The Effectiveness of Implementing Local Taxpayer Status Confirmation for Investors in the City of Blitar

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Abstract
This article discusses the effectiveness of confirming the status of regional taxpayers in Blitar City based on the Regulation of the Minister of Home Affairs Number 112 of 2016. This research uses Lawrence Meir Friedman's theory of the legal system and Soerjono Soekanto's theory of Law Enforcement. The results of the legal structure analysis show the success of the Regional Finance and Asset Management Agency (BPKAD) and the One-Stop Investment and Integrated Services Office (DPMPTSP) in coordinating and accessing tax applications, which significantly improves service efficiency. The legal substance of Regulation Number 112 of 2016 has proven effective as the basis for the Regulation of the Mayor of Blitar Number 73 of 2019. Legal culture analysis reveals effective public compliance with the taxpayer's status confirmation procedure before receiving services, without any protests. Thus, implementing the regulation in Blitar City can be considered successful, creating effective cooperation between related agencies, ensuring taxpayer understanding and compliance, and improving the quality of public services.

Keywords: Effectiveness; Confirmation of Taxpayer Status; For Investors.

INTRODUCTION

Regulation of the Minister of Home Affairs Number 112 of 2016 concerning Confirmation of Taxpayer Status in the Provision of Certain Public Services in the Regional Government is a regulation that is expected to be a corridor for affirmation of rights and obligations for the investor community and the government as tax managers (fiskus). This means that the government (Diskus) is obliged to provide public services to the community and is entitled to taxes that are the obligation of the community (Taxpayers). On the other hand, the public (Taxpayer) is obliged to fulfill obligations in the field of taxation for which they are responsible and are entitled to public services from the government (Diskus) (Ariesta & Latifah, 2017; Istanto, 2010).

Effectiveness is a measurement in the sense of achieving a predetermined goal. Confirmation of Taxpayer Status in general is the government’s activity as a public service provider and as a tax manager (fiskus) to examine the status of tax responsibility for the public before providing certain public services. Certain public services in question are permits requested by the public (investors).

This study examines the effectiveness of confirming the status of regional taxpayers in Blitar City based on the Regulation of the Minister of Home Affairs Number 112 of 2016. In this study, the theory of the legal system from Lawrence Meir Friedman and the theory of Law Enforcement from Soerjono Soekanto are used. The analysis of the legal structure shows the success of the Regional Financial and Asset Management Agency (BPKAD) and the One-Stop Investment and Integrated Services Office (DPMPTSP) in coordinating and accessing tax applications, which significantly improves service efficiency.

The legal substance of the Minister of Home Affairs Regulation Number 112 of 2016 has proven effective as the basis for the Regulation of the Mayor of Blitar Number 73 of 2019. Legal culture analysis shows effective public compliance with taxpayer status confirmation procedures before they receive services, without any protests. Thus, implementing this regulation in Blitar City can be considered successful, creating effective cooperation between related agencies, ensuring taxpayer understanding and compliance, and improving the quality of public services. This success reflects the effectiveness of regulations in achieving the goals that have been determined and has a positive impact on the community and related agencies. Confirmation of Taxpayer Status within the local government is the activity of the local government (related offices) as a public service provider at the regional level and as a regional tax manager (Diskus) to examine the status of tax responsibility for the community, before providing certain public services at the local government level. Certain public services at the local government level are permits at the regional level that are requested by the community (investors) (Abdillah, 2017; Rachamawati & Ernandi, 2024).

Research on the effectiveness of the implementation of legal products in Indonesia has been carried out a lot. Research on legal effectiveness in Indonesia includes The Effectiveness of the Electronic Information and Transaction Law (UU ITE) by Radita Setiawan and Muhammad Okky Arista (2013). This study evaluates the effectiveness of Law No. 11 of 2008 concerning Electronic Information and Transactions (UU ITE) in dealing with cybercrime in Indonesia. This study highlights implementation barriers, such as inadequacies in regulating certain criminal acts using computers (Setiawan & Arista, 2013). The Effectiveness of the Job Creation Law, Novanto and Herawati (2022), assesses the effectiveness of the Job Creation Law in legal development in Indonesia. Although controversial, the Job
Creation Law is considered to have a positive impact on designing regulations to support more effective legal development (Novanto & Herawati, 2022).

Legal Effectiveness from the Perspective of Legal Philosophy, Ahadi (2022), this study evaluates legal effectiveness from the perspective of legal philosophy with a focus on the socialization of legal products. This study uses a juridical-normative approach to consider the preventive and repressive aspects of legal effectiveness (Ahadi, 2022). The Effectiveness of Surabaya Single Window UPTSA, Thomy Tri Utomo (2019). This study evaluates the effectiveness of UPTSA's Surabaya Single Window (SSW) in trade, industry, and investment services. The research uses quantitative and qualitative approaches to assess the extent to which SSW UPTSA simplifies the licensing process and attracts investment in Surabaya (Utomo, 2019). The Effectiveness of Village Financial Management, Aulia Muthiatul Hasanah (2020). This study evaluates the effectiveness of village financial management based on the Regulation of the Minister of Home Affairs Number 20 of 2018. The focus is on improving transparency, accountability, and efficiency of financial management at the village level through case studies and data analysis (Hasanah, 2020).

Each study reviews various aspects of the effectiveness of the implementation of legal products in Indonesia, ranging from information technology regulations to the development of economic laws and village administration. In this context, this study focuses on the analysis of the effectiveness of the implementation of Taxpayer Status Confirmation in the Provision of Certain Public Services in Blitar City. This study is the first to use the same method in analyzing the implementation of the Minister of Home Affairs Regulation Number 112 of 2016 at the local level. Thus, this article seeks to show the difference in specifications with previous research that has been carried out in the same context, namely the effectiveness of the regulation in Blitar City.

This study aims to determine the effectiveness of the Regulation of the Minister of Home Affairs Number 112 of 2016 concerning Confirmation of Taxpayer Status in the Provision of Certain Public Services in Blitar City reviewed from the legal substance and legal culture. The results of this study are expected to provide information related to legal certainty to investors in fulfilling the basic requirements to apply for legality to invest in Blitar City and provide information to the local government of Blitar City related to the effectiveness of the implementation of the Minister of Home Affairs Regulation Number 112 of 2016 in Blitar City, as well as provide input to improve its shortcomings.

**RESEARCH METHODS**

This type of research is empirical juridical research, which combines legal analysis with empirical data collection. The study aims to evaluate the validity and reliability of variables such as social media marketing, travel experiences, satisfaction, and loyalty through rigorous statistical testing. These findings provide strong evidence that supports the research hypothesis and contributes to the field of legal study (Efendi & Ibrahim, 2018). This study examines the effectiveness of the Regulation of the Minister of Home Affairs Number 112 of 2016 concerning Confirmation of Taxpayer Status in the Provision of Certain Public Services, a study in Blitar City.

The data source used in this study is the primary data source. The data needed to benchmark the effectiveness of this study was obtained from the regional tax management agency in Blitar City, namely
the Regional Financial Revenue and Assets Agency (BPKAD) of Blitar City.

The data collection technique used is observation and interviews with one of the State Civil Apparatus (ASN) who deals with fields related to the implementation of Regional Taxpayer Status Confirmation (KSWPD) within the Regional Revenue and Asset Agency (BPKAD) of Blitar City.

The data analysis technique used is qualitative descriptive. The theories used as analytical knives in this study are the theory of the legal system initiated by Lawrence M. Friedmann, and the theory of legal effectiveness initiated by Soerjono Soekanto. Lawrence Friedmann's view of the legal system (Legal System) which according to him includes three components or sub-systems, namely (i) components of the legal structure, (ii) legal substance, and (iii) legal culture (Friedman, 2019).

The proposition of the theory of legal effectiveness initiated by Soerjono Soekanto is that law enforcement is highly dependent on several factors that can affect it (Soekanto, 2004) that is:

- a. The legal or regulatory factor itself;
- b. The factor of officers who enforce the law;
- c. Factors of facilities or facilities that are expected to support the implementation of the law;
- d. Factors of community members affected by the scope of legal regulations; and
- e. Cultural factors or legal culture.

RESULTS AND DISCUSSION

Effectiveness of the Implementation of Regional Taxpayer Status Confirmation for Investors in Blitar City

Effectiveness comes from the root word effective. The Great Indonesian Dictionary states that the meaning of the word Effective is (1) there is an effect (result, effect, impression); (2) efficacy or efficacy (about medicine); (3) can bring results; successful (about effort, action); Markus; (4) comes into force (about laws, regulations). Effective is making it effective. Effectiveness is (1) an influential circumstance; memorable things; (2) efficacy; efficacy (about medicine); (3) success (about effort, action); arrogance; (4) the entry into force (about laws and regulations). Effectiveness is effectiveness (Kbbi, 2016).

Regarding the effectiveness of the Minister of Home Affairs Regulation Number 112 of 2016, the effectiveness can be interpreted as the result and influence of the purpose of the Ministerial Regulation.

Regulation of the Minister of Home Affairs Number 112 of 2016, provides the following meaning (Firdausy, 2021):

- a. The Regional Government is the regional head as an element of the Regional Government organizer who leads the implementation of government affairs that are the authority of the autonomous region.
- b. Taxpayers are individuals or entities, including taxpayers, tax deductors, and tax collectors, who have tax rights and obligations by the provisions of regional tax laws and regulations.
- c. Taxpayer Status Confirmation is an activity carried out by local governments before providing certain public services to obtain information on Taxpayer status.
- d. Taxpayer Status Information is information provided by the Regional Government in the context of confirming the status of Taxpayers for certain public services at the Regional Apparatus.
- e. Specified Public Service is a service provided by the Regional Government to the Community.

The Specified Public Service in question consists of at least the following:

- a. Trade business license;
- b. Entertainment business license;
- c. Building permits;
- d. Restaurant business license;
e. Permit for a place of sale of alcoholic beverages;
f. Interference permit;
g. Route permit;
h. Fishery business license; and/or
i. Permission to hire foreign workers.

The Ministry of Home Affairs of the Republic of Indonesia through the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 112 of 2016 concerning the Confirmation of Taxpayer Status in the Provision of Certain Public Services in the Regional Government, has decided on the Confirmation of Taxpayer Status in the Provision of Certain Public Services in the Regional Government.

Based on the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 112 of 2016 concerning Confirmation of Taxpayer Status in the Provision of Certain Public Services in the Regional Government, Blitar City has made a major regulation on its implementation procedures. The Blitar City Government with Blitar Mayor Regulation Number 73 of 2019 concerning Procedures for the Implementation of Taxpayer Status Confirmation in Certain Public Services, has managed the implementation of Confirmation of Taxpayer Status in Certain Public Services in the Blitar City area.

Blitar Mayor Regulation Number 73 of 2019 has implicitly regulated the Regional Financial Revenue and Assets Agency (BPKAD) and the One-Stop Investment and Integrated Services Office (DPMPTSP) to cooperate and coordinate to implement the Regional Taxpayer Status Confirmation (KSWPD). The manifestation of this cooperation and coordination is that BPKAD and the technical team have coordinated with the PMPTSP Office to conduct technical and operational discussions on the implementation of KSWPD. The technical of KSWPD activities that have been carried out by the PMPTSP Office before providing certain public services to obtain information on the status of valid or invalid taxpayers, is to conduct an electronic audit through access to the regional tax payment application that has been managed by the Blitar City BPKAD.

There are 16 (sixteen) permits (certain permits) that have been implemented by KSWP and KSWPD in Blitar City (Blitar Mayor Regulation Number 73 of 2019 concerning Procedures for the Implementation of Taxpayer Status Confirmation in Certain Public Services), namely:
1. Principle Permit for Domestic Investment;
2. Domestic Investment Business License;
3. Building Permits;
4. Route Permit;
5. Billboard Permit;
6. Industrial Business License (IUI);
7. Construction Services Business License (IUJK)
8. Warehouse Registration Certificate (TDG) Permit;
9. Supermarket Business License (IUTS);
10. Hospital Operational Permit;
11. Clinic Operational Permit;
12. Clinical Laboratory License;
13. Tourism Business License;
14. Alcoholic Beverage Trading Business License;
15. Fishery Business License; and
16. Permit to Employ Foreign Workers.

Every applicant who will apply for the license at the Blitar City PMPTSP Office is advised to always prioritize the payment of taxes, regional taxes, and regional levies that are their obligations first and settle the debts of regional taxes and regional levies 1 (one) year before (if any), to obtain proof of payment of regional taxes and regional levies on the object that is the location of the business place that will be submitted in the license application file.

Blitar Mayor Regulation Number 73 of 2019 also stipulates that the purpose of the regulation is to optimize regional tax revenues and increase taxpayer
compliance. This means that the existence of KSWP and KSWPD is expected to increase tax compliance behavior so that indirectly the community has supported the development of Blitar City so that it can be more advanced and developed.

**Lawrence Meir Friedman’s Legal System Theory and Soerjono Soekanto’s Law Enforcement Theory**

The proposition of the legal system theory initiated by Lawrence M. Friedmann is that the running of the legal system can be studied from three sub-systems, namely legal structure, legal substance, and legal culture/culture. Lawrence Friedmann’s theory of the legal system can be used to measure the effectiveness or not of law enforcement, which depends on the legal system which includes three components or sub-systems (Friedman, 2019).

The proposition of law enforcement theory initiated by Soerjono Soekanto is that law enforcement is highly dependent on several factors that can affect it, namely: Legal factors or regulations themselves; The factor of officers who enforce the law; Factors of facilities or facilities that expect to support the implementation of the law; Factors of community members affected by the scope of legal regulations; and Cultural factors or Legal Culture (Soekanto, 2004).

The legal system and sub-system according to Lawrence Friedmann if it is connected with the factors of law enforcement according to Soerjono Soekanto, then there is a relationship that can be described as follows:

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<thead>
<tr>
<th>Lawrence W Friedman: Legal System</th>
<th>Soerjono Soekanto: Law Enforcement Factors</th>
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<tr>
<td>Legal structure</td>
<td>Law enforcement</td>
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<tr>
<td>Law (regulation itself)</td>
<td>Supporting Facilities</td>
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<td>Legal substance</td>
<td>Community Legal Awareness</td>
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<td>Law enforcement</td>
<td>Legal culture</td>
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According to Lawrence W. Friedman, the legal system consists of three main components, namely legal structure, legal substance, and legal culture. Legal structure refers to the institutions and mechanisms that exist to enforce the law, such as the police, courts, and correctional institutions (Friedman, 2019). In the context of Soerjono Soekanto, this legal structure is closely related to law enforcement factors and supporting facilities needed to carry out these functions effectively (Soekanto, 2004).

The substance of law, according to Friedman, is the rules and norms that govern people’s lives. It includes all kinds of laws and regulations (Friedman, 2019). Soerjono Soekanto stated that the legal factor, or the regulation itself, is one of the important elements in law enforcement (Soekanto, 2004). This shows that the quality and clarity of regulations greatly determine the effectiveness of their enforcement.

According to Friedman, legal culture reflects people’s attitudes and values towards the law. It includes people’s legal awareness and how people understand and obey the law. (Friedman, 2019). Soerjono Soekanto emphasized the importance of public legal awareness and legal culture as a determining factor for the success of law enforcement. Community legal awareness plays an important role in creating voluntary compliance with the law, while legal culture influences the behavior of law enforcement and society in the legal context.

Thus, the relationship between the legal system and the legal sub-system according to Lawrence Friedman with the factors of law enforcement according to
Soerjono Soekanto illustrates how structural, substantial, and cultural elements interact to ensure that the law is effectively enforced in society.

**Legal Structure (L. Friedmann); Law Enforcement, Supporting Facilities (Soerjono Soekanto).**

The legal structure is related to institutions and law enforcement, including their performance (law enforcement). Regarding KSWP and KSWPD within the Blitar City Regional Government, Blitar Mayor Regulation Number 73 of 2019 in Article 6 states that Certain Public Services as referred to in Article 5 are carried out by DPMT-PTSP. Article 8 states that (1) Information on the implementation of KSWP as referred to in Article 7 is obtained through the Tax Information System provided by BPKAD, (2) Information system providers by BPKAD as referred to in Paragraph (1) may include software based on electronic systems or applications and hardware or hardware. Article 9 states that (1) DPMT-PTSP in providing certain public services conducts KSWP to applicants through the information system as referred to in Article 8. Article 10 states that (1) Guidance on the implementation of KSWP as referred to in Article 4 number 3, is carried out by BPKAD through consultation, monitoring, and evaluation activities. Article 11 states that matters that have not been regulated in this Mayor Regulation, as far as its implementation is concerned, will be further regulated by the Head of BPKAD.

This shows that the Regulation of the Mayor of Blitar Number 73 of 2019 has determined legal institutions, law enforcement, and supporting facilities. The institution that handles Certain Public Services is the Blitar City Investment and One-Stop Integrated Services Office (DPMT-PTSP) and its law enforcers are implementers at the strategic level to the implementers at the technical level. DPMT-PTSP in organizing certain public services conducts KSWP to applicants through an information system managed by BPKAD Blitar City.

The institution providing the information system is the Regional Financial Revenue and Assets Agency (BPKAD) of Blitar City and its law enforcers are implementers at the strategic level to the implementers at the technical level. The provision of information systems includes software based on electronic systems or applications and hardware or hardware. The coaching was carried out by the Regional Financial Revenue and Assets Agency (BPKAD) of Blitar City through consultation, monitoring, and evaluation activities. Matters that have not been regulated in the Mayor Regulation, as far as its implementation is concerned, will be further regulated by the Head of BPKAD.

The Blitar City DPMPTSP and its staff in implementing KSWPD have accessed supporting devices (Supporting Facilities) in the form of access to regional tax applications and regional levies managed by the Blitar City BPKAD based on the coordination and cooperation of the two institutions. This situation shows that the Regulation of the Minister of Home Affairs Number 112 of 2016 which was derived from the implementing regulations in the Regulation of the Mayor of Blitar Number 73 of 2019 has been running effectively in the Regional Government of Blitar City.

**Legal Substance (L. Friedmann); Law (the regulation itself) (Soerjono Soekanto).**

Legal substance, according to Lawrence Friedmann, refers to the rules, norms, and behavioral references used by law enforcement to exercise their authority (Friedman, 2019). In the context of Blitar City, this legal substance is manifested in the form of Blitar Mayor Regulation Number 73 of 2019 which regulates the
Procedures for the Implementation of Taxpayer Status Confirmation (KSWP) in Certain Public Services. This regulation is prepared based on and in line with the Regulation of the Minister of Home Affairs Number 112 of 2016 which also regulates the Confirmation of Taxpayer Status in the Provision of Certain Public Services in the Regional Government.

Blitar Mayor Regulation Number 73 of 2019 includes various important provisions which are divided into several chapters. Chapter I contains General Provisions that define the various terms and concepts used in the regulation. Chapter II explains the Purpose, Objectives, and Scope of the implementation of KSWP, providing a foundation for why this regulation is implemented and what it wants to achieve. Chapter III details the Specific Types of Public Services that require the implementation of the KSWP, ensuring that each service included in this regulation is clear and does not cause confusion. Chapter IV regulates the implementation of KSWP, explaining the procedures and mechanisms that must be followed by law enforcement and the community. Chapter V discusses KSWP Development, which includes efforts to improve and supervise so that the implementation of KSWP runs as expected. Chapter VI contains the Concluding Provisions that govern other matters not already covered in the previous chapters.

The alignment between the Regulation of the Mayor of Blitar and the Regulation of the Minister of Home Affairs shows that these rules are not only made for formal compliance but also to ensure effectiveness in implementation in the field. The effective implementation of the Regulation of the Minister of Home Affairs in the Regional Government of Blitar City through the Mayor Regulation reflects alignment in the legal hierarchy and commitment to consistent law enforcement.

Thus, the legal substance regulated in the two regulations has shown effectiveness and coherence in their application, showing how clear norms and rules can support better law enforcement. This success also reflects how a regulation at the central level can be adopted and applied effectively at the local level, creating a harmonious and integrated legal system.

Legal Culture (L. Friedmann); Community Legal Awareness, Legal Culture (Soerjono Soekanto).

Legal culture or legal culture, according to Lawrence Friedman and Soerjono Soekanto, reflects the attitude of the community and law enforcement officials towards the law and the legal system itself. In Blitar City, this legal culture can be seen from the community’s acceptance of the provisions of KSWP and KSWPD as a basic condition for obtaining certain public services. These public service applicants not only come from the people of Blitar City but also from outside the city who have businesses there. Since the enactment of the KSWP and KSWPD, no protests have arisen from the applicants, showing that the community can accept and comply with the regulations. This reflects the high legal awareness of the people of Blitar City, where they understand and respect the existing rules.

This acceptance also shows that the legal culture in Blitar City, both among the
community and law enforcement officials, supports the enforcement of these regulations. This situation shows that the Regulation of the Minister of Home Affairs Number 112 of 2016 and the Regulation of the Mayor of Blitar Number 73 of 2019 have been effectively implemented. The community and law enforcement officials in Blitar City show a positive attitude and compliance with regulations, which reflects a strong legal culture and high legal awareness. Thus, the successful implementation of this regulation in Blitar City is a clear example of how a good legal culture can support effective law enforcement.

CONCLUSION
Legal structure, according to Lawrence Friedmann, refers to the organization and legal framework that governs the legal system of a country. In the context of Blitar City, the legal structure is implemented through the Regulation of the Minister of Home Affairs Number 112 of 2016 which is applied at the regional level through the Regulation of the Mayor of Blitar Number 73 of 2019. This regulation not only stipulates the procedures for the implementation of Taxpayer Status Confirmation (KSWP) in certain public services but also provides a clear framework for law enforcement in the Blitar City Regional Government.

Law enforcement and supporting facilities, as mentioned by Soerjono Soekanto, are integral to the application of the law in the field. In this case, law enforcement in Blitar City implements KSWP by the stipulated provisions, with the support of the necessary facilities and resources to ensure effective implementation and by applicable regulations.

Legal culture, or community legal awareness, shows how the attitude and acceptance of the law are enforced. In Blitar City, the community has accepted KSWP and KSWPD as an important condition in obtaining certain public services, showing that this policy has been well received and implemented effectively at the local level. This reflects that applied legal norms, both at the national and local levels, support harmonious integration in the legal system and a commitment to consistent and effective law enforcement.

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