SUPERVISION AND LAW ENFORCEMENT TOWARDS IMPROVING TAXPAYER COMPLIANCE AT PONDOK AREN PRATAMA KPP

I Gede Komang Chahya Bayu Anta Kusuma[1], Supriyadi Supriyadi[2], Irwan Aribowo[3], Ary Widiastuti[4]
[1,2,3,4]PKN STAN, Indonesia
Corresponding author: I Gede Komang Chahya Bayu Anta Kusuma
E-mail: igbayuantakusuma@pknstan.ac.id

Abstract:
This study analyzes the influence of supervision and law enforcement on improving taxpayer compliance at the Pondok Aren Tax Office (KPP Pratama), focusing on post-audit Taxable Entrepreneurs (PKP). The approach used was qualitative with descriptive-analytical methods, through data collection from interviews (tax officers and taxpayers) and surveys to identify factors influencing post-audit compliance. The study results indicate that stricter supervision and effective law enforcement have the potential to improve compliance, but their implementation still faces significant obstacles such as limited resources, weak taxpayer understanding of tax obligations, and the effectiveness of sanctions that have not yet provided an adequate deterrent effect. The findings also emphasize the importance of more intensive education and outreach for new PKPs and the need to improve internal coordination (for example, between the supervisory and audit functions) to ensure more targeted post-audit follow-up. Key recommendations include strengthening technology-based supervision systems, improving tax counseling, and stricter law enforcement, including the option of freezing electronic certificates to suppress repeated violations and encourage ongoing compliance.
Keywords: Tax Supervision, law enforcement, taxpayer compliance, Pondok Aren Pratama Tax Office

INTRODUCTION

Tax revenue is a major source of state revenue and is crucial for economic and infrastructure development. Tax revenue has also been used to improve public services (Gadenne, 2017). The Directorate General of Taxes (DGT) plays a central role in tax collection through various tax policies in Indonesia. One of the main challenges faced by the DGT is ensuring taxpayer compliance, particularly in tax reporting and payment. The Directorate General of Taxes (DGT) is crucial in maximizing tax revenue through modernizing tax administration and implementing various policies (Fauziati et al., 2017). The Pondok Aren Primary Tax Office (KPP), one of the units overseeing taxpayers in the South Tangerang area, also faces a similar problem, with a high level of non-compliance despite the implementation of supervision and law enforcement. Trust in the government and the perceived fairness of the tax system significantly impact compliance. Taxpayers who trust the government and believe the tax system is fair are more likely to comply voluntarily (Mebratu, 2024).

The government's success in tax collection depends heavily on taxpayer compliance in reporting and paying taxes in accordance with applicable regulations. Trust in government institutions plays a crucial role in improving taxpayer compliance. When taxpayers perceive the government as trustworthy and fair, their willingness to comply increases (Supriyati et al., 2024). Despite various efforts, such as the implementation of e-invoicing systems and data-based monitoring, many taxpayers still fail to fulfill their obligations. One of the main emerging issues is

tax evasion and non-compliance in reporting actual transactions. Tax evasion is a complex socio-economic phenomenon influenced by various factors, including the economic crisis and the impoverishment of certain populations, which encourage individuals to circumvent tax laws (Kumar et al., 2023). Some taxpayers still use various methods to avoid their tax obligations, for example, by not reporting approved tax invoices. Some taxpayers also fail to report portions of their sales to reduce their taxable income (Meiryani et al., 2021).

Tax oversight in Indonesia also faces challenges due to limited human resources and technology. Despite efforts to integrate digital-based tax systems, suboptimal technology implementation often hinders more effective monitoring and oversight of tax obligations. The Core Tax Administration System (CTAS) aims to streamline tax processes and improve compliance through digital means. Challenges such as user adaptation and resistance to digital change persist (Zairin et al., 2025). Another issue is taxpayers' poor understanding of their tax obligations, particularly among newly registered Taxable Entrepreneurs (PKP). This creates a gap between the policies implemented by the Directorate General of Taxes (DGT) and the reality on the ground.

Although supervision by tax officers is conducted routinely, its impact on improving tax compliance is not optimal. Most non-compliant taxpayers have not yet experienced the direct impact of existing supervision and law enforcement. This situation indicates that law enforcement is not yet effective enough. The complexity of tax laws and a lack of transparency can hinder compliance (Djinarto et al., 2024). Therefore, it is crucial to examine the extent to which supervision and law enforcement can improve taxpayer compliance, especially at the Pondok Aren Tax Office (KPP Pratama), and the factors that influence the effectiveness of such supervision. This study aims to determine the implementation of supervision and law enforcement regarding taxpayer compliance at the Pondok Aren Tax Office (KPP Pratama), focusing on taxpayers with PKP status. This study will also delve deeper into the factors influencing tax compliance levels and seek solutions to improve the effectiveness of supervision and law enforcement.

In this study, the author attempts to formulate the problem in the form of research questions, as follows:

a. How do supervision and law enforcement influence taxpayer compliance after an audit?
b. What efforts can the tax office take to ensure that taxpayer compliance improves after an audit?
c. What factors influence the effectiveness of supervision and law enforcement in improving tax compliance?

The scope of this research is limited to taxpayers in the Pondok Aren Pratama Tax Office area who have undergone tax audits. This research does not include taxpayers who have not yet undergone audits. This research is expected to improve the effectiveness of supervision and law enforcement to improve tax compliance in Indonesia, particularly at the Pondok Aren Tax Office (KPP Pratama). Furthermore, the results can also be used as input for the Directorate General of Taxes (DGT) in formulating more effective tax policies.

Tax Compliance Theory. Tax compliance theory explains the factors that influence taxpayer behavior in fulfilling their tax obligations in accordance with statutory provisions. Tax compliance is not only understood as formal compliance in reporting and paying taxes, but also encompasses material compliance, namely the correspondence between the reported tax amount and actual economic conditions.

Classically, tax compliance theory is largely explained through the Deterrence Theory proposed by Allingham and Sandmo (1972). This theory states that taxpayer compliance is influenced by a rational balance between the benefits of tax avoidance and the risk of sanctions that

may be received if non-compliance is detected through audits and law enforcement. Within this framework, supervision and law enforcement are seen as the primary instruments for increasing compliance through a deterrent effect.

However, developments in modern taxation literature indicate that the deterrence approach alone is insufficient to explain taxpayer compliance behavior. Kirchler, Hoelzl, and Wahl (2008), using the Slippery Slope Framework, explain that tax compliance is influenced by two main dimensions: the power of authority and taxpayer trust in authority. Within this framework, supervision and law enforcement represent the power of authority, while the fairness of the tax system, transparency, and fair treatment of taxpayers shape trust.

Thus, sustainable tax compliance stems not only from the fear of sanctions, but also from taxpayer confidence that the tax system is run fairly and professionally. This finding is supported by research by Alm and McClellan (2012) and Gangl et al. (2014), which concluded that tax supervision and audits are effective in increasing short-term compliance, but that creating long-term compliance requires continued monitoring mechanisms and taxpayer guidance.

In the context of this research, tax compliance theory is used to explain how post-audit supervision and law enforcement play a role in shaping taxpayer compliance among Taxable Entrepreneurs (PKP) at the Pondok Aren Tax Office (KPP Pratama), both in terms of formal and material compliance.

Human Behavior Theory in Tax Compliance. In addition to the rational economic approach, tax compliance is also influenced by behavioral factors explained in behavioral theory. This theory is based on the assumption that taxpayers do not always act solely rationally but are influenced by psychological, social, and institutional environmental factors.

One relevant behavioral theory is the Theory of Planned Behavior (Ajzen, 1991), which states that individual behavior is influenced by three main components: attitudes toward behavior, subjective norms, and perceived behavioral control. In the context of taxation, taxpayer attitudes toward taxes, social pressure from the business environment, and perceptions of audit capability and risk will influence taxpayers' decisions to comply or not.

Behavioral theory also explains that tax supervision and audits can influence taxpayer behavior by shaping risk perceptions. Intensive and consistent supervision increases the perceived likelihood of detection of violations, thus encouraging behavioral changes toward compliance. However, if supervision is only temporary, the resulting behavioral changes tend to be transient.

Furthermore, from a Behavioral Tax Compliance perspective, factors such as tax education, communication between tax authorities and taxpayers, and experiences interacting with the tax authorities significantly influence the formation of voluntary compliance. Research by Gangl et al. (2019) shows that persuasive and educational approaches employed by tax authorities can increase compliance without always relying on sanctions.

Thus, human behavior theory asserts that supervision and law enforcement that solely emphasize the fear of punishment are insufficient to foster sustainable compliance. An approach that combines control, education, and mentoring is needed, especially after a tax audit. This perspective is relevant to the research focus, which emphasizes the importance of post-audit supervision in fostering taxpayer compliance at the Pondok Aren Tax Office (KPP Pratama).

Theoretical Framework. A conceptual framework is a conceptual model of how theory relates to various factors identified as critical issues (Sugiyono, 2011). It provides guidance for finding tentative answers regarding the effectiveness of supervision and law enforcement in improving tax

compliance in Indonesia, particularly at the Pondok Aren Tax Office (KPP Pratama). Furthermore, the issues raised can be formulated into a conceptual framework as follows:
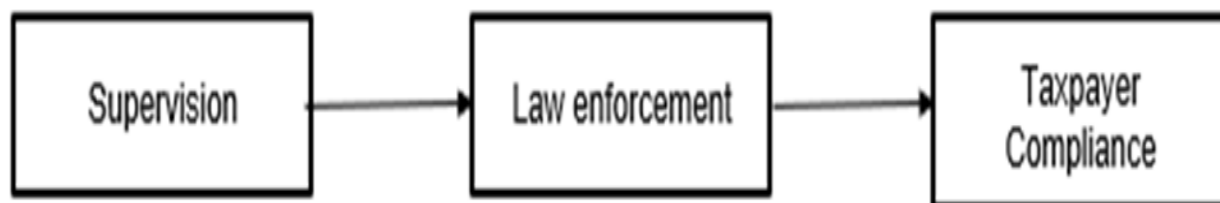

Figure 1. Framework of Thought

METHODS

Research Type. This research was conducted using a descriptive qualitative method. Qualitative research is based on the philosophy of postpositivism, which is used to examine the natural conditions of an object. The researcher serves as the key instrument. Data collection techniques used are triangulation (combined), and data analysis is inductive.

Data were collected through interviews with tax officials and taxpayers, as well as a survey to assess the influence of supervision and law enforcement on tax compliance.

Data Types and Sources. The data types in this study are primary and secondary data. Primary data is data collected by the researcher himself through methods such as interviews, observations, or trials specifically designed for the research purpose. This primary data is collected directly from relevant sources and obtained directly from informants/respondents or research subjects who understand the problem. The types of data used are primary data obtained through interviews with tax officials and secondary data obtained from tax-related documents at the Pondok Aren Pratama Tax Office.

Data Analysis Techniques. Data were analyzed simultaneously with data collection through data reduction, data display, and data verification processes (Sugiyono, 2018). The data obtained and interpreted refers not only to the data itself, but also to the accompanying context. This allows researchers to provide a broader interpretation of the data and to produce meaningful and useful findings.

Time and Place of Research. Research activities, including planning, data collection, data processing, and writing of the research report, were conducted from July 1, 2025, to December 31, 2025. The research activities were conducted at the Pondok Aren Pratama Tax Office, South Tangerang, from November to December 2025.

Research Instruments. Research instruments play a crucial role in a study, serving as tools for collecting data on the natural or social phenomena being studied, as outlined by Sugiyono (2015). Without the right instruments, researchers will have difficulty collecting the necessary data, which can ultimately hinder the smooth running of the research process.

In this study, data was obtained from various sources, including informants, events, and documents. Each data source was selected according to the research focus, ensuring that only relevant data was analyzed, while irrelevant data was ignored. Interviews with informants were conducted separately at different times, using an interview guide that included open-ended questions. This allowed informants to respond freely and convey information from their perspectives. The results of these interactions were then analyzed using a qualitative approach.

Data Collection Method. According to Sugiyono (2017), data collection techniques are a crucial aspect of research, as they aim to gather data that meets the research needs. In this case,

primary data was obtained through interviews with several informants selected by the researcher based on certain criteria, such as their understanding and competencies relevant to the research topic. Through these interviews, researchers were able to directly hear the responses and perspectives of the informants. Interviews with the informants were conducted using Zoom meetings.

Data Analysis Method. The data analysis stage is a crucial step in research, where the collected data is processed to answer the stated research questions. Data obtained from the interview recordings were then transcribed. The open-ended, qualitative data were analyzed using a descriptive qualitative approach.

RESULT AND DISCUSSION

Problem Identification Implementation in the Tax Audit Preparation Stage. Interviews with tax officers at the Pondok Aren Pratama Tax Office (KPP Pratama), revealed various findings related to supervision and law enforcement that affect tax compliance levels. The following are the results of interviews with several tax officers:

Supervision of Taxable Entrepreneurs (PKP). Tax officers, as conveyed by Mr. A, emphasized the importance of monitoring PKPs that fail to fulfill their Value Added Tax (VAT) reporting and payment obligations. Supervision is conducted by utilizing trigger data from the AproWeb system, which can detect unreported or unpaid tax invoices. In addition, visits to business locations are conducted to ensure the accuracy of reported data and to ensure that taxpayers are not using tax funds for personal gain or business development.

Several interviews with other tax officers revealed problems in monitoring uncooperative taxpayers, particularly those with PKP status who fail to report approved tax invoices. This indicates non-compliance that must be addressed with a more assertive approach, such as imposing sanctions or suspending electronic certificates for non-compliant taxpayers.

Issuance of SP2DK and Law Enforcement. One form of supervision implemented is the issuance of a Letter Requesting Explanation of Data and Information (SP2DK) to taxpayers who fail to fulfill their tax reporting obligations. Mr. Idari from the Pondok Aren Pratama Tax Office explained that SP2DKs are issued regardless of the amount involved. However, if there is no response from the taxpayer, a further audit process will be conducted. Furthermore, officers also utilize internal and external data to verify whether the taxpayer has actually committed a tax violation.

Interviews with other officers, such as Mr. G, revealed that despite the ongoing monitoring and audit processes, some taxpayers continue to repeat the same mistakes, such as failing to report VAT after transactions. This indicates that despite supervision and law enforcement, long-term changes in taxpayer behavior are not optimal.

The Importance of Education and Socialization. Taxpayer education is also a key focus in improving tax compliance. Several tax officers suggested that in addition to strict supervision, taxpayers need to be provided with a deeper understanding of their tax obligations. For example, training or consultation sessions for new VAT-Registered Taxpayers (PKP) should be held to understand how to correctly prepare tax invoices and report them via e-invoice. This will reduce frequent administrative errors.

Based on an interview with Ms. S, there are also challenges in post-audit supervision, where there is no formal coordination forum between Account Representatives (ARs) and the officers conducting the audits. As a result, ARs do not always receive complete information regarding the

status of taxpayers who have been audited. This information is crucial for continuing supervision and ensuring taxpayer compliance after the audit is complete.

Figure 2. Processed by Nvivo 1

Triangulation. Data triangulation was conducted by comparing interview results with data from the tax system and other relevant documents. This triangulation provides a more comprehensive picture of the impact of supervision and law enforcement on tax compliance at the Pondok Aren Tax Office (KPP Pratama).

Interviews with Mr. I and Mr. G revealed that supervision using trigger data from AproWeb was effective in detecting non-compliance. Challenges arose when taxpayers did not respond to letters sent, or when they continued to repeat the same errors despite being sanctioned.

Based on the system data, the majority of tax violations at the Pondok Aren Tax Office were related to non-compliance with VAT reporting. Trigger data revealed many tax invoices that were approved but not reported by taxpayers. This indicates that, despite ongoing supervision, stronger law enforcement is needed. Findings from the interview with Ms. S revealed a lack of coordination between departments within the DGT, particularly between auditors and audit officers. This compromised the effectiveness of post-audit supervision, as auditors did not receive adequate information regarding the audit results. A more integrated system and internal policies that facilitate coordination between departments are needed to improve the effectiveness of oversight and law enforcement.

pajak	wajib	biasanya	apakah	secara	dilakuka	edukas	harusny	kepatuh	langsur	sehingg	kemari	perusa	gilang
	lebih	berarti	betul	hukum	mereka	kantor	menjad	pemer	sebag	beber	kasus	sendir	bapak	dapat
pemeriksaan							salah	peneli	hasil	sebelu	selesa	boleh	hanya	pusat
	diperiksa	misalnya	menurut	teman	sekaran	naman	benar	semua	masuk	waktu	walau	akhirn	bukan	kayak
				bayar	faktur	sp2dk	kayak	ternya	aktif	adala	kewa	kurang	level	paling
pengawasan	tahun	terkait	misalkar	kadang	selama	bahwa	setelah	daftar	ketika	giman	masa	prose	mem	pasti	seka
								peneg	lapora	tetap	lakuk	term	cuku	mud
	sebenarnya	banyak	sampai	melakuka	enggak	begitu	bagaim	faktor	patuh	perlu	keten	melih	besa	terha	kore

Figure 3. Processed by N-Vivo 2

Factors Influencing Tax Compliance. Several factors influencing the level of tax compliance at the Pondok Aren Pratama Tax Office (KPP Pratama), based on interviews, include:

1. Taxpayer Understanding, Many taxpayers do not fully understand their tax obligations, especially those newly registered as VAT-Registered Persons (PKP). This leads to errors in filling out tax invoices and reporting VAT. Therefore, more in-depth and structured education is essential.
2. Awareness of Sanctions, Although administrative sanctions have been implemented, many taxpayers consider them insufficiently threatening. Therefore, stricter law enforcement is needed, including the possibility of suspending electronic certificates for non-compliant taxpayers.
3. Limited Resources, Tax officers at the Pondok Aren Pratama Tax Office (KPP Pratama) revealed that limited human resources are a major obstacle in supervising the large number of taxpayers. Therefore, it is important to improve the technology-based supervision system to make it more efficient.
4. Use of VAT Funds for Personal Purposes, Some taxpayers use VAT funds that should be deposited for personal purposes or business development. This demonstrates that in addition to oversight, there is a need for monitoring of cash flows to ensure that funds received are used in accordance with tax regulations.
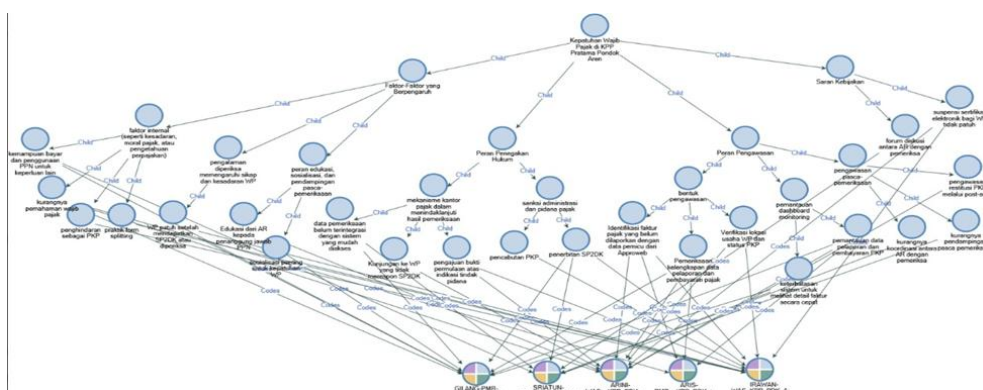
Figure 3. Processed by NVivo 3

Recommendations for Improving Tax Compliance. Based on the results of interviews and data analysis, several recommendations for improving tax compliance at the Pondok Aren Tax Office (KPP Pratama) are as follows:

1. Improved Coordination Between Divisions within the Directorate General of Taxes (DGT): It is crucial to establish a better coordination system between auditors and audit officers. A coordination forum involving various divisions within the DGT needs to be established to ensure the timely and accurate delivery of necessary information.
2. Provide More Intensive Education: New taxpayers who become Taxable Entrepreneurs (PKP) should be provided with more intensive education regarding their tax obligations, particularly regarding the creation of tax invoices and their reporting via e-invoices.
3. Improved Law Enforcement: Stricter law enforcement is needed to provide a deterrent effect to non-compliant taxpayers. Suspending electronic certificates for non-compliant taxpayers could be a solution to reduce non-compliance.

CONCLUSION

Based on research conducted at the Pondok Aren Pratama Tax Office (KPP Pratama), several conclusions can be drawn regarding the supervision and law enforcement of taxpayer compliance, particularly for Taxable Entrepreneurs (PKP):

1. Effective Supervision. Supervision implemented through the use of technology, such as the AproWeb system, has had a positive impact on detecting tax non-compliance, particularly regarding the reporting and payment of Value Added Tax (VAT). Supervision conducted by tax officers also involves direct visits to business locations, demonstrating the importance of physical supervision in verifying tax report data.
2. Limited Law Enforcement. Although law enforcement through the issuance of Requests for Data and Information Explanation Letters (SP2DK) and administrative sanctions has been implemented, its effectiveness remains limited. Some taxpayers who have been audited and sanctioned continue to repeat the same violations in subsequent periods, indicating that law enforcement has not fully deterred them.
3. Suboptimal Education and Socialization. Education for taxpayers, especially those newly appointed as PKP, is inadequate. Many taxpayers still do not understand their obligations regarding tax reporting and payment. Therefore, educational efforts must be more intensive and targeted at taxpayers at high risk of non-compliance.
4. Ineffective Inter-Functional Coordination. Although supervision and law enforcement are implemented, coordination between divisions within the Directorate General of Taxes (DGT), particularly between Account Representatives (ARs) and audit officers, remains ineffective. This results in suboptimal post-audit supervision and the inability to reach the appropriate authorities with crucial information.

The limitations of this study include several aspects that require attention, including:

1. Limited Access to Internal Data. This study was limited to data accessible to the researcher, while more comprehensive internal data from the Pondok Aren Tax Office (KPP Pratama Pondok Aren) regarding tax reporting and audits could not be fully obtained. This could affect the depth of the analysis.
2. Difficulty in Obtaining Interviews with Taxpayers. Most taxpayers were reluctant to participate in interviews, so the only information obtained came from interviews with tax

officers. To obtain a more complete picture, interviews with taxpayers who had been audited should have been conducted.

3. Limited to the Pondok Aren Tax Office (KPP Pratama Pondok Aren) Region. This study focused only on the Pondok Aren Tax Office (KPP Pratama Pondok Aren), so the findings may not be fully applicable to tax offices in other regions. Variations in supervision and enforcement practices at other tax offices require further investigation.

4. Limited Statistical Data. This study lacks sufficient statistical data regarding the overall level of taxpayer compliance at the Pondok Aren Tax Office (KPP Pratama Pondok Aren). Further research with more comprehensive data collection would be very beneficial for analyzing long-term tax compliance trends.

Based on the research findings and conclusions, several recommendations can be made to improve the effectiveness of supervision and law enforcement at the Pondok Aren Pratama Tax Office (KPP Pratama), as follows:

1. Improving Technology for Supervision. To address limitations in supervision, it is recommended to increase the use of more sophisticated information technology. Implementing a more integrated system between various divisions within the Directorate General of Taxes (DGT) will expedite the process of taxpayer supervision and monitoring.

2. More Intensive Tax Counseling. Education for taxpayers, especially those newly appointed as Taxable Entrepreneurs (PKP), should be expanded and focused on the practical aspects of tax reporting and filling out tax invoices. Counseling can be conducted through seminars, training, and direct consultations to help taxpayers better understand their tax obligations.

3. Improving Inter-Divisional Coordination within the DGT. To ensure more effective supervision, a coordination forum involving various divisions within the DGT, such as the Tax Auditor (AR), audit officers, and the law enforcement division, should be established. This forum can be used to share information and resolve issues encountered in taxpayer supervision.

4. Improving Law Enforcement. Law enforcement must be stricter, with greater sanctions imposed on non-compliant taxpayers. Suspension of electronic certificates for Taxable Entrepreneurs (PKP) who fail to report or pay taxes can be an effective measure to reduce non-compliance.

5. Implementing an Automatic Notification System. To improve the effectiveness of post-audit supervision, it is recommended to implement an automatic notification system that informs the Tax Auditor (AR) of the status of audited taxpayers. This will facilitate the AR in conducting follow-up supervision of taxpayers who have undergone audits.

6. Improving Human Resources at Tax Offices (KPP). Given the limited human resources required to supervise a large number of taxpayers, capacity building and training for tax officers is crucial. Adding officers with greater skills in the use of information technology will also significantly assist in addressing supervision issues.

REFERENCES

Djinarto, B., Suhartono, S., Hadi, S., Setyadji, S., & Nickalus, J. (2024). Reforming Tax Law Enforcement: The Role of Core Tax Administration System Digitalization and the Ultimum Remedium Principle. *Journal of Law and Legal Reform*, *5*(4). https://doi.org/10.15294/jllr.v5i4.4297

Fauziati, P., Defitri, S. Y., Mariyanti, E., & Nasrah, R. (2017). The Effect of Perceived Usefulness and Perceived of Ease Use Affecting Intent to Pay Taxes Through Attitude as an Intervening Variable. *Advanced Science Letters*, 23(9), 8642–8645. https://doi.org/10.1166/asl.2017.9944

Gadenne, L. (2017). Tax Me, but Spend Wisely? Sources of Public Finance and Government Accountability. *American Economic Journal: Applied Economics*, *9*(1), 274–314. https://doi.org/10.1257/app.20150509

Kumar, S. P., Priyadharshan, P. S., Anuthisha, K., & Sujithra, R. (2023). *Implementing root cause analysis techniques to examine tax evasion*. 030004. https://doi.org/10.1063/5.0138971

Mebratu, A. A. (2024). Theoretical foundations of voluntary tax compliance: evidence from a developing country. *Humanities and Social Sciences Communications*, *11*(1), 443. https://doi.org/10.1057/s41599-024-02903-y

Meiryani, M., Fernando, E., Heykal, M., Hotmadia, M., & Bahari, S. (2021). Illegal Avoidance of Tax Expenses by Using the Evasion Tax. *The 2021 12th International Conference on E-Business, Management and Economics*, 487–492. https://doi.org/10.1145/3481127.3481197

Sugiyono. (2011). Metode penelitian kombinasi (mixed methods). In *Bandung: Alfabeta* (Vol. 28). Alfabeta.

Supriyati, Hapsari, I., & Nahumury, J. (2024). The influence of trust in the government, perceived fairness, and tax morale on taxpayer compliance: Implications for budget formation. *Public and Municipal Finance*, *13*(2), 129–139. https://doi.org/10.21511/pmf.13(2).2024.11

Zairin, G. M., Khairunnisa, H., Naufal, A., Fahrozi, M. L., Suyono, W. P., & Anugrah, S. (2025). *Advancing Taxation in the New Era: Enhancing Tax Ratios with the Core Tax Administration System (CTAS)* (pp. 85–98). https://doi.org/10.1007/978-981-96-0147-9_8