Point of Presentation

1. Introduction
2. The rate of development of the text object Selling value (NJOP), land and building tax (PBB) in industrial estate in Pulogadung
3. Indonesian Assessment Standard (SPI) approach in assessing a plot of land & building.
5. Land value samples according to the Indonesian Assessment Standard (SPI) Versus the Tax Object Selling Value (NJOP).
6. Conclusions
Map of Indonesia

JAKARTA
INDONESIA

Pulogadung Industrial Area Today
Introduction

- The development of the sub-sectors of manufacturing industry in Indonesia, especially in Jakarta, followed by the growth of industrial zones sporadically.

- Manufacturing factories spread in various corners of the city region. This condition is contrary to the spatial planning of DKI Jakarta. The Development of industry factories that are not appropriate with spatial planning of city of Jakarta will affect the environment, sustainability, and when the unified use of the land in the region, will make the environment more comfortable.

- If land use by all industrial activities bring in one exclusive region, it will makes the convenient life.

Introduction (Cont’d)

- DKI Jakarta in order to comply with spatial planning, a comfortable living environment and there are economies of scale, so that the Jakarta government set a 500 hectares of land as the location of an industrial area through the Decree of the Governor of DKI Jakarta No. Ib.3/2/35/1969 since 1969. The area is named as Industrial Estate of Pulogadung. It is expected that all manufacturing companies in Jakarta can fused in that area.
### Rate Of Development of The Tax Object Selling Value (NJOP)

#### Land and Building Tax (PBB) | Industrial Estate Pulo Gadung - Year 2009 - 2015

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Source of data:
The tax office Cakung Satu and UPPD Cakung District
(1 J B 1 = Rp 7.477, 1 american dollar = Rp 13.098)
(Monday, May 11th, 2015)
Formulation of The problem

Issues that will be answered by this study is:

what is the real the fair market value of land in the Industrial Area Pulogadung by The Tax Office Cakung One and by Indonesian Assessment Standard (SPI)

Frame Work To Estimate The Market Value of Land and Building

Finding and collecting data of the land's parcel that being offered or has sold in Industrial Estate Pulogadung and then to be estimated its market price within 1 year.

- Classify the land's parcel which its market price will be verified based on the used of land.
- Verify the market price of land as state assets that can be used by private parties in Industrial Estate Pulogadung by the market data approach method for calculating the value of the land and the cost calculation method to calculate the building.
- The summary is range / interval of the land's market price in the Industrial Estate Pulogadung until the end of the financial year according to each land's zone value set by Tax Office Cakung One.

1. The land and building tax (PBB) rates should be appropriate with the economic value of the plots. The fairness should be reflected in a proportionate public services such as the quality of roads, parks and other utilities such as drainage and others;
2. By knowing the market value of the land in the Pulogadung Industrial Estate, Jakarta Provincial Government together with developers or companies in Industrial Estate Pulogadung (PT JEEP) can utilize vacant land to build general utility. Thence the value of land in the area will be increase along with the development of the region.
The Theory of Assessment of Land and Building by Indonesian Assessment Standard (SPI)

1. Market Comparison Approach
Market Data Comparison method is done by directly comparing the property with other similar properties.

**GENERAL FORMULA:**
PROPERTY MARKET DATA THAT similar / comparable \( \pm \) ADJUSTMENT = VALUE INDICATION THAT FOR PROPERTY ASSESSED

2. Replacement Cost Approach

**GENERAL FORMULA:**
VALUE OF PROPERTY (LAND AND BUILDING) = LAND VALUE + (NEW REPLACEMENT COST - DEPRECIATION)

3. Income Capitalization Approach
The Income Capitalization Approach is used to value of property that produces income (income producing property).

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Chart Of Estimate The Market Price Of Land and Building

Source of data: a broker / agent property / property sales on the internet advertising / direct sales board in the location / direct owner / authorized person or a moderator

The offer price of land and buildings

**Adjustment:**
To land and buildings, including: Characteristics of data sources, the right to property, land, land position, land area, location, width of the road ahead, the elevation of the surface of the road, the environment, and the condition of the property.

The price of land and buildings after adjustment

Estimated market price depreciate buildings

Land values obtained from the evaluation of the price of land and buildings after adjustment with an estimated market value of the building are depreciated

Price per m² = the value of the land / land area
Land Value Samples According To The Indonesian Assessment Standard (SPI) Versus The Tax Object Selling Value (NJOP)

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<td>(J. Pulogadung) 3 land of parcel</td>
<td>Rp 2,176,000,-</td>
<td>From Rp 1,850,000,- to Rp 2,194,100,-</td>
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<td>AN</td>
<td>(J. Rawa Kejajar) 2 land of parcel</td>
<td>Rp 2,176,000,-</td>
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<td>Rawa Sempur (5 land of parcel)</td>
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<td>AI</td>
<td>J. Pulogadung</td>
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<td>(J. Rawa Gede, Pulogadung 2 land of parcel)</td>
<td>Rp 2,176,000,-</td>
<td>From Rp 2,222,506,- to Rp 2,445,116,-</td>
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<td>CA</td>
<td>J. Pulogadung (3 land of parcel)</td>
<td>Rp 2,176,000,-</td>
<td>From Rp 1,454,503,- to Rp 1,864,115,-</td>
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Conclusions

1. Research result of The market price of the Pulogadung Industry Area are not the same as proposed by the Tax Office Cakung One where the value can be higher or lower than the Tax Object Selling Value (NJOP).

Of the 27 parcels of land were assessed by SPI: 15 parcels of land (55.56 %) who entered the land value in accordance the Tax Object Selling Value (NJOP), and 12 parcels of land (44.44 %) is the value of the land is not in accordance with the Tax Object Selling Value (NJOP).
Conclusions (Cont’d)

2. Tax office treats the value of the same land in Pulogadung Industrial Area and it is not fair to the owners of the plots. The land and building tax (PBB) rates should be appropriate with the economic value of the plots. The fair should be reflected in a proportionate public services such as the quality of roads, parks and other utilities such as drainage, and others, and distance to market.

Thank you
ESTIMATED THE REASONABLE LAND PRICE IN INDUSTRIAL ESTATE
CASE STUDY OF AN INDUSTRIAL ESTATE IN JAKARTA INDONESIA

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YANTI CAHYATI SP

Government Employee
Ministry of Agraria – Spasial planning
National land Agency of Indonesia

FIG WORKING WEEK 2015
“FROM THE WISDOM OF THE AGES TO THE CHALLENGESOF THE MODERN WORLD”

SOFIA – BULGARIA | 17 – 21 May 2015