



# GMS Flash Alert

## Immigration Edition

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# Indonesia - Enhancing Appeal of Golden Visa to Attract Expat Investors

Indonesia is now offering residency to foreign investors, high net-worth individuals (HNWIs), and entrepreneurs through a Golden Visa initiative. It is expected that holders of the Golden Visa can contribute to the local economy by creating jobs, investing capital, and driving technological advancement.

The Golden Visa was introduced through the issuance of “Ministry of Law and Human Rights Regulation No. 22 Year 2023” and “Ministry of Finance Regulation Number 82 of 2023.” This program is aimed at qualified foreign nationals — including those who for work on a corporate executive board and/or individual investors who are expected to contribute to Indonesia’s economic development.

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## WHY THIS MATTERS

One of the primary advantages of the Golden Visa offered by the Indonesian government is its ‘extended stay’ duration. Through the Golden Visa program, a foreign national may choose to have a **five- or 10-year residence permit**. This immigration program offers them the opportunity to:

- better understand Indonesia’s business environment, and
- become more immersed in Indonesian culture and society, and
- expand their investments/interests in Indonesia.

Moreover, along with the Golden Visa, the visa holder is also entitled to certain privileges such as service priority in line at the immigration office.

## More Details

The Golden Visa has been integrated and implemented into the application of the limited stay visa (VITAS), limited stay permit (ITAS), permanent stay permit (ITAP), and the re-entry permit. There are four categories that are available under the Golden Visa, which are as follows:

### Category I – Capital Investment

Under the “Capital investment” category, a Golden Visa can be granted to the following three types of individuals with no sponsor required:

Sub-categories	Type of committed investments	Value of investment	Granted stay period	Additional requirements
1 Foreign individual investors who intend to establish a company in Indonesia.	Share capital or investment	Minimum of USD 2.5 million	5 years	<p>Audited financial statements from headquarters issued by the international accounting firm as proof of:</p> <ol style="list-style-type: none"> <li>share ownership in an overseas company, and</li> <li>the overseas company in which the individuals have share ownership generates a certain revenue/turnover.</li> </ol> <p>The minimum threshold for share ownership, revenue/ turnover and the list of international accounting firms will be stipulated by the Director General of Immigration.</p>
		Minimum of USD 5 million	10 years	
2 Foreign individuals with no intention to establish a company in Indonesia.	Indonesian Government bonds, share and/or mutual funds of Indonesian publicly listed companies.	Minimum of USD 350,000	5 years	
		<ul style="list-style-type: none"> <li>Minimum of USD 700,000 investments in Indonesian Government bonds, shares or mutual funds, or</li> <li>Buy an apartment with a minimum price of USD 1 million.</li> </ul>	10 years	
3 Foreign corporations (applied to a maximum of ten board members per subsidiary/ branch) that intend to establish a new company in Indonesia i.e., a subsidiary or branch.	Establishment of a new company in Indonesia (a subsidiary or branch).	Minimum of USD 25 million capital investment in a new company.	5 years	An overseas company's audited financial statements issued by an international accounting firm as proof that the overseas company generates a certain amount of revenue/turnover.
		Minimum of USD 50 million capital investment in a new company.	10 years	The amount of revenue/ turnover and the list of the international accounting firms will be stipulated by the Director General of Immigration.

Source: KPMG in Indonesia

## Category II – Family Reunion

A five- or 10-year Golden Visa can be granted to family members of a Golden Visa holder under the “Family reunion” category if they fulfill the following requirements:

1. They will join their spouse (husband/wife), who is the holder of an ITAS/ITAP; or
2. They will join their children; or
3. Any unmarried children under 18 years old who will join their parent(s).

## Category III – Repatriation

Under the “Repatriation” category, a Golden Visa can be granted to the following individuals with no sponsor required:

Sub-categories	Type of committed investments	Value of investment	Granted stay period
Former Indonesian citizens who intend to reside in Indonesia without a sponsor.	Indonesian government bonds, share and/or mutual funds of Indonesian publicly listed companies.	Minimum of USD 35,000	5 years
A descendant of a former Indonesian citizen (max. to the second degree) who intends to reside in Indonesia without a sponsor.	Indonesian government bonds, share and/or mutual funds of Indonesian publicly listed companies.	Minimum of USD 50,000	5 years
		Minimum of USD 100,000	10 years

Source: KPMG in Indonesia

## Category IV – Second Home

Under the “Second home” category, a Golden Visa can be granted for five- or 10- years to the following sub-categories:

Sub-categories	Specific requirements	Granted stay period
Second home	<ol style="list-style-type: none"> <li>1. Commit to depositing a minimum of USD 130,000 (or the equivalent) into their account in a state-owned Indonesian bank, or</li> <li>2. Buy an apartment in Indonesia, the price of which is at least USD 1 million (or the equivalent).</li> </ol>	5 years
Special skills	Applicants with a sponsor: <ol style="list-style-type: none"> <li>1. The Indonesian government must sponsor them.</li> <li>2. An invitation or reference letter from the Indonesian government.</li> </ol>	5 or 10 years
	Applicants without a sponsor: <ol style="list-style-type: none"> <li>1. Provide a statement of commitment to work with the Indonesian government or any government entities;</li> <li>2. Hold certification in the specific skills needed by the government, or</li> <li>3. Have graduated from a ‘top 100’ global university with a GPA of at least 3.5.</li> </ol>	

International public figures	Applicants with a sponsor: 1. Proof of sponsorship from the Indonesian central government 2. An invitation or reference letter from the Indonesian central government.	5 or 10 years
	Applicants without a sponsor must provide a commitment statement to establish a new company in Indonesia which has the investment value of at least: - USD 25 million for a five-year permit - USD 50 million for a 10-year permit.	5 or 10 years
Elderly foreign individuals with a minimum age of 60 years	1. Commit to depositing at least USD 50,000 (or the equivalent) into their account in a state-owned Indonesian bank, and 2. Evidence of earned income or allowance of, at minimum, USD 3,000 per month.	5 years

Source: KPMG in Indonesia

## KPMG INSIGHTS

In today's ever-changing global landscape, multinational corporations, entrepreneurs and high-net-worth individuals (HNWI) are exploring relocating abroad and more international investment opportunities.

In line with other government programs to attract investment inflow, Indonesia has recently started to adopt what many countries have already done to attract foreign investment and stimulate economic growth.

Many of its neighbors in Southeast Asia have already implemented similar programs (e.g., Singapore, Malaysia, the Philippines, and Thailand) to attract foreign corporations, HNWIs, and talented individuals.

Besides the longer stay duration, Golden Visa holders are also entitled to some privileges such as service priority in line at the immigration office, service priority from other related government bodies, simpler procedures when leaving or entering Indonesia, and other similar privileges. However, please be aware that the immigration officer will conduct an Immigration Guarantee Evaluation on a yearly basis for all Golden Visa holders to make sure that they still meet the criteria above.

It is unclear at this moment the extent to which the Ministry of Finance will support this program. It's possible they could offer tax benefits by providing exemptions to a Golden Visa holder's foreign income over a certain amount of years or even lower personal income tax rates. This remains to be seen.

KPMG in Indonesia will endeavor to keep readers of *GMS Flash Alert* apprised of related developments when they occur.

## REFERENCES:

- (i) Ministry of Law and Human Rights Regulation No. 22 Year 2023 regarding Visas and Stay Permits.
- (ii) Ministry of Finance Regulation Number 82 of 2023 regarding Types and Rates of the Types of Non-Tax State Revenues for Urgent Need for Golden Visa Applicable at the Ministry of Law and Human Rights.
- (iii) Directorate General of Immigration - Ministry of Law and Human Right website, <https://www.imigrasi.go.id/en/>.

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## Contact us

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