

## **Increasing the Role of MSMEs in Development, DGT Regional Office for Large Taxpayers and Bio Farma cooperates for Pp 23 Education Bandung (10/1/2018).**

To increase the participation and cooperation of MSMEs in the country's development towards the independence of the State Budget and the utilization of tax facilities in Government Regulation Number 23 of 2018 concerning Income Taxes on Income from Businesses Received or Obtained by Taxpayers with Certain Gross Circles, Large Taxpayers Regional Tax Office embraces one of SOEs registered in the Large Taxpayer Offices Three namely PT BIOFARMA (PERSERO) to cooperate in tax education.

In this collaboration, PT BIOFARMA (PERSERO) gathered 30 certain partner companies, 100 partners in the Partnership and Community Development Program (PKBL), 50 BIOFARMA (PERSERO) employees who were entering retirement preparation (MPP) and some Head of Tax of SOE which is domiciled in Bandung.

The event, which was in the form of a taxation dialogue, was held at the PT BIOFARMA (PERSERO) Multipurpose Hall at Jalan Pasteur Number 28, Bandung, West Java on October 1<sup>st</sup>, 2018 titled:

### **"The Role of MSMEs Against State Development in the Utilization of Taxation Facilities in the Industrial 4.0 Era"**

The Head of the Large Taxpayers Regional Tax Office, Mekar Satria Utama, Raden Aris Handono (Head of P2Humas Division), Ferry Trisianto (CEO of Perisai Grup) and President Director of Bio Farma, M. Rahman Roestan, and Pardiman, Director of Finance, attended at the event.

The event was also held as one of DGT's strategies to reach taxpayers through an end-to-end approach to micro, small and medium enterprises (MSMEs) and expand the taxation database in order to increase awareness and compliance in fulfilling the obligations and rights of MSMEs Taxpayers.

In this regard, one of the efforts undertaken by DGT is to develop MSMEs through BDS (Business Development Service / BDS) programs. This program is a guidance and supervision for MSME Taxpayers to encourage the development of its business on an ongoing basis, increase awareness, engagement and create voluntary compliance.

The material raised at this event was also related to the BDS program launched by DGT and discussed the current conditions regarding the problems of MSMEs in addition to the presentation of PP 23 of 2018.

PP 23 of 2018 is valid as of July 1<sup>st</sup>, 2018 replacing PP 26 of 2013 and provides a reduction in income tax rates for MSMEs to only 0.5%. Data from the Ministry of Cooperatives and SMEs stated that of the total number of business units in Indonesia, 98.8% were dominated by MSMEs. Of the total workforce, 96.99% work in the MSME business sector. In fact, 60.3% of gross domestic product in Indonesia currently comes from MSMEs. In addition to the tax dialogue, the event was also enlivened by taxation outlets where participants and invitees could ask all matters related to the implementation and utilization of PP 23 of 2018.

Through this event, the MSME sector can develop businesses and market products by utilizing technology in the 4.0 industrial era and of course the utilization of tax facilities with lower income tax rates and employees who will enter retirement are also expected to be equipped to do business

in the MSME sector independently.