

INDONESIAN TAX UPDATES

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- Updated Regulation: New Guidelines for Preliminary Refund of Tax Overpayment

UPDATED REGULATION ON THE GUIDELINES FOR PRELIMINARY REFUND OF TAX OVERPAYMENT

Minister of Finance's Regulation Number 28 of 2026 on the Guidelines for Preliminary Refund of Tax Overpayment (issued 30 April 2026 | In force on 1 May 2026)



General Information

The Minister of Finance of the Republic of Indonesia ("MoF") issued the MoF Regulation ("PMK") No. 28 of 2026 ("PMK 28/2026") – providing a more comprehensive guideline for processing the preliminary refund of tax overpayment ("**Preliminary Refund**").

PMK 28/2026 was issued to provide greater legal certainty and clearer procedures for the Preliminary Refund process.

PMK 28/2026 is in force since 1 May 2026; **revoking and replacing the preceding regulations**, i.e. the PMK No. 39/PMK.03/2018 on the Preliminary Refund of Tax Overpayment, which was amended several times by:

- PMK No. 117/PMK.03/2019 (1st Amendment);
- PMK 209/PMK.03/2021 (2nd Amendment);
and
- PMK No. 119 of 2024 (3rd Amendment)

Generally, the categories of taxpayers eligible for Preliminary Refund remain unchanged from the preceding regulations, namely:

- Taxpayers With Specific Criteria (*Wajib Pajak dengan kriteria tertentu*);
- Taxpayers Meeting Specific Requirements (*Wajib Pajak yang memenuhi persyaratan tertentu*); and
- Low-Risk Taxable Entrepreneurs (*Pengusaha Kena Pajak berisiko rendah*).

However, PMK 28/2026 provides further clarity on the specific criteria, requirements, and guidelines.

What happens to Decree/Notice and/or Refund Process Granted Before PMK 28/2026?

In line with Article 25 of PMK 28/2026, all Decree/Notice stipulating Taxpayers With Specific Criteria that were issued before the enactment of PMK 28/2026 are **declared null and void**.

>> Taxpayers may re-apply for the Decree/Notice starting **1 June 2026 up to 10 June 2026** or by January 10th.

All Preliminary Refund for **Taxpayers With Specific Criteria** filed before the enactment of **PMK 28/2026**, will be processed **based on provisions under PMK 28/2026**.

All Preliminary Refund for **Taxpayers Meeting Specific Requirements** and **Low-Risk Taxable Entrepreneurs** filed before the enactment of **PMK 28/2026**, will be processed **based on provisions under the preceding regulations**.

Taxpayers With Specific Criteria

The 'specific criteria' are, in general, the same as provided in the preceding regulations. The criteria refer to: (a) punctuality of tax return filing, (b) absence of tax payable, (c) audited financial report with unqualified opinion (*opini wajar tanpa pengecualian*), and (d) absence of tax crime. Please see Article 3(2) of PMK 28/2026.

There are updates for some technical details of the 'specific criteria'; PMK 28/2026 provides further clarity and specified conditions where the 'specific criteria' is met. The formal requirements are provided under Article 3 of PMK 28/2026.

To be qualified as "Taxpayers With Specific Criteria", taxpayers must file an application to the Directorate General of Taxes ("**DGT**") through Coretax by January 10th. The general process is similar to the process under the preceding regulations, as follows (see Article 4-6 of PMK 28/2026):

Filing through Coretax >> Issuance of Decree/Notice from DGT for stipulation as Taxpayers With Specific Criteria >> Applying for the Preliminary Refund >> Assessment of Formal Requirements by DGT >> Preliminary Refund

The Decree/Notice from DGT mentioned above will be issued within **30 business days** (previously, 1 month) after the filing. Such Decree/Notice would be valid until revoked – which revocation may occur if the taxpayers fail to properly comply with their tax obligations.

PMK 28/2026 provides additional and more elaborative conditions which could cause the Decree/Notice to be revoked. Please refer to Article 5 of PMK 28/2026 for the new and more comprehensive conditions of revocation.

Taxpayers Meeting Specific Requirements

Under PMK 28/2026, the DGT also updated the further provision on threshold for the criteria of “Taxpayers Meeting Specific Requirements” under its Article 9. The Taxpayers are qualified as Taxpayers Meeting Specific Requirements if they fall under the following threshold:

Type of Taxpayer	Revenue Threshold	Tax Overpayment Threshold
Individual Taxpayers not conducting business activities/independent personal services	-	-
Individual Taxpayers conducting business activities/independent personal services	-	Max. IDR 100 million per Part of Fiscal Year or Fiscal Year
Corporate Taxpayer	IDR 0 up to IDR 50 billion of gross revenue	Max. IDR 1 billion per Part of Fiscal Year or Fiscal Year
Taxable Entrepreneur	IDR 0 up to IDR 4.2 billion	Max. IDR 1 billion per Fiscal Period

Unlike the Preliminary Refund process for Taxpayers With Specific Criteria, the Taxpayers Meeting Specific Requirements does not need Decree/Notice from DGT for any stipulation. Taxpayers would only need to apply for the Preliminary Refund – and DGT will assess the formal requirements to determine whether or not to grant the Preliminary Refund.

Low-Risk Taxable Entrepreneurs

Low-Risk Taxable Entrepreneurs are regulated under Articles 13-18 of PMK 28/2026. Similar with the above, PMK 28/2026 provides an updated criteria of Taxable Entrepreneurs which are qualified as “Low-Risk Taxable Entrepreneurs”. Please see Article 13 for the formal requirements.

Taxpayers should also take into account the threshold of low-risk taxable Entrepreneurs in the above table.

The procedures to be granted with Preliminary Refund for Low-Risk Taxable Entrepreneurs have almost the same steps with the Taxpayers With Specific Criteria above, with the following difference:

- There are some supporting documents required for filing application to obtain DGT’s Decree – stipulated under Article 14(3) of PMK 28/2026.
- DGT will issue the Decree within **15 business days**.

If you need information on the MOF's Exchange Rate (MOF Rate/Kurs Pajak) and MOF's Interest Tax Rate (MOF Interest Charge/Tarif Bunga), please access our website <https://www.rustanconsulting.com/>

