

# Analysis of the Implementation of Voluntary Assets Disclosure with Final Rates (VAD-FR) Policy in Indonesia

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**Abstract:** - This study discusses the Voluntary Assets Disclosure with Final Rates Policy imposed after the Tax Amnesty (TA) policy in Indonesia. The community considers this policy to be the second Tax Amnesty volume, but this policy further addresses the restorative aspects and aims to provide taxpayers with the opportunity to carry out tax payments before the tax team checks them. This study uses a literature study that is sourced from the Government Regulations and applicable Minister of Finance Regulations. The results of the study show that one of the objectives of the TA program that has passed is to anticipate the increasingly open information on Indonesia's economic transactions, so that there is a need for special programs to improve tax compliance. Minister of Finance Regulation Number 165 / PMK.03 / 2016 still provides incentives and return opportunities to improve the level of tax compliance for taxpayers. To anticipate this, it is recommended that all taxpayers, both those who have joined the Tax Amnesty and those who do not, still have hidden assets to immediately utilize the VAD-FR procedure because this program has no time period. The low level interest of people who follow this policy has made the Ministry of Finance, especially the Tax Directorate, provide incentives and intensify socialization of the VAD-FR policy

**Keywords:** Tax, Tax Amnesty, VAD-FR Policy

## I. INTRODUCTION

The implementation of government by the state to realize the goals of the state creates rights and obligations that need to be managed in a system of state financial management. Every year the government prepares the State Budget which functions as a financial policy in obtaining and issuing money used to run the government. This budget shows the amount of income and expenditure anticipated in the following year. The most important element of income is derived from taxes.

Tax according to Rochmat Soemitro, is citizen's contribution to the state treasury based on the law (which can be forced) by not getting lead (counterpart) services that can be directly shown and used to pay for public expenditure. Taxes are generally classified into several, first income taxes which are taxes on income from individual taxpayers and business entities that have been registered as taxable business entities, second is value added tax which is a tax on consumption of

domestic goods, thirdly land tax and building which is a tax on land and buildings owned by taxpayers.

The Government has issued Minister of Finance Regulation Number 165 / PMK.03 / 2017, which is the second revision of Minister of Finance Number 118 / PMK.03 / 2016 concerning the Implementation of the Tax Amnesty Program which according to Fatmala and Ardini (2017) contains information about the community being given the opportunity to report their assets. Tax Amnesty participant taxpayers will be exempted from a fine of 200 percent increase, if they report their assets that are lacking or have not been reported in the Tax Amnesty Assets Statement before the Directorate General of Taxes finds the assets. Whereas for Taxpayers non-Tax Amnesty participants will be exempt from imposition of sanctions of 2% per month (maximum 24 months) if reporting assets that are less or have not been reported in the Annual Tax Return before the assets are found by Tax Officers before July 1, 2019. Institute for Development of Economics and Finance (Indef) assessed that the elimination of tax penalties along with the examination of assets was feared by some taxpayers because there was no legal certainty, especially the finance minister's regulation targeting taxpayers who had previously participated in Tax Amnesty. If a Tax Amnesty participant has forgotten when reporting assets then found during the investigation and investigation, sanctions and fines will be imposed according to the applicable rules. In fact, before the government has promised that tax amnesty participants have legal certainty because they are based on laws (Prastowo 2017). The law guarantees that if one takes Tax Amnesty honestly and get a certificate, it is guaranteed that one will not be examined so that the tax officer cannot take any action. The Head of the Directorate General of Tax Audit and Supervision Subdirectorate of the Ministry of Finance ensures that they will not re-examine taxes from tax amnesty participants but will be monitored in accordance with Article 18 of the Law concerning Tax Amnesty. Voluntary Asset Disclosure with Final Rates (VAD-FR) policy is predicted to be no less interesting than tax amnesty. The number of participants in this program is high because starting in 2018 there will be an exchange of Automatic Exchange Of Information(AEoI). So, there is no place for taxpayers (TP) to hide assets. In addition, the Minister of Finance also regulates tax procedures for taxpayers (TP) who report assets that have

not been disclosed before the assets were discovered by the Directorate General of Taxes (DGT) (Ananti 2017 and Rely 2017). This taxation procedure is called Voluntary Asset Disclosure with Final Rates (VAD-FR).

Through this policy, the government provides an opportunity for all taxpayers (both those who participate in tax amnesty and those who do not) who have assets acquired from January 1985 to December 2015, which are still not / not reported in the Statement of Assets (SA) or Notification (The 2015 Annual Tax Disclosure to reveal the asset itself as long as the DGT has not issued a Tax Order (TO) in connection with the discovery of the undisclosed asset data. Considering the disclosure is carried out by TP before the asset is discovered by the DGT, the provisions of sanctions in Article 18 of the Tax Amnesty Law do not apply to taxpayers who utilize VAD-FR programs (i.e. 200% sanctions for taxpayers participating in tax amnesty or 2% per month for those TP that do not participate). (Wahyudi 2017, Dipawinangun 2018, and Wijayanto 2017).

In implementing the policy, aside from causing polemic as above, the policy also requires socialization carried out by tax officials meaning the accumulation of basic tasks and functions so that there will be concern that the VAD-FR policy is only a shield for tax amnesty that fails to reach its targets, so it will be possible to draw the next tax amnesty volumes.

## II. FORMULATION OF THE PROBLEM

Problem formulation in this study is What is the difference between VAD-FR policy and Tax Amnesty and how is the implementation of VAD-FR Policy in Indonesia?

## III. THEORY REVIEW

### 1. Definition of Tax Amnesty

Etymologically, the term tax amnesty comes from the word "Tax Amnesty", a concept that has been applied in several countries such as the United States, Germany, Canada, Sweden, the Netherlands, Norway, Belgium, France, Switzerland, Finland, Portugal, Russia, Ireland, Italy, Malaysia, Pakistan, Sri Lanka, India, Philippines, New Zealand, Australia, Chile, Colombia, Costa Rica, Ecuador, Indonesia, Bolivia, Venezuela, Puerto Rico, Honduras, Mexico, Panama, Brazil, Argentina.

The word amnesty comes from Greek "amnestia" which can be interpreted, forgotten or an act of forgetting. Experts interpret amnesty in different terms, in accordance with the field of application of the law, including as a concept on the elimination or elimination of criminal liability.

Other views not only limit the concept to the elimination of criminal responsibility, but also include the elimination of civil liability. In English, amnesty is often associated with the term "pardon" which means forgiveness.

Historically, amnesty is a legacy from the era or kingdom, where a very powerful king has the power to punish and include reducing punishment as a generous act of a King. In the present, the term amnesty is widely used to describe more general meanings as a measure that is considered more appropriate to be used to deal with violations whose crime rate is considered better forgotten. In the United States, the term amnesty is also commonly identified with pardon or forgiveness.

In general Amnesty is the right of the head of state to eliminate legal consequences that threaten an act or a group of political crimes. In the 1945 Constitution system, amnesty is the absolute right or prerogative right of the President as Head of State (Article 14 paragraph (2) of the 1945 Constitution). In positive law, amnesty arrangements can also be found in Emergency Law No. 11 of 1954 concerning Amnesty and Abolition. In addition to the Emergency Law, the definition of Amnesty is also mentioned in Law No. 27 of 2004 concerning the Truth and Reconciliation Commission (TRC). Based on TRC Law, amnesty is an forgiveness granted by the President to perpetrators of severe human rights violations by taking into account the considerations of the House of Representatives.

Law No. 27 of 2004 based on People's Consultative Assembly Decree No. XXVI of 2000 concerning Consolidation of Nationality and Unity recognizes that the granting of amnesty is the President's preprogressive right. The Truth and Reconciliation Commission only provides recommendations in the form of legal considerations to the President. The granting of amnesty or forgiveness to perpetrators of human rights violations is given in the perspective of shared interests as a nation (Indonesia).

The provision of amnesty is motivated by a legal settlement of human rights violations that have never been resolved resulting in dissatisfaction with the families of the victims and the emergence of political tensions which severely endanger the security and stability of the government. In TRC Law amnesty is based on broader considerations, namely the integrity of unity and national unity, through procedures for confession of the perpetrators of violations, remorse and apologies to victims or families.

From the above description, a number of key points related to amnesty can be drawn, namely:

- a) The authority of amnesty is only within the authority of the President in his/her position as head of state or state symbol. Any position in the country does not have the authority to give amnesty.
- b) Provision of amnesty has legal consequences, loss of wrongdoers of crimes / violations, so that the perpetrators are free from sanctions or threats both criminal and administrative.
- c) In accordance with the demands of the concept of a modern legal state, the imposition of amnesty must be given a place in the form of legislation

considering that the eliminated provisions are regulated in the law as well as stronger law having a legal basis, because they agree with the legislature. Tax amnesty causes the state to receive some money based on the law.

- d) Amnesty is given at certain moments not every moment. The moment can be attributed to political considerations, the national economy, the integrity of state unity and so on.

## 2. Definition of VAD-FR Policy

VAD-FR is an advanced program of Tax Amnesty from the government. After launching the three periods of the Tax Amnesty program, the government re-launched the VAD-FR program so that taxpayers have the opportunity to deliver assets that have not been disclosed in the LDA (Letter of Disclosure of Assets), as well as in Annual Tax Return. That is, if for taxpayers, both Tax Amnesty participants and non Tax Amnesty participants who have not been examined, still get opportunity to make a declaration of property.

The same thing is also stated by Rohim (2018) that after the successful holding of the Tax Amnesty program by the Directorate General of Taxes, now the Directorate General of Taxes held a program called VAD-FR. VAD-FR is one of the latest programs from the Directorate General of Taxes which functions as a procedure that provides opportunities for TP to deliver assets that have not been disclosed in LDA (TA participants) or have not been reported in Annual tax Return after the end of the Tax Amnesty period with certain conditions. Previously, from 1 July 2016 to 31 March 2017, the government carried out the Tax Amnesty program or a tax amnesty program that was given by the government to taxpayers for 3 periods.

This tax amnesty policy is a breakthrough from the government which is encouraged to reduce the possibility of hiding wealth outside the territory of the Unitary State of the Republic of Indonesia due to the increasingly transparent global financial sector and the increasing intensity of information exchange between countries. During this period, a total of Rp. 4,881 Trillion of assets was disclosed. The final Pas-policy policy bases are as follows:

1. PP 36 of 2017

Regarding the imposition of income tax on certain income in the form of net assets that are treated or considered as income. The implementation of this rule is a consequence for taxpayers participating in tax amnesty but there are assets that have not been disclosed or transferred outside the Indonesian territory during the holding period, and for taxpayers who do not participate in tax amnesty but there are assets that have not been reported in Annual Income Tax Returns.

2. Minister of Finance Regulation Number 165 / PMK.03 / 2017

Regarding the second amendment to the Minister of Finance Regulation Number 118 / PMK.03 / 2016 concerning the Implementation of Law Number 11 Year 2016 concerning Tax Amnesty. This rule provides opportunities for Tax Amnesty Taxpayers and not, to voluntarily report assets or assets that have not been reported or reported in the Statement of Assets or in the Annual Tax Return by paying the Ransom specified in PP 36 of 2017.

3. Director General of Tax Regulation Number Per-23 / PJ / 2017

Regarding the procedure for submitting the Final Annual Tax Return (ATR) for disclosure of net assets as stipulated in the PMK-165 / PMK.03 / 2017.

## IV. RESULT AND DISCUSSION

### 1. Differences in Tax Amnesty and Post-Final Policy

#### a. Tax Amnesty

The Tax Amnesty Program, which began on July 18, 2016, is intended as one way to attract Indonesian businessmen placed abroad. It is estimated that there are assets of Indonesian Citizens of Rp.4,300 trillion which should be used as domestic investment capital. Generally, Indonesian entrepreneurs prefer to save their money in countries that have low taxes (Tax Haven).

The implementation of the Tax Amnesty Program lasted for approximately nine months from 18 July to 31 March 2017 and was divided into three periods, with each period lasted three months. Tax amnesty is a limited time opportunity for certain groups of taxpayers to pay a certain amount and within a certain time in the form of forgiveness of tax obligations (including interest and penalties) relating to the previous tax period or a certain period without fear of criminal penalties. Tax Amnesty is regulated in Law Number 11 of 2016.

Programs implemented by the government to give amnesty to taxpayers who commit violations in the past, who can take advantage of tax amnesty policies are:

- 1) Individual Taxpayer;
- 2) Corporate Taxpayers;
- 3) Taxpayers engaged in Micro, Small and Medium Enterprises (MSMEs);
- 4) Individuals or Agencies that are not yet taxpayers.

Except for the current taxpayer:

- 1) An investigation is carried out and the file of the investigation has been P21;
- 2) Being in a judicial process;
- 3) Being undergoing a criminal sentence for a criminal act in the field of taxation.

According to the Regulation of the Minister of Finance of the Republic of Indonesia Number 118 / PMK.03 /2016, Taxpayer Requirements to be able to utilize Tax Amnesty are as follows:

- 1) Has a Tax Registration Number;
- 2) Paying the Ransom;
- 3) Pay off all Tax Arrears;
- 4) Paying taxes that are not or less paid or paying off taxes that should not be returned to taxpayers who are being examined for preliminary evidence and / or tax crimes investigations;
- 5) Submitting the latest annual text return of land and building tax to taxpayers who already have an obligation to submit income tax returns; and Revoke the request:
  - a. Returning excess tax payments;
  - b. Reduction or elimination of administrative sanctions in Tax Assessment Letters and / or Tax Billing Letters in which there are principal taxes payable;
  - c. Reduction or cancellation of incorrect tax provisions;
  - d. Objection;
  - e. Correction of tax assessment letters and decrees;
  - f. Appeal;
  - g. Claims; and / or
  - h. Review, in the event that the Taxpayer is submitting an application and a decree or decision has not been issued.

The procedures for following the Tax Amnesty Program are as follows:

- 1) Taxpayers come to the local Tax Office. Taxpayers are registered to ask for an explanation through the Helpdesk on how to fill out and fulfill the complete documents that must be attached to the Statement.
- 2) Taxpayers prepare and complete the documents that will be used to apply for Tax Amnesty through a Statement, namely:
  - a. Proof of payment of ransom;
  - b. Proof of repayment of tax arrears for taxpayers who have tax arrears;
  - c. Detailed list of assets and information on ownership of assets reported;
  - d. List of Debt and supporting documents;
  - e. Proof of repayment of tax that is not or is underpaid or tax that should not be returned to the Taxpayer who is being examined for preliminary evidence or investigation;
  - f. Photocopy of the last annual tax return land building tax, and
  - g. A statement letter revoking all requests that have been submitted to the Directorate General of Taxes;

- h. A statement of transfer and investment of assets into the territory of the Unitary State of the Republic of Indonesia for a minimum period of 3 (three) years from the date of transfer in the case that the Taxpayer will carry out repatriation;
- i. Attach a statement not to transfer assets outside the territory of the Unitary State of the Republic of Indonesia for a minimum period of 3 (three) years from the issuance of the Letter
- j. Information in the event that the Taxpayer will implement the declaration;
- k. Letter of statement regarding the amount of business circulation for taxpayers engaged in MSMEs. In the case of a ransom payment, a ransom is paid to the Perception Bank determined through e-Billing using the tax account code (Tax Code Account) 411129 and deposit type code 512. Ransom is calculated by:

$$\text{Ransom} = \text{Rate of Ransom} \times \text{Net Assets}$$

To calculate net assets by:

$$\text{Net Assets} = \text{Additional Assets} - \text{Debt}$$

Taxpayers can also take advantage of facilities that have been determined according to the period. For taxpayers who are earlier in the Tax amnesty, they will get a smaller rate. Following is the Tax Amnesty ransom rate:

Asset Declaration in the Republic of Indonesia and or the Asset Repatriation Outside the Republic of Indonesia Territory

Period	Rates	
	Domestic Repatriation/Declaration	Foreign Repatriation/Declaration
1 July 2016 to 30 September 2016	2%	4%
1 Oktober 2016 to 31 Desember 2016	3%	6%
1 January 2017 to 31 Maret 2017	5%	10%

Asset Declaration for MSME (Micro, Small, Medium Enterprise)

Total Assets	Rates
up to IDR 10 Billion	0.5 %
> IDR 10 Billion	2 %

*b. The PAS-Final Policy*

The Indonesian Government through the Minister of Finance issued the second amendment of PMK 118/PJ.03/2016 which provides the opportunities for taxpayers who have not disclosed their assets in SPH (Surat Pengungkapan Harta/Letter of Assets Disclosure), or have not

been reported in SPT (Surat Pemberitahuan/Notification Letter) by launching PAS Final (Pengungkapan Aset Sukarela dengan Tarif Final/Disclosure of Voluntary Assets with Final Rates) program after tax amnesty with the main and absolute conditions have not been examined. The provisions regarding PAS-Final participants are:

Taxpayer of Tax Amnesty Participant who has not disclosed his property in the SPH or SPT report.

Non-Tax Amnesty Participant Taxpayers who have not been audited.

In accordance with section 4 of article (1) and (2) PP-36/2017, the rate of Income Tax on certain income in the form of Net Assets treated or considered as income determined as follows:

Corporation Taxpayer of 25%;

Individual Taxpayers of 30%; and

Certain taxpayers are 12.5%

Certain taxpayers as intended are:

Taxpayers who receive gross income from business and/or freelance at the last Tax Year of a maximum of IDR 4.800.000.000,00;

Taxpayers who receive gross income other than from business and/or freelance in the last tax year of a maximum of IDR 632.000.000,00; or

Taxpayers who receive gross income from business and/or freelance and other than from business and/or freelance, with conditions: the amount of gross income comes from other than business and/or freelance of a maximum IDR 632.000.000,00; and the amount of gross income sourced: from business and/or freelance; and other than business and/or freelance of a maximum of IDR 4.800.000.000,00

Tax Imposition Base of PAS-Final Policy, the tax basis of Income Tax as intended is:

the amount of assets that have not been disclosed or have less disclosed in the Declaration Letter; or

the amount of assets that have not been reported in Annual Income Tax Return.

The presence of these new regulations is briefly similar to the sequel of the previous tax amnesty program. However, the atmosphere of tax amnesty from the regulation is clearly realized, but this was denied by the Directorate General of Taxation. This happens due to the differentiation of contents and methods. This only facilitates the taxpayer to revise Notification Letter. To find out the difference between the previous tax amnesty and the implementation of PMK No. 165/2017, we could test the conditions. The first is from the rates. In the tax amnesty program, the ransom fee imposed on tax amnesty participants is in the range of 0.5-10 percent.

Whereas for PMK 165, the rates charged to unreported assets is around 12.5-30 percent. Second, the investigation. In the tax amnesty program, the Directorate General of Taxation will not carry out the investigation from the tax year of 2015 and earlier. While in PMK 165, the investigation by the tax authority is still carried out. Third, the termination of investigation. If the Directorate General of Taxation is investigating the taxpayer, but the taxpayer has joined tax amnesty program, the investigation by the tax authority will stop. Meanwhile, PMK 165 will be conducted conversely.

If the tax authority has issued a Tax Audit Order for the taxpayer, so the taxpayer cannot take part in a voluntary assets disclosure program or PAS-Final. Fourth, the amount of amnesty. For tax amnesty, there are many things forgiven, that is the elimination of charged taxes, the elimination of tax administration punishments, and the elimination of criminal sanctions in the taxation field on assets acquired in 2015 and earlier that have not been reported in the Notification Letter. Meanwhile, the amnesty in PMK 165 is only to avoid administrative punishments of 200 percent for tax amnesty participants and 2 percent per month (maximum 24 months) for those who do not participate in the tax amnesty. Fifth, the paid tax. In the tax amnesty, taxpayers must pay off all tax arrears and pay a ransom fee to get amnesty. Whereas, in PMK 165 the taxpayers can avoid administrative punishments if paying the Final Income Tax from the assets that have not been reported. Sixth, the validity period of the program. For the tax amnesty, the Directorate General of Taxation only gives nine months for the validity period. While in PMK, the tax authority gives unlimited time under the condition if the Directorate General of Taxation does not issue the instructions for investigation. From the point six, it can be stated that the PAS-Final program is not a "tax amnesty program" but as a way to enforce the tax law after the amnesty program even though it is carried out using voluntary ways when the tax amnesty applies.

Voluntary Asset Disclosure Program is conducted with Final Rates (PAS-Final). This program is carried out in order to avoid tax amnesty participants coming from Income Tax penalties of 200 percent or 2 percent per month for non-participants. He explained that PAS-Final provides the opportunity for all taxpayers having the assets that have not been reported in the Annual Tax Return 2015 or Tax Audit Findings to disclose the assets independently by paying Income Tax with individual rate at 30 percent, corporation rate at 25 percent and certain individual at 12.5 percent. If the tax disclosure is carried out by the related taxpayer before the asset is disclosed by the Directorate General of Taxation, then the provisions of punishments in section 18 of the Tax Amnesty Law are not applicable for taxpayers who utilize the PAS-Final procedure. The assets that can be disclosed are assets acquired by taxpayers until December 31, 2015, and the assets are still owned at that time.

To sum up, to solve that case is by completing the Notification Letter of Final Income Tax. This method is

provided to facilitate the taxpayers who will revise their Notification Letter under the condition that they have not been found by the Directorate General of Taxation. So the DGT still implement the equitable thing, and still provides an opportunity for taxpayers to revise their Notification.

## 2. The Implementation of Pas-Final Policy in Indonesia

Logemann state that a country is essentially an organization of power which include or unite the human group that later on called as the nation. So firstly, the country is an organization of power having an authority, or *gezag*, which means the country is being able to impose all those who are under that organization.

The target of State Revenue in The Indonesian Budget 2016 is set at IDR 1.822,5 trillion, or IDR 25,6 trillion, in which it is lower than the one proposed in the Indonesian Proposed Budget 2016. The target of State Revenues comes from Tax Revenues at IDR 1.546,7 trillion and Non-Tax Revenues at IDR 273.8 trillion (the ratio of state revenues to Gross Domestic Product or tax ratio in 2016 at 13,11 percent). Two years later, in the Financial Note of Indonesian Proposed Budget 2018 of the Ministry of Finance of the Republic of Indonesia, it is stated that the government sets the target of tax revenue 2018 at IDR 1.618,1 trillion or grew by 10% compared to the outlook of Indonesian Proposed Budget 2017 at IDR 1.47277 trillion. The revenues come from customs and excise at IDR 194,1 trillion and tax at IDR 1.424,0 trillion. If reviewed, the realization of 2017 taxation revenues is IDR 1.339,8 trillion, while the realization of tax revenues reaches IDR 1.147,5 trillion or 89.4% of the 2017 Indonesian Proposed Budget target. This tax revenue grows by 15.5% (without Tax Amnesty) and (Revaluation of Fixed Assets) due to the positive growth from all major sectors, especially the processing and trading industries. By calculating tax amnesty receipts, the tax revenue also experiences the growth by 3.8%. This percentage is mostly contributed by the segment of personal taxpayers of tax amnesty participants and the taxpayer of final income for taxpayers with certain Gross Income (1% Final Income Tax). Departing from the improvement of national economic conditions and the 2017 tax growth as well as the effort to optimize the follow-up of the tax amnesty policy implemented in 2016-2017, so the government decides the basis for calculating taxation revenue targets in the 2018 Indonesian Proposed Budget.

In the 2018 Indonesian Proposed Budget, tax revenues from Non-oil-gas Income Tax are still dominated by the tax on individual income at 51.6%. The increase of Personal Income Tax contribution is due to an increase in the number of taxpayers (individuals who have a tax ID) and also influenced by an increase in the tax base as a result of the Tax Amnesty policy.

Indonesia is a country with a population at 250 million, but only 32 million people are registered as taxpayers, even in 2016 only 8,9 million people paid taxes. This condition needs to be concerned since the activities in this country is very

dependent on income mostly from tax. Therefore, the tax awareness culture is the main key in development and prosperity the country. Additionally, the funds' repatriation from HongKong, Singapore, British Virgin Islands or the Cayman Islands shows a large problem of corruption in Indonesia. Many conglomerates feel insecure to save their assets in the country because they are often extorted by tax officials. Therefore, the Directorate General of Taxation needs cleaning and repairing to be clean of corruption. If this institution is clean of corruption, so people's money will be more easily managed and will bring maximum benefit to the people.

## V. CONCLUSION

The tax amnesty program is one of the efforts or innovation in the taxation system that is useful to increase tax revenues without adding the burden to the type of new tax and the percentage of existing taxes in the public, the business world, and workers. One of the purposes of tax amnesty is to reduce the negative image of tax officers who are always perceived as being arbitrary and must always be avoided turns into a more "friendly". This innovation or effort can basically be applied in Indonesia. The expected advantage if the tax amnesty policy is implemented is it will be able to encourage the entry of funds from abroad which in the long term can be used as the investment driver which in turn is useful for stimulating the national economy. While the PAS-Final policy is an advanced program of Tax Amnesty from the government. After launching the 3 periods of Tax Amnesty program, the government again launched the Tax Amnesty program so that the taxpayers have the opportunity to report their assets that have not been disclosed in the Assets Disclosure Letter, even in the Notification Letter. It means that for taxpayers, both Tax Amnesty participants and non-participants who have not been investigated, still have the opportunity to declare their assets.

The Implementation of PAS-Final Policy since the issuance of PMK-165 / PMK.03 / 2017 concerning the second amendment of PMK118 / PMK.03 / 201 concerning tax amnesty, the writers often discuss this case with both tax players and tax observers who finally agree with one of the motivations for the issuance of the provisions of the amendment to encourage taxpayer compliance, while this rule is identified with the name PAS-Final or *Pengungkapan Aset Sukarela dengan tarif Final* (Voluntary Asset Disclosure with Final rate). The assets voluntary disclosed are assets acquired from January 1, 1985, to December 31, 2015, but not all assets have been disclosed in a tax amnesty or have not been reported in the SPT. It is concluded that Voluntary Assets Disclosure with Final rates (PAS-Final) is conducted in order to facilitate the obedient taxpayers so that they are not constrained by space and time.