

Discourse on the Coretax System in Indonesia: A Study of Legal Certainty and Guarantees for Taxpayers

Dharmawan Arifin¹, Aris Prio Agus Santoso², Poniman³

^{1,2,3} Jurusan Ilmu Hukum, Fakultas Hukum dan Bisnis, Universitas Duta Bangsa, Surakarta, Indonesia

Article Info

Article history:

Received Jan, 2025

Revised Feb, 2025

Accepted Feb, 2025

Keywords:

Coretax

Law No. 20 of 2018

Tax Digitalization

ABSTRACT

Digitalization of Taxation in Indonesia refers to the process of utilizing digital technology and electronic systems to manage, process, and report tax obligations. The Directorate General of Taxes (DGT) employs various applications such as e-Filing, e-Billing, e-Invoice, and other supporting applications. However, one of the main issues is the lack of integration between these applications, leading to unachieved taxpayer compliance, insufficient legal certainty, and weak legal protection guarantees. Enhancing integrated tax digitalization through the Coretax application offers an easy and efficient solution for taxpayers. This study aims to analyze the implementation of the Core Tax Administration System (CTAS) within the Coretax application to improve the number of compliant taxpayers in Indonesia, ensure legal certainty, and provide guarantees for the protection of taxpayers' personal data. The research employs a qualitative method through normative studies and journals related to CTAS. The results of the study are as follows: the ease of use of the Coretax application and its adherence to existing legal frameworks in business processes effectively increase the number of compliant taxpayers. Additionally, incorporating integrated and comprehensive legal foundations for CTAS, such as Presidential Regulation No. 40 of 2018 and Minister of Finance Regulation No. 81 of 2024, enhances legal certainty. Furthermore, the guarantee of data protection through the Personal Data Protection Law (PDP Law) and relevant international regulations ensures the confidentiality of participants' data.

This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.



Corresponding Author:

Name: Dharmawan Arifin

Institution: Jurusan Ilmu Hukum, Fakultas Hukum dan Bisnis, Universitas Duta Bangsa, Surakarta, Indonesia

Email: dharmawan.arifin1312@gmail.com

1. INTRODUCTION

1. Tax digitalization in Indonesia refers to the process of utilizing digital technology and electronic systems to manage, process, and report tax obligations. The primary goal is to enhance efficiency, accuracy, and transparency in tax administration. Several factors driving tax

digitalization in Indonesia include: the Fourth Industrial Revolution with the increasing use of internet-based technology, big data, and artificial intelligence (AI); efficiency and transparency, which aim to reduce bureaucracy, speed up administrative processes, and minimize opportunities for corruption; increasing taxpayer compliance by simplifying and speeding up tax reporting

and payment processes; and the COVID-19 pandemic, which has accelerated digital transformation so that tax services can be conducted remotely without direct interaction (Adha, 2020).

Tax digitalization allows taxpayers, both individuals and businesses, to more easily fulfill their tax obligations, such as registration, payment, and tax reporting online. This process also helps the Directorate General of Taxes (DJP) in more effective tax supervision and collection. Tax digitalization not only simplifies the administrative process but also enhances the effectiveness of tax law enforcement. By utilizing digital technology, the Directorate General of Taxes (DJP) can monitor, enforce, and ensure taxpayer compliance more effectively and efficiently. Taxpayer compliance is considered the key to the success of the digital system implemented. The conditions for compliant taxpayers are outlined in PMK No. 192/PMK.03 2007, Article 1, which states:

"A compliant taxpayer is one who meets the following requirements:

- a. Submits the Annual Tax Return (Surat Pemberitahuan) on time;
- b. Does not have outstanding tax obligations for any type of tax, except for those with approved installment or deferred payment arrangements;
- c. Financial statements are audited by a public accountant or government financial oversight body with an unqualified opinion for three consecutive years;
- d. Has not been convicted of a tax-related crime by a court decision that has legal force within the last five years."

Tax digitalization and tax law are closely linked. Digitalization aims to automate, simplify, and strengthen the management of the tax system, while tax law provides the regulatory framework governing rights, obligations, and tax sanctions. Digitalization not only supports administration but also strengthens the enforcement of tax law. With the digital system in place, the Directorate General of Taxes (DJP) can more effectively monitor, enforce, and ensure taxpayer compliance

fairly and accountably. The DJP has developed various digital applications to improve service, supervision, and tax law enforcement. Online tax applications allow taxpayers to meet their obligations online, from reporting and payment to tax restitution submissions. Tax digitalization brings positive impacts on tax law, such as:

- a. Increasing tax compliance through easier access and transparency;
- b. Strengthening supervision and enforcement with data and analytical technologies;
- c. Encouraging changes in tax law to accommodate modern transactions.

The growing use of digitalization will also affect taxpayer compliance. (Gunadi & Wahyu Nuryanto, 2019), "The application of modern technology or digitalization significantly influences taxpayer compliance." The implementation of digital tax reporting provides taxpayers with many conveniences, including efficiency in time, cost, and the security of tax reporting. (U.-U. Nomor, 11 C.E.) also stated, "Digitalization is a modern form of tax reporting where taxpayers can submit taxes in minutes, making it more efficient, accurate, easier, and faster, which in turn increases taxpayer compliance. The easier the tax submission process, the higher the compliance will be." (Mangkuprawira, 2015) also mentioned, "The ease of tax reporting correlates with increased taxpayer compliance."

Challenges in tax digitalization include various issues, from technical problems to human error or taxpayers' lack of understanding of how to use the digital products. Furthermore, internet infrastructure in Indonesia is still considered lacking and behind compared to other countries, even neighboring nations. The lack of a comprehensive tax data system and weak tax potential mapping also present challenges in the current tax environment (Mahdi, 2016).

The Directorate General of Taxes (DJP) uses various applications such as e-Filing, e-Billing, e-Facture, and other supporting applications. While these systems help digitize most tax processes, they have numerous limitations. The main weaknesses

of these applications include ensuring data security and legal certainty. The lack of integration, analytics, automation, and flexibility leads to various legal issues, such as data leakage, legal validity, legal certainty, and insufficient sanctions for non-compliant taxpayers. The fragmented legal framework spread across different applications complicates tax compliance monitoring. Additionally, minimal integration with international regulations results in violations of tax authority jurisdiction. These issues reduce taxpayer compliance, which impacts state revenue (Mardiasmo, 2016).

As an innovation to improve tax compliance, the DJP has introduced the Core Tax Administration System (CTAS). CTAS is a modern solution to increase efficiency, transparency, and maintenance in tax administration. The establishment of the CoreTax system underwent a lengthy process. Based on research by the Ministry of Finance, the transformation to a core tax system takes a long time, with countries like Australia taking five to seven years to implement. Therefore, the third-party system connected to the DJP was expected to be completed by June 2023, with trials in 2024, and the full implementation of the CoreTax system planned for January 2025 (MAULIDA & ZULAIKHA, 2018).

The hope for using the CoreTax application is that tax authorities can manage data and processes more effectively, while taxpayers benefit from easier compliance with their tax obligations (P. M. K. Nomor, 2007). CTAS changes 21 business processes, including registration, service, territorial supervision or extensification, tax return management, payments, third-party data management, Exchange of Information (EOI), collections, Taxpayer Management (TPM), audit processes, investigations, Compliance Risk Management (CRM), Business Intelligence, Document Management System, Data Quality Management, Objections and Appeals, non-objections, supervision, assessments, educational services, and Knowledge Management. Five of these processes directly affect taxpayers: registration, payment, Taxpayer Account

Management (TAM), tax return reporting, and tax services. With the implementation of the CoreTax system, it is hoped that taxpayers will no longer encounter issues such as system downtimes that previously occurred during critical moments.

The development of the core tax system is also crucial in tax reform due to the lack of integration in the tax authority's information technology systems and limitations in supporting critical functions such as audits and collections, as well as the lack of integrated accounting systems (taxpayer account management). In line with modernization, CoreTax is designed to address the weaknesses in data security and legal certainty for taxpayers. According to (Nurmantu & Mas Rasmini, 2018) the implementation of the e-Filing application has not fully optimized tax compliance. The government's commitment to ensuring the CoreTax system complies with the software provisions outlined in PP PSTE No. 71 of 2019 is essential to guarantee user security.

The increase in tax digitalization using the integrated CoreTax application is supported by legal foundations, including Presidential Regulation No. 40 of 2018 and its explanation in Minister of Finance Regulation No. 81 of 2024. These regulations are based on previous rules scattered across various applications, including: Minister of Finance Decree No. 36/KMK.01/2014, Minister of Finance Decree No. 974/KMK.01/2016, Minister of Finance Decree No. 360/KMK.03/2017. In 2017, the CTAS aligned with the Minister of Finance Decree No. 360/KMK.03/2017, outlining five key themes of tax reform: organization, human resources, information technology and databases, business processes, and regulations, which are broken down into 21 strategic initiatives, including the modernization of CoreTax (Payamta, 2023).

The guarantee of legal certainty for the significant differences in the use of CoreTax, as opposed to previous administration systems, is outlined in Presidential Regulation No. 40 of 2018, Article 5, paragraph 2: "Implementation of tax system updates in the field of legislation as referred

to in paragraph (1) is carried out by arranging:
a. tax legislation that is fair and legally certain;
b. tax policies that support increased tax revenue; and
c. tax policies that support the national economy."

The existence of legal foundations supporting the continuation of the CTAS in the CoreTax application is claimed to reduce fraud or legal violations in the tax field (Sekretariat Negara, 2012). This claim regarding data protection and legal certainty is a focus of this research. The claim of legal certainty in using CoreTax and the potential increase in taxpayer compliance needs further analysis through legal response data. This is necessary to avoid over-claiming, which could reduce public trust. To delve deeper into this, the author has titled the study, "CoreTax System Discourse in Indonesia: A Study of Legal Certainty and Taxpayer Assurance."

The purpose of this research is to analyze whether the implementation of CTAS in the CoreTax application can increase the number of compliant taxpayers in Indonesia, to analyze the legal certainty provided to taxpayers in using the CoreTax application, and to analyze the guarantee of personal data protection for taxpayers in using the CoreTax application.

2. METHODS

This research uses a normative qualitative approach. The study in this writing is doctrinal legal research, supported by secondary data. The qualitative approach utilizes schematic review based on documents related to applicable law and secondary data obtained, such as articles of legislation, various legal theories, and academic works by scholars. The data collected is limited to legal norms related to the Core Tax System Administration (CTAS), Personal Data Protection Guarantees, Legal Certainty for Taxpayers, and Taxpayer Compliance both nationally and internationally. The steps taken by the author are to systematically describe all known factual data, then analyze them using sociological perspective analysis to draw conclusions, providing a concrete

understanding. In this case, by discussing the impact of the Coretax Application System that guarantees legal certainty and personal data protection guarantees on improving Taxpayer Compliance.

This study is conducted to analyze the Coretax Application Guide, Presidential Regulation No. 40 of 2018 regarding CTAS, and the Ministry of Finance Regulation No. 81 of 2024, along with the Compilation of Tax Law. The statute approach is used to analyze various legal rules related to Law No. 7 of 2021 on Tax Regulation Harmonization, Law No. 27 of 2022 on Personal Data Protection (PDP Law), the Civil Code, and Tax Law both nationally and internationally (Republic of Indonesia, 2018). The conceptual approach is used to understand the concepts about: Legal Guarantees and Legal Certainty in the Coretax System for Taxpayers. By obtaining a clear concept, it is hoped that future legal norms will no longer have vague or ambiguous understandings (KEUANGAN, 2012).

3. RESULTS AND DISCUSSION

The Core Tax Administration System (CTAS) plays a vital role in enhancing taxpayer compliance in Indonesia (Resmi, 2022). This system provides various conveniences, transparency, and efficiency, supporting taxpayers in fulfilling their tax obligations on time and in accordance with applicable regulations. Here is how CTAS can influence taxpayer obligations:

a. Ease of Tax Reporting (e-Filing)

CTAS allows taxpayers to report their tax obligations electronically through a simpler and more practical e-Filing system. By using this digital platform, taxpayers no longer need to visit the tax office or fill out manual forms. With just a few clicks, tax reporting can be done quickly and accurately.

b. Automated Reminders and Notifications

One of the features of CTAS is the automatic reminders or notifications to taxpayers regarding their tax obligations. The system notifies taxpayers about upcoming tax reporting or payment

deadlines, so they do not forget or miss them. Timely reminders help taxpayers meet their obligations without overlooking them. This contributes to improving tax compliance as taxpayers stay organized and reduce the likelihood of violations due to negligence.

c. Digital Tax Payment System (e-Billing)

CTAS is also equipped with an e-Billing system that allows taxpayers to make tax payments directly through various integrated payment channels. This system ensures that payments can be made easily and on time without any obstacles. With an easy and integrated payment system, taxpayers are more motivated to pay their taxes on time. The easy access to make payments reduces the chances of delays or tax evasion.

d. Transparency and Real-Time Monitoring

CTAS provides greater transparency in the tax administration process. Tax authorities can monitor taxpayers' tax obligations in real-time, making it easier to detect discrepancies or negligence in reporting and payments. The tight monitoring and transparency offered by CTAS make taxpayers feel more scrutinized. This creates a deterrent effect for those who might consider evading their tax obligations. With transparency in place, taxpayers become more compliant because they know that tax authorities can easily verify their reports and payments.

e. Access to Better Information

CTAS offers easier access for taxpayers to obtain information related to their tax obligations, such as the types of taxes to be paid, tax rates, tax incentives, and proper reporting procedures. With clearer and more accessible information, taxpayers become more aware of their tax duties. This helps reduce discomfort or mistakes in reporting and paying taxes, which ultimately increases compliance rates.

f. Integrated and Automated System

CTAS integrates various tax systems that enable the automatic

management of tax data and taxpayer information. This reduces manual errors in tax calculations or reporting. With an automated and integrated system, errors in reporting or paying taxes become less frequent. Taxpayers no longer need to worry about administrative mistakes or calculations that could lead to violations. As a result, they are more likely to comply with their obligations.

g. Improved Service and Taxpayer Experience

CTAS introduces better, user-friendly services for taxpayers. For example, tax reporting can be done anytime and from anywhere, with responsive system support for taxpayer issues or questions. Better services make taxpayers feel more satisfied and empowered to fulfill their obligations. When taxpayers feel that the tax system supports them, they are more motivated to comply with the existing tax rules.

h. Incentives for Compliant Taxpayers

In a more integrated system like CTAS, providing incentives or rewards for compliant taxpayers is easier, such as through penalty reductions or special facilities for taxpayers who are always punctual. The presence of incentives can encourage taxpayers to remain compliant with their tax obligations. With benefits or rewards for those who meet their obligations correctly, taxpayers are more motivated to follow tax regulations.

i. Simplification of Tax Administration Processes

CTAS covers many aspects of tax administration, such as form filling, reporting, and data verification. With an easy-to-use system, taxpayers no longer feel burdened by complicated procedures. This simplification reduces administrative barriers that often make taxpayers reluctant to report or pay taxes. With easier procedures, tax compliance increases. (Sinaga, 2019) has predicted that the implementation of Core Tax will bring improvements in tax revenue through increased tax compliance. With the Core Tax system, administration will

become more efficient in terms of both time and cost. This is because all taxpayer transaction data will be integrated into one application where taxpayers will have a taxpayer account accessible through a single portal. With this convenience, taxpayers are expected to access tax services more easily. The transfer of data and information to the digital ecosystem, creating an integrated and interactive system with taxpayers by building an automatic regulated digital system, is part of the natural digital system process. This aligns with the vision of the CTAS DJP development team in the reform of Indonesia's tax system.

The implementation of tax digitization using the Coretax application provides compliance for both taxpayers and officers in conducting business processes transparently. Based on YouTube video documentation related to Coretax, there are 21 integrated tax administration business processes, offering many benefits, particularly in enforcing tax law (Rahardjo, 1991). The development of the PSIAP Core Tax is mandated by Presidential Regulation No. 40 of 2018 on Tax Administration System Reform. There are five key points in PSIAP:

a. CRM provides certainty to ensure a more reliable tax system.

CRM (Compliance Risk Management) is an essential element in tax administration technology. Authorities can categorize taxpayers based on their compliance levels. As a result, each taxpayer is treated differently, facilitating tax compliance based on available resources. CRM is also more targeted and measurable, becoming part of DJP's commitment as outlined in Circular No. SE-39/PJ/2021 on the Implementation of CRM and Business Intelligence.

b. Fairer Tax System

Better data integration and processing are believed to address the issues of the shadow economy in Indonesia's tax sector through mapping and outreach activities. As a good start, the DJP's SmartWeb application, part of PSIAP, has begun integrating information about beneficial

owners, family relationships, and business groups owned by HNWI's (High Net-Worth Individuals).

c. Simplification of Tax System Complexity

PSIAP addresses system complexity by providing more direct information, better services, integrating AI into the system, and adding more features. Simplification ensures predictability, more effective and transparent administration, and reduces the scope for aggressive tax planning manipulation.

d. Reduction in Compliance and Administrative Costs

From the taxpayer's perspective, low compliance costs encourage voluntary compliance. PSIAP addresses information asymmetries in tax, the need for tax specialists, high disputes, mandatory implementation periods for taxpayers, and more.

From the authority's perspective, tax collection administration costs become more efficient. Human resource allocation will be more targeted and focused on areas that are not yet optimal.

e. Increased Tax Ratio

PSIAP's presence is expected to add 1.5% to the tax rate related to tax administration. Support for this tax rate will be optimized through policy reforms. Going forward, PSIAP will develop tax policies and laws based on various data and evidence. As a result, the tax system will become better, more targeted, and more measurable.

Based on the presentation by Prof. John Hutagaol in a seminar on Coretax, the benefits of using PSIAP/CTAS are as follows:

a. For Taxpayers

- 1) Availability of taxpayer accounts on the DJP portal
- 2) Higher quality services as taxpayers are given many conveniences
- 3) Reduced potential for tax disputes
- 4) Low compliance costs

a. For DJP

- 1) Reduced manual tasks
- 2) Increased employee productivity and capabilities

- 3) More accountable interactions
- 4) Improved performance

a. **For Stakeholders**

- 1) Access to real-time data
- 2) Improved quality and functions of the organization

The implementation of CTAS significantly reduces opportunities for tax violations through advanced technology, data integration, and real-time monitoring. With this system, taxpayers become more transparent in reporting and paying taxes, while tax authorities are better equipped to detect and prevent violations. Types of violations that can be controlled using CTAS include:

- a. **Tax Reporting Inaccuracy** Taxpayers report taxes that do not align with their actual obligations, either due to intentional errors or lack of knowledge. For example, they may report lower income or unlawfully reduce tax liabilities. With real-time data integration, CTAS cross-checks tax reports with third-party data (such as bank statements or transaction data). The system automatically detects discrepancies, making it difficult for taxpayers to report false information.
 - b. **Tax Avoidance** Taxpayers intentionally avoid paying taxes that have been reported (underreporting or non-payment). CTAS integrates tax reporting (e-Filing) and payment (e-Billing). The system monitors tax payment status and sends automatic notifications to taxpayers who have not fulfilled their obligations. This reduces the opportunity for tax avoidance.
 - c. **Use of Fake Tax Invoices** Some taxpayers use fake tax invoices to reduce tax obligations, such as illegal VAT claims. CTAS enables electronic validation of tax invoices (e-Faktur) through an integrated system. Tax invoices are automatically processed, making it difficult to use fraudulent invoices or manipulate them.
 - d. **Manipulation of Transaction Data** Taxpayers manipulate transaction data to reduce taxable income, such as hiding income or inflating expenses unlawfully.
- CTAS uses big data technology and integrates with third-party systems like banking or marketplaces, so transaction manipulation can be detected more quickly.
- e. **Avoidance of Income Tax (PPH) Obligations** Businesses or individuals often fail to report income that should be subject to income tax (PPH), especially in the informal sector or non-electronic transactions. CTAS integrates taxpayer data with third-party data (banking, e-commerce, etc.), making income concealment more difficult. PPH reporting becomes more accurate because it is based on valid data.
 - f. **Late Reporting and Payment** Taxpayers often delay reporting and paying taxes due to lack of reminders or cumbersome manual processes. CTAS sends automatic notifications and enables electronic reporting and payment. This simplifies taxpayers' ability to meet deadlines on time.
 - g. **Abuse of Tax Incentives** Some taxpayers exploit gaps in tax incentives (such as VAT or PPH incentives) to unlawfully reduce their tax liabilities. CTAS monitors the issuance of tax incentives based on integrated data, ensuring that only eligible taxpayers can receive them. Abuse of tax incentives becomes more difficult.
 - h. **Tax Avoidance by New Taxpayers** Some individuals or businesses avoid tax obligations by not registering as taxpayers. With national data integration, such as from the Ministry of Finance and other agencies, CTAS can detect new taxpayers who have not yet registered and ensure they meet their obligations.
 - i. **Money Laundering Through Tax Transactions** Tax transactions are used by some parties to conceal the flow of illegal funds or money laundering. With tighter surveillance and data analysis technology, CTAS can detect suspicious transaction patterns linked to tax violations or money laundering.
 - j. **Lack of Oversight for Large Taxpayers** Large taxpayers are often difficult to

monitor manually, so violations like transfer pricing or cross-border tax avoidance go undetected. CTAS allows for deeper surveillance of large taxpayers with cross-border data integration (through Automatic Exchange of Information) and automatic risk analysis.

Jan Michiel Otto stated that legal certainty is indeed more juridically dimensional. However, Otto aims to give a broader definition of legal certainty. He defines legal certainty as the likelihood that, in certain situations:

- 1) Clear, consistent, and accessible rules are available, issued by and recognized by the state's authority.
- 2) Government agencies apply these rules consistently and are bound by them.
- 3) Citizens generally adjust their behavior according to these rules.
- 4) Judges in courts are independent and impartial, consistently applying the rules to resolve legal disputes.
- 5) Court decisions are concretely implemented.

The law enforced by institutions tasked with judicial processes ensures "legal certainty" for maintaining order and justice in society. Legal uncertainty can cause chaos, leading to disorder and self-justice. This situation creates social disorganization or societal chaos. Legal certainty is "sicherheit des Rechts selbst" (certainty about the law itself) (DJP, n.d.-b).

There are four elements related to the meaning of legal certainty:

- a. The law is positive, meaning it is legislative law (gesetzliches Recht).
- b. The law is based on facts (Tatsachen), not a formulation of judgments to be made by judges, such as "good intentions" or "courtesy."
- c. The facts should be formulated clearly to avoid misunderstandings and to facilitate implementation.
- d. Positive law should not change frequently.

The existence of the CTAS system fulfills the requirements for providing legal certainty to taxpayers. The Coretax

application regulated by PMK 81/2024 is equipped with an integrated system for handling appeals with transparent data on individual ownership, thus minimizing tax violations. The objectives of PMK 81/2024 in providing legal certainty include:

- a. The electronic implementation of tax rights and obligations.
- b. Registration of Taxpayers (WP), confirmation of Taxable Entrepreneurs (PKP), and registration of Property and Building Tax (PBB) objects.
- c. Tax payments and deposits, including refunds and interest rewards.
- d. Submission and management of Tax Return (SPT).
- e. Provision of tax administration services.
- f. Technical provisions for the implementation of the Coretax System.

The Coretax System became effective on January 1, 2025, as stated in Article 484 of PMK 81/2024. With the enactment of PMK 81/2024, 42 older tax regulations were repealed because they were deemed no longer relevant to the implementation of the Coretax System. Since Coretax is a system designed to enhance transparency, efficiency, and accuracy in tax administration, it helps reduce tax evasion practices, although it may not entirely eliminate them. Here are some improvements in transparency and oversight in the tax process with the Coretax system:

- a. The system links data sources, such as transaction reports from banking and other institutions, making auditing easier.
- b. It minimizes document forgery, such as financial reports or fake tax invoices, since all processes are done digitally.
- c. The Coretax system can detect any discrepancies in tax reporting for auditing.
- d. The data integration and transparency in the Coretax system will increase taxpayers' awareness, as violations will be detected more quickly.

Taxpayers are required to carry out their tax rights and obligations through:

- a. The taxpayer portal provided by DJP.
- b. Other pages or applications integrated with the DJP's administration system, such as the official Tax Application

Service Providers (PJAP).

c. The contact center designated by DJP.

If electronic submission is not possible, taxpayers can submit directly to the Tax Service Office (KPP) or by mail/courier (Proconsult, n.d.). Several tax provisions are further regulated and established by the Director-General of Taxes, as stated in Article 465 of PMK 81/2024:

- a. Types of electronic tax rights implementation and procedures for document submission and channels used.
- b. Follow-up on the implementation of tax rights and obligations (Article 7 paragraph 9), the procedure for issuing electronic decisions (Article 11 paragraph 2), Electronic Documents (Article 11 paragraph 6), and the procedure for submitting decisions and electronic documents (Article 12).
- c. Procedures for the implementation of registration, changes in taxpayer data, transfer of taxpayers, establishment of inactive taxpayers, and deletion of tax identification numbers.
- d. Technical instructions for the implementation of business reporting, confirmation of Taxable Entrepreneurs (PKP), and access to Tax Invoice creation.

Coretax implementation aims to increase national revenue through a more efficient administrative system, support the national economy by providing legal certainty and justice in taxation, align tax regulations with Coretax System implementation, support more effective supervision by the Tax Directorate, and improve transparency and accountability in the tax system (DJP, n.d.-a).

The existence of PMK 81/2024 repeals 20 previous PMKs related to taxes. The existence of clear regulations provides legal certainty. Furthermore, Coretax provides security for taxpayer data (DJP, n.d.-c).

CoreTax implementation increases taxpayer data protection significantly with clear legal regulations and an integrated system that supports transparency and efficiency (DJP, n.d.-d). The system is designed with advanced technologies and security procedures, so the risk of data breaches is much lower than previous

systems. Here's why CoreTax has higher data security:

- a. **Integrated System:** CoreTax integrates all taxpayer data into a single platform, reducing the risk of leaks due to data transfer between disconnected systems.
- b. **Data Encryption:** CoreTax uses advanced encryption to protect taxpayer data during storage and transmission.
- c. **Layered Security:** CoreTax implements layered security, including authentication, authorization, firewalls, and real-time activity monitoring.
- d. **International Security Standards:** CoreTax complies with international security standards like ISO 27001 for information security management.
- e. **Real-Time Threat Detection:** CoreTax is equipped with real-time threat monitoring and detection systems.
- f. **Protection Against Cyber Attacks:** CoreTax is designed to resist large-scale cyberattacks, including Distributed Denial of Service (DDoS) and malware.
- g. **Strict Access Management:** Only authorized users can access certain data, reducing the risk of internal data leaks.
- h. **Data Backup and Recovery:** CoreTax features automatic data backup and recovery mechanisms.
- i. **Compliance with Data Protection Regulations:** CoreTax is designed to comply with the Personal Data Protection Law (UU PDP) and other relevant regulations.
- j. **Periodic Security Audits:** CoreTax undergoes regular security audits to identify and fix potential vulnerabilities.

These measures ensure that the risk of data leakage in CoreTax is lower than in previous systems, fostering greater taxpayer trust in data security.

4. CONCLUSION

The implementation of Coretax offers advantages over the fragmented DJP applications. The conclusions of the researchers in this study are as follows: Coretax is capable of increasing the number of compliant taxpayers by integrating business

operations with regulations, income, and assets owned by taxpayers, either through their employers or third parties. This integration makes it difficult for taxpayers to evade taxes. Coretax provides legal certainty to taxpayers. The integrated system, in accordance with Presidential Regulation No. 40 of 2018 on PSIAP, fosters a society that must fulfill tax obligations on time as stipulated in PMK 81/2024. The transparent rights and obligations outlined in PMK 81/2024 serve as evidence of legal certainty

that can increase the number of compliant taxpayers in Indonesia.

Coretax, which is integrated with the Personal Data Protection Law (UUPDP), guarantees the protection of participant data. The system is integrated, equipped with adequate data encryption technology, layered security systems, international security standards, online monitoring and detection, protection against cyberattacks, strict access management, secure data backup and recovery, compliance with data regulations, and regular security audits.

REFERENCES

- Adha, L. A. (2020). Digitalisasi industri dan pengaruhnya terhadap ketenagakerjaan dan hubungan kerja di Indonesia. *Jurnal Kompilasi Hukum*, 5(2), 267–298.
- DJP. (n.d.-a). *No Title Apakah Kemudahan Pajak akan Meningkatkan Kepatuhan Wajib Pajak?* <https://www.pajak.go.id/index.php/id/artikel/apakah-kemudahan-pajak-akan-meningkatkan-kepatuhan-wajib-pajak>
- DJP. (n.d.-b). *Perjalanan 18 Tahun Digitalisasi Pajak*. <https://www.pajak.go.id/index.php/en/node/41087>
- DJP. (n.d.-c). *Taxpayer Account Management*. <https://pajak.go.id/en/node/107921>
- DJP. (n.d.-d). *Wajib Pajak dan NPWP*. <https://www.pajak.go.id/en/node/34248>
- Gunadi, S., & Wahyu Nuryanto, D. (2019). *Pajak 4.0*. PT. Gramedia Printing, Jakarta.
- KEUANGAN, P. A. K. M. (2012). *Peraturan Menteri Keuangan*. Jakarta.
- Mahdi, M. (2016). *Pengaruh Layanan Pajak Online Terhadap Kepatuhan Wajib Pajak Sektor Usaha Kecil Dan Menengah*. Politeknik Keuangan Negara STAN.
- Mangkuprawira, E. (2015). Rencana Tax Reform/perubahan Ketentuan Umum Dan Tata Cara Perpajakan (UU KUP UU NO. 28 TAHUN 2007). *Jurnal Hukum Dan Bisnis (Selisik)*, 1(2), 17–30.
- Mardiasmo, M. B. A. (2016). *Perpajakan—Edisi Terbaru*. Penerbit Andi.
- Maulida, E., & Zulaikha, Z. (2018). *Analisis Implementasi Pajak Final Untuk Usaha Mikro Kecil Menengah Dalam Perspektif Kepatuhan dan Beban Di Kota Semarang*. Fakultas Ekonomika dan Bisnis.
- Nomor, P. M. K. (2007). 192/PMK. 03.2007 tentang Tata Cara Penetapan Wajib Pajak dengan Kriteria Tertentu dalam Rangka Pengembalian Pendahuluan Kelebihan Pembayaran Pajak. *Jakarta: Menteri Keuangan*.
- Nomor, U.-U. (11 C.E.). *tahun 2020 tentang Cipta Kerja*.
- Nurmantu, S., & Mas Rasmini, S. E. (2018). *Sejarah dan Definisi Pajak*. *Repository UT*. <https://doi.org/KDT>.
- Payamta, C. P. A. (2023). *Bisnis Digital: Mengelola Akuntansi, Pajak, dan Audit dengan Sukses*. Nas Media Pustaka.
- Proconsult. (n.d.). *No Title EOI Adalah: Pengertian, Manfaat dan Cara Menerapkan*. <https://proconsult.id/eoi-adalah/>
- Rahardjo, S. (1991). *Ilmu hukum*. Citra Aditya Bakti.
- Republic of Indonesia. (2018). Presidential Regulation Number 40 of 2018 Concerning The Reform of The Tax Administrative System. *Republic of Indonesia*, 1–18.
- Resmi, S. (2022). *Perpajakan teori dan kasus*.
- Sekretariat Negara. (2012). Peraturan Pemerintah Republik Indonesia Nomor 71 Tahun 2019 Tentang Penyelenggaraan Sistem Dan Transaksi Elektronik. *Media Hukum*, 7(2), 70.
- Sinaga, H. D. P. (2019). Pengaturan Pertanggungjawaban Mutlak Wajib Pajak Di Indonesia dalam Perspektif Keadilan dan Kemanfaatan Umum. *Jurnal Hukum & Pembangunan*, 49(3), 517–546.