



Sets the Standards and Beyond

International  
Tax Review  
(ITR) World  
Tax 2025



# Global Minimum Tax

## Implication for Indonesian Taxpayers

2025



# Implementation of Global Minimum Tax Begins

Indonesia has officially implemented the global minimum tax, following international agreements. This implementation is marked by the issuance of Minister of Finance Regulation Number 136 of 2024 (MoF Reg. 136/2024), which takes effect on January 1, 2025.

The global minimum tax applies to multinational enterprises (MNEs) with a consolidated global revenue of at least EUR750 million in at least two of the last four fiscal years. The regulation ensures that MNEs pay a minimum level of tax in every jurisdiction where they operate.

To comply, multinational groups subject to the global minimum tax must calculate their income and taxes paid in each jurisdiction. If the effective tax rate in a jurisdiction falls below 15%, a top-up tax will be imposed.

OECD/G20 + BEPS Inclusive Framework

Two Pillar Solution

Pillar 2: GloBE Rules

Preventing Harmful Tax Competition

Reducing Profit Shifting Practices

**DMTT**

Domestic Minimum Top-up Tax

**IIR**

Income Inclusion Rules

**UTPR**

Undertaxed Payment Rules

**Article 52 & 54 of Government Regulation Number 55 of 2022**



**Minister of Finance Regulation Number 136 of 2024 (MoF Reg. 136/2024)**

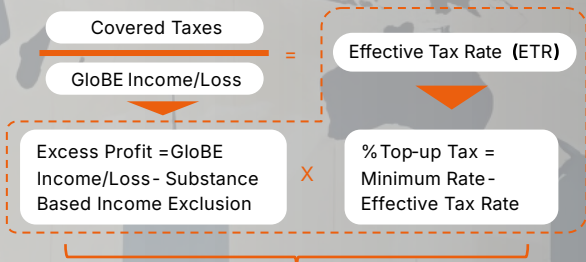


**The provisions in MoF Reg. 136/2024, like the Global Anti-Base Erosion (GloBE) Rules, are highly complex. Many of the terms and technical concepts may be unfamiliar to the public—even to tax professionals and academics. How to properly interpret MoF Reg. 136/2024?**

- MoF Reg. 136/2024 must be interpreted in line with GloBE Rules (standard model from OECD/G-20 Inclusive Framework).
- To fully understand MoF Reg. 136/2024, it is essential to refer to several key documents from OECD/G-20 Inclusive Framework): GloBE Rules; Commentary; Examples; Agreed Administrative Guidance; GloBE Information Return; and Safe Harbours and Penalty Relief.
- It is essential to understand its context and connection with the existing tax regulations.
- MoF Reg. 136/2024 includes provisions for the initial implementation period of the global minimum tax or GloBE rules. This means careful interpretation and thorough understanding of the regulation are crucial.
- Always remember that the goal is to ensure a fairer allocation of profits and taxes across jurisdictions.

# Global Minimum Tax: A Step-by-Step Guide

## Top-up Tax Calculation per Jurisdiction (GloBE)



$$\text{Top-up Tax} = (\% \text{ Top-up Tax} \times \text{Excess Profit}) + \text{Additional Current Top-up Tax} - \text{Qualified Domestic Minimum Top-up Tax}$$



- 1 Identify In-Scope Entities & Affected Jurisdictions**
  - Identify the multinational enterprise (MNE) group
  - Apply consolidation and threshold rules
  - Determine control & minority interests
- 2 Calculate GloBE Income/Loss**
  - Follow accounting standards
  - Understand what qualifies as GloBE income/loss
  - Apply necessary adjustments
- 3 Determine Covered Tax**
  - Identify taxes within and outside GloBE scope
  - Adjust necessary adjustments
  - Consider inter-entity tax treatments
- 4 Compute Effective Tax Rate (ETR)**
  - Calculate ETR using Covered Tax / GloBE Income formula
  - Monitor jurisdictions and entity types
  - Apply substance-based income exclusion
- 5 Apply Safe Harbours = Reduce Top-Up Tax to Zero (certain conditions)**
  - Utilise Permanent Safe Harbour provisions
  - Qualify for CbCR Safe Harbour
  - Implement UTPR Safe Harbour
  - Use Simplified Calculation Safe Harbour
- 6 Assess the Top-up Tax Imposed and Allocated per Jurisdiction**
  - Quantify the amount of top-up tax that must be paid and allocate it appropriately across jurisdictions.
  - Implement top-up tax mechanisms:
    - Domestic Minimum Top-up Tax (DMTT)
    - Income Inclusion Rule (IIR)
    - Undertaxed Payment Rules (UTPR)
- 7 Address Special Provisions**
  - Adapt to business restructuring scenarios
  - Handle entities with special characteristics
  - Apply rules for special distribution regimes
- 8 Manage Administrative Aspects**
  - GIR and tax return submission (formats and deadlines)
  - Transition period considerations
  - Currency translation rules
  - Tax collection procedures

## The first tax year in which the Global Minimum Tax is fulfilled

31st December 2025 (n)

31st December 2026 (n+12)

30th

2025

2026

Fiscal year 2025

Due for payment of  
additional tax for fiscal year of 2025

Due d  
GIF

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## Normal tax year which fulfils the Global Minimum Tax subject

### Simulation for Fiscal Year 2026

31st December 2026 (n)

31st December 2027 (n+12)

31st

2026

2027

Fiscal year 2026

Due for payment of  
additional tax for fiscal year of 2026

Due d  
GIF

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## Don't Just Accept the Calculation Start with Capacity Building!

### Conducting capacity building

### Internal coordination

- parent entity
- affiliates in Indonesia
- controlled entities

### Gathering information

- financial data
- master file / CbCR
- GMT monitoring

### Performing simulations and calculations

### Implementing risk mitigation and tax planning

### Staying updated with the latest regulations

- Directorate General of Taxes Regulations (administration)
- UTPR

GloBE Annual Income Tax Return reporting can be extended by 2 months

15 April 2027 (n+16)

30th June 2027 (n+18)

31st December 2027

2027

2027

2027

Due date for submission of GIR and Notification

Director General of Taxes provides a receipt

Due date for submission of GloBE's annual income tax return for fiscal year 2026

the receipt will be an attachment to GloBE's Annual Income Tax Return for the 2026 tax year.

15 March 2028 (n+15)

30th April 2028 (n+16)

31st December 2028

2028

2028

2028

Due date for submission of GIR and Notification

Director General of Taxes provides a receipt

Due date for submission of GloBE's annual income tax return for fiscal year 2027

the receipt will be an attachment to GloBE's Annual Income Tax Return for the 2027 tax year.

## Special attention if your company is:

- **The Ultimate Parent Entity (UPE)**
- **Not a UPE but fulfills the criteria for submitting a GloBE Information Return (GIR)**
- **Your company or one of its affiliates in Indonesia is:**
  - in the process of obtaining a facility;
  - has received a facility but has not yet commenced commercial production; or
  - has utilised the facility and is already in commercial production
- **Engaged in substantial related-party transactions**
- **Undergoing or has undergone a business restructuring in the past 3–4 years**



The complexities of the global minimum tax regulation have long been anticipated and studied by DDTC professionals. Through various platforms, DDTC has consistently monitored the formulation process and provided insights on the OECD/G-20 Two-Pillar Solution.

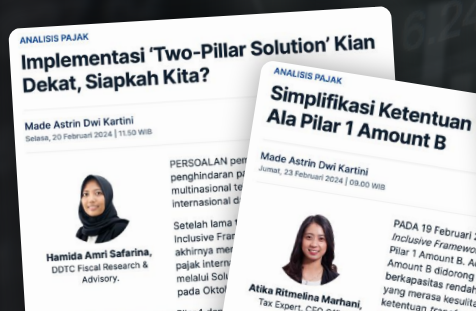
To the public, DDTC has remained a reliable source of information on the global minimum tax through DDTCNews. Additionally, a comprehensive tax reference database is available via Perpajakan DDTC, while numerous books and journals on the Two-Pillar Solution are part of the 4,000+ collections in the DDTC Library.

This extensive tax literatures, combined with investments in human capital, have enriched the perspectives of professionals teaching at DDTC Academy. As a result, DDTC Fiscal Research & Advisory and DDTC Consulting continue to deliver top.

In conjunction with the historic implementation of the global minimum tax, marking a new era in Indonesia's tax system, DDTC proudly presents:

# DDTC Global Minimum Tax Expert Panel

Made up of experienced DDTC professionals who have been deeply involved in the development of the OECD/G20 Two-Pillar Solution from the beginning, this expert panel is dedicated to providing specialised services and customised solutions for the global minimum tax.



## Pentingnya Pajak Minimum Global

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**Darussalam,**  
Founder DDTC

**INDONESIA** telah secara resmi mengadopsi pajak minimum global atau sering disebut ketentuan *Global Anti-Base Erosion* (GloBE) mulai 2025. Hal ini sebagaimana diatur melalui Peraturan Menteri Keuangan No. 136/2024 tentang Pengenaan Pajak Global berdasarkan Kesepakatan (PMK 136/2024).



Perihal pajak minimum global dan efektif sebesar 15% agaknya sudah menjadi bahan perbincangan selama tiga tahun terakhir. Namun demikian, banyak pihak rupanya belum sepenuhnya memahami kerangka berpikir pajak minimum global dan



The key aspect is robust capacity-building strategies. Naturally, GloBE rules are inherently complex as they comprise a variety of jargon and terminology and are difficult to grasp. ... In essence, a solid understanding of GloBE rules also requires knowledge of fundamental international tax concepts, ... financial accounting ... Further, the interaction between GloBE rules and domestic tax provisions in each jurisdiction amplifies their complexity.



# Prepare Your Business with Sustainable Tax Solutions

The introduction of the global minimum tax marks a new chapter in Indonesia's tax landscape—one that demands a comprehensive understanding. In response, the DDTC Global Minimum Tax Expert Panel offers two sustainable tax solutions tailored to help businesses address these changes effectively during the implementation of the global minimum tax.

## In-House Training (IHT) on Global Minimum Tax

This training program provides flexibility in scheduling, location and participant numbers while delivering essential insights into the global minimum tax (MoF Reg. 136/2024). Key topics covered include:

- a fundamental understanding of the global minimum tax and how to interpret MoF Reg. 136/2024;
- the regulatory framework and its integration within Indonesia's existing tax system;
- critical points businesses need to be aware of and potential impacts to anticipate;
- practical steps and preparations that should begin immediately; and
- other necessary aspects.

DDTC professionals from the Global Minimum Tax Expert Panel will break down the complexities of MoF Reg. 136/2024 into clear, actionable insights, ensuring accessibility for all participants.

## IHT-Advisory on Global Minimum Tax

A unique blend of training and advisory services, this customised program is designed to address company-specific cases related to MoF Reg. 136/2024 implementation. Beyond the fundamental aspects of the global minimum tax, through this approach, businesses gain tailored insights on:

- the effective tax rate for Indonesian entities;
- the potential obligation to pay top-up tax for Indonesian entities;
- administrative preparation and tax risk mitigation strategies;
- recommendations for the business group regarding future actions in Indonesia; and
- other necessary aspects.

Additionally, the DDTC Global Minimum Tax Expert Panel ensures that businesses stay updated on regulatory developments and are prepared to meet their tax obligations under GMT. IHT-Advisory program delivers not only training but also advisory report; questionnaires/checklists of data, information and transaction; worksheet.

This approach requires an initial assessment of the company's conditions, ensuring that the training materials are highly relevant and tailored to specific business needs.





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