

ABSTRACT

ANGENIE SANUSI

1401010260

THE IMPLEMENTATION OF TAX PLANNING ON ARTICLE 21 - INCOME TAX AS CORPORATE INCOME TAX SAVING AT PT BENUA TEKNIK SEMESTA MEDAN

(xiii+75 pages; 2 figures; 10 tables; 7 appendixes)

Article 21 – Income Tax which is a tax income in the form of wages, salary, honoraria, allowances and other payments to the name and in any form in connection with employment or services in exchange for services, one of tax collection systems used to withhold the Article 21-Income Tax is withholding system where the tax paid by income recipient is withheld by other parties such as entity. To achieve company’s goals in minimizing tax cost and optimizing profit after tax, company should conduct tax planning. The purpose of this research is to find out the impact of tax planning on Article 21 – Income Tax as corporate income tax saving at PT Benua Teknik Semesta Medan. The research has been carried out by using descriptive qualitative research method.

The results of the research showed that implementation of gross up method in calculating Article 21 - Income Tax give advantages for company and also employees. It is because the tax allowance given to employees will be the same as their Article 21 – Income Tax. As for company, those tax allowances can be used as deductible expense in calculating entity’s income which results in lower income tax payable of company. PT Benua Teknik Semesta Medan can obtain net tax saving in the amount of Rp 5,684,100.00 with implementing gross up method. Compare to net method, gross up method is giving more advantages for company and also employees. Company should use gross up method strategy in managing their tax efficiently.

Keywords: Article 21-Income Tax, Gross Up Method, Entity Income Tax, Tax Saving

References: 17