

ABSTRACT

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THE ANALYSIS OF IMPLEMENTING TAX REVIEW ON ENTITY INCOME TAX TO EVALUATE TAX COMPLIANCE AT PT MITRA SEJAHTERA JAYA ABADI MEDAN

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Tax is one of the main sources of state revenue in Indonesia. One of the policies that the government has applied to increase the state revenue from tax sector is Tax Amnesty. After the expiration of Tax Amnesty, the Directorate General of Tax will conduct law enforcement to taxpayers who did not declare their assets.

The purpose of this research is to know the results of conducting tax review on entity income tax in order to improve the tax compliance at PT Mitra Sejahtera Jaya Abadi Medan. The research uses qualitative and descriptive research design. The unit data used in this research is the income statement and tax return of year 2016. Tax review is conducted on entity income tax to compare the result of the research with the actual condition of the company. Based on analysis done in the company, the writer found that there are several mistakes in the income statement accounts which cause the improper calculation of entity tax that should be paid by the company. The company has made some fiscal correction of revenue and expense but there are some accounts recognized by company that it should not allowed according to Income Tax Provision. The writer found that there are 12 accounts which the company did not make proper correction in fiscal reconciliation, which caused income tax underpayment of Rp 47,493,750.00.

Keywords: entity tax, fiscal correction, tax compliance, tax provision, tax underpayment, tax review

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