

Repeat Valuations of Fixed Business Assets for Taxation Purposes


The Income Tax Law (No. 18 of 1983 as amended by No. 17 of 2000) provides the Minister of Finance with the authority to stipulate the provisions relating to repeat valuations in Article 19. The premise for this authority is to ensure that there is comparability between the fees collected and the value of the assets.

Businesses can undertake repeat valuations once they have fulfilled all outstanding tax obligations. An application to do a repeat valuation must be submitted to the Director General of Taxation. This Regulation does not apply to businesses who keep their books in English or their accounts in USD.

The Regulation only applies to fixed assets that are deemed to be taxable objects within Indonesia.

A repeat valuation can be done only every five years and the valuation is to be based on prevailing market values for the respective assets. Where the repeat valuation is higher than that of the value for which tax was paid, then income tax of 10% is payable. Where this additional tax is a burden on the company, the company can apply to pay the tax in installments over a period not to exceed 12 months.

This Regulation repeals Ministerial Decision No. 486/KMK.03/2002.

The Regulation has been in force since 23 May 2008. 

❖ Past Issues

- ✍ Administration of the Insurance Industry (Issue 853 - 03/06/2008)
- ✍ Management of State and Regional Owned Assets (Issue 852 - 02/06/2008)
- ✍ Verification for Industries Utilizing Facilities and Import Exemptions (Issue 851 - 30/05/2008)
- ✍ Multimedia Content Guidelines (Issue 850 - 29/05/2008)

❖ Documents

The Minister of Finance Regulation No.
79/PMK.03/2008
(PERMEN_KEU_79PMK032008_2008.pdf -
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