

ABSTRACT

Indonesia's economy is dominated by business activities based on micro, small and medium enterprises (MSMEs). Many micro, small, and medium enterprises (MSMEs) made Government issued Government Regulation (PP) No. 46 year 2013 to simplify the taxation system especially for micro small medium enterprises, which only used final rate one percent (1%).

This research finds out the impact of the enactment of Government Regulation (PP) No. 46 year 2013 to taxation collection system. This research also finds out the compliance of micro small medium enterprise (MSME) taxpayers. The object of research used is CV. X as a trading company and PT. Y as a service company.

The research method is multiple-case study. The results show that the amounts of income tax payable of the CV. X (trading company) become larger while PT. Y (service company) becomes smaller. While depositing and reporting of income taxes become easier and simpler. Moreover, applied for tax exemption letter for income tax article 22 was complicated and required a long time for the approval and sometimes not accepted by the tax office. The results also show that compliance increased due to the implementation of the new regulations provide ease in calculating the amount of income tax payable and the ease of depositing and reporting.

Keyword: Government Regulation (PP) number 46 year 2013, Income Tax Article 25, Micro Small Medium Enterprises (MSMEs), Compliance