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Implementation of Pandemic's Tax Incentive in Indonesia

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Abstract

The purpose of this research is to find the meaning of implementing pandemic's tax incentives program in Indonesia. This research uses a case study approach. Research data obtained by questionnaires and semi-structured interviews with taxpayers, tax consultants and tax authorities in several regions in Indonesia. The results of this study indicate that taxpayers, tax authorities and tax consultants have understood the tax incentive program. However, in implementation there are still some difficulties for taxpayers due to the dependence of taxpayers on outsiders in handling tax incentives due to complicated tax administration as online procedures for obtaining and reporting tax incentives and technical problems in the field. Tax consultants helped taxpayers in obtaining and carrying out their obligations related to tax incentives. Finally, fiscus as tax authorities must increase socialization to taxpayers about this program.

Keywords: Covid 19, Tax Incentives, Tax Relaxation, Taxpayers, Tax incentive program

1. Introduction

The extend of the Covid 19 pandemic has not only resulted in problems in the health sector, but has also greatly affected the environment, education, politics, security, social and economy (Abodunrin & Oloye, 2020; ADB, 2020.; Chakraborty & Maity, 2020; Laing, 2020; Nicola et al., 2020; Saadat et al., 2020). Various recommendations for preventing the spread are carried out, one of which is by implementing social distancing and lockdown which creates tremendous pressure on a country's economy. The handling of Covid 19 has damaged economic conditions, human life around the world Chakraborty & Maity, 2020; Kuckertz et al., 2020 and triggered the global economic crisis (Chakraborty & Maity, 2020; Isabelle, 2020; Nicola et al., 2020).

Indonesia did not escape the Covid 19 pandemic. (ADB, 2020) states that Indonesia will be a country affected by Covid 19 in the longer term, given its large population and spreading area (Djalante et al., 2020). The impacts that have arisen include in the field of government policies, the government maneuvering policy changes in the social and economic fields to tackle Covid 19. From the perspective of the Indonesian people, there have been significant changes related to the social and economic activities of the community. Indonesia has chosen to implement Large-Scale Social Restrictions (PSBB) in several of its areas. The implementation of the PSBB has had a social and economic impact on the Indonesian people (Nurhayati & Halal Syah Aji, 2020).

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A survey conducted by the World Bank's Gender Innovation Lab to 26,000 samples of SMEs players from various countries stated that the policy most needed to save their business from a crisis is tax deferral or tax deferral (Look At Tax Incentives From A Gender Perspective, 2020), supported by research (FATTAKH & TARMIDI, 2023). The government needs to pay attention to tax developments in Indonesia and was able to create several strategies which is considered effective in optimizing tax revenues to restore the country's economy (Aini & Meikhati, 2022). Supported by several studies stating that to overcome global economic difficulties towards economic resilience is to evaluate effective fiscal measures to improve the risk of the liquidity crisis and bankruptcy due to Covid 19, including tax delays and even elimination of tax payments (Balidwin & Mauro, 2021; Bénassy-Quéré et al., 2020; Isabelle, 2020; Nicola et al., 2020). Another way is to provide tax stimulus in the form of tax relief (Abodunrin & Oloye, 2020; Djalante et al., 2020) and tax reduction (Isabelle, 2020).

The Indonesian government responds to steps to save the national economy through Government Regulation No 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling Pandemic Covid 19 and / or in the Context of Facing Threats that Endanger the National Economy and / or Financial System Stability. In it, it is explained that to maintain the national economy, the government has decreed the tax rate from 25% to 22% in 2020.

To support this government regulation, the Ministry of Finance has issued (MoF Regulation No 23/PMK.03/2020 Concerning Tax Incentives for Taxpayers Affected by the Corona Virus Outbreak, n.d.) by providing incentives to certain industries. On April 27, 2020, this MoF Regulation was revised with PMK No. 44 / PMK.03 / 2020 by expanding the business field classification for taxpayers affected by Covid 19 and providing special incentives to SMEs. Then on July 16, 2020, MoF Regulation No. 86/ PMK.03 / 2020 was issued which is a substitute for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) by expanding the business field classification for taxpayers who receive tax incentives. Furthermore, on August 14, 2020, the Ministry of Finance issued (MoF Regulation No 110/PMK.03/2020 Concerning Amandements to PMK-86/PMK.03/2020 on Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) as a substitute for MoF Regulation No 86/PMK/03/2020, where there was an increase in the incentive value for the installment of income tax (PPh) 25 from 30% to 50%. The change in rules is so fast, of course, it will be confusing for taxpayers, if they don't actively follow them. Changing rules is always accompanied by changing the format and procedure for obtaining this tax incentive.

Based on data from the Ministry of Finance as of May 2020, from a total of 215,255 taxpayers who submitted applications, there were 193,151 taxpayers who could take advantage of this tax stimulus. The total taxpayers who enjoy these incentives consist of tax income (PPh) Article 21 incentives totaling 62,875, PPh Article 22 Imports amounting to 5,978, PPh Article 22 namely 2,689, PPh Article 23 totaling 1,275, PPh Article 25 totaling 29,370, and final tax namely 90,604. The remaining 22,104 taxpayer applications were rejected because the Business Field Classification did not meet the stipulated regulatory criteria, or the 2018 Annual Tax Return had not been submitted as the basis for determining the Business Field Classification. From this rejection data, it appears that the Taxpayers do not fully understand the requirements for obtaining tax incentives. This condition shows that many SMEs taxpayers have not yet taken advantage of tax incentives on Taxpayers affected by Covid-9.

From the fiscal perspective, as conveyed by the Director of Counseling, Services, and Public Relations of DGT Hestu Yoga Saksama, the provision of final borne by the government (DTP)

income tax (PPh) incentives is not only DGT's way to help the business world, but also as part of extensification activities. The hope is that more SMEs will enter in tax administration. Even the implementation of this tax incentive is also supervised by DGT through 2 stages. Namely when the Taxpayer delivers a notification letter to take advantage of the incentive and when the DGT sees irregularities in the tax incentive realization report, the DGT will issue a Request for Explanation on Data and / or Information (SP2DK) (<https://news.ddtc.co.id>). In other words, the provision of tax incentives from the point of view of the tax authorities is a means of attracting new taxpayers and at the same time enforcing tax rules for taxpayers who are not appropriate in reporting tax incentives due to inconsistencies in taxpayer data and taxpayer reporting.

Another problem that arises related to this tax incentive is the use of it online or online when taxpayers apply for tax incentives or reporting the realization of tax incentives every month. The time limit according to Tax Circular Letter No 29/PJ/2020 concerning Implementation Guidelines for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) states the deadline for applications is May 20, 2020, even though the April 2020 deadline for the report on the realization of Final Tax for SMEs is carried out a maximum of May 15, 2020. This is a problem in itself, because the human resources of SMEs in Indonesia are still low, especially related to technology issues, namely internet connections and networks that are not yet comprehensive to remote areas of Indonesia (As'ad et al., 2012).

This research was conducted as a first step to examine the implementation of the MoF Regulation No 44 /PMK.03/2020 and related replacement regulations as a form of tax relaxation during the pandemic, by developing a research model that has been carried out by (Setyaningsih et al., n.d.). The difference is this research explores the meaning of the implementation of pandemic's tax incentives not only from the perspective of the taxpayer, but also from the tax office as an incentive supervisor and a tax consultant as partners in this tax incentive executor. This research aims to find the implementation of pandemic's tax incentives program in Indonesia.

2. Materials and Method

This research was conducted using qualitative methods. This method is used so that researchers know how the taxpayers' readiness to accept Covid 19's tax relaxation through regulations related to tax incentives. This study was conducted through a case study with the aim of obtaining study results by evaluating and exploring the conditions in the field for the application of tax incentives for taxpayers influenced by the Covid 2019, which took effect from 27 April 2020. The advantage of a case study is that it can influence policy, procedures, and future research (Hancock et al., 2007). This approach is usually more flexible because it is intended to explore and lead to the collection of detailed and detailed information to produce an in-depth description of the problem or group of people that is the focus of the study.

The strategy used in this research is a descriptive case study because the variables that are required for the implementation of tax incentives for taxpayers affected by covid 19 can run well which previously could not be known but must be sought first through this research. The strategic steps taken are: (1) describing the object of the research, (2) describing the findings in the study with theory, (3) describing the statements given by the participants, (4) describing the results of the quantitative data questionnaire from the participants' statements.

Participants in the study were Individual Taxpayers and Corporate Taxpayers affected by Covid 2019 who received tax incentives, tax authorities and tax consultants to obtain data related to implementation, readiness, knowledge in the use of fiscal relaxation. The data was collected through a questionnaire stated in a score (quantitative data), direct (semi-structured) interviews with participants to reduce the lack of understanding of the questions given, and added data obtained from supporting documents. Interpretation of the score is used to answer the formulation of the problem based on notes on statements submitted by participants through semi-structured interviews (qualitative data) and is reduced by classifying a certain theme (Setyaningsih et al., n.d.).

The questionnaire in this study is presented using a Likert Scale 1-5 with information 1 (Strongly Agree (SS)); 2 (Agree (S)); 3 (Neutral (N)); 4 (Disagree (TS)); and 5 (Strongly Disagree (STS)). The questionnaire consists of 4 statements related to understanding; 4 statements regarding implementation; 5 statements regarding barriers; and 7 statements regarding obtaining sources of information regarding the incentive regulations. Participant's statements regarding fiscal relaxation through tax incentives were then reduced, thus forming a sharpening analysis, classifying, and organizing data in such a way that the final conclusions could be drawn and verified.

This study uses descriptive practice-oriented research with consideration of variables which are a requirement for implementing the Mof Regulation No 44/2020 during Covid 19 to run well, it cannot be known unknown variable, but must be sought in this study. Specific research objectives have been mentioned in the research objectives, namely, to find out why taxpayers take tax incentives, what are the obstacles that arise from the implementation of this tax incentive, how is the implementation of tax incentives for taxpayers, how opinion of tax consultants and tax authorities in supporting the implementation of tax incentives.

This study explores why the taxpayers take tax incentives. Researchers also explored DGT's internal tax authorities and tax consultants as partners of taxpayers and DGT as supervisors of tax incentives implementation. Then explored the implementation of tax incentives and the obstacles that arise. Data were analyzed through general descriptive analysis. The results of data analysis are associated with prevailing theories and regulations. Empirical evidence in the form of the social reality of the implementation of tax incentives according to tax incentive regulations is found, then these variables are described to provide solutions that have practical implications.

3. Results and Discussion

This research was conducted on individual taxpayers and corporate taxpayers, tax authorities, and tax consultants. The targets of this study are those who are involved, both users and supporters of the implementation of tax incentives. The following is the demographic data of respondents which consists of data regarding the status of the respondent and address obtained from the research questionnaire as follows:

Table 1 Respondent Status.

	N	%
Corporate Taxpayer	52	48,6
Fiscus	6	5,6
Tax consultants	4	3,7
Individual Taxpayer	45	42,1
total	107	100

Source: Primary Data Processed.

The respondents in this study consisted of 45 individual taxpayers (WP OP) and 52 corporate taxpayers as users and 6 tax authorities (fiscus) and 4 tax consultants as supporting parties for the implementation of the incentive program.

Table 2 Addresses of Respondents.

State	Fiscus	Tax consultants	WP OP	Corporate Taxpayer
Bali				2
Banten			1	
Jakarta	1		4	3
West Java			2	2
Central Java	3	3	32	39
East Java		1	2	2
West Kalimantan	1			
South Kalimantan				1
Riau				1
Central Sulawesi	1			
West Sumatra			1	
South Sumatra			1	
Yogyakarta			2	2
Total	6	4	45	52

Source: Primary Data Processed.

This research was conducted through questionnaires and direct interviews (semi-structured) to respondents (participants). Interviews conducted to reduce existing lack of understanding on the question.

3.1 Understanding of Tax Incentives

MoF Regulation No 44 / PMK.03 / 2020 is adequately understood by tax prayers as the base for obtaining incentives. There were 55 respondents consisting of 28 corporate taxpayers, 3 fiscus, 2 tax consultants, and 22 individual taxpayers who agreed and only 2 respondents submitted.

Table 3 Understanding of MoF Regulation No 44/PMK.03/2020.

	SS	S	N	TS	STS	Tot.
Taxpayers have adequate knowledge about MoF 44 / PMK.03 / 2020 as a basis for obtaining incentives	16	55	22	12	2	107
Taxpayers have the capability to understand the requirements for obtaining incentives based on MoF 44 / PMK.03 / 2020	18	61	16	12		107
Taxpayers fully understand the consequences that arise from taking the incentive MoF 44 / PMK.03 / 2020	12	58	24	11	2	107
Taxpayers have knowledge of the types of taxes that are given incentives based on MoF44 / PMK.03 / 2020	18	64	14	11		107

Source: Primary Data Processed.

This is supported by the statement of the majority of taxpayers stating that the motivation for their participation in the incentives for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) is to reduce company expenses such as production costs, operational costs, salary costs and especially tax costs. The majority of taxpayers welcome tax incentives as a way to maintain business in the midst of a pandemic that disrupts business stability. Several taxpayers also stated that the incentive for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) is expected to help the financial condition of every taxpayer to maintain employee resilience and maintain company cash flow. "The reason why we took the incentive Mof Regulation 44 / PMK.03 / 2020 is because in the situation of the Covid 19th pandemic and as one of the affected industries , keeping stable the buying and selling activities is the biggest challenge. The slightest stimulus, be it from the government or non-government, can have a big impact on the sustainability of our industry in this regard. " (WP F)

The findings above are in line with the research of Shafi et al., (2020) , which states that the lockdown that occurred due to the Covid-19 pandemic caused various business problems for many SMEs in Pakistan. Namely, such as financial problems (67.93%), supply chain disruption (47.83%), decreased demand (44.02%), decreased sales and profits (respectively 38.04%, 41.85%). The Covid-19 pandemic has caused a serious setback for global economic growth and development. What is really needed are fiscal measures to save the company from bankruptcy so that it can survive and recover quickly after the pandemic. In this study, policy makers should consider various forms of tax relief and public guarantees (Abodunrin & Oloye, 2020). The tax function as a fiscal policy instrument with a combination of regulating and stabilizing economic functions to maintain conditions of contraction and relaxation of the national economy, has flexibility for sustainable state revenue (Adiyanta, 2020). (Estevão, 2020), reduced tax revenue will eat up fiscal space quickly. Despite this, the policy of government in terms of given tax incentives can reduce the domino effect of the caused by the pandemic on the economy Covid-19 national (Erica & Ananta Vidada, 2020). This is in accordance with the results of interviews and questionnaires, " Economic greatly affected their Covid19 ... Automatic setback ... incentives are expected to greatly help to tax payer that obey the tax" . (WP G)

" Yes very helpful at all, because it is the fact that business is not easy, on his own search for customer with own expenses, lightening is necessary when time is difficult, at risk of bankruptcy,it will be difficult to rise up if it's bankrupt because the resources and systems have been dissolved. " (WP H)

It is hoped that this tax incentive policy can help tax-compliant taxpayers to get tax relief in difficult times as a result of the ongoing pandemic. In the end, this tax incentive can reduce the cost of taxes that should be paid, reducing the burden on taxpayers and maintaining their business in this pandemic.

Meanwhile, from the tax office's point of view, the incentive for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) is expected to reduce the burden on people's lives, be beneficial, and make taxpayers know more about the latest regulations. This is supported by the opinion of the tax consultant which states that (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) is useful to ease the burden on taxpayers. Taxpayers have the ability to understand

the requirements for obtaining incentives based on tax incentives regulation. Based on table 3 above, the majority of respondents in this study had the ability to understand the requirements for obtaining incentives for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.), namely 57 % of respondents agreed. Taxpayers fully understand the consequences that arise from taking the incentives of Mof Regulation No 44/PMK.03/2020 . As many as 54.2 % of respondents agreed that they fully understand the consequences of taking this incentive. They believe and believe that this incentive can ease their business burden. This is in accordance with an in-depth interview with one of the taxpayers, "Because we are given relief for not paying months April to September 2020" (WP B).

Knowledge of taxation affects tax fairness, which tax fairness will affect tax compliance of taxpayers . Therefore , strengthening tax education is very important in the formation of tax knowledge (Mukhlis et al., 2015). Knowledge of taxpayer regarding the type of tax incentives given by Mof Regulation No 44/PMK.03/2020 in this study is good. As many as 59.8 % of respondents agreed. This was supported by a follow-up interview regarding what incentives they took. Based on the interview, the incentives taken were starting from the final income tax of 0.5%; PPh 21; PPh 23; PPh 22; PPh 25; and VAT.

Based on the data above, the incentives provided by the Government to taxpayers in terms of taxation have been understood by the respondents. Namely that respondents consist of both corporate and individual taxpayers, tax authorities, and tax consultants have understood this program . They have taken advantage of the incentives provided by the Government, and are of the opinion that these incentives can help their business continuity. This is in line with research conducted by (Wijoyo et al., 2020) and (Padyanoor, 2020) which states that tax incentives by the Government can help taxpayers to maintain their money in order to survive. (Laffitte et al., 2020) also stated that the determination of the minimum tax rate on profits generated in addition to being a form of government fiscal policy will also be able to overcome existing problems regarding tax avoidance by multinational companies.

3.2 Implementation of Mof Regulation No 44 / PMK.03 / 2020

Table 4 Implementation of Mof Regulation No 44 / PMK.03 / 2020.

	SS	S	N	TS	STS	Total
Taxpayers implement incentive applications for PMK 44 / PMK.03 / 2020 without outside assistance	10	31	30	34	2	107
Taxpayers implement tax incentive programs in collaboration with outside parties	13	69	18	7		107
Taxes received this facility are routinely reported in a timely manner	17	74	12	3	1	107
The application for implementing the PMK 44 / PMK.03 / 2020 incentives requires a technical complexity of preparation	5	40	29	30	3	107

Source: Primary Data Processed.

In its implementation, taxpayers in using this program still need outside assistance, namely 31.8 % of respondents who are still unable to apply for tax incentives independently. Similar to the

tax amnesty program (Setyaningsih et al., n.d.), respondents who are mostly SMEs taxpayers who received PMK 44/PMK.03/2020 incentives are still working with outside parties. They think that this program is good but complicated. This is in line with research conducted by (Indriastuti & Wardana, n.d.) and (Engel et al., n.d.) which states that the reluctance of taxpayers to take advantage of government incentives is due to conditions that are too complex which are not proportional to the effort and incentives obtained. However, the obedient and obedient attitude of the taxpayers who were respondents in this study was quite high. Namely 69.2 % of respondents in this study have routinely reported the use of this incentive in a timely manner.

In addition, the above findings are supported by the taxpayer's statement obtained through in-depth interviews, which are as follows:

"In the current unstable economic condition, the people will not be burdened with various complexities in tax regulations and policies, because the community is more focused on meeting basic needs to survive in today's tough conditions". (WP C)

"Hopefully the Director General of Taxes gives relief or concessions in paying taxes but does not use complicated terms". (WP B)

" If possible, without filing for a field that was targeted directly applied tax relief ." (WP E)

" For information and systems that are used as a form of tax payers compliant, it is better prepared, and the information is shared with sentences that are easier to understand and practical ." (WP J)

" A tax policy that eases taxpayers but with a simple and easy to apply technicality, and is more equitable for all types of taxpayers and all types of businesses . (WP L)

3.3 Obstacles Mof Regulation No 44/2020

Barriers to implementing the incentive program Mof Regulation No 44/PMK.03/2020 are shown in Table 5 below. The incentive program Mof Regulation No 44/PMK.03/2020 has several obstacles, including inappropriate education; lack of experience; the elusive stem; low leadership / personal commitment; and lack of socialization of the new system. Table 5 explains that the biggest obstacle in implementing the incentive program Mof Regulation No 44/ PMK.03/2020 is the lack of experience of the tax payers. Changes in the system from manual to online in order to be able to adapt to the times and in current conditions still leave quite a lot of problems which are considered a difficulty by the taxpayers.

Table 5 Barriers to Mof Regulation No 44 / PMK.03 / 2020

	SS	S	N	TS	STS	Tot.
Unsuitable education	6	47	37	15	2	107
Lack of experience	13	64	18	10	2	107
Difficult system to understand	13	51	32	8	3	107
Low leadership / personal commitment	8	38	36	22	3	107
Lack of socialization of the new system	29	59	12	5	2	107

Source: Primary Data Processed.

Another obstacle to implement the incentive program Mof Regulation No 44/PMK.03/2020 which is still related to the tax experience is the lack of socialization of the new system. That is, 55.1 % of respondents agreed that the socialization of this program was still lacking. This is supported by in-depth interviews with a number of taxpayers.

"Socialization must be improved", said one tax payer who was also supported by several other tax payers. "If there are incentives that are not too complicated, the socialization will be increased" (WP H). "Tax policies are still not well socialized, many people don't know" (WP K).

"The implementation of tax incentives fluctuates, we, as tax consultants, must always update the rules and procedures for reporting tax incentives, somehow with taxpayers who do not want to follow these tax incentive rules". (Tax Consultant C)

Meanwhile, from the perspective of Fiskus, he explained that the lack of socialization regarding regulations related to one of the causes was the pandemic. Conditions that have not improved, have caused the government to issue several policies, isolation or PSBB is one of them. The existence of this policy then caused his party to become a potential partner for socialization.

"The tax payer don't understand Mof Regulation No 44 miss....., because the village area is only KP2KP . their efilling just made my friends. No tax payer yet interested in using the facility. The internet is also not evenly distributed in Kalimantan. Maybe a lot of taxpayers are stuck because of conditions so they don't pursue incentives. The pph 21 incentive also doesn't affect because many employees are not deducted from PPh 21. The problem is, many SMEs are still clueless, even though they have to apply and report online . Because of the PSBB, it is also difficult for us to socialize, at least only through radio broadcasts that can be done. " (Fiskus C from KP2KP in West Kalimantan)

"The problem is that there are very few tax incentives in my KPP area. Maybe because they don't understand about it. Only 2 tax payers have taken the Article 21 income tax incentive , here the signal is rather difficult. It should be the ones who use UMKM a lot . " (Fiskus F from KPP in Central Sulawesi)

This finding is the same as research conducted by (Indriastuti & Wardana, n.d.) and (Mukhlis et al., 2015) which states that the government should provide education that is evenly distributed throughout the region which in turn can improve tax compliance.

Changes in regulations that are too fast will be confusing for tax incentive implementers, especially taxpayers themselves. If this negligence doesn't cause any impact, then it won't cause a problem. As stated by the Director of Counseling, Services and Public Relations of the DGT , Hestu Yoga Saksama, that when the taxpayer has submitted tax incentives and does not report the realization, first, the DGT considers that the taxpayer who did not report did not take tax incentives, the second DGT can collect the tax initially received tax incentives (Setiawan, 2020). This collection will certainly have an impact on administrative sanctions due to the late payment of taxes from the taxpayer.

3.4 Sources of Information Regarding MoF Regulation No 44 / PMK.03 / 2020

Communication media have an important role in all life without exception . This is proven that social media has a big role in the realization of incentives for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.). This is supported by 53.3 % of respondents getting information related to PMK 44/2020 from the internet or in this case Google; 36.4 % of respondents get information from social media Facebook / Instagram; 50.5 % of respondents get information from WA social media and telegram; 48.6 % of respondents obtained information through the page www.pajak.go.id; 50.5 % of respondents get related information from tax consultants; and 2. 7.1 % of respondents obtained information about Mof regulation No 44/PMK.03/2020 from Tax Office/ Account Representatives.

The data mentioned above also explains how much information on incentives for (MoF Regulation No 44.PMK.03.2020 Concerning Tax Incentives for Taxpayers Affected by The Pandemic of Corona Virus Disease 2019., n.d.) is obtained by many taxpayers from social media, especially Google. Meanwhile, the dissemination of information from the tax office/Account Representative shows the lowest figure, namely only 27.1 % who agree with the statement. This also supports that the socialization from related parties is still lacking.

4. Conclusion

Mof regulation No 44/PMK.03/2020 and the replacement regulations there after are the translation of tax incentives for taxpayers during the pandemic in Indonesia. Its implementation is not optimal considering that there are still many taxpayers who have not used it. This condition occurs because many taxpayers do not fully understand the incentive program itself. Namely starting from the goal, the process, both to get it and in its implementation. Even in its implementation, taxpayers are still dominant in requesting outside assistance due to limitations, the complexity of the tax incentive system, the ability of taxpayers to obtain tax incentives online, the fast movement of regulations and limited socialization from related parties.

Fiscus and tax consultants have an important role in the tax incentives program. Taxpayer really need assistance from tax consultants in obtaining and carrying out their obligations related to tax incentives. Finally, fiscus as tax authorities must increase socialization to taxpayers considering that taxpayers obtain information related to tax incentive dominated by social media.

This research can be used as an evaluation of the implementation of the incentive program. Several things that must be considered so that the implementation of these incentives can run optimally, namely (1) The need to improve the experience of taxpayers related to system changes that have occurred, (2) The need for increased socialization of the program so that the absorption of incentives to SMEs is also optimal, (3) The need for improvement and further review of the technical preparation included in administration.

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