REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA

NUMBER 152/PMK.010 /2019

ON

SECOND AMENDMENT TO THE REGULATION OF THE MINISTER OF FINANCE

NUMBER 146/PMK.010/2017

ON

EXCISE TARIFFS FOR TOBACCO PRODUCTS

BY THE GRACE OF THE ONE AND ONLY GOD

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

To consider: a. that the excise duty levied on tobacco products is state revenue managed through the national budget and plays an important and strategic role in the financing of government programs and government performance as well as development programs across the territories under the unitary state of the Republic of Indonesia in a well-prepared, orderly, secure, just and sustainable manner, in order to ensure prosperity and well-being for the people;

b. that the excise tariffs for tobacco products are determined based on clear, logical parameters that can be held to account, while taking into consideration the impact and the importance of justice to the people and state interests that are oriented towards bringing goodness and benefit;

c. that certain provisions in the Regulation of the Minister of Finance No. 146/ PMK.010/2017 on Excise Tariffs for Tobacco Products as amended by the Regulation of the Minister of Finance No. 156/PMK.010/2018 on Amendments to the Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products need to be revised and perfected in accordance with legal developments and needs concerning excise tariffs for tobacco products;

d. that based on the considerations put forth in point a, point b, and point c, and for the purpose of implementing Article 5 clause (5) and Article 6 clause (3) of Law No. 39/2007 on Amendments to Law No. 11/1995 on Excise Duty,
it is therefore necessary to establish the Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products;

In view of:
1. Law No. 11/1995 on Excise Duty (State Gazette of the Republic of Indonesia Year 1995 Number 76, Supplement to the State Gazette of the Republic of Indonesia No. 3613) as amended by Law No. 39/2007 on Amendments to Law No. 11/1995 on Excise Duty (State Gazette of the Republic of Indonesia Year 1995 Number 105, Supplement to the State Gazette of the Republic of Indonesia No. 4755);

2. Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products (State Gazette of the Republic of Indonesia Year 2017 Number 1485) as amended by the Regulation of the Minister of Finance No. 156/PMK.010/2018 on Amendments to the Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products (State Gazette of the Republic of Indonesia Year 2018 Number 1637);

HEREBY DECIDES:

To enact: REGULATION OF THE MINISTER OF FINANCE ON THE SECOND AMENDMENT TO THE REGULATION OF THE MINISTER OF FINANCE NO. 146/PMK.010/2017 ON EXCISE TARIFFS FOR TOBACCO PRODUCTS.

Article I
To revise Appendix II and Appendix IV of the Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products (State Gazette of the Republic of Indonesia Year 2017 Number 1485) as amended by the Regulation of the Minister of Finance No. 156/PMK.010/2018 on Amendments to the Regulation of the Minister of Finance No. 146/PMK.010/2017 on Excise Tariffs for Tobacco Products (State Gazette of the Republic of Indonesia Year 2018 Number 1637), to read as provided in the Appendix that forms an inseparable part of this Ministerial Regulation.
Article II

1. Upon the entering into force of this Ministerial Regulation:
   a. The Head of Office shall revise the excise tariffs with the following conditions:
      i. the revised excise tariffs may not be lower than the prevailing excise tariffs, and/or
      ii. the retail selling price (HJE) may not be lower than the prevailing retail selling price limit per stick or gram as set forth in the Appendix that forms an inseparable part of this Ministerial Regulation.
   b. With regard to services regarding excise stamps, the following clauses shall be applicable:
      i. the revised excise tariffs as set forth in point a may be used for providing the excise stamps, which shall be implemented upon the promulgation of this Ministerial Regulation, while taking into consideration prevailing clauses on the provision and ordering of excise stamps;
      ii. the deadline for affixing the excise stamps that were ordered according to the tariffs set forth in the Regulation of the Minister of Finance No. 146/PMK.010/2017 as amended by the Regulation of the Minister of Finance No. 156/PMK.010/2018 on Excise Tariffs for Tobacco Products shall be no later than 1 February 2020;

2. Provisions on:
   a. The Retail Selling Price Limit per Stick or Gram and the excise tariff per stick or gram of tobacco products manufactured domestically as provided in Appendix III form an inseparable part of this Ministerial Regulation; and
   b. The Retail Selling Price Limit per Stick or Gram and the excise tariff per stick or gram of each type of imported tobacco product as provided in Appendix IV form an inseparable part of this Ministerial Regulation,
shall take effect on 1 January 2020.

3. This Ministerial Regulation shall enter into force on the date of its promulgation.

For the purpose that every person is so informed, this Ministerial Regulation shall be promulgated by having it published in the State Gazette of the Republic of Indonesia.

Ratified in Jakarta
on 18 October 2019

MINISTER OF FINANCE
REPUBLIC OF INDONESIA,
Signature
SRI MULYANI INDRAWATI

Promulgated in Jakarta
on 21 October 2019

DIRECTOR GENERAL
OF LEGISLATION
MINISTRY OF LAW AND HUMAN RIGHTS
REPUBLIC OF INDONESIA,
signature
WIDODO EKATJAHJANA
STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2019 NUMBER 1251

Certified true copy of the original

Head of General Bureau
Unofficial Translation

On behalf of,

Head of the Ministry’s Administrative Division

ANDRIANSYAH

NIP 19730213 199703 1 001
Unofficial Translation

APPENDIX III
REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NO. 152/PMK.010/2019
ON
SECOND AMENDMENT TO THE REGULATION OF THE MINISTER OF FINANCE
NO. 146/PMK.010/2017 ON EXCISE TARIFFS FOR TOBACCO PRODUCTS

RETAIL SELLING PRICE (HJE) LIMIT PER STICK OR GRAM AND EXCISE TARIFF PER STICK OR
GRAM OF DOMESTIC TOBACCO PRODUCTS

<table>
<thead>
<tr>
<th>No.</th>
<th>Category of Manufacturers of Tobacco Products</th>
<th>Retail price limit per stick or gram</th>
<th>Excise tariff per stick or gram</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Type</td>
<td>Category</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Machine-rolled kretek cigarettes (SKM)</td>
<td>I</td>
<td>Lowest IDR 1,700</td>
</tr>
<tr>
<td></td>
<td></td>
<td>II</td>
<td>More than IDR 1,275</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td>Lowest IDR 1,020 up to IDR 1,275</td>
</tr>
<tr>
<td>2.</td>
<td>Machine-rolled white cigarettes (SPM)</td>
<td>I</td>
<td>Lowest IDR 1,790</td>
</tr>
<tr>
<td></td>
<td></td>
<td>II</td>
<td>More than IDR 1,485</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lowest IDR 1,015 up to IDR 1,485</td>
</tr>
<tr>
<td>3.</td>
<td>Hand-rolled kretek cigarettes or hand-rolled white cigarettes (SKT or SPT)</td>
<td>I</td>
<td>More than IDR 1,460</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lowest IDR 1,015 up to IDR 1,460</td>
</tr>
<tr>
<td></td>
<td></td>
<td>II</td>
<td>Lowest IDR 535</td>
</tr>
<tr>
<td></td>
<td></td>
<td>III</td>
<td>Lowest IDR 450</td>
</tr>
<tr>
<td>4.</td>
<td>Hand-rolled filter-tipped kretek cigarettes or hand-rolled filter-tipped</td>
<td>No Category</td>
<td>Lowest IDR 1,700</td>
</tr>
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<td></td>
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</tr>
</tbody>
</table>

5. Fine-cut tobacco (TIS) | No Category | More than IDR 275 | IDR 30 |
|   |   | More than IDR 180 up to IDR 275 | IDR 25 |
|   |   | Lowest IDR 55 up to IDR 180 | IDR 10 |

6. Cornhusk kretek cigarettes (KLB) | No Category | Lowest IDR 290 | IDR 30 |

7. Rhubarb kretek cigarettes (KLM) | No Category | Lowest IDR 200 | IDR 25 |

8. Cigars (CRT) | No Category | More than IDR 198,000 | IDR 110,000 |
|   |   | More than IDR 55,000 up to IDR 198,000 | IDR 22,000 |
|   |   | More than 22,000 up to IDR 55,000 | IDR 11,000 |
|   |   | More than 5,500 up to IDR 22,000 | IDR 1,320 |
|   |   | Lowest IDR 495 up to IDR 5,500 | IDR 275 |

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Signature

SRI MULYANI INDRAWATI

Certified true copy of the original
Head of the General Bureau
Head of the Ministry’s Administration Division
ANDRIANSYAH
NIP 19730213 199703 1 001
APPENDIX IV
REGULATION OF THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA
NO. 152/PMK.010/2019
ON
SECOND AMENDMENT TO THE REGULATION OF THE MINISTER OF FINANCE
NO. 146/PMK.010/2017 ON EXCISE TARIFF FOR TOBACCO PRODUCTS

LOWEST RETAIL SELLING PRICE LIMIT PER STICK OR GRAM AND EXCISE TARIFF PER STICK OR GRAM OF IMPORTED TOBACCO PRODUCTS

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of Tobacco Product</th>
<th>Lowest retail price per stick or gram</th>
<th>Excise tariff per stick or gram</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SKM</td>
<td>IDR 1,700</td>
<td>IDR 740</td>
</tr>
<tr>
<td>2.</td>
<td>SPM</td>
<td>IDR 1,790</td>
<td>IDR 790</td>
</tr>
<tr>
<td>3.</td>
<td>SKT or SPT</td>
<td>IDR 1,461</td>
<td>IDR 425</td>
</tr>
<tr>
<td>4.</td>
<td>SKTF or SPTF</td>
<td>IDR 1,700</td>
<td>IDR 740</td>
</tr>
<tr>
<td>5.</td>
<td>TIS</td>
<td>IDR 276</td>
<td>IDR 30</td>
</tr>
<tr>
<td>6.</td>
<td>KLB</td>
<td>IDR 290</td>
<td>IDR 30</td>
</tr>
<tr>
<td>7.</td>
<td>KLM</td>
<td>IDR 200</td>
<td>IDR 25</td>
</tr>
<tr>
<td>8.</td>
<td>CRT</td>
<td>IDR 198,001</td>
<td>IDR 110,000</td>
</tr>
</tbody>
</table>

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Signature

SRI MULYANI INDRAWATI

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Head of the General Bureau
Head of the Ministry’s Administration Division
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