TAXPAYER ON MSMES IN RANTAU UTARA DISTRICT, LABUHAN BATU REGENCY

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Abstract
This service aims to observe and socialize a good perception of the effectiveness of the tax system, knowledge and understanding of tax regulations and the level of trust in the legal system and government in paying tax compliance. The population in this study is the MSME taxpayer category of individuals who have free businesses in North Rantau District, Labuhan Batu. This Community Service (PKM) activity was carried out by outreach to the community in Rantau Utara District, precisely on Jl. H Adam Malik. gg. Taruna 45. The results of this Community Service (PKM) activity show that previously MSME members did not know and did not realize what a taxpayer was. So, as a resource person, I conducted a socialization of Taxpayer Community Service (PKM) towards MSMEs in Rantau Utara District, telling me what a taxpayer is and the types of taxes.

Keywords: Taxpayer, Socialization, UMKM.

PRELIMINARY
Taxes have a very important role in Indonesia's economic activities. Tax is one of the most important sources for Indonesia because it can affect the State Revenue and Expenditure Budget (APBN) funds (Dewi, 2018). Reporting from the kemenkeu.go.id website, the amount of the Indonesian State Budget for 2017-2021 can be seen in Table 1.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total State Revenue (Trillion)</th>
<th>Total State Expenditure (Trillion)</th>
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</thead>
<tbody>
<tr>
<td>2017</td>
<td>Rp. 1,750.3</td>
<td>Rp. 2,080.0</td>
</tr>
<tr>
<td>2018</td>
<td>Rp. 1,894.7</td>
<td>Rp. 2,220.7</td>
</tr>
<tr>
<td>2019</td>
<td>Rp. 2,165.1</td>
<td>Rp. 2,461.1</td>
</tr>
<tr>
<td>2020</td>
<td>Rp. 2,233.2</td>
<td>Rp. 2,540.4</td>
</tr>
<tr>
<td>2021</td>
<td>Rp. 2,003.1</td>
<td>Rp. 2,786.8</td>
</tr>
</tbody>
</table>

The amount of the State Revenue and Expenditure Budget based on Table 1 increases every year. This increase was due to the fact that the Indonesian economy was dominated by
business activities based on Micro, Small and Medium Enterprises (MSMEs). Micro, Small and Medium Enterprises (MSMEs) are productive businesses that stand alone and are carried out by individuals or business entities in all economic sectors. The number of MSME units up to 2010 was 53,823,732 units, which were divided into 53,207,500 micro-enterprises, 573,601 small businesses and 42,631 medium-sized businesses, while large businesses were 4,838 units. The percentage of total MSME units in Indonesia based on previous data is 99.99% and large businesses have a percentage of 0.01% (Gugyh, 2012).

The large number of MSME units in Indonesia must also be reflected in tax revenues. However, tax revenue is dominated by large taxpayers whose number is less than 1%, where the rest are taxpayers engaged in MSMEs (Rakhmad, 2012). Tax revenue is one of the largest percentage contributors than other sectors. A country that is successful in collecting taxes optimally will have an influence on economic stability in that country. The role of taxes in realizing the country's economic stability is that it will be higher against the demands of needs and also increasingly complex to the existing challenges (Edwin, 2022)

The problem faced is how to observe and socialize a good perception of the effectiveness of the taxation system, knowledge and understanding of taxation regulations and the level of trust in the legal system and government towards tax compliance. There is a low level of awareness of taxpayers in MSMEs in North Rantau District, Labuhan Batu Regency. Taxpayer awareness is a taxpayer's willing behavior in contributing funds to carry out the tax function, one way is by paying taxes on time and in the right amount (G. Tegoeh, 2018). Therefore, observations and dissemination of good perceptions of the effectiveness of the taxation system, knowledge and understanding of tax regulations and the level of trust in the legal system and government towards tax compliance were carried out.

**METHOD**

The implementation of Community Service (PKM) activities is carried out by the method of socialization to the surrounding community in Rantau Utara District, Labuhan Batu Regency, especially on Jl. H. Adam Malik Gg. Taruna 45. The stages in the Community Service (PKM) socialization program that have been implemented are as follows:

a. Preparation phase

The preparatory stage consists of observation. Observations are carried out by conducting a survey to the location that will be used as a place for outreach to Community Service (PKM). The socialization is the socialization of taxpayers to MSMEs in North Rantau District, Labuhan Batu Regency. The socialization will be held on Friday, March 25, 2022 at Jl. H. Adam Malik Gg. Taruna 45, No.37, Ex. Padang Bulan, Kec. North Rantau, Kab. Labuhan Batu at 15.00 WIB until finished.
b. Activity implementation stage

This Community Service Activity (PKM) is carried out with the socialization method in order to notify that there are taxpayers for MSMEs in North Rantau District, Labuhan Batu. This activity was attended by Mr. / Ms. Advisory Lecturers and MSME actors. The resource person delivered material on what is meant by a Taxpayer, NPWP, and other types of taxes with brief and easy-to-understand delivery so that the audience can understand the Taxpayer. The resource person also conducted a question and answer session to the audience who attended the socialization to be able to further deepen the material that had been explained by the resource person.

Figure 1. Taxpayer Socialization Activities for MSMEs in North Rantau District

RESULTS AND DISCUSSION

One of the SMEs in North Rantau District, Labuhan Batu Regency is the Marine Fish SMEs located in Glugur Market, Rantau Prapat. Community Service Activities (PKM) are carried out on:

Day : Friday,
Date : March 25, 2022
Time : 15.00 WIB until finished.
This service activity is a socialization activity, especially to the perpetrators of MSME Marine Fish at Glugur Market, Rantau Prapat with the theme "Tax Payers to MSMEs". This activity was warmly and positively welcomed by 15 MSME actors.

The results of observations that have been made previously, it was found that the perpetrators of MSMEs of Marine Fish in the Glugur Market did not know and did not realize what a taxpayer was. Sources of tax revenue can come from MSMEs. The increasing number of MSMEs in Indonesia, the greater the factor of increasing revenue from the tax sector. Basically, state income in Indonesia is obtained from tax revenues, non-tax state revenues (PNBP) and state revenues. But in reality, starting from 2009-2019 the realization of income from the tax sector is only 80%. The importance of the role of MSMEs can encourage various efforts to improve and develop these MSMEs to improve people's welfare.

Therefore, the servant conducts socialization by explaining the purpose of the taxpayer and the types of taxes. The materials presented by the devotees are as follows:

a. Micro, Small, and Medium Enterprises (MSMEs)

Micro, Small, and Medium Enterprises (MSMEs) are business entities that can assist economic activities in Indonesia. MSMEs are business units that stand alone and are carried out by individuals. There are differences in Micro Enterprises (UM), Small Enterprises (UK), Medium Enterprises (UM), and Large Enterprises (UB). The differences between the four businesses can be seen in Table 1 (Sam'un, 2021).
<table>
<thead>
<tr>
<th>Scale enterprises</th>
<th>Definition</th>
<th>Criteria</th>
<th>Labor Quantity</th>
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<tbody>
<tr>
<td><strong>Micro business</strong></td>
<td>Individually owned businesses that meet the criteria for Micro Enterprises as stipulated in the Law</td>
<td>a. Have a net worth of at most Rp. 50,000,000.00 (fifty million rupiah) which does not include land and buildings for business premises &lt;br&gt;b. Have annual sales of a maximum of Rp. 300,000,000.00 (three hundred million rupiah)</td>
<td>&lt; 5 people</td>
</tr>
<tr>
<td><strong>Small business</strong></td>
<td>Economic business that stands alone and is carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled or become a part either directly or indirectly and meet the criteria as stipulated in the Act</td>
<td>a. Have a net worth of more than Rp. 50,000,000.00 (fifty million rupiah) to a maximum of Rp. 500,000,000.00 (five hundred million rupiah) which does not include land and building for business &lt;br&gt;b. Have annual sales of more than Rp. 300,000,000.00 (three hundred million rupiah) up to a maximum of Rp. 2,500,000,000.00 (two billion five hundred million rupiah)</td>
<td>5 – 19 people</td>
</tr>
<tr>
<td><strong>Medium Enterprise</strong></td>
<td>An economic business that stands alone and is carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled or become a part either directly or indirectly and meet the criteria as stipulated in the Act.</td>
<td>a. Have a net worth of more than IDR 500,000,000 (five hundred million rupiah) up to a maximum of IDR 10,000,000,000.00 (ten billion rupiah) which does not include land and building for business &lt;br&gt;b. Have annual sales of more than IDR 2,500,000,000.00 (two billion five hundred million rupiah) up to a maximum of IDR 50,000,000,000.00 (fifty billion rupiah)</td>
<td>20 – 99 people</td>
</tr>
</tbody>
</table>

*Source; Law Number 20 of 2018 concerning MSMEs*
b. Taxpayer

One of the sources of funds or sources of revenue for a country to carry out national
development comes from taxes. According to the law, tax is an obligatory public
contribution to the state owed by an individual or entity that is coercive and does not receive
a direct reward and is used for state purposes such as for the prosperity of the people
(Wirmie, 2019).
Taxpayer compliance is one of the most influential factors in efforts to increase tax revenue.
Taxpayer compliance is a condition of taxpayers who are aware of the fulfillment of tax
obligations (Suryo, 2021).

c. Tax Type

Taxes based on the collection agency are divided into two types, namely central taxes and
local taxes. Central tax is a tax collected by the central government which is used to finance
state households. While local taxes are taxes levied by local governments that are used to
finance local households. Then the types of regional taxes are divided into two groups,
namely Provincial Taxes and Regency/City Taxes. Provincial Taxes consist of: Motorized
Vehicle Tax, Motorized Tax, Surface Water Tax and Cigarette Tax. Meanwhile,
Regency/City Taxes consist of Hotel Tax, Restaurant Tax, Entertainment Tax, Advertising
Tax, Street Lighting Tax, Non-Metal Mineral and Rock Tax, Parking Tax, Groundwater
Tax, Swallow's Nest Tax, Rural and Urban Land and Building Tax and Land and Building
Rights Acquisition Fee (Hana, 2021).

The lack of incentives for MSME actors in taxpayer compliance is caused by the low
knowledge and understanding of taxpayers. Therefore, the dissemination of information on
applicable tax regulations that can increase the compliance of an MSME to have a Taxpayer Tax
Number (NPWP).

Socialization about taxpayers is carried out regularly in order to convey all clear
information to taxpayers. Clarity of information in the provision of socialization of taxpayers is
influenced by the method or media of socialization that is easy to understand. Through the
socialization of taxpayers, it can increase the knowledge and understanding of prospective
taxpayers regarding matters related to taxation. Without effective socialization, especially for
MSME owners, business actors have difficulty in fulfilling their tax obligations.

In addition to socialization, MSME actors must know about taxation. Knowledge of
taxation is the most basic thing. According to MSME actors, the taxpayer's policy burdens
business actors because they experience losses that cannot apply for compensation for losses in
the following year. This knowledge of MSME taxpayers also creates a negative stigma in
business actors. As a result of low knowledge, it will have an influence on the decisions of
MSME actors in fulfilling their tax obligations.
Therefore, from the problems found by the service, it is hoped that MSME actors fulfill their obligations to pay taxes in order to help the state and regional economy.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

Community Service Activities (PKM) with the research title "Taxpayers to MSMEs in Rantau Utara District, Labuhan Batu Regency" have been completed. This activity can provide information and knowledge about the obligation to pay taxes for every business actor, especially MSME actors.

Suggestion

Community Service Activities (PKM) are expected to be carried out again in order to increase knowledge and can also be applied in everyday life, not only limited to socialization.

THANK-YOU NOTE

The servant would like to thank the Dean of the Faculty of Economics and Business, Advisor I, Advisor II, the MSMEs of Marine Fish Market Glugur, North Rantau District as well as to the team that has helped the servant in carrying out Community Service (PKM) activities.

REFERENCES


