

Variants of Tax Planning Method Based on Tax Consultant's Perspective

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ABSTRACT

The purpose of this research is to reveal the method best practice of the tax consultant's side regarding corporate tax planning. The method used in this research is qualitative with a case study approach. This method is considered suitable because it helps researchers to reveal in depth the practice of tax planning. The results of the study reveal that the best practices most often used by tax consultants are three, namely depreciation in terms of differences between accounting and tax regarding the useful life and methods used. inventory by choosing between First In First Out and average, both of these methods have their respective advantages and disadvantages, making differences of opinion between senior and junior tax consultants, the last practice most often used is cost shifting. These three practices are proven to be able to minimize the tax burden, but of course there must be considerations made by tax consultants in choosing the best practice to do. The findings of this study can be useful for taxpayers in terms of education and learning related to tax planning, besides that for future researchers it is recommended not only to focus on practices but also to lead to their meaning.

Keywords: Tax Planning; Tax Consultant; Corporate Taxpayers; Best Practice

JEL Classification: H20, H25

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INTRODUCTION

The taxation sector has become the biggest prima donna in a country, one of which is Indonesia. It is not surprising that tax has always been the most important part because it is able to help in

financing public facilities, order and security and other interests. Taxes are of course obtained from taxpayers, both personal and corporate, who pay for the income they get. Taxpayers want the tax to

be paid with the smallest or even zero, while it is different from the government that wants the tax to be paid with a large nominal. Tax abuse cases are the reason for many taxpayers who do not want to pay taxes and there is even public distrust of taxes. If compared between taxes and alms, it is more beneficial if someone gives alms than they have to pay taxes. The difference in perception between taxpayers and the government gives rise to one of the most frequently used strategies in minimising the tax burden called tax planning.

According to deontological theory, it is argued that an action will not be good because the results are good, in the sense that good results are not the reason an action is good but rather it is something we are obliged to do (Hutami & Ludigdo, 2017). Tax planning is a good thing for companies and can be said to be mandatory. However, it must be done with the best practices so that it does not violate the appropriate rules and does not harm any party. Talking about tax planning, it is currently very trendy to do even in the Russian federation tax planning is considered the most effective tool in reducing the tax burden (Sivolapenko & Sapozhnikova, 2020). Tax Planning is one of the ways or strategies used by taxpayers to be able to minimize their tax burden but still within the corridor of tax regulations. As we know that a company or business certainly wants profit, the existence of taxes is of course a separate burden that must be incurred by the company and will certainly curtail the profits they get. The reason taxpayers use tax planning besides not violating tax regulations, sometimes related to loopholes and tax policy and administration.

The government needs to increase taxpayers' knowledge of awareness to understand their rights and obligations (Palil, 2010). However, in contrast to the implementation of tax planning practices, it requires in-depth mastery of regulations, therefore most taxpayers leave it to the Tax Consultant. As

we know, that the consultant's ability to understand regulations is unquestionable. According to Sugiharto et al., (2022) Consultants are not only obliged to assist client taxes to completion, but also to provide an understanding of tax regulations such as the amount of tax payable, the maximum limit for tax deposits, and the maximum limit for tax reports so that in the future taxpayers can complete their taxes independently. Consultants who have been recognized by the Minister of Finance to help with tax-related problems will be preferred by someone rather than people who do not have a code of ethics to work.

The implementation of Tax Planning can be done legally and illegally depending on how the taxpayer or consultant uses it. Illegal practice is the concealment of data so that the tax burden can be reduced or even not pay taxes at all. While the legal practice is to take advantage of taxation loopholes. There are some taxpayers who do tax avoidance which prefers to pay their taxes abroad at a low rate rather than having to pay in Indonesia. There is nothing wrong in this practice, but it will harm the country because of the absence of tax revenue. The issue of tax compliance is still a big mystery that must be addressed by the Government. Reflecting on the country of Israel that has implemented "volunteer disclosure" so that taxpayers are given the opportunity to pay taxes with the real numbers without having to fear any sanctions or penalties (Gïrla & Rahmani, 2016). To be able to influence taxpayers to comply, the government needs consultants who have closeness to clients. However, the practice of tax planning by consultants sometimes occurs an ethical dilemma with a choice between the code of ethics and also client requests. Due to the lack of knowledge of taxpayers about taxation rules, they do various ways to keep their taxes to a minimum. The client's request is of course an order for the consultant even if it has to violate the tax rules.

The main problem now is that many consultants still use their abilities to do things that are not commendable. This is proven by previous research [Angel \(2018\)](#) with the title Analysis of Tax Planning Practices (Tax Planning) as an Effort to Minimize the Amount of Income Tax Due to Corporate Taxpayers at PT. Tropica Cocoprime Manado the result of which is that there is a tax payment that is not in accordance with what was planned in the tax planning calculations due to a deficiency in depreciation costs. It was analyzed that this company uses consultants who of course already understand and know for sure how best to ensure that the taxes paid are as they should be. But it happens again that consultants take their clients in a direction that does not comply with tax rules

The practice we expect from tax consultants is that they must comply with the rules and code of ethics. Consultants can still help taxpayers without having to break the rules and always maintain services that are not harmful ([Mangoting et al., 2019](#)). However, it cannot be denied that the expertise they have makes it easy to engage in illegal practices. This is evidenced by the news [kaltim.antaranews.com](#) which was reported by [Ferdiansyah \(2022\)](#) on 17 February 2022 reporting on the 2016 and 2017 tax audit bribery cases committed by one of the suspects was a tax consultant named Agus Susetyo from PT Jhonlin who received a bribe of 500,000 Singapore dollars.

From the above case, we can identify that there is an error in the tax planning carried out so that the tax consultant dares to bribe the tax auditor. With this problem, researchers are interested in revealing best practices from the tax consultant's side in carrying out tax planning. The deepening of best practices by consultants makes researchers use qualitative research so that they can explain in depth the problems studied.

This research provides different results from previous research. Previous research focused more on tax evasion carried out by consultants and companies, whereas this research focuses more on the best way to prevent tax planning from turning towards tax evasion. The research results show that there are several stages that must be carried out, namely providing education to customers, being aware that the consultant's job is only as an intermediary and explaining to clients several practices that are most often used in tax planning, namely depreciation, inventory and cost shifting

LITERATURE REVIEW

Taxation

Taxes are still the prima donna of the largest revenue in Indonesia, this is evident in 2023 taxes contributed revenue of 101.3% or Rp 1,739.8 trillion. Two tax functions that need to be known are taxes as a source of government revenue (budgetary) and as a rule implementer (regularend). Taxes are coercive in nature, including part of the moral law which means that it is mandatory to contribute to the state which is characterised by spontaneous and voluntary compliance ([Rosembuj, 2022](#)). The tax contribution paid is of course used by the government in financing such as order and security, public facilities, road repairs and many other things. But because they do not get a direct reward for the taxes they have paid, sometimes people are hesitant to pay taxes. Therefore, it is important that there should be socialisation and transparency on the use of taxes by the government.

One of the accounts that will affect the size of profit is tax expense. A company or business will certainly not want a loss, therefore as much as possible to minimise the expenses that will be incurred. [Feldstein \(2006\)](#) explains that high tax rates provide negative results resulting in increased

tax payments so that profits will decrease and result in firm value.

Tax Planning : A Strategy of Tax Minimization

Taxes have a big influence on companies where the greater the tax burden, the smaller the company's profit will be, and vice versa. Therefore, Corporate Taxpayers think of the right strategy to minimise the tax to be paid. One of the strategies is tax planning. Tax Planning is an effort made by taxpayers so that the tax burden is at a minimum level to obtain the expected profit (Herwati & Kumala, 2021). Planning is not a negative thing as long as the practice is correct and does not violate tax regulations because the goal is to avoid wasting unnecessary costs. Transaction engineering needs to be done in accordance with taxation loopholes.

Suandy (2006) states that tax planning is divided into two types, namely national and international. National planning is intended for businesses that are located and transact only within the country and its practices need to consider domestic laws. While international tax planning is a business conducted not only domestically but also abroad and needs to pay attention to tax treaties or agreements and rules of other countries. The type of tax planning must always be considered to determine the practices that must be carried out, because in fact different countries will also have different mechanisms and applicable rules.

Various benefits are obtained when companies implement tax planning, namely in terms of cash expenditure and time discipline. The company always expects that its cash expenditure will be minimal, therefore there must be good cash management. With tax planning, of course, the company has considered how much tax to pay and the company can focus on other financing according to the budget. According to Vu & Le (2021) in their research explain that planning will be said to be successful when the benefits are greater than the

costs we have to minimise. The meaning of this quote is that if we carry out tax planning at a high cost, it is better not to carry it out than to bear a large loss. Another benefit is related to time discipline, taxes are certainly paid on time so as not to be penalised. Delay in payment will cause new expenses for the company, therefore there must be a record or reminder of timely tax payments. Apart from being related to payments, companies must also always be updated regarding tax rules that may change every time. It is necessary to take action to respond to changes to be able to know the rights and obligations and loopholes that can be used in the implementation of tax planning.

In implementing tax planning, it must pay attention to several rules, both the rules of the Minister of Finance and the applicable laws. The analytical tool that must be carried out in tax planning is fiscal correction (Juhandi & Lakasse, 2022). Fiscal correction is the result obtained from adjusting between fiscal and commercial profits according to tax rules through reconciliation. To determine whether the transaction is included in positive or negative corrections, it is necessary to pay attention to several articles such as 4 paragraph 1 regarding income that is tax object, article 4 paragraph 3 regarding income that is excluded as tax object, article 6 paragraph 1 regarding costs that may reduce gross income and article 9 regarding costs that may not be deducted from gross income. The lack of knowledge of taxpayers about these rules makes most taxpayers leave tax matters to tax consultants.

Tax Consultants As Intermediaries

According to the Minister of Finance Number 111 / PMK.03 / 2014 explains that tax consultants are tax experts obtained from various training and education whose purpose is to help taxpayer problems to fulfil their obligations. The tax consultant becomes the mediator between the tax

authority and the taxpayer regarding the applicable tax provisions, apart from being the mediator the consultant also has an obligation as a supervisor in the implementation of taxation in accordance with the latest regulations.

As an expert in taxation, there are several services that consultants can offer to taxpayers. Consultants also have an obligation to ensure that their clients comply with taxation in terms of registering, calculating, paying and reporting (Saputra, 2014). The most commonly offered service is tax management or tax planning which aims to assist clients in maximising profits by minimising tax costs.

In practice, tax consultants must pay attention to the code of ethics or guidelines in acting and thinking when carrying out their duties. Not only in Indonesia, consultants in foreign countries are also required to comply with national laws in carrying out their work (Adigamova & Tufetulov, 2014). A

professional attitude is needed to support work attitudes such as upholding honesty, freedom, and impartiality. With the problem of ethical dilemmas by tax consultants, we expect that consultants remain in a safe corridor or comply with regulations and codes of ethics. Nataliia & Oleksand (2022) explain tax consultants should not take sides between clients and the government, the consultant's job is as a bridge between these two parties.

Tax consultants who act as bridges have several tasks in the tax system such as preparing tax reports, providing education to taxpayers about tax regulations and helping to connect tax authorities with taxpayers. Consultants also have a role in advising taxpayers who do not comply with regulations and do not want to pay taxes on time. Therefore, the higher the use of consultant services, the greater the government's hope that taxpayers will be more compliant with taxation.

Research Framework

The framework below explains the flow to answer the problems in this research [Creswell \(2014\)](#).

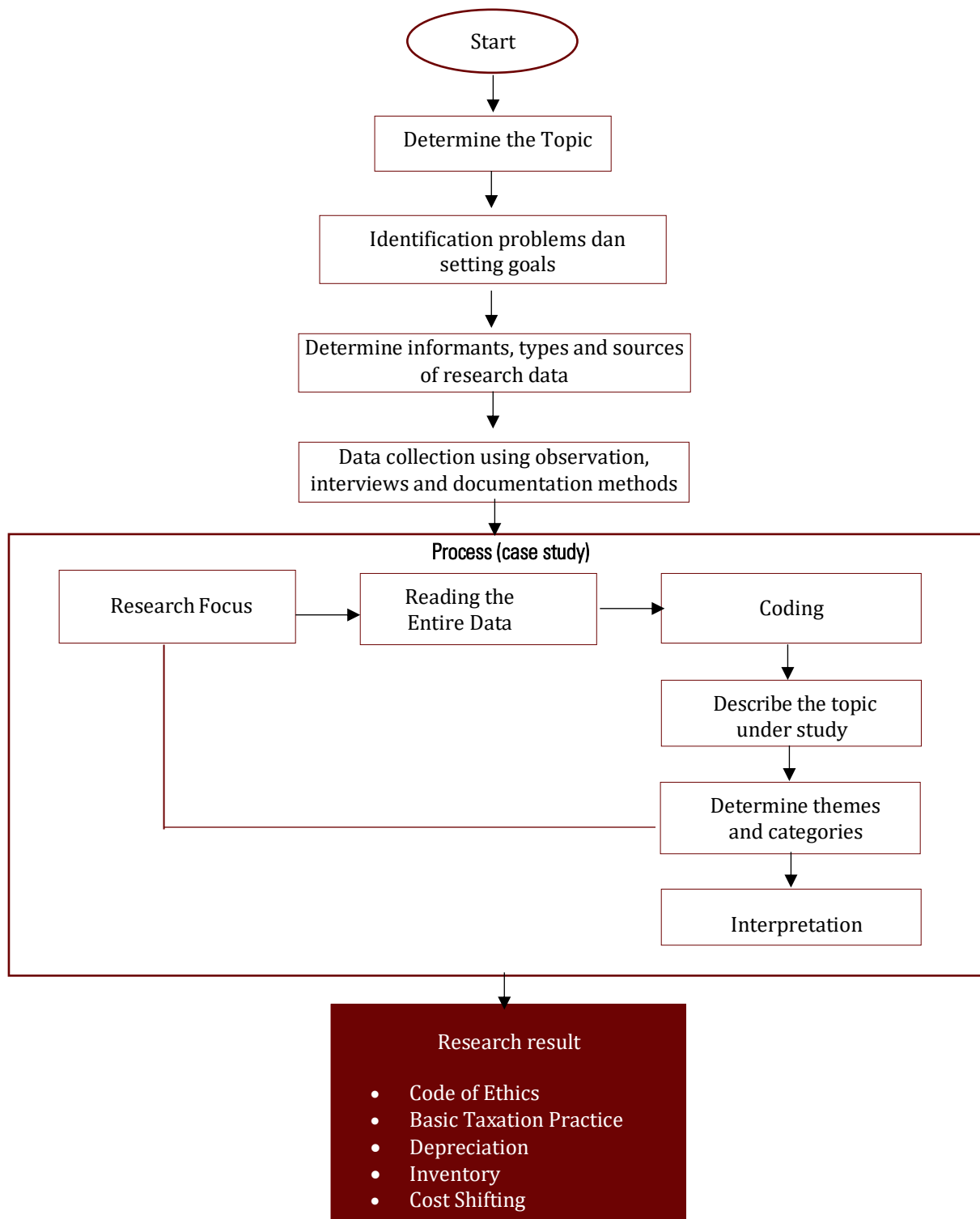


Figure 1
Research Framework

METHODOLOGY

Qualitative With A Case Study Approach

The type of research used is qualitative with the aim of being able to reveal in depth about the problems or phenomena that occur. Qualitative research must have evaluative criteria to maintain the integrity of the work through trust, consistency and credibility (Hammarberg et al., 2016). The main source of qualitative data is of course the words of informants supported by other documents. From this, it is necessary to conduct in-depth interviews to find out all the problems and problem solvers. This interview was conducted face to face with unstructured questions. In addition to interviews, direct observation is also needed by researchers to find out all activities or practices of tax planning by consultants, but in this study researchers only conducted non-participatory observations. Documentation is also needed to strengthen the arguments presented by the informants.

The case study approach is complementary to this research, Creswell (2014) explains that a case study is a qualitative strategy to study the events, work, or real life of a person. The main objective is to reveal and understand in depth the events of a person based on the case obtained. Case studies are determined by interest in individual cases and not in the methods of enquiry used (Hyett et al., 2014). This approach is more directed towards a person's real-life behaviour such as the way they work. Therefore, this approach is considered very suitable in this study to reveal consultants' best practices in tax planning.

Research Informants

The informants of this research are tax consultants in Samarinda who are distinguished in terms of junior and senior. This difference in status is used to determine whether there are differences in practice between young consultants and senior consultants which will later become a separate

discovery by the researcher. This research uses snowball sampling technique in which informants are obtained according to someone's recommendation. The source of recommendation came from the first informant who was more familiar with other informants in Samarinda. Consultants who become informants have been recognised by the Minister of Finance, understand all tax planning processes, there is no element of coercion in it, and are willing to sign an informed consent.

Table 1
Research Informants (initial)

Tax Consultant	Informant Experience
SD	+ 10 Years
MZ	+ 10 Years
EY	+ 1 Years
AFN	+ 5 Years

Source: Researcher 2024

Triangulation And Research Framework

Triangulation is a technique in data validity (data truth) that is checked from various sources such as interviews, observation and documentation. This research uses source triangulation, determining the accuracy of the data by checking from various sources of information provided by each informant. From the words of the informants, different views and the same views will be described or grouped. Even if there is a difference it is because everyone has their own income and their own way of expressing and solving problems.

Before conducting research, the researcher must first determine whether the approach used is relevant to the research objectives. The analysis technique used in the research is in line with the approach used, which is a case study. The case study was chosen in this research because it is in line with the research objectives, namely to gain an

understanding of the best practice tax planning case from the consultant's side.

RESULT AND DISCUSSION

This research is addressed to tax consultants who are officially registered with the Tax Consultants Association Indonesia (IKPI). Tax consultants are a very busy profession or difficult to find. This was felt by the researcher when collecting data. The main task of a tax consultant is to provide training to clients. The researcher

directly saw this activity during a visit to one of the cafes where the informant was met. However, not all tax advisors wanted to be met when they were with clients. The main reason is of course related to confidentiality between parties. Of the four tax advisors that the researcher met, only one dared to connect with his client. The other three informants chose to meet the researcher in their respective workspaces in a calm, cool and well-organised room.

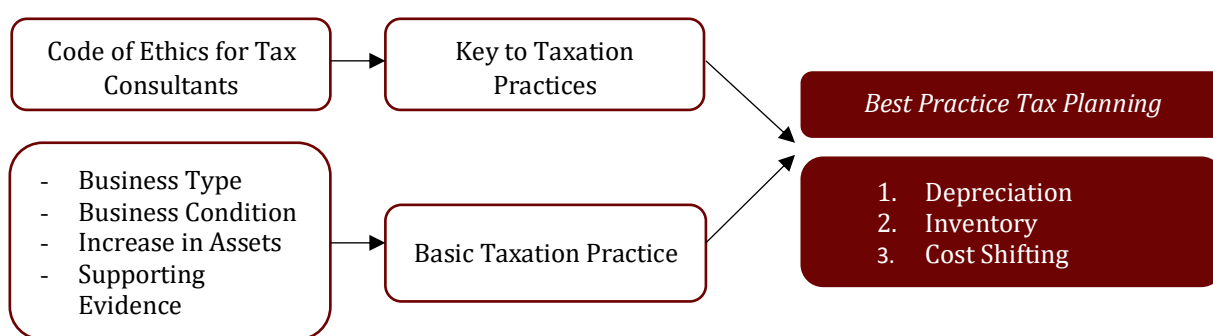


Figure 2
Best Practice Tax Planning Perspective of Tax Consultant

Source: Researcher 2024

The key to obtaining best practice is rules. According to deontology theory, an action will not be good because the results are good, in the sense that good results are not the reason an action is good but it is mandatory for us to do (Hutami & Ludigdo, 2017). It can be concluded that an action is said to be ethical if a person carries out his obligations in which tax consultants are required to be able to comply with the rules of the work performed. For tax consultants, the rules they must obey are the code of ethics. The code of ethics is a rule of conduct that guides in making a decision (Nurhidayati & Suhartini, 2021). The code of ethics is very important in carrying out tasks where the aim is to always remind what is the main task of the consultant and what deviations the consultant should not do. This was conveyed by Mr AFN:

"Well, because we have a code of ethics, we will not go there (irregularities)..."

In addition, the informant said that he would prefer the code of ethics rather than having to commit irregularities. To become a tax consultant is not easy, with one offence will make the tax consultant lose his status. Mrs MZ said this:

"For me, the principle is following my rules or let go. So, when clients don't follow my rules then I will let go, because the risk is that I have an association, I have a licence up to C. If I don't follow it, then everything will be removed. When I don't follow it, then everything will be removed. And it's not easy to get to C, it takes years, bloody exams. I have the licence, the state licence is the problem."

In addition to the Code of Ethics, various considerations must also be considered as a basis

for achieving best practice. These considerations become a reference in implementing tax planning by tax consultants. Tax planning will be better if there is adequate evidence in its implementation, besides that between tax minimisation and asset increase must be appropriate. Tax consultants will certainly try to help taxpayers to minimise their taxes, but the most important thing is that the suitability of conditions, types and evidence must be met. This issue was confirmed by Mr SD:

"Then if he is forced to go down continuously, like yesterday we asked him to go down, well we are ooo at a certain number, sir. "Wahhh I still object". It's hard to do it again, because we are looking for eee supporting evidence, it's difficult.

A company, of course, in making financial statements must comply with applicable accounting standards. However, it is different in terms of taxes which already have laws governing them. When doing tax planning, it is necessary to make adjustments or match between accounting standards and tax rules. Therefore, to be able to practice tax planning, an understanding of the rules of taxation is required. The difference between the accounting standard rules and the tax rules makes a separate gap by tax consultants or companies in conducting tax planning. This activity will result in positive or negative corrections from these differences.

Depreciation

Depreciation is the practice most often suggested by tax consultants to taxpayers to implement tax planning. There is a very clear gap to be used as between the useful life between accounting and tax has a significant difference, in

taxation the depreciation age is regulated in the Minister of Finance Regulation, while in accounting it depends on accounting provisions. This difference must be adjusted to obtain the actual results according to tax. This was confirmed by Mrs EY:

".....The difference is that the tax has been categorised. In accounting, it is still at the company's discretion, not arbitrary, but the electronic standard is 10 vehicles, 15 to 20, but in tax, people don't want to accept it, just adjust it in the fiscal."

Apart from looking at the economic life, the consultant also highlighted that there are differences between the methods used by tax and accounting. Depreciation according to tax regulations which have been regulated in PMK No. 72 of 2023 explained that only two methods can be used, namely straight line and declining balance. Meanwhile, PSAP # 7 Paragraph 57 introduces 3 depreciation methods that can be used, namely the straight-line method, the multiple declining balance method, and the unit of production method. The difference in the method used will result in a different tax burden, therefore it is very important to emphasise the knowledge related to this issue. This was confirmed by Mrs MZ:

"There is straight line depreciation, multiple declining balances that are approved by what tax? Straight line and declining balance only, not multiple declining balances."

The difference in depreciation recording between fiscal and commercial will certainly show quite different numbers and will affect one's profit. Related to this, the researcher illustrates the problem as follows:

Table 2
Calculation of Depreciation Expense According to Commercial

No.	Description	Acquisition Price	Lifespan	Residual Value	Depreciation Expense
1	Office Equipment	Rp 58.000.000	5	Rp 3.000.000	Rp 11.000.000
2.	Pickup Car	Rp 230.000.000	10	Rp 8.000.000	Rp 22.200.000

3.	Office Building	Rp 380.000.000	25	Rp 10.000.000	Rp 14.800.000
Total					Rp 48.000.000

Source: Researcher 2024

Table 3
Calculation of Fiscal Depreciation Expense

No.	Description	Acquisition Price	Lifespan	Residual Value	Rate (%)	Depreciation Expense
1.	Office Equipment	Rp 58.000.000	4	Rp 3.000.000	25	Rp 3.437.500
2.	Pickup Car	Rp 230.000.000	8	Rp 8.000.000	12,5	Rp 3.468.750
3.	Office Building	Rp 380.000.000	20	Rp 10.000.000	5	Rp 925.500
Total						Rp 7.831.250

Source: Researcher 2024

Table 4
Calculation of Tax Expense Differences

Commercial		Fiscal	
Revenue	Rp 120.000.000	Revenue	Rp 120.000.000
Depreciation Expense	Rp 48.000.000	Depreciation Expense	Rp 7.831.250
Profit Before Tax	Rp 72.000.000	Tax Advance	Rp 50.000.000
		Taxable Income	Rp 62.168.750
Tax Expense (20%)	Rp 14.400.000	Tax Expense (20%)	Rp 12.433.750

Source: Researcher 2024

We can clearly see from the calculation above that the commercial and fiscal calculations will find different tax expenses. Commercial displays a tax burden of Rp 14,400,000, while the fiscal is Rp 12,433,750. The difference means that it is proven that tax planning can minimise the tax burden by Rp 1,966,250.

Inventory (FIFO and Average)

Apart from depreciation, tax consultants also often use inventory in terms of methods, namely FIFO and Average. In general, most companies use FIFO in inventory settlement. However, it cannot be denied that there are also companies that use the average method. This difference in methods is also felt by consultants in practice, between seniors and juniors express their reasons for choosing inventory methods.

According to Mrs EY (junior consultant):

"Average, for me, accounting is a loss, well, if at the end, it's definitely a loss. But if FIFO is easier,

because LIFO is not accepted by some accounting. It's not in the mindset."

But from Informant Mrs MZ (senior consultant) said:

"The inventory method is fifo, lifo. Well, we have to adjust to which tax programme is justified. But usually use the average method but can also use FIFO"

Mr SD (senior consultant) was also of the opinion: "Well, there are various kinds. Some are Fifo and some are average. But if we see a lot of average. Because Fifo is sometimes a bit complicated they say. Because they use the average system, the term is that if they use the average, the process is more appropriate Yahhh There are various kinds. Some are Fifo and some are average. But if we see a lot of averages anyway"

The different methods used will of course have an impact on the Cost of Goods Sold. where the smaller the COGS obtained, the company's profit

will also be large and the tax to be paid will be greater as well, and vice versa. Therefore, *tax planning* in utilising the inventory method must really be considered. The following researchers

provide illustrations related to the different results of the tax burden that will be obtained:

Table 5
Inventory Calculation FIFO Method

Purchase			Cost of goods sold			Supplies		
Unit	Price	Total	Unit	Price	Total	Unit	Price	Total
						1.400	24.000	33.600.000
			400	24.000	9.600.000	1.000	24.000	24.000.000
			1.000	24.000	24.000.000			
900	36.000	32.400.000				900	36.000	32.400.000
700	30.000	21.000.000				700	30.000	21.000.000
			500	36.000	18.000.000	400	36.000	14.400.000
						700	30.000	21.000.000
TOTAL			51.600.000			1.100		35.400.000

Source: Researcher 2024

Table 6
Average Method Inventory Calculation

Purchase			Cost of goods sold			Supplies		
Unit	Price	Total	Unit	Price	Total	Unit	Price	Total
						1.400	24.000	33.600.000
			400	24.000	9.600.000	1.000	24.000	24.000.000
			1.000	24.000	24.000.000			
900	36.000	32.400.000				900	36.000	32.400.000
700	30.000	21.000.000				1.600	33.375	53.400.000
			500	33.375	16.687.500	1.100	33.375	36.712.500
TOTAL			50.287.500			1.100		36.712.500

Source: Researcher 2024

From the results of the above calculations, it can be seen that using the FIFO method results in a Cost of Goods Sold of Rp 51,600,000, while using the average method will result in Rp 50,287,000. If we only look at the numbers, of course we will have the FIFO method because it will result in a small tax burden. However, it is different from the opinion of the Senior consultant who explained that using the FIFO method is more complicated than the average method. Junior consultants also argue that using the *Average* method will result in a loss to the company, therefore preferring to use FIFO. In the modern era, it is inevitable that everything uses the system, as well as companies. Therefore, most

companies now use the average method for time efficiency.

Cost Shifting

A company or business is certainly inseparable from the costs that must be incurred. Costs are incurred for development, both current and fixed. It is undeniable that costs will reduce profits. Someone certainly wants a big profit, therefore they think about minimising the expenses incurred. The cost that is now the problem of this research is tax. The greater the income earned, of course, will require us to pay taxes with large numbers as well. This is what will become the main topic in

implementing tax planning by finding loopholes to minimise the payment. When talking about costs, in the tax rules there are some that are not recognised. If these costs are not included in the tax calculation, of course it will be detrimental to the company and the company's profit will be even greater. This will be the consultant's gap in the implementation of tax planning. Mrs EY argues:

".... I reply, if you are in a natural company, is it a pleasure? But actually it is not an enjoyment but a process that costs that we have to spend in accounting terms must be paid, but in tax terms it is not , in the end what, the burden that should not be accepted by the tax is okay if it is 1 million 2 million is still okay, well while the cost is quite large which does require the company, approximately if it is not accepted by the tax approximately the company's loss."

From the informants' statements above, it can be concluded that the existence of costs that are not recognised by tax is a condition that must be adjusted. They try to keep the costs recognised but by transferring them to other methods that are approved by the tax. In addition, what needs to be considered is the tax rate. High tax rates are the reason for taxpayers' objections to implementing tax planning because sometimes there are some transactions that are subject to high rates. Therefore, tax consultants try to find loopholes so that these transactions can be transferred to objects or taxes with low rates.

The following is an illustration of the calculation of the application of tax planning for the transfer of in-kind expenses into allowances:

Table 7
Calculation of Income Tax Article 21 Employees

Description	Allowances	Natura
Salary	50.000.000	50.000.000
Other Allowances	10.000.000	10.000.000
Mess Allowance	5.000.000	-
Gross Income	65.000.000	60.000.000
Deductible Costs:		
- Position Cost	(500.000)	(500.000)
- Pension Contributions	(3.000.000)	(3.000.000)
Total Deductible	(4.000.000)	(4.000.000)
Net Income in a Month	57.500.000	52.500.000
Net Income for the Year	690.000.000	630.000.000
PTKP (K/2)	(67.500.000)	(67.500.000)
Taxable Income	622.500.000	562.500.000
- 5%	3.000.000	3.000.000
- 15%	28.500.000	28.500.000
- 25%	62.500.000	62.500.000
- 30 %	36.750.000	18.750.000
Income Tax Payable in a Year	130.750.000	112.750.000
Total Income Tax (5 Employees)	653.750.000	563.750.000

Source: Researcher 2024

Table 8
Calculation of Fiscal Corporate Income Tax

Description	Allowances	Natura
Gross Income	5.000.000.000	5.000.000.000
Business Expenses	1.500.000.000	1.500.000.000
Mess fee	300.000.000	
Net Income	3.200.000.000	3.500.000.000
Corporate Income Tax (20%)	640.000.000	700.000.000

Source: Researcher 2024

Table 9
Overall Tax Expense

Description	Allowances	Natura
Corporate Income Tax	640.000.000	700.000.000
Income Tax Article 21 Employees	653.750.000	563.750.000
Tax Expense	1.293.750.000	1.263.750.000
Difference	30.000.000	

Source: Researcher 2024

The illustration above illustrates clearly, if the in-kind expenses are not included in the tax calculation, the company must pay a tax burden of Rp 1,293,750,000. This will certainly harm the company, therefore the need for cost shifting to include in-kind in employee benefits. And the transfer does not violate tax regulations or the consultant's code of ethics. The difference obtained if the company applies *tax planning* is IDR 30,000,000 although this difference is not large, but it will be useful for financing the company's future needs.

CONCLUSION

Tax planning offers benefits to taxpayers and plays an important role in making them more active and tax compliant. With tax planning, companies will be more willing to pay taxes because the nominal tax rate and amount will be reduced. Good planning is to make taxpayers willing to pay their taxes, so that government revenue is also stable. This will certainly be beneficial for both parties so that there is no mutual harm and economic development will

progress.

The implementation of tax planning by tax consultants requires a number of considerations, such as the type of business, conditions, rates, and increase in client assets. It cannot be denied that there are still many taxpayers who are reluctant to pay taxes because they conflict with the amount of tax to be paid, so they sometimes ask consultants to minimise their payments, promising high fees. This is certainly an ethical dilemma for tax consultants who choose between ethical rules and the income they receive. However, not all client wishes should be fulfilled if they are unreasonable. Taxpayers need training and education to find solutions to their problems so that they do not resort to illegal practices.

Based on informant information, there are three tax planning best practices most often used by tax consultants. First, depreciation, this practice is a very real one that must be utilised because the taxation and accounting sides have differences in the benefits and methods of depreciation. Secondly inventory, in this transaction which is the main item related to the FIFO and Average methods. Senior and junior informants have

different opinions regarding the method to be used, between these two methods have their own advantages and disadvantages. Thirdly, cost shifting, tax consultants implement this initiative by choosing low tax rate options, such as mess rent that was originally paid by the company is converted into employee benefits.

The researcher's limitation is that during data collection and analysis, the researcher had difficulty meeting informants to obtain information about tax planning implementation procedures,

because there was a time difference between informants and researchers, so participatory observation could not be carried out. Suggestions for future researchers are to try to have connections with certain people related to consultants, so that it is easy to arrange meeting times. It is also expected to open up more transparency or compare tax planning implementation procedures from tax consultants with academics or tax educators.

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