Taxation Aspects of Corporate Taxpayers

Dinar Ambarita, Eka Kusuma, Yunita Kwartani
Universitas Pamulang, Indonesia
E-mail: dosen02308@unpam.ac.id, dosen00955@unpam.ac.id, dosen01979@unpam.ac.id

*Correspondence: dosen02308@unpam.ac.id

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ABSTRACT

This research delves into the intricate taxation aspects surrounding corporate taxpayers. It examines the various dimensions of corporate taxation, including the principles governing corporate tax liabilities, tax planning strategies, and compliance obligations. The study navigates through the complexities of corporate tax regimes, analyzing the implications of tax laws, regulations, and reforms on businesses. Furthermore, it explores the evolving landscape of international taxation and its impact on multinational corporations. The paper also discusses contemporary issues such as tax avoidance, transfer pricing, and tax incentives, shedding light on their implications for corporate taxpayers and tax authorities. Through a comprehensive review of literature and case studies, this research provides valuable insights into the challenges and opportunities associated with corporate taxation, offering recommendations for policymakers, tax practitioners, and corporate entities to navigate the ever-changing tax environment effectively.

Introduction

It was found in the field that many taxpayers were subject to fines and tax sanctions due to negligence after negligence in fulfilling their tax obligations (Sapiei et al., 2014). The obligations of corporate taxpayers are calculating, collecting, depositing and reporting taxes that are their obligations (Sapiei, 2014). Understand the type of tax it manages, the amount of the rate and how to calculate Corporate Income Tax.

CV tax provisions in the use of MSME Final Income Tax PP 23/2018 per month are only valid for 4 years (Slemrod, 2004). This means that if CV business entity taxpayers use the MSME Final Income Tax rate of 0.5% of gross turnover for four years, they can no longer use this half percent rate (Isa, 2014).

Commanditaire Vennootschap (CV) or CV Business Entity is a Business Entity formed from a partnership between two or more people to achieve a common goal in terms of self-employment (Mohd Isa, 2012).

Fellowship members in CV are divided into two active or passive allies, with the following responsibilities:
1. Active allies take full responsibility for the company and involve personal property in setting up and managing their business.
2. Passive allies are only responsible for the capital invested.

CV is not a Legal Entity, so the wealth or assets owned by CV will be addressed to its founder.

Considering that CV is a business entity, its position as a taxpayer is in accordance with the provisions of tax legislation (Prena et al., 2019).

Similarly, Government Regulation (PP) Number 55 of 2022 amends several provisions regarding Income Tax, including the final 0.5% Income Tax (PPh), which was previously regulated in PP 23/2018. The final income tax rate of 0.5% is given when income from domestic taxpayer businesses (including individuals, cooperatives, private partnerships, firms, limited liability companies, village-owned enterprises/joint village-owned enterprises) has a gross circulation of not more than Rp4.8 billion in 1 Tax Year (Gribnau, 2015).

Problem Situation Analysis

This company has 16 employees with some having NPWP, namely 7 people as taxpayers who earn above non-taxable income (PTKP) and some do not have NPWP, namely 9 who earn below non-taxable income (PTKP) (Auerbach, 2006).

In the world of taxation, there are things that must be complied with in accordance with what is mandated in tax law, where certain understandings are often missed or may be considered trivial by certain corporate taxpayers in presenting their tax reports which results in anxiety or confusion when corporate taxpayers get a love letter from the Tax Service Office (KPP) where the corporate taxpayer is trying or domiciled (Leontieva et al., 2018).

Tax planning for corporate taxpayers is very important in presenting financial statements of the overall activities of the corporate taxpayer itself. In this case, financial statements that are prepared in a planned and structured manner will produce good tax financial reporting (Putri et al., 2020). This good tax financial reporting will be stated later by corporate taxpayers in the form of Annual Tax Returns. Thus, corporate taxpayers need to fully understand the meaning of tax planning itself and no less important to understand what are the lockdowns of information in terms of taxation that must be provided in the future (Pope & Susila, 2012).

For this reason, in this case, taxpayers really need to understand what must be grouped in the presentation of tax information. In this service, the devotees also provide an understanding of the information needed in corporate taxpayer tax reporting, especially carried out at a company domiciled in South Tangerang City (Mgammal & Ku Ismail, 2015).

As a good citizen of Indonesia, citizens have obligations to the government which will be returned to the citizens themselves in the form of facilities for all citizens. But over time, not a few citizens are very ununderstanding and may not want to know or do not care about these obligations (Prawati & Britania, 2020). Of course, in carrying out their obligations as Indonesian citizens, they must comply with the laws set by the government, in this case, one of which is the law governing taxation, where Indonesian citizens must carry out their obligations, especially in terms of taxation by paying taxes on the income they receive in accordance with the rates set by tax law (Freedman et al., 2012).
Community Service can convey and implement how to distinguish between final income tax and non-final income tax, how to present fiscal income reports, and how to present the agency's annual tax return report (Akhand & Hubbard, 2016).

The purpose of Community Service can convey and implement how to distinguish between final income tax and non-final income tax, how to present fiscal income reports, and how to present the agency's annual tax return report.

The benefits of this community service can be useful for corporate taxpayers, especially CV taxpayers. Yosoe Indonesia, also useful as a study material for other business communities and as knowledge material for students and academics who carry out community service.

Research Methods

The method of activities used for PKM participants after training will then be given a direct test to determine the effectiveness of the method. The following are the stages of training carried out:

1. Preparatory Phase The initial stages in PKM include:
   a. Initial survey, at this stage a survey was carried out to the location of Corporate Taxpayers CV Yosoe Indonesia, Ruko Roxy Villa Mutiara Serpong Jl. Boulevard Raya Blok B01 no 09 Pondok Corn Timur, Kacamatan Serpong Utara, South Tangerang City, Banten. After the survey, the location of the implementation and the target of the activity participants were determined.
   b. Preparation of training materials and materials which include, slides and papers for activity participants.

2. Implementation Stage At this stage, it will be explained about the Taxation Aspects of Corporate Taxpayers.

3. Training Phase To carry out this training, several training methods are used, namely:
   a. Training Method, This method was chosen to provide an explanation of the Taxation Aspects of Corporate Taxpayers.
   b. Discussion Method Questions and answers about the material

Results and Discussions

The implementation of Community Service "Aspects of Corporate Taxpayer Taxation on CV Yosoe Indonesia" carried out at the CV Yosoe Indonesia office on October 12-14, 2023 has been completed with the following schedule:

<table>
<thead>
<tr>
<th>No.</th>
<th>Time</th>
<th>Activity Description</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>09.00 – 09.30 Wib</td>
<td>Celebration from the Head of the Devotion Committee</td>
<td>Dinar Ambarita, S.E., S.H., M.A., CTL., CCL.</td>
</tr>
<tr>
<td>2.</td>
<td>09.30 – 10.30 Wib</td>
<td>Viewing from Narasource : Submission of theories containing aspects of corporate taxpayer taxation</td>
<td>Eka Kusuma Dewi, S.E., M.Si.</td>
</tr>
<tr>
<td>3.</td>
<td>10.30 – 12.00 Wib</td>
<td>Q&amp;A and discussion moderated</td>
<td>Yunita Kwartarani, S.Pd., M.Pd.</td>
</tr>
<tr>
<td>4.</td>
<td>13.00 – 14.00 Wib</td>
<td>Providing Examples of Tax Calculation for Corporate Taxpayers PT</td>
<td>Dinar Ambarita, S.E., S.H., M.A., CTL., CCL.</td>
</tr>
<tr>
<td>5.</td>
<td>14.00 – 15.00 Wib</td>
<td>Exercise on taxation calculation of corporate taxpayers PT</td>
<td>Yunita Kwartarani, S.Pd., M.Pd.</td>
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</tbody>
</table>
### Table 2  Day 2, Friday, October 13, 2023

<table>
<thead>
<tr>
<th>No.</th>
<th>Time</th>
<th>Activity Description</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>09.00 – 10.00 Wib</td>
<td>Giving an Example of Calculating Corporate Taxpayer Income Tax CV</td>
<td>Eka Kusuma Dewi, S.E., M.Si.</td>
</tr>
<tr>
<td>2.</td>
<td>10.00 – 12.00 Wib</td>
<td>CV Compulsory Income Tax Calculation Exercise</td>
<td>Yunita Kwartarani, S.Pd., M.Pd.</td>
</tr>
<tr>
<td>3.</td>
<td>13.00 – 14.00 Wib</td>
<td>Second exercise on the calculation of compulsory income tax for PT</td>
<td>Dinar Ambarita, S.E., S.H., M.A., CTL., CCL.</td>
</tr>
</tbody>
</table>

### Table 3  Day 3, Saturday, October 14, 2023

<table>
<thead>
<tr>
<th>No.</th>
<th>Time</th>
<th>Activity Description</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>09.00 – 12.00 Wib</td>
<td>The third exercise of calculating corporate taxpayers PT</td>
<td>Eka Kusuma Dewi, S.E., M.Si.</td>
</tr>
<tr>
<td>2.</td>
<td>13.00 – 15.00 Wib</td>
<td>Third exercise of calculating corporate taxpayer CV</td>
<td>Dinar Ambarita, S.E., S.H., M.A., CTL., CCL.</td>
</tr>
</tbody>
</table>
**ASPECTS OF TAXATION OF CORPORATE TAXPAYERS**

### Examples Of Calculating Income Tax

**CV business entity**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effort Circulation</td>
<td>5,000,000,000</td>
</tr>
<tr>
<td>Taxable Income</td>
<td>100,000,000</td>
</tr>
<tr>
<td>PKP gets Income Tax facility 31E</td>
<td>(4,800,000,000/5,000,000,000) x 100,000,000</td>
</tr>
<tr>
<td>PKP does not have facilities</td>
<td></td>
</tr>
<tr>
<td>PPh Owed</td>
<td></td>
</tr>
<tr>
<td>PPh with facilities</td>
<td>96,000,000 x 11%</td>
</tr>
<tr>
<td>PPh Does Not Have Facilities</td>
<td>4,000,000 x 22%</td>
</tr>
<tr>
<td><strong>Amount Of Tax Payable</strong></td>
<td><strong>11,440,000</strong></td>
</tr>
</tbody>
</table>

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**ASPECTS OF TAXATION OF CORPORATE TAXPAYERS**

[Diagram showing the calculation process involving various steps such as whole amount gross income, cost, total net income, fiscal correction, fiscal net income, loss compensation, taxable income, PPh owed, tax credit, cut / collected parties, and less / more pay.]

*Note: The diagram includes calculations and steps leading to the final tax amount, with placeholders for specific figures and calculations.*

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ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

Fiscal correction is divided into two, namely:

Positive fiscal correction: increase commercial profit or income earner
taxable, by adding income and subtracting or
expenses that are not recognized fiscally.

Negative fiscal correction: reducing commercial profit or producing profit
taxable income attributable to commercial income higher than
and fiscal revenues and commercial costs are smaller than
fiscal costs.

ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

Fiscal reconciliation is the process of recording the adjustment, and rectification that
done because there are differences in the treatment of income or commercial
profit unlucky as well as the cost between accounting standards and tax
rules. So that fiscal reconciliation is divided into two, namely:

1. Reconciliation of fixed differences: due to differences between taxable profits
with accounting profit that has not been taxed, such as final Income, Income Tax.

2. Time difference reconciliation: due to the time difference of recognition, both
producers an and costs between the accounting system and the tax system, such as
daan method of shrinkage.
ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

Rights and obligations of corporate taxpayers as follows:
- The right to apply for a refund of overpaid taxes
- Right to data confidentiality protection
- Right to obtain a preliminary refund of tax payment policy
- Right to get government borne tax facility (DTP)
- Right to obtain tax incentives
- Obligation to register as a taxpayer in accordance with statutory provisions
- Taxation
  - Required to pay tax obligations
  - Obligation to report tax
- Cooperative applicable obligations when tax audits are carried out

ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

Income tax is not final income tax
the one who is responsible for the production
of yes ng received by the agency based
WP N Article 17 and Article 31E of the
Act-Und ang number 36 year 2008 about
Pajak earnings.
ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

The Final Ph is an income tax that is applied to the resulting erima or obtained body based WP arkan government regulation (PP) Nom1 or 23 year 2018 on Income Tax the result of the effort received or D iperoleh taxpayers who have Per specific gross circulation

ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

Income tax agency is divided into two based on nature, namely:

1. Final Body Income Tax
2. Body Income Tax Is Not Final

ASPECTS OF TAXATION OF CORPORATE TAXPAYERS

In accordance with Article 1 of the Income Tax Law No. 7 of 1983, understanding Income tax is a tax imposed against individuals or individuals and entities in the case of the received or earned during a tax year
Conclusion

Corporate taxpayers, be it PT, CV, or other business entities, it is very important to know in advance what tax obligations must be reported and deposited to the state, in this case the local Tax Service Office where the taxpayer is domiciled. Corporate taxpayers need to know which ones are included in Final Income Tax and which are not included in Final Income Tax. Corporate taxpayers must also be able to present the Annual Corporate Tax Return including in the presentation of fiscal books.
References


Sapiei, N. S. (2014). *Tax agents perceptions of the corporate taxpayers’ compliance costs under the self-assessment system*.
