Tax Legal Remedy Model In Principles Of Forming A Sense Of Justice Toward The Society

Ahmad Yandi
University Palangka Raya
mihupr@fh.upr.c.id

Sisy
University Palangka Raya
mutiaevi@law.upr.ac.id

Valina
University Palangka Raya

Jentung Wisnu Murti
University Palangka Raya

Aries Setyono
University Palangka Raya

ABSTRACT
The source of state revenue comes from community participation. The tax state is one of the ways to collect taxes from its people because taxes are used as a means for the welfare of the people. (SPT), then deposit their tax obligations. The large trust of taxpayers in taxpayers is naturally balanced with supervisory instruments, for this purpose the tax authorities are given the authority to carry out tax audits. If the results of the inspection show that there are discrepancies or discrepancies, the paying tax authorities issue a Tax Assessment Letter (SKP) which functions as a Billing Letter. In practice, there are often differences in settlement between the tax authorities and taxpayers, this is one of the reasons for tax disputes arising. Within the framework of a rule of law state, in the event of a tax dispute, the taxpayer is entitled to legal protection aimed at resolving the dispute. The dispute resolution pathways provided include objections, appeals, lawsuits.

Keywords: *Model, Tax, Justice.*

1 Introduction

The authority to collect taxes in Indonesia is currently exercised by the Directorate General of Taxes, the Directorate General of Customs and Excise at the

Ministry of Finance and the Regional Revenue Service at both Provincial and Regency/City Regional Governments. Realizing the importance of tax levies in accordance with a sense of justice, the basic constitution of the Republic of Indonesia in the 3rd Amendment to the 1945 Constitution regulates taxes in a separate article, namely in Article 23 A: Taxes and other coercive levies for state needs are regulated by law. Implementation of tax collection that is not in accordance with the law can give rise to taxpayer injustice, and result in disputes and tax cases arising between taxpayers and tax collectors. At the first level, tax disputes will be resolved by the tax collector. In the event that the tax collector's decision (beschikking) does not satisfy the taxpayer, the taxpayer can submit legal action in the form of a lawsuit and/or appeal to the Tax Court. Settlement of tax cases is currently regulated in Law Number 14 of 2002 concerning the Tax Court.

Previously, settlement of tax cases was based on Stbl. 1927 No. 29 in conjunction with Law No. 5 Years. 1959 was handled by the Tax Advisory Council (MPP), then based on Law no. 17 of 1997 by the Tax Dispute Resolution Agency (BPSP). Decisions on tax cases through the MPP and BPSP have fundamental weaknesses, because the decisions of these institutions are considered to be beschikking of Law no. 5 of 1986 concerning State Administrative Courts as most recently amended by Law No. 51 of 2009 can be sued again at the High State Administrative Court. This is because the position of MPP and BPSP is not one of the implementers of judicial power in Indonesia. Taxes have a special role in realizing state development and supporting economic recovery. One of the important components in the APBN is taxes. Taxes are a State Power that finances all the State's needs, therefore the government immediately tries to develop State revenues from taxes. In realizing this, the government is carrying out various efforts to optimize revenue from the tax sector.

One effort to optimize this can be done by expanding the tax base and increasing taxpayer compliance by emphasizing avoidance of tax payments and tax evasion. Make efforts to develop a structured and measurable supervision model and carry out tax reform, In actualizing the calculation of tax payable, problems often arise between taxpayers and the tax authorities which can lead to tax disputes. Law Number 6 of 1983, which was last amended by Law Number 28 of 2007 in resolving tax disputes is a mandate. by the Director General of Taxes. In resolving tax disputes, the government has established a tax court which is officially stated in Law of the Republic of Indonesia Number 14 of 2002, because a tax court needs to be able, with legal certainty, to resolve tax disputes in a comprehensive manner that reflects the principles of justice. One of the tax dispute problems that often arises in Indonesia, regarding Value Added Tax (VAT), is the levies imposed on the delivery of Taxable Goods in customary areas by business actors.

For this situation, there are often differences in assessments between Taxpayers and cost experts which give rise to problems of contrast and various understandings, if citizens are not happy with the choice letter given by the Directorate. Tax General, he can record the allure. Taxes have a very important role in improving the welfare and development of the people's economy as a whole because taxes are one source of state treasury revenue. According to Law Number 16 of 2009 concerning the fourth amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation in article 1 paragraph 1, it is stated that tax is a mandatory contribution to the state owed by an individual or entity that is coercive based on The law does not receive direct compensation and is used for state needs for the greatest prosperity of the people. According to Soemitro1, taxes are people's contributions to the state treasury based on law (which can be enforced) without receiving reciprocal services (contraperformance) which can be directly addressed and which are used to pay for general expenses.

Taxes are the main source of domestic revenue funds. Without taxes, it would be absolutely impossible for this country to develop. Tax revenues are influenced by a country's economic growth, because economic growth will increase people's income so that people have the financial ability to pay taxes. Awareness of paying taxes will have a very significant influence on the progress of development, because it is known that state revenues are not large. For the government there is no other way that the tax revenue sector will be the basis for carrying out development. Apart from increasing state revenues, taxes also aim to grow and foster awareness and responsibility of citizens. Taxpayer compliance is an important factor in influencing tax revenue targets. The higher the level of taxpayer compliance, the greater the tax received by the state. Vice versa, the lower the level of taxpayer compliance, the lower the tax received by the state. Non-compliance with taxes can be done either intentionally or unintentionally. To achieve the optimal tax ratio target, a tax compliance base is needed that is voluntary compliance so that it can generate sustainable tax revenues. Despite this, there are still many taxpayers who do not comply with paying taxes.

Taxpayer compliance refers to fulfilling tax obligations in order to make a contribution to the State which is expected to be fulfilled voluntarily. MSMEs are a very large potential taxpayer. The number of MSMEs reached 64.2 million units or 99.9 percent of the business population with a contribution to GDP of 61.7 percent. "However, even though the number of taxpayers has increased, the tax contribution of MSMEs is still recorded to be very low". One of the causes of less tax contribution from MSMEs is their lack of ability to carry out bookkeeping and carry out tax administration. This makes it difficult for MSMEs to carry out their obligations as taxpayers. In addition, many micro-scale businesses in Indonesia do not understand financial reports and taxation, so the contribution of MSMEs to taxes is still small. The low number of MSMEs registered in the DJP system is also one of the causes of the low contribution of MSMEs to taxes.

Of the many MSMEs circulating in Indonesia, only a small portion are registered, so there are few MSME taxpayers who deposit and report taxes. This is supported by the results of research conducted by Sormin (2019) that the increase in the number of taxpayers and the income generated from these taxpayers is still within the criteria of being insufficient and only contributes a little to overall tax revenue, although the increase in the number of taxpayers should also encourage an increase in income. Companies as tax withholding agents are required at the end of each year to recalculate, deposit and report taxes owed in the past year. If the tax owed is greater than the tax that has been withheld and reported, the tax shortfall must be paid no later than the 25th of the third month after the end of the tax year, while for annual Income Tax Article 21 reporting, use the annual tax return. Article 21 income no later than the third month after the end of the tax year. This is in accordance with the self-assessment system implemented in the taxation system in Indonesia, where the tax authorities hand over or give authority to individual or corporate taxpayers to calculate, deposit and report their own taxes. Even though individual or corporate taxpayers have been entrusted to carry out their tax obligations, the tax authorities still have the authority to carry out audits in order to fulfill their tax obligations.

Taxes are one source of State Budget and Expenditure Revenue which plays a very important role. With tax revenues, the government increases its development capacity, expands the space for funding for various activity programs in order to improve people's welfare. To be able to improve people's welfare, of course there must be a good form of cooperation between the government and the community and produce something that is mutually beneficial for both parties. For the government, it can carry out its obligations as a facilitator in serving the public, and for the community itself, it can obtain something that is expected from the public services provided by the government. Tax collection activities are a form of collaboration between the government and the community. State revenue is the main source of state expenditure in addition to the financing component of the State Revenue and Expenditure Budget (APBN) which includes the implementation of taxation and non-tax revenue.

Tax revenues are the safest and most reliable revenues, because they are springy or flexible, and are easier to influence than non-tax revenues. A self-assessment system is a tax collection system that gives taxpayers the authority to determine for themselves the amount of tax owed each year in accordance with applicable tax laws and regulations. The influence of the self-assessment system on taxpayer compliance by Hutauruk et al (2021) shows that the self-assessment system has a positive and significant impact on Tax Compliance. Therefore, it can be seen that the implementation of the self-assessment system used by the government so that taxpayers have the freedom to carry out their tax obligations causes the level of taxpayer compliance to tend to increase. From this, taxpayers have a great opportunity to be more active in carrying out their tax obligations. Because tax revenues, as one of the instruments in regulating the country's economy, residents which are based on the Tax Law, are enforceable and for payment there is no directcan be influenced by the policies of the country concerned. Taxes are collections by the state from its reward for performance or services. Tax imposition has three functions, namely, as a source of state finance or budgetary, a tool for regulating or implementing government policies in the social and economic fields (Regularent) and a distribution function.

2 Principles of Forming a Sense of Justice towards Society

Income is one of the tax objects. Income tax is imposed on tax subjects on the income they receive or earn in the tax year. Income tax is classified as a subjective tax, namely a tax that considers the personal circumstances of the taxpayer as the main factor in tax imposition. The taxpayer's condition is reflected in his ability to pay taxes, namely his burden capacity which is taken into consideration as the main basis in determining how much tax is charged to him. In accordance with Tax Law No. 28 of 2007 article 2 (1), Taxpayers who have fulfilled the subjective and objective requirements in accordance with the provisions of applicable laws and regulations, are required to register at the office of the Director General of Taxes whose work area includes their residence. or the place of residence of the taxpayer.

In companies there are those who use the Gross Method, because in this method all income tax article 21 is borne by the worker/employee, so that the income received by the worker/employee has been deducted by income tax article 21. In some companies there is no difference between (3) the three methods including, net, gross and gross up. Income Tax is a type of tax that is levied at the national level so that it can be categorized in the central tax group. With the issuance of this Law, the government has provided many conveniences for taxpayers to be given confidence and freedom in calculating the tax they owe on revenues. Companies as tax withholding agents are required at the end of each year to recalculate, deposit and report taxes owed in the past year.

If the tax owed is greater than the tax that has been withheld and reported, the tax shortfall must be paid no later than the 25th of the third month after the end of the tax year, while for annual reporting of Income Tax Article 21, use the annual SPT Income Tax Article 21 no later than the third month after the end of the tax year. This is in accordance with the self-assessment system implemented in the taxation system in Indonesia, where the tax authorities hand over or give authority to individual or corporate taxpayers to calculate, deposit and report their own taxes. Even though individual or corporate taxpayers have been entrusted to carry out their tax obligations, the tax authorities still have the authority to carry out audits in order to fulfill their tax obligations. Taxes in general are mandatory contributions to the state owed by individuals or entities that are coercive based on the law, without receiving direct compensation and are used for state needs for the greatest prosperity of the people.

Tax payments are a manifestation of state obligations and the role of taxpayers to directly and jointly carry out tax obligations for state financing and national development. In accordance with the philosophy of tax law, paying taxes is not only an obligation, but is the right of every citizen to participate in the form of participation in state financing and national development. As with the economy in a household or family, Taxes are the main source of state revenue. Without taxes, most state activities are difficult to carry out. The use of tax money includes everything from employee spending to financing various development projects.

The construction of public facilities such as roads, bridges, 2 schools, hospitals/health centers, police stations is financed using money from taxes. Tax money is also used for financing in order to provide a sense of security for all levels of society. Every citizen, from birth until death, enjoys facilities or services from the government, all of which are financed with money from taxes. Taxes are also used to subsidize goods that are really needed by society and also to pay the state's debt abroad. Taxes are also used to help MSMEs both in terms of development and capital. Thus, it is clear that the role of tax revenues for a country is very dominant in supporting the running of government and financing development.

3 Model of Tax Legal Efforts in Principle of Forming a Sense of Justice for Society

There are many sources of state revenue from the tax sector. One of them is corporate income tax (corporate PPh), namely income tax imposed on a business entity on its income or business profits from both domestic and foreign income. One of the obligations of taxpayers, especially corporate taxpayers, is to keep bookkeeping as a process that is carried out regularly to prepare financial reports. Talking about financial reports, in preparing them the company follows generally accepted accounting principles, namely Financial Accounting Standards. Financial reports prepared based on SAK are known as commercial financial reports. Meanwhile, companies as corporate taxpayers in fulfilling their tax reporting, financial reports must be prepared based on Tax Regulations (UU PPh).

Meanwhile, in recognizing income and expenses, there are differences between commercial accounting and tax accounting both due to differences in scope and differences in recognition time in determining profit before tax. These differences in the basis for preparation result in differences in the calculation of profit and loss for a tax paying entity. To overcome this problem, several approaches are used in preparing fiscal financial reports. However, companies as taxpayers do not need to carry out double bookkeeping to fulfill both financial reporting objectives. To bridge the differences in interest objectives in preparing commercial financial reports and fiscal financial reports, companies only need to maintain bookkeeping according to commercial accounting.

However, when a company prepares a fiscal financial report, a reconciliation of the commercial financial report is carried out. Fiscal reconciliation (correction) itself is the process of adjusting accounting profits that differ from fiscal provisions to produce 4 net income or profits that are in accordance with tax provisions. Sukrisno and Estralita further explained that the causes of differences that occur between income before tax according to commercial and income before tax according to tax can be categorized into permanent differences (permanent differences) and temporary differences (temporary differences) or time differences (timmimg differences). Permanent differences arise due to the existence of different regulations relating to the recognition of income and costs between Financial Accounting Standards and General Provisions and Tax Procedures.

Thus, what corporate taxpayers need to do to calculate their income tax is to prepare a Financial Accounting Standards financial report, then make corrections to income and expenses. This fiscal correction can cause taxable profits to decrease (negative correction) or taxable profits to increase (positive correction). Tax is a contribution of taxpayers, both individuals and entities, to the state that is coercive without receiving direct compensation and is used for the prosperity of society. Every country must have revenues and expenditures that vary in size, and countries expect state revenues to be greater than their expenditures, but the opposite often happens. Indonesia is a country whose expenditure is greater than its income.

Therefore, every year the government tries to maximize tax revenues in order to finance all state expenditure which ultimately aims to improve people's lives. To optimize tax revenues, the government needs to carry out tax reform. Tax reform is a significant and comprehensive change to the tax system which includes improving tax administration, improving tax regulations and increasing the tax base. Tax reform is a necessity and the Director General of Taxes (DJP) must always follow current conditions. Through this reform, it is hoped that tax revenues and the tax ratio can increase. The existence of DGT tax reform can give confidence to the public to help maximize state revenues and can also increase taxpayer compliance. State revenues originating from within the country consist of Income Tax (PPh), Value Added Tax (VAT), Value Added Tax on Luxury Goods (PPnBM), PTKP to increase tax revenue. During the government's tax reform from 1983 to 2008, the Income Tax Law was amended four times, meaning that Non-Taxable Income (PTKP) within a 25 year period was only amended four times.

Starting in 2008, the government was more active in changing Non-Taxable Income 3 (PTKP) by using the Minister of Finance Regulation (PMK). Income Tax Law Number 36 of 2008 implemented the latest Non-Taxable Income (PTKP) which came into effect in 2009, and in 2012 Minister of Finance Regulation Number 162/PMK.011/2012 appeared.

Bibliography

Alfarabi, M. (2023). The Role of Legal Philosophy in Building a Sense of Justice. RampaiJournal Law (RJH), 2(1), 35-46.

Flowers, M. (2020). Model for Forming Ideal Regional Regulations in Implementation Regional autonomy. Journal of Law & Development, 49(4), 818-833.

Liu, E., & Sukmariningsih, R.M. (2021). Building a base model for the use of digital technology for MSMEs during the Covid-19 pandemic. Journal of Ius Constituendum, 6(1), 213-234.

Santoso, G., Karim, AA, & Maftuh, B. (2023). Introduction to Citizenship Education in Higher Education through Philosophical Studies Preamble to the 1945 Constitution of Indonesia Century 21. Journal of Transformative Education, 2(1), 297-311.

Vonnicia, V., Rizkia, ND, & Fardiansyah, H. (2023). Legal Protection For Tax Criminal Suspects In Pretrial Review From The Verdict NO. PUT MK 21/PUU-XII/2014. Familiar Champions: Journal of the Social Sciences, 8(3), 42-59.