

Evaluation of the Practice of Tax Consultant Services Related to Corporate Tax Disclosure in the Tax Audit Process

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Abstract

With the increasing number of companies in Indonesia that meet the criteria for tax audits by the Regulation of the Minister of Finance Number 17/PMK.03/2013 Article 4 requires companies to be able to disclose their tax policies during the tax audit process. This has resulted in more and more companies in Indonesia using the services of tax consultants to assist the Company in disclosing tax policies in the Tax Audit process. In this study, researchers evaluate the services of tax consultants in providing consulting services to companies related to the disclosure of tax policies during the Tax Audit process in Indonesia and whether the results of the Tax Audit on this disclosure ultimately benefit the Company in which the benefit is measured by the reduction in the amount of the Company's tax payment obligations. The method used in this research is a case study by interviewing Tax Consultants and companies' internal tax managers and conducting documentation analysis. This study ultimately concluded that using the services of Tax Consultants during the Tax Audit process has decreased Company's tax obligation. This research is expected to benefit the taxation sector in Indonesia, especially tax consultants in advising companies in Indonesia. This research is also expected to benefit academic researchers, organizations and institutions.

Keywords

tax audit; tax consultant; tax auditor; tax obligation



I. Introduction

With the increasing number of companies in Indonesia that meet the criteria for Tax Audit by the Regulation of the Minister of Finance Number 17/PMK.03/2013 Article 4 requires companies to be able to disclose their Taxation policy during the Tax Audit process. This claim has resulted in more and more companies in Indonesia using the services of tax consultants or tax consultants to assist the Company in disclosing tax policies to benefit the Tax Audit process.

Based on several studies, several motivations encourage companies or taxpayers to use the services of a tax consultant. Research conducted by Slemrod and Sorum (1984) shows that during the 1980s period, the existence of complex tax regulations caused a large amount of effort and time to be spent by the Company to be able to comply with its tax reporting, so this encouraged companies or taxpayers to use Tax Consultant services in the Company's tax compliance so that they can report their tax obligations accurately and do not need to spend a large amount of effort and time. Stephenson (2010) also researched and found the motivation to use Tax Consultant services related to tax compliance with tax regulations. Furthermore, research by Klepper et al. (1991) and Tan (1999) shows that the ability of a Tax Consultant to reduce corporate tax sanctions can encourage companies to use the services of a tax consultant in minimizing corporate tax sanctions. Research conducted by Klepper et al. (1991) and Christensen (1992) shows that Tax Consultants can

reduce the risk of tax audits, which is also one of the motivations for companies to use the services of Tax Consultants.

Research conducted by Beck, Davis, & Jung (1989), Christensen (1992), and Stephenson (2010) show that there is a decrease in the Company's tax payment obligations after using the services of tax practitioners or tax consultants, so that this can also be a motivation for Companies or Taxpayers to use the services of a Tax Consultant to be able to reduce the amount of the Company's tax payment obligations. The motivation of the Company in reducing the amount of tax payment obligations will be the evaluation measure in this study, whether with the help of a tax consultant, there is a decrease in tax payment obligations when compared to when the Company does not use the services of a tax consultant based on the results of the Company's tax audit. The size chosen is considered relevant to this research because this research evaluates the practice of Tax Consultant services during the Tax Audit process so that the motivation for reporting accuracy and the motivation for reducing the risk of conducting tax audits is considered irrelevant for this study.

In this study, researchers evaluate the services of tax consultants (in this study, the Tax Consultant who works at the Big 4 Public Accounting Firm (KAP) in Indonesia) in providing consulting services to companies related to the disclosure of tax policies used in the Tax Audit process in Indonesia. Moreover, whether the results of the Tax Audit on this disclosure ultimately benefit the Company, where the Company's profits are seen from the reduction in the amount of the Company's tax payment obligations. Disclosure of taxation in this study is seen from the data and documents submitted during the audit process. This evaluation is carried out by comparing the tax disclosures of companies during tax audits when they do not use the services of a tax consultant with when they use the services of a tax consultant. With the results of this analysis, it is hoped that researchers can identify the advantages and disadvantages of these suggestions and be used as references for further research, tax consultants, and other parties who need the information contained in the research.

II. Review of Literature

By the Regulation of the Minister of Finance No. 111/PMK.03/2014 Article 1 paragraph 1, Tax Consultant is a person who provides tax consulting services to Taxpayers in the context of exercising their rights and fulfilling their tax obligations by tax laws and regulations. With the increasing taxation needs of the Company, the Company's need for the services of a Tax Consultant who can provide advice related to tax policies and practices is also increasing to the provisions of the applicable law. Based on several studies, several motivations encourage companies or taxpayers to use the services of a tax consultant. Research conducted by Slemrod and Sorum (1984) shows that during the 1980s period, the existence of complex tax regulations caused a large amount of effort and time to be spent by the Company to be able to comply with its tax reporting, so this encouraged companies or taxpayers to use Tax Consultant services in the Company's tax compliance so that they can report their tax obligations accurately and do not need to spend a large amount of effort and time. Stephenson (2010) also researched and found the motivation to use Tax Consultant services related to tax compliance with tax regulations. Furthermore, research by Klepper et al. (1991) and Tan (1999) shows that the ability of a Tax Consultant to reduce corporate tax sanctions can encourage companies to use the services of a tax consultant in minimizing corporate tax sanctions. Research conducted by Klepper et al. (1991) and Christensen (1992) shows that Tax Consultants can reduce the risk of tax

audits, which is also one of the motivations for companies to use the services of Tax Consultants. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). The success of leadership is partly determined by the ability of leaders to develop their organizational culture. (Arif, 2019).

Research conducted by Beck, Davis, & Jung (1989), Christensen (1992), and Stephenson (2010) show that there is a decrease in the Company's tax payment obligations after using the services of tax practitioners or tax consultants, so that this can also be a motivation for Companies or Taxpayers to use the services of a Tax Consultant to be able to reduce the amount of the Company's tax payment obligations. The motivation of the Company in reducing the amount of tax payment obligations will be the evaluation measure in this study, whether with the help of a tax consultant, there is a decrease in tax payment obligations when compared to when the Company does not use the services of a tax consultant based on the results of the Company's tax audit. The size chosen is considered relevant to this research because this research evaluates the practice of Tax Consultant services during the Tax Audit process so that the motivation for reporting accuracy and the motivation for reducing the risk of conducting tax audits is considered irrelevant for this study.

By the Regulation of the Minister of Finance No. 17/PMK.03/2013 Article 1 paragraph 2, Audit is a series of activities to collect and process data, information, and evidence that is carried out objectively and professionally based on an audit standard to test compliance with tax obligations and for other purposes in order to implement the provisions of the tax laws and regulations. Furthermore, based on the Circular of the Director-General of Taxes Number SE-15/PJ/2018, it is explained that there are 2 (two) audit criteria to test compliance with tax obligations, namely Routine Audits and Special Audits, whereas, in this study, an evaluation will be carried out. For routine company checks. The selection of routine inspections is due to the evaluation that will be carried out in this study related to the general condition of the Company and does not include any conditions or events outside the Company's general conditions that can encourage special inspections.

III. Research Method

This study uses a case study as a research strategy. The researcher uses a case study on the Company's tax disclosures during the Tax Audit process with the help of a tax consultant compared to without the help of a tax consultant and whether the tax audit results with the help of this tax consultant ultimately benefit the Company. The case study research strategy is used to understand in-depth the information obtained during the research so that it can be developed and answer research questions.

Practitioners or Tax Consultants, so that this too can motivate the Company or Taxpayers to use the services of a Tax Consultant to reduce the amount of the Company's tax payment obligations. This Company's advantage is measured by the size of the tax liability, which ultimately must be paid by the Company based on the final results of the Audit or Tax Assessment Letter. This measure is based on one of the motivations of companies in using Tax Consultants based on research conducted by Beck, Davis, & Jung (1989), Christensen (1992), and Stephenson (2010), showing that there is a decrease in the Company's tax payment obligations after using tax services. The motivation of the Company in reducing the amount of tax payment obligations will be the evaluation measure in this study, whether with the help of a tax consultant, there is a decrease in tax

payment obligations when compared to when the Company does not use the services of a tax consultant based on the results of the Company's tax audit.

For the selection of research methods that compare the process and results of tax audits for the audit tax year that uses the assistance of a Tax Consultant with the tax year that does not use the assistance of a Tax Consultant, there are several criteria for determining the selected tax year in order to obtain reasonably accurate research results as follows:

1. There are no changes in business activities or conditions outside the Company's general conditions for the two tax years based on information obtained from the Company's Annual Financial Statements, which have been audited with an Unqualified Opinion.
2. The tax audit criteria that will be examined are routine inspections. The selection of routine audits is due to the evaluation that will be carried out in this study related to the condition of the Company in general, or there is no indication of non-compliance in fulfilling tax obligations to be able to see the role of Tax Consultants in providing consulting services during Tax Audits in general.

This study uses primary data from related companies and one of the Big 4 KAPs in Indonesia. To obtain the necessary data, this study used two data collection techniques: document review and interviews. Document review and interviews were conducted to determine how the Company carried out the tax disclosure practices with the help of a tax consultant and without the help of a tax consultant and the results of tax audits.

Tax disclosure data for related companies, such as the SPHP Response Letter and the minutes of discussion provided during the audit process, will be analyzed qualitatively to be able to see differences in tax disclosures made by companies when using the assistance of a tax consultant and when not using the assistance of a tax consultant. Data on audit results, such as SPHP, Summary of Final Discussion Results, and SKP, will be analyzed quantitatively to see information on how significant the findings of the Tax Audit are and how much the Company's tax payment obligations are when using the help of a tax consultant and when not using the help of a tax consultant. This quantitative analysis will then be converted into a narrative and analyzed qualitatively. The results of the interviews will be analyzed qualitatively. They will be linked to the tax disclosure data of related companies.

The following is the profile of the resource persons and the Company along with the selected Fiscal Year:

Table 1. Profile of Tax Consultant Resource Person

No	Initial	Position	Name of Related Company (disguised)	Type of Business Related Company	Audit Fiscal Year
1	MF	<i>Senior Manager</i>	PT DEF	Pharmacy/drugs	2016
2	CB	<i>Manager</i>	PT MNO	Otomotif	2018

Table 2. Profile of Company Employee Resource Person

No	Initial	Position	Name of Related Company (disguised)	Type of Business Related Company	Audit Fiscal Year
1	HC	<i>Tax Manager</i>	PT DEF	Pharmacy/Drugs	2015
2	WB	<i>Tax Manager</i>	PT MNO	Otomotif	2016

IV. Result and Discussion

In section, in this case, the data that has been obtained will be analyzed and, based on the analysis and discussion of these data, will be poured according to specific sections to be able to answer research questions.

4.1 Methods Used by Tax Consultants During the Tax Audit Process

Based on the data obtained through interviews with Tax Consultants and employees of the taxation department of the relevant Company (the interview summary table can be seen in Appendix 1), there will be a discussion of the methods and methods used by the Consultant. Taxes during the Tax Audit process, and what are the differences in the methods or methods carried out by the Company itself (tax employees) and the Tax Consultant during the tax audit process.

Based on the results of the interview, the main difference lies in the checking and preparation of data and documents by the Tax Consultant to be given to the Tax Auditor and the consideration through the experience of the Tax Consultant in the Tax Audit process of other companies in the preparation of arguments and explanations along with preparation and checking of supporting documents and data during the Tax Audit process. Furthermore, the Tax Consultant also periodically communicates the data and documents required during the Audit along with information regarding the risk of how much correction the Tax Auditor might impose if the Company cannot provide information and supporting documents. This is done by the Tax Consultant so that the Company can promptly provide information and data so that the Consultant can submit all necessary supporting documents and have sufficient understanding to explain to the Tax Auditor.

4.2 Results from Company SPHP

Based on the results of the SPHP during the examination of the tax year that did not use a tax consultant with the tax year that used a tax consultant, a quantitative comparison will be made of this SPHP. A qualitative analysis will be carried out.

Whereas based on the SPHP data, the following analysis can be provided:

1. The results of PT DEF's SPHP Analysis

On PT DEF's SPHP for the 2016 fiscal year, where during this audit process, using the assistance of a Tax Consultant, the total correction made by the Tax Auditor on the SPHP is IDR 557,447. Seven hundred forty-eight thousand six hundred thirty-three with a total of underpaid taxes or tax obligations still has to be paid, amounting to Rp 557,447,748,633.

For PT DEF's SPHP for the 2015 fiscal year, which during this audit process did not use the assistance of a Tax Consultant, the total correction made by the Tax Auditor on the SPHP was Rp. IDR 137,327,442,439.

Based on the results of PT DEF's SPHP for the two years, the total amount of underpaid tax or tax obligations that must be paid during the tax year audit with the assistance of the Tax Consultant as a whole is greater than the tax year audit without the assistance of the Tax Consultant. The percentage of fiscal correction imposed by the Tax Auditor from the Company's turnover/business circulation for the tax year that uses a Tax Consultant is 95%. In comparison, in the tax year that does not use a Tax Consultant, it is 23%.

2. The results of the analysis

's SPHP on PT MNO's SPHP for the 2018 fiscal year, where during this audit process using the help of a Tax Consultant, the total correction made by the Tax Auditor on the

SPHP is IDR 118,292,659,055 with total underpaid taxes, or tax obligations that are still to be paid is Rp. 35,696,568,294.

For PT MNO's SPHP for the 2016 fiscal year, which during this audit process did not use the assistance of a Tax Consultant, the total correction made by the Tax Auditor on the SPHP was Rp. 203,227,039,315 with total underpaid taxes or tax obligations accrued amounting to IDR 200,957,125,790.

Based on the results of PT MNO's SPHP for the two years, the total amount of underpaid taxes or tax obligations that must be paid during the tax year audit with the assistance of a Tax Consultant as a whole has a smaller amount when compared to the tax year audit without the assistance of a Tax Consultant. The percentage of fiscal correction imposed by the Tax Auditor from the Company's turnover/business circulation for the tax year that uses a Tax Consultant is 2%. In contrast, in the tax year that does not use a Tax Consultant, it is 8%.

4.3 Analysis of The SPHP Response Letter and Minutes of Final Discussion

Based on the SPHP Response Letter and the Minutes of Audit Final Discussion during the tax year audit that did not use a tax consultant and the tax year that used a tax consultant, a qualitative analysis will be carried out on the arguments expressed along with the following documents: supporting documents submitted.

In general, the following analysis can be given for each related Company:

a. SPHP PT DEF Response Letter

Tax Auditor related to this business circulation correction. For the 2016 fiscal year, namely, during the tax year audit using a Tax Consultant, for each correction post, detailed arguments are given along with relevant supporting documents and complete. One example is related to the correction of business circulation, where the arguments contained are very detailed and are also supported by the relevant legal basis and are also attached with relevant and complete supporting documents, in which the Tax Consultant in detail provides a rebuttal to each test carried out by the Tax Consultant. For each point of objection, the Tax Consultant also attaches relevant supporting documents, such as equalization and flow of receivables, along with arguments stating a clear legal basis.

For the 2015 fiscal year, namely, at the time of the tax year audit that did not use a Tax Consultant, most of the arguments presented by PT DEF were quite detailed and supported by the relevant legal basis. However, PT DEF only attached supporting documents for the two corrections on Corporate Income Tax corrections. , only supporting documents for correcting Negative Fiscal Adjustments and Tax Credits only. However, it is written in PT DEF's SPHP Response for correction of Article 21 Income Tax Objects. Supporting documents will be submitted during the final discussion of the examination results.

b. Minutes of Final Discussion of PT DEF Exam

For the 2016 fiscal year, namely, during the tax year audit using a Tax Consultant, during the final discussion process as contained in the Audit Final Discussion Minutes document, based on the SPHP Response Letter, the Tax Consultant's oral explanation during the final discussion, and supporting documents submitted in the SPHP Response Letter and during the final discussion, in the end, the Tax Auditor can agree with most of the Tax Consultant's arguments and cancel most of the corrections related to Corporate Income Tax Correction, Article 21 Income Tax Object, Article 4 (2) Income Tax Object, and Objects of Income Tax Article 23.

For the 2015 fiscal year, namely, during the tax year audit that does not use a Tax Consultant, during the final discussion process as contained in the Minutes of Audit Final Discussion document, based on the SPHP Response Letter, PT DEF's verbal explanation during the final discussion, and supporting documents submitted at the time of final discussion, in the end, the Tax Auditor was able to agree with most of the Tax Consultant's arguments and cancel most of the corrections related to the Correction of Corporate Income Tax, Article 21 Income Tax Objects, Article 23 Income Tax Objects, and VAT.

c. PT MNO's SPHP Response Letter

For the 2018 fiscal year, namely, during the tax year audit using a Tax Consultant, each correction post is given detailed arguments along with relevant and complete supporting documents. One example is related to the correction of positive fiscal adjustments, where the arguments contained are very detailed and are also supported by the relevant legal basis and are attached with relevant and complete supporting documents, such as related to marketing and promotion costs where the arguments contained in the Response are attached. The SPHP details an error in taking accounts related to marketing costs made by the Tax Auditor and also attached supporting documents in the form of a promotional nominative list with numbers that match the numbers listed on the PT MNO Corporate Income Tax Return.

For the 2016 fiscal year, namely, at the time of the tax year audit that did not use a Tax Consultant, there were several arguments for several correction items which were explained in general and not detailed and did not attach any supporting documents, for example, for the correction of Business Circulation, in which the correction This started from the difference in the results of the Tax Auditor's equalization but in the SPHP Response Letter PT MNO did not explain what the difference in the equalization results was caused by and only denied in general that PT MNO disagreed with the testing method carried out by the Tax Auditor without providing a detailed explanation along with data - data and supporting documents.

d. Minutes of Final Discussion of PT MNO Examination

For the 2018 fiscal year, namely at the time of the tax year audit using a Tax Consultant, during the final discussion process contained in the Minutes of Audit Final Discussion document, based on the SPHP Response Letter, the Tax Consultant's oral explanation during the final discussion, and supporting documents submitted in the SPHP Response Letter and during the final discussion, in the end, the Tax Auditor can agree to most of the Tax Consultant's arguments and cancel the entire amount of corrections related to Positive Fiscal Adjustments, Article 21 Income Tax Objects, and Article 4 Income Tax Credits (2). Furthermore, for the correction of Business Circulation and Cost of Goods Sold, the Tax Auditor cancels a portion of the correction amount on these items. Regarding the correction of the JLN VAT Object, PT MNO approved the correction from the Tax Auditor because there was an error in the tax treatment of JLN VAT on PT MNO.

For the 2016 fiscal year, namely, during the tax year audit that does not use a Tax Consultant, during the final discussion process contained in the Minutes of Audit Final Discussion document, based on the SPHP Response Letter and PT MNO's oral explanation during the final discussion, the Tax Auditor in the end still maintains most of the corrections contained in the SPHP, in which the Tax Auditor retains some corrections to the Business Circulation post, Cost of Goods Sold, Positive Fiscal Adjustments, Loss Compensation, Article 26 Income Tax Object, Output VAT, and VAT STP. The Tax

Auditor also maintains all corrections to Article 23 Income Tax Objects, Article 4 Income Tax Objects paragraph (2), Domestic Input VAT, and JLN VAT.

4.4 Results from Summary of Final Discussion Results And SKP

Based on the results of the Summary of Final Discussion Results and SKP at the time of examination for the tax year that did not use a tax consultant with the tax year that used a tax consultant, a quantitative comparison will be made of the results of the Summary of Final Discussion Results and SKP and will be analyzed qualitatively as follows:

a. Summary of Final Discussion Results (IHPA) and PT DEF's Tax Assessment Letter (SKP)

For the 2016 Fiscal Year, namely during the tax year audit using a Tax Consultant, it can be seen in the IHPA and SKP that Overall, the fiscal correction on SPHP, which the Tax Auditor cancelled, was Rp 520,729,330,647 and overall PT DEF had Underpaid Tax of Rp 36,806,678,207, which consisted of Underpaid Tax Assessment Letter (SKPKB) on Corporate Income Tax of Rp 34,971. 042,142, SKPKB PPh Article 21 in the amount of Rp. 103,283,286, SKPKB PPh Article 23 in the amount of Rp 14,931,963, SKPKB PPh Article 4(2) amounting to Rp 14,346,270, and SKPKB VAT amounting to Rp 1,703,074,546. In detail, there were cancellations of corrections amounting to Rp. 510,709,596,548 for Corporate Income Tax, Rp. 3,447,160,790 for PPh Article 21, Rp. 5,769,588,593 for PPh Article 23, and Rp. 2,417,799,041 for PPh Article 4(2). The percentage of cancellation of corrections for the 2016 Fiscal Year is 93% calculated from the number of Tax Auditor final corrections according to IHPA and SKP divided by the number of Tax Auditor initial corrections according to SPHP.

For the 2015 fiscal year, which is during the tax year audit that does not use a Tax Consultant, it can be seen in the IHPA and SKP that overall, the fiscal correction on the SPHP, which the Tax Auditor cancelled, was Rp. 79,606,971,508 and overall PT DEF has less tax. Pay Rp. 57,720,470,931, which consists of SKPKB for Corporate Income Tax of Rp. 45,386,318,250, SKPKB of PPh Article 21 of Rp. 2,244,965,697, SKPKB of PPh Article 23 of Rp. 5,134,446,743, and SKPKB of VAT of Rp. 4,954,740,241. The percentage of cancellation of corrections for the 2015 Fiscal Year is 58% calculated from the number of Tax Auditor final corrections according to IHPA and SKP divided by the number of Tax Auditor initial corrections according to SPHP.

Based on the comparison of the two tax years, it can be seen that there was a significant decrease or cancellation of fiscal corrections in the 2016 Fiscal Year, namely the tax year that used the assistance of a Tax Consultant, which resulted in a decrease in the Company's tax obligations, which was originally based on the SPHP, this Tax Auditor's fiscal correction causes the tax accrued or tax obligations accrued by PT DEF amounting to Rp. 557,536,008,854 to Underpayment of Rp. 36,806,678,207, and there is a decrease or cancellation of the Examiner's correction of 93% from the initial correction stated on SPHP with the final correction of the Examiner contained in the IHPA and SKP. In comparison, in 2015, there was only a decrease or cancellation of the Auditor's correction of 58% from the initial correction contained in the SPHP with the final correction of the Examiner contained in the IHPA and SKP.

b. Summary of Final Discussion Results (IHPA) and PT MNO's Tax Assessment Letter (SKP)

For the 2018 fiscal year, namely during the tax year audit using a Tax Consultant, it can be seen in the IHPA and SKP that, as a whole, the fiscal corrections on the SPHP which were cancelled by the Examiner The tax amounted to Rp 103,698,256,045 and

overall PT MNO had an Overpaid Tax of Rp 98,912,323,318, which consisted of an Overpaid Tax Assessment Letter (SKPLB) on Corporate Income Tax of Rp 68,209,411,511, SKPLB VAT of Rp 30,910,635,567, and an underpaid tax assessment letter (SKPKB) on PPN JLN amounting to Rp 207,723,760. In detail, there was a cancellation of corrections amounting to Rp. 103,468,365,895 for Corporate Income Tax. Furthermore, there is the cancellation of all fiscal corrections for PPh Article 21 and PPh Article 4(2) so that the tax still to be paid is nil. The cancellation percentage of corrections for the 2018 Fiscal Year is 88% calculated from the number of Tax Auditor final corrections according to IHPA and SKP divided by the number of Tax Auditor initial corrections according to SPHP.

For the 2016 fiscal year, namely, at the time of the tax year audit that did not use a Tax Consultant, it can be seen in the IHPA and SKP that overall, the fiscal correction on the SPHP, which the Tax Auditor cancelled, amounted to Rp 44,722,819,252 and overall PT MNO has less tax. Pay Rp. 156,731,065,778, which consists of SKPKB for Corporate Income Tax of Rp. 21,547,102,925, SKPKB of PPh Article 23 of Rp. 25,561,825,972, SKPKB of PPh Article 26 of Rp. 806,628,484, SKPKB of PPh Article 4(2) of Rp. 20,300.000, SKPKB VAT of Rp. 108,340,598,916 and STP of PPN of Rp. 410,651,995, and SKPKB of PPN JLN of Rp. 38,645,572 and STP of PPN JLN of Rp. 5,311,914. The cancellation percentage of corrections for the 2016 fiscal year is 22% calculated from the number of Tax Auditor final corrections according to IHPA and SKP divided by the number of Tax Auditor initial corrections according to SPHP.

Based on the comparison of the two tax years, it can be seen that there was a fairly large number of cancellations of fiscal corrections in the 2018 Fiscal Year, namely the tax year that used the assistance of a Tax Consultant, which resulted in a decrease in the Company's tax obligations, were initially based on the SPHP, the correction This Examiner's fiscal policy causes the tax accrued or tax obligations accrued by PT MNO amounting to Rp. 35,696,568,294 to Overpayment of Rp. 98,912,323,318, and there is a decrease or cancellation of the Examiner's correction of 88% from the initial correction contained in the SPHP. With the Auditor's final correction contained in the IHPA and SKP, in 2016, there was only a decrease or cancellation of the Examiner's correction of 22% from the initial correction contained in the SPHP with the Auditor's final correction contained in the IHPA and SKP.

V. Conclusion

Based on the results of the study, it can be seen that the tax audit results are in the form of a tax assessment letter (SKP) from the two companies, PT DEF and PT MNO. An audit of the tax year using the services of a tax consultant can reduce or cancel the initial correction of the tax examiner on the SPHP by 93% for PT DEF and 88% for PT MNO, where the cancellation of this correction resulted in a decrease in underpaid tax or tax liability by 93% for PT DEF and 88% for PT MNO. When compared to when the Company did not use the services of a Tax Consultant, PT DEF could cancel the Tax Auditor's initial correction on the SPHP by 59% for PT DEF and 22% for PT MNO, where the cancellation of this correction resulted in a decrease in underpaid taxes or tax obligations of 59% % for PT DEF and 22% for PT MNO. It can be seen that by using the services of a Tax Consultant, a Tax Consultant can help reduce the Company's tax obligations with a relatively high percentage of reduction in tax obligations, namely 93% and 88% compared to if not using the services of a Tax Consultant, where the percentage reduction in the Company's tax obligations is by 59% and 22%. This shows that it will be

very profitable for the Company to use the services of a Tax Consultant in the Tax Audit process, especially at the stage after the issuance of the SPHP, where the percentage rate of decline in the Company's tax obligations after the issuance of the SPHP by using the services of a Tax Consultant is much higher when compared to not. Use the services of a Tax Consultant.

Furthermore, based on the results of interviews with resource persons (Tax Consultants and Company Employees) and based on the analysis of the SPHP Response Letter and Minutes of Final Discussion, it can be concluded that several things can be essential points that need to be considered by Tax Consultants and Company employees in carrying out their duties. Tax disclosure during the Tax Audit process:

1. A detailed and clear explanation in the written explanation submitted during the Tax Audit process, such as the SPHP Response Letter, which can be seen at PT MNO, with arguments with detailed explanations in the SPHP Response Letter in the 2018 Fiscal Year can reduce the Tax Auditor correction with a reasonably high percentage, whereas in the 2016 Fiscal Year with general or non-detailed explanations, the percentage of cancelled corrections was only 22%
2. Completeness and relevance of supporting documents submitted during the Tax Audit process. It can be seen in both companies, in the Fiscal Year in which the SPHP Response Letter is also attached with supporting documents for each correction post, it can help reduce Tax Auditor corrections by a reasonably high percentage when compared to when not attaching supporting documents or only attaching supporting documents for some of the corrections, especially if you look at PT MNO where the SPHP Response Letter in 2016 Fiscal Year did not attach any supporting documents. In the end, the percentage of corrections cancelled was only 22%.
3. High experience in handling the Tax Audit process. Based on the results of the interviews, it can be seen that the two Tax Consultants also consider their experiences in dealing with other companies in preparing arguments and preparing data and documents that are presented to the Tax Auditor.

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