



AN ANALYSIS OF UNDERSTANDING AND COMPLIANCE OF MSME TAXPAYERS

ABOUT TAXATION RULES

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ABSTRACT

This study aims to find out how the level of understanding and compliance of MSME taxpayers regarding taxation rules. The decrease in tax rates for MSMEs from 1% to 0.5%, which came into effect on July 1, 2018, is expected to increase tax revenues from the MSME sector. This is one of the reasons for this research. The study sample used 27 respondents from MSME entrepreneurs who already had a tax payer number (NPWP), data processing was carried out using a descriptive analysis approach with data collection techniques through interviews. The results of this study found that knowledge of MSME taxpayers regarding taxation rules is still low, knowledge of basic tax debt calculations, tax rates, when to make deposits and tax reporting is 45.27%. In its implementation, they admit that they have recorded the cash receipts and expense, but still experience difficulties when deciding the amount of tax debt that must be deposited, including how to fill in the Tax Notification Letter (SPT). This has an impact on the level of compliance about taxation rules, which have implemented good tax rules only 44.45%. MSME entrepreneurs, that the register to have their own NPWP with awareness are only 48.15% while others are based on the interests of banking affairs. Most taxpayers admit that they have not been aware of any changes in the MSME tax rate to 0.5%. That is, the government needs to conduct socialization and guidance for MSMEs in implementing taxation rules.

Keywords: tax rates, tax accounting, tax revenue, cash receipts and expenses