



PAYMENTS SYSTEM AT E-COMMERCE AND INCOME TAX IN INDONESIA

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ABSTRACT

This research aims to determine e-commerce and tax payment methods in Indonesia. Data used is data of Internet Service Provider Association of Indonesia APJII), <http://www.pajak.go.id> and laws discussing related tax regulations on E-commerce. The research methods used in this writing use qualitative research methods. Data disposal using the study of literature and the type of data used is secondary data in the form of taxation regulations in force in Indonesia. The research results are the tax excavation on e-commerce transactions aimed at implementing justice for all taxpayers both conventional and e-commerce. Because the taxpayer's tax obligations are essentially conventional business or e-commerce is no different. Failure to collect taxes from e-commerce transactions will result in the unenforceability of the principle of justice in law enforcement, resulting in an imbalance in competition between entrepreneurs due to the uneven tax burden among Tax, and the acceptance of the State from the tax that is not maximally.

Keywords: Payment Methods, E-Commerce and Tax

A. Introduction

The development of the current payment system is driven by the increasing volume of transactions made by the public in balancing the growing technological developments. This cash payment system is growing from commodity money to fiat money, while the non-cash payment system is growing from a warranty-based (cheque, Bilyetgiro, debit note and so on) to the electronic based (electronic card or electronic money). With a more efficient and practical electronic payment system, it encourages entrepreneurs to leverage the sophistication of technology that makes it easy for consumers to make payments. The payment system and the economic transaction pattern continue to change. Technological advances in payment systems shift the role of cash (currency) as a more efficient and economical means of non-cash payment. Non-cash payments can be made by transferring or using a card as a means of payment, such as debit cards and credit cards. The result of the development of information technology in payment system is the card payment tool (APMK) such as credit card, debit card. The facilities offered in transactions make the community switch using non-cash instruments. Community life patterns tend to want something practical in many aspects, including in terms of transacting. It can increase the volume and value of payment transactions using cards. Electronic payment is an online transaction known as electronic payment (e-payment).

The most revolutionary breakthrough in the business world, because it saves time, transaction costs, reduces the use of paper, labour and safety. With just a few clicks, the transaction is done. Types of electronic payments as follows:

1. Account Transfer, is the most common and popular e-payment, has long been known in the business world. Buyer simply transfer payment to the merchant's account, can be via Teller, ATM, M-Banking or e-banking. This is still used by many online businesses, because it has been very familiar to consumers.
2. Credit Card e-payment system is quite practical, the buyer give the credit card number to the seller, and the payment will be billed to the bank. Quite a lot of online businesses are enforcing this payment system. Because payment is done later.
3. PayPal, this is the most popular way among online businessmen who are already worldwide. Foreign E-commerce majority wearing the PayPal method, because the transaction is considered safer and knows no boundaries of space. The transaction must have a PayPal account, and payment is made to that account. Search can be done at local banks in every country. In summary, PayPal is a virtual Account manager for all those who make online transactions. There are a series of rules that account owners must follow, thereby avoiding them from fraudulent actions. Paypal serves sales, purchase and remittance transactions. There are several types of PayPal accounts according to their needs:
 - a. Special PayPal Personal for individual accounts, limited to a maximum of 5 payments via credit and debit card.
 - b. PayPal Primer Most popular, because it can conduct larger transactions without payment limit.
 - c. PayPal special business for business persons who operate on behalf of the company.
4. Joint account (Escrow), commonly abbreviated to Rekber, this payment system is already popular in Indonesia, and widely applied in forum selling and buying and online market place. Call it Kaskus, Tokopedia, and open LaPak. The method involves a third party, which is trusted as a payment manager. The third transaction is approved, the buyer transfers a certain amount of money to the escrow alias. Once the money is entered and is can to the seller, the seller sends the goods to the buyer.
5. Carrier Billing is more popular with the pulse cutting payment system. The e-payment method is relatively well known in Indonesia, but it is a lot of practical interest. While this is widely used for mobile application purchase transactions, such as game applications, antivirus, music, e-box, and the like. Google Play has teamed up with a number of mobile carriers to provide billing, with the name Google Direct Carrir billing. Every buyer in applicationsgoogle play, can be entered into the monthly bill or directly cut pulse.

E-commerce is business activities involving consumers (consumers), manufacturing, service providers and intermediary traders (intermediaries), by using computer networks (computer networks) Internet. E-commerce is the marketing effort of a company to market products and services as well as build customer relationships through the Internet. As the development of technology and information, now various trade transactions of goods or services can be done online.



The growth of online trading is based on the ease of business in promoting the goods and does not require more costs because it does not require a physical store. The large number of E-Commerce or business online from various people of Indonesia that grow more than conventional traders makes it increasingly the plague because the online trading has an unlimited number of markets. When reviewed from tax laws and regulations, online trading is likely to be subject to tax. But due to the lack of regulation regarding taxation on online business can cause the void of norms that occur in taxation regulations in Indonesia. One of the country's most important revenues for implementation and national development is tax. In order to fulfill the objectives of the Indonesian State listed in the opening of the Constitution of the Republic of Indonesia year 1945 namely protecting all Indonesians and all over Indonesia's blood, and to promote the general welfare, educate The life of the nation and the conduct of world order and the realization of social justice for all Indonesian people based on Pancasila and the Constitution 1945. In order to achieve these objectives, large funds are sourced from natural resources and human resources. As the era, natural resources and human resources are decreasing, then tax is the main choice.

According to article 1 number 1 of the law number 28 year 2007 about the general provisions and taxation procedures, the tax definition is the mandatory contribution to the country that is contained by a private person or a body that is forcing by law, with is not rewarded directly and is used for state purposes for the greatest prosperity of the people. According to Soeparman Soemahamidjaya, the definition of tax is a mandatory tuition of money or goods, imposed by the authorities based on legal norms to cover the cost of production of goods and collective services in achieving the general welfare. The tax collection system in Indonesia is self-assessment system, which is a system that provides trust and responsibility to calculate, deposit, and report the amount of the tax owed by the taxpayer. The Government in this case is obliged to carry out coaching, research, and supervision on the fulfillment of taxpayer obligations, one of which is income tax.

B. Method

The research methods used in this writing use qualitative research methods. Data disposal using a literature study and the type of data used is secondary data in the form of prevailing taxation regulations in Indonesia, supporting documents and previous research results. The literature Data is collected and analyzed by understanding how the author's interpretation in providing feedback on the problems of e-commerce payments and taxes in Indonesia.

C. Research Finding

The birth history of e-commerce in Indonesia since 1994 according to the data of E-Commerce Association of Indonesia (2016) started from the advent of the first commercial Internet Service Provider (ISP) in Indonesia Indosat, then the Kaskus portal in 1999 and was followed by Other startup companies. According to the economic census Data in the Central Statistical Agency (2016) explained that the e-commerce industry in the last ten years grew by about 17% with total e-commerce businesses reaching 26.2 million units.

This phenomenon has an impact on Indonesia's e-commerce growth being the highest online trading potential in the world. The progress of the e-commerce players in Indonesia is no doubt in the homeland. It is also followed by other businesses that support such logistics and payments. So that e-commerce can reach fresh funds reaches US \$10 or about RP 130 billion. Some e-commerce companies have developed a payment system that can be said to be safe by utilizing interbank network in Indonesia. Thus, the people of Indonesia are encouraged to make online shopping easier. Although not comparable to the country of India, China and Korea, Indonesia is still small in the use of this business. But it is not undeniable that Indonesia can write its residence, because Indonesia has the largest e-commerce growth in Asia Pacific. Based on the results of a survey conducted by the Indonesian Internet Service Provider Association (APJII) in 2017, as follows: Source Indonesian Internet Service Provider Association (2017) Figure:

1. Internet User Growth Data

The number of Internet users in Indonesia in 2017 is 143.26 million users of the total population of Indonesia amounted to 256.2 million. Looking at the development of e-commerce in Indonesia is still a real startup business. The value of money that revolves in this business is so appealing to local and originating conglomerates from abroad. Currently e-commerce has got government support in the form of Roadmad e-commerce. The roadmap alludes to the use of universal Service obligation (USO) funds for startup funding, to the creation of incubator and tax equivalence programs, (primary, 2016). Pursuant to law number 7 of 1984 and has been amended to Act No. 36 year 2008 about income tax governs the tax subject regarding the income received or earned in the tax year. According to Mardiasmo (2011) Explain that there are three tax-voting tactics:

- a. The principle of a domisli or residence in which the country reserves the right to impose taxes on all taxpayer income residing in its territory, whether the income Domestic and foreign, and this principle applies to domestic taxpayers.
- b. The source principle, in which the State is entitled to impose taxes on income sourced in its territory without regard to the taxpayer's residence.
- c. The nationality principle, where the taxation of taxes is connected with the nationality of a country.

All transactions related to the preparation for operating the website, where the server is owned by a taxpayer abroad, the treatment will be the same. One of the tenants of the website, which is mandatory for foreign taxes, uses the website to store certain information, which is then offered to third parties, so that third parties become their customers, and the customer Pay dues to access the information referred to, will be included in the category of royalty in accordance with explanation of article 4 paragraph (1) Letter H of Income tax LAW. So if the customer is taxpayer of Indonesian, then the website tenant must be deducted from Income tax article 23/26. Here is an illustration of e-commerce taxation aspect: Source: <http://www.pajak.go.id> Figure

2. E-Commerce Taxation Aspect Ilustration

Tax excavations on e-commerce transactions are aimed at implementing justice for all taxpayers of both conventional and e-commerce. Because the taxpayer's tax obligations are essentially conventional business or e-commerce is no different.

Failure to collect taxes from e-commerce transactions will result in the unenforceability of the principle of justice in law enforcement, resulting in an imbalance in competition between entrepreneurs due to the uneven tax burden among the taxpayer, and the acceptance of the State from the tax which is not maximal (Muniriyanto, 2015a).

D. Discussion

According to Budilaksono (2011) The implications of taxation on e-commerce will arise if the tenant over the space in the Internet Service Provider or Internet service provider is a company domiciled abroad. The presence of overseas companies through a website raises the question of whether the company is a permanent establishment (BUT). Pursuant to article 2 paragraph 5 of the income tax law explains that the activity does not cause the BUT. If the activity provides services through its website, then the company may be subject to Income tax article 23/26, assuming that the company does not have a double taxation agreement with Indonesia (P3B). If the company has a server, furthermore, it will cause the server to be provided with the condition that the server has a fixed and definite location, so as to be subject to income tax (OECD, 2005).

The tax collection for ecommerce transactions in accordance with SE-62/PJ/2013 has emphasized that there is no new tax in e-commerce transactions. So there is no difference in the application of taxation legislation between e-commerce and conventional transactions. For sellers or buyers can be taxed in accordance with the provisions of existing tax legislation (Muniriyanto, 2015b). Based on the circular letter issued by the Directorate General of Taxation namely number: SE-62/PJ/2013 on the affirmation of taxation provisions on e-commerce transactions, among others:

1. Service provision of place and/or time
 - a. Tax object. Income from the provision of services and/or time in other media for the delivery of information.
 - b. Tax subject. A personal person or entity that earns income from the provision of a place and/or time in another medium for the delivery of information.
 - c. Best. Online Market Place organizers as a service provider whose income is not subject to final tax, the tariff of income tax article 17 is applied on taxable income.
 - d. Deduction of PPh. If Online Market place Merchant as service user is taxpayer of personal person or agency appointed as the deduction of PPh, then the service user is obliged to do withholding Income tax article 23, article 21, or article 26.
2. Sale of goods and/or services
 - a. Tax object. Income from the sale of goods and/or provision of services is a PPh object.
 - b. Tax subject. A personal person or entity that earns income from the sale of goods and/or provision of services.
 - c. Best. The Online Market Place Merchant as a seller of goods or services provider in Online Market place whose income is not subject to final tax, the tariff of Income tax article 17 is applied on taxable income.
 - d. Withholding Income. If the buyer of goods or services users is a taxpayer of the individual person or agency appointed as a cutter/collector of PPh, then the buyer of goods or services users shall do the withholding or the poll of PPh.

3. Depositing of the selling result to Online Market place Merchant by Online Market Place Organizer
 - a. Tax object. Income from brokerage Services is an object of PPh which must be done withholding income Tax article 23, article 21, or article 26.
 - b. Tax subject. A personal person or entity that earns income from a payment brokerage service.
 - c. Best. For the organizer of Online Market Place as a service provider whose income is not subject to final tax, the tariff of Income tax article 17 is applied on taxable income.
 - d. Deduction of PPh. If Online Market place Merchant as service user is taxpayer of personal person or body which appointed as PPh cutter, then the service user is obliged to do withholding Income tax article 23, article 21, or article 26 in accordance with Applicable provisions.

E. Conclusion

The development of information technology and followed by the increasing buying and selling activities through online transactions resulted in several problems arose such as the fear of the existence of cybercrime in the technology world by making cyberlaw especially the field Taxation. In increasing tax acceptance, the Government's active role is highly desirable as the Directorate General of Taxation should have a level of vigilance on every development of the e-commerce world. Tax excavations on e-commerce transactions are aimed at implementing justice for all taxpayers of both conventional and e-commerce. Because the taxpayer's tax obligations are essentially conventional business or e-commerce is no different. Forming a supervisory body against e-commerce transactions through the world traffic of the website is required by preparing the human resources experts in the field. The implications of this research are that in accordance with the circular letter of the Directorate General of Taxation i.e. SE-62/PJ/2013 and the income tax LAW in force to date, the government can make renewal policy to stem the crimes of the field of e-commerce and more detail in collecting taxes. It is expected that the tax revenues in the field of e-commerce increase according to the penetration of Internet users in Indonesia that continue to increase annually.

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