

Analysis of the implementation of Government Regulation No. 46 2013 in the calculation of PT ABC's income tax payable 2013/2014

Naniek Noviar¹

¹ University of Udayana, Kampus Bukit Jimbaran Badung 80361, Bali, Indonesia

ARTICLE INFO

Article history:

Received 5 February 2014

Revised 10 June 2014

Accepted 1 July 2014

JEL Classification:

M41

Key words:

Government Regulation No. 46 of 2013,
Income Tax payable.

DOI:

10.14414/tiar.14.040209

ABSTRACT

This research is a case study of the implementation of the Government Regulation No. 46 in the calculation of income tax payable 2013/2014 of PT ABC (a villa management company in Bali). This study uses quantitative and qualitative data, i.e. PT ABC's Profit/Loss reports in 2012/2013, PT ABC's Ledger of 2013, and the Notary Deed of the Establishment of PT ABC, which are collected using documentation technique. The Data are analyzed through several stages; firstly, to determine whether or not PT ABC should implement Regulation No. 46 in the calculation of its income tax payable 2013/2014, secondly, to calculate and analyze the comparison of PT ABC's income tax payable 2013/2014 between using the Regulation No 46 scheme and regular scheme. It is found that PT ABC's total income tax payable 2013, which is calculated using the Regulation No. 46 scheme, is lower than that of using the regular scheme, while the opposite condition occurs in 2014. This will potentially lead to a conflict of interest in the management of PT ABC that could potentially lead to act of tax evasion. This research uses the assumption that PT ABC's Profit/Loss in 2014 has the same condition as PT ABC's Profit/Loss in 2013. The future researchers can perform similar study in other companies by using the actual report of Profit/Loss in 2014 and/or compare it with the condition of Profit/Loss of the company for the next 3 consecutive years.

ABSTRAK

Penelitian ini merupakan studi kasus pelaksanaan Peraturan Pemerintah No. 46 dalam perhitungan pajak penghasilan terhutang 2013/2014 PT ABC (sebuah perusahaan manajemen villa di Bali). Penelitian ini menggunakan data kuantitatif dan kualitatif, yaitu laporan Laba/Rugi, PT ABC tahun 2012/2013, Neraca PT ABC tahun 2013, dan Akta Notaris Pendirian PT ABC, yang dikumpulkan menggunakan teknik dokumentasi. Data dianalisis melalui beberapa tahapan; pertama, untuk menentukan apakah PT ABC harus menerapkan Peraturan No. 46 dalam perhitungan pajak penghasilan terhutang 2013/2014, kedua, untuk menghitung dan menganalisis perbandingan pajak penghasilan terhutang PT ABC tahun 2013/2014 antara menggunakan skema Peraturan No 46 dan skema biasa. Hasilnya ditemukan bahwa jumlah pajak penghasilan PT ABC terhutang tahun 2013, yang dihitung dengan menggunakan skema Peraturan No. 46, lebih rendah dibandingkan dengan menggunakan skema biasa, sementara kondisi sebaliknya terjadi pada tahun 2014. Hal ini berpotensi akan menimbulkan konflik kepentingan dalam pengelolaan PT ABC yang berpotensi menyebabkan tindakan penggelapan pajak. Penelitian ini menggunakan asumsi bahwa Laba/Rugi PT ABC tahun 2014 memiliki kondisi yang sama seperti Laba/Rugi PT ABC tahun 2013. Para peneliti di masa depan dapat melakukan penelitian serupa di perusahaan lain dengan menggunakan laporan aktual Laba/Rugi tahun 2014 dan/atau membandingkannya dengan kondisi Laba/Rugi perusahaan selama 3 tahun berikutnya berturut-turut.

1. INTRODUCTION

Tax has an important role in the state revenue. This is demonstrated by tax revenue in the proposed

budget 2013 which was targeted to reach 1,031.7 trillion rupiahs, 5.2% up from the state budget P-2012 or doubled increase to the realization of 2007

* Corresponding author, email address: ¹ novikenan@yahoo.co.id

(Ministry of Finance 2013). The revenue from income tax and value added tax (VAT) is a mainstay in tax revenue in 2013 (Ministry of Finance 2013). Furthermore, income tax revenues contribute more than 50% of total tax revenue (Ministry of Finance 2013). This important role has prompted the government to make improvements in the field of taxation continuously. One of them is the application of self assessment system in the Indonesian taxation system. In this system, the government gives full trust to the public (taxpayers) to do their own tax obligations as well as to fill their own tax returns and to report in accordance with the calculations and data held by the taxpayers through the self assessment system (Ilyas and Burton 2008: 17).

Tax reform is also performed by the government by renewing the policies/regulations in the field of taxation. One of them is the enactment of the Government Regulation No. 46 in 2013 on income tax of the business income received or acquired by a taxpayer who has certain gross turnover of (hereinafter referred to as the Government Regulation No. 46). Government Regulation No. 46 requires the taxpayers whose gross turnovers do not exceed Rp. 4,800,000,000.00 (four billion, eight hundred million rupiahs) in 1 (one) tax year are subject to final income tax (with the final income tax rate of 1% (one percent)). The government's considerations in determining the imposition of final Income Tax are to simplify the tax collection, to reduce administrative burden for taxpayers and the Directorate General of Taxation (DGT), and to give regard to the economic and monetary developments (General Explanation of Government Regulation No. 46).

Basically, the application of Government Regulation No. 46 is breaking a lot of other tax regulations giving rise to polemics among taxpayers (Pandu Pajak 2013). Judging from the concept of fairness in taxation, the imposition of final income tax does not pay attention to the principle of fairness because it does not reflect the ability to pay. Fair taxation is that the greater the income (profits), the greater the tax to be paid (Musgrave 1996 in Tambunan 2013). Since the final income tax is calculated on the gross turnover, so the taxation is not in accordance with the principles of fairness (Tambunan 2013). According to Vogel et al. (in Andarini 2010), taxpayers tend to avoid paying taxes if they think the tax system is unfair. This is supported by the results of research conducted by Setyaningsih, et al. (2013) which states that the taxpayers feel burdened by the implementation of Government Regulation No. 46 and tend to negotiate the tax.

Today, Bali Island is still becoming an excellent tourist destination in Indonesia. The number of foreign tourists visiting Bali in December 2013 increased by 110% compared to December 2012 (Statistic Board Press Release 2014). The development of tourism in Bali is followed by the development of companies engaged in the business management of villas. One of them is PT ABC. PT ABC, as a taxpayer, in running its operations must fulfill its obligations in the field of taxation.

In accordance with the applicable self-assessment system, PT ABC is trusted to do its own tax obligations, as well as to fill its own tax return and to report it in accordance with the calculations and data held. On the other hand, PT ABC does not have competent human resources in the field of taxation. It can be seen from the fact that in addition to not having tax division, the company also does not have employees who have sufficient competence in taxation. Consequently, PT ABC often has difficulty in meeting its obligations in the field of taxation so that the company often gets tax collection letter from the Directorate General of Taxation. Furthermore, the management of PT ABC does not understand about the implementation of Government Regulation No. 46.

Based on the discussion above, the problem formulation in this research is concentrated on how the implementation of Government Regulation No. 46 in the calculation of PT ABC's income tax payable 2013/2014. The purpose of this study is to investigate the implementation of the Government Regulation No 46 in the calculation of PT ABC's income tax payable and other enterprises that have the same business character/condition as PT ABC.

2. THEORETICAL FRAMEWORK

Indonesian Government Regulation No. 46 of 2013 (or Commonly Known as PP 46)

The Government Regulation No. 46 provides the taxpayer, either individual or corporate, that derives income from the business (except for free work or income from a business that is subject to final income tax under the provisions of legislation in the field of taxation) with a gross turnover not exceed Rp 4,800,000,000.00 (four billion, eight hundred million rupiahs) in 1 (one) tax year is subject to final income tax. The rate of final income tax is 1%. The basis of the imposition of final income tax is the gross turnover each year of the relevant tax year.

The individual taxpayer, which is exempt from final income tax of the Government Regulation No. 46, is a individual taxpayer who undertakes busi-

ness activities and/or services in an attempt to use facilities or infrastructure that can be assembled, either settled or not settled; and to use part or all of the place for public interest that is not destined for a place of business or selling. The corporate taxpayer that is exempt from final income tax of the Government Regulation No. 46 is the corporate taxpayer that has not been in commercial operation; or the corporate taxpayer that is within a period of one (1) year after the commercial operation obtains the gross turnover exceeds Rp 4,800,000,000.00 (four billion eight hundred million rupiahs).

Deductible Expenses & Non Deductible Expenses

According to tax, not all expenses incurred by a company can be recognized as a deduction, although the expenses are associated with business activities. This is because according to the provisions of the tax, the fiscal expenses are classified into 2 types; the expenses that may be deducted from gross income and the expenses that may not be deducted from gross income. According to Article 6 of Law No. 36 of 2008 on Income Tax, the expenses that may be deducted from gross income, commonly known as Deductible Expenses, are

The expenses to acquire, collect, and maintain income, including the expense of material purchase, the expense relating to the work/service which includes wages, etc., or the expense typically called daily expenses charged to the expenditure year required.

1. Depreciation of spending to acquire tangible assets and amortization of spending to acquire the right for other costs that have benefit period more than one year.
2. Contribution to the pension fund whose establishment is approved by Minister of Finance.
3. Loss on sale/transfer of property.
4. Loss on foreign exchange rate difference.
5. Cost of research and development carried out in Indonesia.
6. Cost of scholarships, internships, and trainings.
7. Uncollected receivables
8. Fertilization of reserve funds and donations that can be expensed.

According to Article 9 of Law No. 36 of 2008 on Income Tax, the expenses that cannot be deducted from gross income, commonly known as Non-Deductible Expenses, are:

1. Dividend payment, profit sharing or distribution of net income (cooperative).
2. The formation or fertilization of reserve funds.
3. Premiums of life insurance, health insurance, endowment insurance, and scholarship insur-

ance.

4. Giving pleasure /nature
5. Grant, aid, and donation
6. Income tax
7. The amount which exceeds reasonableness paid to certain parties.
8. Cost or expense for personal interest.
9. Salaries paid to union members whose capital is not divided into shares.
10. Tax sanctions

If the commercial profit/loss still contains the above costs, the commercial profit/loss must be corrected with positive fiscal

Corporate Income Tax Rate

Corporate Income Tax Rates for Tax Year 2013 based on Article 17 and Article 31 E of Law 36 of 2008 on income tax is as follows:

1. Tax rate for tax year 2013 is 25 % of the taxable income.
2. The taxable income, or fiscal profit, is commercial profit that has been corrected using positive fiscal and/or negative fiscal (if any).
3. Domestic corporate taxpayer, in the form of public company which at least 40% of its total paid-up shares are traded on the stock exchanges in Indonesia and meet other certain requirements can obtain a rate of 5% lower than the rate that is regulated by or under the Government Regulation.
4. Domestic corporate taxpayer with a gross turnover of up to Rp. 50,000,000,000.00 (fifty billion rupiahs) has facility in the form of rate reduction by 50% of the rate (20%) which is imposed on tax income of the gross turnover of up to Rp. 4,800,000,000.00 (four billion eight hundred million rupiahs) .
5. For the purpose of the application of the tax rate, the amount of taxable income is rounded down in thousands.
6. Tax rate, based on Article 17 and 31 E, is imposed on the taxable income of the corporate taxpayer that is not included in the criteria of corporate taxpayer that has been subject to income tax Article 4, Paragraph 2 under the Government Regulation No. 46 of 2013.

Previous Research

Setyaningsih et al. (2013) studied the perceptions of SMEs to the tendency of tax liability negotiation related to the Government Regulation No. 46 of 2013 by using the SMEs population in Surakarta, both individual and corporate. The result of the research indicates that SMEs taxpayers in Surakarta

feel burdened with the enactment of the Government Regulation No. 46 and tend to negotiate tax.

3. RESEARCH METHOD

This research was conducted in PT ABC located at Raya Semer Street, No. XXX, Kerobokan, Bali. PT ABC is a company engaged in the management of villa. In carrying out its tax liability, PT ABC does not have competent human resources in the field of taxation. In fact, in addition to not having tax division, PT ABC also does not have employees who have sufficient competence in taxation. Consequently, PT ABC often has difficulty in meeting its obligations in the field of taxation so that the company often gets tax collection letter from the Directorate General of Taxation. Furthermore, the management of PT ABC does not understand about the implementation of Government Regulation No. 46, proved that up to April 30, 2014, PT ABC has not reported annual corporate tax return 2013.

In this research, the researchers analyzed the implementation of Government Regulation No. 46 in the calculation of PT ABC's income tax payable 2013/2014. This study uses quantitative data and qualitative data. The quantitative data in this study is PT ABC's Profit/Loss Report 2012 and PT ABC's Profit/Loss Report and Ledger 2013. The qualitative data in this study is the Notary Deed of the Establishment of PT ABC. The primary data used in this study is PT ABC's Profit/Loss Report 2012 and PT ABC's Profit/Loss Report and Ledger 2013. Data collection technique used in this research is the documentation techniques. In this study, the data analysis techniques used are as follows:

1. Determining whether PT ABC should implement Government Regulation No. 46 in the calculation of income tax payable fiscal year 2013, with the following steps:
 - a. Analyzing PT ABC's Profit/Loss 2012 to determine the gross turnover of the business of PT ABC 2012 and PT ABC's source of income 2012.
 - b. Analyzing the Notary deed of the Establishment of PT ABC to determine the PT ABC's business activities.
2. Calculating PT ABC's income tax payable 2013 using the Government Regulation No. 46 scheme.
3. Calculating PT ABC's income tax payable 2013 using ordinary scheme.
4. Comparing the calculation of PT ABC's income tax payable 2013 using Government Regulation No 46 scheme and ordinary scheme
5. Comparing the calculation of PT ABC's income

tax payable 2014 using Government Regulation No 46 scheme and ordinary scheme.

4. DATA ANALYSIS AND DISCUSSION

The Analysis of PT ABC's Profit/Loss 2012 and Notary Deed of the Establishment of PT ABC

The calculation of PT ABC's income tax of 2013, whether or not to follow the scheme of Government Regulation No 46, is set forth in Article 3, Paragraph 1 and Article 5 of the Government Regulation No 46 of 2013. Article 3, paragraph 1 of Government Regulation No 46 of 2013 states that the imposition of Income Tax (final 1% of gross turnover) is based on the gross turnover of the business within one (1) year of the last tax year before the tax year. This is confirmed by the example of the explanation of Article 3 that CV Andik has a business of selling pottery, in which based on the books or records of tax year 2013 (January 2013 to December 2013), has a gross turnover of Rp. 4,000,000,000.00 (four billion rupiahs). Thus, the income from businesses received by CV Andik in 2014 is subject to final income tax of 1% (one percent), because the gross turnover of CV Andik in the tax year 2013 does not exceed Rp. 4,800,000,000.00 (four billion, eight hundred million rupiahs). Article 5 further describes that the provisions of Article 3 does not apply to income from a business that is subject to final income tax under the provisions of legislation in the field of taxation.

According to Article 4 (2) of Law No. 36 of 2008 on Income Tax, final taxable income is income in the form of deposit interest and other savings, interest on bonds and government securities, and deposit interest paid by the cooperative to individual cooperative members; income in the form of raffle prizes; income from shares and other securities transactions, derivative transactions traded on the stock, and the sale of shares or the transfer of equity shares in partner companies received by venture capital firms; income from transfer of property transactions in the form of land and/or buildings, construction services, real estate business, and rental of land and/or buildings; and certain other income, which is regulated by or under Government Regulation.

PT ABC's Profit/Loss Report 2013 can be seen in Table 1. Based on the Table 1, the gross turnover of PT ABC in 2013 is Rp 4,241,806,623 (below Rp 4.8 billion), so the terms of Article 3 of the Government Regulation No. 46 are met. Under the Notary Deed of the Establishment of PT ABC and PT ABC management information, it is known that the business activity of PT ABC is on the management of villa.

Table 1
PT ABC Profit/Loss Statement for the Period Ended on 31st December 2012

	Commercial Profit/Loss	Fiscal Correction	Fiscal Profit and Loss
I Income	4,241,806,623		4,241,806,623
II Cost of Goods			
Total Cost			-
Gross Profit (Loss)	4,241,806,623		4,241,806,623
III Operating Expenses			
Cost of Employee Salaries	3,139,574,570		3,139,574,570
Cost of Office Stationery	65,784,003		65,784,003
Cost of Telecommunication	107,048,011	21,348,266	85,699,746
Cost of Electricity and Water	68,935,403		68,935,403
Cost of Bank	16,556,955		16,556,955
Drinks	43,944,563	5,909,865	38,034,698
Transportation	185,696,576		185,696,576
Maintenance and Repair	99,630,559		99,630,559
Depreciation	64,289,528		64,289,528
Others	439,545,714	103,517,997	336,027,717
Total Operating Expenses	4,231,005,882		4,100,229,754
Profit (Loss) from Business	10,800,742		141,576,869
IV Income and Other Costs			
Income and Other Costs			
Interest Income (net)	2,435,449	2,435,449	-
Income and Other Costs	(10,607,328)	-	(10,607,328)
Profit (Loss) on Foreign Exchange	76,647,002		76,647,002
Total Income and Other Costs	68,475,123		66,039,674
V Profit (Loss) of Business before Tax	79,275,865		207,616,543

Source: PT ABC, 2013.

This activity is based on Article 4.2 Income Tax Act which is not subject to final tax, so the terms of Article 5 of Government Regulation 46 are also met. Since both terms are met, then the calculation of PT ABC's income tax 2013 should follow the Government Regulation No. 46 scheme.

The Analysis of the Calculation of PT ABC's Income Tax 2013 Using Government Regulation No 46 Scheme

The technical implementation of Government Regulation No 46 is contained in the Circular of Director General of Taxation No. SE-42/PJ/2013. The letter F on the SE-42/PJ/2013 states that business circulation (for the interest of annual income tax calculation) is calculated based on the total gross income for the tax year 2013, and does not include gross income in the tax period from July 2013 to December 2013. So, all incomes and expenses during Tax Period from July 2013 to December 2013 must be corrected by fiscal. On the other hand, all income and expenses incurred in the tax period from January to June 2013 are treated in accordance with the regular income tax calculation scheme. The calculation of PT ABC's Income Tax

2013 using Government Regulation scheme can be seen in Table 2.

Positive and negative fiscal correction is done based on the transaction information recorded on PT ABC's Ledger Fiscal Year 2013. The positive Fiscal Correction (+) of Government Regulation No. 46 in Table 2 is all costs incurred in the period from July to December 2013, other detail of positive fiscal correction (+) can be seen in Table 3.

The Negative Correction (-) of Government Regulation No. 46 in Table 2 is all the income in the period from July to December 2013, while the other negative fiscal correction (-) worth Rp. 2,173,469 is all in interest income of the period from January to June 2013 which has been deducted final income tax by the bank.

Based on the Table 2, it can be seen that the PT ABC's taxable income in 2013 is Rp. 58,552,724 so the payable corporate income tax is Rp. 7,319,000 ($50\% \times 25\% \times \text{taxable income}$). PT ABC gets the facility in the form of a discount of 50% because the gross turnover of PT ABC which is not final income tax payable (2,676,788,064) is under Rp 4.8 billion (Article 31e of Law No. 36 of 2008). On the other hand, the gross turnover earned during July and

Table 2
The Calculation of PT ABC's Income Tax 2013 Using Government Regulation No. 46 Scheme
Period: from 1st January to 31st December 2013

	Commercial Profit/Loss	Fiscal Correction				Fiscal Profit/Loss
		(+)	(+) Regulation No. 46	(-)	(-) Regulation No. 46	
I Income	6,630,323,335	-	-	-	3,953,535,271	2,676,788,064
II Cost of Goods						
Total Cost						-
Gross Profit (Lost)	6,630,323,335					2,676,788,064
III Operating Expenses						
Employee Salaries and others	4,163,701,032	-	2,588,988,188	-	-	1,574,712,844
Cost of Rent	77,690,205	-	41,897,602	-	-	35,792,604
Cost of Office Stationery	158,288,968	2,000,000	50,582,600	-	-	105,706,368
Cost of Telecommunication	244,481,059	163,511	114,260,366	-	-	130,057,183
Cost of Electricity and Water	11,827,708	-	11,827,708	-	-	-
Cost of Bank	23,416,715	184,192	16,362,569	-	-	6,869,954
Drinks						-
Transportations	230,911,903	12,678,926	99,031,752	-	-	119,201,225
Maintenance and Repair	8,560,000	-	5,960,000	-	-	2,600,000
Marketing						-
Depreciation	55,039,267	-	25,973,660	-	-	29,065,608
Others	1,328,644,530	39,152,000	672,075,975	-	-	617,416,555
Total Operating Expenses	6,302,561,388	54,178,629	3,626,960,419	-	-	2,621,422,339
Profit (Loss) from Business	327,761,948					55,365,724
IV Income and Other Costs						
Income and Other Costs						
Interest Income (Net)	2,173,469	-	-	2,173,469	-	-
Income and Other Costs	(36,125,729)	-	39,312,729	-	-	3,187,000
Profit (Loss) on Foreign Exchange	-					-
Total Cost and Other Costs	(33,952,260)					3,187,000
V Profit/Loss of Business before Tax	293,809,688					58,552,724
VI Calculation of Income Tax Payable						
Corporate Income Tax						7,319,000
Final Income Tax of Regulation No. 46						39,535,353
Total Income Tax 2013						46,854,353

Source: Processed Data, 2013.

December 2013 final income tax payable by the tariff of 1% of turnover (Government Regulation No. 46 of 2013). Therefore, the final income tax of Government Regulation No. 46 PT ABC in 2013 is Rp 39,535,353, bringing the total corporate income tax PT ABC (final and not final) is Rp 46,854,353.

Based on Table 2, it can be seen that the total gross turnover of PT ABC in 2013 is Rp 6,630,323,335 (over 4.8 Billion Rupiahs). So in the tax year 2014, PT ABC has to calculate its income tax based on the ordinary scheme, i.e. the tax calculation scheme based on tax regulations before Government Regulation No 46 was applied (Article 3 paragraph 1 of Regulation 46 of 2013). If the assumption of PT ABC's Profit/Loss 2014 is the same as the assumption of PT ABC's Profit/Loss in 2013,

the calculation of PT ABC's income tax will be discussed using ordinary scheme.

The Analysis of the Calculation of PT ABC's Income Tax 2013 Using Ordinary Scheme

The calculation of PT ABC's income tax using ordinary scheme can be seen in Table 4. Positive and negative fiscal correction is done based on the transaction information recorded on PT ABC's General Ledger in tax year 2013. The detail of positive fiscal correction (+) from January to December 2013 can be seen in Table 5.

While the negative fiscal correction (-) worth of Rp 2,173,469, all of which are bank interest income during the period from January to June 2013 which has been deducted final income tax by the bank.

Table 3
The Detail of Positive Fiscal Correction of PT ABC from January to June 2013

No.	Cost of Account	Correction Value	Explanation
1	Cost of Office Stationery	2,000,000	Cost of Worship (offerings) which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
2	Cost of Telecommunication	163,511	Cellular phone charge that is only 50% of NDE- legal basis: Directorate General of Taxation No. KEP 220/PJ/2002
3	Cost of Bank	184,192	Final tax levied by bank which is a Non Deductible Expense (NDE) – legal basis: Article 4 (2) of Income Tax Act.
4	Transportation	12,678,926	Personal travel of company owner which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
5	Others	39,152,000	Cost of offerings, giving parcels to employees, and income tax which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
	Total Positive Correction	54,178,629	

Source: Processed Data, 2013.

Table 4
The Calculation of PT ABC'S Income Tax 2013 Using Ordinary Scheme For the Period Ended until 31st December 2013

		I/R Commercial	Fiscal Correction		Fiscal L/R
			(+)	(-)	
I	Income	6,630,323,335	-	-	6,630,323,335
II	Cost				
	Total Cost				
	Gross Profit (Loss)	6,630,323,335			6,630,323,335
III	Operating Expenses				
	Cost of Employee Salary and others	4,163,701,032	-	-	4,163,701,032
	Cost of Rent	77,690,205	-	-	77,690,205
	Cost of Office Stationery	158,288,968	4,000,000	-	154,288,968
	Cost of Telecommunication	244,481,059	163,511	-	244,317,549
	Cost of Electricity and Water	11,827,708	-	-	11,827,708
	Cost of Bank	23,416,715	505,559	-	22,911,156
	Drinks				-
	Transportation	230,911,903	12,678,926	-	218,232,977
	Maintenance and Repair	8,560,000	-	-	8,560,000
	Marketing				-
	Depreciation	55,039,267	-	-	55,039,267
	Others	1,328,644,530	94,358,894	-	1,234,285,636
	Total Operating Expenses	6,302,561,388	111,706,889	-	6,190,854,498
	Profit (Loss) from Business	327,761,948			439,468,837
IV	Income and Other Costs				
	Income and Other Costs				
	Interest Income (Net)	2,173,469	-	2,173,469	-
	Income and Other Costs	(36,125,729)	-	-	(36,125,729)
	Profit (Loss) on Foreign Exchange	-			-
	Total costs and Other Costs	(33,952,260)			(36,125,729)
V	Profit (Loss) of Business before Tax	293,809,688			403,343,108
VI	Income Tax Payable				64,335,901

Source: Processed Data, 2013.

Based on Table 4, it can be seen that all the gross turnover of PT ABC is not final income tax payable. PT ABC's taxable income in 2013 is Rp. 403,343,108 so that the corporate income tax pay-

able is Rp. 64,335,901. Only part of PT ABC's taxable income tax which has tax facilities in the form of 50% discount because the gross turnover of PT ABC which is not the final income tax payable

Table 5
The Detail of the Positive Fiscal Correction of PT ABC from January to December 2013

No.	Cost of Account	Correction Value	Explanation
1	Cost of Office Stationery	4,000,000	Cost of Worship (offerings) which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
2	Cost of Telecommunication	163,511	Cellular phone charge that is only 50% of NDE- legal basis: Directorate General of Taxation No. KEP 220/PJ/2002
3	Cost of Bank	505,559	Final tax levied by bank which is a Non Deductible Expense (NDE) – legal basis: Article 4 (2) of Income Tax Act.
4	Transportation	1,678,926	Personal travel of company owner which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
5	Others	94,358,894	Cost of offerings, giving parcels to employees, and income tax which is a Non Deductible Expense (NDE) – legal basis: Article 6 and 9 of Income Tax Act
Total Positive Correction		111,706,889	

Source: Processed Data, 2013.

Table 6
The Calculation of Discount Facility of PT ABC's Income Tax Payable of 2013 (Ordinary Scheme)

Calculation of Income Tax Payable	Profit Section	Income Tax Payable
Profit that gets discount (Taxable income x 4,8 M/Earnings)	291,998,791	36,499,849
Profit that does not get discount (Taxable Income – Income that gets discount)	111,344,209	27,836,052
Total Income Tax Payable		64,335,901

Source: Processed Data, 2013.

(6,630,323,335) is above Rp 4.8 billion (Article 31E of Law No. 36 of 2008). The detail of the Calculation of PT ABC's Income Tax Payable can be seen in Table 6.

The Comparison between the Use Government Regulation No. 46 Scheme and Ordinary Scheme in the Calculation of PT ABC's Income Tax Payable

The comparison between the use of Government Regulation No 46 Scheme and Ordinary Scheme in the calculation of PT ABC's Income Tax Payable can be seen in Table 7.

In Table 7, it can be seen that the total of Income Tax payable using Government Regulation No. 46 scheme is lower than using the ordinary scheme. This is caused by several factors:

PT ABC's taxable profit using Government Regulation No 46 scheme is almost 7 times lower than the ordinary scheme. This is because the negative correction using Government Regulation No 46 is lower, almost 1.820 times, than using the ordinary scheme, although the positive correction using Government Regulation No. 46 is higher, 33 times, than using ordinary scheme.

By using Government Regulation 46, the entire taxable profit get discount of 50% (Article 31E of Law No. 36 of 2008). While by using ordinary scheme, only a portion of taxable profit gets discount of 50% (Article 31 E of Law No. 36 of 2008).

Based on the discussion above, it shows that it would be more profitable if PT ABC's income tax payable 2013 is calculated using Government Regulation No. 46 scheme compared to using the ordinary scheme. On the other hand, based on the data of 2013, in 2014 PT ABC should use ordinary scheme instead of Government regulation No. 46 scheme. The comparison of the calculation of PT ABC's Income Tax Payable 2014 using Government Regulation No. 46 can be seen in Table 8.

Based on Table 8, it can be seen that the calculation of PT ABC's income tax payable 2014 using ordinary scheme is more profitable than using Government Regulation No. 46 scheme.

Based on the discussion above, it shows that under certain conditions, the calculation of tax payable using Government Regulation No. 46 will be more profitable than using the ordinary scheme. On the other hand, there is a certain circumstance where the calculation of the tax payable using Government Regulation No. 46 scheme will be more detrimental than using the ordinary scheme. This will potentially lead to a conflict of interest in the management of PT ABC which potentially leads to the act of tax evasion that may harm the state.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

Based on the above discussion, it can be concluded that PT ABC's total income tax payable 2013 which is

Table 7
PT ABC's Income Tax Payable 2013 using Government Regulation No. 46 Scheme and Ordinary Scheme

Explanation	Government Regulation No. 46 Scheme	Ordinary Scheme
Income	6,630,323,335	6,630,323,335
Commercial Profit	293,809,688	293,809,688
Positive Correction	3,720,451,777	111,706,889
Negative Correction	3,955,708,740	2,173,469
Taxable Profit	58,552,724	403,343,108
Not Final Income Tax	7,319,000	64,335,901
Final Income Tax	39,535,353	-
Total Income Tax	46,854,353	64,335,901

Source: Processed Data, 2013.

Table 8
PT ABC's Income Tax Payable 2014 using Government Regulation No. 46 Scheme and Ordinary Scheme

Explanation	Government Regulation No. 46 Scheme	Ordinary Scheme
Income	6,630,323,335	6,630,323,335
Commercial Profit	293,809,688	293,809,688
Positive Correction	6,338,687,116	111,706,889
Negative Correction	6,632,496,804	2,173,469
Taxable Profit	0	403,343,108
Not Final Income Tax	0	64,335,901
Final Income Tax	66,303,233	-
Total Income Tax	66,303,233	64,335,901

Source: Processed Data, 2013.

calculated using Government Regulation No. 46 scheme is lower than that of using the ordinary scheme. But instead (assuming the condition of PT ABC's Profit/Loss 2014 is the same as the condition of PT ABC's Profit/Loss 2013), PT ABC's income tax payable 2014 using Government Regulation No. 46 scheme is higher than that of using the ordinary scheme. This will potentially lead to a conflict of interest in the management of PT ABC which potentially leads to act of evasion that may harm the state.

In this research, the researcher uses the assumption that PT ABC's Profit/Loss in 2014 has the same condition as the Profit/Loss in 2013. Further researchers may then perform similar studies in other companies by using the actual statement of Profit/Loss 2014 and compare it with the condition of the company's Profit/Loss for the next 3 consecutive years.

REFERENCES

- Andarini, Pris K, 2010, 'Dampak Dimensi Keadilan Pajak Terhadap Tingkat Kepatuhan Wajib Pajak Badan', *Undergraduate Thesis*, Universitas Diponegoro.
- Badan Pusat Statistik, 2014, *Berita Resmi Statistik No. 12/02/Th. XVII*, <<http://www.bps.go.id>>, viewed 1 July 2014.

Departemen Keuangan, 2013, *Rancangan Anggaran dan Pendapatan Belanja Negara Tahun 2013*, <<http://www.anggaran.depkeu.go.id/Content/RAPBN.pdf>>, viewed 13 August 2014.

Direktorat Jenderal Pajak, 2013, *SE-42/PJ/2013, Tentang Pelaksanaan Peraturan Pemerintah Nomor 46 Tahun 2013 Tentang Pajak Penghasilan Atas Penghasilan Dari Usaha Yang Diterima Atau Diperoleh Wajib Pajak Yang Memiliki Peredaran Bruto Tertentu*, Jakarta.

Direktorat Jenderal Pajak, 2002, *KEP-220/PJ/2002, Tentang Perlakuan Pajak Penghasilan atas Biaya Pemakaian Telepon Seluler dan Kendaraan Perusahaan*, Jakarta.

Ilyas, Wirawan B and Burton, Richard, 2008, *Hukum Pajak*, Jakarta: Salemba Empat.

Menteri Hukum dan Hak Asasi Manusia, 2013, *Peraturan Pemerintah Republik Indonesia Nomor 46 Tahun 2013 Tentang Pajak Penghasilan Atas Penghasilan Dari Usaha Yang Diterima Atau Diperoleh Wajib Pajak Yang Memiliki Peredaran Bruto Tertentu*, Jakarta.

Menteri Hukum dan Hak Asasi Manusia, 2008, *UU No. 36 tahun 2008 tentang Pajak Penghasilan*, Jakarta.

Pandu Pajak, 2013, *Media Kanwil DJP Jakarta Selatan*, <http://issuu.com/pandupajak/docs/pandu_

- pajak_agustus_2013>, viewed 13 August 2014.
- Setyaningsih et al. 2013, 'Persepsi Wajib Pajak UMKM Terhadap Kecenderungan Negosiasi Kewajiban Membayar Pajak Terkait Peraturan Pemerintah No 46 Tahun 2013', *Proceeding*
- Simposium Nasional Perpajakan 4*, Madura.
- Tambunan Ruston, 2013, *Observation & Research of Taxation*,
<<http://ortax.org/ortax/?mod=issue&page=snow&id=51>>, viewed 11 September 2013.