

Tax Audit

The Updated Procedures

May 2025



Tax Audit

The Updated Procedures

The Minister of Finance (“MoF”) issued PMK-15¹, effective 14 February 2025 **to simplify, unify, and update** tax audit procedure, including Land and Building Tax (“PBB”). It revokes PMK-17², Article 105 of PMK-18³, and PMK-256⁴, aligns with PP 50/2022⁵, and implements Articles 17B(1a), 30(2), and 31(1) of KUP Law⁶.

1 MoF Regulation No. 15 Year 2025 (“PMK-15”) dated and effective from 14 February 2025
2 MoF Regulation No.17/PMK.03/2013 (“PMK-17”) dated 7 January 2013 and effective from 1 February 2013 as amended by MoF Regulation No.184/PMK.03/2015 (“PMK-184”) dated and effective from 30 September 2015
3 MoF Regulation No.18/PMK.03/2021 (“PMK-18”) dated and effective from 17 February 2021

4 MoF Regulation No.256/PMK.03/2014 (“PMK-256”) dated 30 December 2014 and effective from 29 January 2015
5 Government Regulation No. 50 Year 2022 dated and effective from 12 December 2022 (“PP 50/2022”)
6 Law No. 6 Year 1983 as amended by Law No. 6 Year 2023 (“KUP Law”)

The highlight of tax audit updates are provided as follows:

No	Type	Coverage	Period
1	Comprehensive	Full scope of Tax Return/ Tax Object Notification Letter (Surat Pemberitahuan Objek Pajak/ "SPOP")	Five months + thirty working days
2	Focused	Selected items, in-depth manner, with notification	Three months + thirty working days
3	Specific	Selected items, simple manner	<ul style="list-style-type: none"> One month + thirty working days Ten working days + ten working days (for concrete data)

1. New type of tax audit

The Directorate General of Taxes ("DGT") may conduct tax audit for compliance and other purposes. Previously, there are three type of tax audits under both compliance and other purposes i.e. field, office, and Concrete Data. According to PMK-15, tax audit for other purpose is not divided into types, while the following are new types for compliance purposes: 1) **Comprehensive** – covers full scope of Tax Return/ SPOP; 2) **Focused** – covers select items, in-depth manner, with notification; 3) **Specific** – covers selected items, simple manner, with no initial meetings or Temporary Findings Discussion (Pembahasan Temuan Sementara).

2. Update of tax audit period

Tax audit timeline is divided into two phases i.e. **testing period**⁷ and **closing and reporting period**⁸.

Timeline of testing + closing and reporting period for each type of Tax Audit – **Comprehensive**: five months + thirty working days (previously six months + two months (for field tax audit) and four months + two months (for office tax audit and PBB audit); **Focused**: three months + thirty working days; and **Specific**: one month + thirty working days – unless **for concrete data**: ten working days + ten working days. Concrete data includes unreported output tax invoices, unreported withholding tax slips, and transaction data used to assess tax obligations, verified through basic testing.

Testing period for group or transfer pricing can be extended up to four months, previously six months for maximum three times. Oil and gas production sharing contract tax audits follow separate MoF regulation⁹ for joint audits.

While the timeline for tax audit for other purpose is maximum four months for testing period + closing and reporting period (previously four months for field and fourteen days for office).

3. Update in the timeline of SPHP response letter submission

PMK-15 shortens SPHP response deadline from seven to five working days, with no extension.

4. Update in obligation of tax auditor

Tax auditors must invite taxpayers to a Temporary Findings Discussion (excluding Specific Tax Audits) by sending invitation providing findings at least one-month prior issuing SPHP. This discussion allows taxpayer to provide documents, explanations, and witnesses that will be recorded in minutes of discussion.

PMK-15 eliminates three auditor obligations: explaining the taxpayers' Quality Assurance ("QA") rights (even though taxpayers' rights to apply QA is not eliminated), providing an audit questionnaire (removing the Taxpayer's input), and providing compliance coaching via written advice.

⁷ Starting from Tax Audit Notification Letter (Surat Pemberitahuan Pemeriksaan/ "SP2") is delivered to the taxpayer until the date of the Tax Audit Findings Notification Letter (Surat Pemberitahuan Hasil Pemeriksaan/ "SPHP") is delivered to the taxpayer

⁸ Starting from the SPHP is delivered to the taxpayer up to the finalisation of the Tax Audit Result Report (Laporan Hasil Pemeriksaan/ "LHP")

⁹ MoF Regulation No.34/PMK.03/2018 dated and effective from 4 April 2018 as amended by MoF Regulation No.94/ Year 2023 dated and effective from 18 September 2023

5. Rules for submission of data/ documents requested by tax auditor

Taxpayers have one month to submit requested documents; otherwise, they are deemed not provided. However, PMK-15 provides the following exceptions: 1) unobtained third-party documents can be submitted before PAHP¹⁰ signing; and 2) submit non-requested documents before minutes of PAHP are signed. With the above in mind, Article 17(4)b that allows to display documents after the one-month deadline may not be in line with Article 12(4) which considered absent during the audit.

6. Proposal of Tax Audit on a Preliminary Evidence of a Tax Crime (*Bukti Permulaan/ "Bukper"*)

If the taxpayer fails to submit complete documents, the tax auditor decides if an examination is possible. If not, taxable income is set ex-officio, requiring proof of incomplete submission.

If taxable income cannot be calculated ex-officio, the tax auditor can propose a Bukper audit only if there is indication of tax crime—previously, this was not required, and Bukper proposals were limited to five conditions in Article 38 of PMK-17. The DGT will not audit the same fiscal year during ongoing Bukper or tax investigations.

7. Condition for Tax Re-audit (*Pemeriksaan Ulang*)

PMK-15 allows re-audit if the taxpayer voluntarily provides written new information before the DGT starts the audit according to Article 15(3) KUP Law; previously, it only applied to undisclosed data.

8. Documents submission procedures

PMK-15 allows Taxpayer or DGT to submit tax audit data electronically, directly, or via mail with proof. SPHP findings and responses must be submitted electronically, directly, or fax; no postal or courier delivery allowed.

9. Transitional provisions

New procedures in PMK-15 apply to SP2 deliveries from 14 February 2025 onward; earlier SP2s follow previous PMKs.

10. Practical Comments

By formalizing a Temporary Findings Discussion procedure, PMK-15 may be favourable for taxpayer to get prepared in providing response of tax audit findings prior to SPHP issuance. However, PMK-15 may be viewed as silent on whether SPHP findings will be consistent with the temporary one. Therefore, it could be expected that the Indonesian Tax Authority would clarify further on this area.

To our view, should there be any new data post-temporary discussion, then it may be understood that it could lead to different SPHP findings. However, without any new data/information, the finding could be expected to be consistent with the temporary findings.

Disclaimer

The content above is for information purpose only. Grant Thornton Indonesia does not accept any liability for the accuracy or completeness even though the best efforts may have been done. This information cannot be relied on to substitute a professional advice. The development on the regulation shall be closely monitored. It is also should be appreciated if the Indonesian Tax Authority may have different view on the above.

¹⁰ Closing Conference of the Tax Audit Result (Pembahasan Akhir Hasil Pemeriksaan/ "PAHP") is a discussion between taxpayers and tax auditors regarding audit findings, the results of which are stated in the minutes of final discussion of audit results, signed by both parties and containing corrections to the principal tax payable and calculations of administrative sanctions and/or fines

Contact Us

Find out how Grant Thornton Indonesia
can assist you with your tax needs.

For service enquiries please contact us at
bd@id.gt.com

Grant Thornton Indonesia

Sampoerna Strategic Square
South Tower Level 25
Jalan Jend. Sudirman Kav. 45-46
Jakarta Selatan 12930
Indonesia
T +62 21 5795 2700
W www.grantthornton.co.id



Grant Thornton

grantthornton.co.id

© 2025 Grant Thornton Indonesia. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.