



# INDONESIA – January 2017

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**GOVERNMENT TO TAX IDLE LAND ..... 1**

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## **Government to tax idle land**

The government plans to collect taxes from idle land to encourage the owners to make them become productive, an official has said.

The Finance Ministry’s fiscal policy head, Suahasil Nazara, said on Tuesday that the ministry would discuss the matter with the Agrarian and Spatial Planning Ministry to make sure such a policy was in line with prevailing law.

“We have no details yet. Discussion in regard to the mechanism, etc. is still ongoing,” he said as quoted by tempo.co, but refused to comment further, including on whether such taxes would be collected this year.

Previously, Agrarian and Spatial Planning Minister Sofyan Djalil expressed his wish to revise the Agrarian Law, aiming at, among other things, to regulate tax collection from idle land. He said the tax rate would depend on the condition of respective regions.

A similar statement was made by Finance Minister Sri Mulyani Indrawati, who said there was lots of unproductive land in the country that was being ignored by their owners.