



COUNSELING ON TAX UNDERSTANDING AND ITS PROFITS FOR FOOD AND BEVERAGE MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) UNDER THE GUIDELINES OF DMI GRESIK IN GRESIK REGENCY

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Abstract

The purpose of this community service is to solve the problems found in MSMEs Partners assisted by DMI Gresik Regency, namely an understanding of tax objects and tax subjects, an understanding of the basic principles of MSMEs Final PPh, and an understanding of tax reporting. Related to this, a solution is provided by providing an understanding of taxation in DMI-assisted MSMEs in Gresik Regency The counseling method is carried out by the lecture method and the practice of direct calculations. It is hoped that this training can help MSMEs actors in understanding taxation. The results of the dedication carried out: (1) MSMEs partners can understand the difference between tax objects and tax subjects (2) MSMEs partners can calculate MSMEs Final Income Tax (3) MSMEs partners can report tax returns. Thus it will encourage a sustainable national economy.

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1. Introduction

Micro, Small and Medium Enterprises (MSMEs) in East Java continue to experience development. From the results of the calculation data from the East Java Cooperatives and MSMEs Office which has received a recommendation from the BPS of East Java Province that the contribution of Cooperatives and MSMEs to the Gross Regional Domestic Product (GRDP) in 2021 is 57.81%. The increase in the contribution of East Java Cooperatives and MSMEs has increased by 0.56% when compared to 2020 of 57.25%

The development of MSMEs also occurs in Gresik Regency, the potential for cooperatives and MSMEs in Gresik Regency is quite large. Based on Diskoperindag data in 2022,

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Gresik Regency has a total of 1,448 cooperatives and 56,000 MSMEs. MSME is one of the sectors that continues to contribute to the Gross Regional Domestic Product (GRDP), therefore it is necessary to develop MSME in a sustainable manner. The purpose of this coaching is so that Gresik Regency MSMEs are able to improve their performance in terms of financial management, production and marketing of the products they produce.

The MSME sector is one of the tax subjects that is expected to be able to contribute to increasing the state budget through taxpayer payments paid by micro, small and medium enterprises. Tax is a source of state revenue and is the main contributor to the state budget, where in 2020 the contribution of taxes will reach 83.54% of total state revenue (Hartono, Krisdiana, Cuk Jaka Purwanggono, Samuel PD Anantadjaya, 2022). The essence of the existence of the tax itself is intended so that the country's development can be realized, because the state has state revenue to support this development (Nersiwad, 2021). As MSME entrepreneurs, of course, you want equitable distribution of development in all fields, because these entrepreneurs will also feel the benefits. Tax for MSMEs is one of the taxes that must be paid by MSME entrepreneurs for the country's development. From this development will launch the business activities it does. Thus, there is a take and give between the government and MSME business people.

To support the sustainability of MSMEs in Indonesia, the government through Government Regulation (PP) No. 23 of 2018 concerning income tax on income from business received or earned by taxpayers who have a certain gross income, lowering the imposition of the Final Income Tax rate for MSME actors from 1% to 0.5%. By reducing the Final Income Tax rate for business actors with a turnover of up to 4.8 billion in a year, it is hoped that tax compliance will increase for MSME players.

The Gresik Regency Indonesian Mosque Council (DMI) apart from having a function to take care of mosque worshipers also has a MSME development program that has been running for three years. Because MSMEs are a necessity to build the people's economy and society. With regard to the development of MSMEs in an effort to improve and comply with taxpayers in supporting sustainable development, the guidance will be directed at solving the problems faced by MSMEs. There are 3 things that can hinder taxpayer compliance in paying their obligations, namely: 1) Lack of understanding of government regulations in tax provisions, 2) Lack of knowledge in managing financial accounting for taxpayers, and 3) Lack of program budgeting for human resource development.

Based on the results of the preliminary survey the ABDIMAS STIESIA Surabaya team was able to identify the problems faced by MSMEs assisted by DMI Gresik Regency which are engaged in the culinary business, caps, handicrafts and so on. The problems faced are:

1. MSME partners have not been able to understand the tax objects and tax subjects of
2. UKM partners do not understand the basic principles of MSME Final PPh
3. MSME partners have not been able and understand tax reporting.

The purpose of this community service is to solve problems faced by MSME partners assisted by DMI Gresik Regency related to understanding tax objects and tax subjects, understanding the basic principles of MSME Final Income Tax, and understanding regarding tax reporting.

The target to be achieved in this community service is that MSME entrepreneurs can fulfill their tax obligations so that they can freely manage their business without fear of being guilty of tax compliance and can evaluate the business results that have actually been achieved after tax. The solution offered to overcome partner problems is to increase tax insight regarding reporting, understand the basic principles of final income tax and understand tax objects and MSME tax subjects.

A. IMPLEMENTATION METHOD

1. The first stage

The first stage is planning activities to be carried out. The methods used include identifying needs, identifying weaknesses, determining solutions and activities to be carried out and making arrangements.

2. Second Stage

The second stage is the implementation of community service activities carrying out counseling using the face-to-face method with participants, namely MSME owners and employees and with the mentoring method regarding MSMEs Taxation, which consists of object material and MSMEs tax subjects, Basic Principles of imposing final MSMEs PPh, tax incentives provided by the government for SMEs, Calculation and Payment of 0.5% MSMEs Final Income Tax, and Reporting of MSMEs Income Tax and Tax Sanctions. Training activities and assistance

in understanding and reporting taxation are carried out with partners, namely DMI Gresik Regency which has been planned. Meanwhile, the STIESIA service team will act as a facilitator.

3. Third phase

The third stage, carried out monitoring and evaluation of activities. This process was also carried out by the Service Team and DMI Gresik Regency. At this stage participants are given a case regarding taxation to calculate and how to report it, so that participants can know whether they understand the training provided, so that the ability of MSME participants can be known after training.



Picture 1. Activity opening MSMEs Partners assisted by DMI Gresik Regency

B. RESULTS AND DISCUSSION

1. Planning Stage

The Council of Indonesian Mosques in Gresik Regency is an organization engaged in da'wah and fostering MSMEs for mosque congregations. The problems faced by MSME partners are in the field of taxation, namely understanding tax objects and MSME tax subjects, helping MSME actors regarding the basic principles of MSME Final PPh assisting tax reporting. Once the problem is identified, a solution to the partner's problem is sought. The next step is to provide a solution to the problem by providing training materials and tax assistance and reporting.

2. Implementation Stage

The stage of implementing community service activities is carried out with presentations and counseling regarding the importance of MSME taxes to raise awareness for entrepreneurs to comply with taxes and also avoid MSME business actors from tax sanctions which can be in the form of fines or other sanctions. The socialization activity was held on January 11, 2022 in the Hall of the Islamic Center of the Great Mosque of Gresik, this activity was attended by the management of the Gresik Regency Indonesian Mosque Council (DMI), owners and employees of MSMEs assisted by DMI Gresik, the Abdimas team of lecturers and students. The material presented in the tax counseling is:

- ✓ Understand tax objects and MSME tax subjects
- ✓ Understand the basic principles of MSME Final PPh
- ✓ Understand tax reporting.

Furthermore, some material related to PP No. 23 of 2018 includes:

- a) The tax rate of 0.5% is final and is imposed on income from business received or earned by domestic taxpayers who have a certain gross turnover
- b) The tax subject referred to in Government Regulation No. 23 of 2018 article 3 paragraph (1) is: a. Individual taxpayers; and b. Corporate taxpayers in the form of cooperatives, limited partnerships, firms, or limited liability companies.
- c) Tax object Government Regulation No. 23 of 2018 is income from business received or earned by domestic taxpayers who have gross turnover not exceeding IDR 4,800,000,000.00 (four billion eight hundred rupiah) in 1 (one) tax year.
- d) The period for the imposition of the final Income Tax rate based on Government Regulation No. 23 of 2018 article 5 paragraph (1), namely the longest: a) 7 (seven) tax years for individual taxpayers, b) 4 (four) tax years for corporate taxpayers in the form of cooperatives, limited partnerships, or firms, and c) 3 (three) tax years for corporate taxpayers in the form of a limited liability company

In the counseling activity, participants received material on tax understanding and reporting. The material was delivered for 120 minutes, then followed by a question and answer session. During the presentation of the material, the participants seemed enthusiastic with the many questions. During the presentation of the material, many participants asked about taxation,

how to report and calculate the tax. Participants are interested in learning to practice how to calculate taxes and report them. It is hoped that MSMEs assisted by DMI Gresik Regency can directly calculate taxes on their businesses and report them.

This training activity is carried out by providing several case examples of how to calculate using the final PPh rate in accordance with PP 23 of 2018. This tax training and mentoring activity is also carried out by inviting participants to try to directly calculate taxes as well as the stages in fulfilling tax obligations which aim to see how far where the absorption capacity of each participant in receiving the material that has been delivered.




Picture 2. Newspaper Activities and Publications

C. MONITORING AND EVALUATION STAGE

This process was also carried out by the Service Team and DMI Gresik Regency. This activity is carried out to evaluate whether the material in the training and mentoring activities benefits MSMEs. The results of monitoring MSMEs assisted by DMI Gresik Regency found that participants understood the importance of taxes for development and the level of awareness of taxation increased. In terms of the ability of participants to calculate income tax according to PP 23 of 2018 and how to pay taxes has also increased. In accordance with the Government's goal that PP 23 of 2018 was issued to simplify tax calculations which are usually more complicated in accordance with Article 17 of the Income Tax Law so that taxpayers, especially MSMEs, are assisted and easier to carry out their tax rights and obligations (Fachrudy Asj'ari, Moch. Afrizal M, 2022)

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