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Sinergi dan Kolaborasi untuk Akselerasi Layanan Dasar
Kemitraan Australia - Indonesia



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Australian Government



A Fairer Road Ahead:

How Indonesian Provinces Are
Driving Inclusive Mobility for
People with Disabilities

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“The government hopes the vehicle tax relief will make it easier for [people with disabilities] to carry out social and economic activities.”

— Tomy, Head of the North Kalimantan Regional Revenue Agency (Bapenda)

Photo: An officer at the Tanjung Selor Samsat office in North Kalimantan receives a vehicle tax relief application for a person with a disability.

Dignity in Motion: Why Inclusive Local Tax Reform Matters

For many Indonesians with disabilities, access to a modified vehicle is the difference between isolation and independence. Yet until recently, motor vehicle taxes were applied uniformly —regardless of a person's ability, income, or mobility needs. This placed a burden on individuals who rely on personal transport just to live and work with dignity.

The Ministry of Finance, through the Directorate General of Fiscal Balance (DJPB), continues to encourage stronger local revenue collection by implementing the Regional Taxes and Levies (PDRD) policy in line with the Law on Fiscal Relations between Central and Regional Governments (UU HKPD). In many of SKALA's partner provinces, this policy has become a strategic entry point for promoting more inclusive fiscal reforms. One example is the push for tax relief for persons with disabilities, which is now starting to appear in local regulations in provinces such as Aceh, West Nusa Tenggara (NTB), and North Kalimantan (Kaltara).

These local policies are built on data, shaped through inclusive dialogue, and implemented by provincial governments in collaboration with civil society and the Australia-Indonesia Partnership Program SKALA.

Local Action, Real Relief: Provincial Reforms in Motion

In Aceh, the government is advancing its commitment to inclusion by offering significant tax reductions for people with disabilities. A 50% discount is applied to the principal motor vehicle tax (PKB), with up to a 50% reduction in penalties for both PKB and the Motor Vehicle Title Transfer Fee for modified vehicles. Additionally, Aceh provides a 15% service levy reduction for the poor and a 10% reduction for persons with disabilities. These reforms were formalized through Aceh Governor Regulation No. 34 of 2024, which implements Qanun No. 4 of 2023 on Taxes and Levies.

In West Nusa Tenggara (NTB), the government has made it easier for people with disabilities to own and use vehicles. Governor Regulation No. 24 of 2023 gives a 100% discount on motor vehicle tax for people with disabilities who own and use modified vehicles. This is part of NTB's efforts to become a more inclusive province. The goal is to help people with disabilities live more independently, reduce financial burdens, and support their full participation as productive member of society.

- Direktorat Jenderal Perimbangan Keuangan Kementerian Keuangan (DJPB)
- Pajak Daerah dan Retribusi Daerah (PDRD)
- Pajak Kendaraan Bermotor (PKB)
- Hubungan Keuangan antara Pemerintah Pusat dan Pemerintahan Daerah (HKPD)

From Data to Policy: Designing Reforms That Reflect Reality

In North Kalimantan, the 2024 launch of the Sadar Benuanta initiative was grounded in regional tax regulations and supported by Regsosek data, which identified 85,359 people with disabilities in the province—40% of them of working age.

This data reframed vehicle tax relief as a matter of economic justice. The resulting policy grants tax exemptions or deductions for vehicles that are both personally owned by a person with a disability and modified for their mobility needs.

“We struggle to afford our daily meals, so how can we pay taxes? Yet we rely on motorbikes to get around.”

— Slamet Yahya, *Sadar Benuanta* beneficiary and Chair of the North Kalimantan National Paralympic Committee Indonesia

In Aceh, the population registry shows 19,220 people with disabilities, including 3,369 children. With over 15,000 adults potentially operating modified vehicles or running small businesses, the government is collecting targeted data to determine eligibility for tax relief. However, complications, like vehicles being registered under someone else's name or lacking formal modification permits, require flexible implementation.

To overcome this, Aceh defines eligible recipients as “taxpayers” instead of focusing solely on “tax objects.” This temporary measure allows people time to meet legal modification and registration requirements, while still receiving relief.

In NTB, data gathered by regional apparatus organisations (OPD) revealed that many people with disabilities rely on informal incomes and have limited access to credit. Community consultations highlighted that for these individuals, personal transportation is not a luxury—it is a necessity. Removing tax burdens directly supports their inclusion and quality of life.

Making Reform Work: Local Leadership and Strategic Collaboration



Photo: The province of West Nusa Tenggara (NTB) has implemented a modified motor vehicle tax relief policy for persons with disabilities to support accessible transportation.

Turning good intentions into real impact demands strong leadership and effective coordination. In each province, vehicle tax reform has been propelled by collaboration among regional revenue offices (Bapenda), traffic police, insurers like Jasa Raharja, and civil society organisations.

In North Kalimantan, these groups streamlined the tax relief process. Tasks like physical verification of vehicles, approval of discounts, and updates at SAMSAT offices are now integrated. When data gaps arose, Bapenda improved its system and engaged directly with disability groups.

“The government provides space for people with disabilities to take part in policy development. We hold discussion forums and regular meetings to ensure the policies truly reflect their needs.”

— Tomy, Head of Bapenda, North Kalimantan

SKALA helped enable these partnerships. Civil society groups received training to gather data, shape policy design, and inform communities. Outreach efforts prioritized the most vulnerable populations to ensure no one was left behind.

In Aceh, regulation drafts were developed with input from diverse stakeholders, including representatives of people with disabilities. This process also involved the creation of standard operating procedures, strengthening institutional capacity, and encouraging cross-sector collaboration.

In NTB, coordination took place among Bapenda, SAMSAT, and the Department of Transportation to support the implementation of inclusive policies. Efforts included technical guidance, community mapping, and outreach through local disability organisations. The NTB Governor played an active role in championing the reform, highlighting the province's leadership in inclusive governance.

Lives Transformed: What Inclusion Looks Like in Practice



Photo: As a person with a mobility disability, Slamet Yahya relies on a modified motorcycle to support his work and daily activities as an electronics repairman in Tanjung Selor, North Kalimantan.

Ultimately, the success of these reforms is best measured in human stories.

Slamet Yahya, an electronics technician with a physical disability, was the first to benefit from *Sadar Benuanta*. He had converted his motorbike into a three-wheeler but hadn't been able to afford registration. With the program's help, he received a 75% tax discount and transferred the vehicle under his name.

“Before accessing *Sadar Benuanta*, my vehicle tax had been overdue for a long time. Thankfully, the program gave me a 75% discount and let me update the registration under my name.”

Slamet used a disability-access lane at SAMSAT, avoided long queues, and now advocates for others through the Indonesian Association of Persons with Disabilities (PPDI).

Sarto, another beneficiary, uses a prosthetic leg and relies on his motorbike to get around.

“I need a motorbike. Transport here is difficult, especially for people with disabilities. You can use ride-hailing apps, but they're expensive, and getting on minibuses is tough. The tax discount helps people like me with limited income.”

Hanafi, a member of PPDI and a person with a physical disability residing in Tanjung Selor, North Kalimantan, works as a hairdresser and shoe repairer. He utilises tax exemptions to support his livelihood, including using the tax waiver to maintain his mobility and daily activities. Beneficiaries like him are also calling for broader support—such as job training, access to finance, and expanded social inclusion programs.

Meanwhile, although Aceh's tax reforms take effect in June 2025, the announcement has already galvanized support. Disability advocates and civil society have pledged to help raise awareness and ensure that the intended beneficiaries are reached.

In NTB, early recipients expressed relief and optimism. One woman in Mataram shared that the exemption lifted a major financial burden. A young tailor used the savings to grow his business. Many echoed the same truth: access, not charity, is the foundation of equality.



Photo: Hanafi, who has a mobility disability and lives in Tanjung Selor, North Kalimantan, repairs shoe soles to earn a living for his family. He also offers barber and tire patching services.

Local Change, National Lessons

These provincial breakthroughs demonstrate what's possible when inclusive policymaking is grounded in data, driven by community insight, and strengthened by collaboration. They are more than success stories—they are proof of concept.

As Indonesia continues its journey toward more equitable public services and tax reforms, the lessons from North Kalimantan, Aceh, and NTB offer a compelling message: when local leadership listens, collaborates, and takes bold action, inclusive change isn't just an idea, it's a reality.



SKALA
Sinergi dan Kolaborasi untuk Akselerasi Layanan Dasar
Kemitraan Australia - Indonesia

IFC Tower 2, Level 17

Jl. Jendral Sudirman Kav. 22-23 Jakarta 12920

 skala.or.id  communications@skala.or.id

 <https://s.id/Channel-SKALA>

Sinergi dan Kolaborasi untuk Akselerasi Layanan Dasar (SKALA) is an Australia-Indonesia Partnership Program aimed at supporting the Government of Indonesia's efforts to reduce poverty and inequality by improving basic-service provisions to poor and vulnerable communities in less-developed regions.

