

## Example of article 21 income tax calculation on employees: Case study at PT Asuransi Ramayana Manado branch

Novi Kholifatul Mustaqfiroh<sup>1\*</sup>, Alfiah Fajar Rosida<sup>2</sup>, Lailatul Izzah Sonia<sup>3</sup>, Nurul Hanifah<sup>4</sup>

<sup>1,2,3,4</sup> Program Studi Perbankan Syariah, Universitas Islam Negeri Maulana Malik Ibrahim Malang

e-mail: \*novikholifatul20@gmail.com

### Keywords:

taxes ; pph pasal 21 ; calculating on employees

### ABSTRACT

Taxes are one of Indonesia's largest sources of income. Domestic taxes are classified by the government into various forms of taxes levied on the basis of ownership of assets from the taxpayer. Article 21 of the VAT refers to income tax on work, services and activities carried out by individual taxpayers of domestic persons. The method

used in this article is library research. The result of the calculation can be concluded that there is a difference in the total tax owed according to PT. Ramyana Insurance and Tax Act.

## Introduction

In running a government, a country has a duty to protect the interests of its people, both in terms of welfare, security, and defense. In a welfare perspective, one of society's interests is the desire to live a prosperous life where all its needs are met. In this case, the government can help realize those interests. To fulfill these interests, the state needs large resources. Therefore, it is necessary to study the sources of state acceptance in order to obtain accurate information that can be used as a constructive input in the allocation of resources. Taxes that collect money from the masses Owning goods and money derived from the Society itself is a source of income.

Taxes are one of Indonesia's largest sources of income. Domestic taxes are classified by the government into various forms of taxes levied on the basis of ownership of assets from the taxpayer. Domestic taxes include Income Tax (PPH), Value Added Tax (VAT), Land and Building Tax (UN), Land and Building Rights Acquisition Customs (BPHTB), Customs and other Taxes. The amount donated to the state treasury varies depending on the type of tax. Based on the data of the Financial Memorandum and the State Budget, in 2010 it was Income Tax (PPH) with a value of Rp. 362.2 trillion. The result reached Rp. 55.4 trillion due to the contribution of the two sectors of income tax and oil and gas, from Non-Oil Gas amounting to Rp. 306.8 trillion. In this system of tax collection in force in Indonesia is the self assessment system, that is, with this system Taxpayers are given the confidence to calculate for themselves the amount of tax owed in a tax year. Business profits earned by Companies and individuals are subject to Income



This is an open access article under the [CC BY-NC-SA](https://creativecommons.org/licenses/by-nc-sa/4.0/) license.

Copyright © 2023 by Author. Published by Universitas Islam Negeri Maulana Malik Ibrahim Malang.

Tax (PPH). However, for individual Taxpayers, before the profits are taxed first deducted from Non-Taxable Income (PTKP), the amount of which depends on the number of family dependents.

PPH 21 of the VAT refers to income tax on work, services and activities carried out by individual taxpayers of domestic persons. Income received from salaries, honorariums, benefits and other payments related to work, services, or activities performed by a domestic individual taxpayer. The amount of VAT withholding Article 21 depends on who the Taxpayer is, the type and amount of income he receives. The increase in the number of Taxpayers is expected to lead to the accrual of income tax receipts of article 21.

## **Theoretical Review**

### ***Definition of Tax***

The definition of tax under Tax Law No. 28 of 2007 on the Third Amendment to Law No. 6 of 1983 on the General Provisions and Regulations of Taxation cited by Sumarsan (2012:4), explains that "the State" is the responsibility owed to an individual or legal entity who commits coercive acts under the law without receiving direct rewards.

The definition of tax according to Roshmat Soemitro quoted by Sumarsan (2012:3) explains: "A tax is a payment made by a citizen to the state treasury under statutory regulations (enforceable) without getting any reward (remuneration), it can be detected and used directly. A tax is the surrender of the wealth of the people to the state treasury in order to recoup the state expenses whose excess is used for the savings of society which is the main source of investment community funds.

### ***Definition of Income Tax***

Income tax subject to VAT is income. In his book *The Complete Guide to Income Tax* (2011:22-23), Barata defines income under Article 4 paragraph (1) of Income Tax Act No. 17 of 2000 as additional economic benefits received by taxpayers as or receiving funds from Indonesia or outside Indonesia under any name and form that may be used for consumption or capital addition of such Taxpayer.

### ***Income Tax Accounting***

The direction and purpose of the refinement of the income tax law based on the Tax Law of the Republic of Indonesia Number 36 of 2008 on the Fourth Amendment to the Tax Law No. 7 of 1983 on Income Tax provides:

1. In the old legislation, tax collection was focused on the fulfillment of mandated obligations, in the new law the focus was on the participation of the public and the public in financing the needs of government and development, which we realize and do with full dedication.
2. The tax collection system changed from the method of official assessment to the method of payment of self-assessment taxes.

The new system will provide comprehensive and uniform waivers by lowering costs, simplifying procedures, and increasing legal certainty over services.

### Income Tax 21

Regulation of the Minister of Finance No. 252/PMK. 03/2008 cited by Radiantto (2010:71) states the following: Within the meaning of article 21 of the Income Tax Law, all names and all forms of salaries, wages, commissions, benefits and other payments in connection with work or positions, services and activities carried out by domestic Taxpayers.

Income Tax Article 21 regulates the basis for withholding tax on income received by the Domestic Individual Taxpayer in the form of salary, wages, expenses, benefits and other rewards in connection with his work or job title, services and activities. tax in and in any name. Article 21 Income Tax applies only to the income of individuals and applies to domestic taxable persons. The amount of income tax under Article 21 is subject to the tax rate established in Article 17 of the Income Tax Law, except for various activities whose rates apply in accordance with government regulations.

Personal tax rate under the Tax Harmonization Act No. 7 of 2021 (HPP Law) updating article 17 paragraph (1) sentence a of the Income Tax Act (PPH Law). The tariffs are as follows:

Penghasilan Kena Pajak	Tarif Pajak
Penghasilan tahunan hingga Rp60.000.000	5%
Penghasilan tahunan di atas Rp60.000.000 – Rp250.000.000	15%
Penghasilan tahunan di atas Rp250.000.000 – Rp500.000.000	25%
Penghasilan tahunan di atas Rp500.000.000 – Rp 5 M	30%
Penghasilan tahunan di atas Rp 5 M	35%

**Gambar<sup>1</sup>** : For income earners (taxpayers)

Source : For income earners (taxpayers) without a TIN, the tax rate is 20% higher than the rate that applies to taxpayers who have a TIN.

According to Article 7 of the Income Tax Law No. 36 of 2008, tax-free income is the amount of the taxpayer's income of a personal person exempt from the levies referred to in Article 21 of the VAT. PTKP is used as a deduction for gross income until the amount of net profit is obtained and subsequently subject to VAT 21.

The size of PTKP may change annually depending on the policy taken by the government through PMK as a regulation for the implementation of the Income Tax Act (PPh).

### Methods

The method used in this article is library research is a method of gathering information to understand and explore theories from various literature in connection

with such research. There are four stages of literature research in research work which are to prepare equipment when it is necessary to prepare a functional bibliography, manage time and read or preserve research materials.

This data collection uses the method of finding sources and building from a variety of sources. The sources are for example books, magazines, and research that has been carried out. Literature materials from their various sources are critically analyzed and this must be done in support of his proposals and ideas.

## Results and Discussion

### Research Results

Ga The salary quoted by Mardiasmo (2009:169) is an income received by an employee who works in a particular agency, in return for services for the work that has been provided. In the granting of basic salaries, many are based on the length of service, rank or position of the employee in question. PT Asuransi Ramayana provides monthly salaries to its employees directly at the beginning of the month.

### Case Study 1

Ahmad worked at PT Asuransi Ramayana as a permanent employee, the salary of a permanent employee according to PT. Ramayana Insurance and according to the Tax Act. Ahmad works at PT. Ramayana Insurance as a permanent employee with the status of K/1 Ahmad gets a gross salary of Rp.84,000,000 a year. taxes to be paid by Ahmad are:

Gross salary per year	Rp. 84.000.000
-----------------------	----------------

The cost of a year's tenure	
-----------------------------	--

(5% x 84.000.000)	Rp. 4.200.000
-------------------	---------------

Net income per year PTKP per year	Rp. 79.800.000
-----------------------------------	----------------

a. For WP Self	Rp. 54.000.000
----------------	----------------

b. Additional due to marriage	Rp. 4.500.000
-------------------------------	---------------

c. Addditional of a dependent	Rp. 4.500.000
-------------------------------	---------------

	Rp. 63.000.000
--	----------------

Taxable income a year	Rp. 16.800.000
-----------------------	----------------

PPh Article 21 a year	
-----------------------	--

(5% x 16.800.000) =	Rp. 840.000
---------------------	-------------

PPh pasal 21 a month	
----------------------	--

( Rp. 840.000 : 12 ) =	Rp. 70.0000
------------------------	-------------

Based on the results of the above calculation, it can be concluded that there is a difference in the amount of tax owed according to PT. Ramyana Insurance and Tax Act are Rp.1,290,000 and Rp. 840.000. The difference of Rp.450.000 is an overpayment for PT. Ramayana insurance is due to the fact that the company does not change or update the status of the married employee, so the company still uses the status of the previous employee.

### Case Study 2

Dodi is a permanent employee at PT Asuransi Ramayana, calculating the salary of permanent employees according to PT. Ramayana insurance and according to the Tax Law. Dodi works with Kindergarten status earning a gross salary of Rp.91,800,000 a year. taxes to be paid by Dody namely:

Gross salary per year	Rp. 91.800.000
The cost of a year's tenure	
(5% x Rp. 91.800.000)	Rp. 4.590.000
Net income per year	Rp. 58.500.000
Taxable income per year Pph	Rp. 28.710.000
article 21 per year	
(5% x 28.710.000)	Rp. 1.435.000
A Month	
(1.435.000 : 12)	Rp. 119.625

Based on the results of the above calculation, it can be concluded that there is a difference in the total tax owed according to PT. Ramyana Insurance and Tax Act are Rp.1,660,000 and Rp. 1,435,500. and there is also a difference of Rp.224,500 which is an overpayment for PT. Ramayana insurance is because the company does not change or update the status of the unmarried employee but has one person dependent, so the company still uses the status of the previous employee.

### Discussion

From the analysis of the above data, it can be clearly seen about the mechanism of calculation of personal income tax carried out by PT. Manado Branch Ramayana Insurance is already compliant under Law Number 36 of 2008 on income tax. But the company still does not update the new data so the company still uses the old data. In fact, some employees of PT.Asuransi Ramayana Manado Branch have changed their status and have dependents.

PTKP rate set by PT.Asuransi Ramayana Manado Branch in 2020 is PTKP rate according to Finance Minister Regulation No. 101/PMK.010/2016. However, the company has not changed the status of permanent employees who have changed their status or already have dependents, so some employees still receive the same PTKP rate. And also PT.Ramayana Manado Branch Insurance does not use higher rates against employees who do not have a TIN.

The impact of calculations caused by PT.Ramayana insurance company Manado branch is to cause losses to employees, the Company, and the state. Because if a person pays the Income Tax of Article 21 as a private person underpays, then automatically the tax received by the state is reduced by itself or the income of the VAT of Article 21 does not correspond to the income that the state should receive from the company. Similarly when Article 21 VAT private individuals overpay will be detrimental to companies and employees.

The entire income of PT employees. Manado Branch Ramayana Insurance is calculated by the Financial and Administrative manager of the company. The annual tax report is compiled by summing up all personal income tax payments under article 21 for the current year for which it has been taken into account including bonuses and benefits earned.

Problems and errors that occur in the calculation of Article 21 PPH of employees are generally due to lack of rigor and lack of knowledge about taxation in the calculation of PPH article 21 of employees. Therefore, these shortcomings can be a remedy for companies to always keep abreast of the latest tax regulations, as well as increase the rigor and accuracy in carrying out the calculation of VAT Article 21.

That way, the corporate taxation system will progressively improve and previous errors or shortcomings will not recur.

## Conclusions

According to Tax Law No. 28 of 2007, taxes owed to individuals or legal entities are owed on the basis of legal obligations without immediate return. Roshmat Soemitro explained that the tax is a gratuitous payment from citizens to the treasury, which is used to cover government expenses and is the main source of community investment funds. Income Tax (PTh) is primarily concerned with income, which is interpreted as an additional economic benefit received by the taxpayer. Tax Law Number 36 of 2008 regulates community participation in the management and financing of development, by changing the focus from formal assessment to self-assessment. Income tax article 21 provides for the withholding of personal income, in particular salaries, benefits and other payments in accordance with the applicable tax rate.

Based on the data analysis, we can conclude the mechanism for calculating personal income tax of PT. Manado Branch Ramayana Insurance complies with Law Number 36 of 2008. However, the company has not updated current information, keeps using old information and does not change the change in employee status and percentage of

PTKP. This can adversely affect workers, the business world, and the country, resulting in losses due to the difference in taxes and real incomes.

Problems arise due to lack of respect and knowledge of taxation. For its improvement, it is recommended that companies always follow current regulations and improve the accuracy of calculating VAT according to Article 21

### **Bibliography**

- Agustina, I., & Isnaini, F. (2020). Sistem perhitungan dan pelaporan pajak penghasilan pasal 21 pada universitas XYZ. *Jurnal Ilmiah Infrastruktur Teknologi Informasi (JIITI)*, 1(2), 24-29.
- M. Setyadi Hartoko. (2016). Pajak penghasilan pasal 21 (studi kasus pada pt grazindo).
- Nini D. Wandansari. (n.d.). Perlakuan aakuntansi atas pph pasal 21 pada pt artha prima finance kotamobagu. ISSN 2303-1174.
- Noliana Nababan, Hendrik Gamalied, C. D. (n.d.). Evaluasi perhitungan pajak penghasilan pasal 21 atas karyawan pada pt asuransi ramayan tbk. Cabang Manado. ISSN-2302-1174.
- Watung, D. N. (n.d.). Analisis perhitungan dan penerapan pajak penghasilan pasal 21 serta pelaporannya. ISSN 2303-1174.