



## **Analysis Taxpayer Compliance with the Submission of Article 21 Income Tax Returns according to the Average Effective Rate (TER) in Regulation No.58 of 2023**

**Indah Kurniyawati<sup>1</sup>, Moh. Rizal Budi Anggara<sup>2</sup>, Uswatun Khasanah<sup>3</sup>, Defirna Indah Safitri<sup>4\*</sup>**

<sup>1,2,3,4</sup> Accounting Study Program, Lamongan Islamic University, Jawa Timur, Indonesia

Email: <sup>1</sup>indah.kurnia5@unisla.ac.id, <sup>2</sup>rizalba60@gmail.com, <sup>3</sup>uswatunk2310@gmail.com, <sup>4</sup>defirnaindahsafitri@unisla.ac.id

### **Abstract**

*This study aims to analyze the level of compliance of taxpayers in submitting tax returns (SPT). Income (PPh) article 21 period, compliance must be a key factor in the optimization of tax revenue and the success of tax administration and in the frame of simplifying the calculation of withholding income tax rates (PPh) 21 month, the Government has issued PP No.58/2023. This study is to analyze the level of taxpayer compliance with the submission of Income Tax Article 21 tax returns according to the period with the purpose of the Average Effective Rate (TER) in PP 58/2023 To determine the difference in the level of compliance with the calculation of the use of the old and new rates in accordance with Article 21 of PP 58/2023. Article 2 paragraph (4) of PP 58/2023 regulates categories A, B and C in the TER classification with reference to the Non-Taxable Income (PTKP) group. The average Effective Rate (TER), which is 44 TER for category A, 40 TER for category B, and 41 TER for category C. The purpose of this study is to determine whether there is a difference in the level of tax payment compliance with the old and new utilization rates in accordance with Article 21 of PP 58/2023. Comparative descriptive qualitative analysis, which describes and compares data from two or more research results with various approaches, was used in this study. This research shows that the application of this TER does not increase the burden of income tax article 21. The difference from the old calculation is only to help taxpayers simplify their tax calculations.*

**Keywords:** TER, pp 58/2023, pp 21, pp 26, tax.

### **INTRODUCTION**

For fulfil obligation Taxation is mandatory tax must understand provision general taxation. One of provision the is self-assessment system. System This manage the entire implementation process obligation taxation, begins from calculation and determination big obligation taxation, deposit tax to the state treasury, report calculation and deposit as well as bookkeeping all over not quite enough responsibilities carried out. by obligation tax. One type tax income Yang use system cutting tax is Income Tax (IT) Article 21. Income Tax Law (PPh) 21 in Indonesia has Lots experience change, last government set tariff Latest PPh 21 for must personal tax in Constitution Harmonization Regulation Taxation or Law no. 7 HEC 2021.

Constitution about HPP start applies starting January 2022. Laws used For arrange magnitude cost taxes, procedures payments, and information taxation is Law no. 36 of 2008 which is perfection against the Law previously is law no. 17 of 2000, applies since January 1 2009. In 2023, PP no. 58 of 2023. Regulations Government (PP) No. 58 of 2023, PPh 21, tariffs cutting income from work, services or accepted activities must tax official use tariff new that is effective average rate. or TER. TER PPh 21 starts effective on 1 January 2024. The new TER PPh 21 listed in PP 58/2023 has been take into account a number of subtraction income gross like cost office or pension, pension contributions and income No hit tax (PTKP). Update provision withholding PPh 21 aim For give ease and simplicity in calculations and technical administration withholding of Income Tax Article 21 for must tax Good state officials, civil servants (PNS), members of the TNI/ Polri, and retirees. Study about change tariff tax carried out by Suci et al. , (2019). Change formula calculation collection and deduction tax income employee article 21 or PPh 21 with use tariff average

effective (TER) will makes it easier calculation withholding and collection of PPh 21 as well with excess minimum payment like previously.

There are issues that need to be further researched, namely the effect on tax compliance and the evaluation of tax avoidance reductions to understand whether these changes actually encourage compliance and reduce tax avoidance. Research on taxpayers' perceptions of regulatory changes is also important to evaluate whether taxpayers feel that these changes make it easier or even confusing for them.

As for the design mechanism calculation cutting latest That is TER  $\times$  Gross Income for the tax period other than tax period final. Tax period final use tariff Article 17 paragraph (1) letter a in Income Tax Law, above amount income gross, minus cost position / pension, contributions pension and income No hit PTKP tax. Effective rate This Already take into account PTKP for every PTKP status types such as No marry, marry, as well as marriage and partner working with amount dependents who have or Not yet owned. DGT has make book PTKP table which refers to Chapter III Article 7 of the Law Number 7 of 2021 concerning Harmonization Regulation Taxation. Expected with enactment of PP 58/2023 avoidance to tax can minimized.

#### Income Tax Article 21

Income Tax Article 21 is cutting taxes carried out on related income with paid work, services and activities to private people in accordance with Regulation Directorate Tax General. Procedure for Income Tax Article 21 and/ or Income Tax Article 26 regarding work, services, and activities of private individuals

The purpose of article 21 Income Tax and/ or article 26 Recipient PPH deducted income article 21 of the Criminal Procedure Code and/ or Article 26 of the Criminal Procedure Code is an individual that is:

- a. employee;
- b. recipient of severance pay, pension or benefit money pension, allowance day old or guarantee day old, incl expert his heirs;
- c. No receiving worker or accept income connection with giving service, specifically:
  1. power experts do it work independent, composed on lawyers, accountants, architects, doctors, consultants, notaries, experts and actuaries;
  2. musician, presenter, singer, comedian, movie star, star soap operas, stars advertising, director, film crew, fashion model, model, actor theater, dancers, sculptors, painters, and artists other;
  3. advertising agency;
  4. mentor, teacher, trainer , speaker , instructor and moderator;
  5. provider or manager project;
  6. service providers in all fields, including engineering, computers and application systems, telecommunications, electronics, photography, economics and social matters, as well as service providers in a committee;
  7. sportsman;
  8. writer, researcher, and translator;
  9. holder order or the person who discovered it subscriber or intermediary;
  10. manager external service insurance;
  11. agent sale goods;
  12. marketing distributor tiered or company sale direct and other similar activities;
- d. ex- employee;
- e. member Directors or the Supervisory Board which has not become employee stay with the same company;
- f. participant a earning activities or accept income connection with his participation in a activities, including:
  1. participant race in all field, covering sports, arts, skills, science knowledge, technology and competition other ;
  2. participant meeting, conference, hearing opinion, meeting or visit Work;
  3. participant or member commission as organizer activity certain;
  4. participant education and training;
  5. other participants in activity

The purpose of article 21 tax and/ or Article 26 tax Withheld income is:

- a. income received or obtained employee still , fine form income still nor No still ;
- b. income received or accepted regularly by retirees in form pension or similar income;
- c. income in the form of severance pay, pension, old age or old age security paid once and the payment lasts for a period of 2 (two) years after the worker stops working;
- d. income of non-permanent workers or independent workers, in the form of daily wages, weekly wages, wages partial, partial wages, or wages paid monthly;
- e. remuneration to non-employees, including wages, commissions, rewards and similar rewards, with in whatever name or form, as compensation for services rendered;
- f. compensation for activity participants, including pocket money, entertainment money, meeting money, royalties, awards or prizes in any name and in any form, as well as similar rewards in any name;
- g. income in the form of unfair honorariums or bonuses received or obtained by members
- h. Commission Board or Supervisory Board who are not yet permanent employees of the same company;
- i. income in the form of production services, tantiem, bonuses or other unfair compensation received or received by former employees; or me.
- j. income form withdrawal of pension funds by current pension program participants status employees, from the pension fund of which it was established has get approval of the Minister of Finance. This also includes invoice in form goods and/ or service other, whatever name and form, provided by:
  1. Taxpayers are charged tax final; OR
  2. Taxpayers are charged tax income according to standard calculation certain (considered profit). (based on top market price items given or mark reasonable enjoyment provided). Income above, is accepted or obtained by an individual who is a domestic Taxpayer, namely deducted income based on Article 21 of Income Tax (IT). Whereas if accepted or accepted by the individual who is must tax abroad, is income deducted by Article 26 Income Tax (IT).

#### Income Tax (PPh) article 21

Income Tax Rates (PPh) Article 21 Directorate The Tax General has publish Regulation Directorate Tax General. Regulation This is guidelines implementation of Minister of Finance-252/PMK. 03/2008, about Guidelines Top Tax Cuts related income with jobs, services, and activities of many people. By the way For calculation tax income article 21 especially formerly determined base imposition the tax. For Domestic Taxpayers and Permanent Business Entities, basic imposition the tax is income hit tax. Taxpayer 's income tax is calculated with method multiply income hit tax with tariff tax in accordance article 17 of the Income Tax Law based on tariff progressive, that is tariff based on group income hit taxes, that is percentage. Rates used increase If amount hit tax increase. Regulated rights in Article 17 paragraph (1) of the HPP Bill are:

**Table 1. List of Income Tax Rates**

Layer	Layer Taxable Income	Rates
I	up to IDR 60,000,000	5%
II	Above IDR 60,000,000 to IDR 250,000,000	15%
III	Above IDR 250,000,000 to IDR 500,000,000	25%
IV	Above IDR 500,000,000 to IDR. 5,000,000,000	30%
V	Above Rp. 5,000,000,000	35%

Source: Constitution Number 7 of 2021 (2021)

Non-Taxable Income (PTKP) for 2018 until moment This the calculation Still use regulation from the Minister of Finance PMK: 101/PMK.010/2016, or The amount of the PTKP tariff in 2016 is;

**Table 2. Non-Taxable Income Rates (PTKP)**

No	Description	Annual PTKP (Rp)
I	For Individual Taxpayers	54,000,000
II	Addition For married employees	4,500,000
III	Addition every member family consanguineous and consanguineous in lineage straight as well as child lift that becomes dependents completely at most 3 people for every family	4,500,000
IV	Addition For a wife whose income combined with income husband	54,000,000

Source: Minister of Finance Regulation No. 101/PMK/.010/2016 (2023)

Regulation Government No. 58 of 2023 Government has organize return withholding PPh 21 as follows stated in Regulation Government (PP) No. 58 of 2023 concerning Withholding Tax, Article 21 above related income with work, services, or Individual Taxpayer activities. There are two rates withholding of PPh article 21, namely:

1. The tax based on Article 17 paragraph (1) letter a of the Income Tax Law. Regime tax progressive in article 17 paragraph (1) letter a of the Income Tax Law allow calculation of PPh 21 per year during the tax period final.
2. Average rate effective (TER) deductions for PPh Article 21. The effective average tax scheme for PPh 21 intended For count tax income article 21 during the tax period other than tax period final or in a way monthly and daily.

Legal basis scheme the latest PPh 21 calculation is in accordance with provision article 21 paragraph (5) law n. 36 of 2008 concerning Income Tax (UU PPh) s. TDTD Uh no. 7 of 2021 concerning Harmonization Regulation Fiscal (HEC) regulates that:

*“Tariff cuts on income as referred to in paragraph (1) is tariff regulated taxes in article 17 paragraph 1 letter a, except otherwise determined by regulations government ”.*

Then, the government publish regulation technical as regulation implementation of PP 58/2023 through Regulation no. 1 Ministry of Finance. 168 of 2023 concerning Guidelines Implementation Top Tax Cuts related income with work, services, or private person activities.

Counting tax income and net PPh 21 are sufficient complicated and presenting scheme confusing calculations. Therefore that 's necessary done simplification and rationalization counting and cutting, as well management administration that does not require must tax For fulfil obligation taxation with Correct . With regime tariff effective PPh 21 TER, calculation tax income article 21 becomes more simple. The TER system does not change PPh 21 calculations though in a yearbecause Still based on article 17 paragraph (1) letter a of the Income Tax Law. Additionally, the TER regime does not give rise to burden tax addition new, because basically system This is method calculation tax monthly or daily.

Implementation effective average tariff on PP n. 58 of 2023As is known, PP Number 58 of 2023 concerning Income Tax Withholding Rates Article 21 above related income with work, services, or Individual Taxpayer activities No published government on December 27, 2023 and start effective December 27, 2023. December 27, 2023. January 1. 2024. When calculating tax at source in article 21, when This there is system confusingly different must business tax fulfil obligation taxation with Correct. In context here it is PP 58 of 2023 concerning calculation Article 21 Income Tax. Legal basis the issuance of the PP namely Article 21 paragraph 5 of the Income Tax Law which reads *“Withholding Rates on income as referred to in paragraph (1) is tariff tax as intended in Article 17 paragraph (1) letter a, except determined otherwise by Regulation Government ”.*

As for goals the issuance of the PP that is:

1. Give convenience for taxpayers in simplify calculation of PPh Article 21 in each Tax Period
2. Increase Taxpayer compliance in carry out obligation taxation
3. Give convenience for taxpayers in build system administration capable taxation do validation on Taxpayer calculations.

The PPh 21 TER calculation scheme according to PP 58/2023 consists of from two categories tariff effective, namely:

1. Effective Rates Monthly (According to PTKP)

**Table 3. Details Effective Tariff Category Monthly**

Category	Non-Taxable Income Status (PTKP)	PTKP Value (Rp)
TER Category A	a. Not married without dependents (TK/0)	54,000,000
	b. Not married to One dependents (TK/1)	58,500,000
	c. Marry without dependents (K/0)	58,500,000
TER Category B	a. Not married with two dependents (TK/2)	63,000,000
	b. Not married with three dependents (TK/3)	67,500,000

TER Category C	c. Marry with One dependents (K/1)	63,000,000
	d. Married with two dependents (K/2)	67,500,000
	Marry with three dependents (K/3)	72,000,000

Source: Regulation Government No. 58/2023 (2023)

Following details tariff effective monthly based on category For count big tax income article 21 based on tariff average effective (TER):

#### A. TER A Category Tariff

Details of the monthly average effective rate for TER category A are non-taxable income, unmarried status, and no dependents of 54 million. Meanwhile, non-taxable income of 1 person without dependents and unmarried status without dependents is 58.5 million.

**Table 4. Effective Rates Monthly Category A**

Types of TER	Gross Income	TER
TER A	-	0%
TER A	5.400.000	0,25%
TER A	5.650.000	0,50%
TER A	5.950.000	0,75%
TER A	6.300.000	1%
TER A	6.750.000	1,25%
TER A	7.500.000	1,50%
TER A	8.550.000	1,75%
TER A	9.650.000	2%
TER A	10.050.000	2,25%
TER A	10.350.000	2,50%
TER A	10.700.000	3%
TER A	11.050.000	3,50%
TER A	11.600.000	4%
TER A	12.500.000	5%
TER A	13.750.000	6%
TER A	15.100.000	7%
TER A	16.950.000	8%
TER A	19.750.000	9%
TER A	24.150.000	10%
TER A	26.450.000	11%

TER A	28.000.000	s.d	30.050.000	12%
TER A	30.050.000	s.d	32.400.000	13%
TER A	32.400.000	s.d	35.400.000	14%
TER A	35.400.000	s.d	39.100.000	15%
TER A	39.100.000	s.d	43.850.000	16%
TER A	43.850.000	s.d	47.800.000	17%
TER A	47.800.000	s.d	51.400.000	18%
TER A	51.400.000	s.d	56.300.000	19%
TER A	56.300.000	s.d	62.200.000	20%
TER A	62.200.000	s.d	68.600.000	21%
TER A	68.600.000	s.d	77.500.000	22%
TER A	77.500.000	s.d	89.000.000	23%
TER A	89.000.000	s.d	103.000.000	24%
TER A	103.000.000	s.d	125.000.000	25%
TER A	125.000.000	s.d	157.000.000	26%
TER A	157.000.000	s.d	206.000.000	27%
TER A	206.000.000	s.d	337.000.000	28%
TER A	337.000.000	s.d	454.000.000	29%
TER A	454.000.000	s.d	550.000.000	30%
TER A	550.000.000	s.d	695.000.000	31%
TER A	695.000.000	s.d	910.000.000	32%
TER A	910.000.000	s.d	1.400.000.000	33%
TER A	1.400.000.000	s.d		34%

Source: Directorate General of Taxes

#### B. TER B Category Rates

Details of the monthly average effective rate for TER category B are Non-Taxable Income of 2 dependents and 1 dependent marriage of 63 million followed by Non-Taxable Income of 3 dependents and 2 dependent marriages of 67.5 million.

**Table 5. Effective Rates Monthly Category B**

Types of TER	Gross Income		TER
TER B	-	s.d	6.200.000 0%
TER B	6.200.000	s.d	6.500.000 0,25%

TER B	6.500.000	s.d	6.850.000	0,50%
TER B	6.850.000	s.d	7.300.000	0,75%
TER B	7.300.000	s.d	9.200.000	1%
TER B	9.200.000	s.d	10.750.000	1,50%
TER B	10.750.000	s.d	11.250.000	2%
TER B	11.250.000	s.d	11.600.000	2,50%
TER B	11.600.000	s.d	12.600.000	3%
TER B	12.600.000	s.d	13.600.000	4%
TER B	13.600.000	s.d	14.950.000	5%
TER B	14.950.000	s.d	16.400.000	6%
TER B	16.400.000	s.d	18.450.000	7%
TER B	18.450.000	s.d	21.850.000	8%
TER B	21.850.000	s.d	26.000.000	9%
TER B	26.000.000	s.d	27.700.000	10%
TER B	27.700.000	s.d	29.350.000	11%
TER B	29.350.000	s.d	31.450.000	12%
TER B	31.450.000	s.d	33.950.000	13%
TER B	33.950.000	s.d	37.100.000	14%
TER B	37.100.000	s.d	41.100.000	15%
TER B	41.100.000	s.d	45.800.000	16%
TER B	45.800.000	s.d	49.500.000	17%
TER B	49.500.000	s.d	53.800.000	18%
TER B	53.800.000	s.d	58.500.000	19%
TER B	58.500.000	s.d	64.000.000	20%
TER B	64.000.000	s.d	71.000.000	21%
TER B	71.000.000	s.d	80.000.000	22%
TER B	80.000.000	s.d	93.000.000	23%
TER B	93.000.000	s.d	109.000.000	24%
TER B	109.999.999	s.d	129.000.000	25%
TER B	129.000.000	s.d	163.000.000	26%

TER B	163.000.000	s.d	211.000.000	27%
TER B	211.000.000	s.d	374.000.000	28%
TER B	374.000.000	s.d	459.000.000	29%
TER B	459.000.000	s.d	555.000.000	30%
TER B	555.000.000	s.d	704.000.000	31%
TER B	704.000.000	s.d	957.000.000	32%
TER B	957.000.000	s.d	1.405.000.000	33%
TER B	1.405.000.000	s.d		34%

Source: Directorate General of Taxation

### C. TER C Category Rates

Details of the monthly average effective rate for TER category C, namely Non-Taxable Income of Non-Married Status 3 of 70 million

**Table 6. Effective Rates Monthly Category C**

Types of TER	Gross Income		TER
TER C	-	s.d	6.600.000
TER C	6.600.000	s.d	6.950.000
TER C	6.950.000	s.d	7.350.000
TER C	7.350.000	s.d	7.800.000
TER C	7.800.000	s.d	8.850.000
TER C	8.850.000	s.d	9.800.000
TER C	9.800.000	s.d	10.950.000
TER C	10.950.000	s.d	11.200.000
TER C	11.200.000	s.d	12.050.000
TER C	12.050.000	s.d	12.950.000
TER C	12.950.000	s.d	14.150.000
TER C	14.150.000	s.d	15.550.000
TER C	15.550.000	s.d	17.050.000
TER C	17.050.000	s.d	19.500.000
TER C	19.500.000	s.d	22.700.000
TER C	22.700.000	s.d	26.600.000
TER C	26.600.000	s.d	28.100.000

TER C	28.100.000	s.d	30.100.000	11%
TER C	30.100.000	s.d	32.600.000	12%
TER C	32.600.000	s.d	35.400.000	13%
TER C	35.400.000	s.d	38.900.000	14%
TER C	38.900.000	s.d	43.000.000	15%
TER C	43.000.000	s.d	47.400.000	16%
TER C	47.400.000	s.d	51.200.000	17%
TER C	51.200.000	s.d	55.800.000	18%
TER C	55.800.000	s.d	60.400.000	19%
TER C	60.400.000	s.d	66.700.000	20%
TER C	66.700.000	s.d	74.500.000	21%
TER C	74.500.000	s.d	83.200.000	22%
TER C	83.200.000	s.d	95.600.000	23%
TER C	95.600.000	s.d	110.000.000	24%
TER C	110.000.000	s.d	134.000.000	25%
TER C	134.000.000	s.d	169.000.000	26%
TER C	169.000.000	s.d	221.000.000	27%
TER C	221.000.000	s.d	390.000.000	28%
TER C	390.000.000	s.d	463.000.000	29%
TER C	463.000.000	s.d	561.000.000	30%
TER C	561.000.000	s.d	709.000.000	31%
TER C	709.000.000	s.d	965.000.000	32%
TER C	965.000.000	s.d	1.419.000.000	33%
TER C	1.419.000.000	s.d		34%

Source: Directorate General of Taxation

Daily Effective Rate

**Table 7.** Details Daily Effective Rate Category

No.	Amount Income Per Day	Rates
1	$\leq$ Rp. 450,000	0% x Income gross daily
2	$>$ Rp. 450,000 - 2,500,000	0.5% x Income gross daily

Source: Regulation Government No. 58/2023 (2023)

## METHOD

Study This use method qualitative descriptive and explanatory. Study qualitative descriptive is research that describes the data as the existence and explanation of data or a incident with sentence explainer qualitative Sugiono, (2008). Study explanation is purposeful research For test a theory or hypothesis For strengthen or even contradictory with findings existing research there is (wikipedia). In research this, writer calculate, compare and analyze big tax owed for individual and corporate taxpayers . This process writer do with make simulation For determine big tax required income paid.

### Data Types and Sources

The types of data used in this study consist of two main categories. First, quantitative data, namely data in the form of numbers such as the number of taxpayers, tax revenue, income tax rates, non-taxable income (PTKP), and other tax provisions. Second, qualitative data, which includes explanations or statements obtained through interviews, previous research, and other relevant information.

The data sources used include primary data and secondary data. Primary data was obtained directly from the research object through interviews with business leaders and employees of the Primary Tax Office. Meanwhile, secondary data includes data published by official institutions, literature, as well as other relevant sources of information.

The data collection techniques applied include observation, namely visits or direct observations of research facilities to obtain the necessary information; interview, which involves direct questions and answers with the Head of Office or Tax Officer regarding the required data and interviews with taxpayers to complete the information; and documentary, which is the collection of data from existing archives or written documents.

### Analysis Method

Data analysis method used writer is analysis descriptive comparative. According to experts, method descriptive comparative is a method that explains and compares data from two or more results study with treatment different. Comparison descriptive compare the same variable For different samples or compare One field with field other. This method is presentation of data from problems faced must tax, Analysis problem the done with approach based on theory applicable taxes and regulations.

## RESULTS AND DISCUSSION

Based on the discussion above, calculations using tariffs can be analyzed Latest PPh 21. There are differences regarding the monthly calculations , but this does not change or increase the tax burden for the year in question. This can be seen from the calculation using the old and latest tariff calculations below. Following example calculation of PPh 21 based on PP 58 of 2023;

Calculation of PPh 21 in a year	
Wages a year	167,400,000
THR	1,952,750
Gross Income a year	169,352,750
Cost Position	6,000,000
(169,352,750 x 5%)	( maximum limit allowed )
Net Income a year	163,352,750
Non-taxable income	67,500,000
Annual Taxable Income	95,852,750
Article 17 Income Tax rates	
(5% x 60,000,000)	3,000,000
Article 17 Income Tax rates	
(15% x 35,852,750)	5,377,913
PPh 21 is payable	8,377,913

**Table 7.** accumulation PPh 21 in a year

Period	Monthly Income	TER Rates According to Table	Income Tax 21 Monthly
January	13,950,000	5%	697,500
February	13,950,000	5%	697,500
March + Thr	15,902,750	6%	954,165
April	13,950,000	5%	697,500
May	13,950,000	5%	697,500
June	13,950,000	5%	697,500
July	13,950,000	5%	697,500
August	13,950,000	5%	697,500
September	13,950,000	5%	697,500
October	13,950,000	5%	697,500
November	13,950,000	5%	697,500
	Total		7,929,165
	Average Effective Rate		
Tax Due A year	-	Accumulation 21 Jan – Nov	= PPh 21 December Period
8,377,913	7,929,165		448,748

According to table existing calculations, exist application of this TER No add burden tax income article 21. What makes the difference with just a long calculation For makes it easier must tax in simplify calculation the tax.

Compliance level must tax can influenced by several factor. Influencing factors for example; Understanding *Self assessment*, level income / ability pay taxes, services officer taxes, sanctions tax, level education, and so on. The aim of issuing PP 58/2023 is simplicity and deliver convenience administration tax For lower cost compliance must tax (*cost of compliance*) so expected can increase compliance in a way voluntary (*voluntary tax compliance*). In accordance In the provisions of this PP, the calculation of PPh is based on the income received every month certain so that No need do calculation Again during a year considered full can difficult must tax. In research this, writer will analyze factor compliance must tax seen from corner big related income direct with ability For pay tax. Rationale writer is although must tax given convenience administration taxation However If If There is must taxes are not own ability pay so convenience the become not enough meaningful.

The Ministry of Finance (MoF) noted that the performance of tax revenues in the first quarter of 2023 and 2024 declined. Non-Oil and Gas Income Tax in 2023 whose realization reached Rp. 225.95 trillion with a contribution of 25.86%. Meanwhile, in 2024, Non-Oil and Gas Income Tax will reach Rp. 220.42 trillion with a contribution of 20.73. This is due to an increase in restitutions, both income tax and VAT which reached 70.3%.

**Table 9.** Quarterly Tax Revenue Data First 2023 and 2024

No.	Data Name	Realization (Rp trillion)	Contribution (%)	No.	Data Name	Realization (Rp trillion)	Contribution (%)
1	Non- oil and gas income tax	225.95	25.86	1	PPh non oil and gas	220.42	20.73
2	PPnBM	185.70	24.99	2	PPnBM	155.79	19.20
3	UN	2.87	25.24	3	PBB	3.17	8.93

Source: databoks.katadata.co.id (2024)

From table on describe that with implementation TER PP 5 8/2023 for PPh 21 for the first quarter of 2024 decreased.

Income Tax 21 and Income Tax 23 have fundamental differences in the subject, object, rate, and nature of tax withholding. ITA 21 is imposed on individuals who receive income from employment, such as salaries, wages, and honorariums, with progressive rates ranging from 5% to 30%. This tax is deducted directly by the employer. In contrast, ITA 23 is imposed on entities or individuals who receive income from services or capital, such as dividends, interest, and royalties, at a rate of 2% for services and 15% for dividends, interest, and royalties. This tax is withheld by the party paying the income. Compliance with ITA 21 is generally higher because deductions are made directly by the employer, while compliance with ITA 23 often experiences problems because deductions are made by third parties who may not understand tax obligations.

Economic conditions have a significant impact on taxpayer compliance. In a good economy, with increasing revenues and profits, taxpayers tend to be more compliant because they have the financial means and want to maintain their reputation. Conversely, in an economic crisis or recession, financial difficulties can reduce compliance due to liquidity constraints and the urge to avoid tax liabilities. Inflation and exchange rate instability also affect compliance, as the increased cost of living may make taxpayers focus more on immediate needs rather than paying taxes on time.

Changes in tax regulations can significantly affect taxpayer compliance. Complexity often decreases compliance as taxpayers may have difficulty understanding and following new regulations. Conversely, tax incentives such as reduced rates or tax amnesty can increase compliance by providing benefits to taxpayers. Tax amnesty programs, for example, can entice taxpayers to become compliant again. In addition, increased scrutiny and harsher penalties can encourage compliance as taxpayers are more careful to avoid fines. However, overly harsh policies without adequate service support can lead to dissatisfaction and resistance.

Social issues have a significant impact on tax compliance. The level of trust in the government affects taxpayers' motivation to pay; if there is confidence that taxes are used transparently and effectively, compliance tends to increase. Conversely, trust decreases if there are cases of corruption or misappropriation. Social and cultural norms also play a role; in societies that value tax compliance, individuals are more likely to comply, while in societies where tax evasion is taken for granted, compliance decreases. In addition, social inequality can affect compliance, as those who feel disadvantaged by the unfairness of the tax system may be reluctant to pay taxes, feeling that the burden is heavier on the middle and lower economic groups than on the wealthy or large corporations.

## CONCLUSION

Can taken conclusion Implementation of PP No. 58 of 2023 has been implemented in accordance with provisions of Law no. 36 Years 2008 about Income tax. Although beginning at first give rise to debate, however Because objective from implementation of PP 58/2023 is For make it easier and simpler must tax do calculation tax income.

Based on the description in the discussion that resulted in conclusions, the author put forward several important suggestions. First, it is recommended to provide education through training to taxpayers to make it easier for them to fulfill their tax obligations. Furthermore, service improvement is urgently needed by providing additional tax assistance in addition to socialization, to increase taxpayer compliance and state cash revenues. Finally, giving certain awards to taxpayers who comply with applicable laws and regulations can be an effective incentive to encourage further compliance.

External factors like condition economy, change regulation taxation, and problems social each other related in influence compliance must taxes. When the economy stable, regulation clear and fair, and public believe in a clean and transparent government, the level of compliance tend high. On the other hand, uncertainty economy, change confusing regulations, as well injustice social can lower motivation must tax For obedient.

## THANK-YOU NOTE

All praise and gratitude to God Almighty. Because of His blessings, mercy and grace, so that the author can complete this journal with the title "Analysis of Taxpayer Compliance with the Submission of Income Tax Article 21 Based on the Effective Average Rate in Government Regulation No. 58 of 2023" on time. The author would like to thank those who have contributed, especially friends who have helped in completing this journal. The author realizes that this journal is far from perfect so the author hopes for

input, criticism and constructive suggestions to build this journal towards a better direction. Finally, the author hopes that this journal can provide benefits for all those who need it.

## BIBLIOGRAPHY

- Ariani, M., Defrianto, D., & Zulhawati, Z. (2016). The Effect of Socialization, Sanctions, and Trust on Taxpayer Compliance in Paying Pph Tax Article 21. *Journal of Accounting & Taxation Research (JRAP)*, 3 (02), 161-175.
- Constitution Harmonization Regulation Taxation (HPP Law) No. 7 of 2021.
- Constitution Republic of Indonesia No. 36 of 2008 concerning Income Tax  
<https://nasional.kontan.co.id/news/kemenkeu-data-setoran-pph-pasal-21-capai-rp-433-triliun-anggaran-februari-2024>
- <https://klikpajak.id/blog/perbedaan-pph-21-dan-pph23/>
- <https://adoc.pub/sugiyono2008-metode-penelitian-kuantitatif-kualitatif-dan-rd>.
- <https://databoks.katadata.co.id/datapublish/2024/03/28/realization-pajak-utama-ri-per-15-maret-2024-ppn-dalam-negeri-merosot>
- Kurniyawati, Beautiful. (2019). Analysis Implementation Calculation and Reporting of Income Tax (PPH) Article 21 above Employee Stay with PT X in Surabaya. *Journal Economic and Accounting Research (JIPENSI)* , Volume 4 No 2.
- Kurniyawati, Beautiful. (2023). Socialization Matching NIK to NPWP at Lamongan Islamic University. *Journal Devotion To the Community (MEDITEG)*, Volume 8 No 1.
- Kurniyawati, I., Rosdiyati, R., & Satiti, A. D. R. (2024). *SOCIALIZATION OF INCOME TAX CALCULATION PPH ARTICLE 21 AVERAGE EFFECTIVE RATE AT ISLAMIC UNIVERSITY LAMONGAN*. *Community Development Journal: Journal of Community Service*, 5(4), 6320-6323
- Kurniyawati, I., Rosdiyati, R., & Nurjanah, F. (2023). *Training on PPH 21 Calculation and Reporting at MAN 1 Lamongan*. *Nusantara Journal of Community Service*, 3(2.2), 2103-2107.
- Kurniyawati, I. Rosdiyati. Nurjanah, Fitri. (2023). *Trend Of Transport Company Tax Avoidance In Indonesia Which Are Listed On The Idx In 2017-2021*. *Indonesian Journal of Economics, Accounting and Management (JEAMI)*, Volume 1 Number 1.
- Mardiasmo. 2018. *Revised Edition of Taxation*. Yogyakarta: Andi Offset.
- Mardiasmo. 2023. *Revised Edition of Taxation*. Yogyakarta: Andi Offset.
- Meliandari, Ni Made Sri, and Rachmad Utomo. "Tinjauan Faktor Penyebab Rendahnya Kepatuhan Pajak Penghasilan Umkm Kuliner Khas Bali Di Kabupaten Badung." *Jurnal Pajak Indonesia (Indonesian Tax Review)* 6.2S (2022): 512-528.
- Minister of Finance Regulation No. 168 of 2023 Instructions Implementation Top Tax Cuts Income In connection with Service Work or Private Person Activities.
- Regulation Government No. 58 of 2023 concerning Income Tax Withholding Rates Article 21 above Income connection with Service Work or Individual Taxpayer Activities.
- Suci et al., (2019). Effectiveness Implementation Regulation Government No. 23 of 2008 on Taxpayer Growth Rates and Final Income Tax Receipts at KPP Pratama Manado. *Journal of Accounting Research*, 15(4), 2019, 362-370.
- Syarifudin, Akhmad. (2015). Analysis Implementation of Final Income Tax PP 46/2013 and its Implications . Focus Business: Management and Accounting Study Media, Volume 14 issue 2.