

IMPLEMENTATION OF GOVERNMENT REGULATION NUMBER 23 OF 2018 IN DIRECTORATE GENERAL OF TAXES (DGT) II CENTRAL JAVA

Desy Nur Pratiwi

Accounting, Institut Teknik dan Bisnis AAS Indonesia
Selamat Riyadi Street 361 Windan Makamhaji
E-mail : Desynurpratiwi692@gmail.com

received: 26/3/2020; revised: 30/3/2020; approved: 26/9/2020

Abstract: The government reduced the percentage of MSMEs tax from 1% to 0,5% in order to increasing taxpayer compliance. The aims of the study is to find out the number of taxpayer and the level tax revenue of MSMEs before and after the implementation of Government Regulation number 23 of 2018. The population of the study is the MSME taxpayers at the Directorate General of Taxes Region II Central Java. This research is descriptive research that is by describing data from Directorate General of Taxes (DGT) Region II Central Java. The result of this study are the number of taxpayer before the implementation of Government Regulation (GR) number 23 of 2018 was 232.327 MSMEs and after the implementation Government Regulation (GR) 23 of 2018 was 280.018 MSMEs so that the level of taxpayer compliance increased after decreasing the MSME tax rate. The amount of tax revenue before the implementation of Government Regulation (GR) number 23 of 2018 is Rp. 124.123.577.989,00 but after the implementation of Governmen Regulation (GT) number 23 of 2018 due to a decreasing in tax rataes, the amount of tax revenue at the Tax office of in Region II Central Java decreased to Rp. 18.345.874.3219,00

Keywords: *DGT, GR 23 of 2018, MSMEs*

INTRODUCTION

Tax can be interpreted as the largest source of country. Source of income from income taxes consist of individuals, corporate, and inheritance taxes. The tax that paid by the taxpayer is used by the government to finance state expenditure. Directorate General of Taxes (DGT) find several kinds of obstacle in increasing state revenue. One of the obstacles is from taxpayers who are still lack of awareness to report honestly the amount of income obtained because taxpayers feel that the tax rate percentage is too high.

The government made various efforts to maximize tax revenue by finding new taxpayers (Ariesta and Latifah, 2017). Some of the effort made by government to increase state revenue in the last few years are the policy of reducing the tax rates of the Income Tax

Law No. 36 of 2008 which is the fourth amendment of Law number 7 of 1983 about income tax, Government Regulation policy no.46 of 2013 which makes it easy for taxpayers with turnover less than 4,8 billion to be taxed at a rate of 1% of turnover. In 2009 corporate taxpayer which have tax rate 28% was changed to 25% in 2010.

MSMEs have an important role for the government that is to open jobs and absorb a labor. But, if viewed from the taxation side, MSMEs does not have maximal contribution so the government do some effort to increasing MSMEs tax revenues. This effort are by simplifying tax calculation, reporting and MSMEs tax payment in order to encourage the MSMEs enterprises report their tax obligations. This is different with the research of Rahmawati and Achadiyah (2019) which show that the level of

compliance of MSMEs taxpayers has decreased since the Government Regulation No. 26 of 2013 was enacted so the tax revenue also decreased. But, in terms of tax inspections of Government Regulation No. 46 of 2013 with a rate of 1% from turnover can reduce the number of tax calculation errors. Same with the research of Hakim and Nagio (2015) the results is after implementation of PP No. 46 of 2013 there was a decreasing of taxpayers growth about 0,23%.

Research conducted by Resyniar (2013) about the perceptions of MSMEs towards implementation of Government Regulation No. 46 of 2013 the results show that changes in tariffs and basic tax calculation not accepted by the majority of MSMEs enterprises, but MSMEs enterprises agree with the ease and simplification of taxes. The other result are that the Government Regulation Number 46 of 2013 does not educated the public for orderly administration and transparency, and the socialization of Government Regulation Number 46 of 2013 still not optimal.

The government set the newest MSMEs tax regulation on July 1, 2018 with the start of enacting GR No. 23 of 2018 about changes the final income tax rate with a rate of 0.5% of turnover. The enactment of the regulation replaces GR No. 46 of 2013, which have charges 1% of turnover. The convenience provided by the government for MSMEs not only reduction the tariff, but also the MSMEs taxpayers are given option to utilize GR number 23 of 2018 or using the normal rate in article 17. So, the taxpayers easily choose the method of calculating taxes that they think easy and profitable. The government hopes with the reduction of tax rates will increasing the compliance and active participation of MSMEs taxpayers. In line with Sari (2018) which states that tax rates reduction hopefully can stimulate

growth and provide opportunities for new MSMEs entrepreneurs to reduce the MSMEs tax charges to be used in expanding business.

This study develops from Rahmawati and Achadiyah research, which conducting research about analysis of differences level of taxpayers obedience and tax audits before and after the implementation of GR No. 46 of 2013 (study in Tax office of Pratama Pasuruan), the difference with this study is the newest GR No. 23 of 2018 and the object study is DGT level II of Central Java

LITERATURE REVIEW

According to Mardiasmo (2018), tax is a taxpayer obligation based on income that is deposited into the country treasury that is forced, but does not receive direct reciprocity, and is used for public welfare. The meaning of tax according to the Constitution No. 28 of 2007 is the contribution of taxpayers that are mandatory to the country and are payable as well as being coercive at the rate according to the Constitution, by not getting a direct reward and used for the country's needs for the greatest prosperity of the people.

Tax functions according to Suandi (2016): a) Reception function, Receiving money to the country treasury in large numbers with the aim to finance all the needs of the state in carrying out governmental duties. b) Set function, The tax is used by the government to regulate the community in the economic, social and political fields for a specific purpose.

Several types of tax collection systems are based on the provisions of the applicable law, including: a) Official Assessment, System A system which the government is given the authority to calculate the amount of tax that must be paid by individual / corporate taxpayers. b) Self Assessment, System A system which is taxpayers calculate their own

amount of tax that must be paid by taxpayers in accordance with the provisions of the taxation law. c) With Holding System, A system in order to determine the amount of tax that must be paid by taxpayers carried out by a third party (for example a tax consultant)

Micro, Small and Medium Enterprises (MSMEs)

Types of MSMEs according to Law Number 20 Year 2008, are as follows: a) Micro business is a commercial business owned by individuals and/or individual business entities and meets the standards in accordance with the Constitution. b) Small business is a business that is commercial and stand-alone, and is run by individuals or business entities that are not part of a subsidiary or not a branch of the company that is owned, controlled, or is a part either directly or indirectly from a medium or large business in accordance with small business standards in the Constitution. c) A medium business is a business that is commercial and independent, carried out by individuals or business entities that are not subsidiaries or branches of a company that is owned, controlled, or becomes a part either directly or indirectly with a small business or large business with an amount of wealth in accordance with the Constitution.

Table 1 Criteria for Micro, Small and Medium Business

Information		
	Asset	
Micro Business	Max 50 million	Criteria
Small Business	>50 million - 500 million	Turnover
Medium Business	>500 million - 10 billion	>2,5 billion - 50 billion

Government Regulation Number 23 of 2018

Government Regulation (GR) number 23 of 2018 is a regulation

governing income or business income obtained by taxpayers with a gross circulation of 4.8 billion in one tax year. One of the efforts made by the government to improve taxpayer compliance in 2018 is to establish GR no 23 as a substitute for GR no 46 in 2013. In GR no. 23 of 2018 the rates will be imposed at 0.5% of final gross income. Personal taxpayers and corporate taxpayers in the form of cooperatives, limited partnership, firms and limited partnership are taxpayers who have a certain gross circulation subject to final income tax. GR 23 of 2018 is optional because taxpayers can choose to use a rate of 0.5% of gross income or follow the rules of Article 17 of Constitution No. 36 of 2008 concerning income tax. The optional nature makes it easy for taxpayers, for taxpayers who do not bookkeeping, it will be easier to use a 0.5% rate of turnover, whereas taxpayers who have done bookkeeping then use the normal rate according to article 17 of Constitution No. 23 of 2008.

METHOD

This type of research is quantitative with a descriptive approach. Quantitative research method is one form of research that uses data in the form of numbers and then the calculation and interpretation of the results in the form of tables and graphs. Descriptive approach used in this study can be used to describe the symptoms, events and cases that occur at this time from the object of research. The data used in this study are data sourced from the Directorate General of Tax (DGT) Region II of Central Java.

The population used in this study is the MSMEs taxpayers who are in Region II of Central Java. The samples used in this study were the taxpayers of MSMEs registered in the Central Java region 2 including: Tax office of Pratama Purwokerto, Tax office of Pratama Cilacap, Tax office of Pratama Kebumen,

Tax office of Pratama Magelang, Tax office of Pratama Magelang, Tax office of Pratama Klaten, Tax office of Pratama Surakarta, Tax office of Pratama Boyolali , Tax office of Pratama Karanganyar, Tax office of Pratama Purbalingga, Tax office of Pratama Purworejo, Tax office of Pratama Sukoharjo and Tax office of Pratama Temanggung.

RESULT AND DISCUSSION

Government regulation (GR) number 23 of 2018 is a tax rate cut which was initially 1% to 0.5%, but GR 23 is optional which means that taxpayers are registered as taxpayers with a 0.5% income tax rate then they can submit it to the DGT to follow the normal scheme income tax rates in accordance with Article 17 of income Tax Constitution No. 26 of 2008. Provisions for amendment after the enactment of GR 23 of 2018 starting in August 2018 for income during July. Meanwhile, those included in the business circulation in June were paid in July with a tariff of 1%.

The tax office registered at the Directorate General of Taxes (DGT) II in Central Java is 12 Tax office ofs with the number of taxpayer MSMEs actively depositing taxes before the application of GR 23 of 2018 with the following details: The Number of Taxpayers of MSMEs DGT II Central Java in 2018

Office name	January – June 2018	July-December 2018
Tax office of Pratama Purwokerto	23.733	24.307
Tax office of Pratama Cilacap	21.901	25.156
Tax office of Pratama Kebumen	14.281	16.466
Tax office of Pratama Magelang	20.374	21.726
Tax office of Pratama Klaten	16.436	19.236
Tax office of Pratama Surakarta	35.715	37.635

Tax office of Pratama Boyolali	8.691	10.894
Tax office of Pratama Karanganyar	21.837	40.606
Tax office of Pratama Purbalingga	16.762	19.728
Tax office of Pratama Purworejo	10.801	13.043
Tax office of Pratama Sukoharjo	27.466	29.382
Tax office of Pratama Temanggung	14.330	22.622
Total	232.327	280.801

Source: DGT II Central Java

The comparison graph of the number of taxpayer before and after the change of GR 23 in 2018

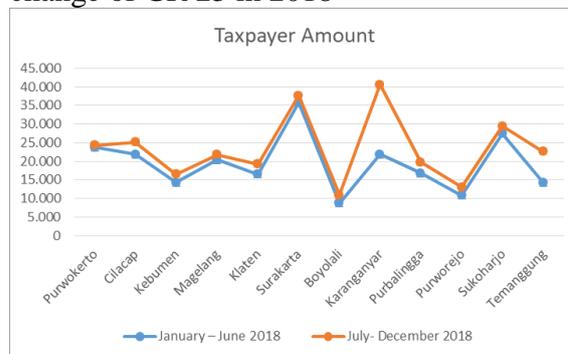


Table 2 shows that the number of taxpayer MSMEs in January June 2018 is 232,327 taxpayers and the amount of taxpayers in July-December 2018 as many as 280,801 which means the number of taxpayers increased by 48,474 taxpayers. This is in line with the research conducted by Sari (2018); Ananda et al (2015); Putra and Supartini (2019) with the decrease in tax rates will increase the number of new taxpayers. Government goals to improve tax adherence are achieved.

Graph 1 shows in January-June 2018 (prior to the application of GR 23) the largest taxpayer amount is in Tax office of Pratama Surakarta and the total taxpayers of July-December 2018 (after the application of the only GR 23) at Tax office of Pratama Karanganyar. This is when viewed from the entire Tax office of Central Java II, all Tax office of Pratama experienced significant improvement especially in Tax office of

Pratama Karanganyar because the taxpayer amount increased by almost 50%.

Decrease in the tax rate of MSMEs is seen to run away from the taxpayer, but in fact it is actually burdens taxpayers because of the tax institution as if it does not matter whether employers are losing or not, the core taxpayer shall deposit 0.5% of its business circulation to the state not on count of the expanse of the taxpayer net. The most impact on the rules are small traders, if they use the calculation of GR 23 which the basis of the calculation is the price is not the profit obtained.

The Number of Tax Revenues MSMEs DGT II Central Java in 2018

Office Name	The Amount of Tax Revenues in January- June 2018	The Amount of Tax Revenues in July- December 2018
Tax office of Pratama Purwokerto	Rp. 13.696.609.415	Rp. 10.259.089.943
Tax office of Pratama Cilacap	Rp. 12.346.990.038	Rp. 8.704.772.695
Tax office of Pratama Kebumen	Rp. 6.172.885.415	Rp. 6.304.036.323
Tax office of Pratama Magelang	Rp. 10.348.202.354	Rp. 9.310.461.652
Tax office of Pratama Klaten	Rp. 8.014.839.111	Rp. 6.876.149.540
Tax office of Pratama Surakarta	Rp. 25.495.289.662	Rp. 19.254.142.021
Tax Office Pratama Boyolali	Rp. 4.639.769.727	Rp. 4.377.953.607
Tax office of Pratama Karanganyar	Rp. 10.410.599.589	Rp. 8.482.182.404
Tax office of Pratama Purbalingga	Rp. 7.427.475.005	Rp. 5.514.829.057
Tax office of Pratama Purworejo	Rp. 4.659.245.253	Rp. 3.904.850.064
Tax office of	Rp.	Rp.

Pratama Sukoharjo	13.843.159.586	11.438.230.946
Tax office of Pratama Temanggung	Rp. 7.068.512.834	Rp. 11.351.005.418
Total	Rp. 124.123.577.989	Rp. 105.777.703.670

Source: DGT II Central Java

Graph of the amount of tax revenue before and after changes in GR 23 of 2018.



Table 3 shows that in January-June 2018 (before GR 23 was implemented) the amount of tax revenue was Rp. 124,123,577,989 and in July-December 2018 (after the application of GR 23) the amount of tax revenue will be Rp. 105,777,703,670, can be concluded with the application of GR 23 the amount of state tax revenue decreased by Rp. 18,344,874,319. This is in line with the results of Hasanah's research (2018) which shows that GR 23 of 2018 can slightly reduce the nominal tax payment for MSMEs compared to GR 46 of 2013. A reduction in tariffs to 0.5% results in a decrease in the amount of tax revenue, but in the long run it will increase tax revenue because with a decrease in tax rates the number of MSMEs taxpayers will increase.

If seen from the details of each tax revenue Tax office of, Tax office of Pratama Kebumen and Tax office of Pratama Temanggung have increased. So it can be concluded that after the amendment of GR No. 23 of 2018, not all Tax office of in Region II Central Java experienced a decrease in tax revenue. These results are in line with Junawan's research (2020) which shows the application of GR 23 of 2018

provides an increase in taxpayer growth so that the contribution of tax revenue in the Tax office of Pratama Belawan increases compared to before the implementation of GR 23 of 2013.

CONCLUSIONS AND SUGGESTION

This study aims to analyze the tax revenues and tax compliance of MSMEs before and after the GR 23 of 2018 in the DJP II Region of Central Java. With the change in the regulation, the MSMEs tax rate which was initially 1% to 0.5%. The results of this study indicate that the number of MSMEs taxpayers before the application of GR 23 is January-June 2018 as many as 232,327 MSMEs and the number of obligatory MSMEs after application of GR 23, namely July-December 2018 as many as 280,801 MSMEs. So that the latest regulations increase the tax compliance of MSMEs.

The number of MSMEs tax receipts before the application of GR 23 was Rp. 124,123,577,989 and tax receipts after GR 23 amounting to Rp.105,777,703,670. So it can be concluded that with a decrease in tax rates it affects the amount of tax revenue. This is different from Tax office of Pratama Kebumen and Tax office of Pratama Temanggung. The number of MSMEs tax receipts has increased which means the number of taxpayers in both Tax office of has increased significantly.

The limitation of this study was that it was only conducted in 2018 when there was a change in the MSMEs tax rate regulation, whereas the effect of changing the regulation would be more interesting if done a few years. So that suggestions for further researchers to add years of research and expand the research area.

REFERENCES

- Ananda, P. R. D. (2015). Pengaruh Sosialisasi Perpajakan, Tarif Pajak, dan Pemahaman Perpajakan terhadap Kepatuhan Wajib Pajak (Studi pada UMKM yang Terdaftar sebagai Wajib Pajak di Kantor Pelayanan Pajak Pratama Batu). *Jurnal Mahasiswa Perpajakan*, 6(2), 1-9
- Ariesta, Ristra Putri dan Lyna Latifah. (2017). “Pengaruh Kesadaran Wajib Pajak, Sanksi Perpajakan, Sistem Administrasi Perpajakan Modern, Pengetahuan Korupsi, dan Tax Amnesty Terhadap Kepatuhan Wajib Pajak di KPP Pratama Semarang”. *Jurnal Akuntansi Dewantara*. 1 (2), 173-187.
- Cory, Astry. (2013). Penerapan PP. No. 46 Tahun 2013 terhadap tingkat pertumbuhan wajib pajak UMKM dan penerimaan PPh Pasal 4 Ayat (2) (Studi Kasus pada KPP Pratama Malang Selatan). *Skripsi*. Universitas Brawijaya. Malang.
- Hakim, F., dan Nangoi, G. B. (2015) . Analisis Penerapan PP. No. 46 Tahun 2013 Tentang Pajak Penghasilan UMKM Terhadap Tingkat Pertumbuhan Wajib Pajak Dan Penerimaan PPh Pasal 4 Ayat (2) Pada KPP Pratama Manado. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 3(1), 787-795.
- Kaimudin, Sabriani. (2014). Efektivitas penerapan PP. No. 46 Tahun 2013 terhadap penerimaan pajak penghasilan UMKM di KPP pratama Malang selatan. *Skripsi*. Universtas Brawijaya. Malang.
- Mardiasmo. (2018). *Perpajakan*. Yogyakarta : Andi.
- Ningtyas, Risa PDC. (2012). Pengaruh Pemahaman Perpajakan, Tarif Pajak,

Sanksi serta Pelayanan Pembayaran terhadap Kepatuhan Wajib Pajak UMKM di Kota Malang. Malang: *Skripsi* Universitas Brawijaya.

Peraturan Pemerintah No 46 Tahun 2013 Tentang Pajak Penghasilan atas Penghasilan dari Usaha yang Diterima atau Diperoleh Wajib Pajak yang Memiliki Peredaran Bruto Tertentu.

Peraturan Pemerintah Nomor 23 Tahun 2018 tentang Pajak Penghasilan atas Penghasilan dari Usaha yang Diterima atau Diperoleh Wajib Pajak yang Memiliki Peredaran Bruto Tertentu. Sekretariat Negara. Jakarta.

Putra, R. J., dan Supartini. (2019). Pengaruh Implementasi Penurunan Tarif Pajak UMKM Terhadap Kepatuhan Wajib Pajak UMKM dengan Patriotisme Sebagai Variabel Moderasi. *Jurnal Akuntansi Manajerial*, 4 (2), 1-9.

Rahmawati, D., dan Achadiyah, B. N. (2019). Analisis Perbedaan Tingkat Kepatuhan Wajib Pajak dan Pemeriksaan Pajak Sebelum dan Sesudah Penerapan PP No. 46 tahun 2013 (Studi pada KPP Pratama Pasuruan). *Jurnal Akuntansi Aktual*, 207-214.

Resyniar, Gandhys. (2013). “Persepsi Pelaku Usaha Mikro Kecil Menengah (UMKM) Terhadap Penerapan PP No. 46 Tahun 2013”.

Sari, Rafika. (2018). Kebijakan Insentif Pajak Bagi Usaha Mikro Kecil dan Menengah. Pusat Penelitian Badan Keahlian DPR RI.

Suandy, E. (2016). *Perencanaan Pajak*. Jakarta: Salemba Empat

Undang–Undang No. 36 Tahun 2008 Tentang Pajak Penghasilan

Undang-Undang Nomor 36 Tahun 2008 tentang Perubahan Keempat atas Undang-Undang Nomor 7 Tahun 1983 tentang Pajak Penghasilan. Sekretariat Negara. Jakarta