

BUILDING THE TAX AMNESTY MODEL TO INCREASE STATE REVENUE THROUGH THE REPATRIATION OF INDONESIAN CITIZEN'S ASSETS ABROAD

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BUILDING THE TAX AMNESTY MODEL TO INCREASE STATE REVENUE THROUGH THE REPATRIATION OF INDONESIAN CITIZEN'S ASSETS ABROAD

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ABSTRACT

National development is a manifestation of the implementation of the fifth precept of Pancasila, namely Social Justice for the whole of People of Indonesia. In order to achieve this goal, the state needs funds as the organizer of state activities, the funds which needed by other countries are obtained from tax revenues, non-tax state revenues and grants. In other words, to realize the ideals of the nation, the participation and participation of the community is needed. The government expects the community's role in state financing and national development, where national development activities take place continuously and continuously, which ultimately aims to improve the welfare and prosperity of the Indonesian people.

Keywords: National development, tax revenue, non-tax revenue, grant.

I. INTRODUCTION

Indonesia is a country that is based on the rule of law and guarantees justice for all its people, means that all actions of state equipments or authorities are solely based on law or in other words regulated by law, not governed by the arbitrariness of the authorities. This is a reflection of justice for the social life of its citizens. A government in a state of law will always put the interests of its people first, thus, the government has consequences that force everyone to actively participate in social interactions in order to maintain it.

In the last decade, the State Revenue and Expenditure Budget (APBN) has experienced a very high increase. Tax revenues data in the 2017 APBN amount Rp. 1,499 trillion. This amount is higher than Rp259 trillion compared to tax revenues in the State Budget audited by the Audit Board of the Republic of Indonesia (BPK) namely Rp1,240 trillion. However, this revenue was lower than the 2016 RAPBN and APBN2016, about Rp. 1, 564, 4 trillion and Rp. 1,532.1 trillion. Tax revenue in 2016 is targeted to be higher than the realization in 2015 due to the tax amnesty policy which was implemented from September 2016 until the end of March 2017 with a government target of Rp. 165 trillion. So, the target in the 2016 Revised State Budget can be achieved. However, if it fails, the tax revenue short fall like in 2014 and 2015 will happen again. The following table presents the development of the State Budget for the period from 2013 to 2017. The following Table 1 present the Proportion of Tax Revenue to State Revenue from 2013 to 2017:

¹⁵
Table 1: Proportion of Tax Revenue to State Revenue in 2013 until 2017

State Budget	Amount (in Trillion (Rupiah))		Percentage (%)	Source
	State Revenue	Tax Revenue		
2013	1,438,891.10	1,077,306.70	75%	Realization
2014	1,550,490.80	1,146,865.80	74%	
2015	1,508,020.37	1,240,418.86	82%	
2016	1,786,225.00	1,539,166.20	86%	APBN-P
2017	1,750,283.00	1,498,871.00	86%	APBN

Source: Ministry of Finance Indonesia – RAPBN 2017(1)

¹¹
From the data that the author presents above, it can be seen that the percentage of ³⁸ tax revenue to total domestic revenue and total state revenue continues to increase. In 2013, the share of ¹⁵ tax revenue to total state revenue was 75% of total domestic revenue. In 2017, the target share of tax revenue to total state revenue is 85.63% and 83.99% of total domestic revenue. The target percentage of tax revenue to total state revenue and total domestic revenue in 2017 is lower than the 2016 Revised State Budget. In the 2016 Revised State Budget, the target percentage of tax revenue to total state revenue is 86.17% and 86.17% of total domestic income. This decline shows that the government looks more realistic in setting tax revenue targets in the ongoing economic slowdown.

According to the facts, the author is interested in discussing the problems that arise, as follows (2):

1. How to build a tax amnesty model to increase the state revenues through repatriation the Indonesian citizens assets abroad?
2. What is the urgency of justice in implementation of Tax Amnesty program?

II. METHODOLOGY

The methodology used in this research is qualitative descriptive based on literature studies and expert opinions regarding how to build a tax amnesty model to increase the state revenues through repatriation of Indonesian citizens' assets abroad and also exploring or examining what factors that influence taxpayers participate in repatriation especially ²⁸ Indonesian citizen's case. Moreover, this study also investigated the urgency of justice of the implementation of Tax Amnesty program in ⁶ Indonesia since tax amnesty is strategic programs from the government to attract taxpayers to be willing to report their assets so that the target of state tax revenue is achieved. This policy is important to provide the opportunities for Indonesian citizen by eliminating the both administrative sanctions and

criminal sanctions for taxpayers so it will encourage increased voluntary compliance of taxpayers in the future.

III. RESULT & DISCUSSION

1. Building a Tax Amnesty Model to Increase the State Revenues through Repatriation of Indonesian Citizens' Assets Abroad

Definition of Tax Amnesty

Tax amnesty is a tax policy from the government in order to attract taxpayers to be willing to report their assets so that the target of state tax revenue is achieved. The definition of tax amnesty is a government policy in the field of taxation which provides for the elimination of taxes that should be owed by paying a ransom in a certain amount which aims to provide additional tax revenues and opportunities for non-compliant taxpayers to become obedient taxpayers, the application of tax amnesty is expected to encourage increased compliance voluntary taxpayers in the future (3).

Whereas in the Tax Amnesty Law is the abolition of taxes that should be owed, not subject to tax administration sanctions and criminal sanctions in the field of taxation, by disclosing Assets and paying the Redemption Money as regulated in this Law (4). Based on the two meanings of tax amnesty above, the essence of the tax amnesty is an attempt by the government to forgive the mistakes of taxpayers, both administrative sanctions and criminal sanctions for taxpayers who voluntarily report their assets that have been hidden both domestically and internationally abroad by only paying a ransom for his mistakes.

Meanwhile, tax experts provide the meaning of tax amnesty with different meanings, including the opinion of Sony Devano and Siti Rahayu Kurnia giving the following explanation:

"Tax amnesty is a government policy in the field of taxation that provides for the elimination of taxes that should be owed by paying a certain amount of ransom which aims to provide additional tax revenue and opportunities for non-compliant taxpayers to become obedient taxpayers. So it is hoped that it will encourage increased voluntary compliance of taxpayers in the future."

Based on the understanding of Sony Devano and Siti Rahayu Kurnia in their book, they provide an understanding regarding tax amnesty, which is a government policy in providing amnesty to taxpayers who are indebted. Only paying a ransom, meaning that the taxpayer has managed to avoid his tax and the state, in this case the tax officer has failed to collect taxes from hidden taxpayers (3).

Meanwhile, Zainal Muttaqin (5) provides an understanding of Tax Amnesty as follows:

"Tax amnesty is an opportunity given for a limited time to certain groups of taxpayers to pay a certain amount of money as an exemption from liability (including interest and fines) in

relation to the previous tax year without any fear of being prosecuted for criminal prosecution".

Zainal Muttaqin's concept of tax amnesty is the concept of exemption from responsibility by paying a certain amount of money to be free from criminal charges. Looking further from the concept of exemption from liability for taxpayers' mistakes is a form of breaking through the applicable law, so that what the law says is like a spider's web is also true because Law Number 11 of 2016 concerning Tax Amnesty as a form of government in the interests of the state, making wealthy citizens who violate the law can be forgiven without going through a process of punishment in the court.

Based on two definitions above, it can be concluded that the tax amnesty program is a government policy in the field of taxation where the state forgives individual taxpayers and corporate taxpayers who intentionally disobey paying taxes on condition that they report their tax objects and then pay a fine with an amount determined by the state.

Tax Amnesty Model

Indonesia was recorded that had implement 4 (four) tax amnesty programs from namely in 1964, 1984, 2008, and 2016. The following will describe the tax amnesty policies implemented in Indonesia, namely:

1) Tax Amnesty of 1964

The first tax amnesty was imposed in Indonesia during the President Soekarno reign. The policy stipulation was proceed with the issuance of the Presidential Decree of the Republic of Indonesia No. 5/1964 concerning the Tax Amnesty Regulation, and the Government had several strong reasons for issuing the tax amnesty regulation.

The form of tax amnesty in 1964 was the investigation tax amnesty type. The tax amnesty investigation according to Sawyer is an amnesty that promises not to investigate the sources of income reported in certain years and there is an amnesty fee that must be paid. In accordance with this concept, the 1964 tax amnesty required the amnesty subject to pay a ransom of 10% and/or 5% (reduction rate). Questions, investigations, and checks on the origin of the reported wealth were not carried out.

2) Tax Amnesty of 1984

Tax amnesty in 1984 was enacted when President Suharto became head of government in Indonesia. The implementation of the tax amnesty program was ordered directly by the President with the issuance of Presidential Decree No. 26 of 1984. Successively after that, implementing regulations were made in the form of Decree of the Minister of Finance No. 345/KMK.04/1984 concerning the Implementation of Tax Amnesty jo. Minister of Finance Decree No. 966/ KMK.04/1983 concerning Adjustment Factors for Calculation of Income Tax.

The Tax Amnesty in 1984 was stipulated as a complement to the implementation of the Taxation Laws No. 6, 7, and 8 of 1983. The 1984 tax amnesty had the same form as the 1964

tax amnesty program, namely the tax amnesty investigation. The 1984 tax amnesty program allows taxpayers to be free from fiscal investigations and reports on wealth in the context of tax amnesty will not be used as the basis for criminal investigations and prosecutions of any kind against taxpayers. In addition, the mechanism for obtaining amnesty requires taxpayers to pay a ransom. After the end of the tax amnesty period, 182,114 individual taxpayers and 22,748 corporate taxpayers were registered in the program. The percentage of taxpayers participating in the tax amnesty program compared to the total registered taxpayers is approximately 20%.

3) Tax Amnesty of 2008

As part of the government's effort to explore potential revenue from the tax sector and create taxpayer compliance, in 2008 the Directorate General of Taxes issued a policy in the form of a facility to abolish individual or corporate income tax sanctions in the form of interest for underpayment of taxes that can be enjoyed by the public, both those who have not paid taxes and those who have not paid taxes. Having a NPWP or having a NPWP on January 1, 2008 which is known as the sunset policy.

The Sunset Policy is one of the government's efforts to overcome the public's low interest in fulfilling tax obligations and is part of the tax intensification and extensification program, namely the abolition of Income Tax administrative sanctions as a form of providing tax facilities as regulated under Article 37A of Law No. 28 of 2007 concerning General Provisions and Tax Procedures.

Basically, the sunset policy aims to help the government in terms of tax revenues to continue to increase and encourage taxpayers to be more honest, obedient, and consistent in improving taxpayer compliance in the future and voluntarily in carrying out their tax obligations. The laws and regulations governing this sunset policy are only valid for a certain period of time, namely in 2008, after that the regulations are no longer valid. If taxpayers comply with the sunset policy program, namely by correcting their tax return (SPT) or registering themselves voluntarily as taxpayers and obtaining a NPWP, they will get many benefits, because in addition to not being subject to administrative sanctions in the form of interest on taxes paid not or underpaid, tax audits will not be carried out against them, besides that they will also get conveniences in other tax management, all of which are based on a strong legal basis, namely in the form of Article 37A of Law No. 28 of 2007 concerning General Provisions And Tax Procedures.

4) Tax Amnesty of 2015

Through this 2015 Taxpayer coaching year, Taxpayers who have not reported their SPT correctly and completely for the 2014 Fiscal Year and previously as well as the Tax Period of December 2014 and earlier, have the opportunity to be free from the criminal sanctions above. The condition is that the taxpayer must report the correction of his 2015 tax return, as well as pay off the tax payable according to the correction report.

¹³ In the policy regulated through the Regulation of the Minister of Finance Number 91/PMK. 03/2015, Taxpayers can enjoy the facility of exemption from administrative sanctions that arise due to the correction of the Tax Return (SPT) or delays in depositing taxes due to the correction of the SPT. In accordance with the applicable tax provisions, for late submission of SPT or late payment of taxes, administrative sanctions will be given through the issuance of Tax Collection Letters (STP) to new taxpayers. However, the administrative sanctions in the STP will be abolished through this program by submitting a letter of application. Through this facility, with the submission of the application, the act of collecting tax on STP submitted to the Taxpayer is also postponed, so that the Taxpayer is protected and given the flexibility to correct the SPT for the 2014 and previous Fiscal Years as well as the 2014 and previous Tax Periods.

5) Tax Amnesty of 2016

³ In simple terms, tax amnesty is the abolition of taxes that should be owed, not subject to tax administration sanctions and criminal sanctions in the field of taxation, by disclosing assets and paying a ransom. Tax amnesty became the central point of news coverage in the mass media in 2016. The tax amnesty program has a very important meaning; it is even a gamble for the government, so President Joko Widodo directly intervened to disseminate information to a number of cities.

³⁹ The tax amnesty is carried out in line with the government's efforts to boost tax revenues by encouraging the repatriation of funds deposited abroad. In addition, the tax amnesty carried out in 2016 is also part of the tax reform towards a more equitable taxation system and the expansion of a more valid, comprehensive and integrated tax database; and increasing tax revenues, which will, among other things, be used to finance development. The tax amnesty in this period is effective from July 1, 2016 and ends March 31, 2017.

The government is targeting a ransom of Rp. 165 trillion for this program, with repatriated funds from abroad reaching Rp. 1,000 trillion and declared funds of Rp. 4,000 trillion, both from within the country and abroad. The tax amnesty is divided into 3 (three) periods, namely the first period (1 July 2016 - 30 September 2016), the second period (1 October 2016 - 31 December 2017), and the third period (1 January 2017-31 March 2017). Starting from a slow start at the beginning of the program's implementation period, the first round of tax amnesty policies and the beginning of the second round produced satisfactory results. At least half of the ransom target expected by the government has been met in the three periods of the amnesty implementation.

²¹ Based on the dashboard data of the Directorate General of Taxes, the Ministry of Finance, Friday (20/10/2016), at 12.20 WIB, the value of the statement of assets based on the Declaration of Assets (SPH) reached Rp. 3.859 trillion. The composition of the statement value based on the SPH includes domestic declarations of Rp. 2,734 trillion, foreign declarations of Rp. 982 trillion, and repatriation funds of Rp. 143 trillion. Meanwhile, the ransom based on the SPH submitted reached Rp 93.9 trillion. Its composition, non-MSME Individual Taxpayers of Rp. 80.2 trillion, non-UMKM's Corporate Taxpayers of Rp. 10.3

trillion, MSMEs of Individual Taxpayers of Rp. 3.17 trillion, and MSME Corporate Taxpayers of Rp. 204 billion.

Meanwhile, the realization composition based on the Tax Payment Letter was recorded at Rp 97.7 trillion. Its composition includes a ransom payment of Rp. 94.2 trillion, payment of arrears of Rp. 3.06 trillion, and payment of preliminary evidence examination of Rp. 393 billion. The payment for ransom from tax amnesty participants in Indonesia is the highest compared to other countries that have implemented a similar policy. Meanwhile, the achievement of the tax amnesty ransom in Indonesia amounted to Rp. 93.9 trillion for the period of September 28, 2016.

The implementation of the tax amnesty program policy since July 2016 also provided a breath of fresh air to the performance of the stock exchange, the Indonesia Stock Exchange (IDX). This can be seen from the significant increase in IDX performance, the average value of securities transactions at that time was around Rp. 6.6 trillion – Rp. 7 trillion per day, an increase of about 20 percent from 2015's performance of Rp. 5.7 trillion, due to the tax amnesty. The realization of the tax amnesty is a bonus boosting the Jakarta Composite Index (JCI) because the market is flooded with liquidity. The high realization of the tax amnesty has a positive impact on the capital market and the rupiah exchange rate. JCI rose sharply to reach the level of 5,419.60. The rupiah exchange rate had strengthened to the highest level of Rp 12,886. Apart from providing benefits for taxpayers, this program will also have a positive effect on the wider economy, including the development of financial system liquidity infrastructure and economic growth. There are several considerations before carrying out this tax amnesty, namely:

- 1) Underground economy, an economic activity that is deliberately hidden to avoid taxes;
- 2) Capital flight, namely the flight of capital abroad by illegal means;
- 3) There is a financial engineering that results in the loss of potential tax revenue;
- 4) Budgeting politics to deal with the current state budget contraction.

There are several types of Tax Amnesty in the world, namely:

- 1) Tax amnesty which still requires to pay tax principal, including interest and fines, and only forgives tax criminal sanctions;
- 2) Tax amnesty which requires paying tax principal and interest, but pardoning sanctions, both fines and tax sanctions;
- 3) Tax amnesty which requires paying the principal tax only. For interest, fines, and tax sanctions are waived/pardoned;
- 4) Tax amnesty that forgives all past tax principal, interest, fines, and tax sanctions.

The Law Number 11 of 2016, the tax collection model applied by the Government in general is the Offshore Voluntary Disclosure Program (OVDP) model, in which taxpayers receive a lower tax rate facility and the abolition of administrative sanctions by disclosing assets located at home and abroad. However, the concept of the OVDP tax amnesty has received a lot of criticism because the implementation of the tax amnesty is very minimal in terms of

punishment, which benefits Taxpayers who actually violate tax laws but are given tax rebates; it is enough to pay a fine which is relatively much

The dynamic model (inter-temporal) tax evasion model (6), they will still face the same penalty fee structure (assuming the same level of enforcement). As a result, the decision to participate is only influenced by the amount of incentives (forgiveness) that can be given. Reflecting on the effort to create an appropriate setting between 'sticks' and 'carrots'(reward and punishment).

The success of OVDP in various countries, in terms of the amount of funds that have been raised or improvement in compliance has also not been able to be studied in detail due to the unavailability of data and also most of the programs have been implemented recently. However, the study conducted by (7) for the success of OVDP in America is important to observe. According to him, OVDP has not succeeded in increasing tax compliance for taxpayers who have funds abroad and instead encourages incentives for (tax evasion). This is due to the nature of OVDP which tends to be like a permanent tax amnesty and refers to general taxation provisions, so that taxpayers tend to behave in waiting for the next program and form a moral hazard (tends to be disobedient because later they will also be given the opportunity to participate) (8).

2. The Factors of Taxpayers Participate in Repatriation

Tax is state levy that can officially force taxpayers, but taxpayers will try their best to avoid taxes because they consider taxes as a burden. To create an effective tax collection and taxpayers to voluntarily pay taxes is to implement a coercive system such as in the purchase of goods subject to taxation, the road vehicle tax management system and a permit system that is always required to include a tax compliance letter. Basically, the taxpayer will voluntarily pay taxes if he feels that paying taxes will benefit him both in accessing social services or other transactions.

Repatriation is a way to return the Indonesian citizens assets abroad to be stored back in the country to be used to build the national economy. In an effort to return the assets of citizens to the country, it is not possible, they will voluntarily want to repatriate their assets, they need a concrete way to persuade Indonesian citizens who have assets abroad to want to return them to the country.

The existence of a reward for Indonesian citizens who are willing to repatriate their assets is a very effective way to attract more Indonesian citizens who hide their assets abroad. In the concept of justice, there is nothing wrong if citizens save their wealth abroad, but the state as the highest authority is tasked with advancing the economy, which if the economy is more advanced, citizens who store their assets abroad will also enjoy it. Therefore, when the state needs an injection of funds in developing the nation's economy, it is appropriate for the state to create a repatriation program that is included in the tax amnesty program.

One of the rewards that the state offers to participants who are willing to repatriate is to get a low tax penalty from participants in general tax amnesty. In addition, the repatriation

participants are no longer included in the people who have taxes owed with very large fines so they feel relieved to have participated in this repatriation. The punishment for taxpayers who do not take advantage of the tax amnesty program is that they will be subject to large fines if they are found to be hiding taxes when the government is cooperating in exchanging information regarding data on the assets of citizens who are abroad, so it will be a loss if you do not participate in this tax amnesty program.

The existence of non-compliant taxpayers can even have a negative impact. This can even be categorized as one of the costs or burdens in taxation (9). As a citizen who always gets protection for himself and his property and even his family and business from the state, it is appropriate that when the state needs an injection of funds to build the country's economy, it should be aware of and make this program a success (2). Based on data after the tax amnesty program which was implemented through Law Number 11 of 2016 that all targets of the tax amnesty program were successful except for the repatriation target which failed to reach the target of Rp. 1000 trillion.

To examine the factors that influence taxpayers to pay taxes, we can see from the opinion of Adam Smith in his book "Wealth of Nations" who put forward four principles of tax collection which are commonly called "The Four Canons Maxims Taxation", or often called "The Four Canons Of Adam Smith"(10).It was further stated that in order for tax regulations to be fair, they must comply with the principles of equality and equity, the principle of on time (convenience of payment) and the economics of collection principle.

The principle of equality and justice. The principle of equality means that people who are in the same situation must be subject to the same tax. The principle of equity in Indonesian is often translated with justice, but according to Rochmat Soemitro this translation is considered inaccurate, more appropriate is propriety or justice in a special sense, because according to German there is a difference in the meaning of *gerechtigkeits* and *billigkeit*, in Dutch there is also a difference in the term *rechtvaardigheid* and *billijkheid*, while in English there is *lawful* and *equity* this is the goal of every law. The making of a law or regulations that are binding on the general public must be endeavoured so that the provisions contained in the law are clear, firm and do not contain double meanings or provide opportunities for other interpretations.

The principle of convenience of payment. Tax must be collected at the right time, namely when the taxpayer has money, this will be convenient; this is also intended so that tax payments are not too burdensome for the taxpayer.

The taxpayer feels that he is paying taxes on the product or food being served enjoy or property that is being purchased, in fact the tax collection is carried out by asking the taxpayer to come to the tax office to pay taxes and then be treated to a very complicated and difficult to understand tax entry, so this model tax collection will make taxpayers reluctant to pay taxes. It is different if the taxpayer is treated as a consumer and the tax officer is a servant of the taxpayer by assisting the taxpayer in filling out his tax and if the taxpayer does not pay his annual tax then he cannot access public services.

The principle of economy of collection, this requirement relates to the cost of tax collection. The making of new tax laws and regulations must pay attention to expenditure costs, the cost of collecting taxes must be relatively small compared to the incoming tax money. In reality, the more people involved in tax collection, the less effective the tax collection is because the slower the process, the taxpayer will wait longer and more and more salary costs will be spent to pay the tax employees involved, even the corrupt practices in tax collection are increasingly fertile because the more complicated tax affairs, many internal tax employees take advantage by trying to enter as a consultant and outsmart taxes so that taxpayers pay taxes with low values and he gets rewards outside of his salary.

The awareness of the Indonesian people to pay taxes can also be seen from Indonesia's tax ratio. In 2012: 11.78%, 2013: 11.91% and 2014: 11.86%, 2015: 10.55% (DGT Annual Report). Sigit Priadi Pramudito admits that Indonesia's low tax ratio is lower than Singapore's 14%, the Philippines 12.9%, Thailand 16.5% and Malaysia: 16.1% (Infobanknews.com, 3 August 2015). The low of tax ratio from year to year for the Indonesian people has resulted in the birth of Law Number 11 of 2016 concerning Tax Amnesty, but the question is whether after this tax amnesty program will make taxpayers in Indonesia become tax-abiding citizens so that the tax ratio we will increase to beat the countries in Southeast Asia?

One of the objectives of the tax amnesty program in the law is to increase tax revenue by attracting more potential tax subjects. After capturing many potential tax subjects, it will not guarantee that the taxpayer in the future will comply with paying taxes voluntarily if he does not improve the tax structure of the substance of strict tax regulations and create a better tax time culture so that taxpayers feel the need to pay taxes for themselves. with a tax officer system that makes it easier for taxpayers to process their taxes. This has indeed been implemented, but it becomes a problem that many officers and even former tax officials play and carry out dirty practices in tax collection which ultimately harm state income and make other taxpayers lazy to take care of their taxes.

In addition to reforming the internal structure of tax officers as well as human resources for tax employees, it is now necessary to evaluate whether the tax collection system that is being implemented is appropriate with the current conditions of society. Maybe when the rules for tax collection procedures were drawn up, information technology was not as advanced as it is now, maybe if it was now drafted, the tax collection procedures might be regulated through an application that is easier and less difficult for taxpayers, without having to fill in many and confusing fields. It is enough to make an easy system by filling in a list of income and expenses and the amount of tax can be automatically calculated how much the tax bill is.

Building a culture that is aware of the importance of paying taxes is not just a slogan but also a culture of tax awareness that is supported by responsive regulations for the community. People will be happy to carry out these rules if the rules are in accordance with the culture that lives in their environment, moreover the majority of Indonesian people are Muslim, of course in Islam there are rules about the obligation to pay zakat. If the concept of tax for entrepreneurs is intended to support security and business development, entrepreneurs can

make it easier for them to apply for credit, it will be very beneficial for entrepreneurs, and entrepreneurs naturally feel the need to pay taxes.

In essence, the factors that make taxpayers obey to pay taxes can come from government policies that make favourable rules and threats that are very detrimental to taxpayers themselves if they do not comply with paying taxes. In addition to making responsive rules, it is also necessary to pay attention to the conditions of taxpayers so that taxpayers in paying taxes can pay voluntarily because they feel that they will benefit greatly if they pay taxes and vice versa they will lose greatly if they do not pay taxes because if they are caught not paying taxes, they will be subject to sanctions. Big fine. It is also necessary to build a tax payment system that is easy and does not make taxpayers confused with so many entries with terms that are not understood by ordinary tax people.

IV. CONCLUSION

The tax amnesty program is a jointly prepared program between the DPR RI as representatives of the people and the Government as the executive agency that collects taxes. In the implementation of this tax amnesty program, it can indeed be said to be successful because of the success in attracting a large number of taxpayers, the amount of ransom that exceeded the target and the number of property declarations that met the target for repatriation targets failed to be achieved. This failure in tax repatriation is caused by internal government factors, namely poor management, an ineffective promotion system, and unscrupulous tax officials resulting in low taxpayer confidence. In addition, the failure of repatriation is also caused by internal taxpayers, namely concerns over the security of their assets if they are stored domestically, the difficulty of moving their assets abroad due to the country's internal policy factors, difficulty in moving their assets in the form of immovable assets, and indeed the individual taxpayers. Recalcitrant and deliberately evasive taxes.

Low taxpayer compliance can be seen from the substance of the legislation that is not firm and does not even adapt to the times and technology, the factor of tax officers who are inherently problematic so that taxpayers do not believe in paying taxes because I am afraid that my tax money will be corrupted by corrupt tax officials and even corrupt officials. Building a culture of low tax awareness that was never made as a government program from an early age and the last factor is the complicated tax payment mechanism that makes it difficult for taxpayers.

The tax amnesty model that can achieve the target of repatriation is by looking at three factors, namely the legislation itself, the readiness of the government in this case the Director General of Taxes and his staff as tax officers and tax law enforcers and the last is building a culture of being aware of paying taxes which becomes a it's a disgrace if you know you don't want to pay taxes.

There are several suggestions that can be submitted regarding the implementation of the tax amnesty in Indonesia, including the following:

- 1) In order to succeed the taxation policies, especially the special tax amnesty program, the government as the executor must be really serious in preparing the legal rules with the government because good rules are rules that come from the rules that live in the community. Furthermore, the government should prepare tax officers with integrity so that no one can find any tax officers that actually as a thorn in the blanket in the sense that they should collect taxes for the state instead he collects taxes for theirself.
- 2) The implementation of Tax Amnesty must be based on a legal protection in the form of the law and the clarity of terms and objectives so that it can have an influence on the increase of the tax ratio with the condition that the readiness of facilities and infrastructure is fulfilled and other supporting infrastructure.
- 3) The provision of a tax amnesty policy should not only remove the right to collect on taxpayers but more importantly improve taxpayer compliance, so that in the long term it can increase tax revenue. However, if the tax amnesty policy is carried out too often in a short period of time, it can also have a bad effect on taxpayers because they get tax amnesty without the need to think about tax compliance aspects.
- 4) The implementation of Tax Amnesty can be applied if the requirements for openness and access to information for the public was implemented. Therefore, if the tax amnesty will be applied, the tax amnesty must be implemented conditionally.

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