

# CHAPTER I

## INTRODUCTION

### 1.1. BACKGROUND OF THE STUDY

Tax is a state revenue that has a very important role in supporting the country's economy, which is used for financing the state with the aim for public welfare. The state is required to provide the best service so that the community can play active role in carrying out tax activities. Besides, tax is the tool to manage or implement government policies in social and economic fields and it also help to keep the stability of the policies.

According to Prof. Rochmat Soemitro (2010),

*Pajak adalah iuran rakyat kepada kas negara berdasarkan undang-undang (yang dapat dipaksakan) dengan tidak mendapat jasa timbale balik yang langsung dapat ditunjukkan dan yang digunakan untuk membayar pengeluaran umum.*

The definition can be explained as. Tax is the contribution from citizens to the government based on the law (can-be-forced-to-be-collected) without getting the reciprocal services directly and is being used for defraying the public expenses.

Based on the importance of the tax for the development of the city, the government comes out with the law to manage the calculation, payment, and report of the income tax.

One of the taxes which must be paid by individuals, company and the permanent establishment is income tax. In Indonesia, the main legislative instrument that regulates income tax is the Article 21 – Income Tax. Based on Article 21 No. 36 year 2008, Article 21 – Income Tax is Income received relating to jobs, occupations, services or other activities that involves in salary, honoraria, allowances, and payment.

The other taxes also include Value Added Tax (VAT); VAT is

regulated based on Law No. 8 Year 1983, which has been amended with Law No. 11 Year 1994 and Law No. 18 Year 2000. The recent VAT Law amended by Law No. 42 Year 2009, which has been used since 1<sup>st</sup> April 2010 until now, and is called Value Added Tax Law. In 2018, the tax received by Indonesia government is 1.521,4 trillion, which achieved 94% of the targeted tax received. Which increase 14.3% from previous year 2017, and this have been the highest tax growth after 2012 which is 12.5%. This is good news for Indonesia, but still they need to improve the shortfall from the targeted tax received. Which in this study, the writer will do a study in one of the company that contribute to Indonesia tax received. But before the writer does the study, the writer also considers some of the previous study done by other writers.

In the previous study done by Laras Sandra Sindora, the research method used is by doing internship, different with the study that will be made in this paper, which is using the qualitative descriptive method, and there is also differences in the field of the company. In which the previous research company is PT. Timah (Persero) Tbk year 2010, in the field of mining and exploration of lead which show differences in time of export, time of invoicing and difference in currency.

Another previous research is done by I Nyoman Nopen Kurnado, the research is to find differences in Tax Article 21, 23, 4(2), and VAT, different to this study that writer will compare between Annual Income Tax Return and Periodic Value Added Tax, and there are also differences in the field of the company. In which the previous research company by I Nyoman Nopen Kurnado is PT. Wijaya Karya Realty in the field of construction and management property which is taxed Final Tax, Non-Final Tax and also Value Added Tax.

To compare with two previous researches above, the writer took the research object of one of the company who is engaged in electronics business which is PT. Cipta Kreasi Prioritas. Based on the observation

conducted by the writer, the writer found that there are differences in sales amount that have been reported in the Periodic Value Added Tax Return and Annual Income Tax Return because there are so many transactions in the company sales. The company need to do

It should be done because of the differences in sales will make the potential of inspection towards the company become high. So it can cause the company to get inspection. (Hidayat,2009)

Based on this background, the writer is interested in knowing the differences that occur in the reporting of the Periodic Value Added Tax Return and the Annual Income Tax Return reported and aware of the company reporting meets with tax laws. Thus the writer will conduct a *skripsi* entitled “**The Analysis of Total Sales Differences in the Annual Income Tax Return and the Periodic Value Added Tax Return of PT. Cipta Kreasi Prioritas**”.

## 1.2. PROBLEM FORMULATION

Based on background of the study that has been described above, the writer identified the problem appear and need to find a solution for the problem. The writer can classify the problem which can be described as follows:

1. — What factor causes the sales amount differences between Corporate Annual Income Tax Return and Cumulative of Corporate Periodic Value Added Tax Return?
2. How to do reconciliation for the differences between Corportate Annual Income Tax Return and Corporate Periodic Value Added Tax Return?

### **1.3. RESEARCH FOCUS**

1. Analyze the differences amount of sales that arises between cumulative of Corporate Periodic Value Added Tax Return and Corporate Annual Income Tax Return
2. Data needed are Corporate Annual Income Tax Return, Periodic Value Added Tax Return, and Monthly Income Statement
3. Period data is in fiscal year from 1<sup>st</sup> January until 31<sup>st</sup> December 2018 either monthly or yearly data

### **1.4. OBJECTIVE OF THE RESEARCH**

The objectives of doing this research are:

1. To know the factor that causes and influences the sales amount differences between Corporate Annual Income Tax Return and Cumulative of Corporate Periodic Value Added Tax Return.
2. To know the step to do reconciliation for total sales in Corporate Annual Income Tax Return and Corporate Periodic Value Added Tax Return.

### **1.5. BENEFIT OF THE RESEARCH**

The research will provide benefits for related and unrelated parties.

The benefit of this research:

#### **1.5.1. THEORETICAL BENEFIT**

1. For writer, this research will improve the writer's knowledge and experiences in theoretical and practical regarding equalization between towards Corporate Annual Income Tax Return and Corporate Periodic Value Added Tax Return.
2. For the reader, this research will give additional information and knowledge about tax equalization and can be used as guidelines in the future.

### **1.5.2. PRACTICAL BENEFIT**

For the company, this research will become suggestion and consideration to do reconciliation in Corporate Annual Income Tax Return and of Corporate Periodic Value Added Tax Return to solve the differences in sales by using the legal method.

## **1.6. SYSTEMS OF WRITING**

### **Chapter 1 : INTRODUCTION**

In this chapter, the writer describes about the background of the study, problem limitation, problem formulation, objective of the research, benefit of the research (theoretical benefit and practical benefit), and systems of writing.

### **Chapter 2 : LITERATURE REVIEW**

In this chapter, the writer declares some theories that related to the topic of the study, such as Income Tax, Value Added Tax, Final Tax, Tax Return, and Tax Equalization.

### **Chapter 3 : RESEARCH METHODOLOGY**

In this chapter, the writer explains the research design, research objects, methods of collecting data, and the ways of analyzing the data.

### **Chapter 4 : DATA ANALYSIS AND DISCUSSION**

This chapter consists of brief history of the company, organization structure, data presentation, and the data analysis.

### **Chapter 5 : CONCLUSION**

This chapter contains the conclusion as the result of the whole study and the problem facing in this research. It also includes implication and recommendation to overcome the problem.