

Transformation of Indonesia's Tax System through Coretax: A Qualitative Study in the Digital Era

Deti Meilandri

Universitas Muhammadiyah Kendal Batang

©2025

pp : 51 – 56

Sustainability Accounting Journal

Article Info

Received
8 February 2025
Revised
24 February 2025
Accepted
28 February 2025

Keywords:

Tax Administration,
Coretax,
Tax digitization,
Taxpayer compliance,
Tax Transformation

ABSTRACT

The transformation of the tax system in Indonesia has become an urgent necessity in facing the challenges of efficiency and taxpayer compliance. This study analyzes the implementation of coretax as a strategy for simplifying tax administration in the digital era. Coretax focuses on major taxes such as Income Tax (PPH) and Value Added Tax (PPN), with the aim of increasing transparency and accuracy in tax collection. This research uses a qualitative approach through a literature review of digital taxation policies in Indonesia. The research results indicate that the implementation of coretax has the potential to increase taxpayer compliance through a more integrated administrative system. However, the main challenges in implementing coretax include the readiness of digital infrastructure, the level of tax literacy among the public, and the integration of regulations between institutions. Therefore, comprehensive policies are needed to ensure the effectiveness of this tax system transformation. This study provides recommendations for the government to enhance technological readiness and taxpayer outreach to support the implementation of a more efficient and equitable coretax system.

This is an open access article
under the CC BY-NC license



Corresponding Author:

Deti Meilandri
Universitas Muhammadiyah Kendal Batang
detti.m.akuntansi@gmail.com

I. INTRODUCTION

The tax system plays a very crucial role in the economy of a country, including Indonesia. Taxes are the main source of revenue used to finance various development needs, such as infrastructure, education, health, and other sectors. However, Indonesia's tax system faces significant challenges in terms of efficiency, fairness, and taxpayer compliance (Rosyid et al., 2024) (Fauzan et al., 2025). In facing these challenges, the coretax concept has become one of the solutions considered to simplify and improve the tax structure in Indonesia. It is mentioned in the research by Meilandri et al., (2025) the need for structural reforms in the tax system to increase state revenue without burdening the society. Coretax refers to the main taxes that are sources of state revenue, which include income tax, value-added tax, and other fundamental taxes.

In this digital era, transformation in the taxation system has become an urgent necessity. According to Palar et al., (2024) and Rosyid et al., (2024), digitalization offers various opportunities to enhance tax administration efficiency, such as through the use of e-filing, online tax payment systems, and real-time data-based monitoring. The Indonesian government has been striving to implement digital technology in its taxation system, but the journey towards a fully digital taxation system still faces several obstacles (Rauf et al., 2024). Therefore, this research aims to analyze how the transformation of Indonesia's tax system through the coretax concept can optimize tax revenue, as well as the challenges and opportunities that arise in the digital era.

One important aspect that needs to be understood in the transformation of the tax system is how society and taxpayers perceive this change. In many cases, the adaptation to new technology in tax administration has not yet been fully accepted by all layers of society. Misunderstanding of digital tax procedures and distrust of new systems often hinder the implementation of a more efficient tax system (Dalimunthe et al., 2024). Therefore, it is important to explore taxpayers' perceptions of the implementation of coretax in an increasingly digital tax system. This qualitative study aims to understand the dynamics between coretax policies and the views and adaptations of the community towards a technology-based taxation system.

Optimal coretax does not only depend on technology but also on supporting policies and regulations. The implementation of digital systems with supporting regulations is following Presidential Regulation (Perpres) of the Republic of Indonesia No. 40 of 2018 concerning the Tax Administration System. The Indonesian government has issued various policies related to the application of technology in tax administration, such as simplifying the tax reporting process and strengthening the e-filing system. However, there are still challenges in terms of data integration between various sectors and related institutions, as well as the enhancement of human resource capacity in the field of taxation. Therefore, this research will also analyze these challenges and how government policies in the digital era can overcome these obstacles.

This research is expected to contribute to a deeper understanding of how coretax can be a key driver in the transformation of Indonesia's tax system in the digital era. In addition, the results of this research are expected to provide recommendations for the government and related parties in formulating more effective, efficient, and fair tax policies, which in turn will encourage increased tax compliance and optimization of state revenue. Thus, the transformation of the tax system based on coretax and supported by digital technology can create a tax system that is more transparent, accessible, and adaptable to the times.

II. LITRATURE REVIEW

Challenges in the Traditional Tax System

The traditional tax system in Indonesia, although it has functioned as one of the main pillars of state revenue, faces a number of major challenges that hinder its effectiveness and efficiency. One of the main challenges is the complexity of tax administration, which requires lengthy manual procedures, from reporting to payment, that are often confusing and time-consuming for taxpayers. This convoluted process leads to a low level of tax compliance, as many taxpayers find it difficult or do not fully understand their tax obligations (Syahputepa et al., 2020) (Utama et al., 2023). Added by Djufri (2020), the traditional tax system that relies on physical documents and manual recording is prone to human errors, data leaks, and potential misconduct. According to Prathama's research (2025), the limitations of technological infrastructure and the uneven distribution of tax knowledge in various regions also exacerbate this issue, causing inequities in tax implementation between more developed areas and remote regions. In addition, the limited capacity of tax officials to manage and monitor the increasing number of taxpayers also adds to the administrative burden and reduces the efficiency of the traditional tax system (Manto, 2025). With these challenges, the traditional tax system tends to be unable to keep up with the rapidly evolving economic dynamics and cannot provide efficient and transparent services to the public.

Implementation of Tax in Indonesia

The implementation of taxes in Indonesia is regulated by various laws and regulations aimed at ensuring that tax obligations can be carried out effectively, fairly, and transparently. Law Number 28 of 2007 concerning General Provisions and Tax Procedures (KUP) serves as the main legal basis in Indonesia's tax system, regulating tax obligations, administrative procedures, as well as the rights and obligations of taxpayers. In addition, Law Number 36 of 2008 concerning Income Tax (PPH) and Law Number 42 of 2009 concerning Value Added Tax (PPN) regulate the types of taxes imposed on both individuals and businesses, as well as the procedures for their collection. To support the efficiency of tax administration, Indonesia has also implemented an e-filing system regulated by the Director General of Taxes Regulation Number PER-02/PJ/2019, which allows taxpayers to report their taxes online. However, despite the existence of this legal framework, tax implementation in Indonesia still faces challenges such as taxpayer non-compliance, the complexity of the administrative system, and the low level of public awareness regarding the importance of taxes as a contribution to national development (Siregar et al., 2024) (Wahyuni et al., 2025). The government continues to strive to improve this

system through tax administration reforms, such as the development of more advanced information technology systems and incentive policies for compliant taxpayers.

The Role of Coretax in the Indonesian Tax System

The role of coretax in simplifying Indonesia's tax system is vital in optimizing the existing tax structure, focusing on the main taxes that are sources of state revenue, such as Income Tax (PPh), Value Added Tax (PPN), and Corporate Tax. "Coretax is an integrated tax administration system that can provide tax services that are Easy, Reliable, Integrated, Accurate, and Certain (MANTAP) to taxpayers," explained Khairul Azwar (Lailatul, 2024). The coretax concept aims to simplify the procedures for tax imposition and collection, which have often seemed complex, by prioritizing taxes that contribute the most to state revenue, thereby making the tax administration process more efficient and transparent. The implementation of coretax reduces the overlap or confusion that often occurs due to the numerous types of taxes in effect in Indonesia. Through this simplification, it is expected to reduce the administrative burden for taxpayers and tax authorities, expedite the reporting and payment processes, and increase tax compliance levels. Additionally, by focusing on core taxes, coretax also enables more consistent and targeted tax policies, thereby facilitating tax supervision and control. In this context, the Indonesian government is striving to improve the tax administration system by utilizing digital technology, such as e-filing and e-billing, to support the effectiveness of coretax in simplification and enhance the accuracy in tax data collection (Ndruru et al., 2023) (Larosa, 2024) (Zuhrah et al., 2024).

III. METHODS

The research method used in this study is qualitative and based on a literature review approach. Literature review is a data collection method that involves understanding and studying theories from various literature related to the research (Adlini et al., 2022). Secondary data in this research is used as a source of information. Because the data is obtained through a library research approach, the data is collected from various information related to the issues that are the focus of this research. The data were obtained through literature, academic articles, theses, previous research, and other literary sources.

IV. RESULTS AND DISCUSSION

Several key points of the significant challenges in Indonesia's traditional tax system that can hinder its effectiveness and efficiency. First, the complexity of tax administration requiring lengthy manual procedures causes difficulties for taxpayers, leading many to feel confused and non-compliant in fulfilling their tax obligations (Syahputepa et al., 2020) (Utama et al., 2023). Additionally, reliance on physical documents and manual recording invites the potential for human error, data breaches, and misconduct (Djufri 2020). Furthermore, the limitations of technological infrastructure and the uneven distribution of tax knowledge in various regions exacerbate the injustice in tax implementation, especially in remote areas (Prathama 2025). Several factors indicate that the traditional tax system in Indonesia has not been able to keep up with the rapidly evolving economic dynamics and requires reform to enhance efficiency and transparency.

The Indonesian tax system is regulated by a number of laws aimed at ensuring effective and fair tax implementation. Although the legislation is in place, the main challenges remain the level of taxpayer non-compliance and the complexity of administration that hinders compliance (Siregar et al., 2024) (Wahyuni et al., 2025). To address this, the Indonesian government has introduced information technology policies in tax administration such as e-filing and e-billing, aimed at improving efficiency. However, despite the positive steps taken with the digital system, public awareness of the importance of taxes remains low, and the government's efforts to improve the system through tax administration reforms require more time and greater commitment to address these challenges.

One of the proposed solutions to improve the efficiency and effectiveness of the tax system is the implementation of coretax. Coretax aims to simplify the tax system by focusing on major taxes such as Income Tax (PPh), Value Added Tax (PPN), and Corporate Tax, which are the main sources of state revenue. With a more integrated and focused administrative system, it is expected that the administrative burden on both taxpayers and tax authorities can be reduced, as well as improve tax compliance levels. In addition, the use of digital technology such as e-filing and e-billing to support coretax can also improve the accuracy and transparency in tax data collection (Ndruru et al., 2023)

(Larosa, 2024) (Zuhrah et al., 2024). Thus, the implementation of coretax can be a strategic step in simplifying Indonesia's tax system and supporting a more efficient and fair tax reform.

V. CONCLUSION

Research Limitations

1. Considering that coretax will only be implemented starting January 1, 2025, its effectiveness in facilitating users and improving tax compliance cannot yet be empirically confirmed. This study can only rely on predictions and theoretical analysis based on the implementation of previous tax systems.
2. Because the coretax system is still in the early stages of implementation, empirical data regarding user experiences, technical constraints, and its impact on the efficiency of tax administration is still limited. Therefore, this research is more exploratory in nature and has not yet been able to provide fully representative conclusions.
3. This study has not yet been able to encompass the entire user experience from various sectors, especially for individual taxpayers and businesses of different scales. The use of coretax in areas with more limited digital infrastructure is still an area that needs further study.
4. The implementation of a new system often faces challenges in terms of compatibility with existing systems, both from the government side and the users. The possibility of technical issues in integrating with the previous tax system has not been fully identified in this research.
5. So far, it is not known to what extent taxpayers can adapt to the coretax system. The varying levels of digital literacy and the readiness of technological infrastructure in different regions can affect the effectiveness of the implementation of this system.

Suggest

1. The new Coretax system, which will be implemented starting January 1, 2025, requires future research to conduct empirical studies to measure the effectiveness of this system in improving tax administration efficiency, transparency, and taxpayer compliance.
2. Subsequent research can delve deeper into the readiness level of taxpayers, especially from the MSME sector and individual taxpayers, in adopting the coretax system and the factors that influence its success rate.
3. Considering that tax digitalization depends on the readiness of infrastructure and human resources, future studies could examine the technological readiness and the competence of tax officers in supporting the successful implementation of coretax.
4. The research can focus on how coretax is implemented in various regions of Indonesia, especially in areas with limited digital access, to understand the challenges and optimization strategies of this system across the country.
5. Quantitative studies can be conducted to analyze the direct impact of coretax implementation on tax compliance levels, both in terms of reporting compliance and payment compliance.
6. Considering that coretax is based on a digital system, future research could evaluate the aspects of user data security as well as the risks of data leakage or misuse of information in this tax administration system.

REFERENCE

- Adlini, M. N., Dinda, A. H., Yulinda, S., Chotimah, O., & Merliyana, S. J. (2022). Metode Penelitian Kualitatif Studi Pustaka. *Edumaspul: Jurnal Pendidikan*, 6(1), 974–980. <https://doi.org/10.33487/edumaspul.v6i1.3394>
- Dalimunthe, I. S., Fitriasia, A., & Fatimah, S. (2024). Transformasi Digital Dan Filsafat Kepemimpinan Dalam Birokrasi: Tantangan Dan Peluang. *Cendekia: Jurnal Ilmu Pengetahuan*, 4(4), 597-611. <https://doi.org/10.51878/cendekia.v4i4.4006>
- Djufri, M. (2020). Penerapan Teknik Web Scraping Untuk Penggalan Potensi Pajak (Studi Kasus Pada Online Market Place Tokopedia, Shopee Dan Buka Lapak). *Jurnal BPPK*, Vol. 13, No. 2. <https://jurnalbppk.kemenkeu.go.id/index.php/jurnalbppk/article/view/636>
- Fauzan, Ramzi., Wardana, Ryo S., Afdillah, W., Aswalida, Desi., & Pangestoeti, Wahjoe. (2025). Kontribusi Pajak Terhadap Keuangan Negara: Studi Atas Efisiensi Dan Keadilan Fiskal. *Triwikrama: Jurnal Ilmu Sosial*, 6(11), 71–80. <https://doi.org/10.6578/triwikrama.v6i11.10298>

- Lailatul, Mita., (2024). *Siaran Langsung, Pajak Rantau: Apa Itu Coretax?*. Diakses pada: 27 Januari 2024. <https://pajak.go.id/index.php/id/berita/siaran-langsung-pajak-rantau-apa-itu-coretax>
- Larosa, Wilan Rias M., dan Halawa, A. (2024). Analisis Strategi Optimalisasi Penerimaan Pajak Di Sektor Ekonomi Informal. *Jurnal Ilmu Ekonomi Dan Bisnis*, 1(1), 15-19. <https://doi.org/10.70134/jukoni.v1i1.21>
- Manto, N., Rahim, Erman I., Ahmad. (2025). Implementasi Pasal 32 Peraturan Daerah Kabupaten Gorontalo Nomor 1 Tahun 2024 Tentang Pajak Daerah Dan Retribusi Daerah. *SINERGI: Jurnal Riset Ilmiah*, 2(1), 33-44. <https://doi.org/10.62335/y2rtss89>
- Meilandri, D., Nugroho Cahyono, A., & Islamiyati, D. (2025). Analisis Dampak Pembatalan Kenaikan Tarif PPN 12%: Implikasi terhadap Sektor Ekonomi Mikro dan Pendapatan Negara Indonesia. *JURHUM: Jurnal Humaniora*, 2(1), 56–64. <https://doi.org/10.38102/jamhi.v2i1.42>
- Ndruru, D., Zai, Kurniawan S., Hulu, Tri Hartati S., Telaumbanua, E. (2023). Analisis Efektivitas Dan Efisiensi Penerapan E-Faktur PPN Guna Meningkatkan Kepatuhan Pengusaha Kena Pajak Di CV. Valerie Mitra Kencana. *Jurnal EMBA*, Vol. 11, No. 4, DOI: <https://doi.org/10.35794/emba.v11i4.50534>
- Palar, Brenda E., Maruli, Riky S., & Pangaribuan, Hisar. (2024). Pengaruh Pemahaman Digitalisasi Sistem Administrasi Pajak dan Digital Transformasi Terhadap Kepatuhan Pajak Non-Karyawan. *Jurnal Lentera Bisnis*, Vol. 13, No. 3. <https://doi.org/10.34127/jrlab.v13i3.1217>
- Prathama, Anak Agung Gede Agung Indra. (2025). Analisis Hukum Kepatuhan Wajib Pajak Dalam Era Digitalisasi Sistem Perpajakan di Indonesia: Legal Analysis of Taxpayer Compliance in the Era of Tax System. *JAPHTN-HAN*: Vol. 4, No. 1. <https://doi.org/10.55292/japhtnhan.v4i1.165>
- Rauf, R., Syam, A., Randy, M. F. (2024). Optimalisasi Transformasi Digital Dalam Mendorong Pertumbuhan Usaha Mikro, Kecil Dan Menengah Di Indonesia. *BJRM (Bongaya Journal of Research in Management)*, 7(1), 95–102. <https://doi.org/10.37888/bjrm.v7i1.594>
- Rosyid, A., Pangesti, I., Hasanah, Nur., & Mastutik, Siti. (2024). The Effect of Digitalization on Compliance and Implementation of Tax Laws in Indonesia: Pengaruh Digitalisasi Terhadap Kepatuhan dan Penerapan Hukum Pajak di Indonesia. *Mendapo: Journal of Administrative Law*, 5(3), 265-280. <https://doi.org/10.22437/mendapo.v5i3.32242>
- Siregar, Nancy M., Rizkina, M., Aliah, N., Sitepu, Vera A. (2024). Literatur Riviu Terkait Kewajiban Perpajakan Pelaku UMKM di Indonesia. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 10(5), 3041–3051. <https://doi.org/10.35870/jemsi.v10i5.3191>
- Syahputepa, R., dan Rianty, M. (2020). Pengaruh Kesadaran Wajib Pajak, Kualitas Pelayanan Fiskus, dan Sanksi Perpajakan Terhadap Kepatuhan Pelaporan Wajib Pajak. *Balance (Jurnal Akuntansi dan Bisnis)*, Vol. 5, No. 1. <https://jurnal.um-palembang.ac.id/balance/article/view/2455>
- Utama, Yhoga T., Putri, Adriyanti A., dan Suriyanti, Linda Hetri. (2023). Tingkat Pendidikan, Sanksi Administrasi Dan Tax Service Quality Terhadap Kepatuhan Wajib Pajak Dalam Melakukan Pembayaran Pajak Bumi Dan Bangunan. *SNEBA*: Vol. 3. <https://ejournal.umri.ac.id/index.php/sneba/article/view/5657>
- Wahyuni, P., Lazuardi, D., & Gustina, I. (2025). Pendampingan Kepatuhan Pembayaran Pajak di Kota Medan. *Lebah*, 18(2), 54–60. <https://doi.org/10.35335/lebah.v18i2.266>
- Zuhrah, N., Umamah, R., Kurniawan, H., Nurcahya, Wirawan F. (2024). Pengaruh Reformasi Dan Modernisasi Perpajakan Terhadap Kepatuhan Dan Penerimaan Pajak Di Indonesia. *Journal of Macroeconomics and Social Development*, 1(4), 19. <https://doi.org/10.47134/jmsd.v1i4.365>
- Peraturan Presiden (PERPRES) Nomor 40 Tahun 2018. *Sistem Administrasi Perpajakan*. Diakses 27 Januari 2025. <https://peraturan.bpk.go.id/Details/77914/perpres-no-40-tahun-2018>
- Peraturan Direktur Jenderal Pajak Nomor PER-02/PJ/2019. *Tata Cara Penyampaian, Penerimaan, Dan Pengolahan*

Transformation of Indonesia's Tax System through Coretax: A Qualitative Study in the Digital Era –
Meilandri, Detti

pp: x - xx

Surat Pemberitahuan. Diakses 27 Januari 2025.
<https://datacenter.ortax.org/ortax/aturan/show/16614>

Undang-undang (UU) No. 28 Tahun 2007. *Ketentuan Umum dan Tata Cara Perpajakan.* Diakses 27 Januari 2025. <https://peraturan.bpk.go.id>

Undang-Undang Nomor 36 Tahun 2008. *Pajak Penghasilan (PPh).* Diakses 27 Januari 2025.
<https://peraturan.bpk.go.id>

Undang-Undang Nomor 42 Tahun 2009. *Pajak Pertambahan Nilai (PPN).* Diakses 27 Januari 2025.
<https://peraturan.bpk.go.id>