# GLOBAL MINIMUM TAX

# FAQ

## Global Anti-Base Erosion Rules (GloBE)



Minister of Finance Regulation (PMK) No. 136 of 2024

PER-6/PJ/2026

Directorate General of Taxes

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## 1 What is GloBE/GMT/the Global Minimum Tax?

GloBE (Global Anti-Base Erosion Rules)/GMT (Global Minimum Tax)/the Global Minimum Tax is a set of top-up tax rules developed by the OECD/G20 Inclusive Framework on BEPS, comprising the commentary, examples, agreed administrative guidance, GloBE information return, and safe harbours and penalty relief.

GloBE ensures that MNE (Multinational Enterprise) Groups with annual consolidated revenue of at least EUR 750 million in at least 2 of the 4 tax years preceding the GloBE Fiscal Year pay tax at an effective tax rate of at least 15% in each country in which they operate.

Where the effective tax rate in a country is below 15%, the shortfall is paid as a top-up tax.

PMK 136/2024 Articles 1 and 2

## 2 How does GloBE relate to OECD 'Pillar Two'?

Pillar Two is one part of the two-pillar solution to address the tax challenges arising from the digitalisation of the economy and globalisation, agreed by the OECD/G20 Inclusive Framework on BEPS. Pillar Two itself consists of the STTR (not yet in force in Indonesia) and GloBE (in force in Indonesia since the 2025 GloBE Fiscal Year).

OECD/G20 Inclusive Framework on BEPS

## 3 Why were the GloBE Rules introduced?

To end the competition among countries to lower tax rates (the race to the bottom) and to ensure that MNE Groups pay a fair share of tax wherever they operate and generate profits. A 15% floor on the effective tax rate reduces profit shifting between countries, because where the effective tax rate in a country is below 15%, the difference will be paid as a top-up tax.

OECD/G20 Inclusive Framework on BEPS

## 4 Is GloBE the same as a digital tax / 'Google tax'?

No.

Taxation of the digital economy that reallocates taxing rights to market jurisdictions falls under Pillar One. GloBE (Pillar Two) applies to all business sectors of large MNE Groups, not specifically to digital companies.

OECD/G20 Inclusive Framework

## 5 Does the United States participate in GloBE?

The US does not apply GloBE because it already has its own minimum tax regime, known as GILTI (Global Intangible Low-Taxed Income). Subsequently, on 5 January 2026, the OECD/G20 Inclusive Framework on BEPS agreed on the 'Side-by-Side Package', which allows US-parented groups to elect a safe harbour for the IIR and UTPR, so that the IIR and UTPR in respect of an Ultimate Parent Entity located in the US are deemed to be zero from 1 January 2026. However, this does not remove the imposition of DMTT in source countries such as Indonesia, and it does not apply retroactively to 2024–2025.

OECD Side-by-Side Package (5 Jan 2026)

## 6 How many countries participate in this agreement?

The Pillar Two agreement is supported by more than 140 member jurisdictions of the Inclusive Framework, but not all of them have implemented it in their domestic legislation. Implementation is voluntary; however, where implemented, it must be consistent with the OECD rules in line with the Pillar Two principle of a "common approach".

OECD/G20 Inclusive Framework

## 7 What is the legal basis for GloBE in Indonesia?

Minister of Finance Regulation (PMK) Number 136 of 2024 concerning the Imposition of Global Minimum Tax Under International Agreements (PMK 136/2024), promulgated on 31 December 2024. The implementing rules on administrative technicalities are set out in Director General of Taxes Regulation PER-6/PJ/2026 concerning Procedures for the Exercise of Rights and Fulfilment of Obligations Relating to the Global Minimum Tax Under International Agreements (PER-6/2026), enacted and effective from 4 May 2026.

PMK 136/2024; PER-6/PJ/2026

## 8 Which regulations should currently be referred to in applying the GMT?

Domestic: PMK 136/2024 and PER-6/2026, together with their appended forms and completion guidelines. International: the OECD GloBE Model Rules, Commentary, Agreed Administrative Guidance, Illustrative Examples, Safe Harbours and Penalty Relief, GloBE Information Return, and the Side-by-Side Package (5 January 2026).

PMK 136/2024; PER-6/PJ/2026

## 9 When did GloBE take effect in Indonesia?

The IIR and DMTT apply from the 2025 tax year. The UTPR applies from 1 January 2026.

PMK 136/2024

**10**

a) PMK 136 applies from 1 January 2025; what about a 2024 tax year that ends in 2025?
If the financial year runs from April to March, does application start from the 2024 tax year (April 2024 – March 2025) or the 2025 tax year (April 2025 – March 2026)?

b) What if the accounting period of a constituent entity (CE) differs from that of the UPE?

c) What if the tax year periods are the same but are labelled differently (in Indonesia, the period July 2025 – June 2026 is referred to as 2025, while in the UPE's jurisdiction it is referred to as 2026)? When, then, does application begin?

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a) If the UPE uses an April–March financial year, the 2025 GloBE Fiscal Year is the period from April 2025 to March 2026.

b) If the accounting periods of the CE and the UPE differ, the UPE's accounting period is used.

c) Application for CEs located in Indonesia begins from the 2025 tax year; accordingly, the accounting period that forms the basis of application is the accounting period falling within the 2025 tax year.

PMK 136/2024; PER-6/PJ/2026 Article 1 points 25–27

## 11 Is Indonesia's corporate income tax rate now 15%?

No.

The corporate income tax rate remains as set out in the Income Tax Law (generally 22%).

The 15% figure is the MINIMUM effective tax rate computed under the GloBE Rules, not a new corporate income tax rate.

Income Tax Law; PMK 136/2024

## 12 Does GloBE mean corporate taxes are being reduced?

No.

On the contrary, GloBE increases the tax burden on MNE Groups that have so far paid an effective tax rate below 15%. Groups already paying above 15% will generally not owe any top-up tax, but they still have administrative obligations.

PMK 136/2024, PER-6/PJ/2026

## 13 Who is subject to the Global Minimum Tax?

Constituent entities of MNE Groups with annual consolidated revenue (turnover) of at least EUR 750 million in at least 2 of the 4 tax years preceding the GloBE Fiscal Year. Constituent entities may be corporate taxpayers or permanent establishments (PEs). A Joint Venture (JV) that is a GloBE Taxpayer is also subject to the Global Minimum Tax.

PMK 136/2024 Article 2, PER-6/PJ/2026 Article 1 point 11

## 14 Are MSMEs or ordinary local companies also subject to it?

No. MSMEs and companies that are not part of a large MNE Group (consolidated revenue below EUR 750 million) are outside the scope of GloBE. A group of companies whose entities are all located in a single country (purely domestic) is also outside the scope of GloBE because it does not meet the Multinational Enterprise criterion.

PMK 136/2024 Article 2

## 15 Are employees or individual taxpayers also affected?

No.

GloBE applies only to entities (companies/PEs) within large MNE Groups. GloBE does not change Article 21 Income Tax or individual income tax.

PMK 136/2024 Article 2

## 16 Does GloBE apply only to foreign companies?

No.

GloBE in Indonesia applies to companies and PEs in Indonesia that are members of a domestic and/or foreign group forming part of an MNE Group, provided that the group's consolidated revenue reaches the EUR 750 million threshold.

PMK 136/2024 Article 2

## 17 Are any entities excluded?

Yes, namely governmental entities, international organisations, non-profit organisations, pension funds, investment funds that are an ultimate parent entity, and real estate investment vehicles that are an ultimate parent entity. In addition, entities owned by an excluded entity are excluded subject to certain conditions. Excluded entities are still counted towards the group's revenue threshold.

PMK 136/2024 Article 3

## 18 What is the first step a company should take to determine whether it is within the scope of the GMT?

- Confirm that the group is indeed an 'MNE (Multinational Enterprise) Group', i.e. it has at least one entity or PE outside the UPE's jurisdiction.
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- Review the consolidated financial statements of the Ultimate Parent Entity (UPE) for the 4 years preceding the GloBE Fiscal Year.
- For the 2025 GloBE Fiscal Year, the years tested are 2021–2024.
- The group is in scope if its consolidated revenue is at least EUR 750 million in at least 2 of those 4 years.
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- Where revenue is earned over a period of less than 12 months, revenue is annualised.
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- Next, identify all entities in Indonesia that are Constituent Entities or members of a Joint Venture group, as each of them is a GloBE Taxpayer.

PMK 136/2024 Article 2, PER-6/PJ/2026 Article 1 point 11

## 19 How is the EUR 750 million threshold applied if the financial year is not 12 months long or there is a merger/demerger?

If the financial year is shorter than 12 months, revenue is annualised. For a merger, revenue is computed by aggregating the financial statements of each merging group/entity in the testing years. For a demerger, special tests apply in the first year and subsequent years.

PMK 136 of 2024 Article 2 and Article 40

## 20 In testing the EUR 750 million threshold, what about JV revenue? Is JV revenue included in the computation?

No. The EUR 750 million threshold is tested against the revenue in the UPE's consolidated financial statements. Because a JV is accounted for using the equity method, only the JV's share of profit enters the consolidated financial statements, not its revenue. A JV is also not tested against the threshold separately; its status follows that of its investor group.

PMK 136 of 2024 Article 43

**21** In testing the EUR 750 million threshold, what about the revenue of a Minority-Owned Constituent Entity (MOCE)? Is MOCE revenue included in the EUR 750 million threshold computation?

Yes. A MOCE (Minority-Owned Constituent Entity) is a Constituent Entity in which the UPE holds an ownership interest of 30% or less, whether directly or indirectly, but which is still consolidated line-by-line because it is controlled by the group. Because it is consolidated, its revenue is already included in the UPE's consolidated revenue.

PMK 136 of 2024 Article 12

## 22 In testing the EUR 750 million threshold, what about NMCE revenue?

No.

An NMCE (Non-Material Constituent Entity) is a Constituent Entity that is not consolidated line-by-line solely on the grounds of size or materiality. The EUR 750 million threshold is tested against the revenue in the UPE's consolidated financial statements as presented, so the revenue of an NMCE that is not consolidated generally does not add to the tested amount. An NMCE nonetheless remains a Constituent Entity and remains subject to GloBE.

PMK 136/2024 Article 56 paragraph 9C

## 23 What is the Effective Tax Rate / ETR under GloBE?

The ETR (effective tax rate) is the effective tax rate applicable under GloBE. The ETR is computed per country (jurisdiction) using the formula 'adjusted covered taxes' divided by 'net GloBE income', rather than taking figures directly from the corporate income tax return.

PMK 136/2024 Article 1 and Article 5

## 24 What is a top-up tax?

An additional tax payable to 'top up' the shortfall in an MNE Group's effective tax in a country until it reaches 15%. A simple example: if the group's effective tax rate (ETR) in Country X is only 10%, the 5% difference will be imposed as a top-up tax in that country.

PMK 136/2024 Article 6

## 25 What is the IIR?

*Income Inclusion Rule: a rule that gives the parent entity's jurisdiction the right to collect top-up tax in respect of constituent entities in other countries whose effective tax rate is below 15%.*

PMK 136/2024 Article 1, Articles 15–16

## 26 What is the UTPR?

*Undertaxed Payment Rule: a rule imposing top-up tax where the IIR is not applied or not fully applied.*

PMK 136/2024 Article 1, Articles 17–18

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*Domestic Minimum Top-up Tax (DMTT) is a rule that imposes top-up tax on resident taxpayers that are constituent entities of an MNE Group with an effective tax rate below 15%.*

*Qualified Domestic Minimum Top-up Tax (QDMTT) is a DMTT that meets the qualification criteria set by the OECD/G20 Inclusive Framework on BEPS.*

*From a domestic perspective, therefore, the QDMTT is a top-up tax paid in Indonesia in respect of constituent entities of an MNE Group in Indonesia with an effective tax rate below 15%.*

PMK 136/2024 Article 1, Articles 52–53

## 28 What is the order of application of the QDMTT, IIR, and UTPR?

The order is:

1. QDMTT in the country whose ETR is below 15%;
2. IIR: if the country whose ETR is below 15% does not apply a QDMTT, the IIR applies, i.e. the top-up tax is paid in the country where the parent entity is located;
3. UTPR: if there is residual top-up tax not collected through the IIR, it will be allocated to the other countries where other constituent entities are located.

PMK 136/2024

## 29 What is a Partially-Owned Parent Entity (POPE)?

A Partially-Owned Parent Entity (POPE) is:

1. a Constituent Entity other than the Ultimate Parent Entity, a permanent establishment, or an investment entity;
2. that directly or indirectly holds an ownership interest in another Constituent Entity of the same MNE Group; and
3. more than 20% of which is owned by persons that are not Constituent Entities of that MNE Group, whether directly or indirectly.

The above requirements must all be met cumulatively.



PMK 136/2024 Article 1

## 30 How is the residual top-up tax allocated under the UTPR?

The total UTPR top-up tax is apportioned among jurisdictions applying the UTPR according to a set formula: 50% based on the proportion of the number of employees and 50% based on the proportion of the value of tangible assets in each jurisdiction.

PMK 136/2024 Article 18

## 31 If Indonesia did not apply GloBE, would companies be free from top-up tax?

No.

If an MNE Group's ETR in Indonesia is below 15% and Indonesia does not apply GloBE, the parent jurisdiction (via the IIR) or other jurisdictions (via the UTPR) will impose the top-up tax. This is why Indonesia applies GloBE, including through the QDMTT mechanism, so that its taxing rights are not taken by other countries.

PMK 136/2024; OECD Model Rules

## 32 If Indonesia did not apply a QDMTT, what would the risk be? Would its taxing rights be taken by other countries?

Yes. If an MNE Group's ETR in Indonesia is below 15% and Indonesia does not apply a QDMTT, the top-up tax on profits in Indonesia will be collected by the parent jurisdiction through the IIR, or by other jurisdictions through the UTPR. In other words, incentives or low rates granted by Indonesia would end up subsidising top-up tax collected in other countries. With a QDMTT, Indonesia collects first. Indonesia's DMTT has been reviewed by the OECD and granted Qualified status, and it also meets the requirements for the QDMTT Safe Harbour.

PMK 136/2024 Articles 52–53; OECD Central Record

## 33 What if the group operates in Indonesia but its parent is in a country that has not yet implemented the GMT?

The OECD does not require every country to implement GloBE. However, a country that chooses not to implement GloBE must accept the consequences of GloBE being applied in other countries. For an MNE Group in Indonesia that is a GloBE Taxpayer but whose parent is located in a country that has not yet implemented the GMT, if the MNE Group's ETR is below 15%, top-up tax will be imposed through the QDMTT mechanism.

PMK 136/2024

## 34 Can dual claims to top-up tax arise from two different jurisdictions? How are such disputes resolved?

GloBE is designed to prevent double taxation through the rule order: QDMTT – IIR – UTPR.

Nevertheless, dual claims may still arise, for example due to differences in interpretation or computation between countries.

For disputes with the DGT, objection, appeal, and lawsuit procedures are available in accordance with PER-6.

For cross-border disputes, no specific mechanism is yet provided in PMK 136/2024 or PER-6; the OECD/G20 Inclusive Framework is still developing a framework for the prevention and resolution of cross-border GloBE disputes.

PER-6/PJ/2026 Articles 25–27

## 35 What is the basic formula for computing top-up tax per jurisdiction?

Steps:

1. Compute the ETR per jurisdiction = Total Adjusted Covered Taxes per country ÷ Net GloBE Income per country.
2. Top-up Tax Percentage = 15% − ETR per jurisdiction.
3. Excess Profit = Net GloBE Income − Substance-Based Income Exclusion (SBIE).
4. Jurisdictional Top-up Tax = Top-up Tax Percentage × Excess Profit.

The QDMTT top-up tax is then allocated to each constituent entity with an ETR below 15%.



PMK 136/2024

## 36 What is GloBE Income and how does it differ from ordinary taxable income? And how are deferred taxes treated?

GloBE Income is computed starting from the entity's financial accounting net income/loss, not from the taxable income in the corporate income tax return.

The entity's financial accounting net income/loss is then subject to various GloBE adjustments.

PMK 136/2024 Articles 19–22

## 37 What are Adjusted Covered Taxes and how are deferred taxes treated?

Adjusted covered taxes are the current tax expense recognised in the income statement, adjusted for:

(a) additions to and reductions in covered taxes;[1.]

(b) the total deferred tax adjustment amount;

(c) any increase/decrease in covered taxes recorded in equity or other comprehensive income (OCI), where the related income is included in GloBE income.

Deferred taxes are included in Covered Taxes (item b), but are recast at 15% where the corporate income tax rate in that country exceeds 15%.[1.]

PMK 136/2024 Article 30 and Article 34

## 38 How is the branch profits tax on a PE (Article 26 paragraph (4) Income Tax) treated under GloBE?

Taxes on a PE are allocated to the jurisdiction/country in which the PE is located. The aim is for the tax to 'follow' the profit.

PMK 136/2024

## 39 Is GloBE top-up tax treated as a 'covered tax' when computing the ETR for the following year?

No. Top-up tax under the IIR, UTPR, and QDMTT is not treated as a covered tax.

PMK 136 of 2024 Article 32

## 40 What is Additional Current Top-up Tax?

Additional Current Top-up Tax (ACUTT) is additional current-year top-up tax that may arise from a recalculation/adjustment resulting in a shortfall of top-up tax for a prior year. ACUTT may also arise directly under the circumstances in Article 31, where Adjusted Covered Taxes are negative and lower than the expected adjusted covered tax amount in a jurisdiction with no positive Net GloBE Income. Article 39 also covers various prior-year adjustments.

PMK 136/2024 Article 31, Article 36, Articles 38–39

## 41 What is the Substance-Based Income Exclusion (SBIE) and what are its rates?

The SBIE is an exclusion that reduces Net GloBE Income in computing Excess Profit.

The SBIE is computed based on 2 (two) components:

(a) payroll carve-out = percentage × eligible payroll costs of employees; and

(b) tangible asset carve-out = percentage × carrying value of tangible assets.

The percentages applicable for 2025 are 9.6% for the payroll carve-out and 7.6% for the tangible asset carve-out.

PMK 136 of 2024 Articles 7 and 8

## 42 Can the DGT challenge eligibility in the SBIE computation? In particular, which assets qualify as eligible tangible assets (e.g. leased assets or assets not yet fully operational), and which components are included in eligible payroll costs (e.g. bonuses, stock options, or severance pay)?

Yes.

The SBIE forms part of the top-up tax computation and may therefore be tested in the course of supervision and tax audits. Eligible payroll costs include employee compensation (salaries, wages, bonuses, allowances, and direct benefits such as health insurance and pensions, including share-based compensation), payroll-related taxes, and employer social security contributions. Exclusions include, among others, payroll costs capitalised into eligible tangible assets and payroll costs attributable to international shipping income.

Eligible tangible assets include fixed assets located in Indonesia, natural resources, lessees' right-of-use assets over tangible assets, and government licences for the use of immovable property or natural resources. Exclusions include, among others, assets (including land and buildings) held for sale, lease, or investment.

PMK 136/2024 Articles 7–10; PER-6/PJ/2026 Articles 23–24; OECD Model Rules Art. 5.3

## 43 What should be considered in the GloBE computation, particularly for entities with Income Tax Facilities, tax losses, and Final Income Tax?

Income Tax Facilities: consider their form. An income tax exemption or reduction (tax holiday) directly reduces Covered Taxes. A net income reduction (investment allowance) is a permanent difference and therefore lowers the ETR. Accelerated depreciation is generally neutral because it is offset by deferred taxes.

Tax losses: GloBE takes deferred taxes into account (deferred tax assets on losses, computed at 15%). Where a deferred tax asset for a current-year loss is not recognised in the financial statements, a specific adjustment applies, and there are transition rules for tax attributes arising before GloBE took effect.

Final Income Tax: income subject to final income tax is still included in computing GloBE Income, and final income tax is also a Covered Tax, including where it is recorded as another expense in pre-tax profit.

PMK 136/2024 Articles 21, 30, 34; PER-6/PJ/2026 Attachment G (Schedule III A.2, B.2, B.3)

## 44 Does this make tax holidays and tax incentives useless?

Not always; it differs case by case. The impact varies depending on the type of incentive, the amount of profit, and the business substance (employees and assets). Incentives that bring the effective tax rate below 15% may trigger a top-up tax.

PMK 136/2024; OECD Model Rules

## 45 How do tax holidays and tax allowances affect the GloBE ETR?

A tax holiday (income tax exemption/reduction) reduces covered taxes, so the ETR may fall below 15% and trigger a top-up tax. Accelerated depreciation is generally neutral because it is offset by deferred taxes. An investment allowance in the form of a net income reduction is a permanent difference and therefore lowers the ETR.

PMK 136 of 2024

## 46 Are tax holidays still safe? Why are tax holidays the most affected by the GMT? Will the government redesign the incentive schemes?

A tax holiday (income tax exemption/reduction) continues to apply in accordance with its terms; however, for entities within an MNE Group in scope of GloBE, its benefit may be 'clawed back' through top-up tax.

Redesigning incentives is a matter of government policy; to date, there are no provisions governing this.

PMK 136/2024 Article 20 and Article 30

## 47 What is the De Minimis Exclusion?

A group may elect the de minimis exclusion so that the top-up tax in Indonesia is deemed to be zero (0) where the average GloBE revenue in Indonesia is less than EUR 10 million and the average GloBE income/loss is less than EUR 1 million.

PMK 136 of 2024 Article 11

## 48 What is the exclusion for the initial phase of international activity (initial phase exclusion)?

During the first 5 years, the UTPR top-up tax in respect of the ultimate parent entity's jurisdiction is reduced to zero if the group operates in no more than 6 jurisdictions and the value of its tangible assets outside the reference jurisdiction does not exceed EUR 50 million.

PMK 136 of 2024 Article 68

## 49 What is the Transitional CbCR Safe Harbour?

A safe harbour based on Country-by-Country Reporting (CbCR) that applies for a transitional period. It deems the top-up tax of a jurisdiction to be zero (0) if one of the following tests is met:

1. de minimis test: revenue in Indonesia of less than EUR 10 million and profit before tax in Indonesia of less than EUR 1 million, based on the CbCR;
2. simplified effective tax rate test (simplified ETR): a rate of 16% for 2025 and 17% for 2026; or
3. routine profits test: profit before tax in Indonesia is equal to or less than the SBIE.

PMK 136 of 2024 Article 56

## 50 What is the QDMTT Safe Harbour?

Where a jurisdiction applies a QDMTT that meets additional standards (accounting standard, consistency, administration), the IIR/UTPR top-up tax for that jurisdiction is deemed to be zero, so the group only needs to compute the QDMTT. The OECD recognises Indonesia's DMTT as a Qualified DMTT (QDMTT) as well as a QDMTT safe harbour.

OECD Administrative Guidance; OECD Central Record

## 51 What is the procedure for claiming a Safe Harbour?

There is no separate application or approval form for a safe harbour. Safe harbours are computed directly through the GIR or the Annual Income Tax Return for GloBE purposes. A safe harbour is an election by the group reported in the GIR (in the jurisdiction-by-jurisdiction safe harbour section), so its deadline follows the GIR deadline. The DGT is authorised to test safe harbour eligibility and may request clarification within 36 months after the GIR is filed.

PMK 136/2024 Articles 54–64; PER-6/PJ/2026 Articles 12, 13; Attachment G (Part I.1)

## 52 Does a UPE that elects a safe harbour for a jurisdiction still have a GIR filing obligation?

Yes.

Safe harbours only simplify the top-up tax computation; they do not remove reporting obligations. The obligation to file the Annual Income Tax Return for GloBE purposes still applies.

PER-6/PJ/2026 Articles 7, 12, 14; PMK 136/2024 Articles 54–64

## 53 If the Transitional CbCR Safe Harbour (TCSH) conditions are met, must the QDMTT and other reports still be filed?

Yes.

Safe harbours do not remove administrative obligations. The Annual Income Tax Return for GloBE purposes must be filed by all GloBE Taxpayers in Indonesia.

PER-6/PJ/2026 Article 7 paragraph (6), Article 12

## 54 How are Joint Ventures (JVs) treated under GloBE?

A JV under GloBE is an entity at least 50% owned by the Ultimate Parent Entity (UPE), directly or indirectly, and accounted for using the equity method. The ETR and top-up tax of a JV and its subsidiaries are computed separately and are not blended with other constituent entities in the same jurisdiction.

PMK 136 Article 43

## 55 How do you determine whether a JV is within the scope of GloBE?

The tests are:

1. Is the investor group within the scope of GloBE?
2. Is the JV accounted for using the equity method?
3. Does the UPE hold at least 50%?

If all three are met, the JV and its subsidiaries in Indonesia become GloBE Taxpayers as members of a Joint Venture Group. If the entity is consolidated line-by-line, it is an ordinary Constituent Entity, not a JV. Exclusions from the JV definition include, among others, the UPE of another MNE Group and excluded entities.

PMK 136 Article 43

## 56 How is the ETR computed for a JV? Is it blended with other group members?

It is not blended. The JV and its subsidiaries are computed as if they were a separate group. The ETR and top-up tax are computed per country only among the members of the Joint Venture Group, and are not blended with the investor group's other Constituent Entities in the same country. For the application of the QDMTT in Indonesia, a JV in Indonesia is a GloBE Taxpayer and is computed on a standalone basis.



PMK 136 Article 43

**57** If a JV company has no majority shareholder (shareholdings of 40%, 40%, and 20%) and the entity is not included in the parent's consolidated financial statements (it is reported only using the equity method), is it within the scope of GloBE?

For each investor group, generally not. The entity is not a Constituent Entity because it is not consolidated, and it is not a JV under GloBE because no group's ultimate parent holds at least 50%.

PMK 136 of 2024 Article 43 and Article 1

## 58 For a JV within the scope of GloBE, how should the UPE be entered in the 'Status Registration' menu?

Part B of the form (Identity of the Ultimate Parent Entity) is completed with the identity of the UPE (not the JV's direct shareholder, unless that shareholder is itself the UPE) of the investor MNE Group that accounts for the JV using the equity method and that holds, directly or indirectly, at least 50%. Part C is completed with the name of that investor group. If the JV is a JV of more than one MNE Group (for example, 50:50 between two groups that are both in scope), the JV may choose one of the UPEs to enter in Coretax for status registration.

PER-6/PJ/2026 Attachment A Parts B–C; Article 14 paragraph (3)

## 59 How is the ETR computed for a Minority-Owned Constituent Entity (MOCE)? Is it blended with other group members?

It is not blended. MOCEs in a country are computed separately from other Constituent Entities. MOCEs within the same minority-owned subgroup in the same country are computed together as a 'Minority-Owned Subgroup'. A MOCE that stands alone is computed on its own as a 'Standalone MOCE'. A MOCE that is an investment entity follows the rules for investment entities.

PMK 136 of 2024 Articles 12–13

## 60 How are investment entities treated under GloBE?

The ETR of an investment entity is computed separately from other constituent entities in the same jurisdiction.

PMK 136 of 2024 Article 5

## 61 What elections are available and how long are they binding?

There are annual elections (annual election), for example the de minimis exclusion, and five-year elections (five-year election), for example electing to treat an excluded entity as a non-excluded entity. A five-year election cannot be revoked for 5 years from the year it is made, and if revoked, it cannot be made again for the following 5 years.

PMK 136 of 2024 Article 10 and Article 3

## 62 What are the impacts and benefits of the GMT in terms of tax rules and financial reporting?

Tax rules: there are obligations to register (status registration), pay top-up tax, file tax returns, and file the GIR or Notification. GloBE top-up tax is an income tax and, in principle, is therefore not deductible in computing corporate income tax.

Financial reporting: the IAS 12 amendments on Pillar Two (adopted in Indonesia through the amendments to PSAK 212 on Income Taxes) provide a mandatory temporary exception from recognising deferred taxes related to Pillar Two, and require disclosure of current tax expense related to Pillar Two and information on the group's exposure. The benefits are that Indonesia's taxing rights are protected through the QDMTT (top-up tax is not taken by other countries), harmful tax rate competition is reduced, and transparency increases through the exchange of GIRs.

**PMK 136/2024; Income Tax Law Article 9 paragraph (1) letter h; IAS 12 (May 2023 amendments) / PSAK 212 on Income Taxes**

## 63 How does the GMT affect transfer pricing?

The GMT reduces the incentive to shift profits to low-tax countries, because profits taxed at an effective rate below 15% will be subject to top-up tax (DMTT/IIR/UTPR).

However, transfer pricing remains important under GloBE:

1. GloBE Income starts from accounting profit, and cross-border transactions between constituent entities must comply with the arm's length principle; otherwise, they must be adjusted.
2. Subsequent TP adjustments may change Covered Taxes and trigger post-filing adjustments.
3. In GloBE compliance supervision, the DGT may request transfer pricing documentation.



PMK 136/2024 Article 21 paragraphs (6), (7), (9); PER-6/PJ/2026 Article 21, Article 23 paragraph (6) letter g

## 64 What are the administrative obligations of a GloBE Taxpayer?

In broad terms:

1. apply for registration of GloBE Taxpayer status;
2. pay top-up tax, if any;
3. file the GloBE Information Return (GIR) or a Notification; and
4. file the Annual Income Tax Return for GloBE purposes.

PER-6/PJ/2026

## 65 What are the reporting obligations in Indonesia?

For a group with a calendar financial year that first comes within scope in the 2025 GloBE Fiscal Year:

1. apply for registration of GloBE Taxpayer status no later than 9 months after the end of the first GloBE Fiscal Year, i.e. by 30 September 2026;
2. pay top-up tax no later than the end of the GloBE Tax Year, i.e. by 31 December 2026;
3. file the GIR or Notification no later than 18 months after the end of the first GloBE Fiscal Year, i.e. by 30 June 2027. For subsequent years, this becomes 15 months;
4. file the Annual Income Tax Return for GloBE purposes no later than 4 months after the end of the GloBE Tax Year, i.e. by 30 April 2027, with an extension of up to 2 months available (for the first year only) to 30 June 2027. The return must be accompanied by the GIR/Notification receipt, and it cannot be filed before the top-up tax has been paid in full. All filings are made electronically through the Taxpayer Portal (Coretax).

PER-6/PJ/2026 Articles 4, 11, 13, 15, 17, 20; Attachment G

## 66 Who should coordinate GMT implementation for an MNE Group in Indonesia? Should each entity handle it individually, or through the representative head office in Indonesia?

The DGT does not require a particular coordinator, but there are 3 points to consider.

1. Each group entity in Indonesia is a separate GloBE Taxpayer with its own obligations.
2. The ETR is computed per country, so data for all group entities in Indonesia must be collected and computed together.
3. The status registration form requires one responsible individual appointed by the taxpayer as the representative of each entity.

Taxpayers may decide based on these considerations.

PMK 136 of 2024 and PER-6/PJ/2026

## 67 Where there is more than one constituent entity in Indonesia, is each constituent entity responsible for its own tax compliance (status registration, the Annual Income Tax Return for GloBE purposes, and the GIR/Notification), or can this be handled by a CE representative?

Each constituent entity (CE/Constituent Entity) is a separate GloBE Taxpayer. Each CE applies for status registration, files the Annual Income Tax Return for GloBE purposes (at least the DMTT section), and files a Notification (unless that CE has already filed the GIR).

What can be 'represented':

1. one responsible individual appointed by the group may be named on the forms of all CEs;
2. the GIR need only be filed by one GloBE Taxpayer appointed as the Designated Filing Entity;
3. tax returns may be signed by an authorised representative in accordance with the General Provisions and Tax Procedures Law (KUP). However, the legal obligations remain with each CE.

PER-6/PJ/2026 Articles 4, 7, 9, 12 paragraph (5), 14; Attachment A Part F

## 68 What are the Tax Year, the GloBE Fiscal Year (Tahun Pengenaan GloBE), and the GloBE Tax Year (Tahun Pajak GloBE)?

The GloBE Fiscal Year is the tax year for which GloBE is imposed, based on the accounting period of the UPE's commercial financial statements.

The GloBE Tax Year is the year stated in the Annual Income Tax Return for GloBE purposes. The GloBE Tax Year is generally the year following the GloBE Fiscal Year.

Thus, for the 2025 GloBE Fiscal Year, the GloBE Tax Year is 2026.



PER-6/PJ/2026 Article 1

## 69 What is the deadline for status registration?

No later than 9 months after the end of the first GloBE Fiscal Year.

PER-6/PJ/2026 Article 4

## 70 In Part B, item 4 of the status registration form, there is a "Country" field. Does this refer to the UPE's country or to the countries of other group members?

On the status registration form (Attachment A to PER-6), item 4 in Part B is 'Country', i.e. the country in which the Ultimate Parent Entity (UPE) is located. All entries in Part B (NPWP/TIN, name, address, country, accounting period) refer to the UPE, not to other group members. If the question refers to the fourth part of the form (Part D), it is completed with the first year in which the MNE Group came within the scope of GloBE, which is also group-level information. Item 4 in Part F is the telephone number of the responsible individual.

PER-6/PJ/2026 Attachment A

## 71 Completing the GloBE Taxpayer status registration form: must the identity in the PIC field be that of the taxpayer's director/officer?

Not necessarily. Under the completion guidelines, Part F (Administrative Contact) is completed with the NIK/NPWP, name, email, and telephone number of the individual appointed by the MNE Group as the group's representative for administering its GloBE tax obligations. This individual may be a tax staff member, a manager, or a director/officer, as appointed by the group. What differs is the signing: the form is signed by the applicant, a representative, or an authorised proxy, whereas the Annual Income Tax Return for GloBE purposes must be signed by the taxpayer's director/officer or authorised proxy in accordance with tax laws and regulations.

PER-6/PJ/2026 Attachment A; Article 9

## 72 What are the components of the Annual Income Tax Return for GloBE purposes?

The main return consists of three parts:

1. the GloBE Annual Income Tax Return, completed only if the GloBE Taxpayer is the ultimate parent entity;
2. the UTPR Annual Income Tax Return, completed if UTPR top-up tax is allocated; and
3. the DMTT Annual Income Tax Return, completed by every GloBE Taxpayer.



PER-6/PJ/2026 Article 7

## 73 What are the GloBE Information Return (GIR) and the GloBE/DMTT Annual Income Tax Returns?

The GIR is a standardised OECD return (in XML format) containing group information: the identity and status of constituent entities, the ownership structure, the ETR and top-up tax computations per country, the IIR/UTPR allocation, and the elections made. The GIR must be filed by an Indonesian UPE, or by an Indonesian GloBE Taxpayer appointed as the designated filing entity, or where the designated filing entity is located in a country that does not have a QCAA with Indonesia.

The Annual Income Tax Return for GloBE purposes is a domestic income tax return used to compute and report top-up tax. The main return consists of three parts: the GloBE Income Tax Return (IIR, completed only by the UPE), the UTPR Income Tax Return (completed where UTPR is allocated), and the DMTT Income Tax Return (mandatory for all GloBE Taxpayers).



PER-6/PJ/2026 Article 1 points 19–23, Article 7, Article 12

## 74 What is the filing deadline for the Annual Income Tax Return for GloBE purposes for the 2025 GloBE Fiscal Year?

No later than 4 months after the end of the GloBE Tax Year. For the first GloBE Fiscal Year only, the taxpayer may submit an extension of up to 2 months.

If the tax year (the accounting period of the UPE's consolidated financial statements) is January – December 2025 and this is the first GloBE Fiscal Year, the Annual Income Tax Return for GloBE purposes for the 2026 Tax Year must be filed no later than June 2027 (with a prior extension notification).

PER-6/PJ/2026 Article 11

## 75 Is an extension of the GloBE Income Tax Return filing deadline processed automatically, or is it reviewed?

An extension is a notification, not an application requiring approval. The conditions are:

1. it is available only for the group's first GloBE Fiscal Year;
2. it is for a maximum of 2 months;
3. it is submitted before the return filing deadline (4 months after the end of the GloBE Tax Year) expires;
4. it is accompanied by proof of payment if there is an underpayment of top-up tax, together with the amounts of IIR, UTPR, and DMTT top-up tax (if any).

The submission and processing procedures follow the PMK on the core tax administration system (Coretax), which generally checks the formal completeness of the notification.

PER-6/PJ/2026 Article 11

## 76 When must a GloBE Taxpayer file the GIR, and when is a Notification sufficient?

The GIR must be filed by the ultimate parent entity (UPE/Ultimate Parent Entity). Where the UPE is located abroad, a constituent entity in Indonesia must file the GIR if:

a) the MNE Group appoints an entity in Indonesia as the Designated Filing Entity for the GIR; or
b) the Designated Filing Entity for the GIR is located in a country that does not have a GIR exchange agreement with Indonesia.

A Notification must be filed by every GloBE Taxpayer, except those that have filed the GIR.

PMK 136 of 2024 Article 65

## 77 Which entities are legally entitled to be the GIR filing entity?

Under PMK 136 and PER-6:

1. if the UPE is a resident taxpayer, the UPE must file the GIR;
2. if the UPE is a non-resident, the GIR is filed abroad, unless a GloBE Taxpayer in Indonesia is appointed by the group as the Designated Filing Entity, or the group's Designated Filing Entity is located in a country that does not have a QCAA in effect with Indonesia for that GloBE Fiscal Year.

If the GIR has been filed in a country that has a QCAA with Indonesia, the GloBE Taxpayer in Indonesia need only file a Notification.

PER-6/PJ/2026 Articles 12, 14; OECD Model Rules Art. 8.1

## 78 What is the filing deadline for the GIR or Notification for the 2025 GloBE Fiscal Year?

Generally, no later than 15 months after the end of the GloBE Fiscal Year. For the first GloBE Fiscal Year only, this is extended to 18 months.

If the tax year (the accounting period of the UPE's consolidated financial statements) is January – December 2025 and this is the first GloBE Fiscal Year, the deadline for filing the GIR or Notification is June 2027.



PER-6/PJ/2026 Article 13

## 79 What is the Transitional Simplified Reporting Framework?

The transitional simplified reporting framework is a GIR reporting mechanism under which the net income or loss adjustments section may be reported on an aggregate basis without itemising each Constituent Entity. This mechanism applies where:

(a) there is no top-up tax liability; or

(b) there is a top-up tax liability, but it does not need to be allocated to each Constituent Entity.

PER-6/PJ/2026 Article 30

## 80 Where are filings made?

Electronically through the Taxpayer Portal (Coretax), the website, or other applications integrated with the Directorate General of Taxes' administration system.

PER-6/PJ/2026 Article 10 and Article 13

## 81 What is the payment deadline for top-up tax for 2025?

No later than the end of the GloBE Tax Year.

For the 2025 GloBE Fiscal Year, the GloBE Tax Year is 2026.

If the tax year (the accounting period of the UPE's consolidated financial statements) is January – December 2025, the payment deadline is 31 December 2026.
If the tax year (the accounting period of the UPE's consolidated financial statements) uses a different period, the deadline follows that accounting period accordingly.

PER-6/PJ/2026 Article 20

## 82 How is GloBE top-up tax paid?

Tax Account Code (KAP) 411618 with Deposit Type Code (KJS):

a. 610 for top-up tax under the IIR;

b. 620 for top-up tax under the UTPR; or

c. 630 for top-up tax under the DMTT.

PER-6/PJ/2026 Article 20

## 83 The ETR is computed per country, so who is responsible for making the payment?

It depends on the type of top-up tax.

DMTT: paid by each GloBE Taxpayer in Indonesia whose ETR is below 15%, allocated according to the amount of its GloBE Income.

IIR: paid by the Parent Entity in Indonesia required to apply the IIR, usually the UPE.

UTPR: paid by GloBE Taxpayers (other than the UPE) that receive a UTPR allocation, in proportion to their GloBE Income relative to all of the group's GloBE Taxpayers in Indonesia.

PER-6/PJ/2026 Articles 7, 20; Attachment G (Main Return II, III.5; Schedule I Sub B.2)

## 84 Can tax payments under the QDMTT and UTPR made by an Indonesian constituent entity be reimbursed by the UPE? How is this treated? Is it regarded as additional income subject to corporate income tax again for the CE?

PMK 136/2024 and PER-6 do not govern the reimbursement of top-up tax between group entities. The obligation to pay top-up tax remains with the GloBE Taxpayer in Indonesia.

For corporate income tax, the general provisions of the Income Tax Law apply: any increase in economic capacity received by a CE is, in principle, income, unless it meets the exclusion criteria (for example, a capital contribution documented as an equity participation).

**Income Tax Law Article 4 paragraphs (1) and (3); PER-6/PJ/2026 Article 20**

## 85 Can the DGT audit GloBE compliance?

Yes.

The DGT is authorised to supervise compliance with GloBE-related tax obligations and to conduct tax audits to test compliance with the GloBE Rules.

PER-6/PJ/2026 Articles 23–24

## 86 If there is an all-taxes audit, does it include an audit of BEPS/GloBE? Or will there be a separate audit solely for GloBE outside the all-taxes audit?

PER-6 authorises the DGT to audit the compliance of GloBE Taxpayers and for other GloBE-related purposes, conducted in accordance with the generally applicable tax audit provisions.

PER-6/PJ/2026 Article 24

## 87 Is there an objection or dispute resolution mechanism for top-up tax assessments?

Yes,

for domestic disputes. PER-6 provides for the correction of assessments, objections, reduction/cancellation of administrative sanctions, reduction/cancellation of assessments, appeals to the Tax Court, and lawsuits. The procedures follow the general provisions of the KUP Law. For cross-border disputes (for example, where two countries both claim top-up tax on the same profit), PMK 136/2024 and PER-6 do not yet provide a specific mechanism.

A cross-border dispute resolution framework is still being developed by the OECD/G20 Inclusive Framework and has not yet been finalised.

PER-6/PJ/2026 Articles 25–27

## 88 What about withholding/collection taxes borne by the taxpayer making the payment? Do they increase covered taxes and are they deductible in computing Net GloBE Income?

They are not included in covered taxes.

As for the computation of net GloBE income, as long as the borne withholding/collection tax is deductible for commercial purposes under accounting standards, it remains deductible for GloBE purposes.

PMK 136 of 2024


NAGARA DANA RAKCA
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