

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Taxes are people's contributions to state treasury under the law and it is a society obligation to be implemented. In Indonesia, there are four kinds of tax collection system that can be used to determine who calculate and assigns the amount of tax, which are official assessment system, semi self assessment system, full self assessment system and withholding system. Taxes is levied by rulers based on legal norms to achieve mutual prosperity. Taxes have a very important role in the life of the state, especially in the implementation of country's development. Because taxes are sources of state revenue to finance all expenditures including development expenditures. Without taxes, most of the country's activities are difficult to be implemented. The use of tax money includes: development of public facilities such as facilities and infrastructure starting from roads, bridges, schools, hospitals; defense and security ranging from buildings, weapons, housing to salaries; food subsidies and fuel oil; environmental sustainability, culture; election funds, mass transportation and others.

One source of revenue from the tax sector is the receipt of Value Added Tax (VAT). VAT is one type of tax managed by the Central Government, namely the Directorate General of Taxation (DGT). VAT is an indirect tax type which is imposed on goods and services. The tax collection system of VAT is self assessment system which requires taxpayers to calculate, deposit and report their own tax liabilities. VAT is one of the largest revenue contributing sectors to our state budget. VAT is a tax imposed on any increase in value of goods or services in circulation from producer to consumer. VAT is regulated in Undang Undang Republik Indonesia No. 42 Year 2009.

However, every company of course tries to maintain its existence in the long term and short term. Profit is certainly related with taxes. Thus, a company must pay attention and anticipate all activities within it. So, the amount of taxes issued in accordance with the profit earned. For the company, the tax paid is a burden because it reduces the profit that becomes income for the owners of capital. Therefore, a company there should be has a tax planning in order to minimize tax payments that are not appropriate under applicable tax laws. Tax planning is based on the company's business strategy. Tax planning is not only a strategy to minimize tax payable because by tax planning taxpayer can get other purpose, for example utilizing tax facilities offered by government.

VAT is one example of tax planning used by the company to minimize the amount of VAT payable. Such tax planning can be done by maximizing the VAT input that can be credited, where the VAT input is VAT paid when the Taxable Entrepreneur buys, obtains or makes the product. Elements Taxation can be avoided by applying the method of tax credit is by crediting the input tax where the means used are to create tax invoices. In the event that the sale of goods or services for which payment has not been received, the invoicing of the tax may be postponed until the delivery of goods or services is made.

Based on previous research by E.E, Marentek (2016) concluded that a company may apply tax planning with maximzing input tax that can be credited, obtaining taxable goods or services from taxable entrepreneur and postponing tax invoice from selling taxable goods or services which the payment has not been received, no later than the of the month after the tax period end. Meanwhile , SAN Aini (2016) conclude that in minimizing or reducing the amount of VAT payable can be done by focusing on input tax efficiency method which is to maximize the input tax so that the tax invoice can be credited.

However, based on conclusion in those previous research writer would like to do a research in a company which is as VAT purpose to know the effective way of VAT payable by the company.

The writer choose PT Putra Tunggal Sakti as an object for this research, which is one of the private company that working as construction activities. PT Putra Tunggal Sakti is Located in Stabat Baru, Langkat. PT Putra Tunggal Sakti is a company that already as a Taxable Entrepreneur.

The total sales of PT Putra Tunggal Sakti in one fiscal year is more than Rp.4,8 Billion which is mean the company has to issue VAT purposes. PT Putra Tunggal Sakti is obligated to issue output tax invoice when there is a sales transaction of taxable goods or services.

PT Putra Tunggal Sakti allegedly has not credited all its input taxes. Therefore, the writer wants to give advice to the company to do the right tax planning to efficiently and minimize the amount of VAT that must be paid by the company for the achievement of tax savings.

Based on this background study, writer would like to know how the company implement the tax planning of VAT payable become tax saving. Then the writer is interested to conduct the research with title as follows : **“Analysis of Tax Planning Implementation Value Added Tax Payable at PT Putra Tunggal Sakti”**.

1.2 Problem Formulation

Based on the description in the background study above, the problems formulation are as follows:

1. How is the tax planning can be done by the company to do the efficiency of VAT Payable?

1.3 Research Focus

The writer will focus on the implementation of tax planning on VAT Output and Input at PT Putra Tunggal Sakti on year 2017 from January until December.

1.4 Research Objective

The objective of the research is to know the tax planning can be done by the company to do the efficiency of VAT Payable.

1.5 Benefit of the Research

The benefits from conducting this research are as follows:

1.5.1 Theoretical Benefit

1. This research will be useful for researchers and academics to understand the implementation of VAT tax planning has been compiled properly according with tax law or not.
2. This research can be a reference for further researchers with same topic.
3. This research can be information to contribute in adding knowledge to academic ad profession.
4. This research can be used as comparison study material for the needy in relation with VAT tax planning.

1.5.2 Practical Benefit

This research give results of the practical benefit as follows:

1. For the company, this research can give recommendation for utilizing the crediting time limit in accordance with the applicable law.
2. For future researcher, this research expected to contribute additional reference for other students regarding tax planning on VAT Payable for construction service company.

1.6 System of Writing

The purpose of systems of writing is to make it easier for readers to understand the content of this research. Then, the writer compiled systems of writing consisting of the following details:

CHAPTER I : INTRODUCTION

This chapter will describe introduction of the research that consists of Background of the Study, Problem Formulation, Research Focus, Research Objective, Benefit of the Research, and Systems of Writing.

CHAPTER II : LITERATURE REVIEW

This chapter will describe some of theoretical background or concepts that is used in writing base and related to the problems that will be discussed in research such as Definition of Tax, Function of Tax, Types of Tax, Tax Collections System, Value Added Tax (VAT) and Tax Planning Implementation of VAT . Relevant previous researches and the framework of thinking also need to be included in this chapter.

CHAPTER III : RESEARCH METHODOLOGY

This chapter will describe how the writer conducts the research. Type of research used in this study is qualitative descriptive method. The research object is conducted at PT Putra Tunggal Sakti. It consists of Research Design, Research Object, Data Collection Method and Data Analysis Method.

CHAPTER IV : DATA ANALYSIS AND DISCUSSION

This chapter will describe general view of research objects, data analysis and discussion.

CHAPTER V : CONCLUSION

This chapter will give conclusion and implication of the research done by writer and give recommendation that can be useful for company.

