

REGULATION OF THE MAYOR OF PADANG PANJANG  
NUMBER 1 OF 2025  
ON  
PROCEDURES FOR ADVERTISING IMPLEMENTATION

BY THE BLESSINGS OF ALMIGHTY GOD

MAYOR OF PADANG PANJANG,

Considering : that in order to implement the provisions of Article 32 of Regional Regulation Number 1 of 2024 on Local Taxes and Levies, it is necessary to issue a Mayor Regulation on Procedures for Advertising Implementation;

Observing : 1. Law Number 23 of 2014 on Local Governments (State Gazette of the Republic of Indonesia of 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587), as amended several times, last by Law Number 6 of 2023 on Enactment of Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation into Law (State Gazette of the Republic of Indonesia of 2023 Number 41, Supplement to the State Gazette of the Republic of Indonesia Number 6856);

2. Law Number 1 of 2022 on Financial Relations between the Central Government and Local Governments (State Gazette of the Republic of Indonesia of 2022 Number 4, Supplement to the State Gazette of the Republic of Indonesia Number 6757);

3. Law Number 54 of 2024 on Padang Panjang City in West Sumatra Province (State Gazette of the Republic of Indonesia of 2024 Number 160, Supplement to the State Gazette of the Republic of Indonesia Number 6975);

4. Government Regulation Number 35 of 2023 on General Provisions for Local Taxes and Levies (State Gazette of the Republic of Indonesia of 2023 Number 85, Supplement to the State Gazette of the Republic of Indonesia Number 6881);

5. Regulation of the Municipality of Padang Panjang Number 1 of 2024 on Local Taxes and Levies of Padang Panjang (Regional Gazette of the Municipality of Padang Panjang of 2024 Number 1, Supplement to the Regional Gazette of the Municipality of Padang Panjang Number 1);

HAS DECIDED:

To issue : MAYOR REGULATION ON PROCEDURES FOR ADVERTISING IMPLEMENTATION.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Mayor Regulation:

1. Region means the Padang Panjang City.
2. Local Government means the Government of the Municipality of Padang Panjang.
3. Mayor means the Mayor of Padang Panjang.
4. Local Tax, hereinafter abbreviated to Tax, means a mandatory contribution to the Region owed by individuals or Entities which is mandatory based on the Law, without receiving direct compensation and is used for regional needs for the greatest prosperity of the people.
5. Entities mean a group of people and/or capital that constitutes a unit, whether it carries out business or not, including limited liability companies, limited partnerships, other companies, state-owned or local-owned enterprises in any name and form, firms, partnerships, cooperatives, pension funds, fellowship, associations, foundations, socio-political organizations or other organizations, institutions and other forms of bodies, including collective investment contracts and permanent business forms.
6. Advertising Tax means a tax on the advertising implementation.
7. Advertisements mean objects, tools, actions or media which, according to their form and variety, are used for commercial purposes to introduce, recommend, promote or attract public attention to goods, services, people or Entities, which can be seen, read, heard, felt and/or enjoyed by the public.
8. Taxpayers mean individuals or Entities, including taxpayers, tax withholders and tax collectors who have tax rights and obligations in accordance with the provisions of local taxation legislation.
9. Selling Value of Advertising Objects (*Nilai Jual Objek Reklame*), hereinafter referred to as NJOR, means sales value of objects used to calculate Advertising Tax.
10. Advertising Rental Value (*Nilai Sewa Reklame*), hereinafter abbreviated as NSR, means the result of adding NJOR to the strategic value of advertising installation.
11. Strategic Value of Advertising Installation (*Nilai Strategis Pemasangan Reklame*), hereinafter abbreviated as NSPR, means a measure of the value determined at the location point of advertising installation based on the criteria for the density of urban spatial use for various aspects of activity.
12. Advertising Implementation means an activity carried out by an individual or legal Entity that implements Advertisements either for and on behalf of themselves or

for and on behalf of other parties who are their dependents.

13. Mobile Advertising means advertising placed on vehicles or objects that can move, which is carried using vehicles or carried/pushed/pulled by people, including advertising on carts, vehicles, whether motorized or not.

#### Article 2

- (1) The procedures for Advertising Implementation cover the entire series of processes that must be carried out in administering, receiving and reporting Advertising Tax revenue.
- (2) The procedures as referred to in section (1) cover:
  - a. objects, subjects and taxpayers of Advertising Tax;
  - b. rates, tax bases and methods of calculating Taxes;
  - c. NSR calculation; and
  - d. calculation of the principal amount of Advertisements.

### CHAPTER II OBJECTS, SUBJECTS AND TAXPAYERS

#### Article 3

- (1) The Advertising Tax objects are all Advertising Implementation.
- (2) The Advertising Tax objects as referred to in section (2) cover:
  - a. Billboard/videotron/megatron advertising;
  - b. fabric banners;
  - c. Sticky/striker advertisement;
  - d. Flyers;
  - e. Mobile advertising, including on vehicles;
  - f. Aerial advertising;
  - g. Floating billboard;
  - h. Film/slide advertisements; and
  - i. Display advertising.
- (3) Excluding Advertising Tax Objects as referred to in section (2) are:
  - a. Advertising Implementation via the internet, television, radio, daily newspapers, weekly newspapers, monthly newspapers, and the other similar devices;
  - b. product label/brand attached to traded goods, which serves to differentiate them from other similar products;
  - c. the name of a business or profession that is attached to a building and/or within the area where the business or profession is located, the type, size, shape and advertising material of which is regulated by a length or width that does not exceed or is equal to 70 cm (seventy centimeters);
  - d. Advertisements implemented by the government or Local Government;

- e. Advertisements implemented within the framework of political, social and religious activities which are not accompanied by commercial advertising; and
  - f. Advertisements implemented for educational purposes that are not accompanied by commercial advertising.
- (4) Advertisement Tax subjects are individuals or Entities that use Advertisements.
  - (5) Advertisement Taxpayers are individuals or Entities that provide advertisements.

### CHAPTER III BASIS FOR IMPOSITION AND METHODS OF CALCULATION OF ADVERTISING TAX

#### Article 4

- (1) The basis for imposition of Advertisement Tax is NSR.
- (2) In the event of Advertisement being implemented by a third party, the NSR as referred to in section (1) is determined based on the value of the Advertising contract.
- (3) In the event of Advertisement being implemented independently, the NSR as referred to in section (1) is determined by adding the NJOR to the NSPR, taking into account factors such as type, materials used, placement location, broadcast time, duration of the organization, quantity and size of the advertising provided.
- (4) In the event that the NSR as referred to in section (1) is unknown and/or is considered unreasonable, the NSR is determined based on the addition of the NJOR with the NSPR.

#### Article 5

- (1) The NSR as referred to in Article 6 section (2) is determined respectively based on:
  - a. NJOR, constitute the total payment/expenses, costs incurred by the owner and/or implementer of the Advertisement, including in this case the cost/purchase price of the advertisement material, construction, electrical installation, payment/assembly costs, broadcasting, demonstration, display, painting, installation, transportation/conveyance and so on until the Advertisement building is finished being broadcast, demonstrated, displayed and/or installed in a permitted location;
  - b. component that determines the amount of the NJOR is the Advertising area;
  - c. the advertising area is the value obtained from multiplying the width by the length of the advertising area, divided into eight groups and the results are expressed in square meters; and
  - d. NSPR constitutes a measure of value determined based on location zone.

- (2) The NSR as referred to in section (1) is divided into incidental NSR groups, as listed in the Annex as an integral part of this Mayor Regulation.
- (3) Strategic value of the Advertising location as referred to in section (1) point d is stipulated with the following details:
  - a. special zone
    1. the road along Jalan Imam Bonjol;
    2. the road along Jalan Khatib Sulaiman;
    3. the road along Jalan M. Syafei; and
    4. the road along Jalan Abdul Muis.
  - b. public zone along the road outside the special zone.

The components that determine the strategic value of Advertising implementation consist of location elements, with the provision that location is the point or construction where Advertising is implemented.
- (4) The method for calculating the NSR as referred to in section (1) is listed in the Annex as an integral part of this Mayor Regulation.
- (5) If a permanent Advertising material is replaced/covered with other Advertising material, the Advertising in question will be subject to an incidental NSR tax base, and the fixed Advertising Tax that has been paid will not be taken into account.

#### Article 6

In order to calculate the Advertising area as basis for imposing tax, the following actions are taken:

- a. Advertisements that have a frame or border, calculated from the outermost frame or border where all the images, sentences or letters, including specific patterns and colors that are the identity of a product are contained within;
- b. Advertisements that are not square and not framed, are calculated from images, sentences or letters including specific patterns and colors which form a unified identity of a product, calculated from the outermost boundary by drawing straight vertical and horizontal lines, until they form a square;
- c. Advertisements in the form of patterns are calculated using a formula based on the shape of each object; and
- d. Advertisements made with a tool arranged in such a way that with the tool various images or writing can be displayed in succession, then the Tax is calculated based on the same time period and area of the Advertisement according to the number of Advertisements displayed.

### CHAPTER IV PRINCIPAL AMOUNT OF ADVERTISING PAID

#### Article 7

- (1) The principal amount of Advertising Tax owed is calculated by multiplying the Advertising Tax base by the Advertising Tax rate.
- (2) The time when Advertising Tax is owed is determined at the time of the Advertising Implementation.

- (3) Specifically for Mobile Advertising, the Tax owed is collected in the regional area where the Advertising Implementation business is registered.

## CHAPTER V CLOSING PROVISIONS

### Article 8

At the time this Mayor Regulation comes into force, Mayor Regulation Number 11 of 2019 on Technical Guidelines for the Implementation of Advertising Tax Collection (Regional Bulletin of the Municipality of Padang Panjang of 2019 Number 11), as amended by Mayor Regulation Number 19 of 2022 on Amendment to Mayor Regulation Number 11 of 2019 on Technical Guidelines for Implementation of Advertising Tax Collection (Regional Bulletin of the Municipality of Padang Panjang of 2022 Number 19), is repealed and declared ineffective.

### Article 9

This Mayor Regulation comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Mayor Regulation by its placement in the Regional Bulletin.

Issued in Padang Panjang  
on 3 January 2025

ACTING MAYOR OF PADANG PANJANG,

signed

SONNY BUDAYA PUTRA

Promulgated in Padang Panjang  
on 3 January 2025

ACTING REGIONAL SECRETARY  
OF THE MUNICIPALITY OF PADANG PANJANG,

signed

WINARNO

REGIONAL BULLETIN OF THE MUNICIPALITY OF PADANG PANJANG OF 2025  
NUMBER 1

Jakarta, 10 December 2025  
Has been translated as an Official Translation  
on behalf of the Minister of Law  
of the Republic of Indonesia  
DIRECTOR GENERAL OF LEGISLATION,



DIHATIANA PUTRA

ANNEX TO  
REGULATION OF THE MAYOR OF PADANG PANJANG  
NUMBER 1 OF 2025  
ON  
PROCEDURES FOR ADVERTISING IMPLEMENTATION

I. BASIS OF CALCULATION OF FIXED NSR

| No. | Types of Advertising   | Tax Period | NJOR Per meter | NSPR         |             |
|-----|------------------------|------------|----------------|--------------|-------------|
|     |                        |            |                | Special Zone | Public Zone |
| 1   | Megatron/Videotron/LED | 1 month    | 600,000        | 150,000      | 100,000     |
| 2   | Billboard/Banner       |            |                |              |             |
|     | Light pole             | 1 year     | 700,000        | 600,000      | 350,000     |
|     | Pole without light     | 1 year     | 550,000        | 400,000      | 250,000     |
| 3.  | Mural                  | 1 month    | 70,000         | 30,000       | 20,000      |
|     | Mobile/Vehicle         | 1 month    | 300,000        |              |             |

II. BASIS FOR INSIDENTAL CALCULATION

| No. | Types of Advertising  | Tax Period        | NJOR      | Strategic Rate of Advertising Tax |             | Details                            |
|-----|---|-------------------|-----------|-----------------------------------|-------------|------------------------------------|
|     |   |                   |           | Special Zone                      | Public Zone |                                    |
| 1   | Billboards  | 1 month           | 350,000   | 210,000                           | 120,000     |                                    |
| 2   | Fabric/<br>banner/<br>pennon/<br>banner/ tent/<br><i>flag</i> chain/<br>cover | 1 month           | 150,000   | 70,000                            | 40,000      |                                    |
| 3   | Flyers/<br>brochures/<br>leafleats  | Sheet/leaf        | 500       |                                   |             | At least 100 sheets                |
| 4   | Stickers/<br>adhesive label   | Sheet/leaf        | 300       |                                   |             | At least 100 sheets                |
| 5   | Film/slide  | Per play          | 1,500,000 |                                   |             | Round to 10 seconds                |
| 6   | aerial  | Per day           | 800,000   |                                   |             |                                    |
| 7   | Audio branding  | Per day           | 1,000,000 |                                   |             |                                    |
| 8   | Product demonstration   | Per demonstration | 2,500,000 |                                   |             | At least 100.000 per demonstration |



III. NSR METHOD CALCULATION

Rental value = 

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| NJOR |
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|---|
| Strategic Value of Advertising Implementation |
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| Tariff |
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|--------------------------|
| Advertising surface-area |
|--------------------------|

ACTING MAYOR OF PADANG PANJANG,

signed

SONNY BUDAYA PUTRA