

Public Perception on The Implementation of Tax Amnesty Program

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Abstract

Expecting fairness living, prosperous and welfare life are some expectations of the citizen. Tax revenue becomes the national backbone of the state budget to finance the state expenditures. Many obstacles can challenge the target of tax revenue collection. This critical point needs an awareness collectively from all elements of the nation to get survive with a shortfall nation budget. One of the tax solutions is tax amnesty program becomes a national agenda. Tax amnesty program is expected could reach the huge tax target in 2016. Therefore, tax amnesty will greatly assist the government efforts to improve economic conditions, develop massive infrastructures, enhance the health quality, reduce unemployment, reduce poverty, and improve inequality. Those objectives should be conducted by the well-managed communication plan to socialize the tax amnesty program. The socialization can be delivered by seminar, forum group discussion, online newspapers, social media, personal email, website, etc. The various communication channels have been implemented to deliver the message to the public effectively. Accordingly, the aim of the study is to explore the public perception of tax amnesty, to figure out the effectivity of tax amnesty implementation. Tax amnesty would be more effective to embrace the taxpayers through persuasive approaches. This approach is more desirable. Taxpayers are accompanied as partners to cultivate their tax awareness. This research assessed that many taxpayers have less known regarding the tax amnesty. Indeed, taxpayers need to understand more deeply to the Tax Amnesty Program. Thus, it would conduct tax compliance manner eventually.

Keywords: tax amnesty; public perception; tax awareness; tax compliance

Introduction

Tax is a wheel of the country economy which can move the national developments, social and economic activities. Thus, the tax could prosper the people and to finance the various needs of the country own household. Based on fair and clear taxation provisions, there is a reciprocal relationship between the state and its citizens in the life of the state. Citizens pay taxes for the state, the government provides services either directly or indirectly to its citizens. Besides that, the tax is needed to empower the state of economic sovereignty.

Tax become as a primary state revenue is triggered because of the decreasing of revenue from oil and gas sector. The glorious of oil and gas sector have occurred during the 1980s. "At that time, Organization of the Petroleum Exporting Countries (OPEC) had struggled to keep oil prices at a reasonable level. Unfortunately, the oil prices were still downfall and oil

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prices since 1982. It was reflected from the condition which a flood of oil supplies that far exceeds than the world demand. The declining oil prices impacted to the Indonesia national expenditures & development” (Kemenkeu, 1990, p. 10).

Following that fact, “based on the PSC clause, the government (Pertamina/SKK Migas) will get the production sharing after deducting the cost recovery cost by seventy-three point two and one percent (73.21%), while the Contractor will get the production share after deducting the operating cost (cost recovery), amounted to twenty-six-point seven nine percent (26.79%)” (Prasetyo, 2017, p. 4).

Furthermore, “Expert Staff of Macro Economy and International Finance at the Ministry of Finance Rionald Silaban revealed that the global economic downturn has an impact on the decrease of non-tax revenues (PNBP). If oil and gas previously prior contributed to state revenues, this sector is no longer a prima donna for increasing state revenues “(Afrianto D., 2017, par. 2). Thus, the government struggled and found the alternative state revenue which called tax.

“Tax revenue becomes the national backbone of state budget. It has contributed 74,6% for state budget Year 2016” (Kemenkeu, 2016, par. 6). Therefore, tax revenue is being monitored from the year to year. Unfortunately, tax compliance is still low which can be seen from the tax ratio (the comparison or the percentage of tax revenue to gross domestic product) and formal tax compliance figures, the gap of structuring tax data, and the weaknesses of tax target performances.

“By the end of 2015, Finance Minister Bambang Brodjonegoro expressed his pride over the first achievement of tax revenue that generates Rp1.000 trillion. This value may seem fantastic. However, the realization of tax revenue is very low because of only 81.5 percent of the tax target in the State Budget (APBN) Amendment in 2015. The comparison of tax targets would describe the annual tax performances, but the results were not satisfied due to some obstacles such as low tax targets are too high, the lack of personnel, and other reasons” (Suhendra, 2016, p. 1)

The government should create new tax policies, seek other alternative tax sources, determine the proper action to reduce the potential loss which is still neglected and less utilized. Tax policies can raise opportunity to grab new tax revenue, find a new tax object which can be subjected to tax, review and adjust the tax tariff. For instance, there are many investments which carried out to foreign countries, assets which were being hidden, the underground economy which was not reported. The Indonesian government predicted the potential money which amounting IDR 4.000 trillion is parked in overseas where some countries offer tax havens such as Singapore, Panama, London, Hongkong and the British Virgin Islands. It means that the government loses out some potential tax revenue. Therefore, the Indonesian government tried to persuade the (former) tax evaders to declare and retrieve their offshore funds which can be imposed to Indonesia's tax authorities (Indonesia-Investment, 2017, p. 1).

Afterward, the government should consider the instruments that make Indonesian people would like to invest in Indonesia rather than in other countries. The government should attract the business mind by giving tax holiday, tax incentives, creating favorable tax climate, and competitive tax rates for investors. The government makes milestones project to create many comprehensive tax programs which can facilitate the country needs. One of the projects was tax amnesty.

Literature Review

The point of view of this research is to analyze the public's understanding in the implementation of the Tax Amnesty Program through some previous studies. In a general view, tax amnesty becomes a political agenda in many countries. When the government met obstacles with the budget deficit, tax amnesty becomes a strategic instrument to raise tax revenue. This study would like to examine the correlation between tax amnesty and tax compliance prevailing situation in Sri Lanka, especially this country has held many tax amnesties" (Jayasinghe, 2010, p. 3). In fact, "personal income tax files and personal income tax revenue have not effectively increased after the amnesty declaration. Hence, tax amnesty cannot cure all ills in tax systems" (Jayasinghe, 2010, p. 39).

"Persuading the public to think about the other side of the government ledger, public services, and other benefits, provided in return for taxes paid, makes them understand the importance of taxes" (Jayasinghe, 2010, p. 41). This is in accordance with this research focus that the perspective of taxpayers who concern to taxation matters would support the tax amnesty program. They should be convinced that tax amnesty is to enhance tax compliance in the future (Benno Togler, Christoph A. Schaltegger, Marcus Schaffner, 2003).

Another view of the aim of tax amnesty, it becomes a bridge to remove from one to another tax system (Allschwang, 2005). It occurred in South Africa when the government applied a new based system of taxation. There was a transgression of the scheme of taxation from source-based taxation to residence-based taxation. This movement would expect to enlarge the South African tax base, reducing the chance for tax arbitrage and improving the tax system to be aligned with the general standard for taxing international transactions (Allschwang, 2005, p. 7). On the contrary, it can be a trap for the applicants to face a perpetual future tax cost. Therefore, they should set up the tax planning to face this threat. This program has less or even muted response from the public in South Africa (Allschwang, 2005, p. 61). This condition proven that even though tax amnesty offered some opportunities has less participation due to a lack of public understanding.

Monica Dian Anggraeni (2011) has conducted a study to overview the implementation of Sunset Policy in 2008. As similar as tax amnesty policy, Sunset Policy is an implementation to delete the administrative sanction for Personal/Corporate Tax Payers. This policy is expected to increase tax compliance in the future, to stimulate disclosure of tax obligation, and to increase tax law enforcement.

It examines various factors which influence the willingness of taxpayers to pay taxes. First, tax awareness which realizes that tax is a manifestation of citizen participation, a tool to collect state revenue, a mandatory instrument which regulated by tax law. Second, tax awareness that the postponement and reduction of taxes would make disadvantages for the state. Third, tax comprehension is needed to implement the tax duties (Anggraeni, 2011, p. 19). Moreover, good perception is needed for the effectivity of tax systems. Taxpayers will have the trust that the implementation of strict sanctions, the utilization of taxes is right such as for the construction of public facilities. Thus, "good perception will increase tax compliance" (Anggraeni, 2011, p. 23).

Benno (2003) examined that, in general, people don't like to pay taxes. One possibility to enforce people to pay taxes is the implementation of tax regulation. Tax regulation could be digested by the understanding of the taxpayers to know their taxation obligation and rights. Having understood with the substance of tax regulation, taxpayers would obey the taxation

matters related with tax morale. Tax morale behaviour is indicated by the intrinsic motivation to pay taxes (Torgler, 2003, p. 4).

This journal which entitled "Amazing Grace: Tax Amnesties and Compliance" by Alm, McKee, Beck (1990), overview the tax systems remaining of the states which deduct the income of personal tax payers, audit their tax report and establish the tax penalties "to monitor how individuals comply before, during and after-tax amnesty. The result indicates that the average level of tax compliance falls after amnesty is given and this decline is most likely due to taxpayers expectation of future tax amnesties" (James Alm, 1990, p. 23). Thus, this study has criticized that the effect of the long run consequences of a tax amnesty to the declining of tax compliance. Besides that, this journal describes the demotivation of compliant taxpayers due to the special treatment by giving tax amnesty to tax cheats.

The other study comes from Shevlin, Thornock, Williams (2016) who portray that most taxpayers try to minimize taxes by using tax planning strategies. On the other side, tax authorities perceive that taxpayer should obey their tax obligations based on tax rules. One of the tactics used by tax authorities to increase tax revenues is to provide a temporary grace period which called tax forgiveness. There are some hypotheses such as tax forgiveness would impact to the level of tax compliance and would trigger the level of corporate aggressiveness to reduce tax revenues by waiting for future tax amnesties.

"They found evidence that the effect of tax amnesties on tax aggressiveness more prominent in small firms and repeated program of tax amnesties will enhance the negative impact of corporate tax compliance" (Shevlin TJ, 2016, p. 24). When tax amnesties repeated, tax authorities could lose their credibility in the perspectives of taxpayers because they have broken their commitment as "one-time only" opportunity.

Compliant taxpayers would perceive the weakness of tax enforcement. They could be demotivated to the tax matter. It most likely reverts to less compliant taxpayers. Whilst non-compliant taxpayers assumed that tax amnesty is an opportunity for them to waive their outstanding taxes by paying some money. The research has been conducted by Koch, Christian, Muller, Cornelius, (2015), which "consider that tax amnesties should not lead to many voluntary disclosures in case audit probabilities and penalties remain the same. Tax amnesty should be treated occasionally without any repetition. Therefore, tax amnesty is a transition device not as an insurance device to pay less in taxes" (Koch, 2015, p. 27).

Public needs to be convinced that tax amnesty is one only opportunity. The other research has been conducted at Singaraja Tax Office in July 2016. Firstly, the study overviews the background of this tax policy (Setiawan, Sinarwati, & Yuniarta, 2017, p. 3). It is started when the government needs to finance all the national expenditures with the huge state budget. Whilst there is a fact that many domestic assets which parked in overseas. Second, this study has investigated that the level of tax compliance is still low which impacted to the national development (Setiawan, Sinarwati, & Yuniarta, 2017, p. 8). Tax Amnesty is expected to accelerate the growth and restructuring economy, to maintain tax reform and to enhance state budget significantly in short term. Besides that, tax amnesty is to enhance tax ratio, to expand the current tax base of taxpayers, to stimulate domestic investment and to conduct the macroeconomy (Setiawan, Sinarwati, & Yuniarta, 2017, p. 4). Third, it means that the aim of the research is to know the expectation of tax amnesty implementation. The study focus of tax amnesty strategies are to prepare tax amnesty team, to provide in-house training for tax officers, to conduct tax socialization such as forum group of discussions, tax campaign, door

to door service and media (Setiawan, Sinarwati, & Yuniarta, 2017, p. 9). The last strategy really focuses to enhance the knowledge and the understanding of taxpayers.

There is a study which has examined that “the extrinsic and intrinsic motives to taxpayers when contemplating participation in the tax amnesty program. They identified guilt, embarrassment and moral pride as motives relevant to ethical decision-making” (Farrar & Hausserman, 2016, p. 52). The research found the reason of tax amnesty participation were to avoid a tax penalty as the most extrinsic motive and to keep the responsibility of tax obligation as the most intrinsic motive. “Tax amnesty program can be influenced by a guilty feeling of taxpayer. They experimentally investigated to their research that there are 3 guilt cognitions such as responsibility for a decision, justification for a decision, and foreseeability of consequences on taxpayer’s decision to make tax amnesty disclosure” (Farrar & Hausserman, 2016, p. 1).

Reflecting to “the Sunset Policy 2008 which gave a lesson that there was a rising number to enhance tax ratio. But after that, there was declining. Tax amnesty program can accept the assets from financial crime. It will be categorized as money laundering. Thus, it will be better to improve the law supremacy, reformation, system improvement, maintain good tax administration and tax regulation, good policy, good infrastructure, and accountable human resources” (Saputra, 2015, p. 4). The dissemination of public knowledge regarding the purpose of tax programs should be done before and after the program.

Methods

A study has explored that the effects of tax amnesty can be distinguished by two scopes such as short-run effect and the long run-effect. People respond to the tax amnesty by beginning to evade taxes in anticipation of additional future amnesties (Luitel & Sobel, 2005, p. 16).

The next research has investigated that the evolution of tax amnesty could make the paradigm shifting from developing tax administration to enhancing state revenue target (L & Ross, 2012, p. 540). This study elaborates that “tax amnesty has almost the similar features such as they do not forgive the basic tax owed, they do not close tax years for potential audit, and they all waive criminal prosecution for violations included in the amnesty” (L & Ross, 2012, p. 542).

Another study has declared that “the aim of this research would figure out what kind of factors that make the tax amnesty has not run well and optimal yet” (Istighfarin & Fidiana, 2018). This research assess that the result has not achieved in some parts. They found that the implementation of “tax amnesty has not achieved optimally yet because of the lack of standardization information among tax authorities one & another, the number of employees at Tax Office has not adequate yet, the lack of quality of queuing system of tax amnesty services, and the socialization of tax amnesty has not been intensive yet” (Istighfarin & Fidiana, 2018). It is mentioned obviously that the public understanding drives the important role to achieve the tax amnesty program optimally. Public who has different backgrounds might be not really understand taxation matter. They would need tax officers to support them to get further details explanation. It is called public understanding. The public understanding of taxation can be counted as a tool to enhance tax awareness of taxpayers.

Result and Discussion

Having interviewed some informants, this section would elaborate the research findings. The findings seek to answer some research questions through the information which has been gathered.

The Effective Methods and The Effective Channels to Socialize The Tax Amnesty Program
This study aims to explore the appropriate communication strategies such as determining the ways of communication, media selection and communication targets in the implementation of tax amnesty. In the angle of this research, the theoretical approach that drives the public perception to internalize the tax socialization of tax amnesty program is persuasion theory. This approach would be desirable to convince the public of the advantages of tax amnesty and to touch their consciousness. Since paying taxes is a burden, it is a democratic way to influence people to change their perception and behaviour voluntarily. This research examines how Directorate General of Taxation disseminates public understanding regarding Indonesian Tax Amnesty Program and to figure out what most of the channels would notify the tax amnesty effectively. Therefore, it could be a reference to implement tax program in the future. As mentioned from Leo's opinion that he knew the tax amnesty program from newspaper, television, and email. In his opinion, he told that the most effective media is being notified by email. "Yes, the most effective media is through email because it is more personal and it means that our data is integrated into the database of the Ministry of Finance" (Leo, interview, Dec 30th, 2017).

Leo suggested the way to communicate the key messages of tax programs should be considered in a concise and clear, easy to understand, specific goals, in line with norms and value. If it is possible which accompanied by humor or fun creation to be easily digested in the society. This statement is related to a persuasion technique to interact with people's mind with logical thinking and emotional sense to determine good reasons for acting. The good reasons are motivated by the clear and concise messages. It can be accepted by comprehension and rationalization of public understanding to do further actions. Any humor or fun creation is one of the persuasion techniques which can be used to deliver the message, but it should be considered for a respective audience and applied with careful thought.

Bangun also stated that he knew tax amnesty through online media and newspaper. Whilst Edwin was being notified regarding tax amnesty from his cousin who works at The Directorate General of Taxation. It can be concluded that tax socialization can spread out by word of mouth of tax officer. Moreover, he got the information deeply through Website Directorate General of Taxation. Furthermore, he said that the effective tax socialization can be applied through seminars, forum discussions with the business association, cooperation with the finance-accounting-taxation association.

Those channels carry the persuasion concept which called The Elaboration Likelihood Model (ELM) theory. When Edwin seeks the information through a website. This perspective will involve the logical thinking. The process starts from elaborates the issue and has fully consideration to decide the action. When taxpayer analyses the message through the Central Route, the feedback is crucial as the result of the cognitive process. Taxpayer who gets obstacles to understand the message logically may not be able to apply this kind processing.

The type of tax socialization which applied through seminars, forum discussion and similar type of events. It delivers the persuasion technique is identified as the Peripheral Route. This technique is influenced by other people. Kholis also stated that he knew tax amnesty from the newspaper. He said that the effective tax socialization is related to the early knowledge starts from the school and the easy access of media to reach the public. "There should be a lesson about taxation in high school, so everyone knows the correct procedures for taxation. In fact, there is a lack of socialization about taxation in the society. Tax officers are also less friendly. It should be easy to access tax administration and it is not based on the region. It should be provided in the malls, there should have private services which designated places to ask and to consult taxation matters" (Kholis, interview, Dec 30th, 2017).

Deni has also got tax amnesty notification from the newspaper. He declared that tax socialization has been done effectively. He emphasized that to socialize tax program should engage with the public media, blast information through internet channels and increase training with the relevant topics. Panji knew tax amnesty program from television and internet. He agreed that the information which has been provided through the internet which user-friendly and private. Thus, the information is secure because it is private. Informant X also agreed that the most effective media to notify tax amnesty program is through email. The email is a notification letter from an account representative at the tax office. It is a private channel to communicate between taxpayer and tax officer. He was being informed that he became one of the tax amnesties targets due to his tax violation. He also has a company which is being targeted for the tax amnesty program. Through a letter to the company. Tax Amnesty has been declared that this company became an offender" (Informant X, interview, Jan 4th, 2018).

Tax socialization is backed up by many elements of nation. For instance, as Head of Public Relation in The Directorate General of Taxation, Agie Sugiha declares that tax amnesty is fully supported by the government. It can be proven by the government's roles, especially since The President of Republic Indonesia, Jokowi wants to become a brand ambassador of the tax amnesty program and invites the public, especially entrepreneurs, to succeed TA (Agie Sugiha, interview, August 20th, 2018). His credibility triggered taxpayers to agree with the message. This is called the peripheral route of persuasion. It occurs when the receiver of the message agrees by the expertise more than the arguments. Based on Mr. Agie's experiences, he declares that the effective method to alert taxpayer to the tax amnesty program through the persuasion approach. Because this approach stimulates the consciousness of the people to follow the mission in a good way. "The persuasive approaches are more effective than coercive, because they are more in the heart of taxpayers" (Agie Sugiha, interview, August 20th, 2018).

The next informant who doesn't know tax amnesty at all is Nur. She often watches television. She has social media like Facebook and Whatsapp. Even though she gets in touch with some communication channels, it doesn't guarantee to make her knew the tax amnesty program. As the result of this research, the informants said that the most effective channel to deliver the message of tax amnesty program is electronic media which internet based such as email, online newspaper, and television. The advantages of those channels are quite cheap and fast moving to deliver the message.

Public Responses on Tax Amnesty

Do the public know the meaning of tax amnesty? Public could perceive that Tax Amnesty is a forgiveness tax from the violation of the tax regulation. The way to get this tax treatment, taxpayer must admit their assets which have not been reported yet and consequently added some sanctions for those who disobey tax laws. This research catches how the public opinion disrupts on Twitter through "#amnestipajak" and "#taxamnesty" that challenged the government. The government has lack of tax socialization to the public.

According to the key informants who have been interviewed, Leo, an internal auditor, said that tax amnesty is a great tax program which will trigger many good impacts. This program can make the increase of investments, investments make the country's economy grow, absorb labor, and create justice for society. "Tax amnesty is one source of state fundings which has multiplier effects" (Leo, interview, Dec 30th, 2017). "Tax amnesty is beneficial to increase tax revenues, for example for the cost of tax development to finance infrastructures, the lure offered with the intention of tax dodgers to transfer their assets to Indonesia" (Bangun, interview, Dec 30th, 2017).

This positive opinion could be predicted due to Bangun as a government employee which the remuneration source is directly related to state budget, especially from tax revenue. Another side, he has a critical discourse that concluded the government is unable to collect revenue in a normal way. A point a view came from a freelancer as a tax consultant, Edwin declared that tax amnesty is a great program. This tax program is a tool for tax mapping objective which was hidden previously and couldn't reach by the tax officer. "Nice...On the other hand, tax amnesty is a quick way to fill in coffers of the country revenues which need the fresh funds without debt" (Edwin, interview, Jan 1st, 2018).

Kholis has the same opinion with the above statement that the tax amnesty program is a good program because it will increase the tax revenue significantly. "A good program to increase the amount of income from taxes. This program is very profitable for people who used to hide from taxes. Meanwhile, this program has no effect for workers who have regularly paid taxes because it directly cut from the office. It seems that the program is only profitable for people who never report tax and get side money from unknown sources" (Kholis, interview, Dec 30th, 2017).

There is an opinion from Deni who said that tax amnesty is a form of legal action to conduct tax law supremacy. "Tax amnesty provides legal certainty for citizens who wish to obey to pay and report taxes correctly in the future" (Deni, interview, Dec 30th, 2017). The same opinion came from Panji who said that tax amnesty is a great program because it gives a clarity to determine how to treat his assets as pursuant to the tax regulation. He is not engaged with employment, he makes tax administration by his own judgement. Supporting those facts, he started and considered to handle his assets to comply with taxation after his participation in the tax amnesty program. "Good, make sense and help to clarify ... Yes, because I am a professional worker with uncertain income, so it is not easy to understand the ways" (Panji, interview, Dec 30th, 2017). In the other side, there was a different opinion from informant X who has PT XYZ. Informant X got a dilemma to talk about taxation matter. This informant felt inconvenient by this tax program. He thought that tax amnesty should be a choice rather than a compulsory.

“Actually ... I'm not too deep into Tax Amnesty. But the condition of my company is required to join Tax Amnesty. Even in the end, my company could not participate in Tax Amnesty. This makes us uncomfortable. For example, my corporate tax debt is 14 billion, but the tax officers have asked my company to join Tax Amnesty by paying 9 billion. Money from where? In 2011-2012, I already paid taxes in Bekasi, until one day the time ordered to pay again in East Jakarta. The mechanism of the tax system is not yet inter-connected and integrated. If the system mechanism is not yet available, they should provide other alternative solutions discussed with the taxpayer. Not only we are forced to participate tax amnesty without considering the condition of the taxpayer” (Informant X, interview, Jan 4th, 2018).

This section has composed that those informants who are employed by a company respond tax amnesty program positively. They understand that the government needs a huge state revenue to finance the state expenditures. Nowadays, the government focus to build many infrastructures for the nation. Another a point of view, it came from informant X, who was registered as non-compliant taxpayers. The company has been required to follow a tax amnesty. He knows the purpose of tax amnesty program that the government needs to improve the state budget in short term. Nevertheless, the informant X is reluctant to respond to this tax alert because the company has no ability to pay the outstanding tax payable. Thus, the responses have been classified into three types as follows: (1) pro opinion informants declared that the government needs to enhance state budget to re-map the potential taxpayers in the future, (2) contra opinion informants argued there was misleading information about the implementation of a tax amnesty program itself. When the government was unsuccessful to retrieve the domestic assets which stashed abroad. The government has turned the tax target to be in the domestic domain, and (3) critical discourse challenged that the government could not improve the state budget in a normal way.

Public Understanding on Tax Amnesty

Having discussed with Leo, he admitted that he has less knowledge regarding what the meaning of tax amnesty and the advantages. “Just a little bit of my understanding of the purposes and benefits of Tax Amnesty but what I know is the long-term benefits for the betterment and development of our better country” (Leo, interview, Dec 30th, 2017). Bangun said, “Different impressions ... Some responded that seemed too good for tax dodgers. Meanwhile, for the small people who have paid taxes in accordance with the provisions, feel treated unfairly because tax amnesty policy, in my opinion, is a tax pardon for the rich who do everything possible to avoid paying taxes” (Bangun, interview, Jan 2nd, 2017).

Edwin perceived that tax amnesty is a tool to arrange tax mapping. The meaning of tax mapping is a tax base extension strategy. Tax mapping will identify potential tax revenue from the public who do not have Taxpayer ID Number (NPWP) yet. Therefore, if there is an increase in the number of taxpayers, it would enhance the potential tax revenue for the next future. “Tax Amnesty is a means to "re-map " Taxpayers who are currently unattainable by the tax authorities” (Edwin, Interview, Jan 4th, 2018). Kholis declared that tax amnesty is a tax program which can be utilized only for non-compliant taxpayers. It is an opportunity for taxpayers who haven't reported their assets properly. Tax amnesty is a tax policy to repair their tax administration in the past. “Tax amnesty is only enjoyed by the people who did not pay taxes or got the assets that could not be accounted for correctly” (Kholis, interview Dec 30th, 2017).

The other opinion came from Deni, he stated that tax amnesty is a good sign to make a better relationship between taxpayer and the government. "Tax amnesty provides legal certainty for citizens who want to obey to pay and report taxes correctly in the future" (Deni, interview 30th, 2017). Panji has the same opinion as Deni, he also emphasized the concept of certainty. Based on his understanding, he declared that tax amnesty is a tax program to enhance state budget in government side and to give tax certainty how to maintain unreported assets in the past for the taxpayers. "I am one of the participants and I think the goal is to increase the state's finances while providing tax assurance on assets that are not reported so far. So, this is a win-win solution" (Panji, interview, Dec 30th, 2017).

"People just know about his name but still many do not understand. All I know is that Tax Amnesty is a tax forgiveness so it should really be forgiven. Conceptually, its name is Tax Amnesty, but its impression is tricky. So, our ignorance of taxes makes taxpayers want to know, even trapped. In fact, the Government has a good vision to attract foreign investors. The defiance of taxes and funds is abroad but ultimately unsuccessful affected the lower middle class. Finally, we like swept that the company must be like this, and it should be so. If this is the case, we are fined. If the tax administration like this is declared late so this makes a headache for the taxpayer" (Informant X, interview, Jan 4th, 2018). It means that there are some people who know tax amnesty, but they still do not understand deeply. Based on the interview, there is an opinion that people who don't understand it, they feel trapped. The more they know, they must pay this tax obligation. Another suggestion came from Informant X who gives some feedback to The Directorate General of Taxation to make some improvements. "The system and technology are improved, place capable tax officers who provide correct input, give guidance and advise taxpayers. When we depend on tax officers, there should be a standard of quality for all tax office" (Informant X, interview, Jan 4th, 2018).

This research would check Nur's perspective on tax amnesty. A question has been raised to know whether she understands the tax amnesty program. At that time, it could be assumed by her gestures that she was showing a confused expression while frowning. The gesture as the form of non-verbal communication is one of the characteristics of the qualitative research. It emphasizes that the non-verbal communication can obtain the assumption. There is no further question because she has no idea about tax amnesty at all. A comprehensive meaning came from Mr. Agie, his tax view of the government side, declared that tax amnesty is a tool to crosscheck the assets data between taxpayers and the government. He said that this program started with the concept to retrieve the potential tax revenue which parked in overseas. Since the government needs to boost the state revenue for the economic and development expenditures. "Tax amnesty is a national reconciliation between taxpayers and the government to foster tax awareness." (Agie Sugiha, interview Aug 20th, 2018).

Another opinion from Shinta as a tax lecturer, she agrees with the purpose of tax amnesty. It is a tool to make a new path between the taxpayers and the government. "Taxation errors in the past can be abolished and Taxpayers can restart the new page with a better spirit" (Interview, Shinta, August 14th, 2018). Public understanding has not been achieved optimally. There is no standardization of information for tax authorities, the insufficient of the tax officers who serving tax amnesty programs, the quality systems and complicated forms and procedures, the lack of in-depth tax socialization of tax amnesty for taxpayers.

Tax Awareness in related with Tax Amnesty Program

Tax awareness is a condition when the taxpayer knows the importance of taxes, acknowledge, and respect to the tax regulation, and have a willingness and good faith to obey the tax applied to them. Leo said that, as a practitioner who doesn't maintain taxation in his daily life, he maybe has a little ignorant regarding taxation issue except it is related to his personal taxes. It means tax amnesty has a hint to remind him about the importance of tax compliance. "I am a practitioner who, in his daily life, has nothing to do with taxes, maybe a little ignorant but subject to personal taxation laws will remain my attention" (Leo, Interview, Dec 31st, 2017). Another opinion came from Bangun, he declared that tax amnesty can be one of the ways to increase tax awareness in the society. It also should be conducted by a comprehensive tax improvement. This kind of improvements reflects from tax reform, update new tax systems and tax procedures. "Tax amnesty policy can indeed be an effective way for the government to increase tax awareness in all levels of society but must be coupled with the revamping of Indonesia's taxation system that still accumulates to be done" (Bangun, Interview, Jan 02nd, 2018).

Having passed tax amnesty program, Edwin perceives that taxpayer becomes more careful especially how to maintain their tax report. Based on tax regulation, they realize that it is necessary to report their assets. "More cautious, especially in the terms of reporting assets. Fear of the assumption that there are assets that have not been reported" (Edwin, Interview, Jan 1st, 2018). Another opinion from Kholis, with or without tax amnesty, he has become a compliant taxpayer. He gets a salary from a company which has been deducted by the income tax. Thus, his tax obligation has been accomplished. The same opinion with Deni, he feels tax amnesty doesn't relate it to him at all. He has reported all his assets. Both statements from Kholis and Deni has aligned with The Elaboration Likelihood Model (ELM) theory. They analyzed the substance of tax amnesty by central route.

Furthermore, this research would explore the opinion of non-labor worker such a professional worker or an entrepreneur. Panji, as a doctor, he manages the operation independently. Previously, he doesn't aware of taxation matter. Through tax amnesty program, he became more concern to maintain his assets properly. It seems that tax amnesty has built tax awareness. "Quite more concern and more attention to become more understand little about taxation" (Panji, Interview, Dec 30th, 2017). Informant X agreed that tax amnesty can build tax awareness. "Tax amnesty makes taxpayers more cautious in the future. Taxpayers know more about taxes. In the past, taxes could be handled cleverly. For example, if we get a job order in place A. We must pay taxes right. It used to be arranged as ZERO. Now, this manipulated treatment is no longer possible. The impact of increasingly assertive tax rules influences business transactions. We ourselves as service users should be careful with this tax. We could not cheat by 10% VAT, but we are only assigned to pay it" (Informant X, interview, Jan 4th, 2018).

Shinta stated that tax amnesty triggers the tax awareness. The similar opinion came from Mr. Agie who stated that tax amnesty makes taxpayers realize their tax obligations. After tax amnesty program, tax awareness increases which indicated by the number of the submission of Annual Tax Returns and increased tax payments" (Agie Sugiha, interview, August 20th, 2018). Refer to the previous statements, those opinions concised that tax amnesty could

enhance tax awareness in the future. Because the public has more knowledge about the taxation.

Tax Motives to Respond Tax Amnesty

Tax motive is a reason to act to fulfill the purpose of taxation. Tax motives are interesting to explore the taxpayer motives to fulfill his tax obligations is not solely based on the actual. The previous study from Farrar & Hausserman (2016) declared that the relative importance of extrinsic and intrinsic motives to taxpayers when considering the participation in the tax amnesty program. They identified guilt, embarrassment, and moral pride as motives relevant to ethical decision-making. The previous research found the reason of tax amnesty participation were to avoid a tax penalty as the most extrinsic motive and to keep the responsibility of tax obligation as the most intrinsic motive.

There are many studies which interested to figure out the motives of tax compliance. For instance, Leo, he has a determination to be more honest, to obey tax law and tax regulation. "The motivation/reason to participate in determining the attitude towards the Tax Amnesty is that because it wants to play a more role in national growth and besides more to the attitude of honest, obedient to the tax laws and regulations wherever a taxpayer is located" (Leo, Interview, Jan 3rd, 2018). It can be concluded that Leo cultivates a commitment to be a compliant taxpayer. Leo's motive is related the Compliance-Gaining regarding moral appeal and positive feeling.

Kholis stated a critical discourse of tax amnesty. He emphasizes that tax amnesty should be treated fairly. As illustrated in Compliance-Gaining theory, a motive of justice describes the morally right thing to do. The government should give the tax facilities not only for non-compliant taxpayers but also for compliant taxpayers. "Tax amnesty must have a motive of justice. This tax policy should also be fair to compliant taxpayers. Do not just give facilities and benefits for people who hide the treasure only" (Kholis, Interview, Dec 30th, 2017).

There is an opinion from Deni who declares that the motive to participate in the tax amnesty program because of the exchange of benefits. This principle is related to the Compliance-Gaining theory regarding the reward. Taxpayers will join this program because they expect something in return for their participation. "The motive to follow the tax amnesty is not to be pursued for the acquisition of the previous year's treasure" (Deni, Interview, Dec 30th, 2017). As similar as Leo's opinion, Panji stated that his motive is triggered by the motive to help the government to finance the state expenditures. Besides that, he needs a positive feeling to assure his assets meet the tax obligations. "The motive is the desire to participate in helping state finances, providing tax assurance of my assets and properties" (Panji, Interview, Dec 30th, 2017).

"I have participated in the tax amnesty program. The motive that causes the company to follow Tax Amnesty is because the company has been written by the tax authority that the company has been reported to be a non-compliant taxpayer. I have paid a small amount of taxes which amounting to 3 million" (Informant X, interview, Jan 4th, 2018). "If it does not report, it will be imposed by the tax penalties. Tax amnesty is not a truly forgiveness tax but there are many terms and conditions. We've not paid for years because we do not know, lay with taxes, we suddenly forced to participate in the tax amnesty program. But you must pay this amount if you want to be forgiven. We do not want to pay it because it is out of the capability" (Informant

X, interview, Jan 4th, 2018). Thus, there are many motives which can be influenced by the social background, profession, experiences, and other factors. It can be triggered by the reward, the punishment, morals, etc.

Tax Compliance in related with Tax Amnesty Program

Tax compliance is an awareness and willingness to run the taxation rights and tax obligations. The taxpayer, in this case, could make a rationalization of the benefit of paying his tax obligations by collecting information, elaborating data, then making optimal decisions. Behavior is only used to help in understanding how taxpayers do some actions based on their beliefs, perceptions, and values. Leonardo said that the existence of clear and proportional punishment in every published tax regulation may also intensify cooperation with other Finance Authorities such as MoF, OJK and PPATK in terms of investigating the flow of money and KPK in the case of action if there is a WP related to corruption and criminal matters. "The existence of a clear and proportional punishment in every published taxation law may also intensify cooperation with other Finance Authorities such as the Ministry of Finance, the Financial Services Authority (OJK) and the Financial Transaction Reports and Analysis Center (PPATK) in terms of scrutinizing cash flows and the Committee Corruption Eradication (KPK) in case of prosecution if there is a Taxpayer related to corruptions and criminal matters" (Leo, Interview, Jan 3rd, 2018).

The concept of tax compliance in Bangun's opinion, it can be formulated by sanctions and results. They would realize to maintain tax compliance. "In my opinion if the output is balanced, then citizens need not be afraid of sanctions, automatically will appear awareness by itself" (Bangun, Interview, Jan 2nd, 2018). Edwin stated that it is impossible to create voluntary tax compliance. It is not solely that taxpayer would pay the taxes voluntary, but taxpayer would obey the tax regulations and tax provisions. "Voluntary compliance will never exist. But at least it can be more willing if the tax payments can be felt in real terms, adequate infrastructure fund structure, world-quality education, high quality health service and free gratitude" (Edwin, Interview, Jan 1st, 2018).

Kholis shared his thought, a fairness is a motive of tax compliance. The government should set up tax facilities not only for non-compliant taxpayers but also tax compliance taxpayers. Unless they might be complained and demotivated if the benefits have just reached only for tax dodgers. "Do not give the benefit only those who hide their assets" (Kholis, Interview, Dec 31st, 2017). Another opinion from Deni, he stated that tax compliance could be triggered by the tax sanctions. Taxpayers are afraid if they haven't declared the previous assets which have not been reported yet which would have high tax exposures. Panji said that he would like to comply with the tax regulation. He suggested that the government could provide tax systems are getting better and simple. Informant X emphasized that tax systems should be well-managed. He stated the combination of technology and human resources are the main keys to conduct the sustainability of tax compliance.

When the system is good, taxpayer would have a trust to comply with the tax regulations. "A system that runs effectively so that inevitably become a path of its own (obedient). IT is fixed, place Account Representative (AR) capable of providing the correct input, give suggestions, even fool-stupid company if Account Representative is smart, it is no problem. From the beginning if we've been accompanied by AR, the control is good and we are not waiting to be

trapped first because the company that does not necessarily know the tax, most he attracted people who take tax" (Informant X, Interview, January 4th, 2018). Tax compliance can be triggered with those kinds of improvements such as the improvement of the law supremacy, reformation, system improvement, maintain good tax administration and tax regulation, good policy, good infrastructure, and accountable human resources.

Conclusion

This research has analyzed the data by connecting the data with theories, articles, journals, other literature, and informants. Therefore, this research summarizes the following conclusion such as:

1. Each taxpayer responded tax amnesty differently for many reasons.

Taxpayers who are employed by the company usually have less concerned to the tax amnesty because they have paid their taxes by the tax deduction on their income. Even though there was misreported, they don't have to declare it through tax amnesty, but they have only to revise their annual tax return. Because they bought it from the income which has been deducted by the income taxes.

2. Most of taxpayers have already perceived that tax amnesty is a forgiveness tax which imposed on the people who have not reported their assets yet in the past years. On the first stage of tax amnesty, many issues spread out to define tax amnesty itself. Public perception perceived that tax amnesty is no need anymore since they have paid land & building taxes and vehicle tax. Tax socialization with very massive explanation through a few months later, especially from media and training, tax amnesty has been accepted as it is.

3. The communication channels are various to deliver the key messages of tax amnesty. Nowadays, there are so many communication tools which effective to reach the public. The cheapest and fastest to deliver to the public are communication tools with internet based such as online newspaper, social media, personal emails, website, etc. The electronic media has also become the effective channel to deliver the message to the public.

4. Public understanding has triggered taxpayers to participate in tax amnesty. Because they know the positive outcomes of tax amnesty. Besides that, they are afraid of the punishment if they do not comply because of the huge sanction. Otherwise, taxpayers who don't participate in it that they couldn't afford due to out of their financial capabilities.

5. Most taxpayers have known the benefits of tax amnesty to support the infrastructures, education, health, enhance the welfare, etc.

6. The tax penalty of tax amnesty is 200%. This is a very critical point for taxpayers to participate in the tax amnesty program to avoid the sanction in the future.

7. Taxpayers have deep concerned with the system and procedures in the Directorate General of Taxation which still needs to be improved to facilitate the taxpayers' rights. Taxpayers perceived that the system is still complex and need more improvements.

8. Tax amnesty would be more effective to embrace the taxpayers through persuasive approaches. This approach is more desirable. Taxpayers are accompanied as partners to cultivate their tax awareness.

9. After tax amnesty, taxpayers have more concerned with the taxation. They become more conservative to maintain their tax compliance especially which related to their asset and income.

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