FINANCIAL SERVICES / TAX POLICY / COMMERCIAL JUSTICE

Beyond the Financial Centre.

Indonesia's New Framework for Tax, Investment & Commercial Justice

LAW NO. 6 / 2026 | IN FORCE

THE CENTRAL DISTINCTION

A dedicated financial centre is more than a tax incentive zone. Its credibility depends on **legal certainty, supervisory design and enforceable commercial rights.**

EFFECTIVE 19 AUGUST 2026 | INDONESIA

GENERAL INFORMATION ONLY. NOT LEGAL, TAX OR OTHER PROFESSIONAL ADVICE.

A NEW FINANCIAL FRAMEWORK

02

A financial centre with a distinct perimeter.

Law No. 6/2026 establishes a special framework for designated international financial centres (PFII), combining financial-market activities with institutional and legal arrangements.

STATUTORY STATUS

In force

19 August 2026

IMPLEMENTATION

Six-month window

Further instruments required (Art. 72)

01 Formal designation

One or more PFII may be established by Government Regulation. Each proposed centre requires a location, capital plan and feasibility study.

ARTICLE 3

02 Activities and boundaries

The law covers finance, related professional services and selected other sectors. PFII licences do not automatically authorise domestic activities outside PFII.

ARTICLES 5, 8 AND 68

RDJ ADVISORY PERSPECTIVE

A legal framework is in force; operational access depends on implementation.

FISCAL ARCHITECTURE

03

Tax incentives are not a blanket exemption.

The statute identifies tax facilities for qualifying PFII participants and activities. Eligibility, source of income, implementing rules and international tax commitments remain material.

01 CORPORATE INCOME TAX

Article 51 provides a 100% corporate income tax reduction for specified PFII activities, subject to international tax commitments.

ARTS. 48-51

02 FIFTY-YEAR HORIZON

The statutory 50-year facility period concerns specified core financial activities and eligible investment. It is not a universal entitlement.

ART. 48(2)-(4)

03 INDIRECT TAX & CUSTOMS

Selected strategic supplies, imports and qualifying development goods may receive VAT or customs facilities within the statutory conditions.

ARTS. 56-60

04 COMPLIANCE REMAINS

Tax registration, records, returns and reporting continue. Misapplied incentives may be withdrawn and amounts recovered with sanctions.

ARTS. 63-64

IMPORTANT DISTINCTION

Reduced statutory tax does not displace applicable global minimum tax considerations or tax administration requirements.

COMMERCIAL JUSTICE / ARBITRATION / LEGAL CERTAINTY

A distinct forum.

A familiar question: how is justice delivered?

The PFII framework establishes a special commercial court and contemplates arbitration as an alternative dispute-resolution route.

01
PFII COURT

A special court within the general courts, with defined jurisdiction over PFII-linked civil and commercial matters, including specified disputes involving tax facilities.

ARTICLES 38-40

02
ARBITRATION

Parties may agree to PFII arbitration. The statutory jurisdiction rules distinguish arbitration agreements from matters before the PFII Court.

ARTICLES 35-37

RDJ ADVISORY PERSPECTIVE

International standards are contemplated, but dispute outcomes depend on jurisdiction, procedure, enforceability and implementing arrangements.

BEYOND THE FINANCIAL SECTOR

05

Where global capital meets the real economy.

The law links financial-centre development with investment, professional services, and financing for productive sectors. This creates relevance beyond traditional banking.

01

FINANCIAL & PROFESSIONAL SERVICES

Banking, insurance, capital markets, fintech, and tax or legal professional services appear within the permitted activity framework.

ARTICLE 5(1)

02

FAMILY OFFICES & TREASURY

The PFII concept includes family offices, investment management and regional treasury-related activity, with tailored treatment subject to conditions.

ARTICLES 4-5, 47-55

03

COMMODITY & RESOURCE FINANCE

International commodity trading and financing for critical-mineral downstream supply chains are expressly recognised in the statutory scope.

ARTICLE 5(1), (3)

A REGULATORY BOUNDARY

Cross-border operations and foreign-currency provisions must still be read with the limits on domestic market access, applicable controls and PFII regulations.

CLOSING PERSPECTIVE

Incentives attract capital. Governance earns trust.

A competitive financial centre depends on the interaction of tax design, investor safeguards, credible dispute resolution and consistent implementation.

FOUR QUESTIONS FOR BUSINESS LEADERS

01 **ELIGIBILITY**
Which activities and participants fall within the defined PFII perimeter?

02 **FISCAL CERTAINTY**
How do special tax provisions interact with implementing rules and international commitments?

03 **LEGAL ENFORCEMENT**
What do court jurisdiction and arbitration arrangements mean for commercial certainty?

04 **OPERATIONAL READINESS**
Which approvals, boundaries and institutional rules remain to be established?

RDJ ADVISORY PERSPECTIVE

The statutory framework is in force; specific benefits and operational arrangements depend on applicable conditions and further regulations.

SOURCE: LAW NO. 6/2026, ARTS. 3-5, 8, 35-40, 47-60, 63-64, 66-73.

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