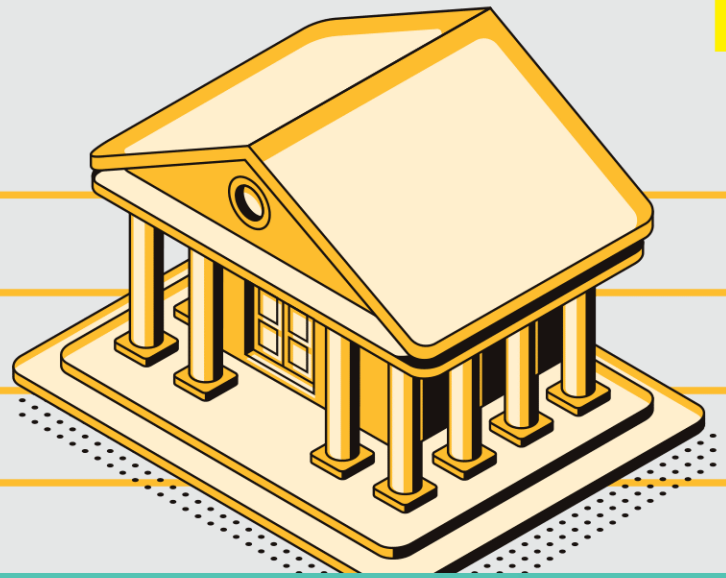


of Service
Subject to —

0% **VAT**
Broadens



“ The government expands the imposition of Value Added Tax (VAT) rate of 0% on export of taxable service. It is stipulated in Minister of Finance (MoF) Regulation Number 32/PMK.010/2019 ”



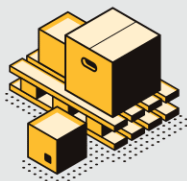
effective on 29 March 2019.

3 + 7

In the prior regulation, the government only classified 3 (three) types of export of taxable services that are subject to VAT of 0%, namely contract manufacturing service, repair and maintenance service, and construction service. Currently, the quantity increases to 10 (ten) Taxable Services, which are divided into 3 (three) categories. The list is as follows:

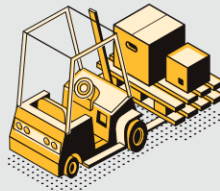
Service adhered to movable goods that are released to be used outside Customs and Excise Territory

Contract manufacturing service
Repair and maintenance service
Freight forwarding service



Service adhered to immovable goods outside Customs and Excise Territory

Construction consulting service



Other services whose results are utilized outside Customs and Excise Territory

Technology and information service
Research and development service
Carrier rent service (airplane and/or ship for international flight or shipping)
Business and management consulting service, legal consulting service, architecture and interior design consulting service, human resources consulting service, engineering consulting service, marketing consulting service, accounting service, financial report audit service, and tax service
Trading service to search for the seller of goods inside Customs and Excise Territory for export purpose
Interconnection, satellite and or communication/data connectivity management service