Intensification Analysis and Tax Extension Related Tax Amnesty Policies on the UKM in Semarang

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Abstract

This study aimed to analyze the relationship between intensification and extension of the tax-related SMEs Tax Amnesty program. Methods of data collection using questionnaires distributed in 137 SMEs in Semarang. The analysis technique used is Chi Square. The results showed chi square at Asymp. Sig .788 which means the value is 0.788 > 0.05, it can be said there is no relationship between ownership and intensification NPWP taxes. While Asymp. Sig shows the value 0.786 > 0.05, it can be said there is no relationship between ownership and intensification PKP. The same result is also shown there is no relationship between ownership of NPWP and related tax Extensification Tax Amnesty. All these consistent results due to tax amnesty program itself that nature does not compel the owners of SMEs to participate. Tax Amnesty itself has benefits offered for owners of SMEs who wish to participate and those who do not participate are also given freedom, but the consequences in the future tax rates are imposed when the program is completed, namely 200%.

Keywords: tax amnesty, intensification, extension, SMEs
INTRODUCTION
In the short term, the potential refund Tax Amnesty citizens who parked abroad and citizens in domestic funds have not filled the tax liability. The potential amount of the fund should be calculated carefully to consider its potential as a source of government revenue. The funds are needed to fill government expenditure when economic conditions are weakening, government expenditure became one of an important source of growth in the midst of another source of growth in private consumption, exports and investment are weakening. Another reason that the moderation in global economic growth, the American economy is not yet stable, a slowdown in Chinese growth, monetary policy uncertainty, declining commodity prices, and geopolitical risks: Middle East & brexit. In the long term, the implementation of tax amnesty policy that is accompanied by the application of the principle of "fairness of tax assessment" for taxpayers who are already abiding and law enforcement for tax evaders will increase tax compliance and "tax-GDP ratio" in the future.

In accordance with the rules of tax amnesty only applied once that will run until March 31, 2017 and to utilize one of which is the taxpayer engaged in the Micro, Small and middle enterprises (UMKM).

In accordance with the understanding tax amnesty itself that amnesty program provided by the Government to taxpayers include the elimination of tax payable, the removal of sanctions of tax administration, as well as the elimination of criminal sanctions in the field of taxation on property acquired in 2015 and previously have not been reported in the tax return, in a way settled all tax arrears owned and pay the ransom. So UMKM over the last few years has not been reported wealth or tax arrears should be able to take advantage of this moment. Semarang and surrounding areas itself has a lot of UMKM that every year its from 2008 to 2015 had there are almost 107 thousand units of UMKM assisted from the Department of Cooperatives and UMKM Semarang which consists of the production of non-farm, agriculture, trade and services. The number of 5-7 %% have added almost every year, and has a turnover of 24 billion until 2015.

Labor absorption is almost 600 thousand people participated in it. The achievement is very proud of Semarang with the program - the program of the city government to support the growth UKM. This study aimed to analyze the relationship of UMKM extending tax related to tax amnesty program, analyze the relationship between tax intensification of UMKM related to the tax amnesty program.

LITERATURE REVIEW
Official (2009) is divided into two functions, namely the function budgetair and regurelend function. Budgetair function is the tax is one source of government revenue to finance both routine and foundation. as an expenditure State financial resources, the government seeks to incorporate as much money to the state treasury. The efforts taken by way of extending and intensifying tax collection through improved regulation of various taxes such as Income Tax (VAT), Value Added Tax (VAT) and sales tax on luxury goods (Tax), Land and Building Tax (PBB), and the
others. Regurelend function is the function of the regulator, meaning taxes as a tool for organizing or implementing government policies in the social and economic fields, as well as achieving certain goals outside the financial sector.

High taxes imposed on luxury goods. Sales tax on luxury goods (Tax) charged at the time of transactions selling luxury goods. The more luxury goods, the higher the tax rate so that the goods are more expensive. The taxation is intended that the people are not vying to consume luxury goods (luxury lifestyle reduces). Progressive tax rates imposed on income: the parties intended to earn a high income does not contribute (pay taxes) high also, resulting in income distribution. Export tax rate of 0% (zero percent) is so that employers are encouraged exports its products on the world market so as to increase the country's foreign exchange.

Tusubira and Nkote (2013) taxpayer compliance can be understood through three theoretical perspectives: general prevention theory, prevention models of economic and fiscal psychology. Prevention theories relating to the effect of the threat of sanctions in criminal and undesirable behavior, determine how much influence and determine the mechanisms involved. On the other hand, the economic model of prevention with the use of a utilitarian approach to measuring the threat of sanctions. From the perspective of personal consequences, income tax compliance is seen as a decision to maximize revenue and net profit of the income balance.

Extending the tax in the DGT Circular Letter No. SE-06 / PJ.9 / 2001 in Christover and Rondonuwu (2016) is an activity related to the increasing number of registered taxpayers and the extension of tax objects in the administration of the Directorate General of Taxation (DGT). Addition of registered taxpayers in question are taxpayers who are not registered and likely would not have a Taxpayer Identification Number (TIN).

Dirjan Tax Circular Letter No. SE-06 / PJ.9 / 2001 in Barkah (2014) explained that the intensification of the tax is the optimization of excavation activities of tax revenue to the object and the subject of taxes has been recorded or registered in the administration, and of the results of the implementation of the extension of the taxpayer. The purpose of the intensification of the tax is to intensify all efforts in improving the tax revenue of the government to make changes extending the tax provisions to broaden the scope of subject and object. Object and subject of taxes has been recorded in reality is not necessarily comply with the obligation to pay taxes, it is associated with a variety of things to make the trust required to tax and are reluctant to pay taxes.

Ngadiman and Huslin (2015) argues that the Tax amnesty is a chance a limited time on a group of taxpayers for paying a certain number and within a certain time in the form of remission of tax liability (including interest and penalties) relating to the tax period before or a certain period without fear criminal penalties. Some terms in taxes one of them is fiskus which is a Latin term that means fiscal and can be described as the state treasury or incomes. Fiscal policy is intended to achieve the desired level of income earned through taxation and decided to arranged expenditure priorities and goals.
Agbonika (2015) also explained that the tax amnesty is the reduction and elimination of tax penalties to encourage taxpayers to pay their obligations in accordance with the specified. They may be tax amnesty is the gift of freedom from prosecution, but still have to pay taxes and fines for full credit. The purpose of the tax amnesty is to forgive or negotiations with individual tax liability and the tax payer is in line with legislation.

Fjeldstad (2014) tax amnesty is a rule or law issued by the government to forgive the tax debt from previous years for the taxpayer. Through this step the government is providing a benefit to taxpayers by allowing them to correct any errors or omissions in taxes without fear of legal action. In the other words, to improve compliance in the future. amnesty is usually established for a fixed period.

Junpath (2013) explains that a tax amnesty is a government program that is usually offered for a limited period to a specific group of taxpayers. A tax amnesty allowing non-compliant taxpayers have the opportunity voluntarily disclose information which is incomplete or unreported and agree to pay the tax liability related to the subject of past violations without penalty and prosecution. Being compliant tax is the duty of every citizen, whether personal or corporate. Every citizen is expected to voluntarily comply with this obligation; But some people do not always obey the law. tax compliance can be described as the extent to which a taxpayer comply with the rules and tax regulations as provided by law. The main purpose of the tax amnesty is therefore to improve tax collection and improve tax compliance.

Olorunshola in Atawodi and Ojeka (2012) argues that the concept of relative and dynamic UMKM are characterized by uncertainty, innovation and evolution. Understanding of the UMKM are grouped by features, As noted by Aderemi Atawodi and Ojeka (2012), UMKM which in a rural area usually consists of only the owner or a family that manages to offer products and services, which tend to lack the organizational structure and management. it's different with the UMKM urban or urban which tend to be more structural than their counterparts in the countryside.

Akinboade, (2015) describe that service quality is also quite central to government taxes because they provide a variety of services to the taxpayer. Tax services generally provide a variety of needs such as (1) the information about taxes, (2) interaction and (3) transactions and describes the transaction as a core service of information and interaction service while providing support to the transaction. Bozdoganoglu (2016) describes the tax preferences granted to UKM to act to reduce the amount of tax payable by investors or owners UKM or UKM.

Tax preferences can be taken from a variety of ways, including additional deductions, credits or exemptions are targeted to UKM or tax reduction and exemption provided for owners of UKM and investors related to their investments in UKM. In most countries some form of tax preferences are targeted for UKM who are trying to solve with a variety of different purposes most commonly to encourage investment in UMKM,promoting expenditure on research and development (R & D) and innovation, employment support and encourage UMKM financing by the investor.
Ponorica and Al-Saedi (2015) describes the characteristics that should be applied in designing the tax system for UKM:

1. Simplicity - The tax system should be easy to manage and obeyed;
2. Proportionality - The burden of tax compliance must be balanced with the business size, UKM should have the burden of compliance;
3. Certainty - important tax obligations for UKM is sometimes necessary to make a decision;
4. Trade-offs - should support friendly compliance - In designing any tax environment friendly and obedient
5. tax-neutrality does not change the amount paid, in some cases, more taxes will be paid, and in some cases less tax will be paid.
6. Justice - Tax and compliance burden should be seen and adhere to the principle of justice, that is, all other things being equal.

RESEARCH METHODS

Methods of data collection using questionnaires / questionnaire. The reason for using a questionnaire / questionnaire for the number of UMKM featured were pretty much, and scattered in different places, so it is expected to facilitate the collection of data, in addition to the questionnaire / questionnaire. Number of questionnaires given to 150 UMKM in the beginning, but with some UMKM are changing locations and a variety of things that can be taken only 137 UKM. Processing data using Chi Square analysis using SPSS software value p, then compared with \( \alpha = 0.05 \). If the p-value is smaller than \( \alpha = 0.05 \), then there is a relationship / differences between the two variables associated with the expansion and intensification Tax Amnesty.

RESULTS AND DISCUSSION

<table>
<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>.072a</td>
<td>1</td>
<td>.788</td>
</tr>
<tr>
<td>Continuity Correctionb</td>
<td>.000</td>
<td>1</td>
<td>1.000</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>.071</td>
<td>1</td>
<td>.790</td>
</tr>
<tr>
<td>Fisher's Exact Test</td>
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<td></td>
<td></td>
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<tr>
<td>Linear-by-Linear Association</td>
<td>.072</td>
<td>1</td>
<td>.789</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>137</td>
<td></td>
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</tbody>
</table>

Source: processed data, 2016
The result of output Asymp chi square column. Sig shows the value of 0.788, which means the value is $0.788 > 0.05$, it can be concluded there is no relationship between ownership and intensification TIN taxes.

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<tbody>
<tr>
<td>Pearson Chi-Square</td>
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<td>.848</td>
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<tr>
<td>Continuity Correction^b</td>
<td>.000</td>
<td>1</td>
<td>1.000</td>
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<tr>
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<td>.038</td>
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Source: processed data, 2016

The result of output Asymp chi square column. Sig shows the value of 0.848, which means the value is $0.848 > 0.05$, it can be concluded there is no relationship between ownership of TIN and related tax Extensification Tax Amnesty. The result of output Asymp chi square column. Sig shows the value of 0.811, which means the value is $0.811 > 0.05$, it can be concluded there is no relationship between ownership PKP and extending the tax.

The result of Chi Square output in the WP Intensification of business entities that have a TIN and who do not yet have. Based on the results of analysis show that business owners who already have a TIN as many as 110, which means the awareness of the WP with their obligations as businesses almost entirely carried out by WP bodies, in this case the UMKM which already contribute in paying taxes.

The output also shows information about Intensification (good and less). It explains the owner of TIN in Intensification (good) a number of 92 which is the body WP has followed the Tax Amnesty program, while the other 18 who have registered and have a TIN has not participated in the program.

The other information in the analysis shows Intensification (good and less) on the WP that do not have a TIN amounted to 27 consisting of 22 which included Intensification (good), which means that the WP will use the opportunity Tax Amnesty program for registering the business in order to get a TIN. Whereas the rest, amounting to 5 WP belonging Intensification (or less) is WP who have not registered their businesses and there is no intention to follow the Tax Amnesty program.

The result of the analysis on the Intensification items chi square showed Asymp. Sig of 0.788 which means that Ho is accepted, we can conclude there is no significant relationship between TIN ownership and tax intensification related Tax Amnesty. This means that the body of WP (UMKM) that have been registered are not necessary going to follow the Tax Amnesty program, due to attend the program is the right of every WP and their awareness of their obligations to report and pay taxes owed his
efforts. Although WP have registered and have a TIN they will not necessary follow the Tax Amnesty. However, the regulations issued during the program has a very low fines WP agencies which report many businesses and pay taxes payable, in the other words, the tax amnesty program is right for every WP.

Result of descriptive analysis on PKP ownership in UMKM which already registered TIN indicate that WP have or sign into PKP only 45% and not yet becoming PKP by 55%. WP body will be listed into PKP if business owners report his business to be confirmed as Entrepreneur Taxable gross revenue (turnover) in the first financial year reached 4.8 billion, collect taxes owed, depositing the Value Added Tax accrued in terms of output tax greater than input tax which can be credited and depositing the Sales Tax on Luxury Goods payable, reported the collection, deposit and tax is determined by the end of next month (SPT Masa PPN).

WP agencies is allowed to follow the program with a complete report of all financial and accounted for correctly in order to know the tax payable which indicated the amount of the fine. WP agencies that have a TIN granted also if they are not willing to follow the Tax Amnesty, but the consequences if the program of tax amnesty has been completed then later discovered WP entities (UMKM) that are not reported to the tax office will be charged a penalty of 200% of the tax payable ,

Additions which meant that WP who do not have or have not registered and it is possible to have a NPWP . in tax amnesty program the main requirements to report personal property or business must have or registered their NPWP.

Amount 101 UMKM have been resgistered included in the category of tax intensification which means they are already registered and have a NPWP. while 27 UMKM which do not have a NPWP included in the extension, which means they have not registered themselves as WP body.27 UMKM be divided in 2 extension , it is good or lees extension. both in terms of the tax amnesty program during the last 26 wp candidates who intend to follow the tax amnesty program, but the first thing to do is to register businesses to the tax office in order to get NPWP and confirmed as PKP. The remaining 1 UMK Mwho do not have the intention to participate in the program because the agency has not registered as WP.

The effectiveness of tax amnesty program can also be seen from the analysis, the Tax Amnesty called effective in terms of tax Extensification if WP entity not registered previously with the right to use or exploit the moment the program to report and register themselves as WP body. The program is said to be effective as evidenced by the number of 26 UMKM that use its right to follow the Tax Amnesty program. While only one who has not used his rights, many factors are the reason for not using the right body WP her to follow the tax amnesty is an annual accounting requirements or other requirements that support these business owners to have a NPWP.

The rights of the owners can not be forced, but by the number of UMKM owners are willing to follow the tax amnesty program thats good enough. Business owners who do not have PKP some of them there is not yet registered or have a NPWP and directly unconfirmed into PKP, that sort of thing that causes there are some of the results of the analysis indicate Ekstenfisikasi item (less). While the data is the same
analysis showed the owners of UMKM which have become PKP and categorized into extensification (good) as many as 59 units and the (lack of) of 3 business units.

Related extending the amnesty Tax on items of NPWP to the conclusion that the activity in the body increased the number of WP during the Tax Amnesty program is not associated with the ownership of TIN. This means that as long as the program is launched will not necessarily encourage WP bodies to report all their wealth, because that tax amnesty itself entitle the WP on the willingness and reported his consciousness.

Extending the (good) means that 59 owners of UMKM have registered as PKP and have followed the Tax Amnesty in several periods ago. While three business units are categorized (less) for the UMKM owner PKP own numbers but has not followed the tax amnesty program.

Extensification analysis results related to the owner of a NPWP which has been confirmed and has PKP (Taxable Entrepreneur) is shown in the results Crosstab on Extensification business owners who have become PKP many as 75 of them 72 were categorized Extensification (good) and the remaining 3 (less). While that has been confirmed to have as many as 62 such PKP 59 categories (good) and the remaining 3 (less). In these results indicate that the ownership of PKP is the second condition after WP had or registered NPWP. However, the conditions PKP not all entrepreneurs or owners of UMKM can be confirmed, several requirements need to be traversed such as turnover for the year reached 4.8 billion then required to immediately register their business in order to be confirmed as PKP.

Awareness of paying taxes by business owners can avoid it in the fine that will be imposed if after the completion of a tax amnesty program known business owner not to report his business will be fined and the larger ones. Tax amnesty program itself is also advantageous if it is followed by the owners of UMKM due to lower rates charged depend guarantee tax. However, when compared with the data of the business owners who do not have the PKP still quite low, it is because there are some businesses that actually evade taxes. Such a way that would prejudice his effort if in the future the business getting bigger and require various permits that require a lot of NPWPaand PKP for business or UMKM to be approved permit. The regulation also already exists in the Act - Law on business licensing categorized great effort.

Broadly speaking, the Tax Amnesty originally intended for large business owners, among others save their money abroad at the same time be applied to micro and medium business owners who are qualified a decent effort to be registered as WP. Extending the goal to expand the tax object that has not been registered and tracked in this case UMKM in Semarang City can not be said to be effective for the tax amnesty program still leaves some business owners who have not yet participated. That is because the Tax Amnesty itself still gives the right to WP her to follow and may not be admitted to the program with the consequences of each others

While in terms of intensification which aims to intensify the WP especially UMKM owners who already have or registered but not yet actively reported assets of business in the the ongoing program intensified back to be able to participate in the Tax
Amnesty. Although the results showed no relationship between ownership and PKP TIN associated intensification of tax on Tax Amnesty program, but the research data also reveal that which pertained in Intensification (good), which means it will follow the tax amnesty program should be appreciated.

CONCLUSIONS AND SUGGESTIONS

Conclusion
The results showed that there was no relationship between TIN Extensification associated with ownership of Tax Amnesty program and there is no connection between the intensification of the ownership and PFM related TIN Tax Amnesty. All of these results due to the tax amnesty program itself that nature does not force the owners UMKM to participate. Program Tax Amnesty itself has benefits offered for owners UMKM who want to participate and those who do not participate are also given freedom, but the consequences in the future that might be detrimental to business owners (UMKM) such as the tax rate imposed when the program is completed, namely 200% . In contrast to when the program is still underway in several stages set rates are still very low.

Some owners of UMKM who are already registered and having an NPWP did not mean to be easy to follow the program, they are required able to the fortune better appropriate certainty for several years running. The right to participate or not in the Tax Amnesty program, which should be considered wisely by business owners (UMKM), particularly in Semarang so that the business reported or not the Tax Office around.

Suggestion
This study has a shortage in several parts which may have to be enhanced by further research in terms of the effectiveness of the Tax Amnesty program itself and in terms of Extensification and Intensifikasinya. As well as, if possible, it can be advise you for further research in order to discuss or analyze it different in other areas, because of the characteristics of UMKM in areas different from one another.

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