

Exploration of Tax Research in The Era of COVID-19

Bambang Soebroto¹, Ayu Fury Puspita², Made Tara Damayanti³, Maria Inggried Soinia Lase⁴, Muhammad Farras Mufid⁵

Accounting Department, Faculty of Economic and Business, Universitas Brawijaya^{1,2,3,4,5}

Jl. Veteran, Ketawanggede, Kec. Lowokwaru, Kota Malang, Jawa Timur 65145
Correspondence email: ayufurypuspita@ub.ac.id

ARTICLE INFORMATION

Publication information

Research article

HOW TO CITE

Soebroto, B., Puspita, A. F., Damayanti, M. T., Lase, M. I. S., & Mufid, M. F. (2023). Exploration of Tax Research in The Era of COVID-19. *International Journal of Accounting & Finance in Asia Pasific*, 6(2), 185-196.

DOI:

<https://doi.org/10.32535/ijafap.v6i2.2205>

Copyright@ 2023 owned by Author(s).
Published by IJAFAP



This is an open-access article.
License: The Creative Commons Attribution-Noncommercial 4.0 International (CC BY-NC-SA 4.0)

Received: 02 April 2023
Accepted: 12 May 2023
Published: 20 June 2023

ABSTRACT

Indonesia's primary source of state revenue, which is the center of attention, has also been impacted by the Covid-19 virus. To support the revival of Indonesia's economy, the government has introduced Minister of Finance Regulation Number PMK-86/PMK.03/2020, which provides tax incentives for taxpayers who have been affected by the Covid-19 pandemic in 2019. The public, especially researchers, needs to understand the mechanism for compiling and developing research related to the latest issues in the field of taxation to produce quality research, which is the goal of implementing community service activities this time. The activity is carried out by presentation and discussion method. The material to be delivered includes the preparation of research and the development of research issues in the taxation field. The results showed that more than 60% of the participants felt helped by the socialization with this topic. The benefits of this activity are that participants understand the preparation and research methods and explore research ideas according to the latest issues and phenomena in the field of taxation.

Keywords: Webinars, Taxation research methods, Issues on taxation

INTRODUCTION

Tax is the leading and vital instrument in state management. The tax dimension is very complex. Not only as a tool to collect state revenues, but taxes are also essential to maintain a dynamic economy and society from time to time (Harjowiryono, 2019). According to Sumampouw (2022) stated that the spread of Covid-19 has had several impacts on the Indonesian economy, trade, investment, and tourism. During the multidimensional crisis of the last two years due to the Covid-19 pandemic, taxes are needed, primarily to support countercyclical policies in various countries, including Indonesia (Pendit, Budiarta, & Widiati, 2021). Policies require a super-large budget to deal with and overcome the current pandemic of the economy and public welfare. All of this prompted the Indonesian Government to carry out major tax reforms.

First, the Government sets a tax incentive policy as stated in the Minister of Finance Regulation Number PMK-86/PMK.03/2020 concerning Tax Incentives for Taxpayers Affected by the 2019 Corona Virus Disease Pandemic. These efforts are made to maintain economic growth in Indonesia. Based on data from the Central Agency of Statistic, in the first quarter of 2021, the Indonesian economy was at -0.74%. Although it is still in a minus condition, at least better than the conditions in 2020 (Badan Pusat Statistik, 2021). In addition to tax incentives to protect business actors, the Government is also trying to create a conducive business climate to grow investment in the long term. The rotation of business activities is expected to be able to provide employment opportunities for workers who are found to be in the Corona Virus Disease 2019 (Covid-19) pandemic (Ministry of Finance, 2021). Ministry of Manpower, Ida Fauzia added that the unemployment figures caused by this pandemic increased from 4.9% to 7%. In more detail, data from the Central Statistics Agency explains that as of August 2020, the number of people increased by 2.67 million (Zamani, 2021). Ministry of National Development Planning said that with the increase of the employment that can reduce the number of unemployment, the region's economic condition will improve because people will regain their lost purchasing power of Rp362 trillion in just 10 weeks at the start of the pandemic (Suryanto, 2020).

One of the reasons for the low interest in investment in Indonesia is the disharmony between the regulations set by the Central Government and the regional Government as the manager of the autonomous regions of investment locations. Convoluting licensing, overlapping tasks between the central Government and local governments, and the large regional tax burden can prevent investors from channeling their capital to an area (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Kulon Progo, 2019). Therefore, the Government, through Law (UU) Number 11 of 2020 concerning Job Creation, has inserted a new policy that authorizes the Central Government to intervene in tax policies set by local governments. The policy is implemented within the National Strategic Project (PSN) framework, which was initiated to achieve equitable development in Indonesia.

According to Article 114 of Law of the Republic of Indonesia No. 11 of 2020 on Job Creation, one of the additional provisions made to Law Number 28 of 2009 concerning Regional Taxes and Regional Levies is the insertion of Article 156A as the basis for the central Government's authority to intervene in regional taxation policies. With this authority, the central Government can change local tax rates and regional levies by setting rates that apply nationally as well as evaluating and evaluating regional regulations on regional taxes and regional levies. This rule is set to support the ease of investment policy and encourage business growth activities in the context of aligning national fiscal policy.

Second, continuing efforts to recover the Indonesian economy affected by the Covid-19 pandemic, Law No. 7 of 2021: Harmonization of Tax Regulations, 2021)(HPP) became a narrative developed and discussed quickly with the DPR using the omnibus law scheme. The Government is optimistic that the HPP Law will be able to make Indonesia's tax system more efficient, neutral, flexible, effective, fair, and provide legal certainty for taxpayers. The HPP Law (UU HPP) encompasses six areas of regulation, which include General Provisions and Tax Procedures (KUP), Income Tax (PPh), Value Added Tax (PPN), Voluntary Disclosure Program (PPS), Carbon Tax, and excise duty. Each of these areas has its own designated timeframe for policy enforcement.

However, not all taxpayers can enjoy the incentives provided by the Government, only taxpayers who meet the business classification that has been determined according to the MoF Regulation No.23/PMK.03/2020. Types of Taxes given Incentives in this PMK-23 include Article 21 Income Tax and Article 22 Import Income Tax. Article 25 Income Tax Installments, VAT refunds. VAT is one of the clusters in the Act that underwent a significant change because the change changed the calculation rate for the imposition of VAT itself. VAT is introduced as a replacement for sales tax due to its ability to better accommodate community activities and address development needs. This change aims to boost state revenues, promote exports, and ensure a fair distribution of tax burdens. (Mardiasmo, 2016). Legal Character for VAT is an indirect tax that has a character by providing a juridical consequence that the tax bearer (tax destination) and the person in charge of paying taxes to the state treasury are different parties. The bearer of this tax burden is a buyer of Taxable Goods (BKP) or recipient of Taxable Services (JKP). Meanwhile, the person in charge of paying taxes to the state treasury is a Taxable Entrepreneur (PKP) who acts as the seller of BKP or JKP. Therefore, if there is a deviation in VAT collection, the Tax Administration (Fiskus) will hold the seller of the BKP and JKP accountable, not the buyer, even though the buyer may also have the status of a PKP (Sukardji, 2014).

Based on the description above, changes in regulations and tax incentives provided by the Government in connection with the Covid-19 pandemic are interesting things for researchers to investigate further. Therefore, it is necessary to carry out activities to explore ideas and research methods related to current issues in the field of taxation. The activity plan begins with an explanation by academics who will convey research and continue with academics who will present the latest issues in tax research. Therefore, the output target of this activity is that participants understand the preparation and research methods and explore research ideas according to the latest issues and phenomena in the taxation sector.

LITERATURE REVIEW

In late 2019, the global community was taken aback by the appearance of the Covid-19 virus originating from Wuhan, China. From March 2020 onwards, Indonesia also witnessed the emergence of Covid-19 cases, which gradually escalated. As the number of cases spiraled out of control, nearly all activities came to a halt and shifted to online or remote alternatives. In a short time, almost all activities were carried out by utilizing information technology. This situation indirectly supports or encourages the implementation of digital public services in Indonesia (Tasyah et al., 2021).

In order to overcome the impact of Covid-19, the government is making various efforts, one of which is through the National Economic Recovery (PEN). In the meantime, the policies being implemented encompass the augmentation of domestic consumption, the stimulation of business operations, the preservation of economic stability, and the execution of monetary expansion. These measures are being undertaken concurrently through collaboration among those responsible for fiscal policy, monetary policy, and

affiliated institutions. The government seeks to encourage business activity by providing incentives/stimulus in the field of taxation. MSMEs receive government-backed tax incentives like the government covering Income Tax Article 21. On the other hand, corporations enjoy tax incentives such as exemption from Article 22 Income Tax on imports, reduced Article 25 Income Tax installments, and early VAT refunds. Additionally, strategic, priority, and job-creating corporations receive working capital guarantees from the government (Sasongko, 2020).

During the Covid-19 pandemic, quite a bit of research on government policies in the field of taxation during the pandemic had been carried out. Various aspects of taxation can become research ideas, such as the impact of government policies, taxpayer compliance, etc. Heinemann in Widiiswa, Prihambudi, and Kosasih (2021) states that in conditions of economic crisis, the motivation of taxpayers to comply with tax obligations has decreased. Furthermore, Ferede and Dahlby (2012) stated that tax policies that were not carried out carefully could have a negative impact on economic growth, especially during a global economic slowdown such as a pandemic. Thus, exploring issues or ideas in research in the field of taxation is something that needs to be done.

RESEARCH METHOD

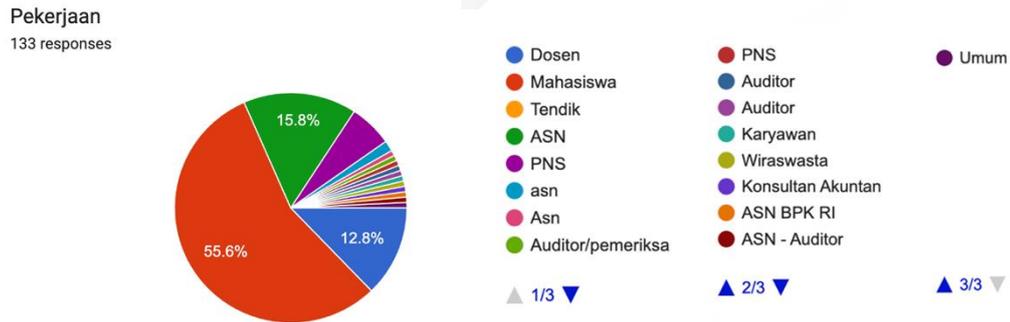
The material presented in this activity explores research ideas in taxation. Materials presented by academics to participants through integrated implementation methods, including presentations and discussions. Presentation is presented by an experienced speakers who are experts in the field of research methods and taxation. This stage was held briefly with the research methods material and continued with tax research issues. Materials presented during the presentation include materials on research preparation, including basic concepts of research; issues, motivations, goals, and contributions of a research; theory and hypothesis development; research design; summary, conclusions, discussion, and research limitations; and evaluation of research results. Furthermore, the materials regarding the development of research issues in the field of taxation are also presented, including various research topics in the taxation field, research steps in the taxation field, and taxation research experience.

The following method used in this activity is discussions. This activity is carried out to determine whether the participants have mastered the material. In addition, it also provides an opportunity for participants to discuss undecipherable things. Participants can discuss about the problems their facing in carrying out the research, or the potential problem while carry out their further research.

RESULTS

This activity was carried out through the Zoom Meeting media on Saturday, August 6, 2022. The activity started at 08.30 WIB with the Master of ceremony (MC) opening. The number of participants joined in Zoom Meeting are around 133 participants from different backgrounds across nationwide. The demography of the participants is stated in figure 1 below.

Figure 1. Participants Demography



Sources: Authors Documentation, 2022

The activity was followed by a speech by the chairperson of the Accounting Community Service Board of FEB UB, Prof. Dr. Bambang Subroto, SE., MM., Ak. Prof. Bambang expressed his hope for implementing this activity. Hopefully, it can be helpful for all participants present today.

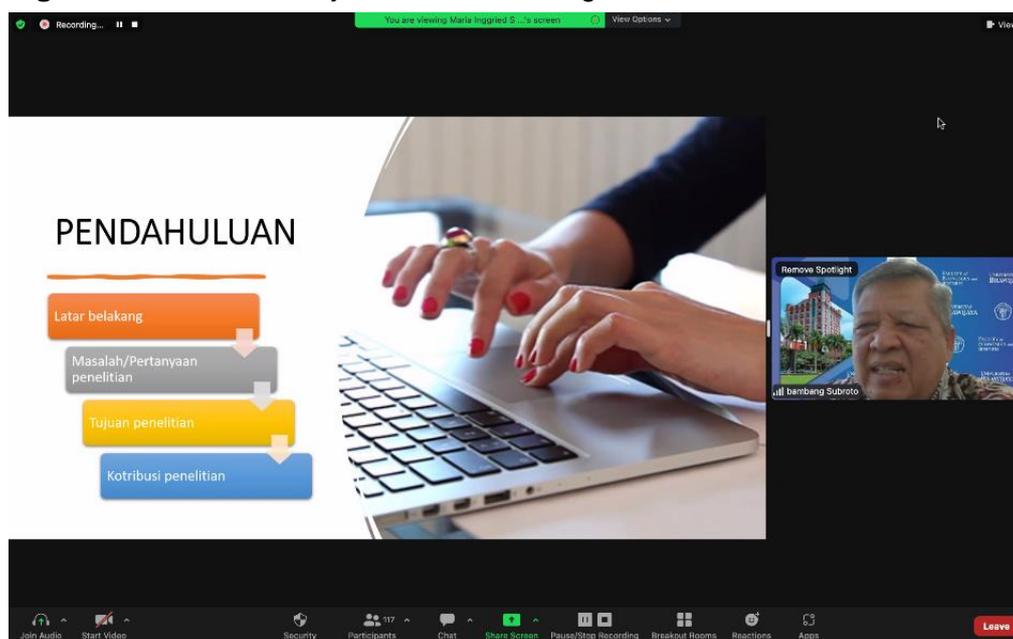
Figure 2. Speech by Prof. Dr. Bambang Subroto, SE., MM., Ak.



Sources: Authors Documentation, 2022

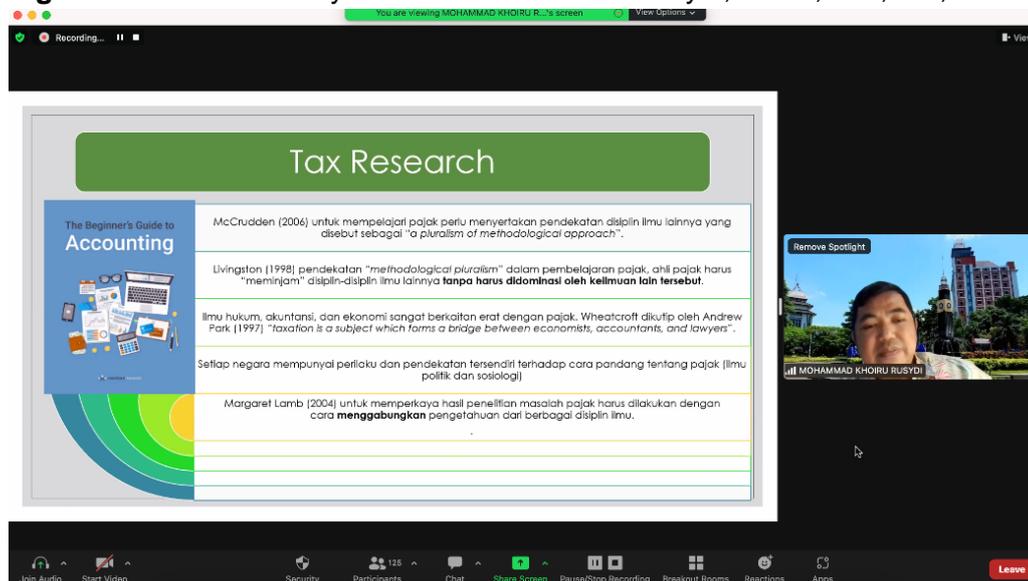
The activity continued with the presentation of the first material by Prof. Dr. Bambang Subroto, SE., MM., Ak., on the basics of research. Prof. Bambang explained the research framework that must be formed before conducting research.

Figure 3. Presentation by Prof. Dr. Bambang Subroto, SE., MM., Ak.



The next session was immediately followed by material by Mr. Dr. Mohamad Khoiru Rusydi, M.Ak., CA., Ak., BKP. The second material discusses research in the world of taxation and current issues in the world of taxation. In this session, a two-way discussion session was opened between the presenters and participants. Participants seemed enthusiastic about the presentation of this material, so the two-way discussion session went well.

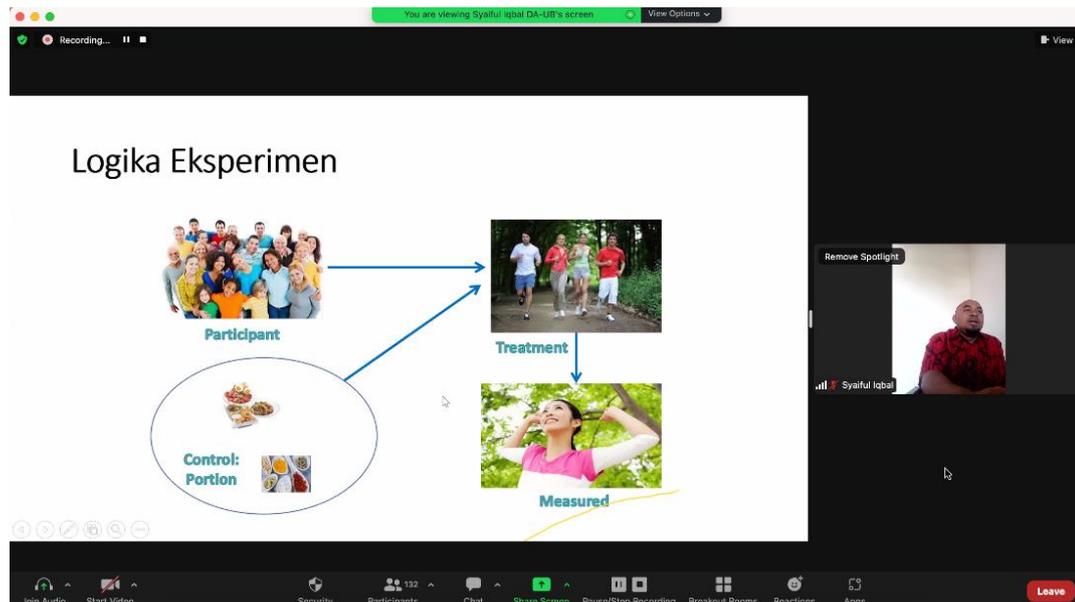
Figure 4. Presentation by Dr. Mohamad Khoiru Rusydi, M.Ak., CA., Ak., BKP



Sources: Authors Documentation, 2022

The limited time was the closing of the first material presentation session. The event then continued with the following material session, namely material on Experimental Method Tax Research by Dr. Syaiful Iqbal, Ak., CA., CPMA. The speaker explained the procedures for implementing tax research using experimental methods, just like scientific research.

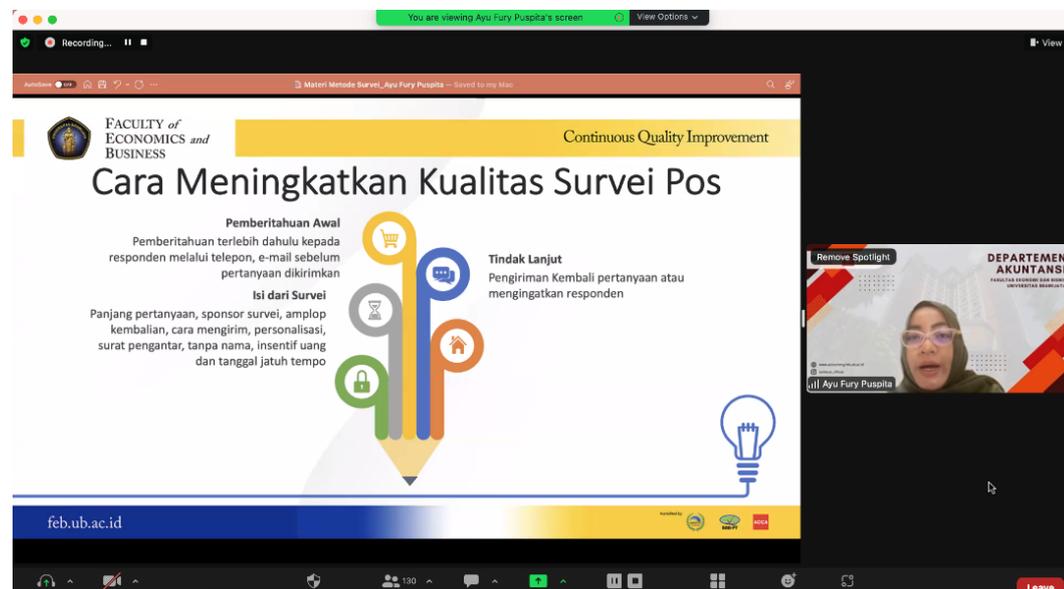
Figure 5. Presentation by Dr. Syaiful Iqbal, Ak., CA., CPMA



Sources: Authors Documentation, 2022

The activity then continued with the last material session, namely material on Survey Method Tax Research by Mrs. Ayu Fury Puspita, SE., MSA., Ak, CA., CPA. The speaker explained the procedures for implementing tax research using primary data obtained by the survey method.

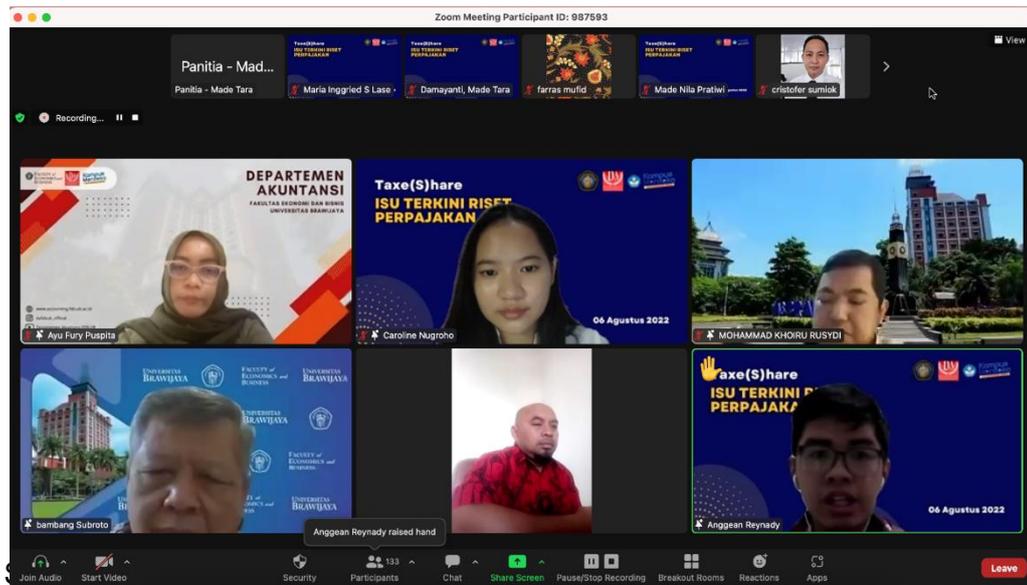
Figure 6. Presentation by Ayu Fury Puspita, SE., MSA., Ak, CA., CPA



Sources: Authors Documentation, 2022

The activity ended with a discussion session with four presenters. The discussion session ran interactively in two directions, where participants seemed enthusiastic about the presentation of the previous material.

Figure 7. Participant Discussion Session



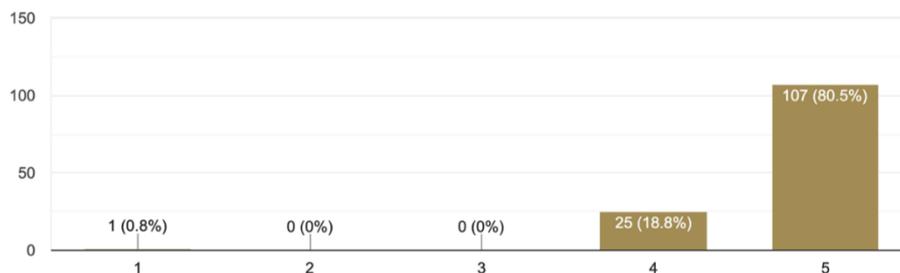
This community service activity, which was packaged in the form of a webinar Taxe(s)hare: Current Issues of Tax Research, was closed with a group photo session between participants and presenters. This activity was attended by approximately 133 participants from all over Indonesia. The author is grateful to the Accounting Department for helping to organize this activity to completion.

DISCUSSIONS

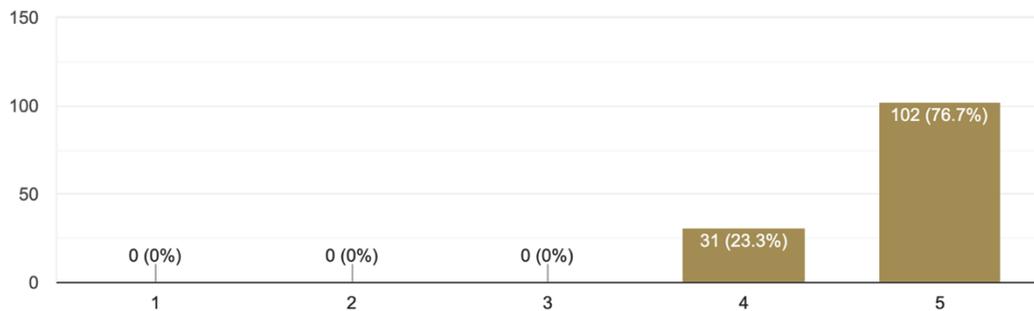
The end of this event is filling in attendance links and evaluation questionnaires for the organizers by the participants. The evaluation questionnaire uses a scale of 1-5, with assessment points that include an assessment of the presenters, topic selection, and facilities provided by the organizing committee. The results of the evaluation are described as follows.

Figure 7. The Evaluation for Presenter 1

Penilaian untuk Pemateri 1: Metodologi Riset
 133 responses



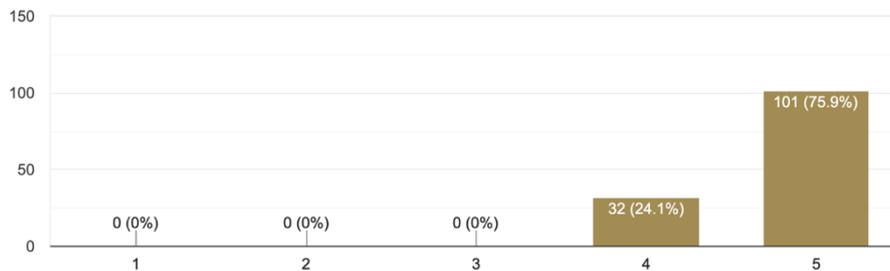
Penilaian untuk Pemateri 4: Riset Pajak Metode Survei
 133 responses



From 133 participants, 107 participants feel satisfied with the presentation delivered by Presenter 1 by giving 5 points on this question.

Figure 8. The Evaluation for Presenter 2

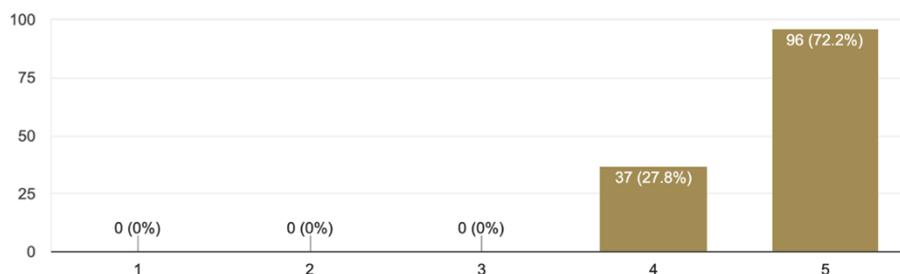
Penilaian untuk Pemateri 2: Riset Pajak Data Sekunder dan Isu-isu terkini di bidang Pajak
 133 responses



From 133 participants, 101 participants feel satisfied with the presentation delivered by Presenter 2 by giving 5 points on this question.

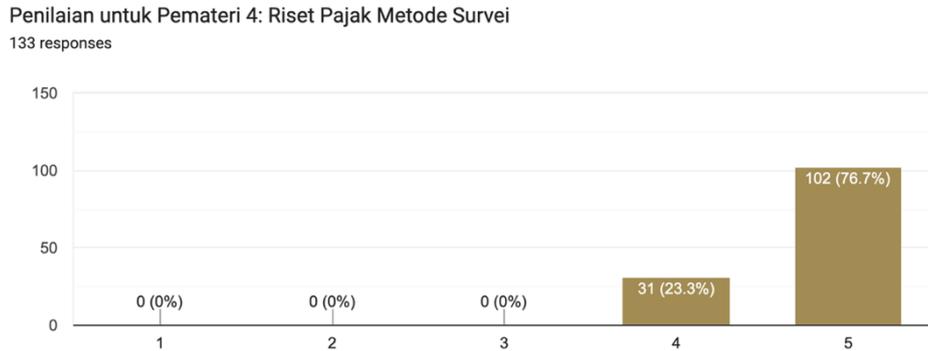
Figure 9. The Evaluation for Presenter 3

Penilaian untuk Pemateri 3: Riset Pajak Metode Eksperimen
 133 responses



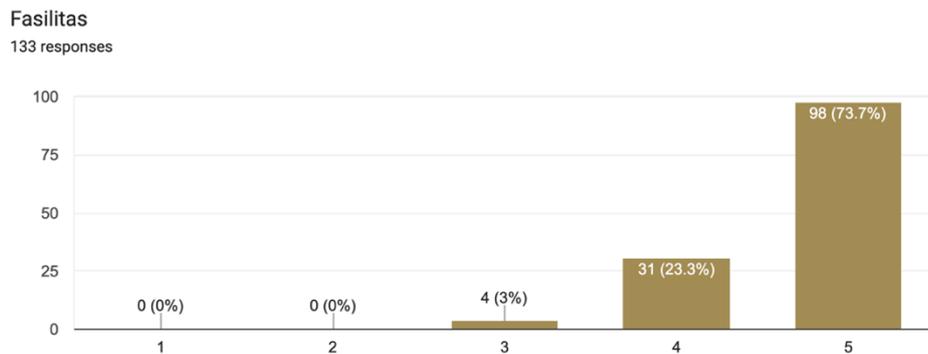
From 133 participants, 96 participants feel satisfied with the presentation delivered by Presenter 2 by giving 5 points on this question.

Figure 10. The Evaluation for Presenter 4



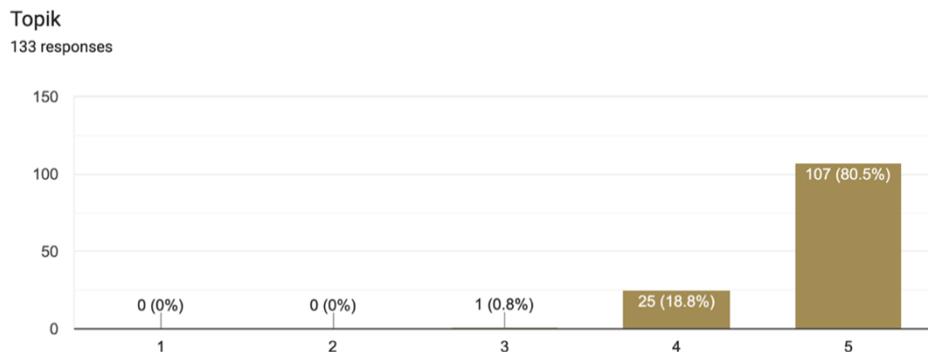
From 133 participants, 102 participants feel satisfied with the presentation delivered by Presenter 2 by giving 5 points on this question.

Figure 11. The Evaluation on Facilities Used



For overall events, the evaluation on facilities used to carry out the events including Zoom platform, Google Form, and other facilities and media used are greatly excellent. 98 participants think the facilities are excellent, 31 participants think the facilities are good, and 4 participants choose to be neutral.

Figure 12. The Evaluation on Topic Selected



The topic selected on this events, Exploration on Current Issues of Tax Research, are greatly excellent based on participants evaluation. In critics and suggestion section, many participants feel satisfied and feel helped by the material presented by all the

presenters. For further references, participants hope that Accounting Department of Brawijaya University will provide similar events but different topic, such as exploration on management accounting, financial accounting, and many others. In tax specialization, participants hope that the deepening on taxation in many aspects are chosen to be the topic. That could be international tax, region tax, or any other new policies created by the government in the future.

CONCLUSIONS

Based on the results of the evaluation by the participants, this community service activity can be carried out correctly. Meanwhile, the obstacles faced include punctuality and the provision of a media platform to implement the event. This is because the implementation using Zoom, often technical things such as participant voice leaks, internet network, etc., can interfere with the running of the event. Therefore, the author hopes that in the future, technical preparation of the platform can be paid more attention to if it is carried out online, and if possible, it is better carried out offline.

ACKNOWLEDGEMENT

This research is supported by the God, Accounting Department of Brawijaya University and AIBPM.

DECLARATION OF CONFLICTING INTERESTS

We have no conflict of interest.

REFERENCES

- Badan Pusat Statistik. (2021). Berita resmi statistik: Pertumbuhan ekonomi Indonesia triwulan I-2021 turun 0,74 persen (y-on-y). Retrieved from <https://www.bps.go.id/pressrelease/2021/05/05/1812/ekonomi-indonesia-triwulan-i-2021-turun-0-74-persen--y-on-y-.html>
- Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu Kabupaten Kulon Progo. (2019). Catatan Problematika Perizinan dan Investasi. Retrieved from <https://dpmppt.kulonprogokab.go.id/detil/420/catatan-problematika-perizinan-dan-investasi>
- Ferede, E., & Dahlby, B. (2012). The impact of tax cuts on economic growth: Evidence from the Canadian Provinces. *National Tax Journal*, 65(3), 563–594. doi:10.17310/ntj.2012.3.03
- Harjowiryo, M. (2019). Analisis faktor-faktor yang memengaruhi kepatuhan bendahara pemerintah dalam penyetoran pajak. *Indonesian Treasury Review Jurnal Perbendaharaan Keuangan Negara Dan Kebijakan Publik*, 4(3), 195–217. doi:10.33105/itrev.v4i3.156
- Mardiasmo. (2016). *Perpajakan*. Malang: Andi Offset.
- Minister of Finance Regulation Number PMK-86/PMK.03/2020 concerning Tax Incentives for Taxpayers Affected by the 2019 Corona Virus Disease Pandemic, (2020). Retrieved from <https://www.hlbindonesia.id/wp-content/uploads/2022/05/Journal-PMK-86-July-2020-Vol-2.pdf>
- Ministry of Finance. (2021). Program Pemulihan Ekonomi Nasional (PEN). Retrieved from <https://pen.kemenkeu.go.id/in/post/mengapa-program-pen>
- Pendit, I. P. W. L., Budiarta, I. N. P., & Widiati, I. A. P. (2021). Kebijakan pemerintah dalam memberikan insentif pajak penghasilan pasal 21 kepada wajib pajak terdampak pandemi Covid-19. *Jurnal Konstruksi Hukum*, 2(2), 418–423. doi:10.22225/jkh.2.2.3266.418-423

- Sasongko, D. (2020). Strategi kebijakan Pemulihan Ekonomi Nasional (PEN). Retrieved from <https://www.djkn.kemenkeu.go.id/artikel/baca/13287/Strategi-Kebijakan-Pemulihan-Ekonomi-Nasional.html>
- Sukardji, U. (2014). *Pokok-pokok Pajak Pertambahan Nilai Indonesia*. Depok: PT RajaGrafindo Persada.
- Sumampouw, O. O. (2022). Analysis of tax incentive implementation for MSME taxpayers affected by COVID-19 in Tomohon City. *International Journal of Applied Business and International Management (IJABIM)*, 7(1), 59-74. doi:10.32535/ijabim.v7i1.1442
- Suryanto, V. (2020). Bappenas: Masyarakat kehilangan daya beli Rp 362 triliun akibat pandemi corona. Retrieved from <https://nasional.kontan.co.id/news/bappenas-masyarakat-kehilangan-daya-beli-rp-362-triliun-akibat-pandemi-corona>
- Tasyah, A., Lestari, P. A., Syofira, A., Rahmayani, C. A., Cahyani, R. D., & Tresiana, N. (2021). Inovasi pelayanan publik berbasis digital (E-Government) di era pandemi Covid-19. *Jurnal Ilmu Administrasi: Media Pengembangan Ilmu Dan Praktek Administrasi*, 18(2), 212–224.
- Widiiswa, R. A. N., Prihambudi, H., & Kosasih, A. (2021). Dampak pandemi Covid-19 terhadap aktivitas perpajakan (penggunaan layanan daring, intensitas layanan administrasi pajak, & perilaku kepatuhan pajak). *Scientax*, 2(2), 160–178.
- Zamani, L. (2021). Pandemi Covid-19, jumlah pengangguran di Indonesia naik 9,7 juta orang. Retrieved from <https://regional.kompas.com/read/2021/03/10/160618878/pandemi-covid-19-jumlah-pengangguran-di-indonesia-naik-97-juta-orang>