

**LAND AND BUILDING TITLE ACQUISITION FEE
(Regional Regulation of the Province of Jakarta Capital Special
Region Number 18 Year 2010, dated December 28,2010)**

BY GRACE OF GOD THE ALMIGHTY
THE GOVERNOR OF THE PROVINCE OF JAKARTA
CAPITAL SPECIAL REGION,

Considering:

a. that following the enforcement of Law Number
28 Year 2009 regarding Regional Taxes and Lev-
ies, the object of regional taxes is expanded in

the form of delegation of central tax to regions,
namely land and building title acquisition fee,
which may enhance financial capability and inde-
pendence of regions in financing the development
and implementation of public administration in re-
gions;
b. that anybody having land that has social or struc-
ture function contributing benefit and/or socio

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economic status to individuals or bodies is obliged to pay tax to regions after securing a right to the said land and/or building;

c. that based on the considerations as meant in letter a and letter b, it is necessary to enact a regional regulation regarding Land and Building Title Acquisition Fee;

In view of:

1. Law Number 6 Year 1983 regarding Taxation General Provisions and Procedures as already amended several times and the latest by Law Number 28 Year 2007 (Statute Book of the Republic of Indonesia Year 2007 Number 85, Supplement to Statute Book of the Republic of Indonesia Number 4740);
2. Law Number 19 Year 1997 regarding Collection of Regional Tax by Warrant (Statute Book of the Republic of Indonesia Year 1997 Number 41, Supplement to Statute Book of the Republic of Indonesia Number 3686) as already amended by Law Number 19 Year 2000 (Statute Book of the Republic of Indonesia Year 2000 Number 129, Supplement to Statute Book of the Republic of Indonesia Number 3987);
3. Law Number 21 Year 1997 regarding Land and Building Title Acquisition Fee (Statute Book of the Republic of Indonesia Year 1997 Number 44, Supplement to Statute Book of the Republic of Indonesia Number 3688) as already amended by Law Number 20 Year 2000 (Statute Book of the Republic of Indonesia Year 2000 Number 130, Supplement to Statute Book of the Republic of Indonesia Number 3988);
4. Law Number 14 Year 2002 regarding Tax Court (Statute Book of the Republic of Indonesia Year 2002 Number 27, Supplement to Statute Book of the Republic of Indonesia Number 4189);
5. Law Number 17 Year 2003 regarding State Finance (Statute Book of the Republic of Indonesia Year 2003 Number 47, Supplement to Statute Book of the Republic of Indonesia Number 4286);
6. Law Number 1 Year 2004 regarding State Treasury (Statute Book of the Republic of Indonesia Year 2004 Number 5, Supplement to Statute Book of the Republic of Indonesia Number 4355);
7. Law Number 10 Year 2004 regarding Enactment of Legislation (Statute Book of the Republic of Indonesia Year 2004 Number 53, Supplement to Statute Book of the Republic of Indonesia Number 4389);
8. Law Number 15 Year 2004 regarding State Finance Management and Accountability (Statute Book of the Republic of Indonesia Year 2004 Number 66, Supplement to Statute Book of the Republic of Indonesia Number 4400);
9. Law Number 32 Year 2004 regarding Regional Administration (Statute Book of the Republic of Indonesia Year 2004 Number 125, Supplement to Statute Book of the Republic of Indonesia Number 4437), as already amended several times and the latest by Law Number 12 Year 2008 (Statute Book of the Republic of Indonesia Year 2008 Number 59, Supplement to Statute Book of the Republic of Indonesia Number 4844);

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10. Law Number 33 Year 2004 regarding Financial Sharing between the Central Government and Regional Administration (Statute Book of the Republic of Indonesia Year 2004 Number 126, Supplement to Statute Book of the Republic of Indonesia Number 4438);
11. Law Number 29 Year 2007 regarding Provincial Government of Jakarta Capital Special Region (Statute Book of the Republic of Indonesia Year 2007 Number 93, Supplement to Statute Book of the Republic of Indonesia Number 4744);
12. Law Number 28 Year 2009 regarding Regional Taxes and Levies (Statute Book of the Republic of Indonesia Year 2009 Number 130, Supplement to Statute Book of the Republic of Indonesia Number 5049);
13. Government Regulation Number 135 Year 2000 regarding Procedures for Confiscation in the Framework of Collecting Tax By Warrant (Statute Book of the Republic of Indonesia Year 2000 Number 247, Supplement to Statute Book of the Republic of Indonesia Number 4049);
14. Government Regulation Number 136 Year 2000 regarding Procedures for Selling Confiscated Goods (Statute Book of the Republic of Indonesia Year 2000 Number 248, Supplement to Statute Book of the Republic of Indonesia Number 4050);
15. Government Regulation Number 137 Year 2000 regarding Procedures for Hostage Taking, Rehabilitating Reputation of Tax Bearers and Granting Compensation in the Framework of Collecting Tax by Warrant (Statute Book of the Republic of Indonesia Year 2000 Number 249, Supplement to Statute Book of the Republic of Indonesia Number 4051);
16. Government Regulation Number 65 Year 2001 regarding Regional Taxes (Statute Book of the Republic of Indonesia Year 2001 Number 118, Supplement to Statute Book of the Republic of Indonesia Number 4138);
17. Government Regulation Number 58 Year 2005 regarding Regional Finance Management (Statute Book of the Republic of Indonesia Year 2005 Number 140, Supplement to Statute Book of the Republic of Indonesia Number 4578);
18. Government Regulation Number 79 Year 2005 regarding Guidance for Fostering and Supervising the Implementation of Regional Administration (Statute Book of the Republic of Indonesia Year 2005 Number 165, Supplement to Statute Book of the Republic of Indonesia Number 4593);
19. Government Regulation Number 41 Year 2007 regarding Organization of Regional Apparatuses (Statute Book of the Republic of Indonesia Year 2007 Number 89, Supplement to Statute Book of the Republic of Indonesia Number 4741);
20. Regulation of the Minister of Home Affairs Number 13 Year 2006 regarding Guidance for the Management of Regional Finance as already amended by Regulation of the Minister of Home Affairs Number 59 Year 2007;
21. Regulation of the Minister of Home Affairs Number 45 Year 2008 regarding Organizational Model of Regional Apparatuses of Jakarta Capital Special Region;

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22. Joint Regulation of the Minister of Finance and Minister of Home Affairs Number 186/PMK.07/2010 and Number 53 Year 2010 regarding Phases of Preparation for the Transfer of Land and Building Title Acquisition Fee as Regional Tax;
23. Regulation of the Minister of Finance Number 147/PMK.07/2010 regarding International Agencies or Representatives of International Institutions Exempted from Land and Building Title Acquisition Fee;
24. Regional Regulation Number 10 Year 2008 regarding Organization of Regional Apparatuses (Regional Book of Jakarta Capital Special Region Year 2008 Number 10);
25. Regional Regulation Number 2 Year 2010 regarding Enactment of Regional Regulation (Regional Book of Jakarta Capital Special Region Year 2010 Number 2, Supplement to Regional Book of Jakarta Capital Special Region Number 1);
26. Regional Regulation Number 6 Year 2010 regarding Regional Tax General Provision (Regional Book of Jakarta Capital Special Region Year 2010 Number 6, Supplement to Regional Book of Jakarta Capital Special Region Number 3);

By Joint Approval of
THE REGIONAL LEGISLATIVE COUNCIL OF THE
PROVINCE OF JAKARTA CAPITAL SPECIAL REGION
and
THE GOVERNOR OF THE PROVINCE OF JAKARTA
CAPITAL SPECIAL REGION

D E C I D E S :

To stipulate:

THE REGIONAL REGULATION REGARDING LAND AND BUILDING TITLE ACQUISITION FEE.

CHAPTER I

GENERAL PROVISION

Article 1

Referred to in this regional regulation as:

1. Region shall be the Province of Jakarta Capital Special Region.
2. Regional Government shall be the Governor and regional apparatuses as regional administrators.
3. Governor shall be the Head of the Province of Jakarta Capital Special Region.
4. Regional Legislative Council shall be the Regional Legislative Council of Jakarta Capital Special Region.
5. Taxation Service shall be Taxation Service of the Province of Jakarta Capital Special Region.
6. Head of Taxation Service shall be the Head of Taxation Service of the Province of Jakarta Capital Special Region.
7. Regional Finance Management Board shall be the Regional Finance Management Board of the Province of Jakarta Capital Special Region.
8. Head of the Regional Finance Management Board shall be the Head of the Regional Finance Management Board of the Province of Jakarta Capital Special Region.
9. Official shall be employee assigned to execute certain tasks in the field of regional taxation in accordance with the provision of legislation.

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10. Regional Office of the National Land Affairs Agency hereinafter called Kanwil BPN shall be Regional Office of the National Land Affairs Agency of the Province of Jakarta Capital Special Region.
11. Head of the Regional Office of the National Land Affairs Agency shall be the Head of the Regional Office of the National Land Affairs Agency of the Province of Jakarta Capital Special Region.
12. Land Affairs Office shall be Land Affairs Office in Administrative Cities/Regency in the Province of Jakarta Capital Special Region.
13. Head of Land Affairs Office shall be Head of Land Affairs Office in Administrative Cities/Regency in the Province of Jakarta Capital Special Region.
14. Notary/Land Conveyancer hereinafter called Notary/PPAT shall be public official authorized to make authentic deed and other authority in accordance with the provision of legislation.
15. Regional Regulation shall be a regulation stipulated by the Head of Region with joint approval of the Regional Legislative Council and Governor.
16. Regional Tax hereinafter called Tax shall be a compulsory contribution to region indebted by individual or body, which is forceful on the basis of law and regional regulation, by securing no compensation directly and used for regional purpose to enhance the people's welfare maximally.
17. Body shall be a group of people and/or capital that constitutes totality, whether or not undertaking business, which covers limited liability company, limited partnership company, other company, state-owned enterprises (BUMN), or regional administration-owned enterprises (BUMD) in what-

ever name and form, firm, partnership, pension funds, alliance, group, foundation, mass organization, socio political organization, or other organization, institutions and bodies of other form, including collective investment contract and permanent establishment.

18. Land and Building Title Acquisition Fee shall be a tax on the acquisition of land and/or building title.
19. Acquisition of Land and/or Building Title shall be a legal action or event causing the acquisition of land and/or building title by individuals or bodies.
20. Land and/or Building Title shall be land title, including management right, along with building thereon, as meant in land and building affairs law.
21. Regional Tax Payment Form of Land and Building Title Acquisition Fee hereinafter abbreviated to SSPD-BPITB shall be regional tax payment form used to pay land and building title acquisition fee.

CHAPTER II

NAME OF TAX

Article 2

Land and Building Title Acquisition Fee shall be collected in the name of Land and Building Title Acquisition Fee.

CHAPTER III

OBJECT AND SUBJECT OF TAX

Part One

Object of Tax

Article 3

- (1) Object of land and building title acquisition fee shall be the acquisition of land and/or building title.

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(2) The acquisition of land and building title as meant in as meant in paragraph (1) shall cover:

a. transfer of right because of:

1. transaction;
2. exchange;
3. Grant;
4. Testament grant;
5. Inheritance;
6. Inclusion into other company or legal entity;
7. Separation of right causing the transfer;
8. Appointment of buyer in auction;
9. Execution of final verdict of the judge;
10. Business merger;
11. Business consolidation;
12. Business expansion; or
13. prize.

b. granting of new right because of:

1. Continuation of the relinquishment of right;
or
2. Outside the relinquishment of right.

(3) The land title as meant in paragraph (1) shall be:

- a. property right;
- b. right to use land for business purpose;
- c. right to use land for erecting building;
- d. right to use land;
- e. strata title to flat unit; and
- f. management right.

(4) The tax object exempted from land and building title acquisition fee shall be objects acquired by:

- a. diplomat and consulate representatives on the basis of reciprocal principles;

- b. state for the implementation of public administration and/or development for public interest;
- c. international agencies or representatives of international agencies stipulated by regulation of the Minister of Finance with the provision that they do not undertake other business or activities outside the function and tasks of the agencies or representatives of the organizations;
- d. individuals or bodies because of right conversion or other legal action without change in name;
- e. individuals or bodies because of donation for religious or community use; and
- f. individuals or bodies used for worship interest.

(5) Further provision on the imposition of tax on tax object acquired because of testament grant and inheritance as meant in paragraph (2) letter a point 4 and point 5 and granting of management right as meant in paragraph (3) letter f shall be regulated by a regulation of the governor.

Part Two

Tax Subject

Article 4

(1) Subject of land and building title acquisition fee shall be individuals or bodies acquiring land and/or building title.

(2) The subject of tax as meant in paragraph (1) subject to obligation to pay tax shall become taxpayer according to this regional regulation.

CHAPTER IV

BASIS FOR IMPOSITION, RATE AND

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CALCULATION METHOD OF TAX

Part One

Basis for Imposition of Tax

Article 5

- (1) The basis for imposition of land and building title acquisition fee shall be the acquisition value of tax object.
- (2) The acquisition value of tax object as meant in paragraph (1), in the case of:
 - a. transaction shall be transaction value;
 - b. exchange shall be market value;
 - c. grant shall be market value;
 - d. testament grant shall be market value;
 - e. inheritance shall be market value;
 - f. inclusion into other company or legal entity shall be market value;
 - g. separation of right causing the transfer shall be market value;
 - h. transfer of right because the execution of judge verdict shall be market value;
 - i. granting of new right to land as continuation of the relinquishment of right shall be market value;
 - j. granting of new right to land outside the relinquishment of right shall be market value;
 - k. business merger shall be market value;
 - l. business consolidation shall be market value;
 - m. business expansion shall be market value;
 - n. prize shall be market value; and/or
 - o. appointment of buyer in auction shall be the transaction value mentioned in account of auction.
- (3) If the acquisition value of tax object as meant in paragraph (2) letter a up to letter o is not ascertained or lower than NJOP stipulated in the imposition of Land and Building Tax in the acquisition year, the basis for imposition of tax shall be NJOP of Land and Building Tax.
- (4) In the case of NJOP of Land and Building Tax as meant in paragraph (3) being not stipulated yet at the moment when tax becomes dues, NJOP of Land and Building Tax may be based on certificate of NJOP of Land and Building Tax.
- (5) Certificate of NJOP of Land and Building Tax as meant in paragraph (4) shall be temporary.
- (6) Certificate of NJOP of Land and Building Tax as meant in paragraph (3) may be obtained from tax service office or authorized institution in accordance with the provision of legislation.
- (7) The untaxed acquisition value of tax object shall be set at Rp80,000,000.00 (eighty million rupiah).
- (8) If the acquisition of right is attributed to inheritance or testament grant received by individuals still having relations by blood and marriage in direct lineage up to one degree upward and downward with the grantor of testament grant or inheritance, including couple, the untaxed acquisition value of tax object shall be set at Rp350,000,000.00 (three hundred fifty million rupiah).
- (9) The untaxed acquisition value of tax object (NPOPTKP) as meant in paragraph (7) and paragraph (8) may be reviewed or evaluated every year by regulation of the governor after securing approval from DPRD.

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Part Two

Tax Rate

Article 6

The rate of land and building title acquisition fee shall be set at 5% (five percent).

Part Three

Calculation Method of Tax

Article 7

- (1) The principal amount of land and building title acquisition fee payable shall be counted by means of multiplying the rate as meant in Article 6 with the basis for the imposition of tax as meant in Article 5 after being subtracted by the untaxed acquisition value of tax object as meant in Article 5 paragraph (7) or paragraph (8).
- (2) If the acquisition value of tax object (NPOP) as meant in Article 5 paragraph (2) is not ascertained or lower than NJOP used in the imposition of PBB in the acquisition year, the principal amount of BPHTB payable shall be counted by means of multiplying the rate as meant in Article 6 with NJOP after being subtracted by NPOPTKP as meant in Article 5 paragraph (7) or paragraph (8).

CHAPTER V

MOMENT AND PLACE WHERE TAX BECOMES DUE

Part One

Moment When Tax Becomes Due

Article 8

- (1) The moment when tax becomes due shall be stipulated as follows:

- a. in the case of transaction, as from the signing date of deed;
- b. in the case of exchange, as from the signing date of deed;
- c. in the case of grant, as from the signing date of deed;
- d. in the case of testament grant, as from the signing date of deed;
- e. in the case of inheritance, as from the date of registration of the transfer of right to Land Affairs Office;
- f. in the case of the inclusion into other company or legal entity, as from the signing date of deed;
- g. in the case of separation of right causing the transfer, as from the signing date of deed;
- h. in the case of judge verdict, as from the issuance date of the final court verdict;
- i. in the case of the granting of new right to land as continuation of the relinquishment of right, as from the date of issuance of decision on the granting of right;
- j. in the case of the granting of new right outside the relinquishment of right, as from the date of issuance of decision on the granting of right;
- k. in the case of business merger, as from the signing date of deed;
- l. in the case of business consolidation, as from the signing date of deed;
- m. in the case of business expansion, as from the signing date of deed;
- n. in the case of prize, as from the signing date of deed; and

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- o. in the case of auction, as from the date of appointment of auction winner.
- (2) The tax due shall be settled at the moment of the acquisition of right as meant in paragraph (1).

Part Two

Place Where Tax Becomes Due

Article 9

The place where tax becomes due shall be the territory of the Province of Jakarta Capital Special Region.

CHAPTER VI

STIPULATION, SYSTEM AND PROCEDURES FOR COLLECTION

Part One

Stipulation

Article 10

- (1) Payers of BPHTB shall be obliged to pay directly tax due by using Regional Tax Payment Form (SSPD).
- (2) SSPD as meant in paragraph (1) shall also constitute Regional Tax Return (SPTPD).
- (3) SSPD as meant in paragraph (1) shall be filled clearly, truthfully and completely as well as signed by taxpayers or their proxies.
- (4) Further provision on model, content and procedures for filling SSPD as meant in paragraph (3) shall be regulated by a regulation of the governor.

Part Two

Collection System and Procedure

Article 11

- (1) Stipulation of SSPD as meant in Article 10 shall

refer to collection system and procedure of BPHTB.

- (2) The system and procedure as meant in paragraph (1) shall cover procedures for submitting the payment, examination, reporting collection and reduction of SSPD-BPHTB as well as registration of deed and settlement of deed of land and/or building title transfer.
- (3) Further provision on the collection system and procedure of BPHTB as meant in paragraph (2) shall be governed by a regulation of the governor.

CHAPTER VII

PROVISION FOR OFFICIAL

Article 12

- (1) Notaries/land conveyancers may only sign deed of the transfer of land and/or building title after taxpayers give up a proof of tax payment.
- (2) Head of Office in charge of auction affairs may only sign account of auction of land and/or building title acquisition after taxpayers give up proof of tax payment.
- (3) Head of Kanwil BPN/Head of Land Affairs Office may only register land title or the transfer of land title after taxpayers give up proof of tax payment.

Article 13

- (1) Notaries/land conveyancers and heads of offices in charge of auction affairs shall report the making of deed or account of land and/or building title acquisition to the governor in no later than the 10th of the ensuing month.

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(2) Further provision on procedures for reporting by the official as meant in paragraph (1), shall be governed by a regulation of the governor.

Article 14

(1) Land conveyancers/notaries and heads of office in charge of auction affairs violating the provision as meant in Article 12 paragraph (1) and paragraph (2) shall be subject to administrative sanction in the form of a fine amounting to Rp7,500,000.00 (seven million and five hundred thousand rupiah) for every violation.

(2) Land conveyancers/notaries and heads of office in charge of state auction service violating the provision as meant in Article 13 paragraph (1), shall be subject to administrative sanction in the form of a fine amounting to Rp250,000.00 (two hundred and fifty thousand rupiah) per every report.

(3) Heads of land affairs offices violating the provision as meant in Article 12 paragraph (3), shall be subject to sanction in accordance with the provision of legislation.

CHAPTER VIII

TRANSITIONAL PROVISION

Article 15

(1) Following the enforcement of this regional regulation, tax still indebted on the basis of Law Number 21 Year 1997 regarding Land and Building Title Acquisition Fee as already amended by Law Number 20 Year 2000 and not yet or not regulated in this regional regulation shall remain collectible for 5 (five) years as from the moment when the tax becomes due.

(2) Following the enforcement of this regional regulation, all regulations in the field of regional taxation shall remain effective in no later than one year, as long as they do not contravene and/or implementing regulations have not been stipulated on the basis of this regional regulation.

CHAPTER IX

CONCLUSION

Article 16

This regional regulation shall come into force on January 1, 2011.

For public cognizance, this regional regulation shall be published by placing it in Regional Book of the Province of Jakarta Capital Region.

Stipulated in Jakarta

On December 28, 2010

**THE GOVERNOR OF THE PROVINCE OF JAKARTA
CAPITAL SPECIAL REGION,**

sgd

FAUZI BOWO

Promulgated in Jakarta

On December 29, 2010

**THE REGIONAL SECRETARY OF THE PROVINCE OF
JAKARTA CAPITAL SPECIAL REGION**

sgd

FADJAR PANJAITAN

NIP 195508261976011001

**REGIONAL BOOK OF THE PROVINCE OF JAKARTA
CAPITAL SPECIAL REGION YEAR 2010 NUMBER 18**

ELUCIDATION

ON

REGIONAL REGULATION OF THE PROVINCE OF
JAKARTA CAPITAL SPECIAL REGION NUMBER 18

YEAR 2010

ON

LAND AND BUILDING TITLE ACQUISITION FEE

I. GENERAL

In the framework of implementing development and public administration affairs in the province of Jakarta Capital Special Region, funding sources play important role in ensuring the successful implementation of development and public administration affairs.

Any of the funding sources playing important role in ensuring the implementation of development and public administration affairs in the province of Jakarta Capital Special Region is revenue from the regional tax sector, given that the Province of Jakarta Capital Special Region has limited natural resources, in relations thereto, the potential of revenue from the regional tax sector constitutes a leading revenue.

Following the enforcement of Law Number 28 Year 2009 regarding Regional Taxes and Regional Levies, the Province of Jakarta Capital Special Region obtains the expansion of regional tax object as a source of additional income in the implementation of development and other public administration affairs. The expansion of regional tax object governed in this law covers the expansion of the existing regional tax bases, delegating the object of

central tax to become regional tax and addition of new tax objects.

In relation to the collection of land and building title acquisition fee that constitutes expansion of regional tax object, land and building title acquisition fee constitutes the expansion of regional tax object and central tax to become regional tax.

The addition of land and building title acquisition fee is expected to be capable of fulfilling the regional financial need deemed insufficient so far. In relation thereto, the addition of new tax as well as the freedom in applying regional tax rate (rate discretion) as mandated by Law Number 28 Year 2009, the provincial government of Jakarta Capital Special Region can optimize regional income in the financing of APBD parallel to enhancement of public service.

The granting of authority to stipulate tax rate to region is intended to avoid high tax rate outside the provision thus adding public burden excessively. For the purpose, the region is authorized in law to stipulate tax rate in maximum limit. On the other hand, it's intended to avoid rate competition among regions, particularly in easily mobile object, such as in other regional tax, which in due time may affect regional and state interests.

In a bid to enhance the principle of accountability related to supervision over the collection of regional tax, any regional regulation must secure approval from the central government before the regulation is implemented and regions applying policies in the regional tax sector violating the provisions of high legislation will be subject to sanction in the form

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of the delay and/or nullification of the submitted regional regulation.

The ratification of this regional regulation can grant legal certainty to people and business communities in the implementation of regional taxation liabilities with an expectation that public knowledge and awareness continues to increase and tax collectors work professionally on the basis of the principle of good governance.

In relations thereto, this regional regulation rules material provision covering, among others, object and subject of tax, basis for the imposition and procedures for collecting tax, provision on tax period and moment when the tax becomes due.

II. ARTICLE BY ARTICLE.

Article 1 and Article 2

Sufficiently clear

Article 3

Paragraph (1)

Sufficiently clear

Paragraph (2)

Letter a

Transfer of right is a legal action aiming at transferring land and/or building title to recipient of the transferred right on the basis of either, agreement, commitment and other legal action.

Point 1

Transaction constitutes a legal action against a reciprocal agreement wherein one party (seller)

gives up right to a thing (land and/or building) to the other party (buyer) and the buyer pays price (in the form of money or other payment instrument) already approved jointly to the seller as compensation and acquisition of the property right.

Point 2

Exchange is a legal action wherein both parties agree to defeat their right reciprocally to a land plot and/or building.

Point 3

Grant is an agreement wherein a grantor transfers his/her right to land and/or building in free of charge to recipient of the grant without withdrawing.

Point 4

Testament grant is a special inheritance stipulation regarding the granting of land or building title to certain individual or legal entity, which is effective after the grantor of the testament grant passes away.

Point 5

Heir is a person securing inherited asset as heir or non heir

Point 6

Inclusion into other company or legal entity is the transfer of land/or building title from individual or body to limited liability company or legal entity as participating interest of the other limited liability company or legal entity.

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Point 7

Separation of right causing the transfer is the transfer of part of collective right to land and/or building by individual or body to fellow collective right holders.

Point 8

Appointment of buyer in auction is stipulation of auction winner by auction official as contained in auction account.

Point 9

The execution of judge verdict means the transfer of right from individual or legal entity as a party to the party stipulated in the judge verdict.

Point 10

Business merger means the merger of two business entities or more by means of preserving the existence of any of the business entities or liquidating the other merging business entity.

Point 11

Business consolidation means merger of two business entities or more by means of establishing a new business entity and liquidating the merging business entities.

Point 12

Business expansion means division of a business entity into two business entities or more by means of establishing a new business entity and transferring part of assets and liabilities to new busi-

ness entity without liquidating the old business entity.

Point 13

Prize means a legal action in the form of the transfer of land and/or building title by individual or body to prize recipient.

Letter b

Point 1

Granting of new right as continuation of the relinquishment of right is the granting of new right to individual or legal entity from the state as the relinquishing of land and/or building title.

Point 2

Granting of new right outside the relinquishment of right is the granting of new right to individual or legal entity from the state or holder of the property right as the relinquishing of land and/or building title.

Paragraph (3)

Letter a

Property right is the strongest and fullest traditional property right which may be owned by certain individuals or legal entities, stipulated by the government.

Letter b

Right to use land for business purpose is a right to exploit land controlled directly by the state in a period as stipulated by the provision of legislation in force.

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Letter c

Right to use land for erecting building is a right to set up and have buildings on land not belonging to the said party by the period stipulated in Law Number 5 Year 1960 regarding Basic Regulation of Agrarian Principles and provisions of legislation in force.

Letter d

Right to use means right to use and/or collect outcomes from land controlled by the state or land belonging to other people, granting authority and obligation stipulated in decision granted by official authorized to grant it or in agreement with land owner, which is not rental agreement or land management agreement or everything as long as it does not contravene the spirit and provision of legislation in force.

Letter e

Strata title to flat unit is a property right to unit of flat, which is individual and separated, covering collective land and/or building title wholly constituting an integrated totality.

Flat means multi-storey building built in an environment divided into parts structured functionally in horizontal or vertical direction and constituting unit which can be owned or used separately, for either inhabitation or other benefits furnished with collective part, material and land.

Letter f

Management right is a right to control from the state, with the implementation authority delegated partly to right holder, among others: planning of

land designation and use, the use of land for the execution of tasks, allocation of parts of the land to the third party and/or in cooperation with the third party.

Paragraph (4)

Letter a

Sufficiently clear.

Letter b

Land and building used for the execution of public administration and/or development for public interest is land and/or building used for the implementation of public administration, either the central government or regional government, with activity solely destined to seek profit, such as land and/or building used for government institution, state-run school, state hospital and public road.

Letter c

International agencies or representatives of international institutions are agencies or representatives of international institutions, either governmental or non-governmental on the basis of stipulation of the Minister of Finance.

Letter d

Right convention is the change of right from old right to new right according to the agrarian basic law, provision of other legislation, including recognition of right from the government.

Example:

1. Right to Use Land For Erecting Building to become property right without change in name.

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2. Ex-traditional land to become new right.

Other legal action means the extension of land title without change in name

Letter e

Donation for religious or community use means a legal action of individual or body to separate part of their property right in the form of land and/or building title and institutionalize forever for worship interest or other public interest without compensation.

Letter f

Sufficiently clear

Article 4

Sufficiently clear

Article 5

Paragraph (1) dan Paragraph (2)

Sufficiently clear.

Paragraph (3)

Example:

Taxpayer A buys land and building with the acquisition value of tax object (selling value) amounting to Rp80,000,000.00 (eighty million rupiah), but NJOP PBB of the said object in the acquisition year is amounting to Rp95,000,000.00 (ninety five million rupiah), so that the acquisition value used as the basis for imposing BPHTB is Rp95,000,000.00 (ninety five million rupiah).

Paragraph (4) up to Paragraph (6)

Sufficiently clear

Paragraph (7)

Stipulation of NPOPTKP as much Rp 00,000.00 (eighty million rupiah) for every taxpayer covers what is meant in paragraph (2) letter a, letter b, letter c, letter f, letter g, letter h, letter j, letter k, letter l, letter m, letter n and letter o.

The enforcement of NPDPTKP amounting to Rp80,000,000.00 (eighty million rupiah) to land title covers property right, right to use land for business purpose, right to use land for erecting building and right to use.

Example:

On February 1,2009, WP "A" purchases land in East Jakarta with the acquisition value of tax object (NPOP) amounting to Rp75,000,000.00 (seventy five million rupiah) wherein the untaxed acquisition value of tax object (NPOPTKP) for the acquisition of right not attributed to inheritance or testament grant received by individual in familial relation by blood in lineage one degree upward or downward with the grantor of testament grant, including couple, is stipulated as much as Rp80,000,000.00 (eighty million rupiah), given that NPOP is lower than NPOPTKP, the acquisition of the right is not subject to BPHTB.

On February 1,2009, WP "B" buys land and building in East Jakarta with NPOP amounting to Rp100,000, 000.00 (one hundred million) wherein the untaxed acquisition value of tax object (NPOPTKP) for the acquisition of right not attributed to inheritance or testament grant received by individual in familial relation by blood in lineage one degree upward or downward with the grantor of testament grant, including couple, is stipulated as much as Rp80,000,000.00

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(eighty million rupiah), given that NPOP is Rp 100,000,000.00 (one hundred million rupiah), higher than NPOPTKP Rp80,000,000.00 (eighty million rupiah), the acquisition of the right is subject to BPHTB as much as Rp20,000,000.00 (twenty million rupiah), multiplied by rate of BPHTB.

Paragraph (8)

Example:

On March 1, 2009, WP "C" registers inheritance in the form of land and building in West Jakarta with the acquisition value of tax object (NPOP) as much as Rp350,000,000.00 (three hundred million rupiah), wherein the untaxed acquisition value of tax object (NPOPTKP) for the acquisition of right attributed to inheritance or testament grant received by individual in familial relation by blood in lineage one degree upward or downward with the grantor of testament grant, including couple, is stipulated as much as Rp350,000,000.00 (three hundred million rupiah), given than NPOP is the same as NPOPTKP, the acquisition of the right is not subject to BPHTB.

On March 1, 2009, WP "D" registers inheritance in the form of land and building in West Jakarta with the acquisition value of tax object (NPOP) as much as Rp1,000,000,000.00 (one billion rupiah) wherein the untaxed acquisition value of tax object (NPOPTKP) for the acquisition of right attributed to inheritance or testament grant received by individual in familial relation by blood in lineage one degree upward or downward with the grantor of testament grant, including couple, is stipulated as much as Rp350,000,000.00 (three hundred million rupiah),

given that NPOP is bigger than NPOPTKP, the acquisition of the right is subject to BPHTB as much as Rp650,000,000.00 (six hundred million rupiah), multiplied by rate of BPHTB.

Paragraph (9)

Article 6

Sufficiently clear.

Article 7

Example:

1. Taxpayer "A" purchases land and building with:

(Not attributed to inheritance or testament grant)

NPOP : Rp150,000,000.00

NPOPTKP : Rp80,000,000.00 (-)

Taxable NPOP : Rp70,000,000.00

BPHTB Payable : 5% x Rp70,000,000.00
Rp3,500,000.00

2. Taxpayer "B" acquires land and building with:

(Attributed to inheritance and testament grant)

NPOP : Rp1,000,000,000.00

NPOPTKP : Rp 350,000,000.00

Taxable NPOP : Rp 650,000,000.00

BPHTB Payable : 5% x Rp650,000,000.00 =
Rp32,500,000.00

Article 8

Paragraph (1)

Letter a

As from the signing date means the date when the deed of right transfer is made and signed before land conveyancers/notaries.

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Letter b up to Letter n
Sufficiently clear

pletely along with the attachments thereto.

Letter o
As from the date of appointment of auction winner is the date when auction account is signed by State Wealth and Auction Service Office (KPKNL), or other auction offices in accordance with the provision of legislation, containing among others name of auction winner.

Paragraph (4)
Sufficiently clear

Paragraph (2)
Sufficiently clear

Article 11
Sufficiently clear

Article 9
Sufficiently clear

Article 12
Paragraph (1)
Sufficiently clear

Article 10
Paragraph (1) and Paragraph (2)
Sufficiently clear

Paragraph (2)
Account of auction is quotation of auction account signed by head of office in charge of auction service.

Paragraph (3)
Clearly, truthfully and completely mean as follows: clear, so that the writing of the requested data does not cause misinterpretation potential to inflict loss on the state and taxpayer. True, the reported data must be in accordance with the actual condition, such as the size of land and/or building and complete means the whole columns of question are filled com-

Paragraph (3)
Sufficiently clear

Article 13 up to Article 16
Sufficiently clear

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