VAT Invoice – an update

On 4 August 2022, the Directorate General of Taxes (DGT) issued Regulation No.PER-11\(^1\) to amend PER-03\(^2\) regarding Value-Added Tax (VAT) Invoices. Please refer to point b of our TaxFlash No.13/2022 for the earlier discussion of PER-03.

PER-03 changed the VAT Invoicing arrangements for centralised VATable Entrepreneurs (Pengusaha Kena Pajak/PKPs) so that Invoices should be addressed to the place of delivery even if this is a branch of the centralised buyer.

However, under PER-11, the use of the delivery address (instead of the centralised PKP address) is only applicable for the delivery of Taxable Goods (Barang Kena Pajak) or Taxable Services (Jasa Kena Pajak) to a buyer located in a “Certain Area” (kawasan tertentu atau tempat tertentu) which is eligible to enjoy the Non-Collection of the VAT and Luxury Goods Sales Tax (LST) facility. This rule is only applicable for VAT Invoicing to centralised PKPs administered by the Large Taxpayer, Special Jakarta and the Medium Tax Services Offices.

A Certain Area consists of:
- a) a Bonded Stockpiling Area; or
- b) a Special Economic Zone; or
- c) other areas governed by Non-Collection of VAT and LST arrangements.

A Certain Area does not cover a Free Trade Zone where VAT centralisation is not allowed.

For transactions that do not fall under the above scenario, the VAT Invoicing mechanism continues to follow the general rules.

PER-11 will be effective from 1 September 2022. VAT Invoices issued to a centralised PKP between 1 April – 31 August 2022 and which has applied the provisions of PER-03 are still considered valid as long as the Invoices continue to fulfil the general requirements for crediting Input VAT.

---
\(^1\) DGT Regulation No.PER-11/PJ/2022 (PER-11) dated 4 August 2022 and effective from 1 September 2022
\(^2\) DGT Regulation No.PER-03/PJ/2022 (PER-03) dated 31 March 2022 and effective from 1 April 2022
Your PwC Indonesia Contacts:

Abdullah Azis
abdullah.azis@pwc.com

Hasan Chandra
hasan.chandra@pwc.com

Runi Tusita
runi.tusita@pwc.com

Adi Poernomo
adi.poernomo@pwc.com

Hendra Lie
hendra.lie@pwc.com

Ryuji Sugawara
ryuji.sugawara@pwc.com

Adi Pratikto
adi.pratikto@pwc.com

Hisni Jesica
hisni.jesica@pwc.com

Soeryo Adjie
soeryo.adjie-c@pwc.com

Alexander Lukito
alexander.lukito@pwc.com

Hyang Augustiana
hyang.augustiana@pwc.com

Sujadi Lee
sujadi.lee@pwc.com

Ali Widodo
ali.widodo@pwc.com

Kianwei Chong
kianwei.chong@pwc.com

Sukma Alam
sukma.alam-c@pwc.com

Amit Sharma
amit.xz.sharma@pwc.com

Lukman Budiman
lukman.budiman@pwc.com

Surendro Supriyadi
surendro.supriyadi-c@pwc.com

Andrias Hendrik
andrias.hendrik@pwc.com

Made Natawidnyana
made.natawidnyana@pwc.com

Susetiyo Putranto
susetiyo.putranto@pwc.com

Anton Manik
anton.a.manik@pwc.com

Mardianto
mardianto.mardianto@pwc.com

Sutrisno Ali
sutrisno.ali-c@pwc.com

Antonius Sanyojaya
antonius.sanyojaya@pwc.com

Margie Margaret
margie.margaret@pwc.com

Suyanti Halim
suyanti.halim@pwc.com

Avinash Rao
a.rao@pwc.com

Mariina Kamal
mariina.kamal@pwc.com

Tim Watson
tim.robert.watson@pwc.com

Ay Tjhing Phan
ay.tjhing.phan@pwc.com

Nicholas Sugito
nicholas.sugito@pwc.com

Tjen She Siung
tjen.she.siung@pwc.com

Brian Arnold
brian.arnold@pwc.com

Nikolas Handradjij
nikolas.handradjij@pwc.com

Turino Suyatman
turino.suyatman@pwc.com

Dexter Pagayonan
dexter.pagayonan@pwc.com

Oki Octabiyanto
oki.octabiyanto@pwc.com

William Christopher
william.christopher@pwc.com

Enna Budiman
enna.budiman@pwc.com

Omar Abdulkadir
omar.abdulkadir@pwc.com

Yessy Anggraini
yessy.anggraini@pwc.com

Esa Perdana
esa.perdana@pwc.com

Otto Sumaryoto
otto.sumaryoto@pwc.com

Yuliana Kurniadja
yuliana.kurniadja@pwc.com

Gadis Nurhidayah
gadis.nurhidayah@pwc.com

Peter Hohtoulas
peter.hohtoulas@pwc.com

Yunita Wahadaniah
yunita.wahadaniah@pwc.com

Gerardus Mahendra
gerardus.mahendra@pwc.com

Raemon Utama
raemon.utama@pwc.com

www.pwc.com/id

PwC Indonesia

@PwC_Indonesia

If you would like to be removed from this mailing list, please reply and write UNSUBSCRIBE in the subject line, or send an email to id_contactus@pwc.com.

DISCLAIMER: This content is for general information purposes only and should not be used as a substitute for consultation with professional advisors.

© 2022 PT Prima Wahana Caraka. All rights reserved. PwC refers to the Indonesian member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.