

ANALYSIS OF VALUE ADDED TAX ACCOUNTING TREATMENT AT PT DAYA ANUGRAH MANDIRI AIRMADIDI BRANCH

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Volume: 1
Number: 3
Page: 323 - 328

Article History:

Received: 2022-11-23

Revised: 2022-12-18

Accepted: 2023-01-16

Abstract:

Value Added Tax (VAT) is a levy imposed on every sale and purchase transaction of goods and services carried out by individual taxpayers or business entities that have received the status of a Taxable Entrepreneur (PKP). The last amendment to the VAT Law is in Law Number 7 of 2021 concerning the Harmonization of Tax Regulations (UU HPP). PT Daya Anugrah Mandiri or Daya Motor, is a subsidiary of the Daya Group engaged in the retail sector of Honda motorcycles. Every purchase and sale of motorbikes by PT Daya Anugrah Mandiri Airmadidi Branch is inseparable from the imposition of Value Added Tax (PPN). This study aims to determine the VAT accounting treatment at PT Daya Anugrah Mandiri Airmadidi Branch. This study used the descriptive qualitative method. Researchers will explain the data obtained through interviews, observation, and documentation to get answers to problems in detail and clearly. The results of this study indicate that 4 aspects of the VAT accounting treatment at PT Daya Anugrah Mandiri Airmadidi Branch are in accordance with existing tax provisions and regulations, namely recognition, calculation, presentation, and reporting. However, the recording is inappropriate because a recording error results in data differences.

Keywords: Value Added Tax (VAT), Value Added Tax Rate, Tax Law

Cite this as: ANTOW, A. F. G., GAMALIEL, H., & WANGKAR, A. (2023). "Analysis of Value Added Tax Accounting at PT Daya Anugrah Mandiri Cabang Airmadidi." *Journal of Governance, Taxation and Auditing*, 1 (3), 323 - 328.



INTRODUCTION

Taxes are obligatory contributions the people give to the state, which are coercive and do not receive direct rewards (Hani and Furqon, 2021, p. 1). Taxes are classified into two types, namely direct taxes and indirect taxes. Direct tax is a tax charged directly to individuals or households as taxpayers, and the obligation to pay cannot be transferred to another person. Whereas indirect tax is a tax imposed if there is a transaction, the obligation to pay for which can be transferred to another party who is considered the final party affected by the tax burden (Tuhuteru, 2020, p. 1).

Value Added Tax (VAT) is included in the type of indirect tax. VAT is a government levy imposed on every sale and purchase transaction of goods and services carried out by individual taxpayers or business entities that have received the status of a Taxable Entrepreneur (PKP). The legal basis for collecting VAT is Law Number 7 of 2021 concerning the Harmonization of Tax Regulations (UU HPP). The VAT Law has been amended four times. The first Law Number 11 of 1994 came into force on January 1, 1995. The second amendment was made through the ratification of Law Number 18 of 2000, which came into force on January 1, 2001. The third amendment to the VAT Law was made through Law Number 42 of 2009, which came into force on April 1, 2010. The last amendment to the VAT Law is in Law Number 7 of 2021 concerning Harmonization of Tax Regulations (UU HPP) concerning an increase in the VAT rate of 11%, which came into force on April 1, 2022.

According to the mechanism, VAT must be collected, deposited, and reported by the Taxable Entrepreneur (PKP). In calculating VAT, there are terms output tax and input tax. When a PKP buys Taxable Goods (BKP)/ Taxable Services (JKP) from another PKP as a seller, the PKP buyer must pay VAT to the PKP seller. The VAT that is paid is referred to as Input Tax. However, if later the PKP, who was originally a buyer, sells the BKP/ JKP, then the PKP is required to collect VAT from the buyer, known as Output Tax. VAT calculations are helpful in knowing the amount of tax payable, which must later be deposited into the state treasury.

PT Daya Anugrah Mandiri, better known as Daya Motor, is a subsidiary of the Daya Group engaged in the retail sector of Honda Motorcycles, selling motorcycles, official spare parts and Honda after-sales services directly to consumers. In purchasing BKP, PT Daya Anugrah Mandiri Airmadidi Branch will request goods from the primary dealer using the system provided. Meanwhile, while selling the BKP, PT Daya Anugrah Mandiri Airmadidi Branch sells in cash and on credit. For sales on credit, the company cooperates with several leasing parties to minimize the level of risk of uncollectible accounts to consumers who are given credit.

Every purchase and sale of BKP/ JKP made by PT Daya Anugrah Mandiri Airmadidi Branch is inseparable from the imposition of Value Added Tax (PPN). Every day, this company conducts many transactions related to VAT, both sales and purchase transactions, and involves many documents. The number of transactions carried out allows errors in the financial statements. Errors that occur in financial reports result in the provision of incorrect information and can result in errors in making decisions. To avoid errors that will occur, it is necessary to have excellent and correct accounting treatment in accordance with applicable tax regulations. Based on this background, the author is interested in researching Value Added Tax with the thesis "Analysis of Value Added Tax Accounting Treatment at PT Daya Anugrah Mandiri Airmadidi Branch".

METHODS

This study used the descriptive qualitative method. Researchers will explain the data obtained through interviews, observation, and documentation to get answers to problems in detail and clearly. This research was conducted at PT Daya Anugrah Mandiri Airmadidi Branch (Honda Dealer), located at Sukur, Kec. Airmadidi, Kab. North Minahasa, North Sulawesi. This research was conducted from September to December 2022. Based on the problems specified, the type of data used in this research is qualitative data. Qualitative data contains a brief history of the company, vision, mission, and organizational structure, as well as the results of interviews obtained from PT. Airmadidi's Independent Power of Grace.

The data source in a study is the subject from which the data is obtained. The primary data source in this study was direct interviews with the office regarding the general description of PT Daya Anugrah Mandiri Airmadidi and its VAT accounting treatment. The data collection method in this study is the following: observation is done by directly observing the process business at PT Daya Anugrah Mandiri Airmadidi Branch. The interview uses a direct questions and answers as well-held discussions with PT Daya Anugrah Mandiri Airmadidi Branch. Documentation is done by collecting data, documents, and information needed in research at PT Daya Anugrah Mandiri Airmadidi, Airmadidi Branch.

The analytical method used in this research is the descriptive method. The process of data analysis carried out is to collect data related to VAT through direct interviews with employees in the admin section and document the documents needed to support the results of the interviews and make discussions and draw conclusions from all the data that has been analyzed to become research results and provide suggestions from the analysis results.

RESULT AND DISCUSSION

Recognition of Value Added Tax. In accordance with the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, VAT is recognized when PT Daya Anugrah Mandiri Airmadidi Branch hands over the BKP or JKP to consumers through the sale of motorbikes, spare parts and service services. However, if a down payment is received from a sale, then VAT recognition occurs at the time of payment of the down payment. Based on Article 11 of Law no. 7 of 2021 concerning Harmonization of Tax Regulations, tax payable occurs when: BKP submission, BKP import, submission of JKP, utilization of Intangible BKP from outside the Customs Area, utilization of JKP from outside the Customs Area, export of Tangible Taxable Goods, export of Intangible Taxable Goods, and JKP export.

If payment is received before the delivery of the Taxable Goods or before the delivery of the Taxable Goods Service or if the payment is made before the start of the utilization of the Intangible Taxable Goods or Taxable Goods Service from outside the Customs Area, when the tax is payable is at the time of payment. Acknowledgment of VAT according to accounting is at the time of delivery of BKP, even though the tax invoice has not been made and payment has not been received. According to the tax law, the recognition of VAT is the same as accounting, namely at the time of delivery of BKP or a sale has occurred. However, if an advance payment is received from the sale, the VAT payable administratively is at the time of payment of the down payment. Based on this discussion, the recognition of value-added tax at PT Daya Anugrah Mandiri Airmadidi Branch is in accordance with Law no. 7 of 2021 concerning the Harmonization of Tax Regulations.

Calculation of Value Added Tax. Per the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, the value-added tax rate imposed on PT Daya Anugrah Mandiri Airmadidi Branch from 2019 to 2021 is 10% of the tax base (DPP) and 11% starting April 1, 2022. Meanwhile, the tax imposition basis (DPP) used in calculating the value-added tax uses the selling price before taxes. Calculation of Value Added Tax made by PT Daya Anugrah Mandiri Airmadidi Branch from 2019 to 2022 as explained below.

Value Added Tax = Tax Base X 10%. Purchase and Input Tax The purchase transaction was made with PT Daya Adicipta Wisesa, the main dealer of Honda motorcycles and official Honda spare parts with operational areas in North Sulawesi, Gorontalo and North Maluku; Sales and Output Tax. Sales made by the company are to the public. The company conducts sales transactions using 2 (two) ways, namely in cash and on credit through leasing.

Based on Law no. 42 of 2009 concerning VAT and PPnBM, the VAT rate is 10% (ten percent), amended by Law no. 7 of 2021 concerning HPP to 11% (eleven percent), which took effect on April 1, 2022. In accordance with the research results using the interview method with the head of admin, the value-added tax rate imposed on PT Daya Anugrah Mandiri Airmadidi Branch from 2019 to 2019 2021 is 10% of the tax base (DPP) for taxable goods (BKP). While the tax base (DPP) used in calculating the value-added tax is to use the selling price before being taxed. Based on this discussion, the value-added tax calculation at PT Daya Anugrah Mandiri Airmadidi Branch from 2019 to 2021 is in accordance with the Law in force at that time, namely Law No. 42 of 2009 concerning VAT and PPnBM.

Recording of Value Added Tax. In accordance with the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, recording is done through the Odoos Daya Motor application using the input VAT method and output VAT is recorded separately and at the end of the tax period, a calculation or summation will be carried out to find out whether an Overpaid VAT or underpaid VAT.

Table 1. Purchase transaction journal for 2019

The year 2019		
	Debt (IDR)	Debt (IDR)
Purchase	18,201,171,567	
Income tax Cash	1,820,117,157	20,021,288,724

Source: Data Processing Results (2022)

Table 2. Purchase transaction journal for 2020

The year 2020		
	Debt (IDR)	Debt (IDR)
Purchase	24,951,033,836	
Income tax Cash	2,495,103,384	27,446,137,220

Source: Data Processing Results (2022)

Table 3. Purchase transaction journal for 2021

The year 2021		
	Debt (IDR)	Debt (IDR)
Purchase	24,951,033,836	
Income tax Cash	2,495,103,384	27,446,137,220

Source: Data Processing Results (2022)

Table 4. Sales Transaction for 2019

The year 2019		
	Debt (IDR)	Debt (IDR)
Purchase	19,430,729,891	
Income tax Cash		17,664,299,901
		1,766,429,990

Source: Data Processing Results (2022)

Table 5. Sales transaction journal for 2020

The year 2020		
	Debt (IDR)	Debt (IDR)
Purchase	1,585,672,641	
Income tax Cash		1,441,520,583
		144,152,058

Source: Data Processing Results (2022)

Table 6. Sales transaction journal for 2021

The year 2021		
	Debt (IDR)	Debt (IDR)
Purchase	25,541,240,663	
Income tax Cash		23,219,309,694
		2,321,930,969

Source: Data Processing Results (2022)

When a cash purchase transaction occurs, the input tax is in a debit position; when a cash sales transaction occurs, the output tax is in a credit position. In this process, recording errors often occur. Following the results of interviews with the head of the admin, the cause of the problem is a tax invoice that can be made at the end of the month after the month of BKP/ JKP submission. Based on the discussion above, the recording of VAT by PT Daya Anugrah Mandiri Airmaidi Branch is not

following PMK No. 54 of 2021 concerning Procedures for Recording and Certain Criteria as well as Procedures for Keeping Considerate Bookkeeping for Tax Purposes, where recording must be carried out with due observance of good faith and reflecting actual conditions or business activities and supported by documents that are the basis for recording.

Presentation of Value Added Tax. Per the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, each element of VAT on purchases and sales will be presented in purchase reports, sales reports, and balance reports. From the processed data that has been made above, it can be seen that the amount of output tax in 2019 is Rp. 1,766,429,990 and input tax in 2019 of Rp. 1,820,117,157, in 2020, the output tax is Rp. 1,441,520 and input tax in 2020 of Rp. 1,379,317,314, and in 2021 the output tax is Rp. 2,321,930,969 and input tax in 2021 of Rp. 2,495,103,384.

Table 7. Presentation of Output VAT and Input VAT

Year	Output VAT (IDR)	Input VAT (IDR)	VAT Paid (IDR)	Underpayment/Overpayment
2019	1,766,429,990	1,820,117,157	(53,687,167)	Overpayment
2020	1,441,520,538	1,379,317,314	62,203,225	Underpayment
2021	2,321,930,969	2,495,103,384	(173,172,414)	Overpayment

Source: Data Processing Results (2022)

Based on Article 28 of Law no. 28 of 2007 KUP as amended several times, most recently by Law no. 7 of 2021 concerning HPP, bookkeeping is a process of recording that is carried out regularly to collect financial data and information which includes assets, liabilities, capital, income and costs, as well as the total cost of acquisition and delivery of goods or services, which is closed by compiling a financial report in the form of a balance sheet, and income statement for that Tax Year. Financial Accounting Standards, as a set of accounting principles, procedures, methods, and techniques governing the preparation of Financial Statements, have a role as a basis for the imposition of accounting in calculating Value Added Tax. The involvement of Financial Accounting Standards in VAT calculations is since the VAT components, namely Input Tax and Output Tax, contain accounting concepts or thoughts (Christina 2012: 5). Following the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, each element of VAT both on purchases and sales is presented in purchase reports, sales reports, and balance sheets. In 2020 the company experienced underpaid VAT, namely Rp. 62,203,225. Meanwhile, in 2019 and 2021, VAT was overpaid, amounting to Rp. 53,687,197 for 2019 and Rp. 173,172,414 for 2021. It is in accordance with existing rules and theories. According to Waluyo (2012, p. 332), financial reports must describe whether VAT is underpaid or overpaid when preparing financial reports.

Reporting of Value Added Tax. In accordance with the research results obtained at PT Daya Anugrah Mandiri Airmadidi Branch, VAT reporting is carried out by the head office has its address in Bandung, West Java, because PT Daya Anugrah Mandiri Airmadidi Branch has many branches, so the company centralizes VAT or centralizes it to simplify the fulfillment process tax obligations. Based on Article 2 of the Regulation of the Director General of Taxes Number Per-11/ PJ/ 2020 concerning Designation of One Or More Places as Concentration of Value Added Taxes Payable, the concentration of VAT payable is as follows: (1) Taxable Entrepreneurs who have more than 1 (one) Tax Place Value Added Debt may choose 1 (one) place or more as the Place of Concentration of Value Added Tax Debt; (2) The Taxable Entrepreneur as referred to in paragraph (1) is required to carry out delivery administration and financial administration in a centralized manner at 1 (one) or more Concentration Places for Value Added Taxes Payable; (3) A place that can be chosen as a Place

of Concentration of Value Added Tax Payable as referred to in paragraph (1) is a Place of Value Added Tax Payable where the Entrepreneur in that location has been confirmed as a Taxable Entrepreneur; (4) Place of Payable Value Added Tax to be centralized is Place of Payable Value Added Tax where Entrepreneurs in that location have been confirmed as Taxable Entrepreneurs.

Based on this discussion, the tax concentration value added by PT Daya Anugrah Mandiri Airmadidi Branch per the Regulation of the Director General of Taxes Number Per-11/PJ/2020 concerning Designation of One Or More Places as Places Centralization of Value Added Tax Payable.

CONCLUSION

Based on the discussion of the analysis that has been carried out, it can be concluded that the accounting treatment carried out by PT Daya Anugrah Mandiri, Airmadidi Branch, is the first VAT recognition when the BKP or JKP is submitted. However, if a down payment is received from a sale, then VAT recognition occurs at the time of payment of the down payment. Second, the calculation of VAT for 2019-2021 is 10% (ten percent) of the DPP in accordance with Law No. 42 of 2009 concerning VAT and PPnBM. Third, VAT is recorded using the input VAT method, and the output VAT is recorded separately. Fourth, each element of VAT on both purchases and sales is presented in the purchase report, sales report, and balance sheet report. The head office publishes the fifth report because the company conducts VAT centralization. The company's VAT concentration is in accordance with the Director General of Taxes Regulation Number Per-11/ PJ/ 2020 Determination of One Or More Places as Concentration of Value Added Taxes Payable.

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