**Indonesia Inheritance Tax**

Indonesia first introduced estate, inheritance, and gift taxes in **1985**, with the enactment of **Law No. 7/1983** on **Income Tax** which included provisions for these taxes. This law was amended several times, with a notable update in **1994**.

However, the specific taxation of **estate, inheritance, and gifts** was governed by **Law No. 20/1997** on **Estate Duty and Gift Tax**. This law laid the foundation for the taxation of assets passed through inheritance or as gifts. It was further reformed in **2000** with the implementation of a **new tax regulation** under **Law No. 36/2008** concerning Income Tax and the introduction of **Law No. 28/2009** which adjusted various tax matters, including inheritance and gifts.

Key points:

* **1985**: Introduction of taxes on inheritance and gifts.
* **1994**: Updates to the tax law.
* **1997**: Formal establishment of estate and gift taxes.
* **2008-2009**: Reform and adjustments to inheritance and gift taxation.

Yes, the concept of estate, inheritance, and gift taxes existed in Indonesia even before the 1980s, but the legal framework was more complex and scattered under Dutch colonial rule.

**Dutch Colonial Era:**

* **Inheritance Tax**: During the Dutch colonial period, **inheritance tax (erfbelasting)** existed in the Dutch East Indies (Indonesia). This was introduced as early as the **19th century**. However, it was a system mostly tied to Dutch laws and regulations that applied to the colony.
* **Gift Tax**: Gift taxation also existed during this time, though it was more closely tied to **inheritance law** rather than being a distinct tax category.

**Post-Independence:**

* **Early Republic Period (1945–1950s)**: After independence, Indonesia initially kept many Dutch-era regulations, including those on inheritance, in place. However, the specific tax laws for estate and gift taxes were not clearly codified under Indonesian law immediately after independence.
* **1950s to 1980s**: While inheritance and gift taxes existed in various forms, they were not fully integrated or unified into a clear, specific legal framework until **1985** with the introduction of **Law No. 7/1983** (income tax law) and later the **Estate Duty and Gift Tax Law** in 1997.

Indonesia first introduced estate, inheritance, and gift taxation during the Dutch colonial period. Here's an overview of the evolution of these taxes:

**Pre-Colonial (Before 1600s)**

* **No formal taxation**: Traditional societies in Indonesia did not have a formal estate, inheritance, or gift tax system. Wealth was typically passed through familial ties or local customs.

**Colonial Period (1600s - 1945)**

* **Early Dutch Influence (1800s)**: The Dutch introduced a more formal taxation system, but it was primarily aimed at controlling wealth among the colonial elite and ensuring state revenue.
* **Estate and Inheritance Taxes (1892)**: The Dutch East Indies established estate and inheritance tax laws with the introduction of the "Successiewet" (Inheritance Tax Act), which taxed the transfer of wealth upon death. This was aimed at the local elite and wealthy Dutch settlers.
* **Gift Taxes**: Gift taxes were also introduced during the colonial period, though they were often applied unevenly and were more focused on the estates of the colonizers.

**Post-Independence (1945 - Present)**

* **Post-Independence Taxation (1945-1960s)**: After Indonesia gained independence, the government retained and revised the estate and inheritance tax system. In 1957, Indonesia passed laws to regulate inheritance and estate taxes more systematically.
* **1994 Reforms**: The tax system evolved further with the introduction of a new set of regulations under Law No. 6/1994. This reformed inheritance and estate taxation, modernizing rates and thresholds.
* **Recent Developments (2000s - Present)**: The estate and inheritance taxes have undergone further refinement, though they remain relatively low compared to Western standards. Inheritance taxes are now governed by the **Taxation Law No. 36/2008** and other regulations.

**Key Milestones**

* **1892**: Introduction of inheritance tax during colonial rule.
* **1957**: Post-independence regulations on inheritance and estate taxes.
* **1994**: Major reforms to estate and inheritance tax laws.
* **2008**: Finalization of inheritance and estate taxation under the national tax law.