

PRESS RELEASE
OJK SUMMONS SINGAPOREAN BANKS
REGARDING TAX AMNESTY

Jakarta, September 21, 2016: The Financial Services Authority (OJK) summoned Singapore-affiliated banks to seek clarification on information that banks in the city-state had reported to the local police about Indonesians who repatriated their funds in order to comply with the tax amnesty program.

The OJK met with the banks on Tuesday, September 20, 2016, at its office and the meeting was chaired by OJK deputy commissioner for banking supervision III, Irwan Lubis. The invited banks were Bank OCBC NISP, UOB, and DBS.

“The OJK invited Singapore-affiliated banks to seek clarification on whether their parent banks in Singapore had reported Indonesians who wished to repatriate their funds for the tax amnesty program to the local police,” Irwan said in Jakarta, on Wednesday, September 21, 2016.

Earlier, there was information that circulated about banks in Singapore that filed suspicious transaction reports to Singapore’s special police unit called the Commercial Affairs Department (CAD), which deals with financial crimes, about their Indonesian clients who repatriated their funds to participate in the tax amnesty program.

The three Singapore’s subsidiary banks explained that they do need to submit such reports in order to satisfy the standards set by the Financial Action Task Force (FATF), an agency established to prevent cross-border money laundering.

However, the Singapore’s CAD did not follow up those reports, so the banks’ Indonesian customers could continue their transactions.

Irwan explained that the Singapore-affiliated banks and their parent companies have maintained their support to the tax amnesty program and they even have provided assistance and held information dissemination for this program.

“I assert that the OJK pay considerable attention to the success of the tax amnesty program and ask the banks to give their full support and communicate the measure to their parent companies in Singapore,” Irwan said.

For more information:

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