



A Comparative Analysis of the Implementation of Tax Dispute Settlement In Order To Actualize The Principles Of Fast, Cheap, and Simple In Tax Court (Indonesia and Japan)

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ABSTRACT: This paper aims to analyze the implementation of a tax dispute settlement in order to actualize the principles of fast, cheap, and simple in tax court in Indonesia and Japan. This study used a qualitative approach to gain an understanding of the issues. The results indicate that the implementation of the tax dispute settlement in realizing the principle of fast, cheap, and simple in tax court in Indonesia has yet to materialize. Some suggestions are put forward i.e. improving the quality of examination results and multiplying the Tax Court offices in various regions in Indonesia along with the addition of competent human resources.

KEYWORDS: Indonesia tax court, , tax law, the principle of fast, cheap, and simple.

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I. INTRODUCTION

Taxes are people's contributions to the State (which can be enforced) owed by those who are obliged to pay them according to regulations, without getting any performance back, which can be directly appointed, and who use is to finance general expenses related to the State's duty to administer the State. . [1]. The advancement of a country's economy must also be supported by binding laws. The legal relationship in tax is between the State as a tax collector and the people as taxpayers. In making tax payments, the taxpayer is given the active authority to carry out tax obligations by calculating the tax owed, paying / depositing, and reporting to the tax administration (Tax authority). This authority was given in line with the enactment of Law Number 6 of 1983 concerning General Provisions and Tax Procedures which was the beginning of tax reform. The most important change in tax reform was the change in the tax collection system from an official assessment system to a self-assessment system.

Self-assessment system places taxpayers to actively carry out tax obligations by calculating the tax payable by themselves, paying / depositing, and reporting it to the tax administration (Tax authority). Tax authority itself only functions to serve, foster, and supervise the implementation of taxation carried out by taxpayers. Increasing public participation in fulfilling tax obligations is directly proportional to an increase in understanding of tax rights and obligations, this has led to an increase in the number of tax disputes [2]. The implementation of tax collection that is not in accordance with the taxation law will cause injustice for the taxpayer, hence it can lead to the emergence of tax disputes between taxpayers and authorized officials (tax authorities) In its duties and powers, Tax authority in serving, fostering, and supervising the implementation of taxation carried out by taxpayers will make every effort to include funds in the State treasury by collecting as much tax as possible (budgetair), while the economic side of the taxpayer wants the tax burden he receives. truly based on objective truth in accordance with applicable tax regulations. Thus, in essence, objective truth that leads to fairness of the tax burden will be well realized if the laws and regulations are interpreted and implemented by both parties correctly. [3]

Courts are addressed to bodies or institutions that provide justice while the judiciary refers to the process of providing justice in order to enforce the law [3]. The power of the tax court to examine and decide disputes is regulated in Article 33 paragraph 1 of Law Number 14 of 2002, which states that the tax court is the first and last court in examining and deciding tax disputes. The tax court verdict is the final verdict and has permanent and binding legal force. Therefore, the final verdict is an action or act of the court as the executing power of the judiciary to resolve and end disputes that occur between the litigating parties [4]. Even so, it is still

possible to conduct a review to the Supreme Court. The process of settling tax disputes through the tax court needs to be done quickly. Therefore, this law regulates the time limit for settlement, both at the tax court level and at the Supreme Court level.

Ideally, the settlement of tax disputes at the Tax Court must be carried out fairly through fast, cheap and simple procedures and processes. These principles require that the trial be carried out quickly, meaning that in carrying out the trial it is hoped that it can be completed as soon as possible and in a short time. Inexpensive means that the administration of justice is carried out by pressing that prices are affordable to justice seekers, simple means that in carrying out the judiciary it is carried out simply, briefly and without being complicated. In the application of the principle of fast, cheap, and simple justice, it has the value of essential justice, which is closely related to the function of service, judges must truly recognize themselves as officials who serve the interests of law enforcement. The Tax Court is also inseparable from a problem, the poor performance of the tax court will also have a lot of bad impacts for taxpayers.

As the only judiciary in Indonesia, the tax court has an important function in providing justice to taxpayers or tax bearers in order to end tax disputes. Settlement of tax disputes is seen as a significant matter in improving the integrity of taxpayers and tax officials. Taxpayers who receive justice through the process of settling tax disputes that are fast, cheap, and simplified will increase public trust in taxation agencies. An issue that is important to research is the accumulation of tax disputes in the Tax Court which hinders the performance of the Tax Court and the process of settling tax disputes which is still far from being fast, cheap, and simple. This is because taxpayers from the other regions have to convene in Jakarta, Surabaya, or Yogyakarta. Based on geographic, Indonesia is archipelago country and will take a lot of time and money, and the trial is often delayed. In addition, limited human resources are also an obstacle.

In realizing a tax court that is fast, cheap and simple, there are still many obstacles. Therefore, in this study, the researcher wants to make a comparison with the Japanese State Tax Court because the Japanese Tax Court is considered to have met the principles of fast, cheap and simple. The comparison with the Japanese Court is carried out as an evaluation material in realizing a Tax Court that is fast, cheap and simple in Indonesia and it is hoped that it can also become an input for the Tax Court in Indonesia. Therefore, in this study the authors posed a research question, namely: How is the implementation of tax dispute settlement in realizing the principles of fast, cheap, and simple in tax courts in Indonesia and Japan?

II. LITERATURE REVIEW AND RESEARCH DEVELOPMENT

The theories used by researchers in this study include: self-assessment system, taxpayer's rights, tax law, tax disputes, court and tax court, the concept of fast, cheap and simple principles, theory of legal certainty, and theory of justice. According to Haula and Irianto [5], tax collection is the main objective of tax administration. Tax collection in which the taxpayer himself calculates, determines, remits and reports the tax owed is called a self-assessment. In a broad context, taxpayers are entitled to: (1) good and professional services in tax administration and (2) legal certainty in tax administration in order to create justice for the rights of taxpayers.

Taxation Law [6] is the entirety of regulations covering the authority of the government to take one's wealth and hand it back to the community through the State treasury, so that it is a public law that regulates legal relations between the State and individual or (legal) entities who are obliged to pay taxes. A taxation dispute [4] is an event that originates from gaps in perceptions, understanding, application, taxation legislation and tax calculations owed or actually to be paid by taxpayers who owed or actually had to be paid by Taxpayers, as a result of the assessment or written verdict of the tax administration official who was not approved or rejected by the Taxpayer, causing uncertainty.

According to Rocmat Soemitro [7], the difference between the justice, court and judiciary is that the justice focuses on the process, the judiciary is the way, while the court is focused on the council, judge, or government agency. The principles of fast, cheap and simple are applied by the Tax Court in resolving tax disputes that occur between taxpayers and Tax authority. This is done so that the process of settling tax disputes takes place in a fast and non-protracted period, at a low cost and does not burden the taxpayer. As well as the process is not complicated, so that it becomes effective and efficient. However, in applying these principles, must still support the principles of justice and legal certainty, and not reduce the value of the verdicts taken.

According to Rochmat Soemitro [8], the principle of legal certainty is the principle in a state of law that prioritizes the foundation of statutory regulations, compliance and justice in every state's administration policy. The principle of legal certainty in a constitutional state really needs to be maintained in order to achieve order. According to Rahardjo, Satjipto [9], judging according to the law is one of the principles of realizing the state law. Every judge's verdict must have a legal, substantive and procedural basis that existed before an illegal act or violation of the law occurred.

Table 2.1 Comparison Matriculation of Indonesian and Japanese State Tax Courts

No	Information	Indonesia	Japan
1.	Tax Collection System	<i>Self-Assessment</i>	<i>Self-Assessment</i>
2.	Lembaga Peradilan	Within the Tax Court, coaching is carried out separately. Judicial technical guidance for the Tax Court is carried out by the Supreme Court, while organizational, administrative, and financial development for the Tax Court is carried out by the Ministry of Finance.	The National Tax Tribunal (NTT) is an independent institution that is under the judicial power
3.	Attempts to Appeal to Court	Taxpayers can only make one appeal to the Tax Court, if the taxpayer is not satisfied, they can file a review to the Supreme Court. This is because the Tax Court in Indonesia is the first and last court in examining and deciding Tax disputes.	Taxpayers are given the opportunity to take legal action in gradual settlement of tax disputes. Appeals can be submitted to the National Tax Tribunal (NTT), Appeals can also be submitted to the High Court, General Courts other than the Tax Court, and the last legal remedy is filing an appeal to the Supreme Court.
4.	The period of the tax dispute settlement process	<ol style="list-style-type: none"> 1. Taxpayers submit objection requests within 3 (three) months after the date of notification. 2. If not satisfied with the DGT verdict, the taxpayer can submit an appeal request within 3 (three) months after the notification of the verdict. 3. The verdict of the Tax Court can be submitted for a review to the Supreme Court within a period of 3 (three) months. 	<ol style="list-style-type: none"> 1. Taxpayer submits request for Reinvestigation to the local Tax Office within 2 (two) months after the date of notification of verdict. 2. If not satisfied with the Tax Office's verdict, the Taxpayer can apply for Reconsideration to NTT within 3 (three) months after the date of notification of the verdict. 3. The NTT verdict can be submitted to Litigation within 1 (one) month from the receipt of the verdict
5.	Tax Court Domicile	The domicile of the tax court in Indonesia is in the capital city of Jakarta, while Surabaya City and Jogjakarta act as a trial outside the domicile (SDTK)	<ol style="list-style-type: none"> 1. The National Tax Court (NTT) is headquartered in Tokyo, and has 12 Regional Tax Courts, as well as 7 branch offices in major cities. 2. Owns 47 District Courts and 8 High Courts.
6.	Conference Process	Taxpayers who will make an appeal are required to pay in advance the amount of 50% of the disputed tax assessment	Taxpayers can postpone the payment of these tax provisions by providing property collateral for the amount of tax due until the case is decided.
7.	Result of the Verdict	The Tax authority does not change the Appeal Case won by the Taxpayer to be adjusted. This resulted in the same case being tried many times in the Tax Court	If the Court of Appeal wins the Taxpayer, the tax authority will adjust the tax laws and regulations according to the verdict of the appeal, so that in the future the same case no longer needs to be brought to the Court Level
8.	Tax Judgement	Tax Judges in Indonesia are appointed by the President who are proposed by the Minister after obtaining approval from the Supreme Court.	The Japanese Tax Courts do not have special tax judges, however, judges are under a career system and are often transferred to different courts located all over Japan. The members of the Assembly who practically manage tax disputes, consist of tax officials as well as civil court judges and prosecutors.

Source: [10]

III. RESEARCH METHOD

The approach used in this research is a qualitative approach. One important reason for conducting qualitative research according to Creswell [11] is that it is investigative in nature; the topic or population being studied has not been written much and researchers must listen to information from informants and draw pictures based on their information. This research takes the topic of analyzing the process of settling tax disputes at tax courts in Indonesia in an effort to achieve the principles of fast, cheap, and simple (comparative study with Japan). In conducting the research, researchers must listen to the information provided by competent informants and master the problem relating to the tax dispute settlement process and make a picture based on the information from these informants.

The data collection technique used in this research is literature study and in-depth interviews. The sources or informants in this study can be classified as key informants, which are deliberately chosen by the researcher. An informant is a person who is expected to provide useful information for research purposes

through interviews and data needed by researchers. In qualitative research, selecting the right informant is one of the determining factors in the data collection and processing process.

The purpose of this research is descriptive research. Nazir [12] states that what is meant by descriptive analysis is a method that can be used to examine a group of people, a set of conditions, a system of thought or to make a systematic, factual and accurate description, overview or portrayal of facts, characteristics as well as the relationship among the phenomena under investigation. Descriptive research aims to obtain information about the current state, and see the relationship between existing variables. This research is limited to the study of tax dispute settlement at the appellate level at the Indonesian and Japanese Tax Courts. The restriction made in this study is the limitation in the number of appeals received and the tax court verdicts issued in the 2009-2014 period.

IV. RESULTS AND DISCUSSION

The principles of fast, cheap and simple are the most basic principles of justice in the implementation and administration of justice services that lead to the principles and basis of effectiveness and efficiency. To see the implementation of fast, cheap, and simple principles in the Tax Court, the researcher will discuss the analysis of the process.

Implementation of Fast Principles in Tax Dispute Resolution

The principle of speed in the judicial process here means that case resolution does not take too long. The principle of speed in the tax administration justice system can be seen in terms of the duration taken in the trial process to resolve tax disputes, starting from the examination of tax dispute case files, to the reading of verdict by the Panel of Judges.

The fast principle indicator here is not intended to order judges to examine and decide tax dispute cases within an hour or two hours, but refers to an audit process that does not take a relatively long time. With regard to the length of procedure for filing objections and appeals between Indonesia and Japan, there are slight differences. In Indonesia, according to the provisions of Law no. 14 of 2002 concerning the Indonesian Tax Court, the Taxpayers submits SPKB, SKPKBT, SKPLB, If the Taxpayer objects to the results of the audit submitted by the Taxpayer. Taxpayer can file an objection request within 3 (three) months from the date of the withholding / collection letter. The Director General of Taxes must issue a verdict on the objection within 12 (twelve) months at the latest. If the taxpayer is not satisfied with the verdict made by the Director General of Taxes, the taxpayer can file an appeal within a period of 3 (three) months. The process of dispute examination with ordinary procedures occurs within 12 (twelve) months, while for appeals a regular events the procedure are completed in 30 days. The submission of the verdict to the taxpayer within 30 (thirty) days and the implementation of the Verdict of 60 (sixty) days. As stated by the Tax Court Judge in his interview who said that "Taxpayers submit an appeal to the Tax Court for 5-6 months, the trial is approximately 10 months, so the process of filing an appeal until the trial can take up to 16 months to complete."

Meanwhile, in Japan, the applicable provisions are that taxpayers can apply for reinvestigation to the local tax office within 2 (two) months after the notification date of the verdict. If they are not satisfied with the verdict of the local Tax Office, the Taxpayer can submit an application for Reconsideration to the National Tax Tribunal (NTT) within 3 (three) months after the notification date of the verdict. Based on the verdict of the National Tax Tribunal (NTT), taxpayers can submit a re-application that is submitted to Litigation within 1 (one) month from the receipt of the verdict.

The table below shows the number of reinvestigation requests submitted to the Japanese National Tax Agency from 2008 to 2013. The process of completing requests for reinvestigations by the National Tax Agency is carried out within 3 months. The percentage of tax cases resolved by the National Tax Agency is above 90%, which shows that the National Tax Agency's performance is excellent in resolving tax disputes with taxpayers

Tabel 5.1 Percentage of processed requests for reinvestigation within 3 months, and number of processed requests for reinvestigation in Japan

Fiscal Year	Number of cases		Percentage of processed cases (%)	Percentage of taxpayer claims approved in whole or in part (%)
	Taxation-related	tax collection-related		
2008	4,613	700	96.9	8.8
2009	4,081	916	97.7	11.8
2010	3,924	822	99.0	10.0
2011	4,118	393	92.6	8.3
2012	2,863	423	95.4	9.9
2013	2,183	351	97.0	10.0

Source: National Tax Agency Report 2008-2013

The table below is a table of reconsideration requests submitted to the National Tax Tribunal from 2008 to 2013 in principle, the National Tax Tribunal tries to complete the reconsideration process within one

year. The table below shows that 90% of the reconsideration settlement process can be completed by the National Tax Tribunal. This shows the good performance of the National Tax Tribunal. The comparison of the two tables for reinvestigation and reconsideration requests shows that the number of tax cases is resolved properly at the reinvestigation level. This shows that the fewer disputes that enter, the better the performance level of the previous institution.

Table 5.2 Percentage of processed requests for reconsideration within one year, and number of processed requests for reconsideration in Japan

Fiscal Year	Number of Cases		Percentage of Processed cases (%)	Percentage of taxpayer claims approved in whole or in part (%)
	Taxation-related	Tax collection-related		
2008	2,517	297	92.6	14.7
2009	2,311	282	92.2	14.8
2010	3,055	462	93.2	12.9
2011	2,546	421	96.9	13.6
2012	1,388	166	96.2	12.5
2013	1,907	166	96.2	7.7

Source: National Tax Agency Report 2008-2013

According to the researcher, with the speedy settlement of tax disputes, the accumulation of tax dispute files will be resolved. The speedy process of settling tax disputes will also reduce the cost of compliance incurred by taxpayers in resolving their tax disputes. This of course will have an effect on increasing taxpayer compliance in carrying out tax obligations which will then have an impact on increasing state revenue through taxes. In practice, the fast principle has not yet been fully realized. As expressed by Iman Santoso in his interview that "In certain cases the principle of swiftness has not yet been fully realized. There are certain cases where the settlement of the appeal at the Tax Court is quite long. To get justice and legal certainty, taxpayers must wait for decades and for the settlement of the case, the final verdict will only be carried out after the party in the case has passed away. The duration for the trial and the quantity of trials for each case varies, all depending on the type of case whether the case is mild, moderate, or severe." From this statement, the writer can indicate that the type of case in dispute can affect the length of time for dispute resolution. To analyze the extent of the type of dispute's effect on the period of time judges examine and decide tax disputes, researchers use examples of some tax court verdicts which can be seen in the table below.

Table 5.3 Data of Tax Court Verdict in Indonesia

Tax Court Verdict	Type of Tax	Tax Dispute	Information	Duration
PUT. 54989/PP/M.IX A/19/2014	Customs	Appeal for determination customs value with Adding the Proceed to the Imports goods have been imported From the supplier Akashi-Kikai Seisakusho Co., Ltd.	1. Tax Payer appeal letter against DJP verdict on objection to SPKTNP dated 31/01/2013 2. The results of the Session were decided on 18/03/2014 3. The verdict was announced in an open session on 09/09/2014	19 month
PUT. 54986/PP/M.V B/16/2014	VAT	Appeal for fiscal corrections of Tax base in VAT during tax period January-December 2009 in the form of corrections which VAT must be collected is Rp. 7,036,097,335	1. Tax Payer appeal letter against DJP Verdict on objection to SKPKB on 18/01/2013 2. The verdict of the Session is pronounced in the open siding on 08/09/2014	20 month
PUT. 54983/PP/M.V B/15/2014	Corporate Income Tax	Appeal for fiscal correction of Net Income, Tax year 2008 amounting to IDR 2,086,834,392	1. Tax Payer appeal letter against DJP Verdict on objection to SKPKB on 21/03/2011 2. The verdict of the Session is pronounced in the open siding on 08/09/2014	42 month

Source: www.setpp.depkeu.go.id

The data above shows that the process for resolving tax disputes, starting from the issuance of an appeal letter to the result of the trial verdict, has a varied duration where the average time required for the trial process is 21 months. The Tax Court decides disputes the fastest within 13 months and the maximum duration can be up to 42 months. Current verdicts are generally made for more than 12 months due to the excessive

volume of workloads which render them ineffective and inefficient. Similar to Widianingsih Hulufi’s research in 2009 entitled *Analysis of the Position of the Tax Court on Tax Dispute Resolution in Indonesia (Comparative Study with the United States, the Netherlands, and Japan)* which states that one of the reasons for many tax disputes submitted to the Tax Court is the tax authority do not want to follow the court’s verdict. Many of the same cases were tried repeat. According to [27], Fast refers to the course of the justice. Too many formalities are an obstacle to the course of justice. In this case, it is not only the judiciary in the examination before trial, but also the completion of the examination report at the trial until the signing of the verdict by the judge and its implementation. So, the faster judiciary will increase the authority of the court, increase public trust in the court, and the productivity level of the Tax Court employees will be higher.

Table 5.4 Data Appeal & Lawsuit in Indonesia for 2008-2014

Year	Receipt of Appeals Files				Putusan			The end of the year	
	Rest of the Previous Year	New Appeals Files			Total	Appeal’s File	Lawsuit’s File		Total verdict
		Appeal’s File	Lawsuit’s File	Total					
2008	4353	5877	551	6428	10781	3363	407	3770	7011
2009	7011	6840	622	7462	14473	4163	487	4650	9823
2010	9823	5756	943	6699	16522	6297	757	7054	9468
2011	9468	5950	1116	7066	16534	6904	914	7818	8716
2012	8176	6528	824	7532	16068	5489	1064	6553	9515
2013	9515	5939	887	6826	16341	4959	671	5630	10711
2014	10711	-	-	10866	21577	-	-	8845	12732

Source: www.setpp.depkeu.go.id

The data above shows another cause of the fast principle that has not been able to materialize in the Tax Court. Many tax dispute cases have entered the Tax Court but are not balanced with the number of verdicts so that the number of cases is incomplete. Hence, it is still left at the end of the year and added further by new cases in the following year. The availability of human resources (HR) of judges at the Tax Court greatly affects the accumulation of tax cases in the Tax Court. This results in relatively long settlement of tax disputes. In 2013, there was a number of new files specifically for appeals that were submitted to the Tax Court of 5,939 cases and the trend is always increasing every year. Only in 2005, 2010 and 2013 the number has decreased even though the decrease is not significant. The increase in the number of appeals submitted to the tax court was due to the expanding tax sector and the increasing number of taxpayers. Currently, the Tax Court has 49 judges including the head of the Tax Court who also resolve disputes. An informant who is a Tax Court Judge said in his interview that, “Surely the number of Tax Judges greatly influences the accumulation of cases in the Tax Court. How do you want the cases to be resolved quickly if the human resources are lack. Moreover, proving tax disputes requires proof checking. If the case is VAT and the proof is an invoice, then it must be checked one by one. Ideally the Tax Court should have 150 tax judges.”

The Japanese Tax Courts do not have special tax judges. However, judges are under a career system and often transferred to different courts located all over the country. The members of the Assembly who practically manage tax disputes, consist of tax officials as well as civil court judges and prosecutors. However, the District Court verdict can be appealed to one of the eight High Courts, while the High Court verdict can be appealed to the Supreme Court. In Japan, if the appellate court wins the taxpayer, the tax authority will adjust the tax laws and regulations according to the appeal verdict. This is inversely to Indonesia’s situation. For example, an informant who is a Tax Court Judge said in an interview that “In Indonesia, I always hear the same cases. It is not uncommon for me to do the trial of the same types of cases. This is related to the quality of the tax auditors.

Researchers can also indicate that the Indonesian Tax Court itself has not adjusted the tax laws and regulations according to the appeal verdict. This is evident that the Indonesian Tax Court is still accepting the same tax dispute cases for trial even though adjustments to laws and regulations with appeals verdicts can minimize the number of tax disputes that are submitted to the Tax Court as well as legal certainty for taxpayers so that the same case does not need to be brought to court again. A good tax system must be easy to administer and easy to comply with. To establish a taxation system that is easy to comply with, the tax system must have clear legal provisions that are easy for various parties to understand, so as to provide legal certainty. In general, legal certainty is the goal of every law, including tax law. Legal certainty is a condition where there is no doubt in fulfilling tax obligations and carrying out tax rights for taxpayers and researched tax. [13]

The judicial process that takes a long time has an impact on the accumulation of tax disputes in the Tax Court thus affecting its performance. Eddy Mangkuprawira is an academic at the University of Indonesia, said that “The fewer the DGT corrections that are not in accordance with the KUP law, the fewer objections are raised. The root of the problem is that the DGT makes corrections in accordance with Article 12 paragraph 3 of the KUP. The audit report is not appropriate and the taxpayer states that the stipulation is wrong, causing a dispute. As a result, the Taxpayer submits an objection request. As most of the DGT rejected, the taxpayers take

legal action through an appeal". Researchers can also indicate that the Indonesian Tax Court itself has not adjusted the tax laws and regulations according to the appeal verdict.

The number of tax cases in Japan is much less than the number of tax cases in Indonesia. The National Tax Agency (NTA) as the tax authority in Japan routinely and systematically conducts Public Hearing activities which are part of the main duties and functions of the Public Relations Division. Japan, which adheres to the same system (self-assessment system), consistently and continuously encourages the creation of voluntary compliance (fostering voluntary compliance), not only by carrying out law enforcement activities effectively and consistently (enforcement activities), but also encouraging the creation of a conducive climate (favorable environments) for taxpayers through outreach, consultation and public relations activities (Guidance and Public Relations activities). [14]

Implementation of Cheap Principles in Tax Dispute Resolution

A low cost means cost that can be borne by the seeker of justice primarily for the plaintiff. As the parties to the dispute, they will not feel that they are burdened whether in the cost, energy or time consumed. The lighter or smaller the burden borne by the disputing parties, and the simpler and faster the process for settling tax disputes, the disputing parties will receive justice and legal certainty. Low cost in this case means that no other costs are needed unless they are really needed for cases' settlement. The fee must have a clear and light tariff.

In Indonesia, an appeal letter can be filed if the amount of tax due has been paid is 50% (fifty percent). When filing an appeal at the Tax Court, as stipulated in Article 36 paragraph 4 of the tax court law, the taxpayer must pay fifty percent of the tax payable. While in Japan, even though taxpayers are required to pay disputed tax assessments, taxpayers can postpone the payment by providing a property guarantee equal to the amount of tax payable until the case is decided. Therefore, any objection and appeal efforts in the tax court must be corrected in order to fulfill justice for taxpayers and the appropriateness of the concept of the appellate court in its true meaning.

In the researcher's opinion, the 50% (fifty percent) payment of tax payable before filing an appeal to the Tax Court can be burdensome to the taxpayer and also disrupt the taxpayer's cash flow which can cause many taxpayers to collapse or go bankrupt as they cannot pay. This is not in line with the principle of low cost in the Tax Court. The lighter or smaller the burden borne by the disputing parties, and the simpler and faster the process for settling tax disputes, the higher the possibility that the disputing parties will receive justice and legal certainty. According to Lief Mutein, an academic from Sweden as quoted by Darussalam and Septriadi [10], the provisions requiring tax must be paid before an appeal can be processed can be said to be a violation of fundamental rights, namely when taxpayers are required to pay tax provisions that contain serious errors.

Apart from the obligation to pay 50% (fifty percent) of the tax payable as a condition for filing an appeal at the tax court, another issue related to the principle of low cost is the lack of facilities provided by the Tax Court for a place to hold a hearing. Indonesia has an area of 1,904,569 km² and a population of around 230 million people. However, the existence of a tax court seat which is only centered in the capital city of Jakarta is a mismatch with the principle of low-cost litigation. Taxpayers who wish to take legal remedies in settling tax disputes outside of Jakarta must pay the total cost to convene in Jakarta. Meanwhile, Japan in which the area and population is smaller than Indonesia, has a National Tax Tribunal (NTT) headquartered in Tokyo with 12 Regional Tax Courts as well as 7 branch offices in major cities and also 47 District Courts and 8 High Court. Taxpayers can file an appeal through one of the tax tribunals or ordinary courts where the taxpayer is domiciled. This of course makes it easier for taxpayers to seek justice while being able to save costs and time.

Various costs arise in connection with tax disputes, including court fees and fees for attorneys or consultants. One of the typical court fees is the court filing fee required to initiate court proceedings. In Japan, some lawyers charge them an hourly rate based on the time spent on the case, while others work on a contingency fee with multiple initial payments and successful claims. The amount of fees for a lawyer for a tax dispute depends on the agreement with the attorney, but factors such as the value of the dispute, the number of issues and the complexity of the case will determine the cost. The filing fee will be reimbursed by the losing party (i.e., the Japanese government). The cost of using the services of legal advisors must be borne by the taxpayer. There are no rules governing costs in tax dispute trials, except as described above [15]. To initiate a tax lawsuit, a court filing fee must be paid with the amount of which is based on the claim amount. For example, in a case where the amount claimed is ¥ 100,000,000, - the court filing fee is ¥ 320,000, - In cases where the claimed amount is ¥ 1 million, the court filing fee is ¥ 10,000. The 150 percent for the court and 200 percent of the filing fee for the Supreme Court. [15]

If the tax court is located in one or two cities, this is not in line with the principles proclaimed in this court, namely the principle of simple, fast and low cost settlement of cases. This is because the potential of tax disputes itself is very large [7]. Especially, if you look at the large number of taxpayers and tax bearers

throughout Indonesia, this surely can become a potential emergence of disputes in the taxation sector. Other than that, the distance of Indonesia's territory from Sabang to Merauke is quite far [7].

According to Adam Smith, in a taxation system, the costs incurred by the government in collecting taxes must be at the minimum point and this applies equally to taxpayers in terms of fulfilling their tax obligations. The taxation system is said to be efficient if the cost of taxation is low, where the cost of taxation includes compliance costs (ease of compliance) and administrative costs (ease of administration). Referring to Adam Smith's theory, it can be concluded that the cost incurred by the taxpayer (compliance cost) should be as low as possible.

Implementation of Simple Principles in Tax Dispute Resolution

Simple measures the "complicated" or not the solution of things, which means clear, easy to understand and not convoluted. The most important thing is for the parties to be able to submit their wishes clearly and definitely (unchanged) and the solution is done clearly, openly and definitely, with the application of flexible eventual law for the benefit of the parties who want a simple proceeding [16]

Simple proceedings at the Indonesian Tax Court include compiling applications, case acceptance, determination of case fees, determination of panel of judges, appointment of court clerks, determination of trial days, process of case examination in court until the case is decided. Before entering into the examination process at trial, handling of cases in the tax sector first goes through a series of preparatory processes. The preparation process is intended to finalize the case so that when the trial is held, the mapping of the case is relatively clear. Therefore, this stage can also be called the case maturation stage. This matter is regulated in Articles 44 to 48 of Law of the Republic of Indonesia No.14 of 2002 concerning the Tax Court.

From these provisions, the disputing parties must prepare files for proceedings at the Tax Court. It is hoped that these documents can be used as initial material for examination by the judge before entering the trial. The court requests the opposing party, namely the appealed against and the defendant, to submit a description of the appeal or response letter to the lawsuit. After the Tax Court receives the appeal description from the appellants, the next procedure is to send a copy of the appeal description letter to the appellant. For the purpose of examining tax disputes at the Tax Court, the head of the tax court appoints a panel consisting of 3 (three) judges or a single judge to examine and decide the tax disputes. The panel or single judge referred above shall convene on the specified day and notify the said court day to the disputing parties. The trial by the panel of judges is open to the public. [7]

Whereas in the Japanese Tax Court, Taxpayers with objections to the NTA assessment can file an administrative appeal in the first option. The administrative appeal process consists of a request for reinvestigation, addressed to the head of the tax office who made the assessment, and a request for reconsideration, addressed to the National Tax Office (court) to review the assessment. The first stage can be skipped and a request for a review can be made directly to the court. Taxpayers can submit a letter of request to the National Tax Agency (NTA) for an opinion on tax treatment. The request cannot be made hypothetically and must be done prior to filing the relevant tax return. Opinion will not be issued until after the relevant tax filing period deadline.

Into examining appeals, the National Tax Tribunal (NTT) strives to quickly and accurately assess applications from taxpayers and tax authority in dispute, and to reach an appropriate verdict for each case. To this end, the National Tax Tribunal (NTT) focuses on studying disputed cases. After the presentation of the answers by the tax authority, a consultative panel consisting of two or more judges is arranged to ensure a fair and appropriate verdict. The consultation panel should proceed with a prompt examination, based on thorough consultation including sufficient inquiries of statements from the parties concerned to protect the legal rights and interests of the taxpayer. Trials for the National Tax Tribunal (NTT) are not open to the public. The National Tax Tribunal (NTT) is a joint / part of the NTA and has 12 branch offices in Japan. Its powers are said to be exercised independently of other national agencies, including the National Tax Agency (NTA). However, many tax practitioners doubt this, as the majority of examiners are sent from tax bureaus and regional tax offices.

The Japanese court system consists of three levels: the district court as the court of first instance, the High Court as the court of second instance and the Supreme Court as the final court of appeal. All tax disputes are heard by professional judges. The first and second courts can solve problems of fact and law, but the Supreme Court can only address constitutional problems. Taxpayers have the right to make a second appeal to the Supreme Court if the grounds for appeal involving grave issues or special constitutional procedural errors are resulted by law. As previously explained, no judgment is available for tax disputes between taxpayers and tax authority in Japan, only mediation.

The examination process at trial at the Tax Court between Indonesia and Japan has a slight difference. The Indonesian Tax Court has a trial that is open to the public while in Japan the trial at the National Tax Tribunal (NTT) is not publicly open. The examination of disputes at trial is carried out by one or several judges. In the researcher's opinion, this open trial to the public is very important and is intended to uphold court honor,

legal certainty and equality of treatment before the law. A trial that is open to the public can be seen and followed by the proceedings of the trial by everyone and every party so that they can get clear information about the trial. Every Taxpayer and Tax authority can find out what evidences each party has made during the trial process. Verdicts are also made by the Human Rights Council through deliberation to reach consensus. Whenever there is a disagreement, the verdict is taken from a majority vote.

Table 5.5 Matriculation of the Implementation of the Principle of Fast, Cheap and Simple Japan and Indonesia Tax Courts

The principle	Indonesia	Japan
Fast	- The average time required for a trial at the Tax Court is 21 months. The Tax Court decide the disputes the fastest within 13 months and the maximum can be up to 42 months.	- On request for reinvestigation, NTA is working to complete the process within three months. - On request for reconsideration, NTA is working to complete the process within one year - Administrative lawsuits, including tax litigation, last an average of 15 months in a first instance court, 6.6 months in a second instance court and 6.5 months in a final court (i.e., the Supreme Court). However, tax disputes of large scale and complexity generally last longer, especially in courts of first instance, where cases usually remain for approximately two years
Cheap	- There is a requirement that an appeal letter can be submitted if the amount of tax due has been paid is 50% (fifty percent) of the total tax due. – No trial fee. - Only have 3 Tax Courts in 3 Cities which causes taxpayers to pay extra amount to attend the Tax Court.	- Taxpayers are required to pay disputed tax assessments, but taxpayers can postpone payment of these tax provisions by providing property collateral equal to the amount of tax payable until the case is decided. Has a National Tax Tribunal (NTT) headquartered in Tokyo with 12 Regional Tax Courts as well as 7 branch offices in major cities and also 47 District Courts and 8 High Courts. Taxpayers can file an appeal through one of the tax tribunals or ordinary courts where the taxpayer is domiciled. - No fee for Reinvestigation and Reconsideration requests. However, there are court submissions at the Litigation level. Court filing fees are payable, the amount of which is based on the claim amount. The filing fee for the secondary court is 150 percent of the initial filing fee. Meanwhile the filing fee of the court of first instance and the Supreme Court is 200 percent of the initial filing fee.
Simple	- Judges also make verdicts through deliberation to reach consensus. Whenever there is a disagreement, the verdict is taken from a majority vote. - The trial process is not complicated and court hearings are rarely postponed.	- Two or more judges make verdicts to ensure a fair and appropriate verdict. - The trial was straightforward. The judge previously studied the case to be disputed. Afterwards, he heard a presentation of the answer from the tax authority and a statement from the taxpayer, prior to making a verdict

Source: processed by researchers

V. CONCLUSION

The conclusion can be drawn based on the results of this research is that the Quick Principle in resolving tax disputes at the Indonesian Tax Court is still not fulfilled. Getting a court verdict takes a long time, reaching one year or more. The trial is carried out many times and the human resources in the tax court are lacking, especially the number of tax judges. Whereas in Japan, the settlement of tax disputes is relatively faster than in Indonesia. Reinvestigation applications are completed within a period of 3 months, Reconsideration applications are processed within a period of one year and litigation is done by an average of 15 months in the court of first instance, 6,6 months in the second level court and 6.5 months in the final court (Supreme Court)

The principle of low costs in resolving tax disputes at the Indonesian Tax Court is still not fulfilled. Filing an appeal requires taxpayers to pay 50% of the tax payable added by other costs that must be incurred such as transportation costs, due to the Tax Court office in Indonesia only exists in three cities: Jakarta, Jogjakarta and Surabaya. This also includes the costs incurred by the Tax Court to accommodate the Tax Judge for hearing outside the city of Jakarta. Whereas in Japan itself, applications for reinvestigation and reconsideration are free of charge. However, there is a filing fee in litigation. For the second level court, it is 150 percent of the initial filing fee and for the first instance court and the Supreme Court it is 200 percent of the initial filing fee. Fortunately, taxpayers can postpone these payments. Japan has a National Tax Tribunal (NTT) headquartered in Tokyo, and has 12 Regional Tax Courts, as well as has 7 branch offices in major cities and also has 47 District Courts and 8 High Courts, so taxpayers can easily find justice in the Tax Court which is available according to the taxpayer's domicile.

The simple principle in resolving tax disputes at the Indonesian Tax Court has been fulfilled, because the tax court is no longer complicated, open to the public and the trial is not delayed. In Japan, the trial is also straightforward. The judge firstly studied the disputed tax cases. After hearing the answer presentation from the tax authority and a statement from the taxpayer, the judges finally can made a verdict.

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