

Phenomenology of Employee Income Tax Policies During the Covid – 19 in Indonesia

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ABSTRACT

Covid-19 is a disaster that impacts various sectors of life, one of which has an impact on a country's tax revenue. Tax incentives are one of the policy steps that the Indonesian government has taken to face the economic strike due to the Covid-19 pandemic. This study aims to examine the factors that influence the implementation of employee income tax policies during the Covid-19. This is a qualitative research using interpretive paradigm with phenomenological methods. The data of this study are the results of observations and interviews with Corporate Taxpayers, Tax Experts, and Tax Officers . Based on the results of the interview, there are several factors that affect taxpayers willing to take advantage of this policy, including the ease of submitting incentives, certainty not to be audited, and not adding to the company's burden. Employers take advantage of this incentive, namely the company has an interest in maintaining internal stability of the company. The provision of this incentive will increase (at least maintain) the purchasing power of workers and create a conducive business atmosphere. So it is true that entrepreneurs will flock to take advantage of this facility. This policy is expected to reduce the burden on business activities and help improve the condition of the company's cash flow, particularly during and after the epidemic. Thus, the company is expected not to terminate employment. If this condition occurs, there is potential for the national economy to keep moving, both in terms of production and consumption.

Keywords: Employee Income Tax, Tax Policy, Tax Incentive, Covid-19