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PER-18/PJ/2025: Follow-Up on Concrete Data

Date of Stipulation
24 September 2025

Effective Since
As the date of stipulation

1 Background

Along with the development of the taxation system at the Directorate General of Taxes ("DGT"), which has now entered the digital era, taxpayers are expected to find it easier to improve their tax compliance, as all tax-related data have been integrated through the core tax system. However, this must also be accompanied by sufficient tax knowledge so that tax risks can be mitigated early on.

The supervisory function carried out by the DGT continues to be enhanced. With the implementation of the core tax system, the DGT can more easily obtain information regarding any noncompliance with prevailing tax regulations. One of the types of information that can be easily obtained by the DGT is **concrete data**. Therefore, through **PER-18/PJ/2025**, the DGT regulates the mechanism for following up on concrete data to improve taxpayers' compliance in fulfilling their tax obligations.

2 What is Concrete Data?

Concrete data refers to data obtained or possessed by the DGT that requires only a simple verification process, which includes:

1. **Unreported Tax Invoices**
   Tax invoices that have been approved by the DGT system but have not been reported or were omitted in the VAT Return (SPT Masa PPN)
2. **Unreported Withholding/Collection Tax Slips (PPh)**
   Tax withholding or collection slips that have not been reported or were omitted by the issuer in the WHT Return (SPT Masa PPh)
3. **Transaction Evidence or Other Tax Data**

3 Example of Transaction Evidence or Tax Data Considered as Concrete Data

Include:

- **Excess VAT Compensation** not supported by overpayment in the previous tax period
- **Recalculation of input tax** that does not comply with regulations
- **Prepaid VAT** that is not or insufficiently paid
- **Utilization of tax incentives** that does not comply with regulations
- **Input tax crediting** that is not in accordance with provisions
- **Undeclared or underreported income** based on withholding tax slips or errors in the use of the net income calculation norm
- **Data from legally binding tax assessments or court decisions** that can be directly used to calculate unreported or underreported tax liabilities
- **Data for which a request for explanation of data and/or information has been issued, and a formal record (minutes) of the request containing the taxpayer's agreement has been made,** but the taxpayer's obligations have not been fulfilled by the agreed deadline

4 Follow-Up Actions on Concrete Data

The DGT will follow up on concrete data through:

1. Supervision, and/or

2. Audit
(Specific audit based on concrete data in accordance with the Minister of Finance Regulation (PMK) governing tax audits, namely **PMK No. 15 of 2025**)

5 Implication for Taxpayers

If taxpayers do not follow up on concrete data findings, the following things need to be considered:

- **Subject to intensive monitoring** by the DGT, which may lead to a tax audit.
- **Issuance of a tax assessment letter (SKP)** if unpaid or underpaid taxes are identified.
- **Imposition of administrative sanctions** in the form of interest, fines, or increases in accordance with applicable regulations.
- **Increased risk of tax disputes,** as concrete data servers as a strong basis for the DGT in determining tax corrections.
- **Tax compliance reputation affected,** which may impact access to incentives, refunds, or even relationships with third parties (e.g., banks or vendors reviewing the taxpayer's compliance profile).

Taxpayers need to improve their tax compliance by paying attention to:

- ✔ Ensure that all tax invoices approved by the system are reported in the VAT Return
- ✔ Report all withholding/collection tax slips in the WHT Return
- ✔ Recheck the calculation of VAT overpayment compensation
- ✔ Validate the use of tax incentives and input tax credits
- ✔ Fulfill the commitments agreed upon in the minutes of the request for explanation

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