Analysis of the Government's Strategy for the Community as Obey as Taxpayers Case Study: South Jakarta Area

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**ABSTRACT**

**Purpose:** This paper is an analysis of the south Jakarta government's strategy for the community to obey as taxpayers. Focus on taxpayers of the South Jakarta region whose government for a long time has not completely resolved these problems.

**Design/Methodology/Approach:** This research which used by the author using descriptive qualitative methods. Descriptive research is a method that is carried out to find out the description, situation, a thing by describing it.

**Findings:** With this South Jakarta regional government strategy, South Jakarta regional tax revenues experienced rapid growth of 28.79%, per June 2022. The DGT Regional Office said that tax revenue as of June 2022 was Rp. 36.27 trillion or 63.08% of the tax revenue target of Rp. 57.51 trillion.

**Implications/Originality/Value:** The strategy of the South Jakarta government with the aim of enhancing the awareness of the people of South Jakarta in paying taxes is very appropriate. Other regions should also implement tax socialization to the local community every month, so that taxpayer awareness can be properly formed. This paper gives valuable reference to other regions to the existence of tax socialization or counseling becomes an education in itself for the community as well as increasing tax compliance through changes in the behavior of the taxpayer community so that they are more understanding, aware, and concerned about exercising their rights and fulfilling their tax obligations.

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Introduction
According to Regulation Number 16 of 2009, which is a modification to Law Number 6 of 1983 concerning general provisions and tax procedures, Article 1 Paragraph 1 states that tax is an obligatory contribution to the country. This contribution is owed by individuals or legal entities as mandated by the law, and it does not involve receiving direct compensation. The purpose of tax payment is satisfying the necessities of the state and promote the well-being of its people. Orderly and responsible tax management is a virtue demanded from the government. One of the strategic taxes for this is Land and building Tax (PBB). Land and constructing tax (PBB) objects have special characteristics, namely their physical form cannot be hidden, so they are easy to monitor (Karnanto, 2012). In addition to PBB, the taxpayer is also applied to taxpayer compliance which can be increased by the bleaching of motorized vehicle taxes (Widajantie & Anwar, 2020). Taxes have an important function in administering government, especially in achieving national development targets. Taxes are diverse and can be grouped according to class, nature, and tax collection agencies (Mardiasmo, 2011). Based on the class, taxes consist of direct taxes and indirect taxes. Taxes are directly borne by the taxpayer himself; the burden cannot be transferred to another party.

However, as per the argument presented by M. J. H. Smeets, “taxes are obligations to the government that arise from societal norms and are enforced, without any direct reciprocal achievement on an individual level. The main purpose of taxes is to provide financing for government expenditures”. On the other hand, Rochmat Soemitro defines “taxes as the transfer of wealth from the private sector to the public sector, based on enforceable laws, without any direct reciprocal rewards. These tax revenues are utilized for funding public expenses and are also employed as tools for incentivizing, restraining, or discouraging activities that fall outside the scope of state finances”.

Research from Rochmat Soemtro “Tax is the shifting of of economic resources from the private sector to the public sector based on laws that can be applied with no reward (tegenprestaie) which is directly demonstrable, which is used to finance public expenditures and which is used as a means of encouraging, inhibiting or preventing the achievement of objectives outside the state finance sector. The comprehension of tax regulations by taxpayers refers to their interpretation and grasp of the relevant regulations governing taxes. Compliance with paying taxes can be seen as one of the moral attitudes of citizens to contribute to supporting development. Tax compliance includes attitudes and behavior in complying with tax regulations. The fact shows that tax collection is not a simple and easy matter. This happens because taxes are actually an obligation imposed by the state and their fulfillment cannot involve enjoyment as shopping activities do. This phenomenon also occurs in the collection of Land and Building Tax, motor vehicle and car taxes in South Jakarta

Based on the aforementioned explanation, the author intends to analyze the strategy of the South Jakarta government to make its citizens taxpayers. This taxpayer has also been the focus of the South Jakarta regional government for a long time but has not been completely resolved. In this research, the writer writes several problem formulations as a reference in this study, where the problem formulation that is applied is regarding taxpayer awareness in the South Jakarta area.

Literature Review
Tax Element
 a) Tax Subject
   Individuals or entities that have the potential to be taxed in compliance with the legal provisions stipulated by law. Law Number 7 of 1983 concerning Income Tax, tax subjects can be classified into two namely Domestic Tax Subjects (SPDN) and Foreign Tax Subjects
(SPLN). Domestic tax subjects (SPDN) include individual SPDN, established Business Entity SPDN, and inherited SPDN that have not been divided. Meanwhile, SPLN is divided into two, namely SPLN Through Permanent Business Entities (BUT) and SPLN Not Through Permanent Business Entities (BUT).

b) Taxpayers
Consistent with the regulation of the Republic of Indonesia wide variety 28 of 2007 regarding the third modification to regulation [1] of regulation number 6 of 1983 regarding preferred Provisions and Tax strategies, states that the taxpayer is as follows. Taxpayers are individuals or companies, such as taxpayers, tax creditors, and tax creditors, who have tax obligations in accordance with the terms of the applicable tax laws and regulations. The two categories of taxpayers are as follows.

a) Individual taxpayers (WPOP) are individual taxpayers as domestic tax subjects and individual taxpayers as foreign tax subjects. Meanwhile, based on the type of relationship status as written in the Director General of Taxes Circular Letter Number SE-29/PJ/2010, individual taxpayers are grouped into three categories, namely separation status (HB), separate assets (PH), and choosing to separate. (MT).

b) Corporate Taxpayers (WPB), namely regarding General Provisions and Tax Procedures, corporate taxpayers consist owned by limited liability companies, regionally or state-owned limited liability businesses, companies with names, partnerships, corporations or other associations, firms, partners, cooperative associations, foundations or institution, and permanent establishment.

c) Tax Objects
Tax objects can be categorized into two, namely final tax objects and non-final tax objects. The difference between the final tax object is the tax that has been completed or the tax is imposed directly when the taxpayer receives income, while the non-final tax object is the tax that has not been completed or the tax is recalculated with other income to be subject to general rates in SPT reporting. SPT or notification letter is divided into Annual SPT and Period SPT. Annual SPT notification letters are sent out annually or during a certain tax year. Meanwhile, Periodic SPT is a notification letter that is reported every month or part of a certain tax month.

d) Tax Rates
The tax rate is represented in the form of a percentage. Types of tax rates have different rates. Tax rates are categorized into four types, which encompass progressive rates, degressive, proportional and regressive rates. The difference in rates is adjusted to the Indonesian tax system which adheres to a progressive tax system in accordance with what is written in government policies based on economic conditions and the country's development plans.

Tax Service
Improving services to taxpayers is carried out by bringing tax payment posts closer together. Service places determined by the government in the SPPT make it easier for taxpayers to make tax payments. Tax payments can now be made online or digitally, this is due to the impact of Covid-19. This digital payment also makes it easier for the public and the government because digital tax payments can be made anywhere without queuing.

Tax Compliance Factor
Abdul Rahman perceives tax compliance as the state where taxpayers fulfill all their tax obligations and exercise their tax rights. Taxpayer compliance is likewise characterized by taxpayers meeting all their tax obligations and exercising their tax rights (Rahman, 2010). Regulation of the Minister of Finance wide variety 192/PMK.03/2007 regarding Taxpayers on positive standards, hereinafter known as Compliant Taxpayers, are Taxpayers who meet the subsequent necessities:
1. Well timed transport of notification letters
2. Taxpayers must not have any unpaid tax obligations for any kind of tax, except for tax debts that have been authorized for payment or postponement of tax liabilities.

3. The economic statements are audited by way of a public accountant or institution oversight of authority’s finances with a certified opinion without an exemption for 3 consecutive years; as well as

4. Never been convicted of committing a crook act within the discipline of taxation based on judicial determinations that have already got everlasting felony pressure inside the ultimate 5 years. Tax compliance is likewise divided into, particularly:
   a) Formal tax compliance refers to the adherence of taxpayers in fulfilling the procedural requirements of taxation. Formal provisions consist of:
      a. Timely in registering to obtain an NPWP or to be assigned to obtain an NPPKP.
      b. Timely in depositing taxes owed.
      c. Timely reporting of taxes that have been remunerated and tax calculations.
   b) Material Tax Compliance, particularly the compliance of Taxpayers in pleasurable the provisions material taxation. Material Provisions include:
      a. Accurate in calculating the tax payable in accordance with tax regulations.
      b. Precise in computing the tax liability in accordance with tax regulations.
      c. Appropriate in reducing and collecting taxes from third-party taxpayers.

**Research Methods**
The research method is used as a means to collect and analyzing data determines the success of a study. The type of research used by the author when viewed from the aspect of the place where the research was carried out was using descriptive qualitative methods. Descriptive research is a method that is carried out to find out the description, situation, and thing by describing it in as much detail as possible based on existing facts. Meanwhile, as stated by Arikunto (2019), descriptive research refers to a type of investigation conducted to examine the existing circumstances, conditions, or other specified subjects, with the outcomes being documented in the form of a research report.

**Result and Discussion**
State income comes from its people through tax collection, and or from natural resources in the country (natural resources). The function of government will not work properly if the taxpayer has no obligation to pay taxes. The DJP need to make diverse efforts to maximise tax sales through intensification and/or extensification. Intensification can be done by recruiting new taxpayers, while extensification can be done by expanding the scope of tax subjects and objects. One of the elements that can be emphasized by officials in growing tax consciousness and compliance is by means of disseminating tax rules either via counseling, ethical appeals either via billboards, or by way of beginning a tax law internet site which may be accessed via taxpayers any time.

South Jakarta regional government has a strategy so that people are willing to pay their taxes on time. The South Jakarta regional government conducts tax counseling to the community as a form of strategy so that people comply with taxpayers, with periodic tax counseling conducted to provide information, consultation and guidance on taxes. This is done to growth the information of taxpayers approximately the important role of paying Tax. According to (Ida Ayu Dewi Widnyani & Ketut Alit Suardana, 2016) tax officials can use socialization as a tactic to inform the public about the value of paying taxes for regional growth. Meanwhile, according to Purba (2016) socialization regarding taxes and views of attitudes are closely related, if efficient taxation socialization leads to a description of taxpayers about their duties, then taxpayers are expected to believe in the significance of paying taxes to help its state's growth.

The next strategy performed by the South Jakarta regional government is to provide tax sanctions
for people who do not want to pay taxes. Giving tax sanctions to taxpayers who violate regulations, both serious, moderate and minor violations, is the most effective way to influence the behavior of taxpayers to become compliant. Previous research conducted by Jatmiko (2016) supported by research conducted by Verboon and van Djike (2010), Arum (2012), and Ratmono and Faisal (2014), uncovered that tax sanctions yield a positive and substantial influence on the adherence of individual taxpayers.

The next strategy is Service Quality of the Tax Authorities in providing good quality tax services to taxpayers is one of the government's actions to improve taxpayer conformity. Previous research conducted by Arum (2012), found that the service quality of tax authorities has a positive impact on tax compliance. The greater the excellence of service provided by the tax authorities, the more their compliance in accomplishing tax rights and obligations will increase.

According to the statement from the secretary of the south Jakarta administrative city Ali Murthadho in the pattern room of the south Jakarta mayor's office, Ali said that regional taxes have an important role for the province of DKI Jakarta because they are a source to finance regional expenditures. From an ANTARA NEWS interview with Ali, Ali also said that even the government needs to emphasize sub-district and village heads to create innovations as an effort to increase citizen compliance and participation in paying taxes.

With this South Jakarta regional government strategy, South Jakarta regional has been tax revenues experienced rapid growth of 28.79%, per June 2022. The DGT Regional Office said that tax revenue as of June 2022 was Rp. 36.27 trillion or 63.08% of the tax revenue target of Rp. 57.51 trillion.

![Figure 1. Tax Revenue Growth Percentage Chart June 2022](image)

**Conclusion**

The explanation that has been conveyed above regarding the government's strategy so that it is willing to obey to pay taxes has been realized properly. The counseling strategy should be held every month so that the community can also prepare the necessary funds for paying taxes. The government must also provide an explanation regarding the advantages of paying taxes also the sanctions received if they do not pay taxes. Tax payments are also very influential for the govern of paying taxes and the sanctions acquired if ment to improve development in society. Taxes are a big income for the government, because from taxes the government can make a large APBN budget for each region. Taxpayers must also be carried out to all groups in order to know the tax function.
The strategy of the South Jakarta authorities in order to growth the awareness of the people of South Jakarta in paying taxes is very appropriate. Other regions should also implement tax socialization to the local community every month, so that taxpayer awareness can be properly formed. The task of dissemination or counseling about taxes has different office levels, namely the Directorate of Counseling, Services and Public Relations. The Directorate of Extension, Services and Public Relations has the task of preparing and formulating rules in addition to tracking, controlling and comparing as implementation as extension technical policies. Then, Regional Office Directorate General of Taxes has the task of carrying out counseling and counseling, and finally the Tax Service Office has the task of carrying out tax counseling.

The existence of tax socialization or counseling becomes an education in itself for the community. Tax education as a form of increasing tax awareness through tax knowledge, increasing tax knowledge and skills, as well as increasing tax compliance through changes in the behavior of the taxpayer community so that they are more understanding, aware, and concerned about exercising their rights and fulfilling their tax obligations.

References


