



EFFECT AND CONSTRAINTS OF APPLICATION OF E-COMMERCE TAXES

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ABSTRACT

This study aims to determine the effect of the application of e-commerce tax in Thailand, supporting factors of the application of Tax on e-commerce transactions in the territory of Thailand, as well as any obstacles experienced in implementing the Tax on e-commerce transactions. This research method is done by observation and documentation. The method of data analysis in this study uses descriptive methods so that in collecting data the authors make the method of observation and documentation, which then the results will be described according to what it is when collecting data. The results of this study prove that taxation on e-commerce transactions is mandatory for online merchants, given that tax regulations are clear and the country's highest income is derived from the taxation sector. However, the e-commerce business actors have not been maximized, the socialization has not been carried out thoroughly and e-commerce transactions that are difficult to detect are forms of business that have their own problems, namely the difficulty of the government to establish clear and fair tax regulations.

Keywords: Tax, E-Commerce Business, Thailand

A. Introduction

The increasing development of E-Commerce Business has made researchers interested in investigating the extent to which these online business people understand about the business activities they do and also understanding in paying taxes as tax compliance for online business transaction activities. Tax collection on E-Commerce Business Transactions aims to implement justice for all taxpayers and also to improve compliance in paying taxes, both conventional and E-Commerce. As reported by the official website <http://www.pajak.go.id/>, basically the obligations of taxpayers of E-Commerce and conventional businesses are no different from other tax regulations. Head of the Fiscal Policy Office (BKF) of the Ministry of Finance Suahasil Nazara ensured that the taxation on electronic transactions (E-Commerce) would relate to procedures, not to the imposition of new types of tax. Electronic Commerce (Electronic Commerce), as part of Electronic Business (business conducted using electronic transmission). The phenomenon that occurs at this time according to the Directorate General of Taxation of the Ministry of Finance said that the E-Commerce market is growing rapidly in Thailand, but only a handful of E-Commerce actors already have a Taxpayer Identification Number (NPWP), which means they have not registered or reported as Taxpayers on Compliance Taxpayer.

Along with the development of technology and information, now various goods or service trading transactions can be done online. The development of online trading is based on the ease for businesses to promote their goods and does not require more costs because they do not require a physical store. The large number of E-Commerce or online businesses from various groups of Thailand society that develops beyond conventional traders makes it even more epidemic because online trading has an unlimited number of markets. From this background, this research was made with the aim of finding out the influence and obstacles of applying E-commerce tax in Thailand in order to find out whether the supporting factors of applying Tax on e-commerce transactions in the territory of Thailand as well as what obstacles are experienced in implementing Tax on transactions E-Commerce Therefore, in this study, a study entitled The Effects and Obstacles of Tax Application is carried out.



B. Theoretical Basis

1. E-Commerce

a. Understanding of Online Business and E-Commerce

Online business is an activity or activities carried out on the internet media to make money. Like a business activity in real life, an online business that is run via the Internet also has the same goal of making a profit. According to the website wikipedia.org, online business is known and described as electronic commerce. "Electronic commerce or e-commerce (English: Electronic Commerce, also e-commerce) is the distribution, purchase, sale, marketing of goods and services through electronic systems such as the internet or television, www, or other computer networks. E-commerce can involve electronic fund transfers, electronic data exchanges, automated inventory management systems, and automated data collection systems. "Electronic Commerce (E-Commere = electronic commerce) is part of e-lifestyle that allows buying and selling transactions carried out online from any angle.

b. E-Commerce Components

In line with Dewi Irmawati in the scientific journal Utilization of E-Commerce in the Business World, E-Commerce has several standard components that are owned and not owned by business transactions carried out offline, namely:

- 1) Products: Many types of products can be sold via the internet such as computers, books, music, clothing, toys, and others.
- 2) Place to sell products (a place to sell): where to sell is the internet, which means it must have a domain and hosting.
- 3) How to receive orders: e-mail, telephone, sms and others.
- 4) Payment methods: Cash, check, bank draft, credit card, internet paymen (for example paypal).
- 5) Delivery method: shipping can be done by package, salesman, or downloaded if the product being sold makes it possible (for example software).
- 6) Customer service: e-mail, online forms, FAQs, telephone, chat and others "

2. Types of E-Commerce transactions

1. Classified Ads

Classified Ads are activities providing a place and/or time to display advertisements of goods and/or services carried out by advertisers through sites provided by Organizing Classified Ads. The number of sellers with many characteristics of the seller is an incidental seller where the seller only sells his merchandise on occasion or at certain times. The bidding system is done online (marketed on the web), while the ordering system, payment system and delivery system can be done offline (off the web or directly to the person being promoted). Then the advertiser pays a sum of money as a transaction fee to the organizer of Classified Ads which is the object of VAT and VAT. Examples of Classified Ads are kaskus, tokobagus, berniaga.com, OLX.com.

3. Daily Deals

Daily deals is an activity of providing a place of business activities in the form of a Daily Deals site as a Daily Deals Merchant selling goods and/or services to buyers using vouchers as a means of payment. The number of sellers is large with the characteristics of store sales only on momentary promos. Bidding system, ordering is done online while for payment systems and delivery systems can be done online or offline in the sense that payment can be made directly at the time of payment or through the web and shipping can be sent directly to the web or taken directly to the store concerned. Examples of Daily Deals are groupon disdus, traveloka, Tiket.com, pegipegi, items sold such as hotel, plane, and food ticket vouchers.



4. Online Retail

Online Retail is the activity of selling goods and/or services carried out directly by the Online Retail organizer to buyers on the Online Retail site. The number of sellers is only one, which has a website with permanent store sales characteristics because the store is a self-owned shop. The bidding system is done online, while the ordering system, payment system and delivery system can be done online or offline in the sense that payment can be made directly at the time of payment or via the web and the shipment can be sent directly to the web or taken directly to the relevant store. Examples of Online Retail are Shopee.co.id, blibli.com, bhinneka.com, lazada.com.

C. Research Method

1. Type of Research

This type of research is an analytical study with a qualitative approach. Analytical research has the aim to make a description, a systematic, accurate description of the facts, the characteristics and the relationship between the phenomena contained in the research conducted. While research with a qualitative approach is an approach that uses data in the form of written or oral sentences, behavior, events, knowledge or object of study. The author observes the determination and enforcement of Tax E-commerce to obtain information from observations and documentation in the form of a description of the Effects and Constraints on the Application of E-Commerce Taxes. The study uses descriptive methods so that in collecting data, the authors make the method of observation and documentation, the results of which will be described according to what it is when collecting data.

2. Data Collection Techniques

In this study, the data collected is expected to include a general description of the application of taxes to e-commerce transactions; Constraints and Effects of applying taxation on e-commerce. The documentation method is a method of collecting data in the form of documents, namely in the form of archives, files and records relating to the application of taxation on e-commerce transactions.

3. Data Analysis Techniques

The analysis technique for descriptive research is to present theoretical concepts and a general description of the object of research. Data analysis was performed manually, the authors describe or explain the implementation of e-commerce tax in Thailand in accordance with what was seen during observation without overdoing it or reducing it, then the results of the description were analyzed to find out whether the supporting factors of implementing e-commerce tax in Thailand and the constraints what is experienced in implementing E-Commerce Tax.

D. Research and Discussion Results

1. Classified Ads

- a. The advertiser registers and gives approval for the agreement determined by the Classified Ads Organizer.
- b. Classified Ads Organizer verifies, approves the registration request and issues an invoice for the Transaction Fee. The process of verifying and issuing invoices is an optional process because in some instances, the Classified Ads Organizer does not verify and issue invoices for the Transaction Fee.
- c. In the event that the Classified Ads Provider collects the Transaction Fee, the Advertiser makes payment of the Transaction Fee through an account determined by the Classified Ads Provider.
- d. Classified Ads Organizer provides advertisers with a place and/or time to provide advertisements on Classified Ads sites.



2. Daily Deals

The procedure for implementing taxes on e-commerce transactions with the category of transactions on Daily Deals is 2 tax objects namely Income Tax and Value Added Tax. Where both are taxed on 3 business processes; services for providing place or time, selling goods or services, depositing the proceeds of sales to the organizers of daily deals. Daily deals transactions begin with the Daily Deals Merchant registering themselves with the Daily Deals Provider, after the terms are approved, the Daily Deals Provider provides place or time to the Daily Deals Merchant to sell at the Internet Store.

E. Conclusions And Suggestions

1. Conclusion

- a. The tax application for e-commerce transactions has a supporting factor, namely the ease of buying and selling goods or services at an online store compared to the buying and selling system at conventional stores. Therefore the taxation obligation in value is very much needed considering the increase that occurs in each online sales transaction. The second supporting factor is that the government has also confirmed the taxation aspects of e-commerce transactions. The last supporting factor is tax equality for conventional and online operators.
- b. In applying taxation on e-commerce transactions, there is a challenge to the awareness of taxpayers, namely the e-commerce business people who have not been maximized. On the other hand, the public also tends not to understand taxation, so the tax on E-Commerce transactions is also considered to be not well realized. One way to make this happen is by conducting socialization regarding taxation to online businesses. This characteristic is different from other conventional trading because it turns out that this brings its own problem, namely the difficulty of the government to determine clear and fair tax regulations.

2. Suggestions

- a. The Thai Directorate General of Taxes can cooperate with several related parties (Ministry of Information, E-Commerce Providers and banks) regarding e-commerce transactions.
- b. The Directorate General of Taxation of Thailand can re-socialize the application of taxes on e-commerce transactions, bearing in mind the growth of e-commerce transactions from year to year is increasing.

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