Improving the Indonesian Taxation System using Tax Amnesty's Policy

JON ERIZAL, BAMBANG SUPRIYONO, BAMBANG SANTOSO, TJAHJANULIN DOMAI
Department of Business Administration, Faculty of Administrative Sciences
University of Brawijaya
Veteran Street, Ketawanggede, Lowokwaru Regency, Malang City, East Java 65145
INDONESIA

Abstract: - The purpose of this research is to obtain an overview of the tax amnesty policy in 2016 whether it has had an impact in solving economic development policy problems in Indonesia. Another objective is to find out and gain important knowledge that might be missed in any tax amnesty policy discussion. The method used in this research is descriptive, literature study, and library research. This research uses a qualitative approach. Data collection techniques using documentation study and interviews. The economic crisis has had a major impact on tax revenue. The output of the amnesty policy was said to be successful because the achievement of the value of the declaration exceeded the target. The repatriation target is not successful, not just a matter of policy implementation, but other supporting policies such as profitable projects or businesses that are not ready and cannot be realized with shortcuts, because it takes time because they are related to the economic structure of a country. The originality of this study, when compared to previous studies, is that there are deviations from the assumptions and theories of policy factor analysis, policy process analysis, and policy impact analysis.

Key-Words: - Economic System, Economic Development, Economic Growth, Fiscal Policy, Tax Amnesty, Compliance

1 Introduction

Tax Amnesty Volume II has the opportunity to be reopened as said by the Minister of Finance Sri Mulyani. Sri Mulyani had given a signal that she would resume the program because she received stories from several businessmen who regretted not taking advantage of the tax amnesty from the state about three years ago. Member of Commission XI DPR from the PDIP faction Maruara Sirait agreed to the tax amnesty program aka Tax Amnesty Volume II. The rejection of the Tax Amnesty Volume II discourse is also not insignificant because there are many risks to be faced. The Central Executive of the Indonesian Tax Consultants Association (IKPI) assesses that the tax amnesty program should ideally be conducted once. If it will be done again, it is better if the time lag is longer. The government has been kind enough to provide opportunities for taxpayers to settle their tax responsibilities with the state. However, the government could have other considerations, namely ignoring justice for obedient taxpayers to attract bigger income.

The implementation of Tax Amnesty in 2016 was strongly supported by various parties because at that time the situation of tax revenues was still weak and the Indonesian government had signed an international agreement on information disclosure.

This form of information disclosure is related to increasing access to banking data for tax purposes between partner countries. First, the Foreign Account Tax Compliance Act (FATCA) was initiated by the United States. Second, the Automatic Exchange of Information (AEoI) is carried out simultaneously by the G-20 countries together with the Organization for Economic Co-Operation and Development (OECD). The implementation of AEoI will begin in 2018.

Long before the Tax Amnesty policy was rolled out, [6] has expressed his views in the Analysis of the Implementation of Tax Amnesty in Indonesia. According to him, Indonesia had implemented a tax amnesty in 1984, however, the implementation was ineffective because taxpayers did not respond less and it was not followed by a reform of the tax administration system as a whole. In addition, the role of the tax sector in the APBN system still functions as a complement so that the government does not make more serious efforts. At that time, much of the state revenue was dominated by the oil and gas export sector. In contrast to now, tax revenue is the dominant source of revenue in the structure of the Indonesian Government's APBN.

In its implementation, according to [6], the implementation of taxation in Indonesia still has several problems. First, taxpayer compliance is still

low. Second, the power of the Directorate General of Taxes is still too large because it includes executive, legislative, and judicial functions at the same time, causing injustice in serving taxpayer rights which affects lowering the level of taxpayer compliance. Third, low trust in tax officials and complicated tax regulations. The application of Tax Amnesty must be based on a legal umbrella in the form of law and clarity of terms and objectives. The provision of a tax amnesty policy should not only eliminate the right to collect taxpayers (WP) but more importantly improve the needs of taxpayers so that in the long term it can increase tax revenue.

The implementation of the Tax Amnesty policy followed by capital rapture will have an impact on development in Indonesia through three channels. First, the funds that enter Indonesia can be used to drive the economy in the country. Second, the ransom funds generated by Tax Amnesty can be used directly for pro-people development such as in the fields of education, health, housing, and job creation for workers. Third, in the long run, it will guarantee sustainable acceptance [7].

According to [9], tax compliance is needed for efficiency and justice in building social capital. Therefore, the design of an effective Tax Amnesty policy to reduce tax avoidance requires an understanding of the behavioral aspects of tax compliance. The results of research conducted by [1] explain that increased tax compliance is influenced by individual perceptions of a fair taxation system and that the government provides goods and services that are commensurate with state budget tax revenues.

[11] conducted a study on the application of the Tax Amnesty policy by conducting a systematic review of several articles discussing Tax Amnesty policies. The result is that the main motivation for the implementation of the Tax Amnesty policy by almost all tax authorities in various countries is to reduce the budget deficit by providing incentives in the form of lowering rates and even eliminating administrative sanctions and criminal charges.

The purpose of this research is to obtain an overview of the tax amnesty policy in 2016 whether it has had an impact in solving economic development policy problems in Indonesia. In this study, the novelty of research that was not obtained from previous research is that there are deviations from the assumptions and theories of policy factor analysis, policy process analysis, and policy impact analysis. In addition, this study uses several variables related to Tax Amnesty Policy, namely Public Policy, Fiscal Policy, Taxes, Economic Development, and Economic Growth. The use of these variables together is very unique and very rarely used in previous studies, which is the best quality research in this study in disclosing the theory of increasing tax compliance in Indonesia.

2 Literature Review

2.1 Public Policy
In simple terms, public policy can be defined as whatever the government does. Public policy is one component of the state that should not be ignored. A state without a public policy is seen as a failure, because living together is only regulated by a person or group of people, who work like tyrants, to satisfy the interests of themselves or groups only [5]. Public policy is a government action to achieve certain results due to public demands and pressures of the situation, preceded by decision-making containing formulas to achieve goals and ways of overcoming the problem.

The public policy includes the policy process (policy process) and policy analysis (policy analysis). The policy process examines the policy-making process, starting from identifying and formulating problems, implementing policies, monitoring policies, and evaluating policies. Meanwhile, policy analysis includes the application of analytical methods and techniques that are multidisciplinary in the policy process.

Public policy analysis is research to obtain data and information relating to the problems faced which are followed by finding and studying various alternative solutions to problems or achieving goals. The purpose of policy analysis is to provide policymakers with information that can be used to solve public problems. Public policy analysis also aims to improve the quality of policies made by the government [2].

2.2 Fiscal Policy
Policy, which is often referred to as "fiscal politics" or "fiscal policy", is usually defined as the actions taken by the government in the state budget sector to influence the running of the economy. It is often said that fiscal policy includes all government actions in the form of enlarging or reducing the amount of tax collection. Enlarge or reduce "government expenditure" and/or reduce "government transfer" which aims to influence the running of the economy.

Fiscal policy is carried out by the government to obtain policy funds pursued by the government to spend these funds to carry out development. So in

simple terms, fiscal policy is a government policy related to state revenue or expenditure. Fiscal policy is made by the government to direct the economy of a country through government spending and revenue in the state budget sector. Fiscal policy refers to policies made by the government to direct the economy of a country through government spending and revenue (in the form of taxes).

The objective of fiscal policy is to influence the course of the country's economy. The way this is done is by reducing government consumption expenditure (G), the number of government transfers (Tr), and the amount of taxes (Tx) received by the government so that it can affect the level of national income (Y) and the level of employment opportunities (N).

The objective of fiscal policy is to prevent unemployment and stabilize prices, its implementation is to move revenue and expenditure items in the state revenue and expenditure budget (APBN). With the increasingly complex structure of the trade and financial economy, the tackling of inflation will become more complex.

Fiscal policy is a policy in managing state finances, namely those contained in the state revenue and expenditure posts in the APBN which refers to article 3 paragraph (4) of Law no. 17/2003 concerning state finances, budget-related fiscal policy (APBN) has functions, namely the Authority Function, the Planning Function, the Supervision Function, the Allocation Function, the Distribution Function, and the Stabilization Function. Fiscal policy has several roles, namely reducing the inflation rate, increasing gross domestic product (GDP), reducing the unemployment rate, and increasing people's income.

2.3 Tax

Tax comes from the Latin *taxo*, namely people's contributions to the state based on law, so that they can be enforced, without receiving direct remuneration. According to Charles E. McClure, tax is a financial obligation or levy imposed on taxpayers (private persons or entities) by the State or institutions whose function is equivalent to the state which is used to finance various kinds of public expenditures. Taxes are collected based on legal norms to cover the cost of producing collective goods and services to achieve general welfare. Refusal to pay, evade, or fight against taxes is generally a violation of the law.

The definition of tax was put forward by Andriani in [8]. Stating that: "Taxes are contributions to the state (which can be imposed) which are owned by those who are obliged to pay

them according to regulations, without receiving a direct appointment, and whose use is to finance general expenses associated with the state's duties which carry out government."

Taxes are the transfer of wealth from the people to the State Treasury to finance routine expenses and the surplus is used for public saving which is the main source to finance public investment. From an economist's point of view, a tax is a non-fine transfer of resources from the private sector to the public sector that is levied on a predetermined basis and without stating the benefits to be provided.

Economists believe that not all financial transfers to the public sector can be categorized as taxes. For example, some transfers to the public sector are still influenced by prices. For example, tuition fees at state universities and fees for providing services to the government.

Tax from an economic perspective is understood as the transfer of resources from the private sector to the public sector. This understanding illustrates that the existence of taxes causes two situations to change. First, the reduced ability of individuals to control resources for control of goods and services. Second, increasing the state's financial capacity in the provision of public goods and services which are a public need.

2.3.1 Tax Function

Money generated from taxation has been used by states and institutions throughout history to carry out various functions. Some of these functions include war financing, law enforcement, security of assets, economic infrastructure, public works, subsidies, and the operation of the country itself. Tax funds are also used to pay state debts and interest on these debts. The government also uses tax funds to finance welfare guarantees and public services. These services include education, health care, pensions, assistance for the unemployed, and public transportation. The provision of electricity, water, and waste management also use a certain portion of the tax funds. The colonial and modern period countries have also used to encourage production to become an economic movement.

2.3.2 Taxes as an Instrument in Fiscal Policy

Understanding of taxes in a review of fiscal policies can be studied through a simple model that has been given by John Rose as follows: The economic activity of a country is described in the Bath Tub model which has four units/faucet:
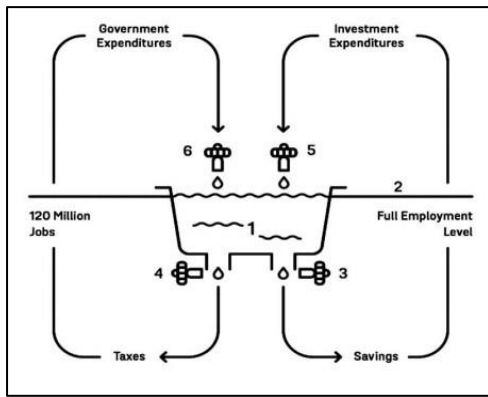
Fig. 1: The tax model as a fiscal policy instrument

Bath Tub Model which has four faucets:
1) Water element: Shows economic activities and structures consisting of agriculture and processing of natural resources, livestock, plantations, and others.
2) Water level: shows the level of economic activity, the level of employment.
3) Faucet 3: faucet withdrawal of funds through savings
4) Faucet 4: faucet withdrawal of funds via tax
5) Faucet 5: faucet for investment expenditure
6) Faucet 6: faucets for state expenditure expenditures

The four faucets are a variable in government policy in the fiscal sector, which is also called policy in the real sector. The mechanism of this bathtub model explains how to regulate the faucet so that the water is in apposition full employment on the one hand and the other so that the water structure that represents the economic situation makes the economic structure better. Strong structure, independent economy, even relatively independent of premier production activities.

2.3.3 Tax Ratio

The tax ratio is the ratio between state revenue from the tax sector and Gross Domestic Product (GDP). This ratio is influenced by various factors such as taxation policies including tax rates, the effectiveness of tax collection, various incentives and tax exemptions given to economic actors and society, and the possibility of tax crimes such as tax evasion and avoidance. The tax ratio also describes the level of tax compliance which is influenced by the education and understanding of taxes from the community as well as the tax compliance culture including the law enforcement system.

The tax ratio also reflects the ability of the government regime to reabsorb GDP to be translated into tax revenue which in turn is reused for the benefit of society. Therefore, several countries have different calculations of this tax ratio by including, among others, social security and local taxes. Meanwhile, the components of tax revenue in Indonesia include central tax revenue, Non-Tax State Revenue (PNBP) from the Oil and Gas sector, and PNBP from the General Mining sector. Local taxes are not a component of calculating the tax ratio in Indonesia.

2.3.4 Taxation System Reform Policy Tax

Reform is a significant and comprehensive change in the taxation system which includes reforming tax administration, improving tax regulations, and increasing the tax base. The form of implementation may vary depending on the conditions at hand. This could be by increasing or decreasing the tax rate, changing the layer of taxable income, changing the threshold for taxable income (PKP), changing the tax base, imposing new taxes and removing old taxes, changing the composition of tax revenue, or making fundamental changes. on tax administration practices and procedures.

The direction of tax reform is the optimization of the tax system. Where the optimal tax system can be seen from six indicators, namely: adequate revenue, fair distribution, minimal excess burden or overload, must support stability and growth policies, a fair and less flexible administrative system, and minimal administrative and compliance costs. . Tax reform has a broad and evolving meaning. Williamson in [4] states that tax reform includes broadening the tax base, improving tax administration, reducing tax avoidance and manipulation, and regulating the imposition of assets located abroad.

2.3.5 Tax Amnesty Policy

Amnesty or tax amnesty is a policy regarding taxation by providing a limited-time opportunity for certain groups of taxpayers to pay a certain amount and within a certain time in the form of amnesty of tax obligations (including interest and fines) relating to the previous tax period or a certain period without fear of criminal penalties.

For many countries, tax amnesty is often used as a tool to collect state revenue from the tax sector (tax revenue) quickly in a relatively short period. This tax amnesty program was implemented because of the worsening of tax avoidance efforts. This policy could benefit the acquisition of funds, especially the return of funds held abroad, and this policy has a weakness in the long term that can adversely impact a decline in voluntary compliance (voluntary compliance) of tax compliance when tax amnesty is implemented programs right.

Tax Amnesty is not a policy without justification. The Indonesian government through the Directorate General of Taxation has implemented Tax Amnesty policies in 1964, 1984, and 2008 (named Sunset Policy). The tax amnesty policy that has been taken by the government is part of the ongoing process of tax reform.

2.4 Economic Development

According to [10], development is a process of improving the quality of human life, so development must have the aim of improving the lives of the nation and strengthening the unity and integrity of the nation. Development is a process of change that takes place continuously in the direction to be achieved, which of course is a change from a certain condition to a better condition. Economic development is a process of increasing total income and per capita income by taking into account population growth and accompanied by fundamental changes in the economic structure of a country and income distribution for residents of a country. As an effort, development is an active action that must be taken by a country to increase per capita income. Thus, the participation of the community, government, and all elements in a country is needed to actively participate in the development process. This is done because the increase in per capita income reflects improvements in people's welfare.

For developing countries, economic development is intended to improve the standard of living of its people, so that it is equal to the level of life in developed countries. However, the reality shows that since the second world war ended and many independent countries, but as developing countries, their living standards are still far behind until now when compared to developed countries. This is due to the various problems faced by developing countries.

There are three basic problems faced by developing countries. The three basic problems are the development of income inequality, poverty, and the widening gap between developed and developing countries. Indonesia has experienced a rapid urbanization process (same as the recent international trend). Since the mid-1990s the absolute rural population in Indonesia has started to decline and currently more than half of Indonesia's total population lives in urban areas (whereas in the mid-1990s only about a third of Indonesia's population lived in urban areas). Economic inequality or inequality in income distribution is a reality that exists amid society in both developed and developing countries and is still an important issue to be overcome. Development can be seen as a

process whose results are multidimensional, which includes various changes to social structures, attitudes of society, and institutions of government and society. In addition to continuing to pursue accelerated economic growth, addressing income inequality and poverty alleviation is needed. The problem of inequality needs to be the main focus in determining the implemented public policies. The process of improving the quality of the population's economic welfare is expected to be followed by an improvement in the quality of the population as a whole. One of them can be started by improving the level of equitable distribution of income among various economic groups of society. So, the development must reflect changes in a society or adjustments of the social system as a whole.

2.5 Economic Growth

Growth is not only a picture of the economy at one time, but also provides a portrait of economic development from time to time. In the long term context, economic growth acts as an indicator that shows the ability of a country to provide more and more commodities, goods, and services to its citizens. This capacity grows along with technological advances, institutional adjustments, and the ideology it requires [3] The economic growth of a nation can be seen from the continuous increase in the supply of goods. The theory of economic growth explains what factors determine the increase in per capita output in the long run, and how these factors interact with one another, causing the growth process to occur. [10] proposes three factors that affect economic growth, namely, capital accumulation, population and workforce growth, and technological progress

3 Methodology

This research uses qualitative research methods. The purpose of choosing a qualitative method in this study is to explain a phenomenon regarding tax amnesty as deeply as possible. This is due to the importance of depth and detail regarding tax amnesty and how to improve tax compliance in Indonesia. In qualitative research, if the data obtained is more in-depth/thorough, it can also be interpreted that the better the quality of the research. So in terms of the number of respondents or research objects, qualitative research methods have fewer objects than quantitative research, because they prioritize data depth, not data quantity.

In addition, the method used is descriptive and collects data related to the tax amnesty policy. This

research is categorized as a descriptive study because the approach taken is through a qualitative approach. Sources of data are obtained from economic reports, research journals, and interviews or discussions with several professionals who have authority and competence in their respective fields.

The data used in this study are primary data and secondary data. Primary data is data whose source of acquisition is directly related to the problem by discussing with people related to the problem under study. About the tax amnesty policy, the process is carried out by interviews and discussions with several figures from the DGT, DPR, BI, Commercial Banks, OJK, experts/observers on economics/taxation, and community leaders/entrepreneurs. Primary data from these interviews will not dominate in this study but will complement as a comparison for data analysis. Meanwhile, secondary data is data obtained from documentation relating to the object of research. In the context of tax amnesty policy research, this documentation is the Annual Economic Report published by institutions such as DGT, Ministry of Finance, Bank Indonesia, and BPS. The observed reporting period was from 2010 to 2015, then the 2016-2017 period report and the last report for the 2018 to 2019 period. The report also obtained supporting information from several internet sites and journals that discuss tax amnesty. In research on tax amnesty policy, secondary data (documentation) will dominate the data acquisition analysis of research results.

The data collection technique in this research was carried out by conducting a documentation study, namely searching for various economic reports by downloading from websites belonging to state institutions. Then conduct interviews with professional figures from agencies or institutions related to tax issues and tax amnesty. Qualitative data analysis begins with data collection. Then perform data reduction. Data reduction is from the data obtained, the data collection is carried out in a complete and detailed description or report. Furthermore, presenting the data and concluding. Partial data processing uses HyperResearch to map answers from informants. HyperResearch is a software that allows qualitative & quantitative analysis of textual material, audio graphics, & video. HyperResearch in this study to perform text encoding (any length: words, phrases, sentences, paragraphs, etc.), graphics, audio encoding, and videotapes.

The variables used in the study are as follows:

X1: Public Policy
X2: Fiscal Policy
X3: Taxes
X4: Economic Development
X5: Economic Growth
Y1: Tax Amnesty Policy

4 Results and Discussion

Based on the results of the analysis of policy driving factors, analysis of the policy process, and analysis of the impact of policies, it is found that several things deviate from assumptions and theories. Some of these things the researchers view are the findings of the tax amnesty policy research. Some of the research findings that the researchers mean are as follows.

First, when the tax amnesty policy was to be rolled out, one of the issues on the agenda-setting was Indonesia's low tax ratio (± 12%) compared to developed countries (above 25%). Even the lowest compared to other developing countries in the Asia Pacific region. The reason being blamed is the low taxpayer compliance ratio is the main source of the problem with the low tax ratio. But 3 years after the tax amnesty, a distorted fact is faced, When the taxpayer compliance ratio for 2017 to 2019 continues to increase, the tax ratio is surprisingly low, ranging from 10% - to 11% (Figure 2). This fact has invalidated the claim of the tax amnesty policy that the low compliance ratio is the cause of the low tax ratio, which has led to a decline in tax revenue growth.
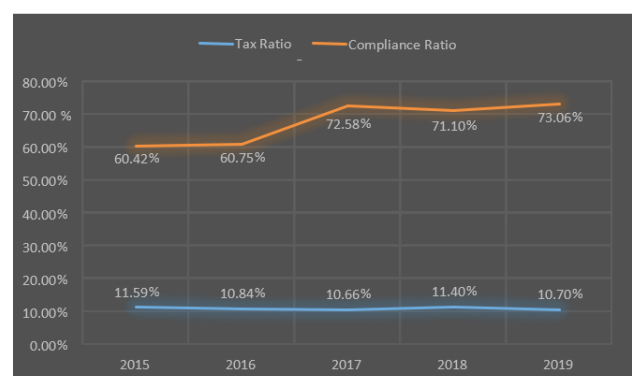
Fig. 2: Post Tax Amnesty Progress

Second, there is the fact that during the 1998 Asian economic crisis and the 2008 global economic crisis, Indonesia's tax ratio also declined, then rose again the following year. This fact shows that Indonesia's tax ratio is very easily influenced by the international economic situation. This means that the economic activities of business actors in Indonesia (as a source of tax revenue) are strongly influenced by the economic situation from outside

Indonesia. Even the situation in 2019 was marked by the China-US trade war, the impact is that global demand for commodities will decrease. Indonesia as a commodity-exporting country was affected, and in the end, the Indonesian economy also weakened. It is proven that mining's contribution to GDP has fallen by -19% and tax revenue, as well as the tax ratio, has suddenly decreased.

Third, the critical note of tax observer Yustinus Prastowo is the imbalance of property ownership among taxpayers from the tax amnesty data. The amount of property owned between community groups is very striking. It seems that the assets only accumulate in a handful of people, and there is a tremendous imbalance because as many as 2.5% of amnesty participants control 60% of the total assets. This critical note confirms the World Bank Executive Summary (November 2015) that there has been a widening income gap between the richest 10% of the population and the rest of the population, driven by many types of inequality in Indonesia. It appears that Indonesia's Gini ratio is getting higher ahead of the tax amnesty policy.

When comparing the facts of economic inequality above with the progress of taxpayer compliance and progress in the tax ratio, efforts to increase tax growth cannot rely solely on improving the tax system through reform policies, or based on suggestions from several observers so that the DGT is made an autonomous institution so that its capacity is maximized. So it must go through efforts to change the pattern of development policies that promote justice in business opportunities. Thus the number of business actors will increase rapidly and there will be additional tax revenue from this sector. The explanation by the government regarding the decline in tax revenue in the last 5 years is the underground economy and informal sector activities that have not been recorded properly in the taxation system. The underground economy is income generated from economic activities, both legal and illegal, which is missed in the calculation of Gross Domestic Product (GDP). Underground economic activities that are allowed to continue to grow will result in a loss of tax revenue. To overcome this, a tax amnesty policy was implemented, to reduce lost tax revenues, but it is not yet known whether this goal can be achieved or not. This study aims to measure the size of the underground economy and lost tax revenues due to the underground economy, as well as to compare the average lost tax revenues before and after the tax amnesty.

The theoretical contribution of the results of this research is expected to add to the scientific findings in the field of public administration, especially those related to the implementation of the Tax Amnesty policy, which includes the following aspects:

1) How are other factors that can actually and theoretically increase the success of the Tax Amnesty policy. So far, many Tax Amnesty policies have been developed and are always monotonous based on a taxation perspective and do not show the influence of other policies such as fiscal policy and public policy. This study highlights the influence of these other policies by adding other influential variables in the Tax Amnesty policy. This research produces a very special theory and becomes a "hidden treasure" in research that is in the context of taxation.

2) This research can be used as a theoretical study and real research results that are very useful for the government to examine in more detail how the policies are taken and the process in implementing the Tax Amnesty policy which can later be linked to increased state revenues.

3) This research can also be used as a reference in formulating other public policies that will be affected by the Tax Amnesty policy.

The practical contributions of this research are:

1) The results of this study can be used as a recommendation for the Government of Indonesia not to rely solely on financial factors/microeconomic factors in formulating Tax Amnesty policies, but also to consider other factors such as public policies, fiscal policies, economic growth, and other variables that have been described in this study. It is also highly recommended to the ministry of finance and in particular to the Directorate General of Taxes so that the management of taxation and state revenue from taxes can be carried out more optimally.

2) The results of this study can be used as recommendations for politicians who sit in the legislature in responding to the results of the implementation of Tax Amnesty and then to make better policies that are useful for the community.

3) The results of this study can be used as recommendations for community organizations and NGOs, especially those concerned with economic and legal issues in providing information on tax amnesty and the factors that can influence it to the community.

4) The results of this study can be used as recommendations for private parties with an interest in Tax Amnesty policies, to be more

obedient in paying taxes and considering their assets in paying taxes (increasing tax compliance).

The limitation of this study is:

1) The Tax Amnesty policy discussed is only in the scope of 2016.
2) Supporting reports used for secondary data are only limited to certain years (not all are used).

5 Conclusion

From the analysis of the research results, the results of the immediate results (output) of the tax amnesty policy are said to be successful because the achievement of the value of the declaration has exceeded the target. The repatriation target is not successful, not just a matter of policy implementation, but other supporting policies such as profitable projects or businesses are not ready. And it is impossible to do it with a shortcut because it takes time. After all, it is related to the economic structure of a country.

The impact (outcome) of the tax amnesty policy on the tax authority (DGT) has resulted in various further tax reform policy steps and Indonesia was able to implement the AEoI financial information exchange. There is an impact (outcome) of the tax amnesty policy on the growth of tax revenue. Although several observations have criticized the performance achievements in 2019, in 2018 the realization of the 2018 state revenue managed to exceed the target set in the State Budget (102.5%). Contributions to the success have come from various programs that support the optimization of tax collection due to the increased tax base after tax amnesty and increased taxpayer compliance.

The important findings in this study are 1) there is empirical evidence after tax amnesty, namely that the compliance ratio does not always increase followed linearly by an increase in the tax ratio; 2) In the history of its growth, it turns out that Indonesia's tax ratio has proven to be very sensitive in terms of the global economic situation; 3) There is empirical evidence from the data on the achievement of tax amnesty, namely the occurrence of economic inequality that has been reported by various parties such as the World Bank, OECD, and other economic observers.

Based on the research results, the following suggestions are obtained:

1) Suggestions from several parties to repeat the tax amnesty policy will have difficulty finding strong arguments. Because the tax ratio and compliance ratio are not always linear. So if you want to do it again, it would be better if you use a tax incentive pattern.
2) There must be a strong effort to change the structure of the Indonesian economy not to be too dependent or easily influenced by the global situation. It is proven that when some kind of crisis occurs, the tax ratio of a country like Indonesia will be affected.
3) It seems that the Inclusive economic development policy that has been campaigning so far needs to be reviewed for accuracy. This is because the policy of inclusive economic development so far has not shown any impact on the Indonesian economy.

References:
[1] Cummings, R. G., Martinez-Vazquez, J., McKee, M., & Torgler, B. (2005). Effects of tax morale on tax compliance: Experimental and survey evidence (No. 2005-29). CREMA Working Paper.
[2] Dunn, W. N. (1994). Public Policy Analysis: An integrated approach. Routledge
[3] Kuznets, S. (1955). Economic growth and income inequality. The American economic review, 45(1), 1-28.
[4] Mas' oed, M. (1994). Ilmu hubungan international: disiplin dan metodologi. Penerbit PT Pustaka LP3ES.
[5] Nugroho, R. (2009). Public Policy. Kelompok Gramedia
[6] Ragimun, R. (2011). Analisis Implementasi Pengampunan Pajak (Tax Amnesty) di Indonesia. Publikasi Penelitian Terapan dan Kebijakan, 5(3).
[7] Rasbin. (2016). Tax Amnesty, Potensi Dana Repatriasi, Dan Pembangunan Di Indonesia. Majalah Info Singkat Vol. VIII, No. 08/II/P3DI/April/2016. Jakarta
[8] Santoso, B.R. (1998). Pengantar Hukum Pajak. Bandung: Refika Aditama.
[9] Slemrod, J. (1992). Why people pay taxes: Tax compliance and enforcement. University of Michigan Press.
[10] Todaro, M. P. (2000). Migration and development. Population and Development Review, 26(3), 611-611.
[11] Widihartanto, S. & Widiatmanti, H. (2016). Tax Amnesty dan Faktor Penentu Kenerhasilannya; Pelajaran dari Beberapa Otoritas Pajak. DDTC Working Paper. No. 1415