



MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

COPY

REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 146/PMK.010/2017
CONCERNING
EXCISE TARIFFS ON TOBACCO PRODUCTS ¹

BY THE GRACE OF GOD ALMIGHTY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Considering that :

- a. that the provisions concerning tobacco excise rates have already been regulated for in Regulation of the Minister of Finance No. 179/PMK.011/2012 on Excise Tariffs for Tobacco Products as already amended several times, most recently by Regulation of the Minister of Finance No. 147/PMK.010/2016 concerning a Third Amendment to Regulation of the Minister of Finance Number 179/PMK.011/2012 on Excise Tariffs on Tobacco Products;
- b. that for the control of the consumption of dutiable goods in the form of tobacco products, the priorities of state revenue policy, providing certainty for policy direction of excise tariffs, and facilitating the collection and supervision of taxable goods on an ongoing basis it is necessary to replace Regulation of the Minister of Finance No. 179/PMK.011/2012 on Excise Tariffs on Tobacco Products as already amended several times, most recently by Regulation of the Minister of Finance No. 147/PMK.010/2016 concerning a Third Amendment to Regulation of the Minister of Finance Number 179/PMK.011/2012 concerning Excise Tariffs on Tobacco Products;

¹ **Translator's note** : In the source (i.e. Indonesian) document a number of abbreviations are introduced for the various kinds of tobacco product referred to in the regulation, as follows: -

SKM (Indonesian: "Sigaret Kretek Mesin") = Machine made clove cigarettes ; **SPM** (Indonesian : "Sigaret Putih Mesin") = Machine-made White Cigarettes ; **SKT** (Indonesian: "Sigaret Kretek Tangan") = Hand-rolled Clove Cigarettes; **SKTF** (Indonesian: "Sigaret Kretek Tangan Filter") = Filter-tipped Hand-rolled Clove Cigarettes ; **SPT** (Indonesian: "Sigaret Putih Tangan") = Hand-rolled white (i.e. non-clove) cigarettes ; **SPTF** (Indonesian : "Sigaret Putih Tangan Filter") = White (i.e. non-clove) Filter-tipped Hand-rolled Cigarettes; **KLM** (Indonesian: "Kelembak Kemenyan") Rhubarb and Incense Cigarettes ; **CRT** (Indonesian: "Cerutu") = Cigars; **KLB** (Indonesian: "Kelobot") = Corn-leaf (or "Klobot") Cigarettes ; **TIS** (Indonesian : Tembakau Iris) =Sliced Tobacco ; **HPTL** (Indonesian: "Hasil Pengolahan Tembakau Lainnya") = Other Processed Tobacco.

For reasons of presentation and readability, these abbreviations will not be expanded and translated in the translation below. However they are particularly relevant to the interpretation of the tables in the five attachments.

- c. that on October 4, 2017, the Government together with the People's Representative Assembly of the Republic of Indonesia have agreed on targets for excise receipts in 2018;
- d. that based on the considerations referred to in letter a, letter b and letter c, and in order to implement the provisions of Article 5 paragraph. (5) of Article 6 paragraph (3) of Law Number 11 of 1995 concerning Excise as amended by Law Number 39 of 2007 regarding Amendments to Law Number 11 of 1995 on Excise, it is necessary to determine a Regulation of the Minister of Finance on Excise Tariffs on Tobacco products,

In view of : Law Number 11 of 1995 concerning Excise (National Gazette of the Republic of Indonesia of 1995 Number 76, Supplement to the National Gazette of the Republic of Indonesia Number 3613) as amended by Law Number 39 of 2007 (National Gazette of the Republic of Indonesia of 2007 Number 105, Supplement to the National Gazette of the Republic of Indonesia Number 4755);

HAVE DECIDED:

To Determine: A REGULATION OF THE MINISTER OF FINANCE CONCERNING EXCISE TARIFFS ON TOBACCO PRODUCTS.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Ministerial Regulation, what is meant by :

1. Person is a private person or a legal entity.
2. A Factory Entrepreneur is a person who operates a factory.
3. Cigarette is a tobacco product made from shredded tobacco wrapped with paper by rolling, for use, regardless of any substitute or auxiliary materials used in the manufacture.

4. Machine made clove cigarettes which hereinafter will be referred to with the abbreviation SKM (Indonesian: "Sigaret Kretek Mesin") are cigarettes which in their manufacture are mixed with cloves, both authentic as well as imitation without regard to the quantity, of which the manufacture beginning with rolling and packaging in packets for retail sale, up to application of excise tapes, is done entirely or partly by use of machines.
5. Machine-made White Cigarettes which hereinafter will be referred to with the abbreviation SPM (Indonesian : "Sigaret Putih Mesin") are cigarettes which in their manufacture are mixed with cloves, rhubarb, or frankincense, and the manufacture of which beginning with rolling, insertion of filter, packaging into packets for retail sale up to application of excise tapes, is done entirely or partly by use of machines.
6. Hand-rolled Clove Cigarettes, which hereinafter will be referred to with the abbreviation SKT (Indonesian: "Sigaret Kretek Tangan") is cigarettes which in their manufacture are mixed with cloves or the parts thereof, both authentic and imitation, regardless of the amount, and in which the process of manufacture starts from rolling, and packaging in packets for retail sales, up to application of excise tapes, without the use of machines.
7. Filter-tipped Hand-rolled Kretek Cigarettes Filter which hereinafter will be referred to with the abbreviation SKTF (Indonesian: "Sigaret Kretek Tangan Filter") are cigarettes which in their manufacture are mixed with cloves, or parts thereof whether natural or imitation, and without regard to the quantity, which in the process of manufacture beginning with the rolling of them, the insertion of filters, their packaging into packets for retail sale, up to the application of excise tapes, is done without the use of machines.
8. Hand-rolled white (i.e. non-clove) cigarettes, which hereinafter will be referred to with the abbreviation SPT (Indonesian: "Sigaret Putih Tangan") are cigarettes which in their manufacture are not mixed with cloves, rhubarb, or incense and in which the process of manufacture beginning from the rolling, packaging into packets for retail sale, up to the application of excise tapes, does not use machines.

9. White (i.e. non-clove) Non-filter Hand-rolled Cigarettes, hereinafter referred to with the abbreviation SPTF (Indonesian : “Sigaret Putih Tangan Filter”) are cigarettes which are manufactured without the addition of cloves, rhubarb, or incense, and where the process of manufacture beginning from the rolling of them, the insertion of filters, their packaging in packets for retail sale, up to the application of excise tapes, is done without the use of machines.
10. Rhubarb and Incense Cigarettes, hereinafter referred to with the abbreviation KLM (Indonesian: “Kelembak Kemenyan”) are cigarettes in the manufacture of which are mixed with rhubarb and/or frankincense whether natural or imitation without regard to the quantity.
11. Cigars, hereinafter referred to with the abbreviation CRT (Indonesian: “Cerutu”) are a tobacco product made from leaves of tobacco whether sliced or not, which are rolled up in leaves of tobacco for use, without regard to whatever substitute or auxiliary materials used in their manufacture.
12. Corn-leaf (or “Klobot”) Cigarettes hereinafter referred to with the abbreviation KLB (Indonesian: “Kelobot”) are a tobacco product made with a palm leaf, corn-cob leaf (klobot), or the like, and made by rolling, without regard to any substitute or auxiliary materials used in their manufacture. .
13. Sliced Tobacco hereinafter referred to with the abbreviation TIS (Indonesian : Tembakau Iris) is a tobacco product made from chopped tobacco leaf ready for use, without regard to any substitute or auxiliary materials used in its manufacture.
14. Other Processed Tobacco Products, hereinafter referred to with the abbreviation HPTL (Indonesian: “Hasil Pengolahan Tembakau Lainnya”) are tobacco products made from tobacco leaf other than those cited in numbers 4 to 13 above which are made in other ways in line with technological developments and consumer taste, without regard to whatever substitute or auxiliary materials used in their manufacture.
15. The Office of the Directorate General of Customs and Excise hereinafter referred to with as “The Office” is the Main Customs and Excise Service Office or the Supervisory and Service Office of Customs and Excise under the aegis of the Directorate General of Customs and Excise.

16. Importers of taxable goods in the form of tobacco products which hereinafter will be referred to as Importers are private individuals or legal entities which bring taxable goods in the form of tobacco products into the customs area.
17. Retail Sales Price is the price set as a basis for the calculation of the amount of excise.
18. The limits on the Retail Sales Price per stick (i.e. per single cigarette) or per gram on each kind of tobacco product produced by factory entrepreneurs of tobacco products or Importers are to be determined by the Minister.
19. The Market Transactions Price is the amount of the sales transaction price at the level of the ultimate consumer. .
20. The Limits on the Amount of Production is the limits on the amount of production established by the Minister which are calculated based on documents of orders for excise ribbons and/or documents advising expenditures and protection of transport on goods liable to excise for the consumption of the inhabitants of free zones with excise free facilities in one calendar year prior to the current Budget Year.
21. Tobacco Products Brand hereinafter referred to as Brand(s) are text, numerals, or a combination of both with a particular style of writing or pronunciation on the packets of tobacco products which are notified as the tobacco product identity by the Tobacco Products Factory Entrepreneur or Importer for the purposes of determination of excise rates. .
22. The Minister is the Minister for Finance of the Republic of Indonesia.
23. The Director General is the Director General of Customs and Excise.
24. Customs and Excise officials are officials of the Directorate General of Customs and Excise who are designated to carry out certain tasks on the legal basis of Law Number 11 of 1995 concerning Customs as amended by Law No. 39 of 2007 concerning Amendment to Law Number 11 of 1995 concerning Excise.

CHAPTER II
CLASSIFICATION OF FACTORY ENTREPRENEURS

Article 2

(1) Tobacco Products Factory Entrepreneurs are grouped into classes of entrepreneurs based on their respective type and quantity of tobacco production, in accordance with Restrictions on the Amount of Factory Production listed in Attachment I which is an inseparable part of this Ministerial Regulation.

(2) The Classification of tobacco products Factory Entrepreneurs as intended in paragraph (1) is calculated on the basis of the amount of production of tobacco products for each kind of tobacco product in accordance with documents concerning orders for excise tapes either in 1 (one) location under the supervision of the Office or several locations under the supervision of the Office.

(3) In the case where a tobacco products Factory Entrepreneur produces tobacco products for the consumption of the population in a free zone, the calculation of the amount of production as referred to in paragraph (2) is reckoned on the basis of documents advising production amounts as well as transport protection for goods liable to excise for the consumption of the population in the free zone with excise free facilities for the factory in question.

Article 3

(1) In the case where a Factory Entrepreneur produces SKM and SPM, the classification of the tobacco products Factory Entrepreneur as intended in Article 2 paragraph (2) for the two kinds of tobacco products referred to is calculated on the basis the sum of production of SKM and SPM.

(2) In the case where a tobacco products Factory Entrepreneur has a linked relationship with another tobacco products Factory Entrepreneur as regulated for in the Ministerial

Regulation which regulates for the determination of the classification and tobacco products excise levels with regard to a factory entrepreneurs with linked relationships, in the classification of tobacco product Factory Entrepreneurs as referred to in article 2 paragraph (2) calculated on the basis of the sum of the production of SKM and SPM results of all the tobacco products Factory Entrepreneurs who have that linked relationship.

(3) The provisions for the categorization of tobacco products Factory Entrepreneurs as referred to in paragraph (1) and paragraph (2) is to take effect as of January 1st, 2019.

Article 4

(1) In the case where the amount of production of tobacco referred to in article 2, in 1 (one) calendar year exceeds the Limits on the Amount of Factory Production which is applicable to the classification of the classification of the tobacco products Factory is to be adjusted by the Head of Office.

(2) Upon adjustment of the tobacco products Factory Entrepreneur's classification as referred to in paragraph (1) the Head of Office shall issue a decision on the adjustment of the tobacco products Factory Entrepreneur's category.

Article 5

(1) In the case where the amount of production of tobacco products as referred to in Article 2 in on calendar year is less than the Limit on Factory Production applicable to the classification of the tobacco products Factory Entrepreneur, the tobacco products Factory Entrepreneur may apply for reduction in the tobacco products Factory Entrepreneur's classification to the Head of Office.

(2) A reduction in the classification of a tobacco products Factory Entrepreneur as intended in paragraph (1) is only granted for one level lower that tobacco products Factory Entrepreneur's previous category.

(3) A request for a reduction in the categorization of tobacco products Factory Entrepreneurs as referred to in paragraph (1) is to be filed no later than January of the next calendar year before the order for tax ribbons is first submitted.

(4) Upon the request of tobacco product Factory Entrepreneurs as referred to in paragraph (1), the Head of Office is to determine a decision accepting or rejecting the request in question within a period of at most 10 (ten) days from the date of receipt of the application in full.

(5) In the event that a petition for a lowering of the categorization of a tobacco products Factory Entrepreneur as referred to in paragraph (1) is granted. The Head of Office is to issue a decision of lowering of the categorization of the tobacco products Factory Entrepreneur.

(6) In the event where a request for a decrease in the categorization of a tobacco product Factory Entrepreneur as referred to in paragraph (1) is refused, the Head of Office is to issue a letter of rejection stating the reason for the rejection.

CHAPTER III EXCISE TARIFFS AND THE RETAIL SELLING PRICE

Article 6

(1) Excise tariffs for tobacco products are set by using the amount (in rupiahs) for each unit of cigarettes or grams of tobacco products.

(2) The amount of tobacco products excise tariffs as referred to in paragraph (1) is based on:

- a. the type of tobacco product;
- b. the category of entrepreneur as referred to in article 2 paragraph (1); and
- c. The limits on the Retail Selling Price per cigarette or per gram, which is specified by the Minister.

(3) Specifically for the HPTL type (of product), the tobacco products excise tariff is set at as much as 57% (fifty-seven percent) of the Retail Selling Price submitted by the tobacco products Factory Entrepreneur or

importer as included in Attachment II which represents and inseparable part of this Ministerial Regulation.

Article 7

(1) The limitations on Retail Sale Prices per cigarette or per gram and excise tariffs per cigarette or per gram, for each kind of tobacco product from each category of tobacco product Factory Entrepreneur is as listed in Attachment III which represents an inseparable part of this Ministerial Regulation.

(2) The classification in the setting of excise tariffs per cigarette or per gram as intended in paragraph (1) for each kind of tobacco product is determined on the basis of the kind of product, the amount of production, and :

- a. The Retail Selling Price listed in the determination of excise tariffs which are still applicable;
- b. The Retail Selling Price advised by tobacco products Factory Entrepreneur for tobacco production of new brands; or
- e. A Retail Selling Price which has undergone an increase;

Article 8

The Retail Selling Price referred to in Article 6 paragraph (3) dan Article 7 paragraph (2) must be in multiples of Rp. 25.00 (twenty-five rupiahs).

Article 9

The Retail Selling Price of a new Brand from a tobacco products Factory Entrepreneur or importer may not be lower than the Retail Selling Price of a tobacco product Brand owned by the same tobacco products Factory Entrepreneur, whether in 1 (one) location of the Office's supervision or in several, in units of single cigarettes or per gram for the same kind of tobacco product.

Article 10

Tobacco product excise tariffs as referred to in Article 6 paragraph (3) and Article 7 paragraph (2) for each of the tobacco products Factory Entrepreneur or importer is set by the Head of Office by issuing a decision concerning the determination of tobacco products excise tariffs.

Article 11

(1) The determination of tobacco product excise tariffs as mentioned in Article 10, is to be declared invalid, if for more than 6 (six) consecutive months the tobacco products Factory Entrepreneur in question has never realized :

- a. ordering of excise tapes by using excise tapes ordering documents;
- b. the export of tobacco products by using documents for notification of output of excise applicable goods for which the excise has not yet been paid off from the tobacco products factory intended for export; or
- c. sending tobacco products to a free zone by using documents notifying output as well as protected transport for goods liable to excise for the consumption of residents of the free zone with excise free facilities.

(2) In order to be able to re-use the determination of excise tariffs which have been declared invalid as referred to in paragraph (1), a tobacco products Factory Entrepreneur or importer must re-submit the request for determination of excise tariffs in accordance with the provisions of laws and regulations.

(3) A request for determination of tariffs as referred to in paragraph (2), in addition to being in accordance with the provisions of regulations, must also fulfil the following conditions:

- a. tobacco products excise tariffs may not be lower than were previously applicable;

b. The retail sale price that is notified is to be at least equal to a retail selling price which has existed, and cannot be lower than the minimum Retail Sales Price which applied and still applies for the same kind of tobacco product; and

c. can only be submitted after 6 (six) months in succession since the final ordering of excise tapes, final export realization, or consignment of tobacco products to the last free zone.

(4) Excluded from the provisions referred to in paragraph (3) letter c, in the case where a tobacco product brand is related to a criminal offense in the field of excise, a re-determination may only be filed after 2 (two) years from a court decision having a permanent legal force.

Article 12

(1) The Head of the Office can withdraw a decision determining tobacco products excise tariffs on the legal basis of .

a. an application for withdrawal of a determination of tobacco products by a tobacco products Factory Entrepreneur or Importer;

b. a court decision which has permanent legal force; or

c. a report of a further investigation by the Head of Office, in the case where

1. the package design in question resembles the package design of the tobacco products Factory Entrepreneur or other Importer such or other Importer and is registered with the administration of The Directorate-General of Customs and Excise;

2. The Brand has the same text or the same pronunciation as the Brand previously owned by the tobacco products Factory Entrepreneur or other Importer and is registered with the administration of the Directorate General of Customs and

(3) as a result of surveillance in the field a package of tobacco products in question are not in accordance with provisions which regulate commerce in tax-applicable goods.

(2) On the basis of the provisions as intended in paragraph (1), the Head of Office is to determine a decision for the withdrawal of a tobacco products excise tariff determination.

Article 13

The excise tariffs and limitations on the lowest Retail Sales Prices per cigarette or per gram for each kind of tobacco product which is imported is included in Attachment IV which represents an inseparable part of this Ministerial Regulation.

Article 14

Tobacco Products Factory Entrepreneurs or Importers may not reduce a Retail Sales Price which is still applicable for a tobacco product brand owned by them.

Article 15

The per cigarette or per gram Retail Sales Price for each kind of tobacco product intended for export is determined to be the same as the per cigarette or per gram Retail Sales Price for the same kinds of tobacco products and tobacco Brands intended for domestic marketing.

Article 16

(1) Customs and excise officials are to undertake monitoring of the market transaction price in their respective working areas for certain monitoring periods.

(2) Monitoring of the Market transaction price as intended in paragraph (1) is to be conducted by comparing the Market Transaction Price with the

Retail Sales Price included on the tobacco products excise tape.

(3) The results of the monitoring referred to in paragraph (2) are to be communicated to the Director at the Directorate-General of Customs and Excise who exercises the duties and functions in the technical field and excise facilities.

(4) The Director at the Directorate-General of Customs and Excise who exercises duties and functions in the technical and excise facilities is to research into the results of monitoring as intended in paragraph (3).

(5) In the event where on the basis of research as referred to in paragraph (4) and having made calculations on a per cigarette or per gram basis for a Brand it is found that :

a. The Market Transaction Price exceeds the Limits on the Retail Sales Price per cigarette or per gram and is above it; or

b. The Market Transaction Price is less than 85% (eighty-five percent) of the Retail Sales Price included in the tobacco products excise tape.

and the finding as intended in letter a and letter b occurred in the greater part of the observation are and taking into account the Brand data from the results of monitoring and the number of Offices reporting it, the Director at the Directorate-General of Customs and Excise who exercises duties and functions in the technical field and the excise facilities is to notify the results of research in question to the tobacco products Factory Entrepreneur or Importer via the Head of Office.

(6) A tobacco products Factory Entrepreneur or Importer can submit a refutation of the results of research as intended in paragraph (5) at the latest 30 (thirty) days from the date of receipt of the letter of notification from the Head of Office.

(7) In the case where in relation to research results as intended in paragraph (5) letter a, a tobacco products Factory Entrepreneur or Importer within the space of time referred to in paragraph (6) does not provide a refutation

or does not submit an application for adjustment of tobacco products excise tariffs, the Head of Office is to implement a determination of adjustment of tobacco products excise tariffs.

- (8) In the case where at a subsequent monitoring period after the delivery of a letter of notice as intended in paragraph (5) there is still found to be a Market Transaction Price of less than 85% (eighty-five percent) of the Retail Sales Price as referred to in paragraph (5) letter b, the Head of Office is to undertake an adjustment of the profile of the tobacco products Factory Entrepreneur or Importer.

CHAPTER IV THE STRUCTURE OF TOBACCO PRODUCTS EXCISE TARIFFS

Article 17

- (1) The structure of excise tariffs is in the form of a number of strata of tobacco products excise tariffs for SKM, SKT, and SPM on the basis of the kind of tobacco product, the classification of Factory Entrepreneurs, and the limitations on Retail Sales Prices.
- (2) The structure of tobacco products excise tariffs for SKM, SKT, dan SPM, has undergone a progressive simplification with the aim of :
- a. the optimization of tobacco products excise;
 - b. increased conformity of tobacco products Factory Entrepreneurs and Importers; and/or
 - c. simplification of the system of administration in the field of excise.

Article 18

- (1) The structure of excise tariffs as intended in Article 17 is to be conducted in a progressive manner beginning from 2018 until the year 2021.
- (2) The structure of excise tariffs the results referred to in paragraph (1):
- a. 10 (ten) strata of tariffs beginning in 2018;
 - b. 8 (eight) strata of tariffs starting in 2019;

- c. 6 (six) strata of tariffs beginning in 2020;
 - d. 5 (five) strata of tariffs beginning in 2021
- with the details as set out in Attachment V which represents and inseparable part of this Ministerial Regulation.

CHAPTER V
OTHER PROCESSED TOBACCO PRODUCTS

Article 19

HPTL includes:

- a. extract and essence of tobacco;
- b. molasses tobacco;
- c. sniffing tobacco (snuff); or
- d. chewing tobacco.

Article 20

Extract and essence of tobacco as referred to in Article 19 letter a which is imported along with the equipment for its consumption, is treated a commodity/good which is inseparable from the equipment used for its consumption.

CHAPTER VI
TRANSITIONAL PROVISIONS

Article 21

At the moment when this Ministerial Regulation comes into force, the Head of Office resets the excise tariffs and they come into effect beginning from 1st January 2018, with the following provisions:

- a. excise tariffs which have been reset cannot be lower than the prevailing excise tariffs; and/or
- b. The Retail Sales Price cannot be lower than the effective Limit on the Retail Sales Price per cigarette or per gram which is set out in Attachment III which represents an inseparable part of this Ministerial Regulation.

Article 22

For the purposes of service activities to do with excise tapes, the export and issue of tax applicable goods destined for a free zone the following provisions apply:

- a. the determination of excise tariffs is to be implemented on the basis of Regulation of the Minister for finance Number 179/PMK.011/2012 concerning Tobacco Products Excise Tariffs as already several times amended, most recently by Regulation of the Minister for Finance Number 147/PMK.010/2016 concerning a Third Amendment to Regulation of the Minister for Finance Number 179/PMK.011/2012 which is still valid for ordering documents for excise tapes, documents of notification of issuance and transport protection for tax-applicable goods for the needs of residents in a free zone with excise-free facilities, and documents of notification of issue of tax applicable goods to which excise has not yet been paid from a factory for tobacco products destined for export until 31st December 2017.
- b. the re-determination as referred to in Article 21 can be used for activities for the supply of excise tapes which is to be implemented after the enactment of this Ministerial Regulation; and
- c. the limit for application of excise tapes which have been ordered up to the date of 31st December 2017 can still be applied at the latest 1st February 2018.

Article 23

(1) Provisions concerning:

- a. Limits on the Amount of Factory Production are included in Attachment I which represents an inseparable part of this Ministerial Regulation;
- b. Limitations on the Retail Sales Price per cigarette or per gram and Excise Tariffs per cigarette or per gram of domestically produced tobacco products are set out in Attachment III which represents an inseparable part of this Ministerial Regulation;

- c. The excise tariffs and Limits on lowest Retail Sales Prices per cigarette or per gram for each type of tobacco product imported are set out in Attachment IV which represents and inseparable part of this Ministerial Regulation; and
 - d. The structure of the tobacco products excise tariffs are set out in Attachment V which represents an inseparable part of this Ministerial Regulation, begin to come into force on 1st January 2018.
- (2) The provisions concerning excise tariffs and Retail Sales Prices for the HPTL category as set out in Attachment II which represents an inseparable part of this Ministerial Regulation, begin to come into force on 1st July 2018.

CHAPTER VI CONCLUDING PROVISIONS

Article 24

Further provisions concerning the administration of setting tobacco products excise tariffs are to be regulated by means of a Regulation of the Director-General.

Article 25

At the time when this Ministerial Regulation enters into force, the regulation of the Minister of Finance Number 179/PMK.011/2012 concerning Tobacco Products Excise Tariffs (National Gazette of 2012, Number 1121) as amended by Regulations of the Minister of Finance:

1. Number 205/PMK.011/2014 (National Gazette of the Republic of for 2015 Number 8);
2. Number 198/ PMK.010/2015(National Gazette of the Republic of Indonesia for 2015 Number 1674), and
3. Nomor147/PMK.010/2016 (National Gazette of the Republic of Indonesia for 2016 Number 1478)

are repealed and declared to be not valid.

Article 26

This Ministerial Regulation comes into force on the date of its enactment.

So that all persons may know of it, this Ministerial Regulation shall be promulgated in the National Gazette of the Republic of Indonesia.

Determined in Jakarta
on October 24, 2017
THE MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA,
signed
SRI MULYANI INDRAWATI

Enacted in Jakarta
on October 25, 2017
THE DIRECTOR GENERAL
OF LAWS AND REGULATIONS
MINISTRY OF LAW AND HUMAN RIGHTS OF
THE REPUBLIC OF INDONESIA

signed

WIDODO EKATJAHJANA
NATIONAL GAZETTE OF THE REPUBLIC OF INDONESIA 2017 NUMBER 1485

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for the Honourable
Daily executive of the Head of Ministry Administration

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LUHUT MR LIMBONG
Civil Service Reg. No. 19610503198810100

ATTACHMENT I
REGULATION OF THE MINISTER FOR FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 16/PMK.010/2017
CONCERNING
TOBACCO PRODUCTS EXCISE TARIFFS

CLASSIFICATION OF TOBACCO PRODUCTS FACTORY ENTREPRENEURS

Serial No.	Factory Entrepreneur		Limits on the Amount of Factory's Production
	Kind	Classification	
1.	SKM	I.	More than 3 billion cigarettes
		II	Not more than 3 billion cigarettes
2.	SPM	I.	More than 3 billion cigarettes
		II.	Not more than 3 billion cigarettes
3.	SKT or SPT	I.	More than 2 billion cigarettes
		II.	More than 500 thousand cigarettes but not more than 2 billion cigarettes
		III.	Not more than 500 thousand cigarettes
4.	SKTF or SPTF	No Category	No total production limit
5.	TIS	No Category	No total production limit
6.	KLM or KLB	No Category	No total production limit
7.	CRT	No Category	No total production limit
8.	HPTL	No Category	No total production limit

MINISTER OF FINANCE
REPUBLIC OF INDONESIA
signature
SRI MULYANI INDRAWATI

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LUHUT MR LIMBONG
Civil Service Reg. No. 19610503198810100

ATTACHMENT II
REGULATION OF THE MINISTER FOR FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 16/PMK.010/2017
CONCERNING
TOBACCO PRODUCTS EXCISE TARIFFS

RETAIL SELLING PRICE AND EXCISE TARIFFS
FOR OTHER PROCESSED TOBACCO PRODUCTS

Serial No.	Category of tobacco products factory entrepreneurs		Retail Selling Price per gram or millilitre	Excise tariff
	Kind	Category		
I.	HPTL	No Category	The price submitted by the Factory Entrepreneur/Importer	57%

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LUHUT MR LIMBONG
Civil Service Reg. No. 19610503198810100

ATTACHMENT III
REGULATION OF THE MINISTER FOR FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 16/PMK.010/2017
CONCERNING
TOBACCO PRODUCTS EXCISE TARIFFS

LIMITS ON RETAIL SELLING PRICE AND EXCISE TARIFFS PER CIGARETTE
OR GRAM OF DOMESTICALLY PRODUCED TOBACCO PRODUCTS

Serial No.	Category of tobacco products Factory Entrepreneur		Limit on retail selling price per cigarette or per gram	Excise tariff per cigarette or per gram
	Kind	Category		
1.	SKM	I	Minimum Rp. 1,120.00	Rp. 590.00
		II	More than Rp. 895.00	Rp. 385.00
			Minimum Rp.715.00 up to Rp.895.00	Rp. 370.00
2.	SPM	I	Minimum Rp.1,130.00	Rp. 355.00
		II	More than Rp. 935.00	Rp. 365.00
3.	SKT or SPT	I	Minimum Rp.640.00 up to Rp.935.00	Rp. 290.00
		II	Minimum Rp. 470.00	Rp. 180.00
		II	Minimum Rp. 400.00	Rp. 100.00
4.	SKTF or SPTF	No Category	Minimum Rp. 1,120.00	Rp.590.00
5.	TIS	No Category	More than Rp.275.00	Rp.30.00
			More than Rp.180.00 up to Rp. 275.00	Rp. 25.00
			Minimum Rp. 55.00 up to Rp. 180.00	Rp. 10.00
6.	KLB	No Category	Minimum Rp. 290.00	Rp. 30.00
7.	KLM	No Category	Minimum Rp. 200.00	Rp. 25.00
8.	CRT	No Category	More than Rp. 198,00.00	Rp. 110,000.00
			More than Rp. 55,000.00 up to Rp.198,000.00	Rp. 20,000.00
			More than Rp. 22,000.00 up to Rp. 55,000.00	Rp. 11,000.00
			More than Rp. 5,500.00 up to Rp.32,000.00	Rp. 1,320.00
			Minimum Rp.495.00 up to Rp.5,500.00	Rp. 275.00

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Daily executive of the Head of Ministry Administration

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LUHUT MR LIMBONG

Civil Service Reg. No. 19610503198810100

ATTACHMENT IV
REGULATION OF THE MINISTER FOR FINANCE OF THE REPUBLIC OF INDONESIA
NUMBER 16/PMK.010/2017
CONCERNING
TOBACCO PRODUCTS EXCISE TARIFFS

EXCISE RATES AND MINIMUM RETAIL SELLING PRICE
OF IMPORTED TOBACCO PRODUCTS

Serial No.	Kind of Tobacco Product	Limits on lowest retail selling price per cigarette or per gram	Excise Tariff per cigarette or per gram
1.	SKM	Rp. 1,120.00	Rp. 590.00
2.	SPM	Rp. 1,130.00	Rp. 625.00
3.	SKT or SPT	Rp. 1,261,00	Rp. 365.00
4.	SKTF or SPTF	Rp. 1,120.00	Rp. 590.00
5.	TIS	Rp. 276.00	Rp. 30.00
6.	KLB	Rp. 290.00	Rp. 30.00
7.	KLM	Rp. 200.00	Rp. 25.00
8.	CRT	Rp.198,001.00	Rp. 110,000.00

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ATTACHMENT V
 REGULATION OF THE MINISTER FOR FINANCE OF THE REPUBLIC OF INDONESIA
 NUMBER 16/PMK.010/2017
 CONCERNING
 TOBACCO PRODUCTS EXCISE TARIFFS

STRUCTURE OF TOBACCO PRODUCTS EXCISE TARIFFS

Serial No.	Category of tobacco products factory entrepreneurs		Tobacco Products Excise Tariffs Strata			
	Kind	Category	Year 2018	Year 2019	Year 2020	Year 2021
1.	SKM	I	1	1	1	1
		II	2	2	2	2
			3			
2.	SPM	I	4	3	1	1
3.		II	5	4	2	2
4.			6			
5.	SKT or SPT	I	7	5	3	3
6.		II	8	6	4	
7.			9	7	5	4
8.			III A	10	8	6
9.		III B				

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