

Conference Paper

Analysis of Presentation and Disclosure of Tax Amnesty Assets and Liability in the Financial Statements of Listed Public Company in Indonesia

Dwi Martani and Ayu Maharani

Universitas Indonesia

Abstract

The purpose of this study is to analyze the implementation and consistency of the presentation and disclosure of tax amnesty assets and liabilities based on PSAK 70 about Accounting for Tax Amnesty Assets and Liabilities. This study uses content analysis and focuses on companies participating in tax amnesty based on Law No. 11 of 2016 concerning Tax Amnesty. Companies that participate in tax amnesty need to adjust their accounting policies to present and disclose tax amnesty assets and liabilities. The presentation and disclosure options are carried out consistently for all tax amnesty assets and liabilities. The analysis showed that the company consistently presents its tax amnesty assets and liabilities according to the options selected in PSAK 70. However, the completeness of disclosure of tax amnesty elements in the financial statements was relatively diverse.

Keywords: tax amnesty, tax amnesty assets, tax amnesty liabilities

Corresponding Author:

Dwi Martani

dwimartani@yahoo.com

Received: 27 December 2019

Accepted: 15 April 2020

Published: 23 April 2020

Publishing services provided by

Knowledge E

© Dwi Martani and Ayu

Maharani. This article is

distributed under the terms of

the [Creative Commons](#)[Attribution License](#), which

permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under

the responsibility of the 3rd

IRCEB Conference Committee.

1. Introduction

Indonesia held a tax amnesty program in 2016 to 2017 which was divided into three periods, (1) the first period was carried out in July-September 2016; (2) the second period was carried out in October-December 2016; and (3) the third period was carried out in January-March 2017. The implementation of the tax amnesty program was regulated in the Republic of Indonesia Law No. 11 Year 2016 concerning Tax Amnesty. Previously Indonesia had also held tax amnesty in 1964 and 1984 and the implementation of sunset policy in 2008.

Tax amnesty organized by the Government aims to accelerate economic growth and restructurisation, encourage tax reform, and increase tax revenue (Article 2 Paragraph 2 of Law 11/2016 on Tax Amnesty). Based on data from the Directorate General of Taxes (DJP) in 2017, the tax amnesty program in Indonesia, which is held from 2016 to 2017, achieved the highest achievements in the world with total tax revenues of IDR 1,151.03

 OPEN ACCESS

trillion, redemption money (*uang tebusan*) amounting to IDR 114.54 trillion (0.9% from Gross Domestic Product), and declared assets amounting to IDR 4,884.26 trillion (34.4% of Gross Domestic Product).

As a response of enactment of Law 11/2016 on Tax Amnesty, the Financial Accounting Standards Board (DSAK) of the Indonesian Accountants Association (IAI) issued a Statement of Financial Accounting Standards (PSAK) 70 which aims to regulate the accounting treatment of tax amnesty assets and liabilities. The specific options in PSAK 70 that are chosen by entities that participate in the tax amnesty program and recognize tax amnesty assets and liabilities, must be applied consistently.

Research on tax amnesty, in relation to the application of policy options, the presentation and disclosure of tax amnesty assets and liabilities, is still very limited both nationally and internationally. Internationally research on tax amnesty focused more on aspects of theory, compliance, and tax enforcement. While in Indonesia, research on tax amnesty focused more on history, effectiveness, implementation, and also sunset policy. Specifically, research in Indonesia has been carried out related to the costs and benefits analysis of tax amnesty on public companies in Indonesia (Nadi & Martani, 2018) and the implementation of tax amnesty in the 2016 on public company financial statements (Siahaan, 2017). Due to limitation of previous research, then this research will analyze the implementation and consistency of tax amnesty assets and liabilities presentation and disclosure based on PSAK 70 on listed public companies in Indonesia.

2. Tax Amnesty Literature Review

Tax amnesty is an offer with a certain time limit by the Government for certain groups of taxpayers to pay a predetermined amount, in exchange for forgiveness of tax obligations, including interest and penalties, related to the previous tax period, as well as freedom from legal prosecution (Baer & Borgne, 2008). Malherbe (2010) defines tax amnesty as the possibility within a certain period of time to pay taxes in return for the remission of a number of tax liabilities (including interest and penalties), the neglect of tax criminal charges, and the limits for auditing tax-related matters. Article 1 Paragraph 1 of Law 11/2016 on Tax Amnesty stated that tax amnesty is the abolition of taxes that should be owed, not subject to administration and criminal tax sanctions by declaring assets and paying redemption money as stipulated in the Law.

Taxpayers (WP) who take part in the tax amnesty program are given the opportunity to declare their assets in a letter of statement to obtain forgiveness of tax obligation, tax administrative sanctions, and criminal tax sanctions by paying redemption money.

However, the tax amnesty facility does not apply to taxpayers who are under investigation, in the judicial process, and serving criminal penalties in the taxation field. Tax Amnesty includes liability for Income Tax (PPH) and Value Added Tax (VAT) or Value Added Tax and Sales Tax on Luxury Goods (PPnBM) that have not been or have not been fully resolved by the taxpayer until the end of the last tax year.

WP is required to pay redemption money calculated by multiplying the redemption money rate by the value of the net assets declared. The redemption money rate is set progressively and varies based on the participation period in tax amnesty and assets position. When the Tax Amnesty Decree (SKPP) as evidence of granting tax amnesty has been issued, the WP are entitled to obtain tax amnesty facilities in the form of: (a) write-off of tax due; (b) the elimination of administrative sanctions; (c) absence of tax audit; and (d) termination of tax audits.

Taxpayers who have received SKPP bear the cost from loss of claim rights for: (a) compensation for compensated fiscal losses; (b) compensation for overpayment of taxes; (c) submit an application for tax overpayment refund; and (d) Income Tax Return (SPT) correction of PPh, PPN and PPnBM. If WP does not attend tax amnesty or has done tax amnesty and then the Directorate General of Tax (DJP) finds assets that have not been reported (no later than three years after Law 11/2016 on Tax Amnesty applies), then the assets will be calculated as additional income in SPT and taxable with additional administrative sanctions or tax increases in accordance with applicable regulations.

In terms of accounting, DSAK IAI issued PSAK 70 which aims to regulate the accounting treatment of tax amnesty assets and liabilities that have been effective since the date of ratification of Law 11/2016 on Tax Amnesty on July 1, 2016. The provisions in PSAK 70 are not mandatory for immaterial elements.

Entities that participate in tax amnesty can choose two alternatives of initial recognition to measure tax amnesty assets and liabilities, namely: (1) following the applicable accounting standard (SAK) where the initial recording of tax amnesty assets and liabilities follows the provisions in PSAK 25 with the implication that there will be a correction of retained earnings that applied retrospectively to the entity's financial statements; or (2) following the specific option for tax amnesty as stated in PSAK 70 by recognizing tax amnesty assets and liabilities in the amount reported in the SKPP with adjustments to additional paid-in capital and applied prospectively in the entity's financial statements. The policy options in PSAK 70 selected by the entity must be applied consistently to present and disclose tax amnesty assets and liabilities.

Based on the provisions in PSAK 70, the tax amnesty asset is measured at the deemed cost of the tax amnesty asset, which is the asset amount in the SKPP. While

the tax amnesty liability is a liability directly related to the acquisition of tax amnesty assets or contractual obligations to pay cash and cash equivalents in order to settle obligations directly related to tax amnesty assets. The difference between tax amnesty assets and liabilities is recorded as additional paid-in capital (equity) provided that the amount cannot be recognized as profit or loss as well as reclassified to retained earnings. Redemption money paid by an entity are recognized in profit or loss in the SKPP submission period. Entity makes adjustments to the loss of rights that have been recognized as claims for tax overpayment, deferred tax assets, accumulated tax losses that have not been compensated, and tax provisions before applying PSAK 70 in the SKPP submission period.

The measurement after initial recognition of tax amnesty assets and liability refers to the relevant SAK. Entities are permitted, but not required to remeasure the tax amnesty assets and liabilities based on fair value on the SKPP date. The difference in value from the remeasurement is recorded as additional paid-in capital in the equity component and subsequently the new value of the assets and liability from remeasurement becomes a new basis for the entity to apply the measurement provisions after initial recognition.

An entity that chooses to use specific options as stated in PSAK 70 and does not remeasure their tax amnesty assets and liabilities, then presents tax amnesty assets and liabilities separately from another group of assets and liabilities in the statement of financial position.

In accordance with the provisions of PSAK 70, entities reclassify tax amnesty assets and liabilities into similar assets and liabilities items when: (1) the entity remeasures tax amnesty assets and liabilities; and (2) the entity obtains control as provided in PSAK 65 where the entity is required to remeasure tax amnesty assets and liabilities. If the financial statement date is after the SKPP date, then the entity needs to restate the financial statements of the closest prior period. Offsetting tax amnesty assets and liabilities are not permitted. In addition, entities need to disclose the SKPP date and the value recognized as tax amnesty assets and liabilities based on SKPP.

There are differences in recording provisions between Law 11/2016 on Tax Amnesty and PSAK 70. Article 14 Paragraph 1 of Law 11/2016 stipulates that the difference in net asset value for tax amnesty is recorded as an addition to the retained earnings balance. While PSAK 70 states that the net value of tax amnesty assets (difference between tax amnesty assets and liabilities) is recorded as additional paid-in capital of the equity component in the statement of financial position.

Prior study by Nadi & Martani (2018) do the analysis that focuses on tax amnesty costs and benefits recognition. Their study concludes that recognition of costs from

tax amnesty is higher than benefits. Siahaan & Martani (2019) concludes that most participating companies in 2016 presented tax amnesty assets and liabilities similar as the other assets and liabilities.

3. Research Methodology

3.1. Research Approach and Scope

This research used descriptive approach to answer research questions. This study analyzed the implementation and consistency of tax amnesty assets and liabilities presentation based on PSAK 70. The data used in this study were secondary data obtained from the 2016, 2017 and 2018 company financial statements. The scope of the analysis was limited to: (1) companies registered on the Indonesia Stock Exchange until the end of 2018; (2) following tax amnesty is indicated by a Statement of Assets (SPH) in the first, second or third period of tax amnesty disclosed in the company financial statements in 2016 and / or 2017; and (3) criteria for the five highest values of tax amnesty assets, benefits, and costs and have a material tax amnesty impact on its financial statements.

3.2. Analysis Technique

This study used content analysis technique in 2016, 2017 and 2018 company financial statements. Content analysis in the company financial statements was done by: (i) identification of accounting policies used by companies related to tax amnesty; (ii) identify the implementation of disclosure and presentation of tax amnesty assets and liabilities and the relevant disclosures related to tax amnesty; (iii) identify the consistency in the implementation of company accounting policies regarding tax amnesty.

4. Data Analysis and Result

IDX Statistics Annually 2017 records 556 companies listed on the Indonesia Stock Exchange until the tax amnesty program ends in 2017. Statistics on the disclosure of company participation in tax amnesty are presented in Table 1.

From 556 listed companies, there were 252 companies (45%) who disclosed their participation in the tax amnesty program. While 304 other companies (55%) did not disclose their participation in the tax amnesty program in the 2016 and 2017 audited

TABLE 1: Number of Companies Disclosed Tax Amnesty Participation.

Status	Number	(%)
Disclosed the participation of tax amnesty	252	45%
Did not disclose tax amnesty participation	304	55%
Total	556	100%

financial statements. Companies that did not disclose their participation in the tax amnesty program were likely due to the impact of the tax amnesty considered to be immaterial, so based on the provisions in PSAK 70 disclosures related to tax amnesty are not required to be applied.

In determining its participation, the company certainly considers the costs and benefits or facilities obtained by tax amnesty. Therefore, out of 252 companies that disclosed their participation in tax amnesty, companies were re-identified as explicitly disclose the value of their assets, expenses and benefits from tax amnesty. For each classification of disclosure, then the top five companies with the highest tax amnesty assets, benefits and costs were identified. The identification results are shown in Table 2.

Referring to Table 2, out of 252 companies which disclosed their participation in tax amnesty, majority disclosed the value of their tax amnesty assets. A total of 204 companies (81%) disclosed the value of tax amnesty assets, while the remaining 48 companies (19%) did not disclose it. The five companies with the highest tax amnesty asset values were: (1) PT Bakrie & Brothers Tbk (BNBR); (2) PT Tiga Pilar Sejahtera Food Tbk (AISA); (3) PT Pikko Land Development Tbk (RODA); (4) PT Bumi Citra Permai Tbk (BCIP); and (5) PT Sinar Mas Multiartha Tbk (SMMA). From 204 companies that made the disclosure, 25 of them could be identified presenting tax amnesty assets as separate items.

On the other hand, out of 252 companies that disclosed their participation in tax amnesty, majority did not disclose the value of their tax amnesty benefits. A total of 28 companies (11%) disclosed the value of tax amnesty benefits, while the rest 224 companies (89%) did not disclose it. The five companies with the highest value of tax amnesty benefits were: (1) PT Energi Mega Persada Tbk (ENRG); (2) PT Bakrie Sumatera Plantations Tbk (UNSP); (3) PT Tiga Pilar Sejahtera Food Tbk (AISA); (4) PT Bakrieland Development Tbk (ELTY); and (5) PT Rukun Raharja Tbk (RAJA).

Of the 252 companies that disclosed their participation in tax amnesty, majority also did not disclose the value of their tax amnesty expenses. A total of 67 companies (27%) disclosed the value of the tax amnesty expense, while 185 companies (73%) the rest did not disclose it. The five companies with the highest tax amnesty expense were:

TABLE 2: Disclosure of Tax Amnesty Assets, Benefits, and Costs.

Tax Amnesty Assets			
Disclosed	204	81%	BNBR, AISA, RODA, BCIP, SMMA
Not disclosed	48	19%	
Total	252	100%	
Tax Amnesty Benefits			
Disclosed	28	11%	ENRG, UNSP, AISA, ELTY, RAJA
Not disclosed	224	89%	
Total	252	100%	
Tax Amnesty Costs			
Disclosed	67	27%	BNBR, ARGO, CPIN, MIRA, ELTY
Not disclosed	185	73%	
Total	252	100%	

(1) PT Bakrie & Brothers Tbk (BNBR); (2) PT Argo Pantes Tbk (ARGO); (3) PT Charoen Pokphand Indonesia (CPIN); (4) PT Mitra International Resources Tbk (MIRA); and (5) PT Bakrieland Development Tbk (ELTY).

Companies that did not disclose tax amnesty assets, benefits, costs, and redemption money may be caused by their immaterial value, so based on PSAK 70 provisions companies are not required to disclose. PSAK 70 also regulates that tax amnesty assets and liabilities must be presented and disclosed in the company's financial statements depending on the initial measurement options used by the company. The presentation of these tax amnesty assets and liabilities must be carried out consistently.

The top five companies with highest value of assets, benefits, and tax amnesty costs will be identified in more depth about the disclosure of tax amnesty in the 2016 and / or 2017 audited financial statements according to the period of participation of the tax amnesty program by each company. The high value of tax amnesty assets, benefits, and costs is expected to have a significant and material impact on the company so that the PSAK 70 provisions are applied in the preparation of its financial statements. Information about the disclosure of accounting policies related to tax amnesty, the value of tax amnesty assets, benefits, and costs coupled with the disclosure of tax amnesty redemption money in the top five companies is presented in Table 3.

Referring to Table 3, there were twelve companies with the criteria for the five highest tax amnesty asset, benefit, and costs value. From this table it can be seen that not all companies completely disclosed information about tax amnesty assets, benefits, and costs as well as redemption money. The incompleteness of the disclosure may be due to elements which did not have a material impact on the company's financial statements.

TABLE 3: Disclosure of Accounting Policies and Tax Amnesty Values of Asset, Benefit, Cost and Redemption Money.

No.	Listing Code	Accounting Policy for Tax Amnesty	Tax Amnesty Asset Values (in million IDR)	Benefit Values (in million IDR)	Cost Values (in million IDR)	Redemption Money Values (in million IDR)
1	BNBR	Optional PSAK 70 approach	836.396*	-	14.184.269***	33.800
2	AISA	Optional PSAK 70 approach	833.812*	229.426**	1.739	16.825
3	RODA	Optional PSAK 70 approach	376.405*	-	23.015	4.476
4	BCIP	Optional PSAK 70 approach	267.537*	-	-	1.734
5	SMMA	Optional PSAK 70 approach	81.893*	-	-	-
6	ENRG	Optional PSAK 70 approach	32.713	2.269.497**	-	849
7	UNSP	Optional PSAK 70 approach	18.440	366.828**	-	304
8	RAJA	Optional PSAK 70 approach	1.645	58.331**	-	-
9	ELTY	Optional PSAK 70 approach	10.027	162.450**	682.064***	213
10	CPIN	Optional PSAK 70 approach	23.303	-	895.291***	679
11	ARGO	Not applying PSAK 70 because the impact of tax amnesty is not material	963	-	1.100.130***	19
12	MIRA	Optional PSAK 70 approach	496	-	862.455***	-
*	<i>Five companies with highest tax amnesty asset values</i>					
**	<i>Five companies with highest tax amnesty benefit values</i>					
***	<i>Five companies with highest tax amnesty cost values</i>					

Of the twelve companies, there were one company stated that the company did not apply PSAK 70 due to the immaterial impact of tax amnesty on its financial statements, namely PT Argo Pantes Tbk (ARGO). Therefore, this company was excluded from the analysis.

Of the eleven companies that had the material impact of tax amnesty on financial statements, all of them chose to use the optional PSAK 70 approach. This was likely because when the company chooses to apply general provisions in accordance with

PSAK 25 the reporting of unrecognized assets and liabilities is considered as accounting error on prior period, then it needs to be corrected retrospectively. Besides the complexity of the restatement factor, concern about investor perceptions of the reliability of financial statements and the company’s reputation also become a consideration from the company side.

Based on PSAK 70 provisions, either tax amnesty assets and liabilities is presented separately or presented in a similar post depending on two things, whether the entity remeasures its tax amnesty assets and liabilities or the entity obtains control as regulated in PSAK 65. Based on content analysis 2016 and / or 2017 audited financial statements from the eleven companies above, can be seen data on the remeasurement policy disclosure and presentation of tax amnesty assets and liabilities based on PSAK 70 as shown in Table 4.

TABLE 4: Disclosure of the Remeasurement Policy and Presentation Tax Amnesty Assets and Liabilities.

Policy Disclosure	Number of Companies		Presentation of Tax Amnesty Assets and Liabilities	Company
Remeasured		9		
Disclosed explicitly	6		Presented to similar groups	BNBR, AISA, SMMA, ENRG, UNSP, ELTY
Not disclosed explicitly	3		Presented to similar groups	BCIP, CPIN, MIRA
Did not remeasure		2	Presented as a separate group	RODA, RAJA
Total		11		

Of the eleven companies analyzed, there were nine companies that remeasured their tax amnesty assets and liabilities. As a result of the remeasurement, the tax amnesty assets and liabilities are remeasured based on same and relevant SAK with the other assets and liabilities in the financial statements so that the tax amnesty assets and liabilities are presented in the heading of similar assets and liabilities. While the other two companies disclosed that they did not remeasure their tax amnesty assets and liabilities so that the tax amnesty assets and liabilities were presented separately from the other item of assets and liabilities in the financial statements.

From the nine companies that remeasured their tax amnesty assets and liabilities, six of them disclosed explicitly and three other companies did not disclose explicitly. For companies that did not disclose explicitly, the activity of tax amnesty assets and liabilities remeasurement could be identified from the additional paid-in capital balance for tax

amnesty compared with the difference between the value of tax amnesty assets and liabilities. Based on the provisions in PSAK 70, the difference in value of tax amnesty assets and liabilities is recorded in additional paid-in capital. While the difference in remeasurement between the fair value on the SKPP date and the cost of acquiring tax amnesty assets and liabilities previously recognized is adjusted in the additional balance of paid-in capital. Therefore, if there is a difference between the additional balance of paid-in capital for tax amnesty and the tax amnesty net asset value, it is possible for the company doing remeasurement to the tax amnesty asset and liability.

Based on the data in Table 4, most companies preferred to do remeasurement and present their tax amnesty assets and liabilities to similar items. The policy not to disclose completely or present tax amnesty assets and liabilities on the same item of assets and liabilities in statement of financial position may be taken so that information or presentation of tax amnesty assets and liabilities that represent the company's participation in the tax amnesty program are not too exposed in the company's financial statements. From the company side there might be concerns about investor perceptions of the company's reputation for not reporting its assets and liabilities before the tax amnesty program.

Henceforth be carried out in-depth content analysis on the 2016, 2017 and 2018 audited financial statements of eleven companies that have tax amnesty material impact and applying PSAK 70 in its financial statements. This analysis aimed to see the conformity of the implementation and consistency of the disclosure and presentation of tax amnesty assets and liabilities based on PSAK 70.

Until the end of the writing period, an analysis of financial statements audited in 2018 cannot be carried out on two companies, namely PT Tiga Pilar Sejahtera Food Tbk and PT Bakrieland Development Tbk. PT Tiga Pilar Sejahtera Food Tbk has not yet published the 2018 financial statements due to the change of company directors. However, the company only followed the 2016 tax amnesty program so that the analysis of disclosure and presentation related to tax amnesty after the participation period was still relevant using 2017 audited financial statement. Meanwhile, PT Bakrieland Development Tbk has not yet published the 2018 financial statements due to problems with debt restructuring efforts that have not been decided. Then, the unaudited third quarter company financial statements of 2018 were used for analysis.

4.1. PT Bakrie & Brothers Tbk (BNBR)

Based on the financial statements of PT Bakrie & Brothers Tbk in 2016 and 2017, the business group joined the tax amnesty program in 2016 and 2017 and received SKPP from the DJP, but there was no clearer disclosure regarding the SKPP date. It was explicitly stated that the business group adopted the optional approach of PSAK 70 and applied prospectively.

PT Bakrie & Brothers Tbk was one of the five companies with the highest tax amnesty assets and costs value. The costs recognized by the company from the participation of tax amnesty was greater than the benefits received because the burden borne in the form of write off fiscal accumulated losses from 2011-2015 amounted to IDR14.18 trillion, while no tax amnesty facility was received as benefits. In the notes to the 2016 financial statements, the accumulated fiscal losses that were written off were not disclosed directly, but the accumulated fiscal losses from 2011-2015 were not exist and not accounted in the accumulated fiscal losses in 2016.

The business group recorded total tax amnesty assets amounting to IDR836.40 billion. The amount of redemption money paid and recorded as operating expenses in the income statement was IDR 33.8 billion. The difference between the tax amnesty assets and liabilities was recorded as additional paid-in capital.

The business group adjusted the difference between fair value remeasurement on the SKPP date and the acquisition cost of tax amnesty assets and liabilities that have been previously recognized as additional paid-in capital, but the amount of the difference from the remeasurement was not disclosed in the 2016 financial statements. Therefore, the tax amnesty assets and liabilities were presented in the same item of assets and liabilities in the statement of financial position as of December 31, 2016 and there were no additional assets group. The presentation of tax amnesty assets and liabilities in the post of similar assets and liabilities is in accordance with the provisions of PSAK 70.

Based on the 2018 financial statements, the presentation and disclosure of tax amnesty assets has been consistent with 2016 and 2017 where tax amnesty assets were presented in the similar assets post.

4.2. PT Tiga Pilar Sejahtera Food Tbk (AISA)

Based on the 2016 financial statements of PT Tiga Pilar Sejahtera Food Tbk, the company and several subsidiaries joined the tax amnesty program and received SKPP

around September 30, 2016. It was explicitly disclosed that the group adopted the optional approach of PSAK 70 and applied prospectively.

PT Tiga Pilar Sejahtera Food Tbk was one of the five companies with the highest tax amnesty benefits and assets value. The value of the benefits received by the company from the participation of tax amnesty was greater than the costs recognized because the total write off of income tax payable for entities and certain subsidiaries amounted to IDR 229,43 billion, while the burden borne in the form of tax write-offs paid in advance for the 2015 tax year was only IDR 1.74 billion.

Tax amnesty declared assets were cash and cash equivalents, accounts receivable, other receivables, and inventory with value adjustments on assets balance in the financial statements amounting to IDR 833,81 billion. The amount of the redemption money paid was recorded as part of operating expenses in the consolidated statements of profit or loss amounted to IDR 16.83 billion. The difference in tax amnesty assets and liabilities was recorded as additional paid-in capital of IDR 4 billion, other components of equity of IDR 1.417 billion, and non-controlling interest portion of IDR 30 million.

The company and several subsidiaries remeasured the tax amnesty asset on the SKPP date by the difference in value of the tax amnesty asset of IDR 5.45 billion which was recorded as additional paid-in capital in the company and subsidiaries. Therefore, the tax amnesty assets were presented in the similar assets post in the statement of financial position as of December 31, 2016 and there were no additional assets group. The presentation of tax amnesty assets in the similar assets post is in accordance with the provisions of PSAK 70.

Based on the 2017 financial statements, the presentation and disclosure of tax amnesty assets has been consistent with 2016 where tax amnesty assets were presented in the post of similar assets.

4.3. PT Pikko Land Development Tbk (RODA)

Based on the 2016 financial statements of PT Pikko Land Development Tbk, the company and several subsidiaries participated in the tax amnesty program in the first and second periods. The company and several subsidiaries received SKPP between August 31 – October 10, 2016. It was explicitly disclosed that the group adopted the optional PSAK 70 approach and applied prospectively.

PT Pikko Land Development Tbk was one of the five companies with the highest tax amnesty assets value. The costs recognized by the company from the participation of tax amnesty was greater than the benefits received because the burden borne in the

form of write off fiscal accumulated losses from 2015 amounted to IDR 23.02 billion, while no tax amnesty facility received as benefits.

Declared tax amnesty assets and liabilities were cash, inventories, fixed assets, investments, third party debt (receivables) and payables (receivables) with related non-business parties with a total value of adjustments to the assets balance in the financial statements of IDR 376,41 billion and liability balance of IDR 204.88 billion. Over the difference in tax amnesty assets and liabilities, an additional paid-in capital of IDR 103.38 billion was recorded as another component of equity and IDR 68.14 billion as part of non-controlling interests. The amount of the redemption money paid amounting to IDR 4.48 billion was recorded as operating expenses in the consolidated statements of profit or loss.

Notes to the financial statements disclosed that some of the subsidiaries had chosen to remeasure tax amnesty assets as of December 31, 2016. The tax amnesty assets were initially presented in separate items upon receipt of the SKPP. When it were reclassified, then it presented together with the similar assets post. However, at the group level there was no remeasurement of the tax amnesty assets so that the tax amnesty assets were presented separately from another assets and liabilities (there were additional assets group) in the statement of financial position as of December 31, 2016. Presentation of tax amnesty asset in separate post has been in accordance with the provisions of PSAK 70.

Based on the 2017 and 2018 financial statements, there was no remeasurement of tax amnesty assets. The presentation and disclosure of tax amnesty assets has been consistent with 2016 where tax amnesty assets were presented separately from other assets and liabilities in the statement of financial position.

4.4. PT Bumi Citra Permai Tbk (BCIP)

Based on 2016 financial statements of PT Bumi Citra Permai Tbk, the company followed the tax amnesty program in the second period and received SKPP between December 29 – 30, 2016. However, in the 2017 financial statements there was additional paid-in capital from tax amnesty which was not disclosed further. Implicitly disclosed that the group measured the tax amnesty assets and liabilities as well as the difference and also the tax amnesty redemption money in accordance with the provisions stated in PSAK 70.

PT Bumi Citra Permai Tbk was one of the five companies with the highest tax amnesty assets value. Costs and facilities for tax amnesty received as benefits were not disclosed in the company's 2016 and 2017 financial statements.

The total tax amnesty assets declared were IDR 267.48 billion. The amount of the redemption money paid amounting to IDR1.73 billion was disclosed in the 2016 financial statement. The company recorded additional paid-in capital related to tax amnesty with a net value of IDR 439 million in 2016 and IDR 9.9 million in 2017.

Tax amnesty assets and liabilities were not presented separately from other assets and liabilities in the 2016 and 2017 financial statements and consistently presented in similar groups in 2018. Although the value of tax amnesty assets was a material element compared to the total assets in the statement of financial position in 2016, which is 33.9%. However, the notes to the 2016 and 2017 financial statements were not disclosed whether the company remeasured its tax amnesty assets and liabilities. From the analysis of the company's 2016 and 2017 financial statements, there was a difference in value between the total tax amnesty assets declared with the total additional paid-in capital related to tax amnesty so that the company might remeasure its tax amnesty assets and liabilities.

4.5. PT Sinar Mas Multiartha Tbk (SMMA)

Based on 2016 financial statements PT Sinar Mas Multiartha Tbk, several subsidiaries participated in the tax amnesty program in 2016. There was no further disclosure of tax amnesty in the notes to the 2016 financial statements and only information related to tax amnesty assets disclosed. It was explicitly stated that the group adopted the optional approach to PSAK 70 and applied prospectively.

PT Sinar Mas Multiartha Tbk was one of the five companies with the highest tax amnesty assets value. The value of the tax amnesty assets derived from the declaration of fixed assets recorded by the company in 2016 amounted to IDR 81.89 billion. The company recorded additional paid-in capital related to tax amnesty with a net value of IDR 106.85 billion in 2016.

Tax amnesty assets and liabilities were not presented separately from other assets and liabilities in the 2016 statement of financial position and consistently presented in similar groups in 2017 and 2018. Notes to the 2016 financial statements were disclosed that the tax amnesty assets reclassified into similar asset items when the group remeasured the tax amnesty assets based on the fair value in accordance with SAK on the SKPP date, but the amount of the remeasurement value of the tax amnesty assets and

liabilities was not disclosed further. Over the remeasurement, the tax amnesty assets were presented in the similar assets post in the statement of financial position as of December 31, 2016 and there are no additional asset groups. The presentation of tax amnesty assets and liabilities in similar assets and liabilities post is in accordance with the provisions of PSAK 70.

4.6. PT Energi Mega Persada Tbk (ENRG)

Based on 2016 and 2017 financial statements of PT Energi Mega Persada Tbk, the company and several subsidiaries participated in the tax amnesty program for two periods. Several subsidiaries participated in the tax amnesty program in the second period and SKPP was received between October 21-25, 2016. And then, the company and its subsidiaries participated in the tax amnesty program in the third period and SKPP was received between January 18 – May 15, 2017. It was explicitly stated that the group adopted the optional approach to PSAK 70 and applied prospectively. The company's financial statements were presented in United States Dollars so that for the analysis purpose, the values have been converted into rupiah in accordance with the prevailing exchange rate.

PT Energi Mega Persada Tbk was a company with the highest value of tax amnesty benefits. The value of the benefits received by the company from the participation of tax amnesty was IDR 2.27 trillion in the form of write off income tax debt recorded as an adjustment of tax debt from tax amnesty on other income in the consolidated statements of profit or loss.

Based on the 2016 and 2017 financial statements, in total the company recorded the difference between the tax amnesty assets and liabilities of IDR 17.8 billion as part of the additional paid-in capital account. While the amount of redemption money paid amounting to IDR 849.11 million was recorded and presented as part of operating expenses in the consolidated statements of profit or loss.

Tax amnesty assets and liabilities were not presented separately from other assets and liabilities in the 2016 statement of financial position and consistently present in similar groups in 2017 and 2018. Notes to the 2016 financial statements were disclosed that the company has a policy to remeasure tax amnesty assets and liabilities on the date of the SKPP adjusted in the additional balance of paid-in capital, but the amount of the remeasurement value of tax amnesty assets and liabilities was not disclosed further. As a result of the remeasurement, tax amnesty assets and liabilities are presented in the heading of similar assets and liabilities in the statement of financial position as of

December 31, 2016 and there were no additional assets and liabilities groups in the statement of financial position. The presentation of tax amnesty assets and liabilities in the similar assets and liabilities post is in accordance with the provisions of PSAK 70.

4.7. PT Bakrie Sumatera Plantations Tbk (UNSP)

Based on the 2016 and 2017 financial statements of PT Bakrie Sumatera Plantations Tbk, the company and several subsidiaries participated in the tax amnesty program for three periods. In the first period, several subsidiaries participated in the tax amnesty program and received SKPP between September 15-30, 2016. The second period, several subsidiaries participated in the tax amnesty program and received SKPP between October 4 – December 30, 2017. Third period, the company and its subsidiaries participated in the tax amnesty program and received SKPP between January 17 - April 25, 2017. The entity adopted the optional PSAK 70 approach and applied prospectively.

PT Bakrie Sumatera Plantations Tbk was one of the five companies with the highest value of tax amnesty benefits. The value of the benefits received by the company from the participation of tax amnesty was IDR 366.83 billion in the form of write off tax debt which was recorded as an adjustment of net tax amnesty on other income in the consolidated statements of profit or loss. There was no burden borne because there was no written off claim right from the participation of the tax amnesty program. The redemption money amount paid was IDR 303.7 million recorded as part of other comprehensive loss (net) in the consolidated statements of profit or loss.

For their participation in the tax amnesty program, in total the business group recorded tax amnesty assets of IDR18,439 billion with adjustments to additional paid-in capital in the 2016 and 2017 financial statements.

Tax amnesty assets and liabilities were not presented separately from other assets and liabilities in the 2016 statement of financial position and consistently presented in similar groups in 2017 and 2018. Notes to the 2016 financial statements were disclosed that the company had a policy to remeasure tax amnesty assets and liabilities on the date of the SKPP adjusted in the balance of additional paid-in capital. However the amount of the remeasurement value of the tax amnesty assets and liabilities were not disclosed further. Over remeasurement, the tax amnesty assets were presented in the similar assets post in the statement of financial position as of December 31, 2016 and there were no additional assets group. The presentation of tax amnesty assets and liabilities in the similar assets and liabilities post is in accordance with the provisions of PSAK 70.

4.8. PT Rukun Raharja Tbk (RAJA)

Based on 2016 financial statements of PT Rukun Raharja Tbk, the company and several subsidiaries participated in the tax amnesty program in the second period and received SKPP between October 14 – December 29, 2016. The group adopted the optional approach of PSAK 70 and applied prospectively. The company's financial statements were presented in United States Dollars so that for the analysis purpose, the values have been converted into rupiah in accordance with the prevailing exchange rate.

PT Rukun Raharja Tbk was one of the five companies with the highest value of tax amnesty benefits. The value of the benefits received by the company from the participation of tax amnesty was IDR 58.33 billion in the form of income tax debt write off recorded as other income in the current year and carried out negative fiscal corrections (permanent difference).

The declared tax amnesty assets were cash and cash equivalents, vehicles, and others with total value of adjustments to the assets balance in the financial statements totaling IDR 1.645 billion recorded as additional paid-in capital. The amount of the redemption money paid was not disclosed in the 2016 financial statements.

There was no remeasurement of the tax amnesty asset, then the tax amnesty asset was presented separately from another assets (there are additional group assets) in the statement of financial position as of 31 December 2016. The presentation of tax amnesty assets in this separate post complies with PSAK 70.

Based on the 2017 and 2018 financial statements, there was no remeasurement of tax amnesty asset. The presentation and disclosure of tax amnesty assets has been consistent with 2016 where tax amnesty assets were presented separately from other assets and liabilities in the statement of financial position.

4.9. PT Bakrieland Development Tbk (ELTY)

Based on 2016 and 2017 financial statements PT Bakrieland Development Tbk, the company and several subsidiaries participated in tax amnesty program for three periods. In the first and second periods, several entities participated in the tax amnesty program and received SKPP on several dates in September – December 2016. In the third period, the parent entity and several subsidiaries participated in the tax amnesty program and received SKPP on several dates in January – April 2017. The group adopted the optional PSAK 70 approach and applied prospectively.

PT Bakrieland Development Tbk was one of the five companies with the highest tax amnesty benefits and costs value. Costs recognized by the company from tax amnesty participation was greater than the benefits received because the burden borne in the form of write off of deferred tax assets and accumulated fiscal loss of IDR 682.06 billion, while the total write off of income tax payable on other income accounts in the consolidated statements of profit or loss and other comprehensive income was only IDR 162.45 billion.

The declared tax amnesty assets were cash and cash equivalents and land with an adjustment value of the assets balance in the financial statements of IDR 10.027 billion. The amount of the redemption money paid and recorded as part of the consolidated statements of profit or loss and other comprehensive income was IDR 213.42 million. The difference in tax amnesty assets and liabilities was recorded as additional paid-in capital of IDR 7.97 billion.

Tax amnesty assets and liabilities were not presented separately from another assets and liabilities in the 2016 and 2017 financial statements. Notes to the 2016 and 2017 financial statements were disclosed that the group had chosen to remeasure tax amnesty assets and liabilities based on fair value in accordance with SAK on the SKPP date, then adjusted in the additional paid-in capital balance. However, the remeasurement value of tax amnesty assets and liabilities was not disclosed further. As a result of the remeasurement, tax amnesty assets and liabilities were presented in the same heading of assets and liabilities in the statement of financial position as of December 31, 2016 and 2017, and also there were no additional groups of assets and liabilities. The presentation of tax amnesty assets and liabilities in the similar post of assets and liabilities is in accordance with the provisions of PSAK 70.

The post-tax amnesty period analysis of PT Bakrieland Development Tbk was carried out based on unaudited third quarter financial statements of 2018. Based on this report, the presentation of tax amnesty assets and liabilities consistently was not presented separately from other assets and liabilities in the statement of financial position.

4.10. PT Charoen Pokphand Indonesia Tbk (CPIN)

Based on 2016 and 2017 financial statements PT Charoen Pokphand Indonesia Tbk, business group reported its participation in the tax amnesty program in the 2016 and 2017. The business group adopted the optional PSAK 70 approach and applied prospectively.

PT Charoen Pokphand Indonesia Tbk was one of the five companies with the highest tax amnesty cost. The value of the cost recognized by the company from the participation of tax amnesty was greater than the benefit received because the burden borne in the form of write off income tax bills that have been charged as well as deferred tax assets on fiscal loss compensation with total value of IDR 895.30 billion. While information related to remission of administrative sanctions that could be recorded as a benefit of participating in the tax amnesty program was not disclosed in the financial statements.

The company recognized tax amnesty assets in the form of other inventories amounting to IDR 3.54 billion, fixed assets of IDR 14.52 billion, and other assets of IDR 5 billion, so that the total tax amnesty assets recorded in additional paid-up capital in 2016 amounted to IDR 23.06 billion. In 2017, tax amnesty assets on property, plant and equipment were recorded in additional paid-in capital of IDR 242 million. The business group paid redemption money for its participation in the tax amnesty program amounting to IDR 667 million in 2016 and IDR 12 million in 2017.

Tax amnesty assets and liabilities were not presented separately from other assets and liabilities in 2016 statement of financial position and consistently present in similar groups in 2017 and 2018. Notes to the 2016 and 2017 financial statements were not disclosed whether the company did the remeasurement of tax amnesty assets and liabilities. From the analysis of 2016 and 2017 financial statements, there was a difference in value between the total tax amnesty assets declared and the total additional paid-in capital related to tax amnesty amounting to IDR 27 million. Therefore, it was possible for companies remeasured their tax amnesty assets and liabilities.

4.11. PT Mitra International Resources Tbk (MIRA)

Based on 2016 and 2017 financial statements of PT Mitra International Resources Tbk, the company followed the tax amnesty program for three periods. The company received SKPP between September 13 - December 22, 2016 for the participation of the tax amnesty program for the first and second period and March 31, 2017 for the tax amnesty participation in the third period. The business group adopted the optional PSAK 70 approach and applied prospectively.

PT Mitra International Resources Tbk was one of the five companies with the highest tax amnesty cost. The value of the costs recognized by the company from the participation of tax amnesty was greater than the benefits received because the burden borne

in the form of write off fiscal accumulation losses from 2011 and 2014 amounted to IDR 862.46 billion, while no tax amnesty facility received as a benefit.

Tax amnesty assets declared were cash and cash equivalents and fixed assets with a total value of tax amnesty assets of IDR 496 million. The amount of the redemption money paid was not disclosed in the 2016 and 2017 financial statements. The difference between the tax amnesty assets and liabilities was recorded as additional paid-in capital with a net asset value of tax amnesty amounting to IDR 150 million in the company and IDR 291.63 million in 2016 and IDR 54.56 million on subsidiary entities.

Tax amnesty assets and liabilities were not presented separately from another assets and liabilities in the 2016 and 2017 financial position statements and consistently present in similar groups in 2018. Notes to the 2016 and 2017 financial statements were not disclosed whether the company did remeasurement of tax amnesty assets and liabilities. From an analysis of the company's 2016 and 2017 financial statements, there was a difference between the total tax amnesty net assets (the difference between tax amnesty assets and liabilities) and the total additional paid-up capital related to tax amnesty of IDR 54.56 million. Therefore, it was possible for companies remeasured their tax amnesty assets and liabilities.

5. Conclusions, Implications, Limitations, and Recommendation

This study aimed to analyze the implementation of the disclosure and presentation of tax amnesty assets and liabilities based on PSAK 70 and their consistency. The analysis was conducted on eleven companies with the criteria of the top five companies with highest tax amnesty assets, benefits, and costs value and also had material tax amnesty impact on its financial statements. It is concluded that all companies presented their tax amnesty assets and liabilities according to the specific options selected in PSAK 70. Most companies preferred to remeasure and adjust the measurement basis to the same and relevant SAK to the another assets and liabilities in the financial statements so that the tax amnesty assets and liabilities were presented in the heading of similar assets and liabilities. In addition, tax amnesty assets and liabilities were also presented consistently in the financial statements for the period of tax amnesty (2016 and / or 2017) until after the tax amnesty period (2017 and / or 2018). However, the tax amnesty disclosure was relatively diverse in accordance with the company's assessment whether the tax amnesty elements were material and relevant for disclosure in the financial statements.

The implication, in terms of DSAK as the formulator of accounting policies, needs to be reviewed about the necessity of specific accounting standards for policies that are effective and impactful in relatively short term. In terms of the DJP as a regulator, the tax amnesty program needs to be followed by harmonizing the accounting provisions for the tax amnesty element between the law or decree related to accounting standards. In addition, there is a need for tax enforcement in the future in order to improve corporate compliance as a taxpayer. Meanwhile, in terms of the OJK as an authority, it is necessary to strengthen the provisions regarding Public Accountants and Public Accountant Offices in Indonesia so that they can encourage quality audits of public company financial statements. For investors, this research provides consideration especially regarding the reputation and reliability of the company's financial statements that follow tax amnesty.

This study only analyzed the implementation and consistency of the disclosure and presentation of tax amnesty assets and liabilities in eleven companies with the criteria top five companies with highest tax amnesty assets, benefits, and costs value and also had material tax amnesty impact on its financial statements. This research can be developed by analyzing the implementation and consistency of the disclosure and presentation of tax amnesty assets and liabilities for all companies that participated in tax amnesty. In the future, this research also can be further developed by analyzing the influence of audit quality on the implementation of the disclosure and presentation of tax amnesty assets and liabilities based on PSAK 70 and their consistency to all companies that attend tax amnesty and use PSAK 70 in the preparation of their financial statements.

References

- [1] Dewan Standar Akuntansi Keuangan. (Revisi 2015). *Pernyataan Standar Akuntansi Keuangan 25: Kebijakan Akuntansi, Perubahan Estimasi Akuntansi, dan Kesalahan*. Indonesia: Ikatan Akuntan Indonesia.
- [2] Dewan Standar Akuntansi Keuangan. (2016). *Pernyataan Standar Akuntansi Keuangan 70: Akuntansi Aset dan Liabilitas Pengampunan Pajak*. Indonesia: Ikatan Akuntan Indonesia.
- [3] Bursa Efek Indonesia. (2017). *Fact Book 2017*. Indonesia: PT Bursa Efek Indonesia.
- [4] Bursa Efek Indonesia. (2018). *Fact Book 2018*. Indonesia: PT Bursa Efek Indonesia.
- [5] Katherine Baer and Eric Le Borgne. (2008). *Tax Amnesties: Theory, Trends and Some Alternatives*. Washington DC: IMF.

- [6] Malherbe, Jacques. (2010). *Tax Amnesties in the 2009 Landscape*. Amsterdam: International Bureau of Fiscal Documentation.
- [7] Menteri Keuangan Republik Indonesia. (2016). *Laporan Tahunan 2016*. Indonesia: Direktorat Jenderal Pajak Kementerian Keuangan Republik Indonesia.
- [8] Menteri Keuangan Republik Indonesia. (2017). *Laporan Tahunan 2017*. Indonesia: Direktorat Jenderal Pajak Kementerian Keuangan Republik Indonesia.
- [9] Nadi, Kadek R.N. & Martani, Dwi. (2018). *Analisis Beban dan Manfaat Pengampunan Pajak pada Perusahaan Publik di Indonesia*.
- [10] Presiden Republik Indonesia. (2016). *Undang-Undang Republik Indonesia Nomor 11 Tahun 2016 tentang Pengampunan Pajak*. Indonesia: Direktorat Jenderal Pajak Kementerian Keuangan Republik Indonesia.
- [11] Siahaan, Tika Delima. (2017). *Analisis Implementasi Pengampunan Pajak pada Laporan Keuangan Perusahaan Publik 2016*.
- [12] Siahaan, Tika Delima & Martani, Dwi. (2019). *Analysis of Tax Amnesty Implementation in the Financial Statements of Publicly Listed Companies*.