



Indonesian BOND

Yacht Import Duty Information

Date Updated: 9 October 2011

Current Import Duty Regulations and their Application:

The relevant Indonesian Ministry of Finance Regulation **PERATURAN MENTERI KEUANGAN NOMOR 140/PMK.04/2007** states that items detailed in that regulation which enter Indonesia including cars, motorcycles and yachts are subject to an import duty when they arrive in Indonesia which is refundable when these items leave the country.

In accordance with these regulations, on arrival in Indonesia, foreign flagged yachts must pay an import duty (bond) to the Bank of Indonesia based on a percentage of the value of the yacht which is refundable when the yacht leaves Indonesia. The method of determining this value is not clear and can rely on your declared value.

However this system in Indonesia is not working efficiently as these regulations and their interpretation are not uniform across the country. Some Customs offices are enforcing these regulations while others are not. To make matters more difficult, the process for paying this duty and obtaining a refund when the yacht leaves the country is not clear. There is no centralized reporting system for yachts, some banks are not able to accept the money that this system demands, and officials in some ports sometimes misuse this difficult situation.

NO Import Duty for Darwin to Ambon Yacht Race & Rally Participants:

The Committee has organised, with our Indonesian Agent, for a Guarantor so that NO money changes hands. Previous years the Mayor of Ambon has provided this Guarantee and responsibility for participating yachts while in Indonesia.

All participating yachts in the Race do NOT have to pay this duty provided that the skipper agrees to sign a Letter of Declaration provided by the Committee that they will:

1. Obey the declared rules and behaviour of the Clearance Approval for Indonesia Territory.
2. Not carry out business activities of buying or selling the vessel and / or equipment from Australia, or from the country of origin, without reporting to Customs in Indonesia.
3. Not conduct business activities of renting or hiring the vessel while traveling from one place to another in the regions of the Republic of Indonesia.
4. Not carry drugs or narcotics.
5. Not carry illegal weapons.

Since the DBCYA has been the organiser of this event, there has been NO incident or difficulties concerning the Import Duty Regulations for Indonesian Territory.

All care has been taken in the preparation of this document; it contains the best information available to the Committee at the time, however the situation and regulations can change without notice. We do our best to keep informed of the latest information updating all documents on a regular basis, although it is up to the individual skippers to ensure they meet government requirements.