Vol 8 No. 6 Juni 2024
eISSN: 2118-7301

# ANALYSIS COMPRATIVE OF TAXES ON INCOME THAT HAS BEEN DETERMINED BY ESTABLISHED LEGISLATION

**Ayang Fristia Maulana[1], Fahruroji[2], Charles Frisheldy Nainggolan[3], Meli Andriyani[4], Anisa Bela Fitri[5]**
fristia.maulana@gmail.com[1], fahruroji2108@gmail.com[2], charlesfrisheldynainggolan@gmail.com[3], melandriyani2430@gmail.com[4], anisabelaftri@gmail.com[5]
**Universitas Bina Bangsa**

***ABSTRACT***

*A taxpayer is an individual who has income from work, business, investment or other sources. Taxpayer income tax is a tax imposed on income earned by taxpayers. This income can come from various sources, such as work, business, investments, or other sources. Taxpayers' income tax can usually be calculated based on a level of income earned in one period, for example in one year. Income tax rates are generally progressive, where the tax rate increases as the taxpayer's income increases. Comparing tax income from taxpayers can involve an analysis of the tax income obtained by the government from various types of taxpayers or from other income tax categories. This change aims to create a fairer tax system, and also by applying a higher tax burden to individuals with higher incomes as well.*
***Kata Kunci:*** *Taxpayers.*

## INTRODUCTION

Tax is a contribution to the state (which can be enforced) that is owed by those who are obliged to pay it according to regulations, with no return, which can be directly appointed and whose purpose is to finance general expenses related to the duties of the state which administers the government. (Waluyo, 2007). Taxpayers are individuals or entities, namely taxpayers, tax withholding agents, and tax collectors who have tax rights and obligations in accordance with the provisions of statutory regulations. (Abdul Halim, Icuk Rangga Bawono dan Amin dara, 2016). Taxpayers have the responsibility to report income and pay taxes in accordance with applicable regulations.

Comparison is a method of study or investigation by making comparisons between two or more objects of study to increase and deepen knowledge about the objects being studied. (Marhiyanto, Bambang). Taxpayers must also comply with tax regulations, including reporting and tax payment deadlines. Not only that, taxpayers also need to maintain accurate and transparent records. Corporate taxpayers are business entities such as companies, cooperatives, or foundations that have income from their business activities and are required to pay tax on that income. Comparison of tax rates is comparing the level of tax rates, whether in the form of income tax, value-added tax (VAT), or other types of taxes, which exist in various countries or regions.

With this comparison, the aim is for policymakers, researchers, and tax practitioners to understand the advantages and disadvantages of the tax system. Based on Law No. 7 of 2021, it has been determined that if a taxpayer has taxable income of up to Rp. 60 million, then subject to a tax rate of 5%. If, the taxpayer has a taxable income of more than Rp. 60 million to Rp. 250 million, then a tax rate of 15% is imposed if the tax income is more than Rp. 250 million to Rp. 500 million, subject to a tariff of 25%. If, the taxable income received by the taxpayer is more than Rp. 500 million to Rp. 5M, then a tax rate of 30% is imposed, and if it is more than Rp. 5M, then subject to a tax rate of 35%. So, in conclusion, the income tax rate for individual taxpayers is progressive, which means this tax rate will increase.

Laws or taxes, also known as fiscal law, are rules that cover the authority or right of the government to take someone's wealth and give it back to society through the state treasury. (Brotodiharjo, Santoso. , 1993). Law no. 7 of 2021 concerning the harmonization of tax regulations (HPP) in Indonesia, introduces changes in taxpayer income tax. This change is intended to increase the efficiency of the tax system, encourage tax compliance, and create a fairer distribution of the tax burden. The following are some of the main changes in taxpayer income tax regulated in Law No. 7 of 2021, namely :

1. Personal income tax rates are adjusted to a progressive rate structure, where there is an increase in the tax rate for taxable income of more than Rp. 5M, namely from 30% to 35%. This certainly has the aim of creating a fairer distribution of the tax burden.
2. The general corporate income tax rate remains high at 22%, in accordance with previous provisions. However, there is more emphasis on tax compliance and supervision of corporate taxpayers
3. This law also introduces changes in tax administration procedures, including the digitalization of tax administration to increase efficiency and transparency

One of the functions of taxes is for the budget, namely, taxes are used to finance quite large expenditures, especially for state spending, the largest portion of which is personnel spending, spending on education, infrastructure development as well as transfers to regions and village funds. (Mardiasmo, 2018). There are efforts made by the Directorate General of Taxes (DJP), namely to establish a tax regulation issued by the Directorate General of Taxes (DJP) to provide legal certainty to taxpayers regarding their rights and obligations in paying taxes.

## METHODS

This research uses the method normative juridical approach, namely legal research carried out by examining library materials or secondary data as a basis for research by conducting searches on regulations and literature related to the problem being researched. (Soekanto, Soerjano., 2006).

## RESULTS AND DISCUSSION

Comparative analysis of taxes on income that has been determined based on certain statutory regulations can involve comparing various tax systems that exist in various countries or certain jurisdictions. Each country has different tax rates on income. For example, some countries apply a progressive rate system where the tax rate increases as income increases, while other countries may apply a flatter tax rate or even a higher progressive tax rate for income. higher.

Taxation of income sources can also vary, some countries may apply a global income tax where income from within and outside the country is taxed. While other countries may only tax income generated domestically or provide incentives for income from abroad. Tax systems usually differentiate between taxes on individual and corporate income. There are some laws and regulations that may include regulations regarding certain tax deductions or incentives, such as tax deductions for certain education, health, or investment expenses.

Tax compliance and law enforcement are also important factors. An effective tax system must have strong mechanisms to ensure that citizens or companies comply with their tax obligations and to take action against those who violate the law.

## 1. How to calculate income tax for taxpayers using UUPH and UUHP

Income tax is a tax imposed by the government on income earned by individuals or business entities (taxpayers) during a certain period, usually one fiscal year. This income can come from a variety of sources, including employment, business, investments, or other sources. A taxpayer is an individual, business entity who earns income and is also required to pay income tax, in accordance with predetermined regulations. Taxable income is an amount of income that can be calculated after deducting permitted costs such as business costs and investments. Income tax is usually imposed on various types of income, such as :

1. Income from work or salary
2. Income from business or enterprise
3. Income from investments such as dividends, interest and capital gains
4. Income from property rental
5. And income from royalties, copyrights and patents

Calculating income tax has been determined based on the Income Tax Law (UUPH) and the Law on Harmonization of Tax Regulations (UUHPP) which apply in Indonesia and involve several steps that must be followed by taxpayers. The income tax calculation procedure for each taxpayer is definitely different, depending on whether the taxpayer is an individual or an entity (company).

If you are a taxpayer, the way to calculate gross income is the total income earned by the taxpayer from various sources, such as salary, bonuses, commissions, business, investments, and so on. Can be deducted from expenses, such as business expenses, health insurance, also other expenses that can be allowed to be deducted from gross income to get net income. If so, this net income is then reduced by non-taxable income (PTKP) to obtain taxable income.

Meanwhile, for corporate (company) taxpayers, if calculated from gross income, the company or entity includes the total income obtained from business activities, investments, and other sources, there are deduction costs such as costs permitted by law such as operational costs, salaries and other costs that can be deducted from gross income. This income tax calculation can involve very complicated details, depending on the taxpayer's specific situation.

The Law on Harmonization of Tax Regulations (UUHP) is a law designed to harmonize various tax regulations that exist in Indonesia. The Law on Harmonization of Tax Regulations (UUHP) aims to create a tax system that is more efficient, fair, and in line with current developments. The other main objectives are to increase compliance with taxpayers, encourage transparency and efficiency in tax administration, and increase state revenue from taxes.

The Income Tax Law (UUPH) is a law that regulates income tax in Indonesia. This law includes provisions and rules about how income tax can be calculated, and who is obliged to pay tax, tax rates, and tax credits. and also other aspects related to income tax. The Income Tax Law (UUPH) can provide a legal basis for the income tax system in Indonesia. Meanwhile, the Law on Harmonization of Tax Regulations (UUHP) focuses more on the harmonization and modernization of various tax regulations. These two laws are able to work together to create a more efficient and fair tax system in Indonesia.

## 2. Reasons for changes and also comparisons of income tax for taxpayers

Income tax is a tax imposed on individuals, companies, or other legal entities on the income they earn (Mardiasmo, 2018) . Changes and comparisons of income taxes for taxpayers occur for reasons, such as :

1. The government can change tax rates and other related policies to adapt to changing economic conditions. For example, in times of economic crisis, the government may lower tax rates to encourage consumption or investment
2. Changes in tax regulations can also be made to achieve better tax justice. The government may want to ensure that taxpayers with higher incomes can pay a larger percentage of their income
3. The government provides support in the form of certain sectors or industries to encourage economic growth or create jobs
4. The government may use tax policy, as part of a broad fiscal policy. For example, a change in income tax rates could be part of an effort to increase revenue for the state or control inflation

**3. The impact of changes and also comparisons of income taxes for taxpayers**

Changes in tax policies and regulations, especially income tax, can have a significant impact on taxpayers, both individuals and business entities. These changes may include changes to tax rates, provisions for tax deductions or exemptions, as well as modifications in tax administration. The impacts felt by taxpayers are :

1. There is a change in the tax rate, where if the tax rate increases, the taxpayer may experience an increase in the tax burden which can reduce the income available after tax. And if tax rates fall, then taxpayers may benefit in the form of tax savings and also increased disposable income
2. There are changes in tax deductions and exemptions, where changes in tax deductions such as operational costs, for example, can affect taxable income.
3. There are changes in tax administration, where there are new policies that can make tax administration easier, such as online reporting, which can help taxpayers comply with tax regulations and can also reduce the administrative burden
4. There are comparisons between countries if income tax rates and policies can vary greatly between countries, then this comparison is very important for multinational companies or individuals who have sources of income from various countries

Changes in income tax regulations, either through the Income Tax Law (UUPH) or the Tax Regulations Harmonization Law (UUHP), can have a significant impact on taxpayers. The main impact of changes in income tax regulations and income tax comparisons for taxpayers. If the tax rate increases, the taxpayer will pay a higher tax burden. Conversely, if the tax rate decreases, the taxpayer's tax burden will decrease, thereby providing them with more net income.

If there are additional deductions allowed by the taxpayer, the taxpayer can reduce taxable income. Conversely, if there is a reduction in the type or amount of allowable deductions, the taxpayer could face an increase in taxable income. Changes in Non-Taxable Increases (PTKP), if increased, will reduce taxable income, thereby reducing the tax burden for taxpayers, especially for those with low incomes, and vice versa.

If there are additional tax credits or deductions, it can help reduce the tax burden that must be paid by taxpayers. On the other hand, if there is a reduction in tax credits or deductions, it will increase the tax burden for the taxpayer. Individual taxpayers and business entities may have differences in rates and tax imposition rules. Tax rates can vary based on the amount of taxable income and the type of taxpayer (individual or business entity). The government has an important role in regulating income tax, for taxpayers through tax laws and policies. Efforts made by the government and the laws that regulate changes and comparisons of taxes for taxpayers are ;

1. The government is trying to simplify tax regulations so that they are easier for taxpayers to understand. This includes adjustments to rates, deductions, and tax credits.
2. The government carries out campaign and educational activities, through which the government can encourage taxpayer compliance by providing clear and easily accessible information about tax obligations.
3. The government implements an electronic system for reporting and paying taxes, such as e-filing, e-billing, e-tax, etc., which aims to help taxpayers more easily, their tax obligations.
4. The government continues to strengthen supervision of tax violations and strictly enforce the law against violators.
5. The government frequently carries out tax reforms, which aim to ensure that the tax system is fairer, more efficient, and in line with economic development

**CONCLUSION**

Tax is a performance imposed unilaterally by and owed to the authorities (according to generally established norms), without any counter-performance and is solely used to cover general expenses. (Feldman Dr. N.J,, 2012). Changes in law often bring changes to income tax rates, both for individual and corporate taxpayers. The new rates could be higher or lower, depending on government policy and fiscal goals. Changes in Non-Taxable Income (PTKP) also affect the amount of taxable income for individual taxpayers. An increase in Non-Taxable Income (PTKP) means less income is subject to tax, thereby providing relief for taxpayers.

Tax imposed on tax subjects for income received or earned in a tax year. This income can be in the form of profits from business, salary, honorarium, gifts, interest, dividends, royalties, and so on. (Siti Resmi., 2011). Taxpayers are individuals or entities, including paying taxes, withholding taxes, and collecting taxes who have tax rights and obligations in accordance with the provisions of tax laws and regulations. (Sumarsan, Thomas., 2017). Non-taxable income (PTKP) is a limit on income that is not subject to tax and is also a deduction from net income. (Siti Kurnia Rahayu dan Ely Suhayati, 2013). New laws may introduce additional tax deductions or expand tax credits available to certain taxpayers. This can help reduce the overall tax burden. There are several changes to tax regulations that may include rules regarding deductible expenses, tax incentives for investments, or certain exceptions for certain taxpayers.

Regulatory changes may also aim to direct the focus on taxpayer compliance, either through more detailed reporting, increased audits, or stricter penalty rules. If there is a change in the tax rate, either an increase or a decrease, it will affect the tax burden that must be borne by taxpayers. A reduction in tax rates can reduce the tax burden and can also increase disposable income, while an increase in tax rates will have the opposite effect. Changes in the income tax structure, such as changes to taxable income limits or the imposition of new taxes, can affect how taxpayers can manage their finances and tax planning. Comparison of income tax rates between various categories of taxpayers such as individuals, business entities, and so on can show differences in the tax burden that must be borne. Changes in tax policy that lead to a more effective and efficient tax system can have a positive impact on taxpayers.

Changes in income tax policy can influence taxpayers' economic decisions, such as the decision to invest, save, or consume. For example, a lower tax rate may encourage investment, while a higher rate may encourage savings fair and transparent will increase taxpayers' confidence in the tax system. Positive changes can increase taxpayer compliance. The government has several efforts that can be made to change income tax, for taxpayers (WP). These efforts are usually related to changes in tax policy that can have an impact on how taxpayers fulfill their obligations. Efforts provided by the government include :

1. The government can increase or decrease income tax rates for individual and corporate taxpayers.
2. The government can increase the income limit that is not subject to tax (PTKP) to provide more relief to taxpayers with low incomes.
3. The government can change the rules regarding tax deductions, such as reducing or eliminating several types of deductions
4. The government provides certain tax credits and tax incentives to encourage investment, innovation, and other economic activities.
5. The government can increase tax supervision and enforcement to ensure that taxpayers comply with their tax obligations

The impacts felt by taxpayers are:

1. Changes in rates can affect the taxpayer's net income. An increase in tax rates can reduce net income, while a decrease in tax rates can increase net income.
2. If the PTKP is increased, taxpayers with low incomes can experience a reduction in their tax burden.
3. Taxpayers can get more net income because their tax burden is reduced.
4. Tax incentives can encourage taxpayers to invest or carry out certain economic activities, which in turn can encourage economic growth.
5. Taxpayers can more easily understand and comply with new tax regulations, which can reduce the administrative burden and risk of errors in tax reporting.

It's not just the government that is involved, but many institutions are involved in this issue. Institutions and governments have a very important role, and have various efforts. Institutions are rules in a community group or organization that facilitate coordination between its members to help them with the hope that everyone can work together or relate to each other to achieve the desired common goals. (Ruttan dan Hayami., 1984)

## REFERENCES

Abdul Halim, Icuk Rangga Bawono dan Amin dara. (2016). Perpajakan Konsep, Aplikasi, Contoh dan Studi Kasus, Edisi 2. Jakarta: Salemba Empat.

Brotodiharjo, Santoso. . (1993). Pengantar Ilmu Hukum Pajak. Bandung: PT Eresco.

Feldman Dr. N.J,. (2012). Tentang Pengertian Pajak.

Mardiasmo. (2018). Perpajakan Edisi Revisi Tahun 2018. Yogyakarta: Andi.

Marhiyanto, Bambang . (n.d.). Kamus Lengkap Bahasa Indonesia. Surabaya: Media Centre.

Ruttan dan Hayami. (1984). Suatu Pendekatan Ekonomi Terhadap Perubahan Kelembagaan. Jakarta.

Siti Kurnia Rahayu dan Ely Suhayati. (2013). Konsep Dasar Dan Pedoman Pemeriksaan Akuntan Publik, Edisi Pertama. Yogyakarta: Graha Ilmu.

Siti Resmi. (2011). Perpajakan Teori dan Kasus. Edisi 6, Buku 2. . Jakarta: Salemba Empat.

Soekanto, Soerjano. (2006). Sosiologi Suatu Pengantar. Jakarta: PT. Graha Prindo.

Sumarsan, Thomas. (2017). Akuntansi Dasar dan Aplikasi dalam Bisnis Versi IFRS. Jakarta: PT. Indeks.

Waluyo. (2007). Perpajakan Indonesia, Buku 1 Edirsi 7. Jakarta: Salemba Empat.