PROFIT
JURNAL ADMINISTRASI BISNIS

PROFIT: Jurnal Administrasi Bisnis
Vol. 17. No. 2, 2023
e ISSN: 2338-4654
p ISSN: 1978-743 X
https://profit.ub.ac.id

Comparative Analysis of Tax Administration between Indonesia and New Zealand

Kartika Putri Kumalasari[1]*, Ananda Nur Haliza[2], Nurlita Sukma Alfandia[3], Rosalita Rachma Agusti[4]
Faculty of Administrative Science, University of Brawijaya, Indonesia[1,2,3,4]
Kartikasari23@ub.ac.id[1], anandanurhaliza@student.ub.ac.id[2], nurlita.sukma@ub.ac.id[3], rosalitarachma@ub.ac.id[4]

ABSTRACT

This study focuses on a comparative analysis of institutional position, taxpayer registration, and tax reporting between Indonesia and New Zealand. This study aims to see the potential of the New Zealand tax administration that can be adapted and adopted in Indonesia to improve administration so that it can encourage taxpayer compliance behavior. It is descriptive qualitative research and data collection through literature studies by content analysis model. The results of this study indicate that there is still room to improve tax administration. Regarding the institution, the Directorate General of Taxes could provide social program assistance for taxpayers with a Taxpayer Identification Number. Another issue in taxpayer registration, DGT also has a role as a tax collection and management agency. Finally, DGT also manages social policy programs and changes the institution of the former Directorate General of Taxes single directorate within the Ministry of Finance or Economy to become a semi-autonomous revenue authority. The results of this study can be used as a consideration for the Directorate General of Taxes to implement in Indonesia to improve tax administration that can encourage compliant behavior.

Keywords: tax administration; institution position; taxpayer registration; tax reporting

ABSTRAK

Studi ini berfokus pada analisis komparatif posisi kelembagaan, pendaftaran wajib pajak, dan pelaporan pajak antara Indonesia dan Selandia Baru. Penelitian ini bertujuan untuk melihat potensi administrasi perpajakan New Zealand yang dapat diadaptasi dan diadopsi di Indonesia untuk meningkatkan administrasi. Penelitian ini bersifat deskriptif kualitatif dan pengumpulan data melalui studi literatur. Metode analisis yang digunakan adalah model analisis isi. Hasil penelitian ini menunjukkan bahwa masih terdapat ruang untuk melakukan perbaikan dalam administrasi perpajakan antara lain Ditjen Pajak dapat memberikan bantuan program sosial bagi wajib pajak yang memiliki NPWP, meningkatkan peran Ditjen Pajak tidak hanya sebagai lembaga pemungut dan pengelola pajak tetapi juga mengelola program-program kebijakan sosial, dan mengubah lembaga dari direktorat tunggal Direktorat Jenderal Pajak sebelumnya di dalam kementerian keuangan atau ekonomi menjadi otoritas pendapatan semi-otonom. Hasil penelitian ini dapat dijadikan sebagai bahan pertimbangan Direktorat Jenderal Pajak untuk menerapkan di Indonesia untuk memperbaiki administrasi perpajakan yang dapat mendorong perilaku patuh.

Kata Kunci: Administrasi Pajak; Pajak Penghasilan Orang Pribadi; Kedudukan Institusim Registrasi Wajib Pajak; Pelaporan Pajak

* *Corresponding author : E-mail : Kartikasari23@ub.ac.id*

1. INTRODUCTION

The tax ratio is used to assess a nation's tax revenue success. Over the previous five years (2015 – 2019), Indonesia's tax ratio has declined (Kementrian Keuangan, 2020). This number is far from the tax ratio in the Asia Pacific countries (OECD, 2021). Nauru (48.2%), the OECD average (33.8%), New Zealand (32.3%), Japan (32%), Australia (28.7%), Korea (37.4%), the Cook Islands (26.8%), Samoa (25.7%), Mongolia (24.2%), and the LAC average (22.9%) are the top 10 Asian nations with the highest tax rates.

The tax ratio is influenced by macro and local variables, respectively. Macro factors consist of tax rates, income levels, and the level of optimization of good governance. Micro factors include taxpayer compliance, commitment, coordination between state agencies, and shared perceptions between taxpayers and tax officials (Kementerian Keuangan, 2020). The greater a country's tax revenue, the higher the tax ratio. The Directorate General of Taxes (DGT) needs to increase tax revenue. Corporate Income Tax is a primary source of tax revenue. In 2019 the proportion of corporate income tax receipts reached 52.2% of the total non-oil and gas income tax revenue (DDTC, 2020). The data illustrates the dependence of Indonesian tax revenue on corporate income tax. The proportion of Indonesia's tax revenue is considered less conducive for the long term because the disorienting nature of corporate income tax is higher than personal income tax, and optimizing corporate income tax is increasingly complex amidst global tax competition (Kristiaji, 2019).

However, DGT still has the chance to boost tax collections through personal income tax. It is because only 34.66% of Indonesia's 131.06 million working population, or 45.43 million registered individual taxpayers, will be listed in 2021 (DDTC, 2021). Additionally, there were 158,711 wealthy individuals in Indonesia. The share of personal income tax Articles 21 and 25/29 to Non-Oil and Gas income tax is only 19.7% and 0.75%, respectively. According to Indrawati & Keuangan (2022), Indonesia's minister of finance, with 115 million individuals in the working-age population, personal income tax should consist of at least 90 million people.

Based on current conditions and opportunities, the DGT as a tax institution needs to implement an appropriate tax system and strategy to encourage taxpayers to carry out their obligations because taxpayers are less willing to comply voluntarily and support taxpayers to have a positive attitude in paying taxes (Loo *et al*., 2009). According to Mansyuri (2000), the tax system in a country consists of 3 elements: tax policy, tax law, and tax administration. Tax administration is a milestone in running a tax collection. Tax policies that have been prepared in such a way without an orderly tax administration have an impact on not achieving the goals of the taxation system. Tax administration is the implementation of policies so that the government, as a tax collector, must be able to carry out tax administration that is easily accessible to the public as taxpayers, represented by transparency and accountability (Irianto & Jurdi, 2005). Tax administration includes three aspects: institutions that are given the task and authority to run the tax system; people who work in tax institutions; and administrative activities carried out by tax institutions (Mansyuri, 2000).

Efforts to improve tax administration to support personal taxpayer compliance can be carried out by studying tax administration applied in other countries. This effort was taken to see the potential of tax administration from other countries that could be adapted and adopted in Indonesia. In this study, the country chosen to be studied in New Zealand because the contribution of personal income tax to total revenue reached 48% based on the 2020 international tax competitiveness index. The New Zealand tax system is ranked 3rd, and the personal income tax system is ranked 4th as a competitive and neutral tax. The administrative aspects that will be compared include the position of institutions from Indonesia, namely DGT and New Zealand, namely the Inland Revenue Department (IRD), registration of individual taxpayers, and individual tax reporting.

This research differs from previous research in the comparison country, the object of comparison, and the theory used. New Zealand was chosen as a comparison country because New Zealand implemented a significant tax reform in 1980. With the implementation of the tax reform, New Zealand's tax system is considered one of the most efficient in the OECD (Mourugane, 2007). Furthermore, based on the International Tax Competitiveness Index 2020, New Zealand's tax system is ranked 3rd in general and 4th for individual income tax as a competitive and neutral tax system. Then, the largest share of tax revenue will be obtained from individual income tax of 48% in 2021 and the availability of adequate data to support the research process.

The study aims to describe the tax administration comparison between Indonesia and New Zealand. In this article, the discussion of comparison is about

1. a comparison of the status of institutions based on the functions and structure of institutions applied by each taxing authority,
2. a comparison of the procedures for registering taxpayers to obtain an NPWP, the functions and benefits of NPWPs, and
3. a comparison of the tax reporting system based. The tax reporting procedures in Indonesia and New Zealand.

This study helps to provide knowledge on how tax administration was implemented based on the tax function of institutions, tax registration procedures, and tax reporting procedures between Indonesia and New Zealand. It can be helpful to understand the similarities and differences between these countries; it can also drive further research to draw the line between tax administration and compliance models. This article was conducted by using qualitative. The literature review was used to collect the data and use content analysis to interpret findings and theory.

2. LITERATURE REVIEW

Tax Administration

Tax administrations have multiple roles: to enforce the law, to facilitate and promote a culture of compliance, to sanction non-compliance, and to provide services to taxpayers to ensure the integrity of the tax system and, ultimately, to collect revenue for the state (Alm & Torgler, 2011; Ormeño-Pérez & Oats, 2022). Tax administration Facilitating compliance, which means ensuring that those who should pay taxes do so and trying to make it easier for taxpayers to do so; enforcing compliance and reducing tax evasion; and improving governance, which means maintaining the integrity of tax officials and the legitimacy of the tax system, are the three main tasks of an effective tax administration (Bird, 2010). According to Mansyuri (2000), tax administration is the success key to implementing tax policies. Referring to the European Commission, the task of the tax administration is to collect all tax revenues reasonably and efficiently with a small compliance fee for the taxpayer and the tax administration itself.

According to Mansyuri (2000), there are three aspects of tax administration: tax institutions that are given the authority and responsibility to run the tax system, people consisting of officials and employees who work in tax institutions, and administrative activities that are held. Tax administration can be effective if it can overcome the problems of unregistered taxpayers, not submitting annual tax notification letters (*Surat Pemberitahuan Tahunani*- SPT), tax evaders, and tax arrears (Ferdiana & Laksmi, 2018). The institutional framework for tax administration has at least the following characteristics to operate tax administration effectively: financial independence, autonomous administrative authority, and institutions/bodies must be responsible for managing human resources internally. There are two parties of tax administration, such as:

a. Ease of Administration

The elements of Ease of administration include: (Otteson, 2018)

1. The principle of certainty. Adam Smith argues that each individual's taxes must be specific and not arbitrary.
2. Convenience Principle. This principle confirms that taxes must be collected for taxpayers when or in a possible way.
3. Principle of Efficiency. Tax administration, seen from the point of view of taxpayers, can be considered efficient if it has a low cost of compliance.

b. Ability to Pay

It is a rule that people must contribute to government financing according to their ability to pay. The ability to pay presupposes complete and comprehensive recognition of income, which does not cause problems in a single country (Grassi, 2015). Taxation according to the ability to pay requires people with equal capacity to pay the same and extraordinary ability to pay more. The first is horizontal justice, and the second is vertical justice.

Effective tax administration is essential for governments to raise revenue, fund public services and promote economic stability. It requires a balance between taxpayer compliance and enforcement, well-designed processes, reliable information systems, and trained staff. Effective tax administration seeks to balance collecting as much money as possible and minimizing the burden on taxpayers while encouraging voluntary compliance and discouraging tax evasion or avoidance.

3. RESEARCH METHOD

The type of research used in this research is qualitative research with a descriptive approach (Sugiyono, 2017). This study compares the tax administration implemented by Indonesia and New Zealand according to the secondary data obtained. Data collection uses a literature review. Literature reviews are crucial for preserving and developing knowledge in many scientific fields, including tax administration (Schryen & Sperling, 2023). Every research project must include a review of the literature in order to avoid duplication of effort, acknowledge the contributions of previous researchers, and situate one's work within the field. The results of a review process may be included in a variety of documents, such as papers summarizing a particular research study, project proposals, or dissertations, or they may be presented separately in a document devoted to summarizing research findings from the literature (Schryen et al., 2017)

A literature review supported the research to collect data about how tax administration in Indonesia and New Zealand compares. Based on the proposed problem formulation, this research compares the position of tax institutions, personal taxpayer registration, and personal taxpayer reporting between Indonesia and New Zealand.

The position of the tax institution is seen through the institutional arrangements implemented by DGT and IRD. Comparison of taxpayer registration includes the flow of personal taxpayer registration and the functions and benefits of tax identification numbers for personal taxpayers in Indonesia and New Zealand. For comparison, tax reporting includes the flow of tax reporting for Indonesian and New Zealand personal taxpayers.

This study's data sources are secondary data obtained through the laws and regulations in force in Indonesia and New Zealand, DGT and IRD websites, DGT social media accounts, yearbooks, circulars, and bulletins. Several techniques are used in collecting data, namely documentation and literature studies. *Documentation* is a data collection method that produces essential records related to the problem under study so that complete, valid, and not approximate data will be obtained. This method takes data such as grade point average, number of children, income, land area, population, and others (Basrowi & Suwandi, 2008). A literature study is a data collection technique by studying, reviewing, and examining various literature related to the issues discussed.

The step that must be taken after collecting data is data analysis. Data analysis is essential to the scientific method because data analysis is used to solve problems (Basrowi & Suwandi, 2008). According to Sugiyono (2017), data analysis is the process of systematically searching and compiling data obtained from interviews, field notes, and documentation by organizing data into categories, describing them into units, compiling them into patterns, choosing which ones are important, and what will be learned, and make conclusions so that it is easily understood by oneself and others. So this research uses content analysis as a data analysis technique.

Bengtsson (2016) defines *content analysis* as a research method that provides a systematic and objective way to make valid conclusions from verbal, visual, or written data to describe and measure certain phenomena. Six steps must be completed in context analysis, including:

1. Unitizing. Unitization draws systematic distinctions within a series of observable texts—documents, images, sounds, websites, and other things of interest to the analysis, eliminating irrelevance but preserving what cannot be shared without losing meaning.
2. Sampling. Sampling allows the analyst to save research effort by limiting observations to a well-managed subset of units.
3. Recording/coding. Recording/coding bridges the gap between text and someone reading it, between different pictures and what people see in them, or between discrete observations and their situational interpretations.
4. Reducing data. Data simplification is necessary for efficient representation, especially of large data volumes.
5. Abductively inferring (conclusion). Inferring bridges the gap between descriptive text notes and what they mean, refer to, require, provoke, or cause.
6. Narrating. Narrating the answers to content analysts' questions is akin to researchers making their research results understandable to others.

7.

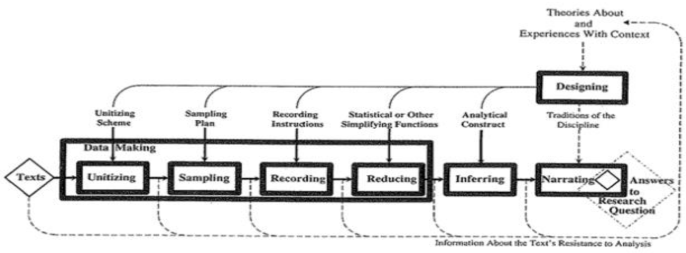

Figure 1 Content Analysis Process
Source: Bengtsson (2016)

4. RESULT

The research question is how tax administration in Indonesia and New Zealand compares. There are three categories to answer the research question: comparing the position of tax institutions, personal taxpayer registration, and personal taxpayer reporting between Indonesia and New Zealand.

a. Comparing the position of tax institution

The first part is about comparing the position of tax institutions. The result was from secondary data that we collected. There are two aspects such as institutional form and role. Indonesia's institutional form is a Single directorate within the Ministry of Finance. In Indonesia, the government institution or agency responsible for tax administration is the Directorate General of Taxes (DGT). According to the DGT Performance Report (2020), DGT is a government agency under the auspices of the Ministry of Finance. DGT is accountable to the Minister of Finance. The organizational structure of DGT is divided into two parts, namely, the Head Office and the Operational Office. The headquarters comprises a general secretariat, 14 directorates, and four auditors. The operational offices consist of 34 regional offices, four large taxpayer Tax Service Offices (TSO/Kantor Pelayanan Pajak-KPP), nine special TSO, 38 medium TSO, 301 Primary TSO, 204 Service Office, Counseling, and Tax Consultation (SOCT/Kantor Pelayanan Penyuluhan, dan Konsultasi-KP2KP) 4 technical implementation units (UPT). DGT seeks to optimize tax revenues by maintaining the economy's investment climate and wheels. The DGT is responsible for formulating and implementing tax policy following the law:

a. Formulation of fiscal policy
b. Implementing tax policy
c. Developing norms, standards, procedures, and criteria in taxation
d. Providing guidance, technical assistance, and supervision in taxation
e. Carry out monitoring, evaluation, and reporting in taxation
f. Carry out the administration of the DGT
g. Carry out other functions as assigned by the Minister of Finance.

Based on the Asian Development Bank (2018, 2020, 2022) and OECD (2015), the institutional form implemented in the DGT is a single directorate within the Ministry of Finance or Economy (SDMOF). With the implementation of the single directorate institutional form within the Ministry of Finance or Economy, the delegated authority can be exercised by the revenue agency without the need for external approval, including:
1. Drafting tax regulations
2. Imposing penalties and fines.
3. Setting standards for tax services.
Thus, the DGT's role is to collect and manage central taxes.

The Inland Revenue Department is responsible for tax collection and management in New Zealand. Based on the Annual report (2021), IRD is also responsible for the welfare of New Zealand residents. A commissioner heads the IRD and is responsible to the finance minister. The commissioner gets help from different groups of people to do his job. These groups include people who help individuals and companies follow the rules, people who make sure the rules are fair, people who plan for the future, people who keep everything organized, and people who advise about taxes. IRD is spread across 17 cities consisting of community compliance services and tax offices.

IRD plays a role in maintaining and enhancing the integrity of the revenue system by making the revenue system clear, consistent, and straightforward. IRD works with various parties to assist and manage the running of the revenue system and to improve the well-being of New Zealanders in the digital "ecosystem" and international tax network by:

1. Advising the government on tax and social policy administered by IRD.
2. Co-operating with other agencies to help deliver intergenerational well-being and positive outcomes to all New Zealanders
3. Advise on international tax issues and assist with and develop New Zealand's international tax rules
4. Work with international organizations such as the OECD and tax agencies from other countries
5. Exchange financial information with more than 80 jurisdictions
6. Liaise with third parties such as tax agencies, KiwiSaver providers, and financial institutions
7. Provide assurance that systems for tax and social policy payments:
8. Effective and efficient in realizing policy objectives
   a. Operate as intended
   b. Achieves the desired result
   c. Remains fit for purpose
9. Administer social policy programs such as Student Loans, Child Support, COVID-19 initiatives, KiwiSaver, Working for Families payments, Parental Leave, and BestStart.
10. Liaise with various agencies, especially the Treasury, Minister of Social Affairs, Minister of Business, Innovation, and Labour.
11. Has information-sharing arrangements with more than 17 agencies.

Based on Asian Development Bank (2018, 2020, 2022) and OECD (2015), the institutional form applied in New Zealand is the Unified Semiautonomous Body. With the implementation of the Unified Semiautonomous Body institutional form, delegated authority can be exercised by the revenue body without requiring external approval, including:

1. Drafting tax regulations
2. Impose sanctions and/or fines
3. Designing internal structure
4. Reallocate budget
5. Establish staffing levels
6. Set service standards
7. Participate in the development of employee recruitment criteria
8. Recruit and dismiss employees
9. Negotiating employee salary levels

b. Taxpayer Registration

Tax registration procedures in Indonesia can be done online at https://ereg.pajak.go.id/ or in person at the TSO or SOCT—article 9(1) of the Directorate General of Taxes' Regulation No. PER-04/PJ/2020 on technical instructions for the implementation of the management of taxpayer identification numbers, electronic certificates, and the registration of taxable entrepreneurs states that the registration of taxpayers may be carried out using an electronic application or a written application accompanied by the necessary documents. The tax registration period in Indonesia will be processed within one working day, and the NPWP (Tax Identification Number) card will be sent within 7-14 working days. Administrative evidence required for tax registration in Indonesia Photocopy of KTP (Resident Identity Card), KITAS (Limited Stay Permit Card), KITAP (Permanent Stay Permit Card), husband's KTP, KK (Family Card), and business license and separation certificate treasure. KITAS/ITAS is a temporary residence permit (card).

Meanwhile, KITAP/ITAP is a permanent residence permit (card). Applications for KITAS and KITAP must be submitted to the Head of the Immigration Office or a designated Immigration Officer whose area of responsibility includes the foreigner's residence so that the functions and benefits of tax registration are Means of tax administration and other administration.

Tax registration procedures in New Zealand can be done online through the website https://myir.ird.govt.nz/eservices/home/_/#1 for domestic taxpayers or via email offshore@ird.gov.nz for offshore taxpayers or offshore persons and in person to the IRD. The period for IRD Number registration in person will be processed by IRD within 12 days, while if done online for domestic taxpayers, it will be processed within 12 days, and for offshore taxpayers or offshore persons within 8-10 days, if sent by email and 20 days if sent by post—proof of IRD administration Original and Photocopies of document categories A and B. The documents required when applying for IRD Number registration are divided into two categories, namely Category A documents and Category B documents. Category A documents for those required to complete the IR595 form consist of the following:

1. Birth certificate issued in or after 1998.
2. New Zealand passport (photocopy in the section showing foot, name, and New

Zealand residency class visa granted by Immigration New Zealand).
3. Overseas passport* (with a New Zealand residency visa granted by Immigration New Zealand).
4. Zealand Emergency Travel Document
5. Dealer License
6. New Zealand refugee travel document
7. New Zealand identity certificate (issued by the Department of Labour or the Department of Home Affairs)
8. New Zealand citizenship certificate

Category B documents for those required to complete the IR595 form consist of the following:
1. New Zealand driving license
2. Kiwi Access Card
3. Student ID Card
4. Confirmation letter of enrolment as a student in New Zealand (must attach category A document with photo)
5. A "job offer" letter from your employer, on their company letterhead, with a start date (must attach a photo of Category A documents)
6. International Driving Permit (issued by a member state of the United Nations Convention on Road Traffic)
7. Overseas Driving Licence

So the functions and benefits of registering for tax in New Zealand are a means of tax administration and receiving social assistance.

c. Tax Reporting Policy

Tax reporting is a series of tax administration activities taxpayers perform to fulfill their tax obligations. In Indonesia, tax reporting is done by submitting SPT (Notification Letter). Three types of forms are categorized according to the income of the WP OP, namely SPT 1770, 1770 S, and 1770 SS. The SPT can be filed online or in person. Husband and wife can combine their tax returns into one SPT.

Any WP OP with pre-tax income in New Zealand is over NZ$200. Two types of forms are categorized according to the type of taxpayer, namely IR3 and IR3NR. Income reported in form IR3 from:
a. self-employed
b. overseas
c. rental property, including Airbnb and Bookabach
d. research and development tax incentives
e. "Under the table" cash jobs
f. an estate, trust, or partnership.

Income that does not need to be reported on form IR3 is:
a. Salary or wages
b. Portfolio investment entities (PIEs), including KiwiSaver
c. NZ Superannuation (Pensioners)
d. Scheduled payments
e. Income-tested benefits
f. Interest or dividends
g. Grants from Maori authorities that are taxable
h. Employee share scheme benefits

Two types of tax returns in New Zealand are classified based on the type of taxpayer, namely IR3 and IR3NR forms. Form IR3 is intended for domestic taxpayers who do business or receive more than $200 before tax. While Form IR3NR is intended for foreign taxpayers who:
a. Receive income from New Zealand.
b. Receive income from New Zealand that is taxed at an incorrect rate.
c. Have a loss or excess imputation credit carried forward from a previous year.

The mandatory reporting procedure will receive an email notification when the WP OP is required to submit SPT. Taxpayers with a certain income will receive an "automatic assessment". The SPT can be filed online or in person. Each taxpayer files the SPT, and married couples are required to file separately.

5. DISCUSSION

a. Comparing the position of tax institution

The role of managing social policy programs can lead to the perception that taxes collected and paid by taxpayers are not only used to increase government revenue but are used for common interests (OECD, 2021). A synergistic climate will provide tax authorities with transparent and respectful procedures and supportive treatment for taxpayers. Creating a synergistic climate indicates a good relationship between the taxpayer and the tax authority to increase the taxpayer's trust in the tax authority, which impacts increasing tax compliance. The DGT can adopt this role to create a good perception of the DGT that it is not only an institution that collects taxes for the country's needs but also cares about the welfare of taxpayers. This role will make it easier for some residents with limited or no tax knowledge to accept that the money they pay is well-spent.

Regardless of the tax definition, tax is a compulsory contribution to the state that the community must pay without receiving direct compensation. IRD has greater autonomy than DGT. Autonomy in public administration is defined as the degree to which a government department or agency can operate independently of the government regarding legal form and status, funding and budgeting, finance and human resources, and management practices.

Varela et al. (2019) and Crandall (2010) explained that the fundamental principle underpinning this trend is that greater autonomy can lead to better performance by removing obstacles to effective and efficient management while maintaining appropriate accountability and transparency. Second, autonomy can remove the barriers of an unresponsive human resources system, which hinders the development of a competent and effective tax administration because administrations cannot recruit the professional and specialized staff they need. Third, autonomy can also be seen as a remedy for weak corporate governance. It can empower managers to gain control over personnel, finance, budgets, and procurement, enabling them to manage tax institutions effectively and efficiently. Fourth, autonomy can provide institutions with autonomy and financial stability, sometimes providing a fixed percentage of taxes collected. As a public financial institution, DGT must be able to establish a good relationship with taxpayers.

b. Taxpayer Registration

The NPWP application form is a one for all type of form, which means that one form is used for all types of WP OP, whereas in New Zealand, the IRD number application form for WP OP is classified based on the type of taxpayer, namely domestic taxpayers and foreign taxpayers' country (IRD, 2021) Meanwhile, the NPWP application is submitted along with photocopies of the required documents according to the taxpayer's requirements. The possibility of accessing social assistance by having an IRD number is an effort to collect taxpayer data that can be used at any time to verify that a taxpayer has met the requirements of being an active taxpayer who must fulfill his tax obligations. By having a database of taxpayers, the tax authority has a greater chance of increasing the number of taxpayers.

The completeness of the database held by the tax authority makes it easier for the tax authority to identify the taxpayer. It makes it easier for the tax authority to cross-check if there is a discrepancy between the data held by the taxpayer and the tax authority. Providing benefits through social assistance can create a synergistic climate that impacts good relations between taxpayers and tax authorities. It will give the taxpayer the feeling that the tax authority is a group of good people working for the common interest. The reason that supports the adoption of this administration is that it can give the perception that the DGT is not just an institution that collects taxes but also a tax authority that cares about the condition of its taxpayers by providing supportive treatment and transparent procedures.

c. Tax Reporting Policy

The tax filing process for individual taxpayers in Indonesia and New Zealand has quite an interesting difference, namely that individual taxpayers in New Zealand who are married cannot combine their tax returns between husband and wife. So Indonesia and New Zealand have created a synergistic climate between taxpayers and tax authorities. Creating a synergistic climate is characterized by the tax authorities providing taxpayer-supportive treatment and transparent procedures. Creating a synergistic climate can build good relations between taxpayers and the tax authorities, so taxpayers' trust in the tax authorities is created. A high level of trust in the tax authorities will form voluntary compliance regardless of what the taxpayer will obey (Khairizka, 2022).

6. CONCLUSION AND RECOMMENDATION

Conclusions

Based on the data and analysis in the previous chapter, the research results show that the Indonesian tax administration has adopted many positive things. However, some positive things exist in the New Zealand tax administration that can be adopted and adapted in Indonesia to improve tax administration. Indonesia to improve individual taxpayer compliance. The following conclusions can be drawn:

1. The degree of autonomy can lead to good performance by removing obstacles to effective and efficient management while maintaining accountability and transparency.

The role of the DGT is still to collect and administer taxes, and the institution of the DGT is the SDMOF, which has relatively limited powers, namely, to draft tax regulations, impose sanctions or fines, and set service standards.

2. The files or documents that need to be attached as a condition of WP OP registration in New Zealand are much more varied and adapted to the taxpayer's circumstances outside of the identity document, which can be in the form of a job offer letter, property agreement letter, and others. In Indonesia, the files that the WP OP needs to attach to register as a taxpayer are simple, namely in the form of personal identification and FC family cards, husband's KTP, certificate of separation of assets, and business permits.
3. New Zealand tax returns can be filed online or in person. Tax reporting between husband and wife cannot be done separately because the taxation principle in New Zealand is the individual-based taxation principle, while in Indonesia, tax reporting between husband and wife can be done in 1 SPT. The tax burden can be reduced by combining SPTs between husband and wife. The implementation of this provision is based on the taxation principle in Indonesia, which adheres to the family-based taxation principle. In addition, this policy was implemented considering that the total per capita income of Indonesia and New Zealand was $4,349 and $43,032, respectively. Thus, each country has established a tax administration by considering its taxpayers' conditions.

Recommendations

For the government

a. DGT may consider changing its institution; initially, SDMOF, to become SARA to gain more authority and avoid political influence that should not damage public service delivery.
b. DGT may consider providing more benefits for taxpayers with a Tax ID Card like New Zealand, meaning taxpayers can receive assistance from social policy programs.

For Future Research

Future researchers can continue by examining the principles of efficiency and fairness qualitatively and quantitatively. Good tax administration can increase tax optimization (Keen & Slemrod, 2017). besides that, it can also increase public trust because it can work transparently. In Antonakas et al. (2013), Corruption in tax administration is a problem that arises mainly in the interaction between Revenue Administration and business. One alternative to look at the details of efficiency and fairness can refer to (Vincent, 2023), which looks at the vertical interaction between tax authorities and taxpayers.

REFERENCES

ADB. (2018). A Comparative Analysis of Tax Administration in Asia and the Pacific: 2018 Edition.

ADB. (2020). A Comparative Analysis of Tax Administration in Asia and the Pacific: 2020 Edition.

ADB. (2022). A Comparative Analysis of Tax Administration in Asia and the Pacific: Fifth Edition.

Alm, J., & Torgler, B. (2011). Do Ethics Matter? Tax Compliance and Morality. *Journal of Business Ethics, 101(4), 635-651*. http://doi.org/10.1007/s10551-011-0761-9

Antonakas, N. P., Giokas, A. E., & Konstantopoulos, N. (2013). *Corruption in Tax Administration: Interviews with Experts.* Procedia – Social and Behavioral Sciences, 73, *73*, 581–589. https://doi.org/10.1016/j.sbspro.2013.02.094

Basrowi & Suwandi. (2008). *Memahami Penelitian Kualitatif.* Jakarta: Rineka Cipta.

Bengtsson, M. (2016). How to plan and perform a qualitative study using content analysis. *NursingPlus open*, *2*, 8-14.

Bird, R. M. (2010). Smart Tax Administration. *Economic Premise - The World Bank*, *36*, 1–5.

Crandal, W. (2010). *Revenue Administration: Autonomy in Tax Administration & The Revenue Authority Model*. IMF Fiscal Affairs Departement.

Ceicdata. Indonesia PDB Per Kapita. https://www.ceicdata.com/id/indicator/indonesia/gdp-per-capita

Ferdiana, D. & Laksmi, A. C. (2018). Pengaruh Proses Pelaporan Dan Penyetoran Pajak Serta Kepuasan Dan Kepatuhan Dalam Wajib Pajak Pribadi Kabupaten Sleman Terhadap Ketahanan Ekonomi Wilayah. *Jurnal Ketahanan Nasional*, Vol. 24(3), 354–373. https://doi.org/10.22146/jkn.38753

Grassi, C. M. (2015). Status and Impact of The Ability To Pay Principle in The ECJ's Case Lawa Concerning Tax Benefits Based on Personal Family Circumstances. Centre for European Studies at Lund University. CFE Working Paper No. 52. https://www.cfe.lu.se/sites/cfe.lu.se/files/2020-12/cfewp52.pdf

Hastuti, R.K. (2021). Ini Yang Harus Dilakukan Jika SPT Lebih Bayar NEWS-CNBC Indonesia. https://www.cnbcindonesia.com/news/20210421150109-4-239645/ini-yang-harus-dilakukan-jika-spt-lebih-bayar

Indrawati, S. M., & Keuangan, I. D. (2022). Keeping Indonesia safe from the COVID-19 pandemic: lessons learnt from the National Economic Recovery Programme. *(No Title)*.

Inland Revenue Departement. (2021) .What Happens at The End of The Tax Year. https://www.ird.govt.nz/income-tax/income-tax-for-individuals/what-happens-at-the-end-of-the-tax-year

Irianto, E. S. & Jurdi, S. (2005). *Politik Perpajakan: Membangun Demokrasi Negara*. Yogyakarta: UII Press

Kementerian Keuangan. (2020). Rencana Strategis Kementerian keuangan 2020-2024.

Khairizka, P. N. (2022). NPWP Suami Istri di Gabung, Bagaimana Manfaat dan Cara Pelaporan Pajaknya?. PajakOnline. https://www.pajakku.com/read/6246b4c5a9ea8709cb189a4b/NPWP-Suami-Istri-Digabung-Bagaimana-Manfat-dan-Cara-Pelaporan-Pajaknya?

Kristiaji, B. B. (2019). Mengejar Pajak Penghasilan Orang Pribadi dalam Seri Kontribusi DDTC: Gagasan dan Pemikiran Sektor Perpajakan 2018/2019. Hal 147-149. PT Dimensi International Tax

Keen, M., & Slemrod, J. (2017). Optimal tax administration. *Journal of Public Economics*, *152*, 133–142. https://doi.org/10.1016/j.jpubeco.2017.04.006

Loo, E. C., McKerchar, M., & Hansford, A. (2009). Understanding the compliance behaviour of Malaysian individual taxpayers using a mixed method approach. *Journal of Australasian Tax Teachers Association*, 4(9), 1689–1699.

Mansyuri, R. (2000). Hubungan Kebijakan Pajak, Hukum Pajak Dan Administrasi Pajak. *Jurnal Hukum dan Pembangunan*, 30(3), 274-288. http://jhp.ui.ac.id/index.php/home/article/view/317/251

Mourougane, A. (2007). "Toward a More Efficient Taxation System in New Zealand," OECD Economics Department Working Papers 557, OECD Publishing.

Mukarromah, A. (2019). Ada 3 Jenis Formulir SPT Tahunan Orang Pribadi, Anda Isi yang Mana? https://news.ddtc.co.id/ada-3-jenis-formulir-spt-tahunan-orang-pribadi-anda-isi-yang-mana-15214

OECD. (2015) Tax Administrationi2015: Comparative Informastion on OECD and Others Advanced and Emerging Economies.

______. (2021). Revenue Statistics in Asia and the Pacific 2021. In OECD Publishing Paris (Issue 24). http://www.oecd.org/tax/tax-policy/oecd-classification-taxes-interpretative-guide.pdf%0Ahttps://www.oecd-ilibrary.org/taxation/revenue-statistics-in-asia-and-the-pacific-2021_ed374457-en

Ormeño-Pérez, R., & Oats, L. (2022). Implementing problematic tax regulation: Hysteresis and bureaucratic revolutionaries within tax administrations. *British Accounting Review*, *55*(November 2022). https://doi.org/10.1016/j.bar.2022.101147

Otteson, J. (2018). The Essential Adam Smith. Library and Archives Canada Cataloguing in Publication Data.

Redaksi DDTCNews. (2020). Ingin Gabung NPWP Suami, Istri Ternyata Cuma Perlu Lakukan Ini. DDTCNews https://news.ddtc.co.id/ingin-gabung-npwp-suami-istri-ternyata-cuma-perlu-lakukan-ini-41059

Redaksi DDTCNews. (2021). Berapa Jumlah Wajib Pajak di Indonesia Sekarang? Ini Kata Sri Mulyani. https://news.ddtc.co.id/berapa-jumlah-wajib-pajak-di-indonesia-sekarang-ini-kata-sri-mulyani-30916

Selandia Baru PDB Per Kapita. Ceicdata. https://www.ceicdata.com/id/indicator/new-zealand/gdp-per-capita

Schryen, G., Benlian, A., Rowe, F., Gregor, S., Larsen, K., Petter, S., Paré, G., Wagner, G., Haag, S., & Yasasin, E. (2017). Literature reviews in IS research: What can be learnt from the past and other fields? *Communications of the Association for Information Systems*, *41*(1), 759–774. https://doi.org/10.17705/1CAIS.04130

Schryen, G., & Sperling, M. (2023). Computers and Operations Research Literature reviews in operations research: A new taxonomy and a meta review. *Computers and Operations Research*, *157*(September 2022), 106269. htt

Sugiyono. (2017). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: CV Alfabeta.

Varela-Janquera, R.F. Awatshi, Rajul. Balabuskho, Nurshailova, Alma. (2019), *Thinking strategically about Revenue Administration Reform: The Creation of integrated Autonomous Revenue Bodie.* World Bank

Vincent, R. C. (2023). Vertical taxing rights and tax compliance norms. *Journal of Economic Behavior and Organization*, *205*, 443–467. https://doi.org/10.1016/j.jebo.2022.11.003