

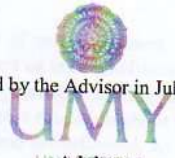
**ENDORSEMENT PAGE**  
**A COMPARATIVE STUDY OF TAX CONSULTANT LEGISLATION IN INDONESIA,  
AUSTRALIA, AND THE UNITED STATES**

**MANUSCRIPT FOR PUBLICATION**

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# **A COMPARATIVE STUDY OF TAX CONSULTANT LEGISLATION IN INDONESIA, AUSTRALIA, AND THE UNITED STATES**

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## **Abstract**

Since the changes of self-assessment system of Indonesia in 1983, the taxpayer is given an amount of tax compliance by their selves in order to follow the prevail regulation of taxation. During the fulfillment of self-assessment system, the lack of taxpayer's education about the new system and taxation tends to be a risk being misled and misinformed, so that the role and regulation of tax consultant profession is needed which affects the ethics and services to the taxpayer. Under this writing, the writer would like to know how Indonesia regulate the tax consultant profession and the comparative study with Australia and the United States which have the same tax collection system. The research is aimed to understand prevailing tax consultant regulation in Indonesia, compare with Australia, and the United States legislation. The research uses normative legal research method. The data is conducted by descriptive qualitative design which takes the information related to the research matters to represent and emphasize the discussion. The result shows that there are several similarities and differences of Indonesia, Australia, and the United States tax consultant legislation. The type of Indonesia legislation is Minister of Finance Regulation, meanwhile the others are in the form of an Act, which is also imply the different content of professional regulation.

*Key Words: Tax Consultant Profession; Tax Consultant Regulation; Comparative Study*

## I. Background

Since 1995, the government put the tax sector as one of the main state revenue. As having been seen in State Expenditure Budget in the year of 1997/1998, the tax revenue reaches Rp 12.2 trillion or 32% of the volume of State Expenditure Budget. Meanwhile in State Expenditure in the year of 1998/1999, the target of the tax sector is increased into Rp 81.725 trillion.<sup>1</sup> It has been a common if a state declares the target of a taxable income to keep the stability of a state's income. The tax income in Indonesia only achieved 89.4% of the set target. Thus, tax is one of the important aspects under the government of a state, not only in economic but also in other aspects, such as the infrastructure. In the other side, tax is one of the biggest income for a state, imposed for all citizen through the tax collection.<sup>2</sup>

In 1983, an improvement effort been aroused through the tax reformation. The tax system is changed from official assessment into the self-assessment system, where all taxpayers are given a trust, authority, and duty to count, determine, pay, and report an amount of the tax compliance. Right after the Reformation era, the consequences of the new system is that every taxpayer who earns income shall register themselves to the taxation services office. In addition, the duty to determine and count the amount of tax compliance belongs to them, in order to comply with the prevailing regulation of taxation. The effectiveness of self-assessment depends on the taxpayers

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<sup>1</sup> Antariksa Budileksmana. "Manfaat dan Peranan Konsultan Pajak Dalam Era Self Assessment Perpajakan". *Jurnal Akuntansi & Investasi* Vol. 1 No.2. (2015). P.1

<sup>2</sup> Anak Agung Istri Pradnyarani, Made Sudarma, Zaki Baridwan. "Dilema Etis Konsultan Pajak dalam Tax Planning: Studi Fenomenologi". *Jurnal Ilmiah Administrasi Publik (JIAP)* Vol 4 No 2, pp 128-139. Universitas Brawijaya Malang. (2018). P.1

disciplinary and knowledge to fulfill the payment of tax compliance.<sup>3</sup> The Directory General of Taxes will deliver Notice of Tax Assessment to the taxpayer, in case they found the unreported fiscal. In addition, the cost of the collection will increase during the fulfillment of the self-assessment system. It covers the administrative cost (spent by Directorate General of Taxes) and compliance cost (spent by taxpayers). Furthermore, many taxpayers found ambiguity upon tax knowledge which tends to mislead them in the end.<sup>4</sup> The risk of being misinformed upon tax knowledge can be reduced by the hand of a tax consultant role, while the role of tax consultant can be advantages and disadvantages for the tax compliance. People could be more obedient or disobeyed upon tax compliance, which is depend on the professionalism and knowledge of the tax consultant itself. The tax consultant is involved the tax compliance of tax evasion to their client.

The profession needs the firm regulation, to enhance the role as a partner upon the tax compliance and decrease the tax evasion. The scheme of tax evasion could be used by taxpayer or tax consultant, in fact. The role of a tax consultant is in the tax consultant regulation itself. In 1987, the data of IRS of The United States research stated that tax consultant's vision and mission is less compatible with the tax authority, so that tax consultant regulation needs to be altered and improved. Jackson and Milliron research in early 90s, criticized the United States decision upon a gap or keep the

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<sup>3</sup> Nuramalia Hasanah and Susi Indriani. "Efektifitas Pelaksanaan Self Assessment System dan Modernisasi Administrasi Pajak Terhadap Kualitas Pelayanan Pajak (Studi Kasus Pada KPP Kebon Jeruk 1)". *Jurnal Ilmiah Wahana Akuntansi* Volume 8, No.1. (2013). P. 5

<sup>4</sup> Hadi Sugianto. Peran Konsultan Pajak Sebagai Partner Direktorat Jenderal Pajak Dalam Sistem Pemungutan Pajak Di Indonesia. April 1, 2019. [www.weloje.id](http://www.weloje.id) (09.00 p.m.). P. 11

distance with the tax consultants, while they are having a huge role between the government and the taxpayers. Many cases of tax evasion arise which criticize the credibility and professionalism of tax consultant.

The issue of its profession become a dilemma upon its regulation. Some experts argue about the importance of its alteration profession regulation in order to serve a better professionalism. They argued that the tax consultant profession shall be regulated under the statute. Additionally, having it regulated under the Ministry of Finance Regulation is not firm enough. In any case, this is a debatable idea to find out the legal reason of the tax consultant profession to be regulated under the statute.

Some experts argue that Indonesia lacks of tax officers and tax consultants. The data of some experts stated, within 246 million of the citizen, 24.42 million people are registered as a taxpayer, 4.5 thousand people are registered tax consultant, and 32 thousand of people are the tax officer.<sup>5</sup> They play a big role in the state's revenues. Within that big role, the profession is expected to be effective in the case of educating taxpayers about taxation, tax imposition, and tax collection. Aside from its role, there is a relationship between the tax consultant and the taxpayer which can be seen as supply and demand upon the tax compliance. The tax consultant is the subject to supply or transfer the informations and services, and the taxpayer is on the demand sides who have a duty to comply with the tax payment.

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<sup>5</sup> Op.Cit. P. 4

On the need for a new regulation about the tax consultant profession, it is arising as the partner of General of Taxes regarding with tax collection. Many experts expect the role is important to maintain the tax revenue within a firm regulation, to qualify better tax consultancies and to prevent the illegal and unprofessional tax consultancies which perform tax evasion. The bill of Tax Consultant has been agreed under the plenary meeting of House of Representative on 26 July 2018 as the bill on the initiative of House of Representative. It is developed until the Constitutional Court which delivers the verdict number No. 63/PUU-XV/2017 about the constitutional condition Article 32 paragraph (3a) of General Requirements and Tax Procedure, the taxpayer representatives can proceed through another profession beyond the tax consultant. In national legislation program, the Bill of Tax Consultant been arranged as 5 years' plan, as the part of national legislation program in 2018, as stated under the Minutes of Plenary Session of House of Representative on December 5, 2017.<sup>6</sup>

The writer is hoping for a better discussion about the prevailing regulation of tax consultant in Indonesia since the issue and problems of tax consultant profession arise as a necessity to change the form of regulation, in order to serve and uphold a better professionalism. Regarding tax reformation of Indonesia through self-assessment system in 1983, we attempt to compare it with Australia (self-assessment system in 1986) and the United States (self-

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<sup>6</sup> Tok! DPR Setujui 50 RUU Jadi Prolegnas 2018.  
<https://news.detik.com/berita/d-3755282/tok-dpr-setujui-50-ruu-jadi-prolegnas-2018> accessed on 20 Oktober 2018.

assessment system in 1984) development of tax consultant regulation, since they are having a close gap of year in self-assessment system.

## **II. Research Problem**

Based on the background above, the writer concludes the research problem is what are the similarities and differences of tax consultant law in Indonesia compared with Australia and The United States?

## **III. Research Method**

The writer uses the methodology of normative legal research to conduct the research. The data which are collected are include the primary, secondary, and tertiary data. Primary data is taken from the regulation from each 3 countries, and the secondary data is the scientific journals which are related to the discussion, the tertiary data is the encyclopedia and dictionary. In addition, the field study also seeks in order to get a better information for the purpose of study in Directorate General of Taxes and ITCA branch of Yogyakarta.

## **IV. Finding and Analysis**

### **A. Regulation**

Tax Consultant regulation has an important function to help strike an appropriate balance between loyalty to the system and loyalty to the client and also has the goal of protecting clients from unscrupulous or incompetent Tax Consultant. Besides, the regulation might be a danger when it might serve instead to protect the economic interest of those permitted to act as Tax Consultant or strangle the freedom of profession



by creating undue bureaucratic control. Furthermore, There are some reasons which involved regarding the tax compliance in a country such as public financial, law enforcement, organization structure, cultural influence or the combination of all.<sup>7</sup>

There are some basic policies consideration in regulating Tax Consultant or Tax Advisor:<sup>8</sup>

1) Balance of supply and demand

An analysis of the demand side should be made of which type of professionals will be required by which type of taxpayer. The demand for tax consultant will depend, among other things, such as the development of the economy, and the legal system and the requirements imposed on taxpayers (e.g., how many taxpayers are required to file returns). Meanwhile in the supply side, is the availability of proper training also determines the demand of a tax consultant. To keep the balance between the supply and demand of tax consultant, it is a necessity to decide to whether to regulate or not to regulate; how to regulate the profession and what is the qualification for the profession; and whether the profession should be granted a monopoly on some or all aspects of tax practice.

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<sup>7</sup> Ajat Sudrajat and Arles Parulian Ompusunggu. "Pemanfaatan Teknologi Informasi, Sosialisasi Pajak, Pengetahuan Perpajakan, dan Kepatuhan Pajak". *Jurnal Riset Akuntansi dan Perpajakan JRAP* Vol.2. 193 – 202.ISSN 2339 – 1545 (2015). P. 2.

<sup>8</sup> Ibid.

2) Maintenance of quality standards

Developing the quality standard or tax consultant through the organization is important for the professional standard. In order to enhance the quality of standard, it requires times and tradition for the private organization. Mostly, the professional standard in the developed country relies on the private organization. Meanwhile, in developing countries tend to be determined professional requirements by law, rather than relying on the private organization.

3) Conflicting loyalties of Tax Advisor or Tax Consultant

There will be a conflict of interest between the loyalty to the tax administration, client and other. Tax official helps the taxpayer to file tax returns and another service to the public. In some cases, many tax official flight from tax administration to private tax practice, after they have professional training in tax administration.

4) Relationship between Tax Consulting and the legal and accounting professions

Controls shall be placed for who is entitled to practice law or accountancy. This form, usually work in conjunction with measures that provide for the establishment and recognition of independent, self-governing professional bodies that are responsible, admission practice of the profession, continuing education and other conditions for continuing qualification, and the disciplining of members of the profession with respect to breaches of their responsibilities. To

enforce professional monopolies and restrict the practice, legislation imposing criminal sanctions is often used.

5) Admission of Legal Person to the profession

The conceptual model underlying the profession to which the advisor belongs will determine the development of rules which allow or disallow the tax consultant to operate through different business forms. In the traditional concept, the person's quality practice will determine the professional practice. Nowadays, professional practice is determined through the working procedures of an organization.

6) Regulation of international tax consulting services

A country which seeks a monopoly of tax practice, a problem of applying the regulations for tax consulting services that cross the border will arise.

7) Provision of tax services by employees

8) Privileged communications and work product

a. Indonesia

Legislation: Minister of Finance Regulation Number  
111/PMK.03/2014

b. Australia

Tax Agent Services Act 2009

This regulation is provided to the public in accordance with appropriate standards of professional and ethical conduct.<sup>9</sup> In addition, the act is also to establish the Tax Practitioners Board, to provide for the registration of tax agents and BAS agents, and for related purposes.<sup>10</sup>

c. The United States

Legislation: Circular 230 or Treasury Department Circular 230 about Regulations Governing Practice before IRS.

Table 1. Comparative of Legislations Regarding the Eligibility of Tax Practitioner

COUNTRY	CLASSIFICATION
	REGULATION: ELIGIBILITY TO BE THE PRACTITIONER
Indonesia	<ol style="list-style-type: none"> <li>1. Indonesia citizenship</li> <li>2. Residing in Indonesia</li> <li>3. Untied upon the government jobs/positions or State-Owned Enterprise/Regional-Owned Enterprise</li> <li>4. Police Clearance Reporte (SKCK)</li> <li>5. Having a Tax ID Number (Nomor Pokok</li> </ol>

<sup>9</sup> Tax Agent Services Act 2009. P. 12.

<sup>10</sup> Tax Agent Services Act 2009. P. 8.

	<p>Wajib Pajak or NPWP)*</p> <ol style="list-style-type: none"> <li>6. Being a member of registered Tax Consultant Association under Directorate General of Taxes</li> <li>7. Having a Tax Consultant Practice License</li> </ol> <p><i>*Tax ID needs the Identification Card, for who are 18 years old / more</i></p>
<p><b>Australia</b></p>	<ol style="list-style-type: none"> <li>1. Individual <ol style="list-style-type: none"> <li>a. 18 years old / more, fit and proper person; meet the requirements prescribed by the regulation; able to meets the Board's requirement</li> </ol> </li> <li>2. Partnership <ol style="list-style-type: none"> <li>a. Each partner is an individual of 18 years old or more; fit and proper person</li> <li>b. Each of director of company is fit and proper person; company not under external administration and not convicted of a serious taxation offence or offence involving fraud or dishonesty during the previous 5 years</li> <li>c. The partnership able to maintain professional indemnity insurance that</li> </ol> </li> </ol>

	<p>meets the Board's requirements</p> <p>3. Company</p> <p>a. Each of director of company is fit and proper person; company not under external administration and not convicted of a serious taxation offence or offence involving fraud or dishonesty during the previous 5 years</p> <p>b. The company able to maintain professional indemnity insurance that meets the Board's requirements</p> <p><i>*fit &amp; proper person = good frame, integrity, character; individual had status of undischarged bankrupt during the previous 5 years; individual served imprisonment during the previous 5 years.</i></p>
<p><b>The United States</b></p>	<ol style="list-style-type: none"> <li>1. 18 years old or more with written examination administered</li> <li>2. Having tax identification number</li> <li>3. Not engaged in any conduct that would justify the disbarment / suspension of any practitioner</li> </ol>

Source: Minister of Finance Regulation No 111/PMK.03/2014 about Tax Consultant, Tax Agent Services Act 2009, Treasury Department Circular 230 about Regulations Governing Practice before the Internal Revenue Service.

From the table above, we conclude the similarity and difference, such as:

**1. Similarity**

Those countries are requiring the practitioner in 18 years old / more with written examination administered, and good character or integrity.

**2. Difference**

Australia does not need the tax identification number as the requirement of the profession.

Table 2. Comparative of Legislations Regarding Tax Practitioner’s Scope of Work

<b>COUNTRY</b>	<b>CLASSIFICATION</b>
<b>Indonesia</b>	<p style="text-align: center;"><b>REGULATION: PRACTITIONER’S SCOPE OF WORK</b></p> <ol style="list-style-type: none"> <li>1. Filling out the annual notice</li> <li>2. Managing period/annual tax report</li> <li>3. Accompanying the tax examination</li> <li>4. Providing advice regarding the taxation problems</li> <li>5. Tax planning</li> </ol>
<b>Australia</b>	<ol style="list-style-type: none"> <li>1. Tax Agents               <ol style="list-style-type: none"> <li>a. Ascertaining liabilities, obligations or entitlements of an entity that arise, or could arise, under a taxation law</li> </ol> </li> </ol>

	<ul style="list-style-type: none"> <li>b. Representing an entity in their dealings with the Commissioner</li> </ul> <p>2. BAS Agents</p> <ul style="list-style-type: none"> <li>a. Ascertaining or advising about liabilities and obligation or entitlement of a client under BAS services (GST law, wine equalization tax law, luxury car tax law, fuel tax law, etc.)</li> <li>b. Representing an entity in their dealing with the Commissioner and BAS provision</li> </ul> <p>3. Tax (financial) agents</p> <ul style="list-style-type: none"> <li>a. Provide services by a financial services licensee or a representative of financial services licensee</li> <li>b. Provide services related to ascertaining liabilities, obligations or entitlements of an entity that arise or could arise under a taxation law</li> <li>c. Provide service for the purpose of satisfying liabilities or obligations and claim entitlements that arise or could arise under the taxation</li> </ul>
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<p><b>The United States</b></p>	<ol style="list-style-type: none"> <li>1. Fulfillment of rights and obligations, such as preparing documents; filling in the documents; correspondence and communication to IRS.</li> <li>2. Provide written advice related to formation of legal entities, all that deals with the agreements or under the transaction.</li> <li>3. Representing the client during the meeting and hearing.</li> </ol>
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Source: Source: Minister of Finance Regulation No 111/PMK.03/2014 about Tax Consultant, Tax Agent Services Act 2009, Treasury Department Circular 230 about Regulations Governing Practice before the Internal Revenue Service.

From the table above, we can conclude the similarity and difference as follow:

**1. Similarity**

Both Australia and the United States, the role of the practitioner is serving more than a tax advisor, but also the taxation and transaction or business advisor.

**2. Difference**

Only in the United States, where the practitioner is allowed to represent or become the delegate during the meeting and hearing.

Table 3. Comparative of Legislations Regarding Tax Practitioner’s Administrative Requirements

COUNTRY	CLASSIFICATION
<b>Indonesia</b>	<p style="text-align: center;"><b>REGULATION: ADMINISTRATIVE REQUIREMENTS</b></p> <ol style="list-style-type: none"> <li>1. Follow the written examination to get a certificate license of tax consultant</li> <li>2. Become the member of an association, then apply the practice license (max 2 years after certification). DGT will deliver the decision within 30 days (more than 30 days and no reply, assumed as agreed)</li> <li>3. Validation of the license is 2 years after issuance of application</li> </ol>
<b>Australia</b>	<ol style="list-style-type: none"> <li>a. Apply to the board on what type of registration, the Board shall grant on what type of registration or reject it</li> <li>b. Tax Practitioners Board will give the decision within 6 months, more than a certain time, the application is rejected. And applicant able to file a</li> </ol>

	written denial or protest c. The practice license will be valid for 3 years
<b>The United States</b>	<ol style="list-style-type: none"> <li>1. Application is addressed on the concerning of enrollment</li> <li>2. Nonrefundable fee is charged, for new application is USD 43, and for renewal is USD 28</li> <li>3. IRS will require additional information to qualify the applicant and conduct a federal tax compliance check and suitability</li> <li>4. Within 30 days, the decision will be given by IRS, and able to file the written protest upon a denial</li> </ol>

Source: Source: Minister of Finance Regulation No 111/PMK.03/2014 about Tax Consultant, Tax Agent Services Act 2009, Treasury Department Circular 230 about Regulations Governing Practice before the Internal Revenue Service.

From the table above, we can conclude the similarity and difference as follow:

### **1. Similarity**

Both Australia and the United States, allow the applicant to deliver the protest upon the denial of the application.

## 2. Difference

No denial protest in Indonesia, and the application is automatically agreed by the DGT.

### B. Organization

Table 4. Comparative of Tax Practitioner's Organizations

COUNTRY	CLASSIFICATION
<b>Indonesia</b>	<b>ORGANIZATION</b> 3. ITCA 4. AKP2I
<b>Australia</b>	Most of practitioners are collaborated in their association or in an alliance because the profession is developed through the respect of their quality based on the code of professional conduct under the prevailing regulation
<b>The United States</b>	1. American Academy of Attorney – CPAs (AAA-CPA) 2. American Institute of Certified Public Accountants (AICPA) 3. National Association of Enrolled Agents (NAEA) 4. National Association of Tax

	Professionals (NATP) 5. National Conference of CPA Practitioners (NCCPAP) 6. National Society of Accountants (NSA) 7. National Society of Tax Professionals (NSTP)
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Source: Minister of Finance No. 111/PMK.03/2014 about Tax Consultant, <https://www.irs.gov/tax-professionals/irs-tax-pro-association-partners>.

From the table above, we can conclude the similarity and difference as follow:

### **1. Similarity**

Both Indonesia and the United States, there are several organization which is registered under the taxation service office.

### **2. Difference**

Australia respect all individual to be associated or allied in based on their concern, as long as the individual is a registered agent under the Tax Practitioners Board.

## **C. Implication**

### **1. Indonesia**

Role of tax consultant profession run by Account Representative (AR) and tax consultant. Basic motive of profession is fee-oriented

(services are run to optimize the income)<sup>11</sup>. Loyal to the client but also need to follow the prevailing regulation, or in the other words is a dual agent (agent of client and agent of the government). Both AR and tax consultant work together in order to synchronized the client's data. AR has 2 role specification of work<sup>12</sup>,

a. *The supervision Role*<sup>13</sup>

- 1) Supervise the compliance of taxpayer obligations
- 2) Compile the profile or information data of the taxpayer
- 3) Analyze the performance of the taxpayer
- 4) Reconcile the taxpayer data to aware them

b. *The services and consultancy Role*<sup>14</sup>

- 1) Run the application settlement of the taxpayer
- 2) Run the application settlement of tax assessment letter
- 3) Do the consultancy upon the taxpayer
- 4) Run the application settlement of land and building tax deduction

## 2. Australia

The practitioner as the agent of the government, but independent to develop the practical and ethical skills conduct. Provide the

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<sup>11</sup>Defiandry Taslim. 2007. Tax Specialist Sebagai Suatu Profesi?. June 17, 2019. <https://www.ortax.org/ortax/?mod=issue&page=show&id=9&list=&q=&hlm=8> (10.00 p.m.)

<sup>12</sup>Article 2 on Minister of Finance Regulation Number 79/PMK.01/2015 about Account Representative in Tax Services Office

<sup>13</sup>Article 4 of Minister of Finance Regulation Number 79/PMK.01/2015 about Account Representative in Tax Services Office

<sup>14</sup>Article 3 of Minister of Finance Regulation Number 79/PMK.01/2015 about Account Representative in Tax Services Office

service based on the specified classification of work and shall be a registered agent under the Tax Practitioners Board as authorized or recognized agent. In practice, there are 3 kinds of consultant<sup>15</sup>, *Creative Consultant* (aggressive tax planner for who needed, wide networking and able to solve tax obligation problem), *Honest Consultant* (obedient tax consultant, less risk and committed fairly to the client), and *Cautious Consultant* (trying to minimize the payable tax for the client, they are about trying to find the grey area (the gap of each regulation)). And most of client tends to choose the Honest Consultant for the sake of obedient and fair working.

### 3. The United States

Could be classified as the agent of the government, helping the tax collection, shall be a registered agents and shall follow the prevailing regulation, include the practices to serve or provide the service to the client. The fee charged for the clients shall be published<sup>16</sup>, and prohibit to charged more than the amount of published fee, in order to ease the State supervise the services which provides to the clients. Agents are follow to advertise themselves in many media (radio, television broadcasting, direct mail, or e-commerce communication), by given an actual

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<sup>15</sup> Under the research of Sakurai and Braithwaite (2001) in Australia within the title “*Taxpayers’ Perceptions Of The Ideal Tax Adviser: Playing Safe or Saving Dollars?*”

<sup>16</sup>Section 10.30 (b) of Treasury Department Circular No. 230 about Regulations Governing Practice before the Internal Revenue Service

transmission, information, or communication. In regards to any Internal Revenue Service matter, a practitioner shall not use or participate in the use of any form of public communication or private solicitation which contain a false, fraudulent, or coercive statement. In addition, they could not utilize the term “certified” or imply an employer/employee relationship with the IRS to describe their professional designation. Otherwise, the acceptable description for enrolled agents is “enrolled to represent taxpayers before the IRS” and “admitted to practice before the IRS”.

Best practices according to IRS:<sup>17</sup>

1. Clear communication with the client, so that tax advisor could determine the client’s expected purpose, have a clear understanding with the client regarding the form and scope of advice or assistance to be rendered.
2. Determining the relevant facts, and relating with the applicable law, so that arrive a conclusion supported by the law and the facts.
3. Advising the client regarding the reached conclusion.
4. Acting fairly with integrity in the practice

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<sup>17</sup>Section 10.33 of Treasury Department Circular No. 230 about Regulations Governing Practice before the Internal Revenue Service



#### **4. Similarities**

Both Australia and the United States, the role of the profession can be classified as the agent of the government within the respect of an independency of practical skills and professional ethics conduct.

#### **5. Differences**

Indonesia's tax consultant role could still be classified as the dual agent, agent of the government and the agent of client, because of their loyalty tendencies.

### **V. Conclusion and Recommendation**

#### **A. Conclusion**

1. The tax consultant regulation in Indonesia is not in the form of an Act but in the form of Minister of Finance Regulation. Furthermore, there are no other regulations which regulate specifically about the profession.
2. Compare with Australia and the United States, the tax consultant profession in Indonesia has a similarity which is needed to get the written certification and practice license. Meanwhile, compare with Australia and the United States, Indonesia has a different form of regulation, there is no Code of Ethics and Civil Liabilities in Indonesia Legislation, and also has no specification or classification of the tax practitioner.

## **B. Recommendation**

1. In order to have better regulation, it is not an urge to alter the form of regulation, and shall regulate more specific about the profession.
2. Compare with Australia and the United States, Indonesia shall adopt some of the content of the regulation such as inserting the code of professional conduct, civil liabilities, and specification work of the profession in order to have a better regulation based on the public necessity.

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