



Tax Newsletter

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The new format of Tax ID Number

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The new format of Tax ID Number

As stipulated in Law Number 7 Year 2021 regarding Harmonization of Tax Regulations or *Undang-Undang Harmonisasi Peraturan Perpajakan* (“UU HPP”), the 16-digit ID or *Nomor Induk Kependudukan* (“NIK”) will apply as Tax ID Number for individual taxpayers. Format of Tax ID Number will change also for corporate taxpayers. The implementation regulation of the new format of Tax ID Number was finalised by Ministry of Finance Regulation Number 112/PMK.03/2022 (PMK 112/2022) dated 8 July 2022.

Under PMK 112/2022, starting 14 July 2022, the new format of 16-digit Tax ID Number is applicable as follows:

- Individual Taxpayer – Resident: The NIK will be activated as Tax ID Number;
- Individual Taxpayer – Non Resident and Corporate Taxpayer: 16-digit Tax ID Number will be obtained by adding 0 in front of the old 15-digit Tax ID Number (NPWP);
- Branch Office: Certain Identity Number for the Place of Business or *Nomor Identitas Tempat Kegiatan Usaha* given by Directorate General of Taxation (“DGT”) will be used Tax ID Number.

However, the old Tax ID format still can be used until 31 December 2023 since some administration systems cannot accommodate the new format yet. But starting 1 January 2024, all the administration systems (not only the tax systems) will require using Tax ID Number with the new format.

Before fully implementing the new format of Tax ID Number, DGT will validate taxpayer’s data. If valid, the new format of Tax ID Number can be used. While if it is invalid, DGT will request data clarification to taxpayer. DGT will validate the data gradually. In the case that DGT has not validated the taxpayers data yet, the taxpayers can submit request to activate their new format of Tax ID Number or manually validate their data through DJP Online website.

The Taxpayer’s Data Clarification Process

- DGT will send clarification request through the following:
 - a. DJP Online website;
 - b. DGT’s contact centre;
 - c. Taxpayer’s email address; or
 - d. Others communication channel chosen by DGT.
- The data needing clarification is as follows:

No.	Individual Taxpayer	Corporate Taxpayer
1	Email address	Email address
2	Mobile phone number	Mobile phone number
3	Residential address	Residential address
4	Business Classification Code or <i>Klasifikasi Lapangan Usaha</i> (“KLU”)	Business Classification Code or <i>Klasifikasi Lapangan Usaha</i> (“KLU”)
5	Dependant or family member	

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- Once clarification request is received by taxpayers, they will need to confirm whether the data provided are already correct or submit change of taxpayer's information. Change of taxpayer's information data can be done through the following:
 - a. DJP Online website;
 - b. DGT's contact centre;
 - c. Taxpayer registered Tax Office; or
 - d. Others communication line chosen by DGT.
- If taxpayers do not submit change of taxpayer's information as per 1 January 2024, they will not be able to access administration systems until they validate their information.

Further as confirmed by DGT, for spouses that previously combined their Tax ID Number, only the NIK of the head of family will need to be activated as Tax ID Number.

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