



JURIDICAL ANALYSIS OF THE CONCEPT OF BLEACHING

MOTOR VEHICLES TAX IN RIAU PROVINCE

M. Alpi Syahrin

Universitas Islam Negeri Sultan Syarif Kasim Riau

Email: msyahrin@uin-suska.ac.id

ABSTRACT

Tax Relief is the abolition or amnesty of tax penalties imposed on vehicle owners. While tax means the contribution of the taxpayer to the taste owed by an individual or entity which can be imposed and collected based on the law, and do not receive direct compensation and are used for the needs of the state for the greatest prosperity of the people. On the other hand, taxes have a budgetary function and a regulatory function both of which play an important role in the life of the state. Therefore, the concept of tax relief can have a significant imoact on state revenues in the efforts of the people's prosperity especially in the Riau province area. The research method used is descriptive qualitative research method with data collection techniques obtained through observation activities on tax objects and literature study. The result of the study prove that through the implementation of the tax whitening concept it can affect state income especially financial income in the Riau province area and raises the attitude of taxpayers to intentionally leave their obligations to pay taxes until they are late or due.

Pemutihan pajak merupakan penghapusan atau pengampunan denda pajak yang dibebankan pada pemilik kendaraan. Sedangkan pajak berarti kontribusi wajib pajak kepada negara yang terutang oleh orang pribadi atau badan yang bersifatnya dapat di paksakan dan di pungut berdasarkan undang-undang, serta tidak mendapat imbalan secara langsung dan di gunakan untuk keperluan negara bagi sebesar-besarnya kemakmuran rakyat. Disisi lain, pajak memiliki fungsi anggaran (budgetair) dan fungsi mengatur (regulered) yang kedua fungsi tersebut berperan penting dalam kehidupan bernegara. Oleh sebab itu, konsep pemutihan pajak dapat memberikan dampak yang signifikan terhadap penerimaan negara dalam usaha kemakmuran rakyat terutama di daerah Provinsi Riau. Metode penelitian yang digunakan adalah metode penelitian deskriptif kualitatif yang teknik pengumpulan data diperoleh melalui kegiatan observasi pada objek pajak serta studi literatur kepustakaan. Hasil penelitian membuktikan bahwa melalui pelaksanaan konsep pemutihan pajak dapat mempengaruhi pemasukan negara khususnya pemasukan keuangan di daerah



Provinsi Riau serta memunculkan dorongan sikap para wajib pajak untuk sengaja membiarkan kewajibannya membayar pajak hingga terlambat atau jatuh tempo.

Kata Kunci: Pemutihan Pajak, Kendaraan Bermotor.

1. INTRODUCTION

Regional taxes are mandatory contributions made by regions to individuals or entities without balanced direct compensation, which can be forced based on applicable laws and regulations that are used to finance regional government administration and regional development (Marihhot Pahala Siahaan, 2016: 9). With the enactment of Law Number 28 of 2009 it strengthens the existence of Law Number 32 of 2004 concerning Regional Government as has been amended several times, most recently by Law Number 12 of 2008 concerning the Second Amendment to Law Number 32 of 2004 Regarding Regional Government and Law Number 33 of 2004 concerning Financial Considerations between the Central Government and Regional Governments.

Thus, the implementation of regional government is carried out by granting the widest possible authority, accompanied by the granting of rights and obligations to carry out regional autonomy in the unity of carrying out state government.

Local taxes, taxes levied by level I local governments are called provincial areas and those collected by level II regions are called district or city areas, and are used to finance their respective regional households (Siti Resmi, 2009:8).

Currently, the Governor of Riau has issued Riau Governor's Regulation Number 30 of 2021 concerning the Elimination of Motor Vehicle Tax Administration Sanctions for 2021. Through this regulation, the provincial government provides exemption from late fees so that people only need to pay the principal tax. Incentives apply to all types of motorized vehicles, whether two-wheeled, three-wheeled, or four-wheeled. The vehicles in question are owned by individuals, private companies, or government agencies (<https://news.ddtc.co.id.13,2021>). Meanwhile, state revenue from the tax sector alone reached 1,786.4 trillion in the 2019 APBN compared to income from other sectors (<https://www.kemenkeu.go.id/apbn2019>).



Based on the institution that manages it, regional taxes managed by the provincial government in this case are handled by the Regional Revenue Service of Riau Province consisting of:

- a. Vehicle tax
- b. Vehicle tax on water
- c. Motor vehicle name transfer fees
- d. Motor vehicle fuel tax
- e. Surface water tax
- f. Cigarette tax

For more details, it can be seen in the following table:

Table 1

No	Local Tax	2016	2017	2018
1	Vehicle tax	846,49 M Rp	924, 52, M Rp	1049,31 M Rp
2	Vehicle tax on water	0,49 M Rp	0,58 M Rp	0,042 M Rp
3	Motor vehicle name transfer fees	602, 96 M Rp	752, 98 M Rp	883,87 M Rp
4	Motor vehicle fuel tax	621, 98 M Rp	709,23 M Rp	781,047 M Rp
5	Surface water tax	29, 01 M Rp	27,47 M Rp	28,95 M Rp
6	Cigarette tax	316, 45 M Rp	341, 13 M Rp	332,76 M Rp

Source: Regional Revenue Agency of Riau Province

From the amount of regional revenue from the vehicle tax sector, of course, it will have a significant impact if the amount of regional revenue changes and has the potential to reduce or even eliminate opportunities for provincial revenues whose revenues can be used to spur the development of development and human resource development. However, in 2021, based on realtime PKB and BBN-KB revenue data, Riau Province dated 13-09-2021, from the target of 1,276,770,171,663,00 which can be realized only 791,628,674,918.00 and the target that has not been realized is 485,141,496,745 .00 with a percentage of 62.00 (Target and Realization of PKB in 2021). Meanwhile, the target and realization of BBN in 2021 is 861,668,674,504.00 and only 557,416,042,944,00 can be realized. The unmet target is 304. 250,620,560.00. With a percentage of 64.69. (<https://badanpendapatan.riau.go.id>).

The regional office (Kanwil) of the Directorate General of Taxes of Riau Province noted that until the first quarter of 2021, the realization of tax revenues in Riau Province was Rp. 2.615 trillion. This amount is a minus when compared to the revenue achievement in the first quarter of 2020. The realization of the tax



revenue is only 15.87% of the tax revenue target of the DGT Riau Regional Office in 2021 of 14.38 trillion, or grew by 3.89% compared to the achievement revenue in the first quarter of last year, said Head of P2 Public Relations Division of the DGT Regional Office of Riau Province Asprilantoiardiwidodo on Friday, 23/4/2024. He admitted that this condition occurred due to the influence of the Covid-19 pandemic which had an impact on the decline in economic conditions in Riau, starting in mid-March 2020. For this reason, DPJ encourages taxpayers affected by the pandemic to take advantage of the tax incentive program, which is extended until June 2021. Asprilantomiardiwidodo explained that the Riau DGT also noted that the use of tax incentives in Riau in 2020 reached 41 thousand taxpayers with a value of Rp 559.8 billion. Of the 41 thousand taxpayers who used the tax incentive program that year, 25,072 taxpayers were MSMEs (www.Cakaplah.com. Riau Tax Revenue Minus 3.89 Percent, Corona So Biang Kerok. Accessed on 14/09/2021).

2. THEORETICAL STUDY AND HYPOTHESES DEVELOPMEN

2.1 Tax Overview

According to the Law and Tax Procedures, tax is the contribution of the Taxpayer to the State that is owed by an Individual or Entity that is owed by an individual or entity which can be forced and collected by law, and does not receive compensation in kind. directly and used for the needs of the State for the greatest prosperity of the people (Mardiasmo, 22-23). It has been stated by several experts that there are characteristics inherent in the notion of tax, namely as follows:

1. Taxes are levied based on or by force of law and its implementing regulations.
2. In the payment of taxes can not be shown between individual contra-achievements by the government.
3. Taxes are levied by the State, both central and local governments.
4. Taxes are allocated for government expenditures, which if there is a surplus in the income, it is used to finance (Siti Resmi, 2009: 2).

Taxes have an important role in the life of the state, especially in the implementation of development because taxes are a source of state revenue to



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finance all expenditures, including development expenditures. Taxes have several functions, namely as follows:

- a. The function of the budget (budgetair) this function lies in the public sector, namely collecting as much tax money as possible, in accordance with applicable laws to finance state expenditures. As a source of state tax revenue, it functions to finance state expenditures. To carry out routine tasks of the State and carry out development. Used for routine financing, such as personnel expenditure, goods expenditure, maintenance, and so on.
- b. The regulatory function means that taxes are used as a tool for the government to achieve certain goals, both in the economic, monetary, social, cultural, and political fields (Neneng Hartati, 2015: 35-37).

In addition to the two functions above, taxes also have other functions, namely:

- a. Stability function With the tax, the government has the funds to implement policies related to price stability so that inflation can be controlled. This can be done by regulating the circulation of money circulating in the community, tax collection, effective and efficient use of taxes.
- b. The function of redistribution of tax revenues that have been collected by the State is used to finance public interests, including to finance development so as to open up job opportunities which in turn will increase people's income.
- c. The function of tax democracy that has been adopted by the State is a form of mutual cooperation system. This function is associated with the level of government services to the taxpayer community (Diana Sari, 2013:40).

Some of the basics or principles of tax collection written by Andrian Sutedi are:

- a. The source principle is a principle that adheres to a tax collection method that depends on the existence of income in a country.
- b. the domicile principle or also known as the population principle, namely the state will impose tax on an income received or earned by a private person or entity, if for tax purposes the individual is a resident or



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domiciled in that country or if the entity concerned is domiciled in that country.

- c. the principle of nationality or the principle of nationality or citizenship, which is the basis for the imposition of taxes is the citizenship status of the person or entity that earns income.
- d. juridical principle which states that tax collection is based on law.
- e. economic principle which emphasizes that tax collection should not hinder people's economic production.
- f. a financial principle that emphasizes that expenses for collecting taxes must be lower than the amount of taxes collected (Andrian Sutedi, 2011:11-28).

2.2 Taxes Based on the Authority for Collection

Based on the collection authority, taxes can be classified into two, namely taxes levied by the central government (central taxes) and taxes levied by regional governments (local taxes).

- a. Central taxes, namely taxes whose collection authority lies with the central government. Included in this type of tax are Income Tax (PPh), Value Growth Tax on Goods and Services (PPN), Sales Tax on Luxury Goods (PPN.BM), Stamp Duty, and Excise.
- b. Regional taxes, namely taxes whose collection authority lies with local governments, both at level I regional governments and level II regional governments (Sri Putyatmoko, 2006:17).

Regional taxes as regulated in Law Number 18 of 1997 as amended by Law Number 34 of 2004 concerning Regional Taxes and Levies, consist of 4 types of provincial regional taxes and 7 types of regency/city regional taxes are as follows:

Provincial Taxes, as follows:

- a. Tax on Motor Vehicles and vehicles on water.
- b. Tax on the name transfer of motorized vehicles and vehicles on water.
- c. Tax on fuel for motor vehicles and vehicles on water.
- d. Tax on the collection and utilization of underground and surface water.

District/city local taxes are as follows:

- a. Hotel tax
- b. Restaurant tax



- c. Entertainment tax
- d. Advertising tax
- e. Street lighting tax
- f. Tax return and processing of class C minerals
- g. Parking tax.

Compared to the central tax reform, which started in 1983, local tax reform was relatively late because it only started in 1997 with the enactment of the Law on Regional Taxes and Levies. However, this does not mean that local taxes are considered unimportant compared to central taxes, especially in the context of implementing regional autonomy. The objectives of making local tax laws are: First, to simplify the various existing taxes in order to reduce the high cost economy. Second, to simplify the taxation system and administration, in order to strengthen the foundation of regional revenues, especially regencies/cities by streamlining certain types of taxes that have potential (Erly Suandi, 2011:37-38).

3. METHODOLOGY

The research method is a scientific way to obtain data with a specific purpose, use and purpose, by being carried out in a scientific way, it means that research activities are based on scientific characteristics, namely rational, empirical and systematic (Sugiyono, 2010: 9) . This study uses a qualitative descriptive research approach (Moleong, 2008:6) which explains that descriptive research is research that describes and describes the state of the object of research as it is in accordance with the facts. This research is an attempt to find out the problem of circumstances or events that are only facts that actually happened. The purpose of this research is to provide an overview of the problems that are traced and presented systematically.

3.1 Operational Types of Research Variables

The operational definition is a brief description of the variables studied, so that it can be operationalized in empirical research, the determination of the operational definition determines the benchmark and reference in conducting data analysis. The operational definitions of the variables used for this research are:



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1. Knowing the concept of whitening the Motor Vehicle Tax for Regional Original Income (PAD) in supporting the implementation of the Riau Province government program.
2. Knowing the legal basis and analysis of the whitening of the Regional Original Revenue Motor Vehicle Tax (PAD) in supporting the implementation of the Riau Provincial Government Program.

3.2 Data Types and Sources

If viewed from the data source, the data collection in this study can use primary data sources and secondary data. The data used in this study are primary data and secondary data that are directly related to the object of research.

1. Primary data. Primary data is data collected directly from the object under study. This data was obtained through literature that is directly related to the concept of abolishing the Motor Vehicle Tax for Regional Original Income (PAD) in supporting the implementation of the Riau Provincial Government Program.
2. Secondary data. Secondary data is collected and obtained from statistical data and legal sources, in this case the Governor of Riau Regulation on the Abolition of Regional Original Income Tax (PAD) in supporting the implementation of the Riau Province government program.

3.3 Method of collecting data

Data is very important in compiling other scientific research, researchers spend sufficient time in conducting research to obtain data that can support the sustainability of the research. The main purpose of a study is to obtain data, in this study the method of collecting data is carried out in 2 (two) ways, namely: library research. This literature study is carried out by studying books, scientific works, journals, and documents related to the problems that will be discussed in this research. This literature study was conducted to strengthen the theoretical basis in this research.



3.4 Data analysis

In conducting this research, the researcher used a qualitative descriptive analysis method approach, namely seeking information through regulations, relevant books and observing and analyzing taxes and the effectiveness of tax whitening to then be interpreted and drawn conclusions about the effectiveness of tax whitening in Riau Province so that the results are written that the implementation of tax whitening in Riau Province is not effective and can disrupt income in the Riau Province area.

4. RESULTS AND DISCUSSION

4.1 Tax Collection

The motor vehicle tax whitening program, especially two-wheelers, is a government policy in increasing taxpayer interest and easing the burden on motorized vehicle taxpayers (PKB). This tax relief program is held almost every year and continues to this day. The background of this policy is that the Riau Provincial government thinks that with the whitening of the two-wheeled motor vehicle tax, it can update the annual data on vehicles in Riau Province, ease the burden on the community towards taxpayers and attract people to be more diligent in paying taxes. In accordance with the Decree of the Governor of Riau Number 30 of 2021. In the whitening policy, the Riau Provincial government provides relief and exemption from regional taxes in the form of eliminating motor vehicle tax fines.

From a legal point of view, tax is an agreement (between the government as the tax authority and the people as taxpayers, which arises because the law (by itself) requires someone who meets the requirements specified in the law to pay a sum of money to the state. Payments can be forced and cannot show direct reciprocal services, and are used to cover state expenditures, both routine and development expenditures and to achieve goals outside the financial sector (Sumyar, 2004:13).

According to the author, in principle, the whitening of motor vehicle taxes is an effort by the regional government of Riau Province to obtain or receive local revenue. The whitening of motor vehicle tax also aims to raise awareness of motor vehicle owners who are late or in arrears in paying their taxes in the current year or in previous years. So, no matter how big the late fees are, thanks



to the motor vehicle tax whitening program, taxpayers only have to pay the basic tax. In addition, the abolition of vehicle tax aims to increase income on motor vehicle taxes. The implementation of the motor vehicle tax whitening actually depends on the policy of the local government concerned, in this case the regional government of Riau Province. This is because, in terms of policy, only local governments can provide relief, reduction and exemption of outstanding taxes, as well as other administrative fines to local taxpayers.

4.2 Implementation of Tax Whitening

The implementation of tax whitening has been started by the Riau Provincial government in 2020 which held a motor vehicle tax whitening program in two stages, namely on March 17 to May 29 2020 and September 1 to December 15 2020. The incentives provided were in the form of exemption from late motor vehicle tax fines and granting a 50% discount on vehicle transfer fees (BBNKB). In 2021 the Riau Provincial Government again provides incentives for the abolition of motor vehicle tax administration sanctions (PKB) on August 9 to November 9, 2021 (<https://news.ddtc.co.id>. Vehicle Tax Whitening Effective Beginning Early This Week. Accessed on 15 /09/2021) and has succeeded in influencing finances in the Riau Province area.

4.3 Effects of Implementing Tax Whitening

The implementation of tax whitening greatly influences regional income, especially the Riau Province, this can be understood from the number of tax revenue figures that do not reach the target number recorded by the authorized agency while the use of regional income from the tax will be used for regional spending and for development. physical and non-physical progress of the area. The implementation of tax relief has been started by the Riau Provincial Government from 2020 to 2021 and has had a strong influence on revenues in the Riau Province area, including not achieving the planned budget targets and even information from the Riau regional revenue agency stated that only about 60% of the achievement income from taxes, especially tax income from vehicles in the Riau Province area.

From the results of research in the field, the policy of whitening motor vehicle taxes, especially two-wheelers, is a government policy that has long been



realized by the Riau Provincial government for people who do not comply with taxes and attracts public interest in the importance of paying motor vehicle taxes in the city of Jambi in an effort to increase tax payments, especially in the Motor Vehicle Tax sector. .

In the administration of government, every policy implemented by the Regional Government, there must be positive and negative things. The positive impact of this tax whitening program is that the public can pay arrears without being subject to fines or interest, only paying the principal. While the negative impact of this whitening policy is to make people delay paying taxes because this policy actually spoils the tax bearers to rely on the whitening period. So they prefer to be late, rather than pay on time, so that the provisions or regulations regarding the existence of tax waivers implemented by the government can be predicted by the public so that the tax absorption plan targeted by the government cannot run well because people already suspect or prepare for late payment of taxes.

5. CONCLUSION

The strong influence of regional income from taxes in filling and increasing regional income has been able to make the tax sector a significant part of efforts to meet regional financial needs. Therefore, the existence of taxes as the highest regional income must be really good, both in terms of collection and in terms of use for both physical and non-physical development in the area. Therefore, the emergence of policies regarding tax whitening needs to be reviewed in order to maintain regional financial stability.

By taking advantage of the implementation of tax whitening, there are not a few problems with delays or the maturity of tax payments, this is due to the absence of any sanctions or the abolition of sanctions, but this opportunity has been misused by some people in certain areas. Sanctions should not be viewed only as a means of punishment. However, sanctions can also be interpreted as an effort to discipline and improve bureaucratic efforts that seem slow and convoluted.

Through the implementation of tax relief, it is known that the regional revenue achievement budget in Riau Province did not reach the target at all, even only touched 60 percent of the 100 percent target originally designed. The



large difference in the figures between the achievement targets and those already recorded will of course have an impact on local government finances, especially on the development side, both in terms of physical development and non-physical development.

Therefore, the use of a large tax potential should be able to make local governments become independent governments, make community business development programs, create and modify employment programs, educational facilities, cheap and easy programs to get access to health, economic welfare programs and etc.

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