

UNDERSTANDING OF INCOME TAX BY INDIVIDUAL TAXPAYERS EMPLOYEES

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ABSTRACT

Tax is a very significant source of state revenue. Various tax subjects and objects are determined by the government to take funds from the community. Individual tax is one type of tax applied. The purpose of this study is to determine the perception of individual income tax, on workers in one business / company. This research method is descriptive quantitative with interview techniques, documentation and observation in the field. The results showed that the understanding of income tax on individual taxpayers employees and about tax sanctions but do not understand what penalties are received if they do not pay taxes. is still very minimal.

Keywords: Tax, Income, Individual, Understanding

INTRODUCTION

Tax is one of the obligations that must be fulfilled by every individual taxpayer or corporate taxpayer. While the tax revenue in question is government income obtained or sourced from taxes provided by individual and corporate taxpayers. The benefits received due to tax payments include road facilities and infrastructure, education, health, security and so on (Soemitro, 2016).

Income tax imposed on income obtained from individuals, undivided inheritance and corporate and permanent establishments that earn income in Indonesia. Income tax article 21 is income tax on tax object income in the form of salaries, wages, honoraria, allowances and other payments by any name in connection with work, services, or activities by domestic personal taxpayers both in employment and free work.

In carrying out business activities, a very important factor in determining the success of the company is human resources (HR). HR or employees are personnel employed by a company who are given rewards in the form of salaries or wages. Salaries and wages are additional and the ability of economic needs for employees, so that the salaries and wages received are subject to taxes that have been regulated in Law No. 17 of 2000.

There are factors that can affect taxpayer compliance, one of which is the tax awareness factor. Taxpayer awareness is a condition where taxpayers can know, understand, and also be able to carry out applicable tax provisions correctly, both voluntarily and regularly. Understanding and implementation of tax obligations will be good due to the higher level of taxpayer awareness as well, so that it will have an impact on increasing the level of public compliance in paying taxes (Bahri, 2020).

Arifin, S. B., & Nasution (2017) revealed that one of the efforts made by the directorate general of taxation to increase taxpayer compliance is tax sanctions.

Based on Law No. 16 of 2009, taxpayers who are unable to submit notification letters (SPT) in a timely manner and in accordance with the time period for submitting notification letters (SPT) given by the directorate general of taxes will be subject to applicable tax sanctions, as for the time period written in article 3 paragraph 3 paragraph 4 of the law on general provisions of taxation No. 16 of 2009, there are 3 types of administrative sanctions, namely in the form of increased payment rates, interest and fines. These 3 witnesses are a form of financial penalty which means a waste of funds. Meanwhile, criminal sanctions take the form of imprisonment and financial fines. Witness is an action that can force and can be imposed on anyone who violates the applicable provisions established by the legal order.

In the context of this research, the author focuses on the tax obligations of individuals. Individuals here are non-permanent employees who work at Prima Abadi company. The lack of knowledge about personal tax obligations, especially for non-permanent employees and lack of knowledge about tax sanctions, is quite interesting to research.

THEORETICAL FRAME WORK

Individual Taxpayers

Taxpayers are often abbreviated as WP, are individuals or entities (tax subjects) who according to the provisions of tax laws and regulations are determined to carry out tax obligations, including tax collectors or certain tax deductions. taxpayers are usually individual taxpayers or corporate taxes. According to Resmi (2016) the definition of taxpayer is an individual or entity, including taxpayers, tax deductors, and tax collectors who have taxation rights and obligations in accordance with the provisions of laws and regulations. According to Saragih (2017) taxpayer compliance is a tax obligation carried out by taxpayers in order to contribute to development, this is what is expected in its fulfillment given voluntarily.

Based on the definition of Individual Taxpayer (WP OP) from the experts above, is an individual taxpayer domiciled and residing in Indonesia who has been registered at the tax service office that has been determined by law to carry out tax obligations. The types of individual taxpayers according to (Salman, 2017; 49) are as follows: (1) Employees. Employees receive income in the form of salaries, wages, allowances, honorariums, bonuses, services, overtime and so on, (2) Entrepreneurs (entrepreneurs) For taxpayers who do business or free work, in calculating individual income tax payable in advance the amount of turnover / gross circulation / net sales.

Furthermore, according to (Arikunto, 2009: 118). Understanding taxpayers can also be interpreted as the taxpayer's view on taxation knowledge owned. There are several indicators that taxpayers understand tax regulations, namely: (1) NPWP ownership, every taxpayer who has income is required to register to obtain an NPWP as a means of tax administration, (2) Understanding of rights and obligations as a taxpayer. If taxpayers already understand their obligations, then they will do it, one of which is by paying taxes, (3) Understanding of tax witnesses, the more taxpayers understand tax regulations, the more taxpayers understand the witnesses that will be received when fulfilling tax obligations.

Based on Law Number 28 of 2007 (Indonesia, 2008) tax is a mandatory contribution to the state owed by individuals or entities that are compelling based on law, by not getting a direct reward and being used for State purposes for the greatest prosperity of the people. Tax sanctions are a guarantee that the provisions

of tax laws and regulations (tax norms) will be obeyed or in other words, tax sanctions are a preventive tool so that taxpayers do not violate tax norms. In the tax law, 2 kinds of sanctions are known, namely administrative sanctions and criminal sanctions.

Income Tax Article 21

Income tax can be defined as an official levy that is shown to people who have income or on the income received and obtained in the tax year for the benefit of the state and society in the life of the nation and state as an obligation that must be carried out. According to Saragih (2015) in the calculation of corporate income tax, differences are often found between the income tax calculated by the company (commercial) and according to the fiscal. This is due to differences in the measurement and recognition of income, costs and profits in the company's financial statements (commercial) with the financial statements that have been determined by the tax authorities.

In tax law no 17/2000 article 4 paragraph (1) income can be interpreted as: Any additional economic capacity received or obtained by the taxpayer, whether originating from Indonesia, which can be used for consumption or for the wealth of the taxpayer concerned by name and in any form, (a) Grouping of income based on the flow of additional economic capability is divided into 4, namely: Income from work in labor relations and free workers, such as salaries, honoraria, income from the practice of doctors, notaries, actuaries, accountants, lawyers and so on, (b) Income from business activities, (c) Income from capital, in the form of movable and immovable property, such as interest royalties, dividends, rent, sales profits, property or property that is not used for business, (d) Other income is such as gifts, debt relief, foreign exchange gains, excess due to the revaluation of fixed assets.

Income tax article 21 is on the income of the tax object in the form of salaries, wages, honorariums, allowances, and other payments by any name in connection with work, services, or activities carried out by domestic personal taxpayers, both in employment relationships and free workers. The basis for withholding Income Tax Article 21 is the income collection and payment is made through withholding by another party, namely the employer or income provider.

METHODS

The research method the author uses is qualitative. Qualitative research is research that uses a scientific setting with the intention of interpreting cases that occur. This research used the secondary data collected from journals, book, news and other suitable sources. Thus it can be explained, the qualitative research method is research conducted to interpret or describe a case carried out by participants (research objects) based on existing scientific theories, so that readers get a concrete picture of existing theories and practices (Sugiyono, 2009). This research uses a case study (casestudy) which is part of a qualitative method that wants to explore a particular case in depth by involving the collection of various sources of information.

RESULTS AND DISCUSSION

The development of MSMEs should also increase tax revenue due to the increase in corporate taxpayers and individual taxpayers. Based on this, understanding of income tax and tax sanctions whether you know what to do as an individual taxpayer, then a field survey is carried out. The authors then find out

about the understanding of income tax and tax witnesses on individual taxpayers. If employees already understand and understand, it will be analyzed whether it is in accordance with the calculation of Income Tax 21 for non-permanent employees. This research is focused on business creating an independent society and reducing the unemployment rate. The description of this research informant is used based on employees who already have NPWP.

From the results of interviews with several employees have a very minimal understanding of income tax and tax sanctions. This is due to the lack of socialization about taxes in sub-district A of city A. Of the 12 respondents, there are 2 respondents who know about income tax and tax sanctions, while 6 respondents only know taxes and sanctions but do not understand income tax and various kinds of tax sanctions, and 2 more respondents only know income tax but do not know if there are tax sanctions.

In the technique of preparing this research report, the author uses the following data collection techniques: Observation, Interview, Documentation. Descriptive methods are used for the purpose of making descriptions, systematic, factual and accurate descriptions of the facts and properties and relationships with the phenomena being investigated.³⁰ This data analysis includes the activities of reviewing and reviewing data organizing data and sorting the data into units that can be told to others.

Tax witnesses are a guarantee that the provisions of tax laws and regulations (tax norms) will be obeyed / obeyed / obeyed or in other words, tax witnesses are a preventive tool (Preventive) so that taxpayers do not violate tax norms. In the tax law, 2 kinds of sanctions are known, namely administrative sanctions and criminal sanctions, namely (1) Administrative Sanctions. Is a payment of losses to the state which can be in the form of administrative fines, interest, or an increase in taxes owed, (2) Criminal Sanctions. Is the last resort of the order so that the norms of taxation norms are truly fulfilled. The views on tax sanctions can be measured by the following indicators: (1) Criminal / administrative sanctions imposed for violators of tax rules are quite severe. (2) The imposition of severe tax sanctions is one of the means to educate taxpayers. (3) Tax sanctions must be imposed on violators without tolerance for the imposition of sanctions for violations can be negotiated.

Most of the employees only know the limit of sanctions but do not know there are various kinds of sanctions that exist for taxpayers who do not comply with taxes. Even though there are sanctions in the form of administrative sanctions, namely sanctions given to violators that are quite severe and criminal sanctions are the last step so that tax regulations are truly fulfilled. And most employees underestimate sanctions. Because it is considered only as nonsense.

CONCLUSION

From the results of the research that has been done, it turns out that the understanding of income tax on individual taxpayers (WP OP) employees is still very minimal. They still do not know that they are individual taxpayers with the category of non-permanent employees. Most sources do not know income tax due to lack of understanding of the employer and lack of socialization from the Directorate General of Taxes. Understanding of tax sanctions on individual taxpayers (WP OP) employees of 7 employees who have NPWP all know about tax sanctions but do not understand what penalties are received if they do not pay taxes.

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