

Effectiveness of the Implementation of Income Tax Reporting Article 4(2) in Port Services (Land Rental Sector)

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Abstract: This study aims to evaluate the effectiveness of Income Tax (PPh) Article 4 paragraph (2) reporting on port services, especially in the land rental sector in PT. PELINDO Sub Regional Head Java. This tax is a type of final tax on certain income, including income from land and/or building rentals. This study uses a qualitative approach with phenomenological methods to understand in depth the experiences and reporting practices carried out by companies. The data collection technique was carried out through in-depth interviews with ten informants from the finance division and direct observation in the field. The results of the study show that the application and reporting of Income Tax 4(2) has been carried out according to the applicable procedures, with two options of withholding mechanism: by the company or by service users. Reporting is carried out electronically through e-SPT and e-Filing, with stages including transaction recap, data validation, preparation of tax returns, and tax remittances. Although the implementation went relatively smoothly, there were administrative obstacles such as delays in deposits or data mismatches due to the choice of payment method by service users. To overcome this, the company has made a number of improvements such as the integration of information systems between divisions, routine employee training, and the preparation of more detailed tax reporting SOPs. These findings underscore the importance of cross-sectional coordination and the use of digital technology to improve tax reporting compliance and effectiveness. This research provides practical contributions for business actors in improving tax compliance and recommendations for improving reporting systems in similar sectors.

Keywords: Income Tax; Income Tax Article 4 paragraph 2; tax reporting; port services; land leases; tax compliance; PT. PELINDO; Phenomenology

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1. Introduction

Indonesia is included in the category of developing countries with wealth ownership that comes from abundant resources accompanied by the potential generated enough to make the country more advanced. In the current state of Indonesia, there are also many developments in aspects that can make Indonesia's situation worse. One of the aspects that can change Indonesia's situation for the worse is in the economic aspect which can be compared with other countries. It is no different from the source of income that is included in the category of government income (JASMINE, 2020). Sources of income can come from taxes or non-taxes. Therefore, the economic aspect in terms of taxation is included in the category of the largest source of income in Indonesia.

Taxes have an important role in the country, because they are included in the category of the largest source of income in terms of building and meeting the needs of the community. There are several types of taxes that must be collected by the government such as Income Tax, Land and Building Tax, Taxes on Luxury Goods, and other types. Taxes are coercive in nature, and there is no direct reward for the payment of reporting either from individual or corporate taxpayers (Irma et al., 2021). During the reform era, the tax aspect has undergone

many very rapid changes from various options provided by the government such as the optimization of e-commerce taxes, and the optimization of income tax rates (Widyaputra & Widyasari, 2024). One of them is income tax with various types of applications in Indonesia.

Income Tax is a tax obtained during the tax year from the results of the imposition of a tax subject on income. Tax subjects include individuals (OP), Permanent Business Forms (BUT), and Corporations. The basis of the imposition of tax comes from the amount of the selling price, substitution, export value, import value, or other value used for the calculation of tax payable (Irma et al., 2021). So it can be interpreted that the basis for the imposition of taxes comes from the value of activities by the taxpayer himself. The types of income tax types in Indonesia include Income Tax Article 23, Income Tax Article 21, Income Tax Article 22, Income Tax Article 4 paragraph 2, Income Tax Article 25, and many others.

One of the income taxes is the Income tax article 4 paragraph 2. Income Tax article 4 paragraph 2 is determined by the amount of imposition of certain tariffs that have been final. The payment for tax article 4 paragraph 2 itself has been determined finally, namely it cannot be credited with others (Fahrezi & Sunani, 2024). Income calculated in Income Tax article 4 paragraph 2 is categorized into several types, none other than still related to sales profits such as building rentals, sales of building or property ownership rights, and services in the construction sector. Withholding for Income Tax Article 4 paragraph 2 is required to make a deposit with a maximum time of 10 months after the end of the tax period, then continue with the reporting of the tax return with a maximum period of 20 days after the tax ends (Hutagalung & Astuti, 2023). The Directorate General of Taxes also facilitates online tax reporting, namely through the E-Billing system which then reports and payments will go directly to the tax service office (Chelsie Jessica1, 2022).

PT. PELINDO Sub Regional Head Java is still a subsidiary of the parent PT. PELINDO Regional III. The sector of the company PT. PELINDO Regional III is a port service sector. In PT. PELINDO Sub Regional Head Java also implements a tax system and income tax reporting, one of which is applied to Income Tax article 4 paragraph 2. In Income Tax Article 4 paragraph 2 which is included in the company PT. PELINDO Regional III or PT. PELINDO Sub Regional Head Java with taxation aspects that are included in the field of rental and/or building.

Based on the taxation taken from PT. PELINDO Sub Regional Head Java, specifically in Income Tax article 4 paragraph 2 in the aspect of rental and/or building, also has its own way of implementation and reporting. Implementation and reporting are also the most important things for the company's survival. Implementation that is carried out effectively and well will be able to influence the reporting. The reporting that is implemented also has its own system to report from the withholding of Article 4 Income Tax paragraph 2 as well as to facilitate customers from PT. PELINDO Sub Regional Head Java.

In the application and reporting for the deposit of income tax article 4 paragraph 2, especially focus on the working paper. This company has its own system in handling its tax problems. There are two types of tax application and reporting itself, namely the choice between the company that deducts and deposits or the service user who does it himself. All decisions depend on the service users who choose to use the port services provided. The choices chosen and agreed upon in advance by the service users also determine whether or not the activities they carry out in the port are smooth.

In its application, there are two options for service users in terms of payment for the services used. First, the service user is given the option to pay at the beginning of 100% which we participate in the tax reporting and the service user accepts it. The second option is that the service user takes the 98% payment at the beginning and for the imposition of the tax that is 2% paid by the service user himself, but still requires proof that the tax liability has been paid. In the first and second choices, there are consequences faced by service users. The consequences or obstacles have been explained at the beginning before choosing between the two and before an agreement occurs to use the company's port services.

The obstacles that are usually experienced in the implementation of the two payment options are related to the reporting in terms of paying income tax 4 paragraph 2. If the service user chooses to pay 100% at the beginning, then the obstacles or obstacles that arise usually occur in reporting when depositing due to *double* payment or *reimbursement*. Meanwhile, by taking the second option of paying only 98% initially, the obstacle is in reporting service users to the company who are late in reporting and depositing proof of tax payment made by the service user himself and there is another possibility that overpayment or restitution will also

occur, as for another obstacle that occurs is that service users are hampered in the port service activities used due to delays when depositing proof of tax payment. If there are obstacles or obstacles from service users or unexpected, the company will continue to help as much as possible until it is clearly resolved.

2. Literature Review

2.1 Tax

According to the Tax Law Number 16 of 2009 Article 1 paragraph 1, tax is a provision for the obligation to pay the results of which can be felt together but there are no direct rewards, this obligation applies to corporate taxpayers and individual taxpayers (Widyaputra & Widyasari, 2024). Another meaning of tax can be interpreted as a value that is spent to prosper the community and includes income obtained by the state (Yuliana adityaningsih, A. Muh Hasyim As'ari, 2025). As explained in Law No. 28 of 2007 concerning taxation, taxes are costs that must be incurred by individuals or entities to be given to the state without any direct reward and have the purpose of the prosperity of the state (Ilham Habibi Zakaria et al., 2024).

2.2 Functions and Roles of Taxes

Taxes have a role and function that is considered important to welcome the development of the country in helping from any side, including the addition of state revenue with its function to meet the needs of the community (Fahrezi & Sunani, 2024). In general, taxes have the main function, namely to add value to the state's wealth on the other hand, balanced by regulations that must be obeyed to support it (JASMINE, 2020). With the existence of coercive tax obligations, services to the public can also be fulfilled with various needs that arise proactively (Fahrezi & Sunani, 2024). Quote on (Hutagalung & Astuti, 2023) There are several types of tax functions, including:

- Budget Function
Taxes are said to function as a budget, meaning that taxes are the main point to generate state revenue that is useful for payments, development or anything else.
- Function Setting
The function of regulating taxes is intended as a tool to regulate the state with provisions made by the state that refer to the economic and social environment, so that the state can run smoothly.

According to research, (Mokodompit et al., 2025) states that there are four tax functions, including:

- The function of the budget is one of the ways the government gets funds to cover its expenses.
- The Regulatory Function is a means to implement government policies in the social and economic fields.
- The Stability Function, where taxes provide funds for the government to implement policies related to price stability so that inflation can be controlled. This can be achieved by managing the circulation of money in the community through proper and efficient tax collection.
- Revenue Levy Function, the taxes requested by the state will be used to fund the public interest, including development, which in turn can create jobs, and ultimately increase people's incomes.

2.3 Types of Taxes

Taxes have several types including Luxury Sales Tax, Income Tax, Value Added Tax (VAT), Stamp Duty and so on (Yuliana adityaningsih, A. Muh Hasyim As'ari, 2025). Refers to (Irma et al., 2021) Taxes can be grouped into several types with different characteristics including:

- Based on the group
In terms of tax groups, it is divided into two, namely direct and indirect taxes. Direct tax is a tax that is borne by the taxpayer himself and cannot be charged to others like Income Tax (PPh). Meanwhile, indirect taxes are taxes that can be imposed on other parties, for example value added tax (VAT).

- By its nature
Taxes based on their nature have two types, namely subjective taxes and objective taxes. Subjective tax is defined as a measure of the ability of individual taxpayers to pay by adjusting their income. And objective taxes are taxes that are assessed or measured by paying attention to the side of the tax object used as the base value of the calculation, such as luxury goods that are subject to VAT.
- Based on the Collection Board
Tax collection institutions are divided into two, namely central and regional. In central taxes, the management is at the central government level (Directorate General of Taxes) and for regional taxes, the provisions are determined by the local government such as the regional revenue office or those who are in charge of tax collection in the regions.

2.4 Income Tax Article 4 Paragraph 2

Based on Law No. 36 of 2008, article 2 Income tax is a dependency deducted from the income of both individual and corporate taxpayers, it is mandatory to be paid and deposited (Widyaputra & Widyasari, 2024). The imposition of income tax comes from salary deductions, honorariums, profits obtained, and many others, so from this income it will be deducted several percent according to existing provisions and depends on each taxpayer (Irma et al., 2021). According to (JASMINE, 2020) argues that income tax is a deduction taken from the income we have for a period of time from the income of one year of earnings. Research (Larasati, 2023) also states that income tax is imposed on taxpayers if the subjective and objective conditions stipulated in the Law have been met. The term income tax is also explained (Wisconsin, 2025) in the sense that income tax (PPh) is a tax set by the state for any increase in income earned or received by individuals or entities that are obliged to pay taxes. This income can come from domestic or foreign sources and can be used for various consumption purposes or to increase the wealth of the taxpayer.

Income Tax Article 4 paragraph 2 is a tax withholding from certain income revenues that have been regulated by the government in certain types that are paid or deposited by the taxpayer themselves and this income tax has a final nature (Yuliana adityaningsih, A. Muh Hasyim As'ari, 2025). From the statement (JASMINE, 2020) states that Income Tax article 4 paragraph 2 is included in the obligation to have a final nature with tax deduction on a certain thing that must be done both from individual taxpayers and corporate taxpayers. In the final mention known in this one tax, it means that the nature of the tax deduction is only once in a certain period of time with several considerations such as convenience, certainty, simplicity, and the time of its imposition which are also considerations (Wulandari et al., 2022). According to (Effendy & Mariana, 2021) also states that the rental of land or buildings (space rental) is part of the mandatory Income Tax article 4 paragraph 2, so it is necessary to fulfill tax obligations in order to support the country's development in improving national infrastructure. In accordance with Article 4 paragraph 2 of the Law of the Republic of Indonesia Number 36 of 2008, the type of income that must be paid is final for the provisions of Final Income Tax Provisions. The provisions in article 4 paragraph 2 have special rules related to the imposition of rental tax for rental services. Research from (Anggraini et al., 2024) explained that various types of income are subject to Article 4 Paragraph 2 Income Tax, which is often called Final Income Tax, because it is considered a final tax and cannot reduce the amount of income subject to tax.

In income tax, article 4 paragraph 2 has an important role in rental services, especially land rental. Research (Simatupang et al., 2025) Stating the benefits of the application of income tax Article 4 paragraph 2, namely:

- Business actors, especially in the MSME category, no longer need to calculate profits and losses in detail for tax matters.
- Taxes will be collected and deposited when the transaction is made, without waiting until the tax year ends.
- With a fixed and final rate, taxpayers can better plan their finances.
- A clear and easy-to-understand tax policy can increase investment attractiveness, especially in the property and construction services sector.

2.5 Income Tax Subjects and Objects 4(2)

Tax subjects are parties who receive income or income tax income, including: individuals (OP), Permanent Business Entities (BUT), and Agencies (Ilham Habibi Zakaria et al., 2024). Meanwhile, the tax object is the income obtained by taxpayers both domestically and abroad (JASMINE, 2020). Income Tax Object article 4 paragraph 2 is deducted from several types of acquisitions, including: gross turnover, interest, gifts, stock / securities transactions, transactions on asset transfers, and certain other income (Irma et al., 2021).

2.6 Types of Income Subject to 4(2)

Income Tax article 4 paragraph 2 is the acquisition of income from deductions of certain services or sources such as construction services, land/building rentals, transfer of land/building katas, lottery prizes, and others. According to (Ministry of Finance, 2021b) Imposition of tax Income article 4 paragraph 2 comes from:

- Rent land and/or buildings – for example in the form of houses, flats, land, office buildings, apartments, shops, office houses, shop houses, warehouses, industrial buildings, and many more.
- Income – can come from the transfer of land/building assets such as sales, transfer agreements, exchanges, assignments, relinquishments, grants, inheritances, and others.
- Agreement on the sale and purchase of land and/or buildings and their amendments
- Income from the implementation of construction (contractor)
- Income from construction planning/supervision (consultant)
- Lucky draw prizes
- Purchase of goods/services from taxpayers with a certain gross turnover in accordance with tax regulations

2.7 Income Tax Rates for Land and/or Building Rental Services

The imposition of the withholding rate from the Income tax 4 paragraph 2 has a different deduction from each type of income, therefore this tax is said to be final (JASMINE, 2020). According to (Government Regulation, 2021) Government regulation of the Republic of Indonesia number 29 of 1996 concerning income tax, especially in terms of land and/or building rentals, can be stated as follows:

- If the property owner is a corporate taxpayer, then a final rate of 6% of the rental value paid is imposed
- If the property owner is an individual taxpayer, then a final rate of 10% of the rental value paid is charged.

2.8 Application and Reporting of Income Tax Article 4 Paragraph 2 Cutting Mechanism

Deductions on income tax 4 paragraph 2 are divided into two types of options (Widyaputra & Widyasari, 2024). First, if from the corporate tenant, the deduction mechanism is carried out by the corporate tenant itself but is still obliged to provide proof of deduction that has been paid and then given to the renting company. The second option, if the tenant is non-corporate, the deduction as well as the reporting of income tax will be carried out by the renting party. Tax withholding procedures The average income mechanism carried out between companies is almost the same as each other, which depends on the customer (tenant or service user) and the company that rents. According to (Samos et al., 2024) Tax withholding is the process of reducing the amount of tax that must be paid from the total payment made. This deduction is carried out by parties who provide a reward for receiving income. The party making the payment is obliged to withhold, deposit, and report the same.

The basis for withholding is applied in accordance with the current tax laws, so deductions are made in accordance with the income of each individual and corporate taxpayer (JASMINE, 2020). Income Tax Article 4 paragraph 2 the time of withholding depends on the time of initial payment of the agreement between the two parties from the tenant or the lessor, or it can be withheld at the time of maturity.

2.9 Tax Deposit Mechanism

The application carried out in carrying out tax payments is actually almost the same as the deduction, which depends on the tenant or the tenant. According to (Ministry of Finance, 2021a) Regulation of the Minister of Finance regarding tax payment, the deposit is made with the support of proof of the existence of a tax payment letter with the listing of the individual or party who receives the payment or who is related to each other at the time of the income tax payment. However, for an era that is already sophisticated like today, tax payments can be done using technology as well as done online. It is also said to make it easier and more efficient to make tax deposits.

2.10 Reporting Mechanism

Mechanism of reporting in Income tax explained (Irma et al., 2021) as follows:

- If the Income Tax payable is deducted by the service user, then the obligation to deposit it is made through the perception bank or post office, no later than the 10th of the following month after the end of the tax period.
- If Income Tax is paid directly by the service provider, then the payment must also be paid through the perception bank or post office, with a deadline of no later than the 15th of the following month after the end of the tax period.
- Taxpayers are required to report tax withholding and/or remittance through a Periodic Tax Return (SPT) to the Tax Service Office (KPP) or KP2KP, no later than 20 days after the tax period ends. If the deadline for depositing or reporting falls on a holiday, including Saturday or national holidays, then the implementation can be carried out on the next working day.

Then one of the developments that is currently being carried out is to use E-Billing as a means of reporting income tax article 4 paragraph 2 (Chelsie Jessica1, 2022)

3. Method

3.1 Types of Research

This research article uses a qualitative method. The type of research used in this qualitative research is to use the basis of a phenomenological approach. The selection of this method was based on the curiosity of the researcher to conduct a more in-depth analysis related to the application of reporting in port services. Qualitative research terms according to (Mackiewicz, 2018) It includes a discussion that describes the steps of data analysis and methods used in data presentation, interpretation, validation, and final results that show the potential of the research. According to (Sugiono, 2020) Qualitative research is a research method based on the philosophy of post-positivism used to study objects in natural conditions, where the researcher plays the role of the main instrument, data collection is carried out through triangulation techniques, data analysis is inductive or qualitative, and the results of the research focus more on understanding meaning than making generalizations. The basis of the phenomenological approach according to (Mackiewicz, 2018) It can be interpreted as a qualitative approach that researchers use to explore and understand the essence of human experience towards a phenomenon, as expressed directly by the participants in the study. According to (Sugiono, 2020) Phenomenology can be intended as the study of a person's life history and the giving meaning to the phenomenon.

3.2 Research location

The location chosen for this study focuses on PT. PELINDO Sub Regional Head Java. The research is located precisely on Jl. Perak Timur No. 620 Surabaya, East Java. The determination of the location in this study is based on the implementation of the internship that the researcher has carried out and as the main requirements and objectives of the researcher.

3.3 Determination of informants

The selection of informants who were chosen as the key to information were employees in the finance division who worked at PT. PELINDO Sub Regional Head Java. The number of informants selected from the employees in the finance division is 9 people with different job positions in the company even though they are still in one division. The determination of the number of informants is based on statements from (Mackiewicz, 2018) which states that

the informants in the qualitative research are approximately 3-10 people. The use of purposive sampling techniques applies to the determination of informants in this study. According to (Sugiono, 2020) Purposive sampling is the act of taking a sample by considering and looking at its specific purpose.

3.4 Data collection techniques

This study uses two techniques for data collection, namely interviews and in-depth observations. Interviews are conducted in a semi-structured and semi-formal manner in certain situations by asking the main research questions and mini research questions that the researcher has made so that the information obtained can be collected as a reinforcement for this research. The research with interviews structured according to (Sugiono, 2020) It is interpreted that the researcher has the freedom to ask questions to obtain opinions from informants. Observations are carried out by observing various activities included in the applied reporting, especially in the field of taxation and with the intention of digging up data sources starting from the places and events that occurred. According to the view (Sugiono, 2020) The observation stage is carried out by entering the social situation first, then selecting the chosen focus, and finally making a selection to become a more detailed component. In this study, the researcher applied both formal and informal approaches to be able to establish familiarity with informants, while when observing, the researcher built a good relationship to generate trust in the informant.

3.5 Data analysis

The researcher conducted data analysis during the internship, as a support for his qualitative research. The data analysis carried out by the researcher used the spradley model. The term spradley model according to (Sugiono, 2020) is an analysis that consists of domain analysis (overview), taxonomic analysis (elaboration), componential analysis (specification), and cultural theme analysis (connecting). The implementation of data analysis is also inseparable from the data obtained, analytical questions, and writing carried out during the research. Likewise, according to (Mackiewicz, 2018) which states that qualitative data analysis is carried out with several activities such as data collection, data reduction, data presentation, and conclusion drawn.

3.6 Data quality

Each study requires different assessment specifications depending on the validity and reliability of the research taken by looking at the reality and suitability of the writing. According to (Sugiono, 2020) The quality of qualitative research data can be tested by looking at several analogies including internal validity, external validity, realism, objectivity, credibility, transferability, dependability, and also confirm-ability in the research writing.

4. Results and Discussion

PT. Port Indonesia or abbreviated as PELINDO is a large company engaged in port services with the ownership of many branches. PT. PELINDO itself consists of PT. PELINDO REGIONAL I, PT. PELINDO REGIONAL II, PT. PELINDO REGIONAL III, and PT. PELINDO IV. Indonesian Ports (PELINDO) are still classified as State-Owned Enterprises that were established based on the integration of four ports from I – IV. The foundation used in ethics and in terms of doing daily work is the application of the culture of AKHLAK. AKHLAK stands for Trustworthy, Competent, Harmonious, Loyal, Adaptive, and Collaborative. The application of moral culture in PT. PELINDO is expected to be able to support the development of the company so that it is more forward and runs smoothly. One of the port services at PT. PELINDO is a rental. The assets leased include land, buildings, offices, and buildings owned by PT. PELINDO.

Income Tax article 4 paragraph 2 is a final tax deducted from the income of both individual and corporate taxpayers with the provision of calculation according to each income obtained within a period of one year. The tax subject in the income tax article 4 paragraph 2 is an individual or entity, in this case Income Tax article 4 paragraph 2 the subject is PT. PELINDO. Then for the object in this article is the lease of land and/or buildings as explained in the regulations of the Ministry of Finance regarding Income Tax which have

been changed several times regarding the deduction of income from land and/or building rents.

In the application of income tax article 4 paragraph 2 at PT. PELINDO for land and/or building leases has been regulated in appropriate procedures. The provisions that apply to the procedures applied in the existing Income Tax article 4 paragraph 2 are PT. PELINDO is carried out through stages including:

➤ Identify the object of taxation.

Each lease agreement entered into by the company is identified to ensure that the transaction object meets the criteria for imposing final income tax, which involves the use of land and/or buildings by the lessee in exchange for certain payments.

➤ The calculation of Income Tax Article 4 paragraph 2 in accordance with the provisions that have been agreed upon or in accordance with the general rule.

After the rental value is known based on the contract, the finance department calculates the amount of Income Tax Article 4(2) of the lease, including other additional costs if any.

➤ Carry out tax deduction and remittance, and

Final income tax is deducted by the tenant (if the tenant is a tax deductor), or paid directly by PT. PELINDO if the leasing company acts as an income recipient who must pay its own taxes. Deposits are made no later than the 10th of the following month after the month of the transaction, and are reported in the Final Income Tax Return Article 4(2).

➤ Reporting and documentation with the support of certain documents (evidence).

Documents that are evidence for tax reporting such as lease-lease contracts, withholding receipts, tax deposit proofs, and reports. Related to calculations and deposits, it all depends on the initial agreement with the choice of 100% or 98% option taken by the service user.

PT. PELINDO obtains income from Java land and/or building rental, then it is mandatory to report on income tax article 4 paragraph 2 on rental. Income Tax article 4 paragraph 2 has its own reporting provisions as it already exists and has been regulated in the Ministry of Finance regulation regarding the procedures for reporting income tax article 4 paragraph 2. The reporting has been regulated in the Regulation of the Minister of Finance Number 261/PMK.03/2016 concerning procedures for depositing, reporting, and exemption from the imposition of income tax on land and/or building rental services and its amendments. Reporting is carried out through E-SPT (Electronic Notification Letter) which must be reported by taxpayers with a predetermined period of time in the tax period.

Income tax reporting article 4 paragraph 2 on land and/or building rental services at PT. PELINDO is carried out in certain stages by the finance division related to the central tax department. General overview of tax reporting 4(2) at PT. PELINDO by going through several stages, including:

- Rental Transaction Recapitulation

The finance department recapitulates all rental transactions that occurred during that period. This recap includes the name of the tenant, the object of the lease, the value of the contract, the lease period, and the calculation of the final income tax charged.

- Tax Data Verification and Validation

The tax division then verifies the recapitulation data to ensure that all rental income has been taxed in accordance with the applicable rate. At this stage, it is also checked whether there is a tax deduction by tenants who are income tax withers, and whether proof of withholding has been issued.

- Preparation of Periodic Tax Returns

After all data is verified, the tax team prepares the Periodic Income Tax Return Article 4(2) using the e-SPT or e-Filing application. The data entered includes the company's identity, gross income amount, taxes payable, and details of deposits or proof of withholding from other parties.

- Deposits and Reporting

Taxes that have not been deducted by tenants are paid by PT. PELINDO through the perception bank or DGT Online portal, accompanied by the creation of a Proof

of State Revenue (BPN). After the deposit process is completed, reporting is done electronically to the Directorate General of Taxes no later than the 20th of the following month.

From the results of the researcher's observations as well as the results of interviews that have been carried out, the effectiveness of the implementation of income tax reporting 4 paragraph 2 is in accordance with the general rule. The results of the interview stated that indeed PT. PELINDO Sub Regional Head Java implements income tax reporting activities in accordance with the latest provisions of the law and always follows updates on matters related to income tax article 4 paragraph 2, especially in the application of tax reporting. The results of the observation also stated that it was indeed effective, but there were still obstacles that usually arise such as double deposits and the coretax assistance system which was not stable in its use.

5. Conclusion

The application of Income Tax Article 4 Paragraph (2) on land and/or building rental services at PT. PELINDO has been carried out in accordance with applicable regulations. The company routinely calculates, deducts, and remits final income tax from the gross amount of the rental value. The internal mechanism in the implementation of taxes has also run well, where there is solid cooperation between the finance and taxation departments in recapitulating, verifying, and paying taxes in a timely manner. Final income tax reporting is carried out according to procedures through the Final Income Tax Return and submitted electronically via e-Filing, accompanied by complete supporting documents such as rental agreements, withholding receipts, and related financial statements. In general, compliance with tax obligations is relatively good, although there are still some administrative obstacles such as delays in entering transaction data and lack of system integration between operational and tax departments. To overcome this, PT. PELINDO has made gradual improvement efforts, including increasing employee training in the field of taxation and periodic internal system evaluations to minimize errors in reporting.

To increase the effectiveness of the implementation of tax obligations, PT. PELINDO Sub Regional Head Java has formulated a number of improvement strategies. One of the main steps is to strengthen the internal information system, especially in data integration between operational, financial, and tax units to minimize the risk of delays and data inconsistencies. In addition, improving employee competencies is also an important focus, especially for the tax department, through regular training that includes the latest tax regulations and the use of electronic reporting applications. The company also seeks to develop a more detailed written Standard Operating Procedure (SOP) for all stages of tax reporting, so that the implementation remains consistent despite personnel changes. The use of automated reporting technology is also optimized, for example through the use of integrated accounting applications that directly link transactions with the tax reporting system, thereby reducing the potential for manual errors. In addition, periodic evaluations of the reporting and payment process of final income tax are carried out consistently so that companies can adjust to the dynamics of tax policies and maintain a high level of compliance. With the implementation of this strategy and the right improvements, PT. PELINDO Sub Regional Head Java is expected to be able to be an example of a company that is compliant, transparent, and professional in the implementation of tax obligations, especially in terms of land and/or building rental services.

Overall, the implementation carried out by PT. PELINDO is already running well. Along with the passage of time, innovation is also needed to support the development of the company so that it always runs smoothly.

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