with Yayasan Amal Mulia Indonesia as we have paid a visit before. The committees, the children, and the other residences are very warm and welcoming to us.

The foundation aims to raise awareness regarding the importance of social reality where not everyone on any social level is able to access proper education nor guaranteed to receive proper nutritional fulfilment; both are central in establishing basic foundation for the residences' lives. Hence, the foundation acts not only as housing for those in need but also as an educational institution for children of every age. Given the history of Yayasan Amal Mulia Indonesia, we believe that the foundation aligns with our goals in order to distribute positive impacts in society.

We previously met with Bapak Didin, the person in charge of the foundation. He oversees the day-to-day running of the foundation. During this visit, we met with Ibu Muriati, who is among the caretakers of the foundation.

Ibu Muriati helped take care of the children and the well-being of the foundation. We also delightfully met with several children who are resident to the foundation. They are bright, young fellows eager to learn and meet new people. Ibu Muriati also kindheartedly provided a tour of the place, checking out some of the facilities of the place: the classes and the rooms used by children to learn and live in.

The purpose of our visit was to distribute basic needs to the foundation, where we learned that food is always a high-priority need for the foundation. Though they were not lacking, basic necessities were always welcomed in the foundation. The supportive atmosphere of the foundation also provided us with information on how well the foundation is being taken care of.

We hope that our contributions are a token to our support to the foundation's main vision to provide a better life for the parties involved, and to assist in giving the best for the children in the foundation, and also part in the betterment of society and provide positive impacts on future generations.



# Easier Tax Dispute Resolution Using e-Objection & e-Tax Court

Taxpayers may encounter a variety of obstacles when it comes to managing their taxes. Tax management continues beyond filing their annual income tax returns, as taxpayers should also manage the potential of tax disputes. Potential disputes may come from financial report audits or tax report audits, where these may drive possible tax dispute potentials.

Shaheila Roeswan

Shaheila Roeswan

# Easier Tax Dispute Resolution Using e-Objection & e-Tax Court

Tax disputes are mentioned in Law Number 14 Year 2022 regarding Tax Court, where tax disputes are considered as a type of dispute that occurs within the taxation field and happens between two parties, presumably between taxpayers and tax officers or tax officials, as the result of the issuance of a verdict which can then be appealed or applied for a lawsuit in the tax court following the law of taxation.

In Indonesia, prior to May 2023, the authority to manage the organization, administration, and finance of a tax court is given to the Ministry of Finance. However, changes have been made, and now said the authority is given to the Supreme Court after the Constitutional Court noted some changes as to why this switch occurred. The Supreme Court will manage the Tax Court as it is seen as a type of Special Court under the wing of the State Administrative Court.

Taxpayers that have tax disputes may be able to resolve their tax disputes through several stages. Some of these can be known as tax objections, tax appeals, tax lawsuits, and judicial reviews.

## Tax Dispute Resolution

Tax disputes are differentiated into several stages. First, tax disputes are in the form of tax objections. Taxpayers can apply for a tax objection to the Directorate General of Taxes (DGT) regarding a few things, for example, for a Notice of Tax Underpayment Assessment or Notice of Nil Tax Assessment. Taxpayers can apply for an objection in the case of the contents of these notices, such as from their written amount or from their withholding provisions.

After DGT issues an objection decision letter, taxpayers may still have a tax dispute. In this case, an appeal can be applied by the corresponding taxpayer if they feel frustrated with the results of the tax objection decision. Taxpayers can apply for an appeal through the Tax Court.

Tax disputes may also come if the taxpayer does not agree with the Tax Court Decision. In this case, taxpayers can apply for judicial review through the Supreme Court. However, applying for a tax judicial review can also be done once by taxpayers through the Tax Court, and before the process occurs, taxpayers can retract their requested tax judicial review.

To ensure the effectiveness of the tax dispute resolution process, the government made several applications that can be accessed by taxpayers. These applications include e-Objection and e-Tax Court. These applications are available electronically or online, with the intention they will be able to assist taxpayers to resolve their tax issues quickly and effectively.

## e-Objection & e-Tax Court

e-Objection and e-Tax Court are applications that taxpayers can access electronically in the hopes of resolving their tax disputes. Before the launch of these online services, taxpayers that would like to resolve their tax disputes can apply for an offline process by visiting their Tax Offices/Tax Court or by sending the required documents through a postal service to their Tax Offices/Tax Court.

The launch of e-Objection and e-Tax Court is considered one of the movements toward a reformed tax system. These services are provided in the hopes of easing the administrative process that a taxpayer go through when resolving their tax disputes.

### 1 e-Objection

e-Objection is an administrative tax service that is provided by the government in order to assist in filing a tax objection. This feature is released by the Directorate General of Taxes on 1 August 202, where its complete usage can be found provisioned under the Directorate General of Taxes Regulation Number PER-14/PJ/2020.

e-Objection is one of the alternative channels used by taxpayers in order to file for a tax objection letter. This meant that taxpayers can also use other channels, however, the government is encouraging taxpayers to use the e-Objection services to ensure an effective and efficient process.

A couple of features that can be accessed in the e-Objection service is the feature to apply for an objection on tax assessment letter. However, it should be noted that currently e-Objection cannot be used to file an objection for land and building tax assessment letter.

Taxpayers can access the e-Objection service through the DJPOnline site ([djponline.pajak.go.id](http://djponline.pajak.go.id)). To fully use the service, taxpayers have to fulfill several steps in order to file a tax objection.

Taxpayers that use e-Objection services can also enjoy several benefits when compared to using other objection channels. First, using the online services will be safer for taxpayers as the objection process is filed directly through each taxpayer's account. Next, e-Objection are open 24/7 each week, meaning that taxpayers can be more flexible in managing their tax objections. Lastly, the process that a taxpayer must go through in order to file a tax objection will be more practical and easier as after all documents are fulfilled, an electronic receipt will be received by the taxpayer.

**Read the guide on  
the next page!**





## Accessing e-Objection: A Guide

1. Taxpayers can log into their personal DJPOnline accounts by entering their Taxpayer Identification Number (NPWP) or National Identification Number (NIK), Password, as well as a security or Captcha code.
2. After being logged in, taxpayers should first activate the e-Objection service under the 'Profile' menu.
3. After activating the service, taxpayers can access the e-Objection services under the 'Services' menu.
4. Taxpayers can start by entering the number of their Tax Assessment Letter, which then will be validated by the system by also showcasing information about the letter as well as information about the taxpayer.
5. Taxpayers can then fill out the reasoning behind an objection by writing down on the provided space with 4,000 characters max, or by uploading documents that showcase the reason for an objection in a PDF format, with a maximum size of 5 MB.
6. Taxpayers then will fill out payment information by filling out the State Revenue Transaction Number and/or an Overbooking Number on the objected Tax Assessment Letter.
7. Taxpayers will then e-sign the objection letter and submit the letter by clicking 'Submit'. Taxpayers then will be able to receive an electronic receipt and the objection letter that is sent out by the system.

Unfortunately, as mentioned before, e-Objection may not be able to deliver an objection for several types of documents, including filing an objection for a land and building tax assessment letter, or to facilitate an objection filed by a taxpayers' proxy, an objection filing by a third party, or to facilitate an objection filing on late payment due to force majeurs.

### 2 e-Tax Court

Since May 2023, the tax court can be accessed through e-Tax Court, an online or electronic-based tax court. Taxpayers can access the administrative process of a tax dispute trial, such as pre-trial, trial, and post-trial.

Other than taxpayers, e-Tax Court can also be accessed by the Directorate General of Taxes, the Directorate General of Excises and Customs, and/or the Regional Government. Through e-Tax Court, the whole trial process of a tax dispute trial, starting from document submission until a decision delivery is done online.

e-Tax Court is built with several features that can be accessed by taxpayers. Let's get to know each of these features.

# Read the features and guide!



# e-Tax Court Features and Guide

## e-Registration

e-Registration is a feature used by taxpayers to file a tax lawsuit or appeal. This feature allows taxpayers to sign up and create accounts in order for them to be able to access these features. Both parties in a tax dispute trial, the defendant and plaintiff, can create accounts in order to submit each their own respective cases.

## e-Filing

e-Filing is a feature that allows taxpayers to file for an appeal or a lawsuit in regards to their tax disputes trial process.

## e-Litigation

e-Litigation is a feature that are provided to showcase information regarding on-going trials, such as the schedule or information on which trials are available online. The exchange of information and documents can also be done through this feature.

## e-Putusan

e-Putusan is a feature that allows the system to distribute a copy of the tax court decision through an online platform. The copy of said decision will be distributed to related parties in the tax dispute trial.

## Dashboard e-Tax Court

Lastly, e-Tax Court has their own dashboard, which is used to provide a complete real-time information on on-going or finished tax dispute trials.

e-Tax Court is accessible through the site [setpp.kemenkeu.go.id](http://setpp.kemenkeu.go.id). Taxpayers that need to access the e-Tax Court service must first prepare several documents, which includes an NPWP or an Indonesian Identity Card (KTP) for Indonesian citizen, Passports for foreign citizen, Proof of Certificate of Registration for Corporate Taxpayers, or Proof of Legal Power of Attorney for Proxy.

For related institutes, there are several steps that should be followed in order to be able to access the e-Tax Court services:

1. Open and load the [setpp.kemenkeu.go.id](http://setpp.kemenkeu.go.id) site, and register an account through the e-Tax Court menu. Do not forget to use an active email address as it will be used to verify yourself.
2. Download an application form from the e-Tax Court service and fill out provided spaces with the needed information. This application form will then be signed by respective parties and be reuploaded again to the e-Tax Court site.
3. Mandatory documents also need to be uploaded as attachments. After all needed documents are completed, respective parties can submit the form and its attachments.
4. After submission, the documents will undergo a verification process by the system, which can be done in a maximum of 3 (three) days. The verification link will be sent out by the Secretariat of the Tax Court through your previously submitted email.

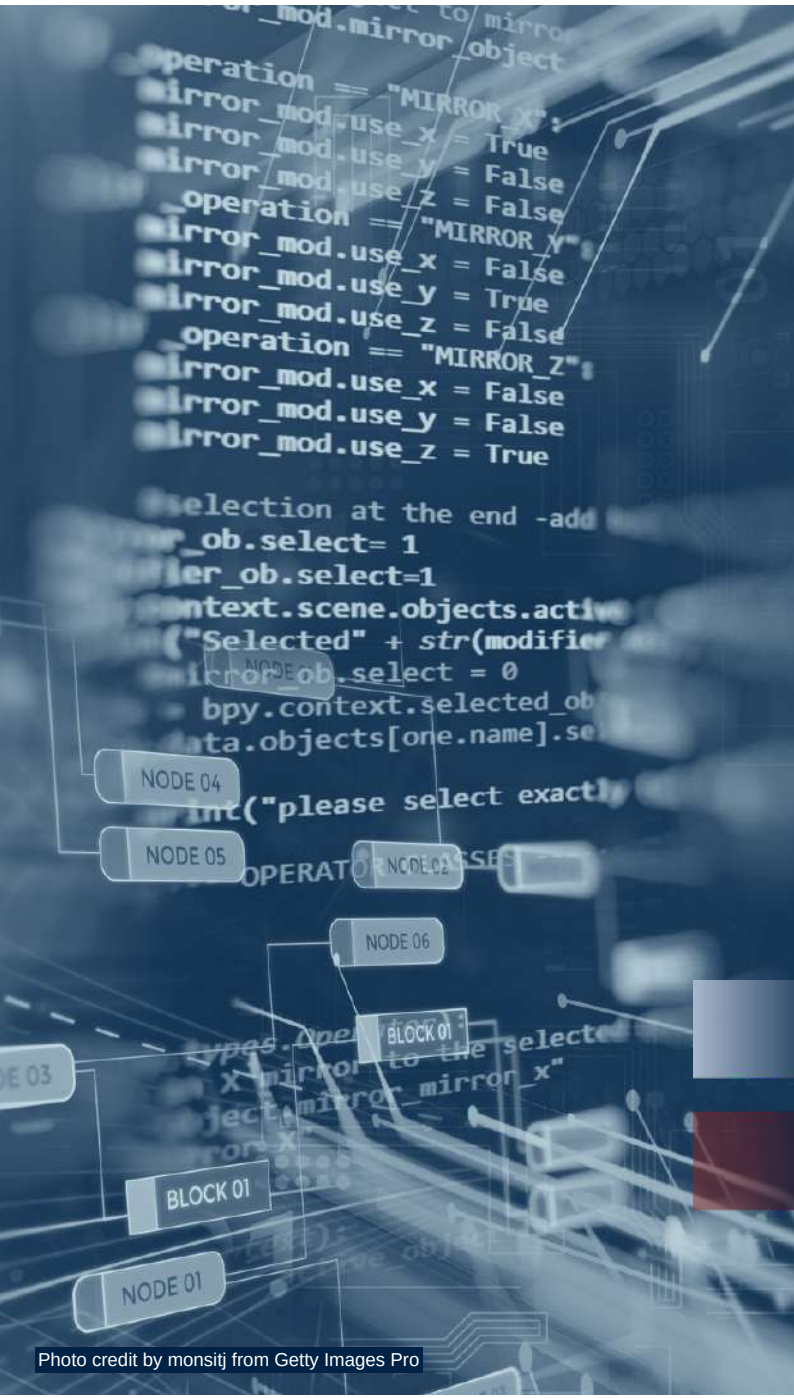
e-Tax Court also features a service that is able to conduct **decision profiling**. The system will assist in the workload of a tax court due to the automated nature of decision profiling. In addition, e-Tax Court is also able to learn trends, analyze, as well as identify how a tax dispute is being resolved during a tax trial.

## In the Future: More Tax Applications?

e-Objection and e-Tax Court are two types of services released in order to ease the process of obtaining a decision for taxpayers and all related parties. These services are built with the hopes of assisting all parties in filing an appeal or a lawsuit in a tax dispute situation.

The usage of these services is hoped to positively affect the process of a tax dispute resolution process, by increasing time and cost-effectiveness, and efficiency. Due to the nature of the applications, which can be accessed anywhere no matter the time, all administrative process is hoped to be accelerated and assisted in order for taxpayers to resolve their tax disputes.

Currently, after the newly launched e-Tax Court, the government shows no indication of developing new applications that may accelerate the process of tax dispute resolution. However, taxpayers can count on the notion that the launch of e-Objection and e-Tax Court is a sure way to develop a reformed administrative tax system, which enables all related services to be accessed comfortably by anyone, anywhere.



**"Taxpayers can count on the notion that the launch of e-Objection and e-Tax Court is a sure way to develop a reformed administrative tax system."**



# Monthly Highlights

News and Events in *May 2023*

For more articles, visit [www.mib.group](http://www.mib.group)

# Monthly Highlights

News Summary for May 2023

*VAT of 1.1% is imposed for transactions concerning gold pieces of jewelries.*



Photo credit by zhengzaishuru from Getty Images

## A VAT Rate of 1.1% Imposed on Gold Jewelries

Starting from May 2023, the amount of VAT imposed on the transaction of gold pieces of jewelry. For every purchase of gold jewelry from a VAT-able entrepreneur, a VAT of 1.1% will be imposed on these transactions.

The VAT rate is considerably lower than the previous rate, which was imposed at a rate of 2.2%.

This rate, however, will only be imposed if transactions were done by VAT-able entrepreneurs, for both individual and corporate taxpayers.



Click here (or the title) to read the full article on our website.

# Monthly Highlights

News Summary for May 2023

*“The government is set to release a Ministry of Finance Regulation regarding incentives tax in June 2023.”*

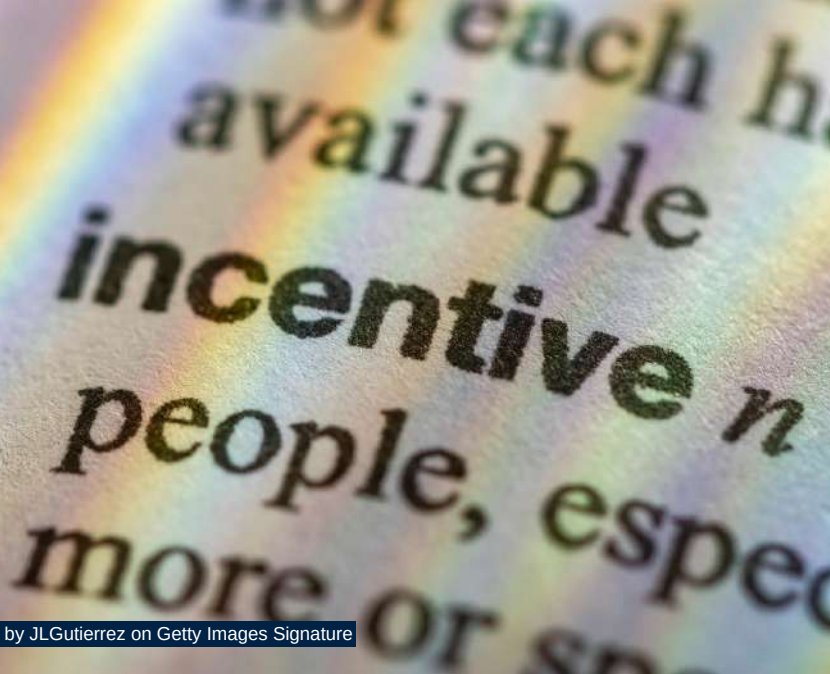


Photo credit by JLGutierrez on Getty Images Signature

## **Incentives Tax Regulation Arranged To Be Published in June 2023**

The government is planning to release an incentives tax regulation that will provide a more in-depth explanation regarding the imposition of income tax on incentives given by employers

Before the release of said regulation, the government released a provision entailing several incentives that are freed from income tax imposition.

These incentives include food and drinks, as well as mandatory pieces of equipment given by employers for the safety of employees.



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# Monthly Highlights

News Summary for May 2023



Photo credit by RossHelen

*“An amount of IDR12.2 T is collected from appointed PMSE companies until April 2023.”*

## **Tax Revenue from PMSE VAT Amounts to IDR12.2 T Until April 2023**

Since its imposition in 2020, the collected amount of VAT on PMSE or Trade Through Electronic System has amounted to IDR12.2 T until April 2023.

This number is collected from a variety of PMSE companies, those who offer and sell their services within the Indonesian region. Specifically in 2023, the amount collected reached IDR2.04 T.

In total, there are 148 companies that are appointed by the Directorate General of Taxes to withhold VAT on their services. However, the collected amount came from appointed 129 companies.



Click here (or the title) to read the full article on our website.

# Monthly Highlights

News Summary for May 2023

*Current economic condition of Indonesia affects tax revenue growth moderately, with the collected amount reaching IDR688.15 T.*



Photo credit by the Ministry of Finance Republic of Indonesia YouTube Channel

## The Collected Tax Revenue until April 2023 Totals IDR688.15 T

According to the data provided by the Ministry of Finance, the collected amount for the March 2023 tax revenue is now at IDR432.22 T.

This number consisted of revenues from a variety of taxes, including income tax, value-added tax, land and building tax, sales tax on luxury goods, as well as other kinds of taxes.

Following the previous month, the highest contributor to this revenue is held by Non-oil and gas income tax with collected revenue amounting to IDR225.95 T.



Click here (or the title) to read the full article on our website.

# Monthly Highlights

News Summary for May 2023

*“The Supreme Court will now be in charge for the management of the Tax Court in Indonesia.”*



Photo credit by DAPA Images

## **The Authority of Tax Court Management Now Falls Under The Supreme Court**

On 25 May 2023, the Constitutional Court shifted the authoritative role of the Tax Court to the Supreme Court. Previously, the Ministry of Finance had the role of managing the organization, administration, and financial state of the Tax Court.

The change in authority holder is due to the fact that after the issuance of Law Number 14 Year 2002, there are several changes regarding the court system in Indonesia which affects the course of special courts in Indonesia.

The Supreme Court shall carry out the authoritative role by 31 December 2023.



Click here (or the title) to read the full article on our website.





Tax Calendar  
**June 2023**

MON	TUE	WED	THU	FRI	SAT	SUN
29	30	31	<b>1</b> Pancasila Day	2	3	<b>4</b> Waisak Day
5	6	7	8	9	10	11
<b>12</b>	13	14	<b>15</b>	16	17	18
19	<b>20</b>	21	22	23	24	25
26	27	28	<b>29</b> Eid Al Adha	<b>30</b>	1	2
3	4	5	6	7	8	9

**Reminders**

- 01 June 2023** Pancasila Day
- 04 June 2023** Waisak Day
- 12 June 2023** Payment Deadline : May 2023 Art. 4(2), 15, 21/26, 22, & 23/26 Income Tax
- 15 June 2023** Payment Deadline : May 2023 Art. 25 Income Tax, SME Final Income Tax, & Self-Assessed VAT
- 20 June 2023** Filing Deadline : May 2023 Art. 4(2), 15, 21/26, 22, 23/26, & 25 Income Tax
- 29 June 2023** Eid Al Adha
- 30 June 2023** Payment and Filing Deadline : May 2023 VAT

# Contact Us

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