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## ABSTRACT

**DHINI CITRANINGTYAS (0606057823), "Analysis Of Customs Exemption Facility Of Import Material used for Production Of Component for Vehicle", + 116 pages + 8 tables + 5 graphic + 4 figures + 12 attachment + 36 books + 3 laws and regulations + 4 articles + 3 other sources**

Economic globalization impacts to the increase of international transactions. Countries need each other to market their products and to supply their material resources for industries. Component automotive industry of Indonesia addicted to import their materials because they couldn't get those specific kind of materials from domestic market. This condition has been affecting the competitiveness of their products in both domestic and international market because they have to pay customs rate 5-15%. Otherwise component that imported from other countries such as ASEAN countries has no customs (zero rate) because of harmonized system that is free trade agreement among Indonesia and them.

Government took actions and used their function to protect components which is produced by domestic component automotive industry. They gave incentives for those industries by customs facilities to improve competitiveness of their products so can be compared with imported product. Custom exemption facility of import material used for production of component for vehicle gave by Regulation of Finance Minister Number 34/PMK.011/2007. Those facility wished to be longer, so it's so interesting to analyze the backgrounds, implementation, and evaluation. Rasearcher analyzed to gave description by qualitative methods.

Before those regulation published there are some background conditions which make government gave the facilities. Those condition was such as addiction of imported materials, policy package for domestic automotive industry to maintain economic growth, and high demand of component automotive. Comparing the situations of domestic component automotive industry, government gave customs exemption facility of the specific materials nedded by component automotive industry.

Then the implementation of that regulations mate some factors that could support or interrupt the goal. Evaluation of this facility can be analyzed by government's revenue impacted positively from sector of other kind of taxes. Besides improvement of domestic sales and export comodity from company in component automotive industry reflect the good impacts of the facility. After there was the facility, comparisson was proved that component for vehicle of domestic industry has good competitiveness and can be compared from imported product.