



Navigating Crypto Asset Taxation: An Analysis of Indonesia's Minister of Finance Regulation No. 50 of 2025

I. BACKGROUND

On 25 July 2025, the Minister of Finance ("**MoF**") has officially established and introduced the Minister of Finance Regulation No. 50 of 2025 on Value Added Tax and Income Tax on Crypto Asset Trading Transactions ("**MoF Reg 50/2025**"). This regulation aims to provide legal certainty, simplicity, and administrative convenience in the collection, payment, and reporting of taxes on crypto assets trading transactions. This regulation repeals the previous MoF No. 68/PMK.03/2022. This regulation has come into force on 1 August 2025.

In general, the provisions in MoF Reg 50/2025 regulates value added tax (*Pajak Pertambahan Nilai* – "**PPN**") and income tax (*Pajak Penghasilan* – "**PPh**") for the following parties: Crypto Asset Buyers, Crypto Asset Sellers, Crypto Asset Miners, and Electronic Trading System Operators (*Penyelenggara Perdagangan Melalui Sistem Elektronik* - "**PPMSE**").

Through the consideration part, MoF Reg 50/2025 emphasises that income derived from crypto asset transactions constitutes additional economic benefit received or obtained by taxpayers, whether originating from Indonesia or abroad, which are subject to PPN and PPh.

II. KEY PROVISIONS OF MoF REGULATION 50/2025

A. KEY PROVISIONS ON PPN

MoF Reg 50/2025 explains that the crypto assets themselves, which are treated as securities, are not subject to PPN.¹ Instead, PPN is imposed on the services that facilitate its trade and creation.

1. PPN Provisions for PPMSE

PPN is imposed on services provided by a PPMSE, including the purchase and sale of crypto assets using fiat currency, crypto asset exchange (swaps), and electronic wallet (e-wallet) services.² PPMSE is required to collect, deposit, and report VAT on these services. Further, PPMSE is required to collect, deposit, and report PPN on these services. PPN is calculated by multiplying the 12% rate by a specific value, namely 11/12 of the commission or remuneration

¹ Article 2 (1) of MoF Reg 50/2025.

² Article 2 (2) letter a jo. Article 3 of MoF Reg 50/2025.

earned by PPMSE.³ This results in an effective PPN rate of 11% of the gross commission.

2. PPN Provisions for Miners

Miners who perform transaction verification services are required to pay PPN through a self-assessment mechanism. Based on this regulation, miners are categorised as retailers for PPN purposes.⁴ PPN is levied at a specific rate. The effective PPN payable is 2.2% of the gross income received (including block rewards and transaction fees), which must be calculated and reported by the Miners themselves.⁵

How PPN is imposed for crypto asset?

Taxpayer: PPMSE

Tax Object: Service fees/commissions received for facilitating crypto transactions.

Formula: $PPN = 12\% \times \left(\frac{11}{12} \times \text{Commission Value}\right)$

Notes: Effectively an 11% PPN on the gross commission. The PPMSE must collect, pay, and report this PPN.

Taxpayer: Miner

Tax Object: Income/reward from transaction verification services (including block rewards).

Formula: $PPN = 2.2\% \times \text{Gross Income}$

Notes: This figure of 2.2% comes from a combination of 11% PPN and 20% (specific value for retailers) rates. Miners are categorized as retail traders for PPN purposes and must self-assess.

B. KEY PROVISIONS ON PPH

MoF Regulation 50/2025 stipulates that income related to crypto assets is subject to PPh for Crypto Asset Sellers, PPMSE, and Miners.

1. Crypto Assets Sellers

³ Article 5 (1), (2) and (3) of MoF Reg 50/2025.

⁴ Article 9 (2) of MoF Reg 50/2025.

⁵ Article 8 (2) and (3) of MoF Reg 50/2025.

Income received by Crypto Asset Sellers from trading transactions is subject to Final Income Tax Article 22.⁶ For transactions facilitated by designated foreign PPMSEs, a different final income tax rate of 1% applies.⁷ However, if the foreign PPMSE is not designated by the tax authorities, the obligation to pay and report this 1% final income tax shifts to the crypto asset seller themselves.⁸ This is a key example of the self-assessment mechanism, whereby taxpayers are fully responsible for calculating, paying and reporting their taxes.

2. PPMSE (Exchange)

PPMSE has a dual role in relation to PPh. As a tax withholder, PPMSE is required to withhold 0.21% of the gross transaction value from each crypto asset sale transaction as final income tax under Article 22.⁹ As a taxpayer, the income earned by PPMSE from its business operations, including service fees, commissions, and other fees, is subject to the general Corporate Income Tax rate, not final tax.¹⁰ PPMSE must calculate and report this income in their Annual Tax Return (*SPT Tahunan Badan*).

3. Miners

Income received by miners, including block rewards and transaction fees, is now considered taxable income. A significant change is that this income is no longer subject to final tax. Instead, it will be taxed at the general rate under the Income Tax Law and reported in the miner's Annual Tax Return.¹¹ However, this requires adequate bookkeeping. This provision will take effect starting in the 2026 tax year.¹² The practical implication is that miners can now deduct operating costs (such as electricity, internet, and equipment depreciation) from their gross income to determine their taxable income.

⁶ Article 11 (1) jo. Article 12 (1) and (2) of MoF Reg 50/2025.

⁷ Article 20 (1) of MoF Reg 50/2025.

⁸ Article 21 letter b and Article 22 (1) of MoF Reg 50/2025.

⁹ Article 12 (1) and (3) of MoF Reg 50/2025.

¹⁰ Article 23 (1) and (4) of MoF Reg 50/2025.

¹¹ Article 25 (1) of MoF Reg 50/2025.

¹² Article 27 of MoF Reg 50/2025.

4. PPh according to MoF Regulation 50/2025

Taxpayer	Tax Object	Rate & Nature	Collection Method
Crypto Seller (via Domestic PPMSE)	Gross transaction value from selling crypto assets.	0.21%, Final PPh Article 22.	Withheld by the PPMSE (exchange).
Crypto Seller (via Foreign PPMSE)	Gross transaction value from selling crypto assets.	1%, Final PPh Article 22.	Withheld by the appointed foreign PPMSE or self-paid if the PPMSE is not appointed.
Crypto Miner	All income received from mining activities	General Tariff (Article 17 UU PPh), Non-Final.	Self-assessed and paid, reported in Annual Tax Return (SPT Tahunan).
PPMSE (Exchange)	All income from providing electronic platform services.	General Corporate Tariff, Non-Final.	Self-assessed and paid, reported in Annual Tax Return (SPT Tahunan).

III. Conclusion

The issuance of MoF Reg 50/2025 marks a fundamental shift in Indonesia's approach to crypto asset taxation. The focus has shifted from taxing digital assets themselves to the economic services that facilitate their trading. This regulation provides greater legal certainty but also introduces significant compliance responsibilities for key players in the ecosystem.

The regulation explicitly designates PPMSEs as central figures in the tax collection process, requiring them to withhold final income tax from sellers while also managing VAT on their services and corporate income tax on their own earnings. For miners, the shift from a simple final tax to non-final income tax based on general rates requires a more sophisticated approach to accounting and annual tax reporting. All affected parties must now proactively adjust their financial and operational systems to align with these new rules. This regulation is a step towards a more mature and regulated crypto ecosystem, and tax compliance will be a key factor for all parties involved.

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