

CHALLENGES OF COORDINATION AND PUBLIC UNDERSTANDING IN IMPLEMENTING NIK AND NPWP INTEGRATION POLICIES

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ABSTRACT

The use of single or integrated population identity data is starting to be commonly used in many countries, including Indonesia. One of the main population identity data in Indonesia that is starting to be integrated with NIK data is taxation data via the Taxpayer Identification Number (NPWP). Currently, the implementation of the policy for integrating NIK data with NPWP has been implemented and will continue until all taxpayers actually use NIK numbers as a basis for tax obligations. This journal aims to provide an overview of the problems that occur and need to be mitigated in the implementation of the NIK and NPWP Integration Policy currently underway in Indonesia. The results of the research illustrate that even though the implementation of the NIK and NPWP integration policy has gone quite well, there are still main issues that still need to be faced, where these main issues have the same root thread, namely: (1) Challenges of Coordination and Synergy between K/L Sectors; and (2) Risk of Differences in Understanding at Community Level.

Kata Kunci: Integration, Data, Resident Identity, Tax, Implementation, Policy

1. INTRODUCTION

The use of single population identity data or single identity number (SIN) with unique and multiple information is now commonly used in many countries to provide an overview of population status and changes occurring in each region at the same time in a standardized and consistent manner [1] [2]. Single resident identity data generally uses biometric identification such as iris records and fingerprints [3]. The use of single resident data is considered to strengthen national security and social security for citizens even though there are potential privacy risks that must be considered to be safeguarded in implementing a single identity number [1] [4].

The risk of privacy or privacy paradox is still a concern in many countries, where on the one hand the state demands increased security while the public does not want privacy to be disturbed because of state control. This is exemplified in the UK by Davies (2005) as quoted from Lips, Taylor and Organ [5]: "A general conviction is that, with the introduction of an ID card, UK citizens are required to trade an element of their privacy for increased security". However, different reasons occur for developing countries such as Indonesia, Brazil or India. The need for integrated identity data is needed to overcome public service problems. National integration of population data is considered to help countries manage public services and state policies more efficiently and effectively [1] [6].

In Indonesia, the implementation of unified population identity data integration has been mandated in Law Number 24 of 2013 concerning Amendments to Law Number 23 of 2006 concerning Population Administration where Population Identification Number (NIK) data is the only data that can be used for various purposes. resident.

One of the main population identity data in Indonesia that is starting to be integrated with NIK data is tax data via the Taxpayer Identification Number (NPWP). This is in accordance with the mandate of Law Number 7 of 2021 concerning Harmonization of Tax Regulations (HPP), the Population Identification Number (NIK) as a national identity number has been integrated with the Taxpayer Identification Number (NPWP). Officially, the use of NIK as a NPWP was carried out after the publication of Minister of Finance Regulation (PMK) Number 112 of 2022 which regulates the technical details of using NIK as a NPWP [7].

The integration of NPWP with NIK as a single identity number is expected to have a significant impact on state revenues, including simplifying the tax administration system and strengthening the database for the government [8].

Integration will also increase the number of taxpayers and increase the Government's fiscal capacity, especially income tax payments (PPH 21) [9].

Currently, the implementation of the NIK data integration policy with the NPWP has been implemented and will continue until all taxpayers actually use the NIK number as the basis for tax obligations. This journal aims to provide an overview of the problems that occur and need to be mitigated in the implementation of the NIK and NPWP Integration Policy currently underway in Indonesia. The analysis was carried out using a policy implementation perspective, especially in terms of the policy interpretation dimension; dimensions of policy organization and dimensions of policy application [10].

2. METHOD

This journal was carried out using a mix method approach and the analysis was carried out based on the Soft Systems Methodology (SSM) method. The research locus is focused at the Central Government level and will be carried out throughout the second quarter of 2023. Data collection is carried out through primary and secondary data collection. Primary data was obtained through interviews and FGDs with key informants and resource persons from the Directorate General of Taxes (DJP) of the Indonesian Ministry of Finance, the Directorate General of Population and Civil Registry (Ditjen Dukcapil) of the Indonesian Ministry of Home Affairs, as well as elements of agencies related to taxation and population in the regions. Secondary data collection was carried out through a desk study of literature sources, articles, reports and related statistical data.

3. RESULTS AND DISCUSSION

Main Issues and Risk Implication

Based on Article 3, Article 64 of Law Number 24 of 2013, it is stated that the Government provides all public services based on NIK. In line with this, Law Number 7 of 2021 concerning the Harmonization of Tax Regulations as regulated in Article 2 paragraph 1a has been issued, which states that the Taxpayer Identification Number as intended in paragraph (1) for individual Taxpayers who are residents of Indonesia use the population identification number. As a follow-up to Law Number 7 of 2021, PP Number 50 of 2022 has also been issued concerning Procedures for the Implementation of Tax Rights and Fulfillment of Tax Obligations which regulates in Chapter XII the Integration of Population Databases with Tax Databases [11] [12] [13].

Based on the results of the interview, it is clear that currently NIK and NPWP integration has been carried out, both through granting access rights to population data to the Directorate General of Taxes, as well as synchronizing/matching NPWP data at the Directorate General of Taxes with NIK data at the Directorate General of Population and Civil Registry in accordance with the provisions of statutory regulations. In implementing the integration between NIK and NPWP, the Directorate General of Dukcapil and the DJP have entered into a cooperation agreement on data utilization and also continue to coordinate in the NIK and NPWP integration process.

In line with information from sources from the Directorate General of Taxes (DJP) and the Directorate General of Dukcapil, currently the implementation of the integration of NIK and NPWP is currently running relatively smoothly, with the condition that there are already 56,723,485 or around 80.38% of NPWPs that have a valid NIK compared to the previous one. only 23,202,054 (32.88%) at the end of 2022.

Based on the testimony of sources from both the DJP and the Directorate General of Population and Civil Registration, objectively the quality and quantity of population data currently used for NIK and NPWP compared to before integration has basically been met. Before the integration of NIK as NPWP was carried out, there were still many data discrepancies found between population data and tax data. Basically, the validity and singleness of the NIK has been guaranteed so that it can be used for various public purposes in accordance with the provisions of statutory regulations, in this case for NPWP purposes. Based on DKB Semester II 2022, the total population data is 277,749,853 people with a recording condition of 99.37%. To mitigate this, the NIK NPWP matching has been carried out by DJP (Directorate of Tax Data and Information/DIP) and Dukcapil (Directorate of Population Administration Information Management/PIAK).

In carrying out the integration of NIK and NPWP, in general, DJP has carried out an approach and socialization regarding changes to the 16-digit NPWP to several agencies, especially those that have a direct system interconnection with the DJP because there is a need to accommodate changes to the 16-digit NPWP in their system. Apart from that, DJP asked these agencies (whose systems are directly connected to DJP) to help coordinate and socialize the same thing to agencies that are their stakeholders so that it is hoped that all agencies and public service providers in Indonesia will receive this information and prepare their respective public service systems to accommodate the use of NIK as NPWP for the public services they provide.

According to DJP sources, this is inseparable from the solid coordination between DJP and the Directorate General of Population and Civil Registry so that the accelerated matching of NIK and NPWP can be carried out smoothly and in a short time, this has shown extraordinary achievements. This condition illustrates that in terms of communication, coordination in the NIK and NPWP integration policy has been running properly, however, challenges in implementing this integration still occur and need to be anticipated as part of risk mitigation for the implementation of the policy in question.

Based on the description of the information obtained throughout this research, there are several basic problems that are still being faced, including:

- (1) Not all residents who have a NIK have a NPWP and vice versa.
- (2) NIK/NPWP data that is not yet valid and needs to be updated independently.
- (3) System adjustments to accommodate changes in NPWP digits in public services have not been fully implemented properly. Based on the resource person's statement, this happened because: a) not all leaders of the relevant public administrators had a common understanding regarding the urgency of adjusting the system affected by the 16-digit NPWP; and b) requires resource allocation (budget, human resources, etc.) which sometimes the relevant public service providers do not have.

The issue of still having invalid data and incomplete system adjustments will have implications for complaints from taxpayers whose tax obligations are disrupted both in terms of payments and reporting due to service systems that do not fully accommodate the inclusion of NIK as NPWP or changes in NPWP digits.

Apart from that, related to the issue of differences in public understanding regarding the use of NIK as a NPWP, there is a risk that the public will ignore the idea of activating NIK as a NPWP. Even though activation is an important step that must be taken as data validation.

However, the most worrying further implication if policy implementation does not go well is that taxpayer data will become inaccurate due to validity issues. The real impact of inaccurate taxpayer data in general can have implications for the quality of tax calculations in Indonesia. This will clearly create a very crucial risk of dispute between the community. If these problems are not handled well, there is a risk of decreasing public trust.

Based on this, in the context of implementing the NIK and NPWP integration policy, the most important thing that must be anticipated is how this policy must produce accurate taxpayer data in order to fulfill tax obligations appropriately and support the State's target revenue needs. The government also has a responsibility to ensure the accuracy of taxpayer data through effective monitoring and law enforcement efforts.

Based on the description of the implications of problems that could arise during the implementation of the NIK and NPWP integration policy above, by using the policy implementation model approach of Charles O. Jones (1994) [10] researchers have conducted an in-depth study of the real conditions of implementation of the policy qualitatively with a description of the results as follows :

Policy Interpretation

The NIK and NPWP integration policy is implemented based on several regulations including:

1. Law (UU) Number 24 of 2013 concerning Amendments to Law Number 23 of 2006 concerning Population Administration [11].

2. Law (UU) Number 7 of 2021 concerning Harmonization of Tax Regulations [12].
3. Government Regulation Number 50 of 2022 concerning Procedures for Exercising Rights and Fulfilling Tax Obligations [13].
4. Presidential Decree Number 83 of 2021 Inclusion and Utilization of Population Identification Numbers and/or Taxpayer Identification Numbers in Public Services [14]
5. Minister of Home Affairs Regulation Number 102 of 2019 concerning Granting Rights to Access and Utilize Population Data [15].

Basically, Law Number 24 of 2013 covers the policy of integrating identity numbers for residents, so that every agency policy related to the use of identity other than NIK should refer to Article 64 of Law Number 24 of 2013 which states that the Government provides all public services based on NIK, and the Government will integrate existing identity numbers and be used for public services no later than 5 (five) years after this Law was passed [11].

In terms of differences between policies, basically every existing regulation is harmonious and does not conflict with the NIK and NPWP integration policy, however, harmonization still has the potential to occur in the future. This is as stated by the DGT source who stated:

"As far as is understood, there are no policies or regulations that conflict with the integration of NIK as NPWP, in fact it has followed the provisions in Presidential Decree 83/2021 which regulates provisions regarding the obligation to include and utilize NIK/NPWP in public services as well as Presidential Decree 39/2019 concerning One Indonesian Data "However, in general, adjustments/harmonization of the NIK-NPWP integration provisions are needed with all regulations governing public services, financial services and other services that use NIK-NPWP data as a parameter for obtaining services."

However, there are still challenges in aligning each stakeholder's interpretation of integration demands as mandated by article 64 of Law Number 24 of 2013. In reality, there are still differences in the perspectives of each stakeholder in interpreting these regulations. This was acknowledged by the Ministry of Home Affairs informant who stated:

"The challenge of this integration is of course the willingness of Ministries/agencies to integrate existing/existing identity numbers with NIK for every existing public service."

For understanding, the perpetrators of the NIK and NPWP integration policy, namely the Ministry of Home Affairs and the Ministry of Finance, are basically the same and support each other. This is as illustrated by the statement of one of the Ministry of Home Affairs sources who stated:

"Policy actors both at the Ministry of Home Affairs and the Ministry of Finance as well as other related agencies in implementing the NIK and NPWP integration policy basically understand the laws and regulations regarding the integration of NIK and NPWP. The parties are also aligned and consistent with frequent coordination and technical discussions (technical meetings) related to the NIK and NPWP integration process."

The DJP resource person also stated the same thing that within the Ministry of Finance, the NIK and NPWP integration policy was well understood. The informant said:

"All vertical units in the DJP and the Ministry of Finance (Directorate General of Customs and Excise, Directorate General of Treasury, Directorate General of Financial Balance, Directorate General of Budget, and the Fiscal Policy Agency) have understood the importance of changing the use of the 16-digit NPWP."

Although in general informants/resources stated that currently the public understands that NIK is used in almost all public services, in this case including NPWP services and tax reporting, the potential for differences in understanding in the integration process will of course still occur. According to DJP sources, the challenge of differences in understanding has the potential to occur from other agencies, as stated:

"On the other hand, the majority of challenges voiced by other agencies outside the Ministry of Finance, one of which is related to the lack of support from the highest leadership in other related agencies due to the lack of understanding

of the urgency of this policy in each agency. One option that might be able to provide a bridge is This policy can be supervised by high state institutions that have cross-sectoral authority."

To overcome differences in understanding that still arise in the public, DJP sources stated that currently there has been and will be socialization and other efforts by DJP to provide the same understanding to the public. This is also stated by the Director General of Taxes, that before the NIK number on the KTP and Family Card officially becomes a taxpayer number, the DJP ensures that it will carry out outreach first so that the public understands and makes it easier to pay and report taxes. In his statement the Director General of Taxes also said:

"We are building a system so that people can run it well. "After the system is complete, there will be a forum before implementation where we can talk so that people understand."

Based on the Director General of Taxes' statement above, it is clear that the risk of differences in understanding of this integration policy has been anticipated from the start by the DJP. The active socialization carried out by DJP is illustrated by the statement of one of DJP's sources:

"Based on the approach taken by the DJP to other agencies including the Directorate General of Dukcapil and agencies, financial institutions and stakeholders affected by the change in NPWP digits, overall they responded positively and supported the change in the use of the 16 digit NPWP made by the DJP. However, it is possible "There is caution in implementing this policy, especially at the policy-making level in agencies that manage population data because of data security concerns."

One illustration of the alignment of understanding among the main policy actors is in terms of information security, where the issue of data security has become one of the public issues that taxpayers are concerned about, as has been widely stated in the mass media. However, this issue has basically been coordinated by the Ministry of Home Affairs and the DJP. This is as illustrated by each informant, both the Ministry of Home Affairs and the DJP, that in the process of integrating NIK and NPWP data as well as access to data utilization from the Directorate General of Taxes, Ministry of Finance, the Directorate General of Dukcapil requires information security. Regarding this matter, the Directorate General of Taxes in principle agrees with the implementation of ISO 27001, namely the international standard for managing information security.

Apart from these issues, there are several other technical issues related to differences in understanding at the community level. These technical issues include activation obligations and the potential for people to feel burdened. This is as stated by a DJP source as follows:

"There is still a public misunderstanding that all residents who have a NIK are obliged to activate their NIK to become a NPWP, without looking at the subjective and objective requirements of the community as a WP; and the public feels burdened/bothered by the process of activating their NIK as a NPWP and updating their population in Dukcapil when discrepancies are found between population data at DJP and Dukcapil"

This illustrates that differences in understanding regarding policy not only have the potential to occur at the strategic/central level, but also in the field or in society. However, the differences in understanding both at the strategic level and in society have the same common thread, namely the issue of technical factors, namely the importance of implementing policy socialization on a massive scale.

Policy Organization

Organizing the implementation of the NIK policy with NPWP is a long business process and involves stakeholders across sectors and regions. From a business process perspective, organizing the NIK and NPWP integration policy is broadly divided into 2 main business process activities, namely data updating/activation of NIK as NPWP by OP taxpayers who have NIK as well as adjustments to the 16-digit NPWP affected system in all ministries/institutions and agencies which is related.

According to DJP sources, the first main business process activity has been carried out in an organized manner by the entire organizational structure at DJP, both at the head office level, down to the vertical units, especially carried out

by the Extension Functional as regulated by the Director of Extensification Service Memorandum number ND-871/PJ.06 /2022 dated 13 September 2022 concerning Implementation of Updating Mandiri WP Data in accordance with PMK-112/PMK.03/2022 in collaboration with K/L and local government agencies in each vertical unit. The effectiveness of the team's activities is demonstrated by the achievement of valid NIK NPWP data of 80.38% as of July 2023, an increase of almost 80% from the achievement in December 2022.

Likewise with the second main business process activity, the DJP source also explained that this business process had been carried out in an organized manner and the formation of the team had been formalized through the Decree of the Director General of Taxes number KEP-223/PJ/2023 dated 3 July 2023 concerning Amendments to the Decree of the Director General of Taxes Number KEP -65/PJ/2023 concerning Formation of a Readiness Committee When Starting Operations of the Tax Administration Core System. Apart from that, in practice in the field, the team has also coordinated with many affected Ministries/Institutions and agencies, especially with fellow EU 1s in the Ministry of Finance (DJBC, LNSW, DJPb), Ministry of Investment/BKPM, Directorate General of General Legal Administration, Ministry of Law and Human Rights, Banks Indonesia, OJK, LPS, Bappebti, PPATK, Banking and banking associations, several Regional Governments and many other agencies to ensure the readiness of all Ministries/Institutions and other agencies in accommodating changes to the 16 Digit NPWP which will be used in the relevant agency system nationally in 2024 coming. The current progress that is underway is that each K/L and affected agency has carried out an assessment of the adjustments that need to be made and has carried out NIK-NPWP data matching through data validation with the DJP. Internal team communication at DJP has been carried out regularly through checkpoint meetings and division of tasks where units at the DJP Head Office handle K/Ls at the central level while vertical units at the DJP handle agencies at the regional level.

Apart from that, at the UE 1 level of the Ministry of Finance there has also been routine coordination which specifically discusses mitigation of obstacles related to the impact of the 16-digit NPWP on public service providers which is participated in by all relevant UE 1 in the Ministry of Finance (DJP, DJBC, DJPB, LNSW, DJA, Pusintek, et al) which is coordinated by the Ministry of Finance's OBTI Expert Staff.

In terms of organizing relations between institutions implementing the NIK and NPWP integration policy, it can be seen that the implementation of the policy is carried out jointly by the DJP and the Directorate General of Dukcapil and is coordinated regularly through meetings held offline and online. With this kind of working pattern of discussions between agencies, there are often obstacles to discussions caused by time discrepancies between agencies and changes in representatives from each agency so readjustments are needed. This certainly has an impact on hampering coordination in implementing integration policies in the field. This was acknowledged by the source from the Directorate General of Dukcapil who stated:

"In discussions carried out through meeting invitations, there are often time discrepancies between the parties so that representatives present come from different sections or divisions, so this hampers the discussion process to accelerate implementation."

The intensive coordination carried out by DJP is also similar. According to sources, intensive coordination was carried out through correspondence and discussion meetings with relevant stakeholders. This is as stated by a DJP source:

"The DJP has coordinated by delivering a Letter from the Director General of Taxes on behalf of the Minister of Finance to all leaders at Ministries/Institutions, Regional Government agencies, all other agencies to encourage the acceleration of the implementation of data updating/activation of NIK as NPWP for all employees in the work environment of each agency."

Apart from that, DGT also coordinates correspondence with other financial institution regulators. In this case, the source stated that the DJP had submitted a letter from the Director General of Taxes on behalf of the Minister of Finance to all financial institution regulators (BI, OJK, PPATK, LPS, Bappebti) to make adjustments to the affected systems and encourage all banks, financing institutions and other financial service institutions to do the same thing while updating the customer's NIK-NPWP data.

Apart from delivering the letter, coordination has also been carried out through meetings with K/L and several affected Regional Governments, both with the DJP and with the Ministry of Finance (represented by the Ministry of Finance's OBTI Expert Staff).

In terms of coordinating policy implementation, it can be seen that the role of the DJP and the Directorate General of Dukcapil is very large in the organization of the NIK and NPWP integration policy, however the coordination of each party is not under the umbrella of a Special Team or Working Group. This is illustrated by the statement of a source from the Directorate General of Population and Civil Registration who stated:

"Currently the NIK and NPWP integration process is carried out by the Directorate General of Taxes and the Directorate General of Dukcapil. Other agencies are not directly involved in the NIK and NPWP integration process."

This has an impact on weak support from other agencies outside these two agencies, as illustrated by the statement of one DJP source who said:

"One of the challenges voiced by the majority is related to the lack of support from the highest leadership in each agency. One option that might be able to provide a bridge is that this policy can be overseen by a high state institution that has cross-sectoral authority."

The involvement and role of other agencies in the integration of NIK and NPWP is very crucial. According to DJP sources, basically in the context of NIK data updating/activation activities as NPWP, the role of all Ministries/Institutions, Regional Governments and other agencies is relatively effective, especially for employees and other stakeholders within their respective units.

However, different things happen in terms of system adjustments in K/L and other agencies. This is acknowledged by the DGT source who stated:

"Regarding the context of system adjustments in K/Ls or other affected agencies, it is still felt to be less effective because: 1) there is still a very limited number of K/Ls with which DJP has carried out intensive communication and coordination (due to limited resources at DJP), and 2) "There is still a relative lack of follow-up on adjustments to systems/business processes/documents carried out by each agency due to the high complexity of the work that has to be done and requires the availability of a lot of resources (budget, human resources, etc.)."

In terms of organizing this policy, support from other agencies is still very necessary. This is as stated by a DJP source as follows:

"forms of support that can be improved by other agencies include: 1) support for the availability of resources (budget, human resources, etc.) needed by each agency in order to be ready to implement the 16-digit NPWP nationally, including carrying out massive outreach to all stakeholders and the Indonesian public; and 2) support from high state institutions that have cross-sectoral authority (for example: the Coordinating Ministry for the Economy or the Presidential Staff Office) to encourage and coordinate activities related to NIK-NPWP integration across affected ministries/institutions and agencies, including a massive campaign for all Indonesian people."

In terms of organizing the monitoring, evaluation and reporting process of NIK and NPWP integration policies, basically each agency, both the DJP and the Directorate General of Dukcapil, has prepared monitoring and evaluation and reporting mechanisms. The Directorate General of Dukcapil regularly holds monitoring and evaluation meeting forums as stated by a source from the Directorate General of Dukcapil: "The monitoring and evaluation process is carried out in the integration of NIK and NPWP through meeting forums that convey progress, achievement targets, and obstacles and follow-up actions that need to be taken."

Meanwhile, the Directorate General of Taxes has specifically prepared an integrated monitoring system. This is as stated by one DJP source who stated:

"DJP has established a monitoring system for the progress of data updating/activation of NIK as NPWP in the form of a Mandiri Data Updating Dashboard via the link <https://appportal/portal/npwp16dash/dashboard>. This dashboard can see the achievement of NIK data that has been valid as NPWP in real time "In addition, DJP has also routinely

carried out money and implementation of outreach and assistance at the vertical unit level to all taxpayers on a monthly basis."

In terms of internal agency support, it can be seen that DJP's internal support is very high and optimal to ensure integration runs smoothly. According to one DJP source, since the beginning DJP has encouraged the integration of NIK and NPWP which has been carried out since the drafting of the Law on Harmonization of Tax Regulations (UU HPP), especially in relation to Article 2 paragraph (1a) which regulates NPWP for OP taxpayers who are Indonesian residents using NIK in order to realize One Indonesian Data (Presidential Decree 39/2019). The HPP Law was then issued with technical instructions through PMK-112/2022.

Following up on the mandate of the HPP Law and PMK-112, DJP has also carried out a massive campaign for all taxpayers to activate NIK as NPWP, in collaboration with many Ministries/Institutions, Regional Governments and other agencies, by deploying all DJP vertical units throughout Indonesia as well as vertical units within the Ministry of Finance. Apart from the DJP, the Directorate General of Treasury of the Ministry of Finance has also matched the NIK-NPWP data for all central ASNs in Indonesia in the ASN payroll system (GPP Application). This shows the optimal support provided by the internal Ministry of Finance for the successful implementation of the NIK and NPWP integration policy.

Meanwhile, support from the Ministry of Home Affairs is also provided to support this integration process. According to one source from the Directorate General of Dukcapil, Ministry of Home Affairs, the Directorate General of Dukcapil supports the integration process of NIK and NPWP in accordance with the provisions of statutory regulations.

Then, if you analyze it from a stakeholder perspective, ideally there are other stakeholders who should take an important role or contribute more and determine the success of the integration implementation apart from the DJP and the Directorate General of Dukcapil. According to the source from the Directorate General of Dukcapil, apart from the Central Government (Ministry of Home Affairs and the Ministry of Finance, the District/City Dukcapil Office and the community are the most important stakeholders and their contribution is very decisive. This is as stated by the Dukcapil Ministry of Home Affairs resource person that the Regency/City Population and Civil Registration Service plays a major role in carry out population data recording services for each resident which is then coordinated by the Directorate General of Dukcapil nationally. Meanwhile, residents as taxpayers must also contribute greatly to having a sense of responsibility and awareness in reporting any population registration events/important events they experience which will certainly provide accurate data. current as a personal/population database.

Meanwhile, DJP sources are of the view that the parties that need to be more involved are: 1) Central level agencies that have the authority to coordinate synergies across ministries/institutions (for example: the Coordinating Ministry or the Presidential Staff Office); 2) Agencies that manage population data (to help socialize the use of NIK as NPWP to all Ministries/Institutions and agencies that validate population data); 3) All public service providers (to encourage the integration of NIK-NPWP in the work environment and the communities served); 4) All Government Internal Supervisory Apparatus (supervision of the implementation of NIK-NPWP integration by all public service providers); 5) all providers of financial services and/or other services that use NPWP data (for example: banks, financing institutions, etc.) and 6) all Indonesian people.

According to sources from the DJP and the Directorate General of Dukcapil, almost all of the institutions mentioned above have relatively implemented the things that fall within their roles and authorities, but their roles still need to be optimized in the future. However, the DJP source also provided an additional note that up to now, a central level agency which has the authority to coordinate synergy across ministries/institutions in terms of NIK and NPWP integration does not exist/has not been formed/is not yet running.

Policy Application

The NIK and NPWP integration policy has been stipulated in Article 2 of Law Number 7 of 2021 concerning Harmonization of Tax Regulations and is technically regulated in Minister of Finance Regulation (PMK) Number 112/PMK.03/2022 concerning Taxpayer Identification Numbers (NPWP) for Mandatory Persons. Individual taxes,

corporate taxpayers, and government agency taxpayers. Based on the Minister of Finance Regulation (PMK) Number 112/PMK.03/2022, there are three new NPWP formats used by mandatory pakak. Namely, first, individual taxpayers who are residents will use the NIK. Second, non-resident individual taxpayers, corporate taxpayers and government agency taxpayers must use NPWP in 16-digit format. Third, branch taxpayers will be given a business activity location identity number (NITKU).

Meanwhile, starting January 1 2024, all tax administration services and other administrative services that require a NPWP will already use the NIK or NPWP in the new format. Optimizing the integration of NIK and NPWP is to mitigate tax avoidance practices which lead to optimizing tax revenues. This goal is emphasized in Government Regulation Article 68 Number 50 of 2022 which states that when the integration of NIK into NPWP takes place, every financial transaction of Indonesian citizens will be known by the DJP.

Based on the statement of a DJP tax instructor, it is known that NIK becoming NPWP is a form of implementation of the HPP Law where this policy has three main objectives. First, to provide legal certainty in the use of NPWP. Second, providing equality and realizing effective and efficient tax administration. Third, to support Indonesia's one data policy. This illustrates that the urgency of implementing this integration policy is not only due to population demands but also the need to realize better tax administration.

From the perspective of policy actors, the realization of achieving the NIK and NPWP integration targets is currently still progressing according to the targets set. This is as described by sources from both the Directorate General of Population and Civil Registration and the DJP, that in general the integration of NIK and NPWP in the implementation process until January 1 2024 is in accordance with PMK NUMBER 112/PMK.03/2022 [16].

In terms of target achievements up to July 2023, the target achievement for NIK that has been valid as a NPWP is 56,723,485 or around 80.38% from previously only 23,202,054 (32.88%) at the end of 2022. This process will continue in accordance with the established work plan. This is as stated by a source from the Directorate General of Population and Civil Registration:

"The Directorate General of Dukcapil continues to match population data between NIK and NPWP in accordance with the work plan and stages agreed with the Directorate General of Taxes."

For policy implementation in the field, in accordance with the planned stages, taxpayers can now use the NIK to log in to the taxpayer's account on the Tax website (DJP Online). Meanwhile, in accordance with PMK-112/2022, regulations regulate the full use of NIK as a NPWP (used in payment transactions and tax reports) starting from January 1 2024 [16]. In addition, based on information from DJP sources, in order to fully use NIK as NPWP in the public service system as of January 1 2024, currently most public service providers and financial service providers are adjusting the system to accommodate changes in NPWP digits in their respective services. each.

From the perspective of policy actors, the application of current integration policies, basically each party has the same belief that the current data integration policy is running in accordance with regulatory plans. This is illustrated by the results of interviews with sources from the Directorate General of Population and Civil Registration who stated: "the entire process is currently underway and the regulations (UU, PP and PMK) have been regulated." However, from a perspective outside the policy actors or at the community level, the real problem is not yet visible. in real terms. In terms of the implementation or application of policies in society, new problems will really become visible after the integration policy is fully implemented on January 1 2024. PMK-112/2022 regulates the provisions for the full use of NIK as a NPWP (used in payment transactions and reporting taxes) starting from January 1 2024 [16], so currently NIK/NPWP integration has not been fully implemented in public services. However, currently the public, especially Taxpayers in general, have started to activate NIK as NPWP. This is as stated by DJP sources as follows:

"From the NIK as NPWP activation activities that have been carried out so far as a prerequisite for the full implementation of NIK as NPWP in 2024, it was found that the majority of taxpayers have activated their NIK as NPWP."

However, anticipation of the risks that arise should have been carried out. There are several risks that have been anticipated, including the risk of changes in population data that are not reported and the risk of finding data that has

not been updated so that it is at risk of being invalid. This will certainly disrupt processes in the field, especially in terms of tax reporting. In applications in the field, it is very necessary to change mechanisms that simplify the process of reporting data changes. This was acknowledged by the source from the Directorate General of Population and Civil Registration who said:

"Starting January 1 2024, the NIK will be used as the NPWP as a whole. A potential problem that might occur is if there is population data that has been changed but the resident has not reported it, for example regarding domicile which will affect the locus of tax reporting to the Directorate General of Taxes."

Anticipating this, the public generally hopes that there will be an easy mechanism for updating data or reporting. This is as stated by a DJP source who explained:

"However, many taxpayers have provided input so that the process of updating population data in the event that the NIK is found to be invalid as a NPWP because the population data is not appropriate, can be done more easily, can be done online from anywhere and can access help/assistance easily in the event of any obstacles."

Anticipating this, the Directorate General of Dukcapil has attempted to mitigate this by making necessary improvements to simplify reporting mechanisms and updating data from the public or taxpayers. This is as stated by a source from the Directorate General of Population and Civil Registration:

"The following risk mitigation that can be done is that residents are encouraged to be orderly and report changes to their data. In this case, the Directorate General of Dukcapil has made it easier regarding the procedures and requirements for residents to change/report changes to their data. From the side of the Directorate General of Taxes, in this case, it is necessary to continue to coordinate with Directorate General of Dukcapil."

From this statement, it is clear that intensive coordination between stakeholders, especially between the Directorate General of Taxes and the Directorate General of Dukcapil, is the main key to mitigating problems in the field. Each party realizes that in the future, ideally there will be a need for optimal support from government leaders and the community so that this policy can truly run according to expectations. This is illustrated by the statement of a DJP source:

"Seeing the massive scope of the integration of NIK as NPWP which requires the involvement of many parties, both Taxpayers and all providers of public services/financial services/other services, the successful integration of NIK as NPWP requires direction from the highest leadership in Indonesia, as well as support and participation active from all levels of society and related parties."

This hope clearly illustrates the need for support from all stakeholders apart from the Dukcapil Directorate General and the DJP itself to encourage the successful implementation of the NIK and NPWP integration policy in full on January 1 2024. Regardless of the obstacles and potential risks faced, each resource person has the same hope that It is hoped that the integration of NIK as a NPWP can realize the goals to be achieved in providing easy public services to the community and other benefits as a result of realizing One Indonesian Data, for example in the form of optimizing state revenues.

Discussion

Based on the description of the research results above, it can be seen that basically in terms of interpretation, organization and policy application, the implementation of the NIK and NPWP integration policy has gone quite well, especially from the DJP and Directorate General of Population and Civil Registry's side, however there are still key issues that still need to be addressed. including: (1) there are still residents who only have NIK without NPWP; (2) there is still invalid NIK and NPWP data; and (3) The adjustment of the tax service system is not yet perfect. The problems above are the main issues in the field and have the risk of giving rise to implications that could disrupt the implementation process of NIK and NPWP integration.

One of the most worrying and risky further implications is that taxpayer data becomes inaccurate due to unresolved validity issues. The real impact of inaccurate taxpayer data in general is the risk to the quality of tax calculations in

Indonesia. This will clearly raise the risk of a very crucial dispute at the public level which has the potential to reduce public trust.

The description of the implications above has a basic root problem that needs to be addressed immediately so that the risks that are feared to occur can be mitigated so that the implementation of the NIK and NPWP integration policy can proceed according to plan. By referring to the approach of Charles O. Jones (1994) [10], the researcher has outlined a picture of the root of the problem in the research results sub-chapter and obtained an analysis of the common threads in terms of interpretation, organization and policy application as follows:

1) Challenges of Cross-Sector Coordination and Synergy K/L

Even though Article 64 of Law Number 24 of 2013 covers the policy of integrating identity numbers for the population, however, in terms of policy interpretation, there is a root problem of differences in interests between each stakeholder which has an impact on differences in the efforts of each agency.

Based on the research results, it is clear that although the main policy actors, namely the Ministry of Home Affairs and the Ministry of Finance, have basically played optimal roles and supported each other, support from other agencies/stakeholders outside these two agencies has not been optimal. Referring to the research results, this occurred due to the absence of a cross-sector team coordination umbrella and the absence of an institution at the central level that was appointed or given authority as the main focal point to coordinate and synergize policies across sectors and across levels of government. Each party is not under one team coordination umbrella. This has an impact on weak support from other agencies outside these two agencies. This condition illustrates the important role of synergy and coordination in implementing the NIK and NPWP integration policy. This is in line with the opinion of Hogwood & Gunn (1998) and Winter (2004) that the role of coordination is very important as one of the main conditions in ensuring the progress of a policy implementation [17] [18].

On the other hand, the hope of the interviewees that there will be a central level institution that is given the authority to carry out cross-sector coordination is to foster stronger synergies so that other stakeholders can support more optimally. In this case, it turns out that the context of synergy support is an important factor that is considered very necessary by policy implementers. According to Stephen Covey (2004), synergy is one of the highest forms of cooperation where each party is able to synchronize various interests between team members by means of good communication [19].

Thus, the resource person's desire for an institution or a special team that is given cross-sector coordination authority to implement the NIK and NPWP integration policy is a very rational desire and is necessary to ensure that integration is truly supported by stakeholders and is successfully implemented according to the target. This, as acknowledged by the sources, is the support of all stakeholders apart from the Directorate General of Dukcapil and the DJP itself to encourage the successful implementation of the NIK and NPWP integration policy in full on January 1 2024.

2) Risk of Differences in Understanding at Community Level

In general, it is clear that the public understands that NIK is used in almost all public services, in this case including NPWP services and tax reporting. However, the potential risk of differences in understanding in the NIK and NPWP integration process is still very much worried by the sources. The risk of differences in public understanding is especially related to technical issues which can have crucial impacts, especially regarding the validity and accuracy of data.

Examples of technical issues include those related to understanding activation obligations which could potentially cause people to feel burdened or even ignore the importance of activation. This issue is very technical but can really disrupt the successful implementation of policies according to the set target time.

To overcome potential differences in understanding that still arise in the public, currently socialization and other efforts have been carried out by the DJP to provide the same understanding to the public. However, efforts to provide this understanding should be carried out more massively and involve other agencies at the central and regional levels. Socialization efforts are very crucial to carry out. This is in line with the opinion of Horton and Hunt (1993) that socialization is an important element in policy so that a decision can run according to its objectives [20]. In this way,

more massive outreach efforts to the community and to other agencies outside the DJP and the Directorate General of Dukcapil are expected to help achieve the target of implementing the NIK and NPWP integration policy in the future.

Apart from that, there are other technical issues related to the tax services business process, such as changes in population data that are not reported and the risk of finding data that has not been updated so that it is at risk of being invalid. This requires comprehensive monitoring and improvement of tax reporting mechanisms so that in the end all existing mechanisms truly make it easier for the public as taxpayers to carry out their tax obligations. If this is not addressed immediately, it has the potential to cause disruption to the community in carrying out its obligations and ultimately disrupt the efforts to socialize/equalize understanding.

Based on the description of the root of the problem above, both at the strategic level and in the community, it is clear that there is a common thread, namely the importance of optimal and effective support from other stakeholders at the strategic level outside the DJP and the Directorate General of Population and Civil Registration as well as support for understanding from the entire community regarding the importance of implementing policies in field. Without this support, there is a potential risk that the implementation of the NIK and NPWP integration policy could be disrupted and not achieve the targets set in the Law.

4. CONCLUSION

Based on the description of the research results above, it can be seen that basically the implementation of the NIK and NPWP integration policy has gone quite well and is appropriate, especially from the perspective of the DJP and the Directorate General of Dukcapil. However, there are still main issues that still need to be addressed, including: (1) there are still residents who only have NIK without NPWP; (2) there is still invalid NIK and NPWP data; and (3) The adjustment of the tax service system is not yet perfect. If it is not addressed from the root of the problem, it could have implications for the risk of disruption to the implementation process of NIK and NPWP integration, which is still ongoing for a long time in the future.

Based on the analysis of the results, it is clear that in terms of interpretation, organization, and policy application, there is a common thread at the root of the problem which causes the main issues above not to be handled properly. The root thread of the problem includes: (1) Challenges of Cross-Coordination and Synergy K/L Sector; and (2) Risk of Differences in Understanding at Community Level. By addressing these two roots of the problem, it is hoped that it can increase public support widely and significantly. Public support is very necessary to ensure that the implementation of the NIK and NPWP integration policy in the future will be better and on the track according to the time frame that has been set.

ACKNOWLEDGMENT

Referring to the conclusions above, researchers need to provide the following recommendations:

- 1) There is a need to increase coordination and synergy across K/L sectors, including: a) the need to establish an institution at the central level that has the authority to coordinate NPWP and NIK integration policies synergistically across K/L sectors; and b) it is necessary to form a cross-sectoral Special Working Group Team (not only the DJP and the Directorate General of Dukcapil) to coordinate intensively during the policy implementation period.
- 2) There is a need to immediately increase public understanding both at the level of central and regional policy makers and at the level of the wider community or Taxpayers, including by: a) the need to carry out socialization, advocacy and establishing communication forums with other relevant agencies, both central and regional outside the DJP and the Directorate General of Dukcapil; and b) it is necessary to immediately carry out massive and intensive outreach to the public regarding the importance of activating NIK as a NPWP.

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