

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING



Oscar

One of the
RSM team



Bringing you insights
to help you move forward
with confidence

At RSM, we help clients overcome new challenges, embrace change and adapt to thrive.

By working together, creating deep insights, combining world-class technology and real-world experience, we deliver understanding that's unmatched, and confidence that builds.

For a changing world.
For the future.
For all.

We exist to instill confidence in a world of change.

6th largest global assurance, tax and consulting network



With almost 40 years of presence in Indonesia, we are now an integrated professional services firm, assisting our clients in assurance, tax, and consulting.

We are proud to say that we are now considered as #5 among similar professional services firms in Indonesia.



In support of:

**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the
UN Global Compact Office



Our Services in Indonesia

ACCOUNTING & REPORTING ADVISORY

Complex Accounting & Reporting | Cost & Management Accounting |
New Accounting Standards & Implementation |

AUDIT

Agreed Upon Procedures | Financial Information Review | General Audit |

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Accounting Services | Business Establishment & Licensing |
Corporate Secretarial | Financial Outsourcing Services | Liquidations | Payroll |

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Corporate Finance | Corporate Recovery & Insolvency | Restructuring |
Valuation |

GOVERNANCE RISK CONTROL CONSULTING

ESG & Sustainability | Fraud Prevention | Governance | Internal Audit |
Risk Management | Security & Privacy Risk | Technology Risk |

MANAGEMENT CONSULTING

Finance & Performance | Transformation |

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Business Tax | International Tax | Merger & Acquisition | Tax Audits |
Tax Dispute Resolution | Transfer Pricing |

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Artificial Intelligence & Data Analytics | Digital & Technology Integration |
Enterprise Technology | Technology Infrastructure |

Tax Services

BUSINESS TAX

- Tax Advisory Corporation
- Tax Advisory Individual
- Tax Audit
- Tax Compliance Corporation
- Tax Compliance Individual
- Other Business Tax

INTERNATIONAL TAX

- International Tax Advisory
- International Tax Restructuring

MERGER & ACQUISITION

- International Tax Advisory
- International Tax Restructuring

TAX AUDITS

TAX DISPUTE SETTLEMENT

TRANSFER PRICING

- Transfer Pricing Documentation
- Transfer Pricing Advisory
- Transfer Pricing Dispute Litigation
- Transfer Pricing Dispute Resolution



RSM Indonesia Webinar | 5 February 2025



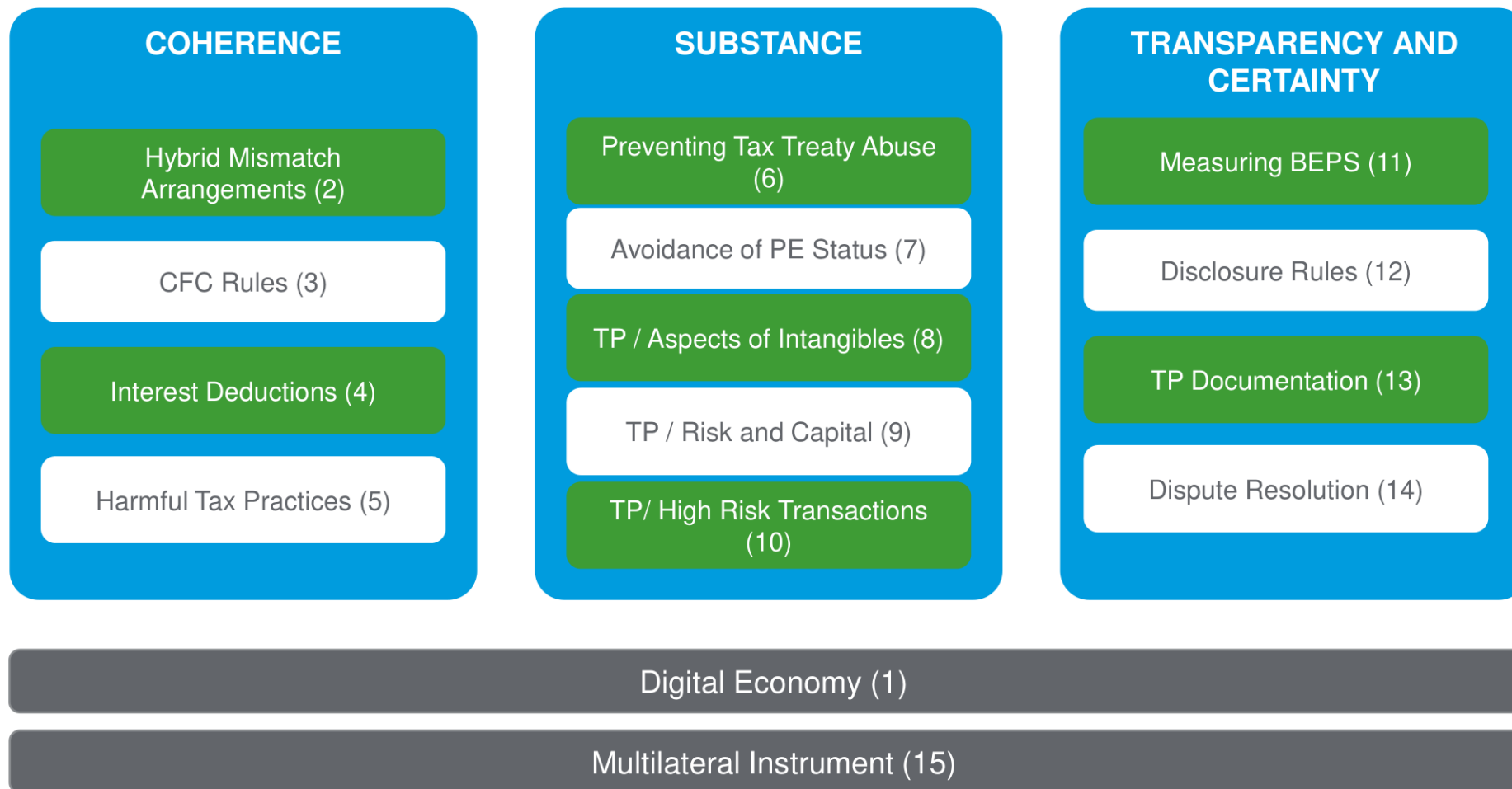
INTERNATIONAL TAX UPDATE

ICHWAN SUKARDI

Head of Tax



15 ACTIONS AROUND 3 MAIN PILLARS



BEPS IN INDONESIA

Action			Implementation	Timing
1	Address the tax challenges of the digital economy	VAT on business to customers digital services	ITL and GR 55/2022	2025?
2	Neutralize the effects of hybrid mismatch arrangements	Hybrids mismatch	GR – 55 /2022	Not yet known
3	Strengthen CFC rules	CFCs	Indonesia has CFC rules which has been implemented through a Minister of Finance Regulation Num 107/2017 and GR – 55/2022	27 July 2017
4	Limit base erosion via interest deductions and other financial payments	Interest deduction	Thin cap regulation 4:1 Minister of Finance Regulation Num. 169/2015. New approach using Interest/EBITDA is introduced in GR-55/2022	1 January 2016
5	Counter harmful tax practices more effectively, taking into account transparency and substance	Harmful tax practices	Indonesia has been reviewed by OECD and met all aspects of the terms of reference and no recommendations are made.	Peer-reviewed regularly
6	Prevent Treaty abuse	Prevent Treaty abuse	Indonesia has implemented treaty abuse prevention throuin PER-25/2018 and updated in GR-55/2022. The Principal Purpose Test (PPT) and Limitation on Benefits (LOB) in Indonesia are also implemented through the signatories of Multilateral Instrument (MLI) in 2017	1 January 2019 and June 2017
7	Prevent the artificial avoidance of PE status	PE Status	Indonesia has addressed artificial PE avoidance under BEPS Action 7 with Minister of Finance Regulation Num 35/PMK.03/2019	1 April 2019
8-10	Aligning transfer pricing outcomes with value creation	Transfer Pricing	Indonesia follows OECD TP Guidelines – specific TP regulations have also been published on Local, Master file and CbCR. Currently updated in Minister of Finance Regulation Num-172 of 2023.	Fiscal year 2016, updated in January 2024
11	Measuring and monitoring BEPS	N/A	Not yet known	Not yet known
12	Require taxpayers to disclose their aggressive tax planning arrangements	Disclosure of aggressive tax planning	Not yet known	Not yet known
13	Re-examine transfer pricing documentation	Transfer pricing documentation	Three-tiered level of TP documentations was introduced in 30 December 2016. Currently updated in Minister of Finance Regulation Num-172 of 2023.	Fiscal year 2016, updated in January 2024
		CBC reporting	The CBC report must be available within 12 months from end of the fiscal year and must be filed with the annual tax return for the subsequent fiscal year. Currently updated in Minister of Finance Regulation Num-172 of 2023.	Fiscal year 2017, updated in January 2024
14	Make dispute resolution mechanisms more effective	Dispute resolution	Ministry of Finance Regulation No 49/2019. Currently updated in Minister of Finance Regulation Num-172 of 2023.	26 April 2019, updated in January 2024
15	Develop a multilateral instrument	Multilateral instrument	Indonesian signed the Multilateral Instrument on 7 June 2017	28 April 2020 deposited instrument to implement MLC

PILLAR 1 – NEW TAXING RIGHT

The Unified Approach: Pillar One is a set of proposals to revisit tax allocation rules in a changed economy → a portion of multinationals' **residual profit** should be **taxed in the jurisdiction where revenue is sourced**. The concept applies to **Automated Digital Services (ADS)** businesses and **Consumer-Facing Businesses (CFB)**.

Market engagement allocation:

- **“Amount A”:** New taxing right allocates high value profits based on a formula
- It covers profits earned from activities with an **automated digital** character or **goods / services commonly sold to consumers**
- **“Amount B”:** Standard arm's length remuneration for “baseline” **routine marketing and distribution** activities

Main features:

- **Key elements:** Taxing rights over 25% the residual profit of the largest and most profitable MNEs
- **Scope:** MNEs with global turnover exceeding EUR 20 billion and PBT 10%
- **In country revenue:** World Bank: Indonesia GDP USD 1.058.423,84 millions; thus, in-scope revenue would be EUR 1 million
- **In scope MNEs:** a. Filtered MNEs with global turnover over EUR 20 billion, b. Using the list of VAT Withholding agents published by DGT (DJP)

Indonesia position:

- Indonesia supports implementation of 2 Pillars as a package
- The complete design of Pillar 1 should take into account of fairness, certainty, simplicity, and developing countries' interest
- The signing of the Multilateral Convention (MLC) on Pillar 1 has been postponed until June 2024 (initially at the end of 2023)
- Legal basis to sign MLC has been incorporated in ITR 2021
- Impact to market jurisdiction would be approximately USD 200 billion

PILLAR 2 – GLOBAL MINIMUM TAX

Leveling the playing field:

- Pillar 2 Model Rules are planned to ensure large multinational enterprises (MNEs) pay a minimum level of tax on the income arising in each jurisdiction where they operate.
- **New rules granting jurisdictions additional taxing rights**, including:
 - Two interlocking domestic rules (the Global Anti-Base Erosion (GloBE) rules) (i) an **Income Inclusion Rule (IIR)** imposes top-up tax that is taxed at less than a **15 percent**, and (ii) a supporting **Undertaxed Payment Rule (UTPR)**, which denies deductions to the extent the low-tax income of a constituent entity is not subject to tax under an IIR
 - A **Subject to Tax Rule (STTR)**, which overrides treaty benefits for certain related-party payments



PILLAR 2 – GLOBAL MINIMUM TAX (CONT'D)

EXCLUSIONS AND SIMPLIFICATIONS

- The rules will apply to MNE groups with a total consolidated group revenue above €750 million.
- There will be a carve-out from the IIR and UTPR for an amount equal to 5 percent of the carrying value of tangible assets and payroll costs, subject to a ten-year transition period.
- International shipping income and de-minimis profits are also excluded.
- Coexistence with the U.S. global intangible low-taxed income (GILTI) regime is under consideration.
- Safe harbors and/or other mechanisms for avoiding disproportionate compliance costs will be introduced.

IMPACT FOR INDONESIA

- Pillar Two will lessen the effectiveness of tax incentives. However, Pillar Two will only impact entities part of MNE group in scope of Pillar Two. Therefore, tax incentives provided to out-scope MNEs will not be affected by Pillar Two.
- Pillar Two tends to shift the corporate tax competition from tax holiday or tax allowance to refundable tax credit.
- Not all entities part of MNE group in scope of Pillar Two have an ETR below 15% and have to pay top-up tax.
- The tax revenue potential from the implementation of IIR, UTPR, STTR, and QDMTT might not be significant in Indonesia.

The US' reaction to the Global Minimum Tax



The White House issued a Memorandum (“the Memorandum”) on 20 January 2025



Substance of the Memorandum states that the OECD Global Tax Deal **has no force or effect in the US**; and instructs the Secretary of the Treasury and the PR of the US to the OECD to:

- (i) notify the OECD that any commitments made by “prior administration” on behalf of the US in terms of the Global Tax Deal have no force or effect, if any act of Congress adopting the relevant provisions of the Global Tax Deal; and
- (ii) otherwise, take “all additional necessary steps” to implement findings of the Memorandum



The Global Tax Deal is claimed shall allow the extraterritorial jurisdiction over income earned by US’s enterprises and limit the ability of US to enforce tax policies that serve to American business interests and workers

Impacts to US tax treaty partners



Foreign countries shall be retaliated if taxing US enterprises as “extraterritorial or disproportionately” affecting American Companies



“Extraterritorial” or “disproportionate” tax rules, likely include GMT and various digital service taxes, that proposed by various non-US jurisdictions, include certain US tax treaty partners



“Protective” actions may be taken in response to tax treaty non-compliance with US as well as findings and recommendations shall be delivered to the President within 60 days

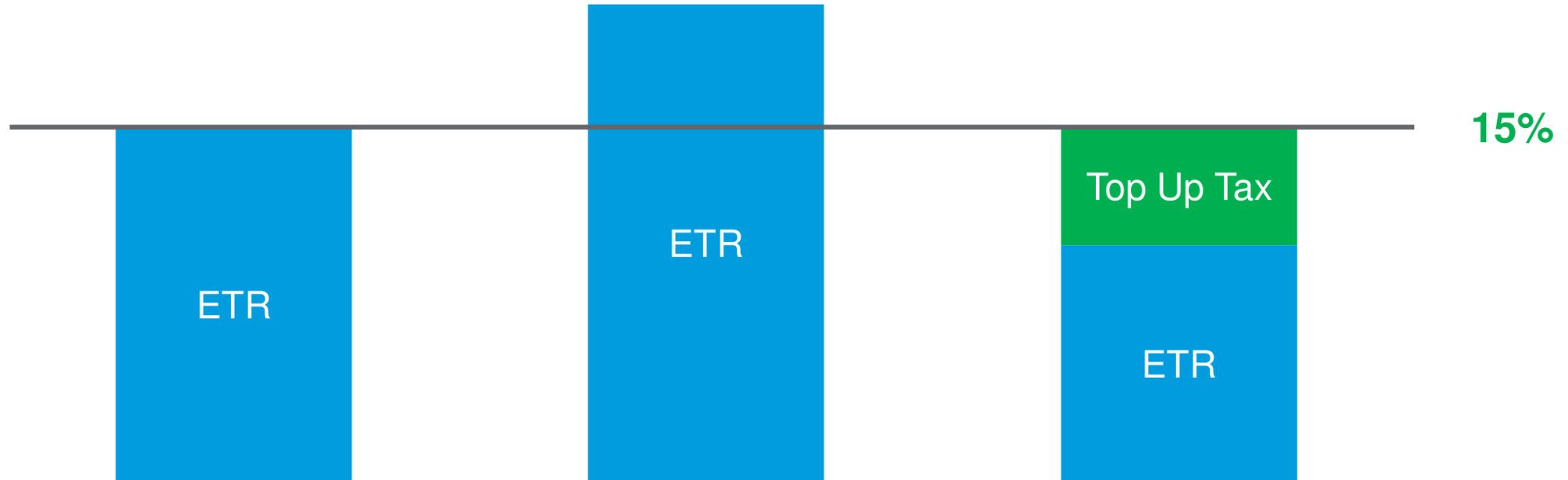


Indonesia's Global Minimum Tax - Compliance Roadmap for MNEs

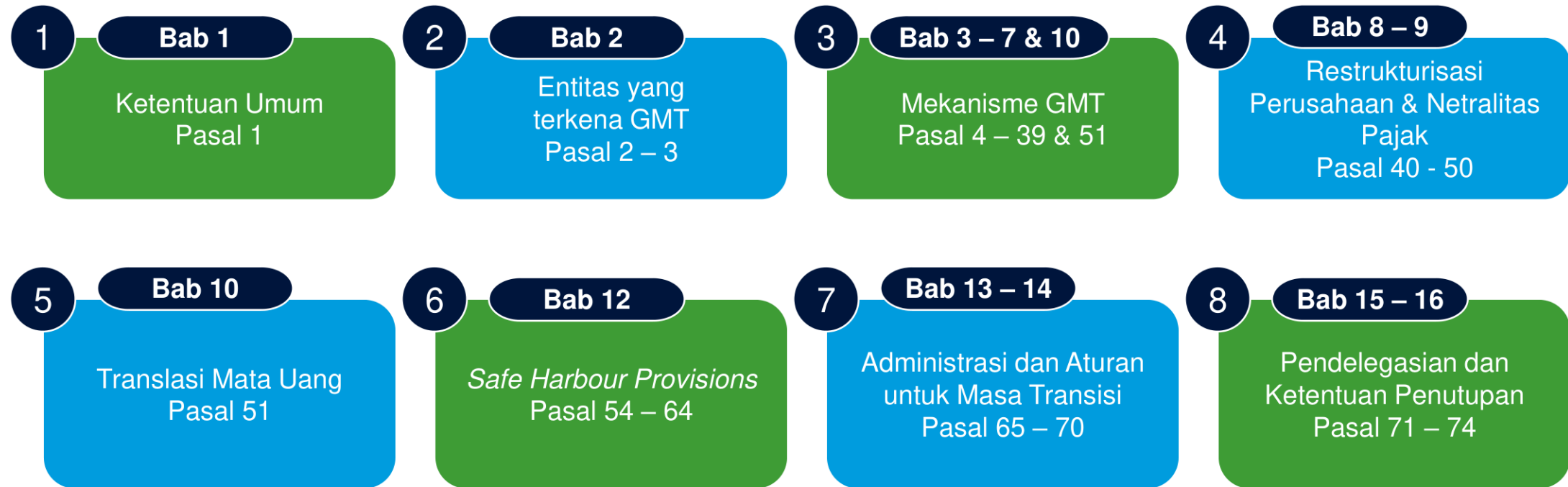
T QIVI HADY DAHOLI

Partner - Transfer Pricing & International Tax Services

KONSEP PILAR DUA



Di setiap yurisdiksi tempat MNE beroperasi



FUN FACT :

PMK-136/2024 terdiri atas 16 Bab, 74 Pasal, dan 226 halaman.

**Jika Anda membaca 1 halaman per hari,
maka akan membutuhkan waktu sekitar 7 bulan untuk menyelesaikan PMK ini.**

TARIF PAJAK EFEKTIF / EFFECTIVE TAX RATE



PILAR DUA – MITOS ATAU FAKTA

MITOS

- ✘ "Kami beroperasi di Indonesia, tarif PPh Badannya 22%, jadi aturan ini tidak berlaku bagi kami."
- ✘ "Kami tidak terkena top-up tax, jadi tidak perlu melakukan persiapan."
- ✘ "Pelaporan baru dimulai tahun 2027, jadi masih banyak waktu."
- ✘ "Ini hanya urusan kantor pusat, anak perusahaan tidak perlu khawatir."

FAKTA

- ✔ " Meskipun beroperasi di Indonesia, perusahaan yang masuk dalam cakupan GMT tetap **wajib melaporkan dan memastikan kepatuhan terhadap aturan GMT**"
- ✔ " Tidak terkena top up tax bukan berarti tidak ada **kewajiban pelaporan dan dokumentasi**. Setiap CE tetap harus menyusun **kewajiban pelaporan GloBE** sesuai peraturan"
- ✔ " Pengembangan **sistem dan data harus dilakukan dari sekarang** untuk menghindari risiko ketidakpatuhan dan audit di masa yang akan datang"
- ✔ "Setiap anak perusahaan tetap wajib memenuhi persyaratan pelaporan dan penghitungan di negaranya masing-masing"

BUILDING BLOCK - LABA ATAU RUGI GLOBE

STARTING POINT: Laba atau Rugi Bersih untuk tujuan konsolidasi UPE

PENYESUAIAN POSITIF

Contoh:

- Beban Pajak
- Biaya yang tidak boleh dibebankan

PENYESUAIAN NEGATIF

Contoh:

- Dividen yang dikecualikan
- Penghasilan pelayaran internasional

PENYESUAIAN POSITIF / NEGATIF

Contoh

- Laba /rugi biaya pensiun yang masih harus dibayar
- Penyesuaian QRTC & Non QRTC
- Penyesuaian transfer pricing
- Debt Release

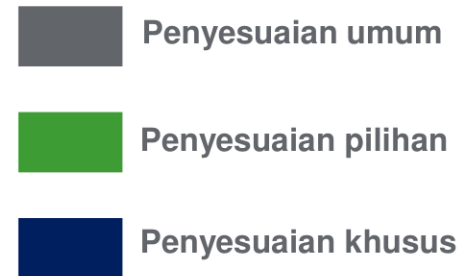
Contoh

- Keuntungan dan kerugian harta & kewajiban berdasarkan prinsip realisasi

Contoh

- Penyesuaian untuk Bank/Asuransi
- Penyesuaian untuk BUT

Laba atau Rugi GloBE



BUILDING BLOCK - PAJAK TERCAKUP DISESUIAIKAN

Starting point: Pajak kini (*current tax expense*)

+

Contoh

- Pajak Tercakup yang diakui dalam akun keuangan sebagai biaya dalam penghitungan laba sebelum pajak
- Aset Pajak Tangguhan rugi GloBE (*GloBE loss deferred tax asset*)
- *Uncertain Tax Position*

-

Contoh

- Pajak kini (*current tax expense*) terkait penghasilan yang dikecualikan
- Kredit / pengembalian dana NQRTC

+/-

Penyesuaian pajak tangguhan (*Deferred Tax Adjustment*)



Pajak tercakup disesuaikan

COMPLEXITIES OF DATA REQUIREMENT - GIR

3.2.1.1 Computation of GloBE Income (Loss)

1. Aggregate FANIL amount after allocations in Articles 3.4 and 3.5 (All CEs in the jurisdiction)

2. Adjustments

- (a) Net Taxes Expense - Article 3.2.1 (a)
- (b) Excluded Dividends – Article 3.2.1 (b)
- (c) Excluded Equity Gain or Loss – Article 3.2.1 (c)
- (d) Included Revaluation Method Gain or Loss – Article 3.2.1 (d)
- (e) Gain or loss from disposition of assets and liabilities excluded under Article 6.3 – Article 3.2.1 (e)
- (f) Asymmetric Foreign Currency Gains or Losses – Article 3.2.1 (f)
- (g) Policy Disallowed Expenses – Article 3.2.1 (g)
- (h) Prior Period Errors – Article 3.2.1 (h)
- (i) Changes in Accounting Principles – Article 3.2.1(h)
- (j) Accrued Pension Expense – Article 3.2.1 (i)
- (k) Debt releases - Article 3.2.1
- (l) Stock-based compensation – Article 3.2.2
- (m) Arm's length adjustments – Article 3.2.3
- (n) Qualified Refundable Tax Credit or Marketable Transferable Tax Credit – Article 3.2.4
- (o) Election for Gains and losses using realisation principle – Article 3.2.5
- (p) Election for Adjusted Asset Gain – Article 3.2.6
- (q) Intragroup Financing Arrangement expense – Article 3.2.7
- (r) Election for intragroup transactions in same jurisdiction – Article 3.2.8
- (s) Insurance company taxes charged to policyholders – Article 3.2.9
- (t) Increase/decrease to equity attributed to Additional Tier One Capital distributions paid/payable or received/receivable – Article 3.2.10
- (u) Constituent Entities joining and leaving an MNE Group – Article 3.2.11 and 6.2

- (v) Reduction of GloBE Income of the UPE that is a Flow-through Entity – Article 3.2.11 and 7.1
- (w) Reduction of GloBE Income of the UPE that is subject to a Deductible Dividend Regime – Article 3.2.11 and 7.2
- (x) Taxable Distribution Method election – Article 3.2.11 and 7.6
- (y) International Shipping Income – Article 3.3
- (z) Transactions between Constituent Entities – Article 9.1.3

3. Net GloBE Income (Loss) of the Jurisdiction

COMPLEXITIES OF DATA REQUIREMENT - GIR

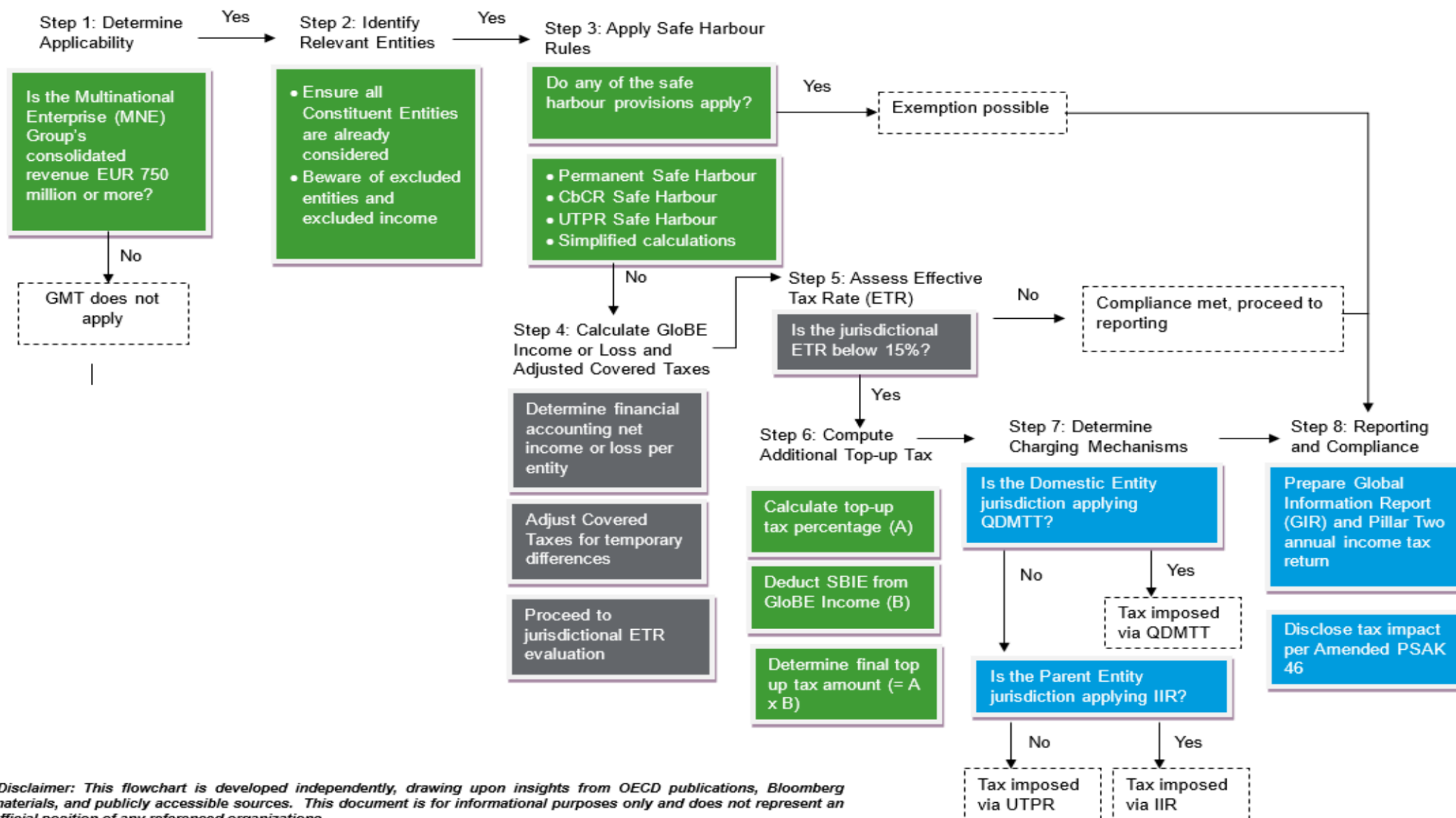
(a) Total amount of Adjusted Covered Taxes

1. Aggregate Current tax expense with respect to Covered Taxes after allocations in Article 4.3 (All CEs in the jurisdiction)
2. Adjustments
(a) Covered Tax accrued as an expense in the profit before taxation in the financial accounts - Article 4.1.2 (a)
(b) GloBE Loss Deferred Tax Asset established under Article 4.5.1 or used – Article 4.1.2 (b) combined with Article 4.5.3
(c) Covered Taxes for uncertain tax position recorded as a reduction to Covered Taxes in prior year – Article 4.1.2 (c)
(d) Qualified Refundable Tax Credit or Marketable Transferable Tax Credits recorded as a reduction to current tax expense – Article 4.1.2 (d)
(e) Qualified Flow-through Tax Benefits of Qualified Ownership Interests – Article 3.2.1 (c)
(f) Current tax expense on income excluded from GloBE Income or Loss – Article 4.1.3 (a)
(g) Non-Qualified Refundable Tax Credit, Non-Marketable Transferable Tax Credit or Other Tax Credits not recorded as a reduction to current tax expense – Article 4.1.3 (b)
(h) Covered Taxes refunded or credited (except for any Qualified Refundable Tax Credit, or Marketable Transferable Tax Credits) not treated as an adjustment to current tax expense – Article 4.1.3 (c)
(i) Current tax expense related to uncertain tax position– Article 4.1.3 (d)
(j) Current tax expense not expected to be paid within three years – Article 4.1.3 (e)
(k) Post-filing adjustments – Article 4.6.1
(l) Covered Taxes relating to Net Asset Gain or Net Asset Loss – Article 3.2.6
(m) Reduction of Covered Taxes of the UPE that is a Flow-through Entity – Article 7.1
(n) Covered Taxes for GloBE Income of the UPE that is reduced under a Deductible Dividend Regime – Article 7.2.2
(o) Deemed Distribution Tax– Article 7.3
(p) Taxable Distribution Method election – Article 7.6
(q) Total Deferred Tax Adjustment Amount – Article 4.1.1(b)
(r) Increase or decrease in Covered Taxes recorded in equity or Other Comprehensive Income relating to amounts included in GloBE Income or Loss that will be subject to tax under local tax rules – Article 4.1.1 (c)
(s) Excess Negative Tax Expense Carry Forward generated – Article 4.1.5 and 5.2.1
(t) Decrease in Covered Taxes (but not below zero) by the remaining balance of the Excess Negative Tax Expense Carry-forward – Article 4.1.5 and 5.2.1
3. Adjusted Covered Taxes

“FUN” FACT:

- Terdapat lebih dari 100 data point yang harus dikumpulkan untuk mengisi GIR.
- Sebagian dari data yang dibutuhkan tersebut, belum tentu sudah tersedia dalam sistem informasi yang ada saat ini.

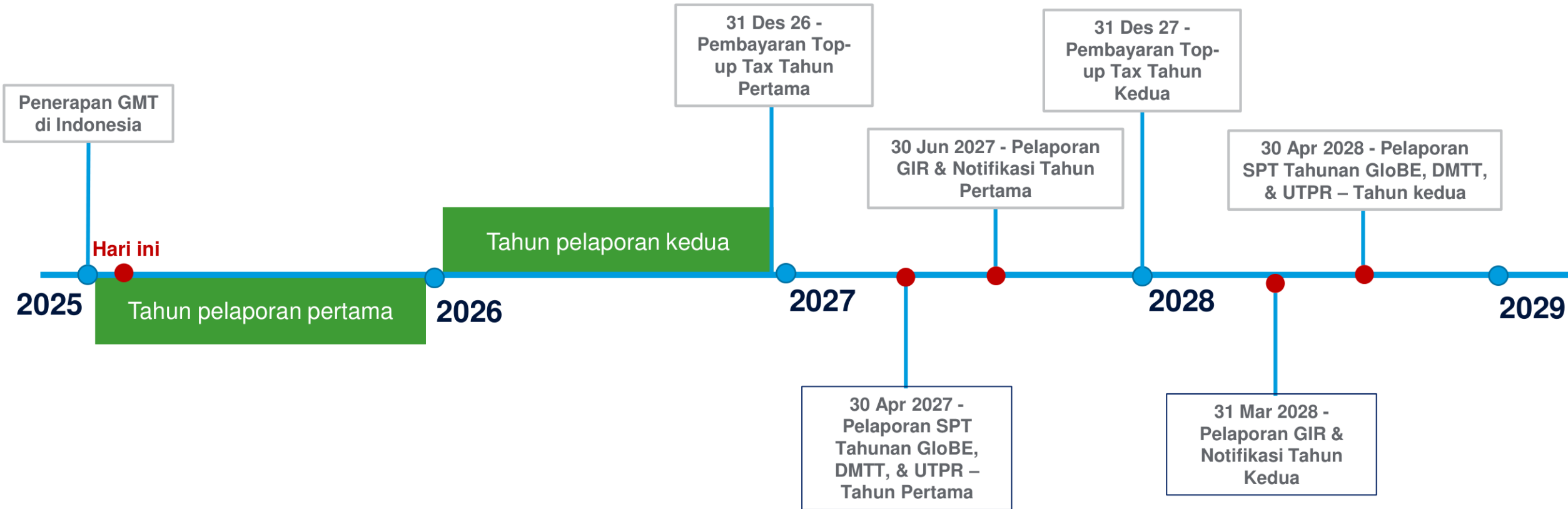
THE STEP-BY-STEP GUIDE TO PMK-136 – GMT COMPLIANCE*



*Disclaimer: This flowchart is developed independently, drawing upon insights from OECD publications, Bloomberg materials, and publicly accessible sources. This document is for informational purposes only and does not represent an official position of any referenced organizations

IMPORTANT DATES – 1 JAN TO 31 DEC BOOKKEEPING PERIOD

Transitional Safe Harbor



Jenis Pelaporan

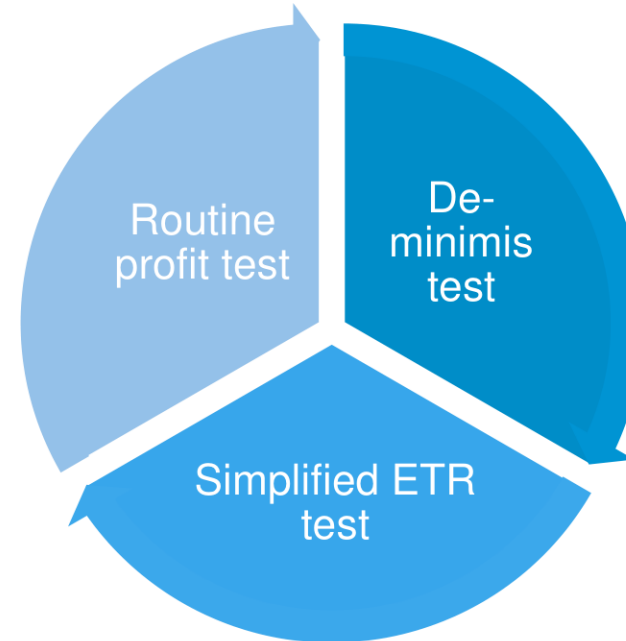
1. Top-up Tax GloBE
2. SPT PPh GloBE
3. SPT PPh DMTT dan UTPR
4. Notifikasi
5. GIR

Entitas Yang Melaporkan

- : UPE/CE di Indonesia.
- : UPE di Indonesia
- : CE di Indonesia.
- : UPE/CE di Indonesia
- : UPE di Indonesia

- Berlaku apabila memenuhi salah satu dari tiga syarat tertentu
- CbCR Safe Harbour berlaku untuk periode mulai paling lambat 31 Desember 2026 dan berakhir paling lambat 30 Juni 2028
- Hanya berlaku apabila CbCR memenuhi syarat kualifikasi

- Laba GloBE satu negara lebih kecil dari SBIE



- Pendapatan CbCR kurang dari EUR 10 juta
- Laba CbCR kurang dari EUR 1 juta (atau rugi)

- ETR disederhanakan sesuai tarif di masa transisi. Formula ETR: $(\text{Beban Pajak Kini} + \text{Beban Pajak Tangguhan} - \text{Posisi Pajak yang Tidak Pasti}) / \text{Laba Sebelum Pajak berdasarkan CbCR}$
- Tarif masa transisi:
 - 15% => 2024
 - 16% => 2025
 - 17% => 2026 sampai Tahun Pajak yang berakhir pada tanggal 30 Juni 2028

MAIN CONSIDERATION FOR MNEs

Reporting Complexities

Adanya GMT dapat menjadi beban administratif baru bagi Anggota Grup, meskipun tidak ada kewajiban top up tax

Data Point & Automation

Terdapat lebih dari 120 data point yang dibutuhkan untuk melaporkan GMT. Diperlukan pengalokasian sumber daya dan rencana kerja yang spesifik untuk mengumpulkan data dari sistem pembukuan yang ada

GMT Exposure of Top Up Tax & Tax Facility

MNE perlu melakukan analisis risiko dan identifikasi eksposur adanya top up tax, entitas yang membayar, mekanisme pembayaran / negara mana pembayaran dilakukan, serta dampak GMT terhadap insentif pajak (jika ada)



Governance & Internal Control

GMT memerlukan sistem tata kelola dan internal control untuk memastikan keakuratan, keandalan, dan efisiensi dalam kepatuhan pembayaran dan pelaporan

Stakeholder Readiness & Awareness

GMT membutuhkan kontribusi dari berbagai fungsi di luar pajak. Oleh karena itu, para pemangku kepentingan harus memahami dampak luasnya terhadap organisasi.

Dynamic Rules and Guidance

Kepatuhan GMT membutuhkan pemantauan aktif terhadap perkembangan regulasi di berbagai yurisdiksi

HOW RSM CAN HELP

Training

- Pelatihan intensif / Workshop tentang GMT dan PMK 136 tahun 2024

Risk Assessment

- Analisis potensi risiko top up tax
- Identifikasi entitas dan yurisdiksi yang terdampak

Compliance & Reporting

- Membantu penyusunan pelaporan terkait GMT – GIR, SPT , Notifikasi
- Asistensi pengungkapan dalam Laporan Keuangan sesuai amandemen PSAK 46

Advisory & Tax Planning

- Advisory optimalisasi struktur Grup
- Perencanaan Pilar Dua

System Development

- Membangun sistem otomatisasi dan pengumpulan data untuk GMT sesuai kebutuhan dan spesifikasi Grup

Dispute Assistance

- Asistensi sengketa GMT
- Pendampingan APA / MAP

DISCLAIMER

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Informasi ini bukan nasihat dan/atau saran,
tidak mencerminkan keadaan secara khusus/spesifik yang mungkin berlaku bagi Anda,
dan oleh karena itu tidak boleh digunakan sebagai pengganti nasihat dan/atau
saran profesional.

THANK YOU

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