



Regulatory Alerts & Updates

Regulatory Alert: Tax Identification Implementation in Indonesia

November 30, 2022

HIGHLIGHT

Indonesian Customs & Excise is revising the regulation concerning the required export/import paperwork and supporting information accompanying a shipment. Once the revised regulation is in effect, it will be mandatory for shippers to provide a tax identification number (NPWP) and state the purpose of shipment (e.g., sold, gift, replacement) on the import/export invoice.

Shippers are also required to submit any additional supporting documents (e.g., proof of payment, sales order) that may apply to the shipment. Failure to adhere to these requirements will result in shipment delays, fines and/or detention of shipments by customs.

Given the impact of the soon to be updated regulation, we strongly suggest our customers adhere to these impending updates as soon as possible.

Frequently Asked Questions (FAQs)

1. What is the new regulation about and how does it affect my shipments to or from Indonesia?

A regulation regarding required export/import paperwork and supporting information is currently being revised by Indonesia Customs & Excise. Under the revised regulation, it will be mandatory to have a tax identification number (NPWP) and the purpose of a shipment (e.g., sold, gift, replacement) stated on the invoice. Supporting documents (e.g., proof of payment, sales order) also need to be provided.

Failure to supply a tax identification number will result in a shipment not getting a release response from customs, and failure to provide the purpose of a shipment and supporting documents will lead to delays or customs fines.

Customers should also understand that the tax identification number (NPWP) and the shipment purposes and supporting documents are required for shipments regardless of value.

Due to complexity of the clearance process and for other local charges, customers should frequently check the detailed Indonesia requirements at <https://www.fedex.com/en-id/service-news.html>

Inbound Shipments into Indonesia

2. As a shipper located outside Indonesia, what is required from me if I send a shipment to Indonesia?

The shipper must obtain and input the consignee's Indonesian Tax Identification Number (NPWP) and purpose of the importation on the invoice. Customers using FedEx/TNT automation tools should enter your consignee's Indonesian Tax ID number in the assigned field, which will vary depending on the shipping tool used. Please refer to the link <https://www.fedex.com/en-id/service-news.html#mandatory-tax-identification> for the Customer's Guideline on How to fill in the Tax ID (NPWP).

3. As a shipper located outside Indonesia, do I need to state my Tax ID?

No, you don't. The new Indonesian regulation does not require declaration of the overseas shipper's Tax ID. Only the Indonesian importer's (i.e., consignee's) Tax ID number is mandatory for import shipments into Indonesia.

Outbound shipments from Indonesia

4. As a shipper located in Indonesia, what is required of me if I send a shipment from Indonesia?

All shippers must state their (i.e., shipper's) Indonesian Tax ID number and the purpose of the export on the invoice. Customers using FedEx/TNT automation tools should enter your Indonesian Tax ID number in the assigned text field, which will vary depending on the tool used to create the shipment:

- **FedEx Ship Manager™ at fedex.com (Modernized Version):** [SENDER TAX ID NO.] text box located in the "Tax ID" section. Your Tax ID will be visible on the air waybill.
- **FedEx Ship Manager™ Software:** [VAT / Customs ID / EIN #] text box located in the "Sender Information" section.
- **MyTNT2:** [VAT number / Shipper Tax ID] text box located in the "Sender Details" section.
- **TNT Toolbox:** [VAT].

5. If I export a shipment from Indonesia, do I also need to state the Tax ID of the overseas recipient (i.e., consignee)?

No, you don't. The regulation states that the declaration requirement only applies to the shipper's Indonesian Tax ID Number for shipments exported from Indonesia. It does not regulate the Tax ID of recipients (consignees) located outside Indonesia.

General

6. What would happen if I do not provide the Tax ID (NPWP) and purpose of the shipment in the paperwork for my shipment to/from Indonesia?

Failure to provide the tax identification number will result in the shipment being held by customs. Failure to provide the purpose of the shipment and supporting documents will lead to delays or customs fines.

7. Where should I write my Tax ID (NPWP) if I am using a Manual Air Waybill (AWB)?

We encourage our customers to register at www.fedex.com/id and use our FedEx/TNT automation tools. If you are not registered, please provide the Indonesian Tax ID (NPWP) on your commercial invoice.

8. What if the shipper or consignee located in Indonesia does not have an Indonesian Tax Identity Number (NPWP)?

- a. For an Indonesia non-individual entity (corporate, foundation, etc.), a Tax Identity Number (NPWP) is mandatory.
- b. For Indonesian citizens, the Indonesian citizenship identity number (KTP) is acceptable.
- c. For a non-Indonesian citizen, a valid passport number is acceptable.
- d. For both a non-business entity and non-individual, (e.g., embassy, consulate, international organization, etc.), a phone number is acceptable.

Timeline for Implementation: Immediate