The Influences Of Tax Addiction in Admission Letter And Enforcement Letter On Tax Delay Of Payment Flow: Case Study In Tax Office Directorate General Of Taxation West Jakarta Territory

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Abstract

In general, the implementation of tax addiction has not been able to run optimally, while in others the amount of tax delay increase year to year, because it is done without enforcement regulation.

The purpose of this research is in order to analyze the admission letter and enforcement letter that be issued have significant execution of delay payment of tax by tax obligator. The method that be used in this research is a method to perform quantitative data measured in a numerical scale and include the category of time is the amount of results Admission Letters and Enforcement Letters are issued (IDR) in 2008 and 2009 only on tax office report to their addiction statements with territory in West Jakarta using 38 samples. The result of research is that the admission letter and enforcement letter that be issued to tax obligator have a significant influence to tax delay of payment flow.

Key words: Tax Addiction, Admission Letters, Enforcement Letters, and Tax delay of payment flow
Background

One important element in developing a state in order to properly implemented, scalable, sustainable, and consistent if the state have sufficient funds and is conducted by human resources competent. Adequate funds can finance the programs from all sectors of development. Funds were collected and stored in the state treasury. Taxes are one source of funds to fill the state coffers. In Indonesia, tax revenue always increase since 1984 where government reforms in the tax field by use self-assessment tax system. This system gives full trust to the tax obligator to calculate, pay, and report themselves to the Directorate General of Taxation the amount of tax should be payable under the provisions of tax legislation.

Self-assessment system give full trust to the tax obligator, it should be balanced with the supervision for the trust is not abused. Initially, the functions of the Directorate General of Taxation is serve the need of tax obligator in fulfilling taxation obligations. But remember the level of tax awareness, level of honesty, and level of discipline the Indonesian nation average is still low, as is still reluctant to implement their obligations are: pay taxes in accordance with applicable regulations and on time, so the Directorate General of Taxation also serves to control the implementation of taxation, give tax sanctions, implement tax addiction and help provide counseling to tax obligator. In terms of controlling tax implementation, Directorate General of Taxation have authority to conduct compliance checks tax obligations.

Directorate of Taxation noted that the accumulation of tax delay nationally until the end of 2009 reached Rp.51 trillion. Meanwhile, the realization of the tax revenue during 2009 is less than the target. Admission is only reached Rp.565, 77 trillion or 97.99% of the target in the amount of Rp.577, 37 Trillion. Compared with 2008, tax revenue in 2009 grew only 4.38% is smaller than the tax growth during 2005-2008 which was always above 18%. Slower growth in tax receipts in 2009 was triggered by the weakening economy due to global financial crisis in 2008. For that the government of the Republic of Indonesia considered necessary to issue Law No. 6 of 1983 as amended by Law No. 19 of 2000 regarding tax collection with Enforcement Letter. In this Law mentioned, if a tax obligator has to be informed that the calculation of tax underpayment but has also not settled then the actions that can be done by the Tax Office is doing with Enforcement Letter. Enforcement Letter has eksekutorial strength and the same legal position with court decision of tax in which there is a permanent legal, although it can also appeal to a higher level.

With the legal of such powerful Enforcement Letters, show that the importance of taxes in support of national development until every tax obligator who do not want to pay off their
tax debt in accordance with the law are expected to understand the legal consequences that will occur through the process of tax addiction.

**Objectives**

Based on the background of the problems described above, there are some problems that can be identified follows:

1. To Study the influence of Admission Letters to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory.
2. To study the influence of Enforcement Letters to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory.

**Technical terms**

In duty, tax obligator do self-assessment system, it is still a lot of tax obligator who do not perform tax duty well and discipline. For those tax obligators who do not fulfill their obligation well, that are not enrolled or not submit tax returns correctly, it will be tax audit that have consequences to be issued tax assessment letters in the form of STP and SKPKB.

Incidence tax arrears from tax obligators who do not perform tax duty well and discipline, tax addiction is necessary to implement measures which have the force of law because every year tax arrears continue to rise, increasing the amount of tax arrears indicates that more tax obligators who do not discipline and also because increases of tax obligators with increases of the amount tax arrears. If until the Addimition Letter be issued and tax obligators do not also pay the tax arrears, so it will be issued to them Enforcement Letter to force tax obligators pay off their tax arrears within 2 x 24 hours. Tax obligators do not also pay off their tax arrears within a set time it will be confiscated by the bailiff tax. Tax obligator usually are afraid because of the confiscation the company's credibility will be destroyed. To keep it, then the tax obligator will directly pay the tax arrears, both directly and thus installment which will influence to tax delay of payment flow. After the confiscation carried out should be held soon announcement, and auction will be done for those confiscated goods. Confiscation to be auctioned is only performed on the goods just enough to pay the debt fees and charges.

Therefore, it is required law of tax addiction that can solve all issues tax arrears to provide motivation in increased of awareness and compliance with the tax obligators. If more tax obligators who paid their tax arrears so the tax delay of payment flow will increase as well too.
Based on the addiction policy theory which tax delay of payment flow can be done by Admission Letter and Enforcement Letter are issued. Therefore, the researcher speculate that there is influence between the amount of admission Letter and enforcement are issued will be concentrate on tax delay of payment flow. These allegations are based as far Directorate General of Taxation has not been able to make people obey the tax.

Framework of study

Variables in this research is the independent variable consisted of the Admission Letter (AL), Enforcement Letter (EL) and the dependent variable that is tax delay of payment flow (Y).

Tax delay of payment flow are any measures relating to the disbursement of tax arrears paid to the state treasury which can be a payment, removal, transfer, or objection.

Tax Addiction is a series of measures to insurer tax that paid the tax debt and tax addiction fee by reprimand or warning, implementing addiction immediately and simultaneously notify Enforcement Letter, implementing confiscate, hostage execution, selling goods that have been confiscated. (Article 1 point 9, Act No. 19 of 2000).

Admission Letter is issued if the tax debt listed in the Letter of Tax Addiction (STP), Letter of Tax Underpayment (SKPKB), Letter of Additional Tax Underpayment Assessment (SKPKBT), are not repaid until the past 7 (seven) days after the due date of payment tax debt.

Enforcement Letter is a warrant issued by tax office and bailiffs to force tax obligators pay the tax debt within a specified period on tax office Directorate General of Taxation West Jakarta territory. Tax Addiction with Enforcement Letter to some tax obligators who are still negligent in performing its obligations to pay taxes through the delinquent tax payment due that have been determined by the Directorate General of Taxation, after previous addicted to the tax obligator due to examination of fiscal correction conducted by the tax authorities.

Research Sample and methodology

Sample

The Data in this research is all statements tax administration related to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory within 2 years, starting from 2008 until 2009.

Sampling method to be used in this research is use non-probability random sampling with technique purposive sampling, that is sampling with certain considerations. Consideration is
based on the research purposes. The criteria is used to select the sample is quarterly reports of tax collection and tax delay of payment flow reports on tax office Directorate General of Taxation West Jakarta territory and quarterly reports which support it, with 5 sample size tax office. Sample sizes are allocated as 5 x 8 = 40 report, so the research use 40 samples. The Samples are tax obligator who have tax delay of payment flow report for 2 years (2008-2009) of 5 tax office Directorate General of Taxation West Jakarta territory, namely Palmerah tax office, Grogol Petamburan tax office, Kalideres tax office, Tambora tax office, Kebon Jeruk Two tax office.

**Variable Data AL, EL, TDPF**

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Methodology

Multiple of linear regression method was used in this research. Mentioned is a multiple linear regression study of test influence relationship one variables between other variables to identify influence tax addiction by the admission letter and enforcement letter to tax delay of payment flow. Variables in this research is the independent variable consisted of the Admission Letter (AL), Enforcement Letter (EL) and the dependent variable that is Tax Delay of Payment Flow (TDPF).

Data in this research are derived from reports / official publication from the tax office Directorate General of Taxation West Jakarta territory in the form Data addiction Sections, details of Addition and the tax arrears payment Per fiscal year, details of tax delay of payment flow, and other data files are related to the problem researched.

Result and Discussion
The description of tax delay of payment flow is carried out by tax office Directorate General of Taxation West Jakarta territory is known that the mean tax delay of payment flow amounted to (IDR) 6,316,229,400.00. This means it can be concluded that a lot of tax obligators who pay the tax arrears on the basis of tax addiction active on tax office Directorate General of Taxation West Jakarta territory. While the influence on tax addiction active (the issuance of Admission Letter and Enforcement Letter) to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory are follow:

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Source: data processed by author with SPSS

Prior to conducting the test for normality, in advance do outlier test which is the test to detect abnormal data or have a different character (unique). The method is used for this test is a multivariate method that is method to detect the presence of outlier data or not by combining the dependent variable with all independent variables. Based on the results of SPSS, it is known that there are outlier data, as shown by the standard residuals on the dependent variable (tax delay of payment flow) > 3, amounted 4.015 in to sample number 22 in 2009. So researcher decide to dispose of sample number 22, the number of samples became 39 samples, and has been conducted testing again and data free from outliers. To be consistent data, researcher also discard the same sample in 2008 on the sample number 2, so total number of samples are 38 samples. At the Assumption Classical Testing regression model has been free from problems multicollinearity, heteroscedasticity, autocorrelation, and has filled the assumption of normality. Based on the results of regression calculations, obtained the following equation:

**Tax Delay of Payment Flow (TDPF) = 16.404 + 0.151AL + 0.121EL**
1. In simultaneous test, the degree of influence from independent variables (admission letter and enforcement letter) to tax delay of payment flow that are known quite low at 32.6% (Adjusted $R^2$ = 0.288). This means simultaneously admission letter and enforcement letter could influence the level of tax delay of payment flow amounted to 28.8%. This low level of Adjusted $R^2$ indicate is needed to continue research by adding another variable as a predictor tax delay of payment flow. However, when seen from the significance, the variables are used simultaneous significantly influence with F value of 8.468 with a significance of 0.001.

2. The discussion of each variables are a Admission Letter and Enforcement Letter to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory partially are follow:

   a. Admission Letter

   Based on test results, the overall regression coefficient obtained admission letter that indicates a positive sign. This means an increase admission letter will encourage an increase in the tax delay of payment flow. The opposite, a decrease admission letter will encourage an decrease in the tax delay of payment flow. T test results that t count value of 2.758 is greater when compared with the t table value 2.030 and the significant value t count (0.009) is smaller than 0.05. Thus, the influence of admission letter to tax delay of payment flow are statistically significant. Coefficients test and t test result as a whole shows that there is significant influence between admission letter to tax delay of payment on tax office Directorate General of Taxation West Jakarta territory. It is means hypothesis has been proven. The test is consistent with research conducted by Cahyo Wicaksono (2006) which provides evidence that admission Letter and significantly influence to tax delay of payment flow which the type of data used is how large pieces of issuance admission letters to tax delay of payment flow is seen how the number of compulsory taxes. Conversely research conducted by Fanny Budy Koerniawati (2006) showed that these letters were issued as the implementation of tax addiction active did not have significantly influence to tax delay of payment flow Fiscal year 1997/1998 up to 2004. The tax addiction letter of issued here that are, the admission letter, enforcement letter, confiscation letter, and auction letter.

   b. Enforcement Letter
Based on test results, the overall regression coefficient obtained Enforcement letter that indicates a positive sign. This means an increase Enforcement letter will encourage an increase in the tax delay of payment flow. The opposite, a decrease Enforcement letter will encourage an decrease in the tax delay of payment flow. T test results that t count value of 2.152 which is greater when compared with the t table value 2.030 and significant value t count (0.038) is smaller than 0.05. Thus, the influence of Enforcement letter to tax delay of payment flow are statistically significant. Coefficients test and t test result as a whole shows that there is significant influence between Enforcement letter to tax delay of payment on tax office Directorate General of Taxation West Jakarta territory. The test is consistent with research conducted by Cahyo Wicaksono (2006) which provides evidence that Enforcement Letter and significantly influence to tax delay of payment flow and research by Chrisanti Yaniv (2005) also proved number of enforcement Letter issued and the number of active tax obligators who payment to tax delay of payment flow on fiscal years 2002 and 2003. Conversely Fanny Koerniawati Budy (2006) that are inconsistent with this research indicate that these letters were issued as the implementation of tax addiction active year 1997/1998 to 2004 did not have significantly influence to tax delay of payment flow.

Conclusion and Recommendation

Conclusion

Implementation of tax collection can not be said to run optimally, because on the other hand the amount of tax arrears from year to year increase. In reality, effort of the tax addiction in order to tax delay of payment flow is reached by a variety of ways either through persuasive addiction or active addiction are starting from issued the Admission Letter, notices Enforcement Letter, confiscation, auction and even hostage. In general, that the Admission Letter is issued to the tax obligator has a significant influence on tax delay of payment flow. In general, that enforcement letter is issued to the tax obligator has a significant influence on tax delay of payment flow too, it can be drawn some conclusions follow:

1. Statistical analysis is an analysis that refers to the calculation of research data in the form of the figures were analyzed with the help of a computer through software program SPSS for Windows. Data is used in this research all the data variables have been in Natural logarithm (Ln). At the Assumption Classical Testing regression model has been free from
problems multicollinearity, heteroscedasticity, autocorrelation, and has filled the assumption of normality.

2. Simultaneously or jointly Admission Letter and Enforcement Letter variables have significantly influence to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory. The partial influence of each independent variable is follows:
   a. Partially admission letter have significantly influence to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory.
   b. Partially enforcement letter have significantly influence to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory.

Recommendation

Based on the research, the advice can be given are follows:

1. Since tax addiction is shown through a variable number of Admission Letter and Enforcement Letter have significant influence to tax delay of payment flow on tax office Directorate General of Taxation West Jakarta territory, it is expected that the tax authorities conduct strict action for tax obligators who do not cooperate in accordance with the existing tax and applicable in Indonesia.

2. Performed administrative reform in the tax addiction, a broader program which is being implemented covering all aspects of tax administration, including simplify procedures of taxation, increasing awareness and attention public through campaigns aware and concerned about taxes, building law through investigation and active addiction, and revamping of resources human beings through moral and ethical reform.

3. It is expected that tax officials constantly extending the tax through the sweeping, build law and collection data to optimize the tax revenue as a source of national revenue and realize the independence of development financing.

References


