

Assessing Taxpayer Compliance Using Segmentation: A Case Study of KPP Pratama Jakarta Sawah Besar Dua

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ABSTRACT

To enhance the supervisory function over taxpayers and improve tax revenue and compliance, the Directorate General of Taxes (DGT) issued SE-05/PJ/2022 on Taxpayer Compliance Supervision, refining the earlier SE-07/PJ/2020. A key provision of this regulation introduces the segmentation of taxpayers at the Primary Tax Office level. This study evaluates the implementation of taxpayer supervision through the segmentation method. A qualitative research approach was employed, using a case study at KPP Pratama Jakarta Sawah Besar Dua. The evaluation framework was based on criteria established by the OECD (2021), including relevance, coherence, effectiveness, efficiency, impact, and sustainability. The findings indicate that the taxpayer supervision policy utilizing the segmentation method aligns with the needs of the tax office in optimizing its supervisory role. The policy is consistent with broader tax regulations and aligns with policies implemented by other agencies. Furthermore, it has been effectively and efficiently executed, contributing positively to increased tax revenue and compliance while demonstrating sustainability. Given these outcomes, the continuation and further enhancement of this policy are recommended.

Keywords: *Policy Evaluation; Monitoring; Segmentation; OECD criteria.*

Penilaian Kepatuhan Wajib Pajak Menggunakan Segmentasi: Studi Kasus KPP Pratama Jakarta Sawah Besar Dua

ABSTRAK

Dalam rangka meningkatkan fungsi pengawasan terhadap wajib pajak dan meningkatkan penerimaan dan kepatuhan pajak, Direktorat Jenderal Pajak (DJP) menerbitkan SE-05/PJ/2022 tentang Pengawasan Kepatuhan Wajib Pajak, yang merupakan penyempurnaan dari SE-07/PJ/2020. Salah satu ketentuan utama dalam peraturan ini adalah tentang segmentasi wajib pajak di tingkat Kantor Pelayanan Pajak Pratama. Penelitian ini mengevaluasi pelaksanaan pengawasan wajib pajak melalui metode segmentasi. Pendekatan penelitian kualitatif digunakan dengan menggunakan studi kasus di KPP Pratama Jakarta Sawah Besar Dua. Kerangka evaluasi didasarkan pada kriteria yang ditetapkan oleh OECD (2021), meliputi relevansi, koherensi, efektivitas, efisiensi, dampak, dan keberlanjutan. Hasil penelitian menunjukkan bahwa kebijakan pengawasan wajib pajak dengan metode segmentasi telah sesuai dengan kebutuhan kantor pajak dalam mengoptimalkan peran pengawasannya. Kebijakan tersebut sejalan dengan ketentuan perpajakan yang lebih luas dan sejalan dengan kebijakan yang diterapkan oleh instansi lain. Selain itu, kebijakan tersebut telah dilaksanakan secara efektif dan efisien, sehingga memberikan kontribusi positif terhadap peningkatan penerimaan dan kepatuhan pajak serta menunjukkan keberlanjutan. Mengingat hasil ini, kebijakan ini direkomendasikan untuk dilanjutkan dan ditingkatkan lebih lanjut.

Kata Kunci: *Evaluasi Kebijakan; Pemantauan; Segmentasi; Kriteria OECD.*

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INTRODUCTION

The tax-to-GDP ratio in Indonesia remains relatively low (Benitez, 2023). This aligns with the statement made by the Minister of Finance, Sri Mulyani, at the Mandiri Investment Forum 2024, where she highlighted that Indonesia's tax ratio is still lower compared to ASEAN, G20, and OECD countries (Elena, 2024). The combination of a low tax ratio and limited resources for tax supervision prompted the Directorate General of Taxes (DGT) to initiate tax administration reforms (Saraswati, 2023).

The reform process began in 2002 with the establishment of a policy blueprint for the next decade, formalized through the issuance of Director General of Taxes Decree Number KEP-178/PJ/2004 on December 22, 2004 (Directorate General of Taxes, 2004). One of the key priorities of this reform was the enhancement of taxpayer supervision (Monalika & Haninun, 2020).

A major aspect of the reform involved changes to the taxpayer supervision framework through the adoption of the segmentation method and a shift in the responsibilities of Account Representatives (ARs) at tax offices, focusing exclusively on the supervision function (DDTC News, 2021). Taxpayer supervision under the segmentation method was introduced in Director General of Taxes Circular Letter Number SE-07/PJ/2020 on Taxpayer Supervision and Audit Policy for Expanding the Tax Base (hereinafter SE-07/PJ/2020). This regulation was later replaced by Circular Letter Number SE-05/PJ/2022 on Taxpayer Compliance Monitoring (hereinafter SE-05/PJ/2022).

The segmentation-based taxpayer supervision system, as outlined in SE-05/PJ/2022, is implemented across all Primary Tax Offices in Indonesia. However, tax offices above the Primary Tax Office level do not follow the same segmentation approach (Directorate General of Taxes, 2020). Under this method, taxpayers are categorized into two segments: Strategic Taxpayers and Other/Regional Taxpayers (Directorate General of Taxes, 2022). Strategic Taxpayers are those who make a substantial contribution to tax revenues at KPP Pratama, while Other Taxpayers do not have a significant impact on tax collection (Afriyanto & Suwardi, 2023).

Given that the segmentation-based taxpayer supervision method is relatively new in Indonesia, an evaluation of its implementation is necessary to assess whether it effectively meets its intended objectives. This study evaluates the effectiveness of this supervision method using the OECD's 2021 policy evaluation criteria, which include relevance, coherence, effectiveness, efficiency, impact, and sustainability (OECD, 2021).

According to OECD policy evaluation guidelines (OECD, 2021), relevance refers to the extent to which a policy aligns with its intended goals and effectively addresses existing issues (Chianca, 2008). Coherence assesses whether the policy is consistent with other existing policies and whether it complements rather than contradicts them (Ram, 2023). Effectiveness measures the policy's success in achieving its objectives and producing the desired outcomes (van Geet et al., 2021).

Efficiency evaluates the extent to which resources are optimally utilized to achieve the best possible results (Howlett, 2017). Impact refers to the degree to which the policy generates the intended positive effects (Knoepfel, 2011). Finally, sustainability examines whether the policy can be maintained over the long term

without causing adverse consequences (Mader et al., 2013).

KPP Pratama Jakarta Sawah Besar Dua was selected as the research subject due to its success in implementing the segmentation method for taxpayer supervision within the Central Jakarta DGT Regional Office (Kanwil). This success is reflected in the increasing realization of tax revenue as a percentage of the revenue target over the past five years.

Table 1. Revenue Realisation of KPP Pratama Jakarta Sawah Besar Dua Year

| | Target | Realisation | Percentage |
|------|-----------------------|-----------------------|------------|
| 2023 | IDR 2,776,611,999,000 | IDR 2,873,335,533,737 | 103,48% |
| 2022 | IDR 1,137,263,888,000 | IDR 1,728,373,449,939 | 151,98% |
| 2021 | IDR 983,618,675,000 | IDR 1,093,184,503,119 | 111,14% |
| 2020 | IDR 1,654,474,135,000 | IDR 1,481,613,963,092 | 89,55% |
| 2019 | IDR 2,561,399,928,000 | IDR 2,506,864,030,364 | 97,87% |

Source: KPP Pratama Jakarta Sawah Besar Dua, (2024)

KPP Pratama Jakarta Sawah Besar Dua was selected as the research subject due to the diverse range of business activities within its jurisdiction. Taxpayers in this area operate in various sectors, including trade, financial services, government administration, transportation, and logistics, among others. The diversity of business types in this region is broader than that of most other Primary Tax Offices (KPPs), given its location in central Jakarta, the country's primary business and governmental hub. Furthermore, the significant increase in tax revenue following the implementation of the segmentation-based taxpayer supervision method further motivated this study, prompting an evaluation of its effectiveness.

This research focuses on the implementation of taxpayer supervision following the enactment of SE-05/PJ/2022 on Taxpayer Compliance Monitoring. The evaluation is conducted using the OECD (2021) policy assessment framework, which considers six key criteria: relevance, coherence, effectiveness, efficiency, impact, and sustainability. Given that the segmentation-based supervision method has been implemented in approximately 300 Primary Tax Offices across Indonesia, a comprehensive evaluation is necessary to provide insights and recommendations for improving the policy's effectiveness.

Despite the increasing application of the segmentation method in taxpayer supervision, research on this topic remains limited. The author identified only one prior study directly related to taxpayer supervision using segmentation. However, comparisons were also drawn with studies on taxpayer supervision prior to the adoption of segmentation, as the supervisory function has evolved over time. Afriyanto and Suwardi (2023) examined the effectiveness of the segmentation method for tax supervision and audit at KPP Pratama Temanggung under SE-07/PJ/2020, the predecessor to SE-05/PJ/2022. Using compliance risk theory and a qualitative case study approach, their findings suggest that the segmentation strategy at KPP Pratama Temanggung was not effective.

Additionally, research by Khairani and Utomo (2021) analyzed the implementation, outcomes, and challenges of territory-based taxpayer supervision at KPP Pratama Batu. Their study found that while area-based supervision complied with existing regulations, certain procedural aspects had not been fully implemented. Meanwhile, Christian and Aribowo (2021) evaluated

the supervision of strategic taxpayers and explored potential strategies to enhance tax compliance at KPP Pratama Sukoharjo. Their descriptive qualitative study revealed that the supervision of strategic taxpayers led to increased compliance and higher tax revenue.

A notable research gap remains, as no existing studies have evaluated taxpayer supervision using the segmentation method based on the OECD (2021) criteria of relevance, coherence, effectiveness, efficiency, impact, and sustainability. Previous studies have focused either on the supervision of Regional Taxpayers or Strategic Taxpayers and have largely assessed SE-07/PJ/2020 rather than the more recent SE-05/PJ/2022. This study aims to address this gap by providing empirical insights into the effectiveness of segmentation-based supervision, offering recommendations to enhance its implementation. The research framework is illustrated in Figure 1.

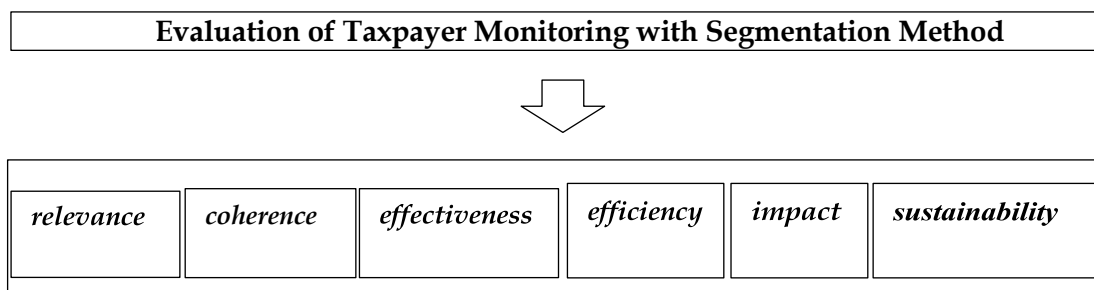


Figure 1. Research Framework

Source: Research data, 2024

RESEARCH METHODS

This study employs a qualitative research approach with a case study design, tailored to the specific subject and context of the research (Ellet, 2018). The study was conducted over four months, from January to April 2024. Data collection methods included in-depth qualitative interviews and a documentation study. The interview process utilized semi-structured, open-ended questions to allow for flexibility and deeper exploration of responses (Creswell, 2014). This approach enabled the inclusion of additional relevant questions based on interviewee answers (Savin-Baden & Howell Major, 2023). The interviews were structured around the six OECD (2021) evaluation criteria: relevance, coherence, effectiveness, efficiency, impact, and sustainability.

Eleven key informants were selected based on their expertise and direct involvement in taxpayer supervision using the segmentation method. The study categorized these informants into internal and external sources. Internal sources comprised individuals from KPP Pratama Jakarta Sawah Besar Dua and the Directorate General of Taxes (DGT) Head Office. Specifically, these included one head of the tax office (source code KK), one head of the Strategic Taxpayer Supervision Section (KS1), two heads of the Regional Taxpayer Supervision Section (KS2 and KS3), one strategic taxpayer supervision account representative (AR1), two regional taxpayer supervision account representatives (AR2 and AR3), and one tax auditor supervisor (SP). Additionally, an informant from the DGT Head Office was included – namely, the head of the supervisory quality control section at the Directorate of Potential, Compliance, and Revenue, responsible for overseeing supervision quality at the DGT (source code KPDJP).

External sources consisted of individuals outside the DGT, including one taxpayer from the jurisdiction of KPP Pratama Jakarta Sawah Besar Dua (source code WP) and a tax practitioner from the Danny Darussalam Tax Centre, who possesses in-depth knowledge of the taxpayer supervision process using the segmentation method (source code DDTC).

The number of informants was determined based on the structure of KPP Pratama Jakarta Sawah Besar Dua, ensuring representation from section heads, account representatives, and other stakeholders directly involved in taxpayer supervision. This selection aimed to provide a comprehensive understanding of the implementation of the segmentation-based supervision method from multiple perspectives.

The insights gained from these interviews serve as primary data for analyzing the application of the segmentation method at KPP Pratama Jakarta Sawah Besar Dua. Secondary data were obtained from official records at KPP Pratama Jakarta Sawah Besar Dua, including compliance data, tax revenue reports, and records of tax appeal disbursements. Additional secondary data sources included relevant documents, academic journals, articles, and other materials related to taxpayer supervision using segmentation. Requests for secondary data were formally submitted through the DGT e-research system. The collected data were then subjected to in-depth analysis.

Data analysis began with an overview of the overall implementation of the segmentation-based taxpayer supervision method, integrating insights from both primary and secondary data sources. The analysis process involved a comprehensive review of all available data, including interview transcripts, field observations, official documentation, and literature (Feny Rita Fiantika et al., 2022).

The analytical framework for this study is based on the OECD (2021) evaluation model, which conceptualizes evaluation as a systematic process of collecting and analyzing information to assess a policy or program's relevance, coherence, effectiveness, efficiency, impact, and sustainability. To operationalize these evaluation criteria, 12 specific indicators were developed based on the results of the interviews. The interview questions were designed to generate insights aligned with these evaluation criteria, as illustrated in Figure 2.

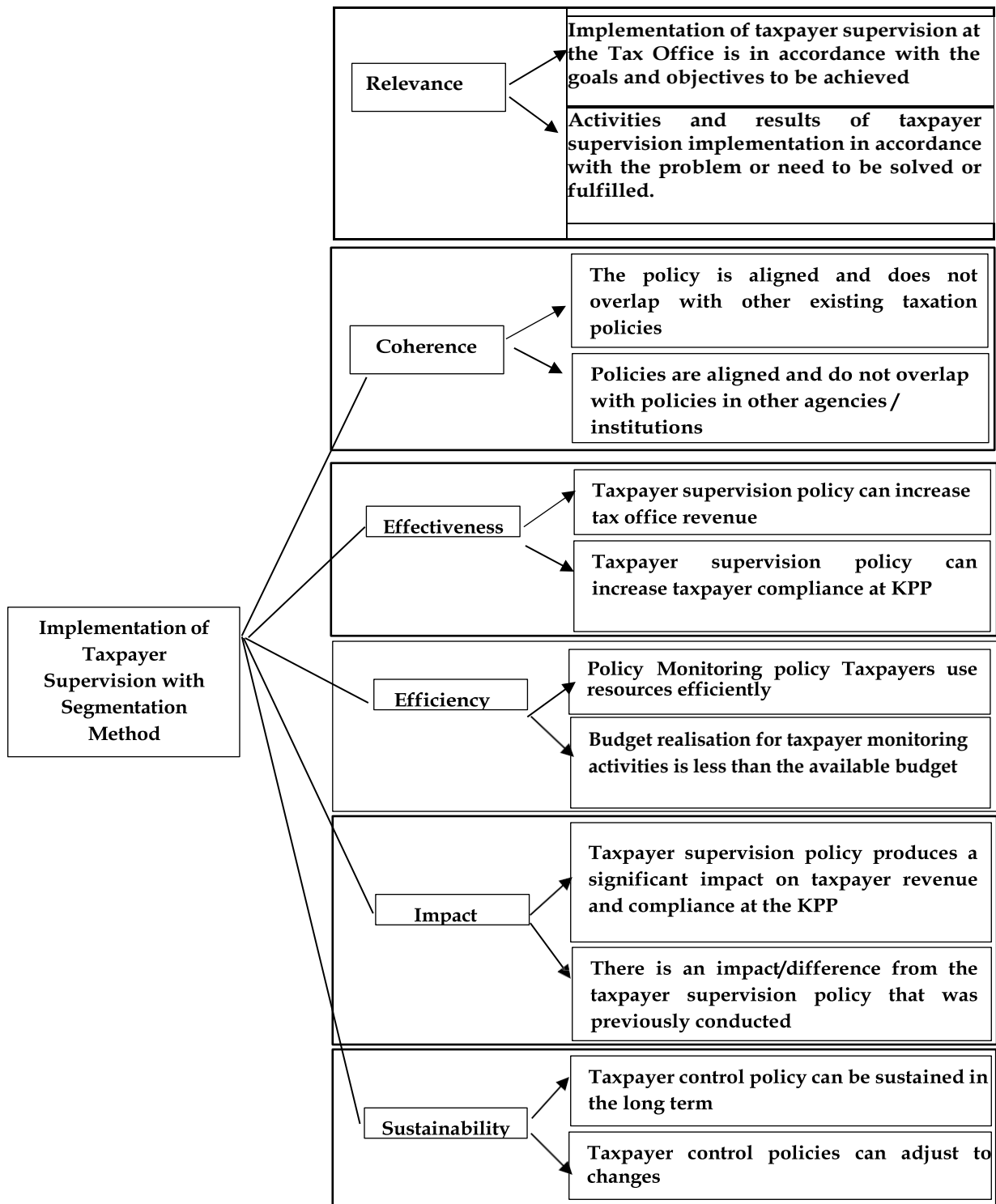


Figure 2. Operational Concept

Source: Research Data, 2024

RESULTS AND DISCUSSION

The interview findings indicate that implementing taxpayer supervision using the segmentation method is highly relevant at KPP Pratama Jakarta Sawah Besar Dua. This approach effectively addresses the Directorate General of Taxes' (DGT) need to enhance its supervisory functions while aligning with the office's objectives of optimizing tax revenue and improving taxpayer compliance. The following interview excerpts illustrate these findings:

Table 1. Interview Excerpts

| No | Source Code Narasumber | Statement |
|----|---------------------------|--|
| 1 | KPDJP | <i>"This different approach is expected to provide greater optimization. The goal is to optimize tax potential, enhance supervision, improve outcomes, and maximize revenue collection."</i> |
| 2 | KS 3 | <i>"It should address the issue because the segmentation method allows for more effective taxpayer mapping. This enables us to better categorize the taxpayers under our supervision, leading to improved prioritization. As a result, it can help minimize the need for human resources, time, and costs associated with taxpayer supervision."</i> |
| 3 | AR 1 | <i>"In my opinion, the separation of strategic and other taxpayers meets our needs as strategic taxpayer account representatives. The taxpayers under our supervision are key contributors to office revenue, allowing us to focus on exploring their tax potential."</i> |

Source: Research Data, 2024

The statements from various informants suggest that taxpayer supervision using the segmentation method effectively addresses the Directorate General of Taxes' (DGT) need for enhanced oversight. Furthermore, its implementation at the Primary Tax Office level has been appropriately structured to optimize taxpayer supervision.

Interviews with key informants indicate a shared understanding that the regulations governing taxpayer supervision under the segmentation method, particularly SE-05/PJ/2022, are aligned with broader tax policies and the regulatory frameworks of other agencies and institutions. This alignment is reflected in the following interview excerpts:

Table 2. Interview Excerpts

| No | Source Code | Statement |
|----|-------------|--|
| 1 | KPDJP | <i>"... SE-05 does not need to extend to higher levels or other institutions; within the DGT itself, SE-05 operates as a standalone regulation."</i> |
| 2 | KK | <i>"... As for that aspect, I am confident that it is already aligned."</i> |
| 3 | KS 3 | <i>"It is aligned. Even if there are future changes, they will still fall under the existing regulatory framework, ensuring consistency and mutual support."</i> |
| 4 | AR 1 | <i>"It is already aligned. The function of SE-05 allows for follow-up actions if supervision alone is insufficient, including collaboration with audit and even investigation teams. So, if the question is whether there is overlap, I believe there is none; instead, the policies complement and support each other."</i> |

Source: Research Data, 2024

These findings align with the author's analysis, which did not identify any inconsistencies or overlaps in the taxpayer supervision policy under the segmentation method. The author argues that SE-05/PJ/2022 is designed to complement and reinforce other taxation policies, such as SE-15/PJ/2018 on Audit Policy and SE-29/PJ/2012 on Tax Collection Policy, ensuring a cohesive regulatory framework.

Interviews with key informants indicate that the implementation of taxpayer supervision using the segmentation method at KPP Pratama Jakarta Sawah Besar Dua has been effective in improving both tax revenue and taxpayer compliance. This is reflected in the following interview excerpts:

Table 3. Interview Excerpts

| No | Source Code | Statement |
|----|-------------|---|
| 1 | KK | "... In terms of compliance improvement, the requirement for being classified as a strategic taxpayer is that the taxpayer must already be compliant. Regarding the percentage increase in annual tax return (SPT) filing compliance, the regional segment generally exceeds 100%, often surpassing this threshold. Meanwhile, the strategic segment is capped at a maximum of 100%. In terms of revenue, the regional segment has the potential for higher growth compared to the strategic segment. However, while the regional segment may experience higher growth, total revenue remains dominated by the strategic segment." |
| 2 | KS3 | "... Regarding the effectiveness of supervision, it depends on how many taxpayers an Account Representative (AR) can effectively monitor. This helps determine the minimum number of taxpayers that can be managed. Therefore, prioritization is essential. I always remind AR colleagues that, given the large number of taxpayers, it is impossible to oversee them all equally. Establishing clear priorities based on taxpayer profiles will make it easier to analyze both taxpayer compliance monitoring (PKM) and taxpayer potential monitoring (PPM). If this prioritization is effectively implemented, tax revenue and compliance will naturally follow." |
| No | Source Code | Statement |
| 3 | WP | "I think it has been quite effective. We feel more closely monitored, and overall, the supervision is working well." |

Source: Research Data, 2024

The findings presented above are consistent with the secondary data obtained in this study. An analysis of revenue data from KPP Pratama Jakarta Sawah Besar Dua reveals a significant increase in the percentage of tax revenue following the implementation of taxpayer supervision using the segmentation method. This trend is illustrated in the revenue table below:

Table 4. Revenue Realisation of KPP Pratama Jakarta Sawah Besar Dua Year

| | Target | Realisation | Percentage |
|------|-----------------------|-----------------------|------------|
| 2023 | IDR 2,776,611,999,000 | IDR 2,873,335,533,737 | 103,48% |
| 2022 | IDR 1,137,263,888,000 | IDR 1,728,373,449,939 | 151,98% |
| 2021 | IDR 983,618,675,000 | IDR 1,093,184,503,119 | 111,14% |
| 2020 | IDR 1,654,474,135,000 | IDR 1,481,613,963,092 | 89,55% |
| 2019 | IDR 2,561,399,928,000 | IDR 2,506,864,030,364 | 97,87% |

Source: KPP Pratama Jakarta Sawah Besar Dua, 2024

The table above demonstrates that following the implementation of taxpayer supervision using the segmentation method, KPP Pratama Jakarta Sawah Besar Dua consistently exceeded its predetermined tax revenue targets. This trend was particularly notable in 2022, coinciding with the Voluntary Disclosure Program (PPS).

The effectiveness of this approach is also reflected in the increased compliance with the submission of Annual Income Tax Returns. Data from KPP Pratama Jakarta Sawah Besar Dua indicate a rising percentage of timely tax return submissions. This trend is further illustrated in the compliance table below:

Table 5. Compliance Data for Submission of Annual Tax Return

| Year | Number of taxpayers Registered | Number of WP Wajib SPT Annual | Annual Tax Return Submission Target | Realisation of Annual Tax Return Submission | Percentage of Realisation of Submission Annual tax return |
|------|--------------------------------|-------------------------------|-------------------------------------|---|---|
| 2023 | 49.480 | 13.816 | 12.091 | 13.308 | 110,07% |
| 2022 | 49.215 | 12.351 | 12.762 | 13.323 | 104,40% |
| 2021 | 50.415 | 17.374 | 15.671 | 12.793 | 81,63% |
| 2020 | 49.542 | 19.400 | 18.818 | 13.379 | 71,10% |
| 2019 | 47.833 | 5.784 | 54.948 | 6.748 | 12,28% |

Source: KPP Pratama Jakarta Sawah Besar Dua, 2024

Interviews with key informants indicate that the implementation of taxpayer supervision using the segmentation method at KPP Pratama Jakarta Sawah Besar Dua has been effective in enhancing both tax revenue and taxpayer compliance. This is evidenced by the following excerpts from the interview transcripts:

Table 6. Interview Transcripts

| No | Source Code | Statement |
|----|-------------|--|
| 1 | KPDJP | "From that perspective, with proper planning and monitoring, the process should, normatively speaking, improve overall effectiveness." |
| 2 | KS 3 | "When segmentation is properly implemented, it should lead to reduced costs, time, and other associated expenses." |
| 3 | AR 1 | "From the perspective of a strategic taxpayer Account Representative (AR), cost efficiency is evident. Since the number of taxpayers we oversee is relatively small, expenses related to visits and mailing notices are more targeted and lower compared to regional taxpayers. In other words, it is quite efficient." |
| 4 | AR 2 | "In terms of efficiency, I believe it has improved. The number of SP2DK (Taxpayer Compliance Inquiry Letters) issued has decreased, but their quality has improved. Additionally, visit costs have been reduced, as taxpayers are located within the same region. Workforce efficiency has also increased since a single tax audit assignment (ST) can cover multiple taxpayers in one visit." |

Source: Research Data, 2024

The interview findings suggest that most respondents perceive taxpayer supervision using the segmentation method as efficient in terms of cost, time, and resources. This assessment aligns with a comparison between the budget allocated and the actual tax revenue generated from material compliance research (PKM). The details of this comparison are presented in the table below:

Table 7. Supervision Budget Realisation Data and PKM Revenue

| Year | Supervision Budget (IDR) | Supervision Budget Realisation (IDR) | Tax Revenue Realisation from PKM (IDR) |
|------|--------------------------|--------------------------------------|--|
| 2023 | 580.908.000 | 501.732.898 | 67.736.691.193 |
| 2022 | 605.574.000 | 459.084.421 | 481.867.873.435 |
| 2021 | 520.377.000 | 332.912.786 | 87.235.575.734 |

Source: KPP Pratama Jakarta Sawah Besar Dua, 2024

The author utilizes tax revenue realization data from material compliance research (PKM) because this revenue results from additional efforts by the Tax Office rather than routine tax collection. The table demonstrates that the actual supervision budget expenditure consistently remains below the allocated budget. Furthermore, the realization of the supervision budget has been effective in generating tax revenue from PKM, indicating a high degree of cost efficiency.

Taxpayer supervision using the segmentation method is also considered highly efficient in terms of resource utilization. Currently, KPP Pratama Jakarta Sawah Besar Dua employs 28 Account Representatives (ARs), distributed as follows: 10 ARs in Supervision Section I, which oversees Strategic Taxpayers; 3 ARs each in Supervision Sections II, III, and IV; 5 ARs in Supervision Section V; and 4 ARs in Supervision Section VI. Supervision Sections II through VI are responsible for overseeing other taxpayers categorized by region.

The office supervises a total of 19,070 active taxpayers and 32,676 non-effective taxpayers. Supervision Section I manages 677 Strategic Taxpayers, with each AR responsible for approximately 70 taxpayers. The remaining taxpayers are allocated to Supervision Sections II through VI based on geographical distribution. Sections V and VI have a higher number of ARs than Sections II, III, and IV due to their responsibility for Pasar Baru, an urban village with a larger economic base and greater business activity. Each Regional AR is responsible for an average of 1,000 to 2,000 taxpayers. Given this workload distribution, the author considers the resource allocation at KPP Pratama Jakarta Sawah Besar Dua to be highly efficient. Despite the large number of taxpayers assigned to each AR, there remains capacity for the office to expand its AR workforce further.

Interviews with key informants indicate that the segmentation-based taxpayer supervision method has significantly enhanced the effectiveness of the supervision function. One notable improvement is the increased focus in Account Representatives' (AR) responsibilities, allowing them to better allocate their efforts toward strategic taxpayers and regional oversight. This approach has contributed to a rise in tax revenue, particularly from Material Compliance Research (PKM), while also encouraging greater taxpayer compliance in both the submission of annual tax returns and tax payments.

Additionally, the segmentation method has strengthened the ability of

Regional ARs to familiarize themselves with and effectively manage their assigned areas. As a result, taxpayers have reported a heightened sense of supervision, which fosters greater awareness and adherence to their tax obligations. The structured approach to identifying and assessing tax potential has also improved, with supervision becoming more measurable, targeted, and aligned with clear timelines and priorities.

Furthermore, the quality of audit proposals submitted by ARs has improved, leading to more accurate and effective enforcement measures. AR performance has also shown notable advancements, reflecting a more strategic and data-driven approach to supervision. Lastly, Regional ARs have become more attuned to the needs and challenges faced by small taxpayers in their respective areas, ensuring more inclusive and equitable oversight.

The following interview excerpts further illustrate these findings:

Table 7. Supervision Budget Realisation Data and PKM Revenue

| No | Source Code | Statement |
|----|-------------|--|
| 1 | KPDJP | "... more towards the AR team, in my opinion, they should be more focused." |
| 2 | KS 2 | "... revenue increases, and the monitoring function will certainly increase as well." |
| 3 | SP | "... the impact may be very visible in terms of revenue potential, especially strategic AR audit proposals generating greater and higher-quality tax potential." |
| 4 | AR 1 | "... the impact is quite good and positive on revenue because comprehensive and thorough testing will also result in decent revenue." |
| 5 | AR 2 | "... We become more aware of small taxpayers (WP)." "... It also impacts the reduction in the number of audit proposals, as most follow-ups from monitoring result in actual payments by taxpayers. Most payments are also increasingly aligning with the SP2DK potential value." |
| 6 | AR 3 | "From what I feel right now, monitoring is more structured, and the timeline is clearer. In terms of revenue, PKM has increased, SPT submission compliance has improved, but the addition of new taxpayers has not had an impact because most of them are MSMEs, which under the current regulations, those with a turnover below 500 million are not yet obligated to pay taxes." |
| 7 | DDTC | "... when this is done with, let's say, an excessive target burden, disputes can arise, Sir." |

Source: Research Data, 2024

Findings from interviews with multiple informants indicate that the taxpayer monitoring policy utilizing the segmentation method is both viable for continuation and effective as a foundational framework for optimizing tax potential. The interviewees conveyed these insights, as detailed in the following table of interview transcripts.

Table 8. Interview Transcripts

| No | Source Code | Statement |
|----|-------------|---|
| 1 | KK | "... from the perspective of central office policy, it should be sustainable when viewed through the lens of segmentation, but consistency is key." |
| 2 | SP | "It certainly needs to be continued because this segmentation method enhances the quality of audit materials, increases untapped tax potential, and minimizes costs incurred by the examiners." |
| 3 | AR 1 | "I believe that with SE-05, I have benefited from its implementation. SE-05 should not only be continued but also further developed for greater effectiveness and improvement." |
| 4 | WP | "I think it is quite effective and should be continued, Sir." |

Source: Research Data, 2024

All interviewees share a consensus that the taxpayer supervision policy employing the segmentation method should be sustained as an integral component of the supervision business process policy. This approach follows an end-to-end framework comprising four key stages: planning, implementation, follow-up, and monitoring and evaluation. These stages are essential to ensuring sustained taxpayer compliance and supporting the attainment of optimal tax revenue.

The following table presents a summary of the evaluation results of taxpayer supervision using the segmentation method at KPP Pratama Jakarta Sawah Besar Dua. The evaluation is based on indicators established by the OECD (OECD, 2021).

Table 5. Recapitulation of Evaluation Criteria Analysis Results

| Criteria | Indicator | Identification Results |
|----------------|---|------------------------|
| Relevance | Design and implementation in accordance with the goals and objectives to be achieved; | Fulfilled |
| | Implementation activities and outcomes correspond to the problems or needs to be solved or met; | Fulfilled |
| Coherence | The policy is consistent with other existing taxpayer monitoring policies; | Fulfilled |
| | Policies are consistent and do not overlap with policies in other agencies/institutions; | Fulfilled |
| Effectiveness | Taxpayer monitoring policy can increase tax revenue; | Fulfilled |
| | Taxpayer supervision policy can increase taxpayer compliance; | Fulfilled |
| Efficiency | Taxpayer monitoring policies use resources efficiently; | Fulfilled |
| | The budget realisation for taxpayer supervision activities is less than the available budget; | Fulfilled |
| Impact | Taxpayer monitoring policies have a significant impact on tax revenue and compliance; | Fulfilled |
| | There is a positive impact/difference from the previous taxpayer supervision policy. | Fulfilled |
| Sustainability | Taxpayer surveillance policies can be sustained in the long term; | Fulfilled |
| | Taxpayer control policies can adapt to change. | Fulfilled |

Source: Research Data, 2024

CONCLUSIONS

This study evaluates taxpayer supervision through the segmentation method at the KPP Pratama level, as outlined in the Director General of Taxes Circular Letter Number SE-05/PJ/2020 on Tax Compliance Monitoring. The evaluation of this approach at KPP Pratama Jakarta Sawah Besar Dua is based on six OECD (2021) criteria: relevance, coherence, effectiveness, efficiency, impact, and sustainability. The findings indicate that the taxpayer supervision policy utilizing the segmentation method is highly relevant to the Tax Office's need to optimize its supervisory function. The policy aligns with other tax regulations, is implemented effectively and efficiently, and has a positive impact on increasing both tax revenue and taxpayer compliance. Given these benefits, the policy should be continued and further refined.

Future research could expand the scope of evaluation by examining the implementation of taxpayer supervision using the segmentation method across multiple KPPs within the Directorate General of Taxes' Regional Offices or nationwide in Indonesia.

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