



Implementation of Tax Administration of Income Tax Article 21, Unified Income Tax, and VAT at the General Bureau of the Regional Secretariat of Banten Province

Siti Ainaya Fatimah¹

¹Fakultas Ekonomi dan Bisnis, Universitas Bina Bangsa, Serang Banten

ARTICLE INFO

Article history:

Received Feb 18, 2026

Revised Mar 11, 2026

Accepted Mar 20, 2026

Keywords:

Tax Administration
Income Tax Article 21
Unified Income Tax
VAT

ABSTRACT

The implementation of tax administration in government institutions plays an important role in supporting transparent, accountable, and compliant state financial management in accordance with prevailing tax regulations. Every transaction related to payments to employees and third parties has the potential to generate tax obligations that must be properly managed through an orderly, systematic, and well-integrated administrative system. This study aims to analyze the implementation of tax administration, including Income Tax (PPh) Article 21, Unified Income Tax, and Value Added Tax (VAT) at the General Bureau of the Regional Secretariat of Banten Province. This research employs a qualitative approach with a descriptive method to describe actual conditions and identify various constraints encountered in the overall implementation of tax administration. Data collection techniques include observation, interviews, and documentation involving parties responsible for tax management. The results indicate that tax administration has been carried out through stages of calculation, withholding or collection, payment, and reporting in accordance with applicable regulations. The implementation of an electronic-based tax administration system has significantly improved efficiency, accuracy, and administrative order. However, several challenges remain, including dynamic changes in tax regulations and the need for high accuracy in the continuous tax data input process within government institutions.

Corresponding Author:

Siti Ainaya Fatimah r,
Fakultas Ekonomi dan Bisnis,
Universitas Bina Bangsa, Indonesia
Email: sitiainaya31@gmail.com

INTRODUCTION

The implementation of tax administration in government agencies is a crucial part of state financial management, and must be carried out in an orderly, transparent manner, and in accordance with applicable laws and regulations (Saputra & Akbar 2022). Tax administration is not only concerned with tax calculation but also encompasses the processes of withholding, depositing, and timely reporting. In the context of regional government, tax administration management is one aspect that supports the creation of accountable governance and the optimization of state revenue from the tax sector (Ardin et al. 2022).

One work unit that plays a role in supporting the implementation of tax administration within the regional government is the General Bureau of the Banten Provincial Secretariat. This bureau's function is to support government administration activities, including the management of financial administration related to various agency operational transactions. Any activity involving payments to employees or third parties has the potential to give rise to tax liabilities, which must be managed appropriately in accordance with applicable regulations (Utama & Yuliana 2025).

In practice, tax administration in government agencies encompasses several types of taxes frequently used in operational activities, including Income Tax (PPh) Article 21, Unified Income Tax (PPh), and Value Added Tax (VAT). PPh Article 21 is a tax imposed on income received by employees or individuals in connection with work, services, or specific activities (Harefa & Tanjung 2022). Unified Income Tax (PPh) encompasses several types of tax deductions for certain transactions conducted by government agencies with third parties, such as payments for services or the procurement of goods and services.

Value Added Tax (VAT) is also a crucial part of tax administration in government agencies, particularly in procurement activities involving taxable entrepreneurs. In its implementation, government agencies play a role in collecting and remitting VAT in accordance with applicable regulations. A good understanding of the VAT collection and reporting mechanisms is essential for the tax administration process to run smoothly and comply with tax regulations (Marsadita 2022).

Along with the development of information technology, the tax administration system in Indonesia is also undergoing changes towards a more modern and digital-based system. The government, through the Directorate General of Taxes, has developed various electronic tax applications to support tax administration processes, such as creating withholding tax certificates, submitting tax payments, and online tax reporting (Misbahuddin & Kurniawati 2025). The implementation of this digital system aims to improve efficiency, data accuracy, and transparency in managing tax obligations.

The implementation of tax administration in government agencies is not always smooth sailing. In practice, various challenges remain, such as the dynamic nature of changes in tax regulations, the need for accuracy in data input, and a thorough understanding of applicable tax administration procedures. Managing tax administration requires competent human resources with adequate tax knowledge and understanding.

Based on this description, the implementation of tax administration, including Article 21 Income Tax, Unification Income Tax, and Value Added Tax (VAT), at the General Bureau of the Banten Provincial Secretariat, is crucial to examine. This study aims to understand how tax administration processes are implemented in government agency operations, including the mechanisms for withholding, payment, and reporting taxes in accordance with applicable tax regulations. This discussion on the implementation of tax administration is expected to provide an overview of tax management practices within the local government environment.

LITERATURE REVIEW

Tax administration is a series of activities related to fulfilling tax obligations, including the calculation, withholding or collection, payment, and reporting of taxes in accordance with applicable laws and regulations. Good tax administration aims to ensure that tax obligations are carried out in an orderly, accurate, and timely manner, thereby supporting transparent and accountable state financial management (Hamidullah et al., 2025). In the context of government agencies, tax administration plays a crucial role because every transaction related to payments to employees or third parties has the potential to give rise to tax obligations. Government agencies need to implement tax administration systematically to ensure all tax obligations are met in accordance with applicable regulations (Siregar et al., 2025).

Tax administration in government agencies encompasses several main types of taxes, namely Income Tax (PPh) Article 21, Unified Income Tax (PPh), and Value Added Tax (VAT). Income Tax Article 21 is a tax imposed on income received by individuals in connection with work, services, or certain activities. Therefore, government agencies act as tax withholding agents for employee income such as salaries, honorariums, and allowances (Damarwati & Gunardi 2023). Unified Income Tax is an administrative system that integrates several types of tax deductions, such as Income Tax Article 22, Income Tax Article 23, and Income Tax Article 4 paragraph (2), into a single reporting mechanism, thereby facilitating tax administration. VAT is a tax on the consumption of goods and services, which in practice is also related to the procurement of goods and services in government agencies, so agencies play a role in the collection, payment, and reporting of these taxes (Harefa & Tanjung 2022).

Several previous studies have discussed the implementation of tax administration in various sectors. Research conducted by Septiliani & Ismatullah (2021) explains that good tax administration is strongly influenced by taxpayer compliance and an effective administrative system that supports the implementation of tax obligations. Furthermore, research by Bahrien & Purba (2024) shows that proper tax administration can improve the effectiveness of tax management within an organization. Another study by Korat & Siti Ainaya Fatimah. **Implementation of Tax Administration of Income Tax Article 21, Unified Income Tax, and VAT at the General Bureau of the Regional Secretariat of Banten Province**

Munandar (2025) states that implementing an electronic-based tax administration system can increase efficiency and minimize errors in the tax reporting process. Furthermore, research by Kasiadi et al. (2024) emphasizes that the quality of human resources who understand tax regulations is a crucial factor in the successful implementation of tax administration within an agency.

Although various studies have addressed tax administration, most have focused on the corporate sector or corporate taxpayers, while studies on the implementation of tax administration within local government agencies are relatively limited. Research specifically examining the integrated administration of Income Tax Article 21, Unified Income Tax, and Value Added Tax (VAT) within a single government work unit is also rare. Research on the implementation of tax administration within the General Bureau of the Banten Provincial Secretariat is crucial to provide a more comprehensive picture of tax administration practices within government agencies, while also identifying implementation mechanisms and the various obstacles encountered in managing these tax obligations.

RESEARCH METHOD

This study employed a qualitative approach with a descriptive approach (Sugiyono 2021). This qualitative approach was used to gain a deeper understanding of the phenomena occurring in the implementation of tax administration in government agencies, particularly those related to Income Tax (PPh) Article 21, Unified Income Tax (PPh), and Value Added Tax (VAT). Descriptive research aims to systematically and factually describe the tax administration process, from tax withholding or collection, payment, and tax reporting in accordance with applicable regulations. Researchers can gain a comprehensive understanding of tax administration practices applied in the operational activities of government agencies.

The research location was the General Bureau of the Banten Provincial Secretariat, which plays a role in supporting the implementation of government administration activities, including the management of financial administration related to tax obligations. This research location was selected based on the consideration that this work unit is directly involved in managing tax administration related to payments to employees and third parties. This research location was deemed relevant for obtaining information related to the implementation of PPh Article 21, Unified Income Tax, and VAT administration within local government agencies.

The population in this study comprised all parties involved in tax administration within the General Bureau of the Banten Provincial Secretariat. The sampling technique used purposive sampling, selecting informants deemed to possess relevant knowledge and experience relevant to the research topic. Informants in this study included employees handling financial and tax administration, as well as other parties involved in the tax administration process within the agency.

Data collection in this study utilized several methods, including observation, interviews, and documentation. Observations were conducted to directly observe the tax administration process within the agency. Interviews with informants involved in tax administration management were conducted to obtain more in-depth information regarding implementation mechanisms, obstacles encountered, and efforts made to address these issues. Documentation was conducted by collecting various documents related to tax administration, such as tax withholding receipts, tax reports, and other administrative documents relevant to the research (Fitrah & Luthfiyah 2021).

The operational definitions of the variables in this study encompass several key aspects related to tax administration. The implementation of Income Tax Article 21 administration is defined as the process of calculating, withholding, depositing, and reporting taxes on income received by employees. The implementation of Unified Income Tax administration is defined as the process of withholding, depositing, and reporting income tax on certain transactions conducted with third parties within an integrated reporting system. The implementation of VAT administration is defined as the process of collecting, depositing, and reporting taxes on goods and services procurement transactions conducted by government agencies.

The data analysis technique in this study uses qualitative data analysis, conducted through several stages: data reduction, data presentation, and drawing conclusions (Sugiyono 2021). Data reduction is carried out by selecting and summarizing data obtained from observations, interviews, and documentation to focus on information relevant to the research objectives. The reduced data is presented in descriptive form to facilitate understanding of patterns and relationships between data. The final stage is drawing conclusions, which is carried out by interpreting the analyzed data to obtain an overview of the implementation of Income

Tax Article 21, Unified Income Tax, and VAT tax administration in the General Bureau of the Banten Provincial Secretariat.

RESULTS AND DISCUSSIONS

Based on research findings, the implementation of tax administration at the General Bureau of the Banten Provincial Secretariat encompasses several main stages: calculation, withholding or collection, payment, and reporting in accordance with applicable tax regulations. The tax administration carried out at this agency relates to several types of taxes frequently encountered in government operations, namely Income Tax (PPH) Article 21, Unification Income Tax (PPH Unification), and Value Added Tax (VAT). Every transaction related to payments to employees or third parties undergoes a document verification process to ensure that tax obligations are calculated and processed correctly. This demonstrates that tax administration within government agencies is carried out systematically to maintain orderly administration and compliance with tax regulations.

In the administration of Income Tax Article 21, government agencies act as tax withholding agents on employee income. This process begins with calculating taxes based on employee income components such as salary, allowances, and honorariums. After calculation, the tax is then withheld by the agency and deposited into the state treasury through a tax payment system established by the Directorate General of Taxes. Furthermore, the tax reporting process is carried out periodically through an electronic tax administration system. The implementation of this mechanism demonstrates that the administration of Income Tax Article 21 (PPH) has been carried out in accordance with applicable tax procedures. This finding aligns with research conducted by Harefa & Tanjung (2022), which states that the administration of Income Tax Article 21 includes the stages of calculation, withholding, payment, and reporting, which must be carried out in an orderly manner to ensure proper fulfillment of tax obligations.

In addition to Income Tax Article 21, the implementation of tax administration at the agency is also related to the implementation of Unified Income Tax (PPH Unification), which is used to manage several types of income tax deductions within a single, integrated reporting system. In practice, every transaction involving a third party, such as payment for services or procurement of goods, is subject to tax deductions in accordance with applicable regulations. The withheld tax is then deposited into the state treasury and reported through the electronic tax administration system. The implementation of the Unified Income Tax system simplifies the administration process because several types of taxes can be managed within a single, integrated system. The results of this study align with research conducted by Korat & Munandar (2025), which states that modernizing the tax administration system through a digital system can increase efficiency and simplify the process of managing tax obligations.

The implementation of Value Added Tax (VAT) administration at the General Bureau of the Banten Provincial Secretariat is generally related to the procurement of goods and services conducted by government agencies. In this regard, every procurement transaction involving taxable entrepreneurs is accompanied by the issuance of a tax invoice as proof of VAT collection. The agency then ensures that the VAT associated with the transaction has been recorded, remitted, and reported in accordance with applicable tax regulations. This mechanism demonstrates that VAT administration has been implemented in accordance with applicable administrative procedures within the tax system. This finding aligns with research conducted by Marsadita (2022), which explains that VAT administration encompasses the processes of calculating, collecting, remitting, and reporting taxes, which must be carried out systematically to ensure tax compliance within an organization.

The research results indicate that tax administration at the General Bureau of the Banten Provincial Secretariat has been carried out in accordance with applicable procedures, particularly regarding the calculation, withholding or collection, remitting, and reporting of taxes. The implementation of an electronic-based tax administration system also simplifies the process of managing tax obligations, thereby increasing efficiency and transparency in tax administration. In its implementation, several obstacles remain, such as the dynamic changes in tax regulations and the need for high accuracy in the data input process. This situation indicates that the success of tax administration is influenced not only by the system used but also by the competence of the human resources handling tax administration. This aligns with research conducted by Bahrien & Purba (2024), which states that the quality of human resources and a good administrative system are important factors.

Siti Ainaya Fatimah. **Implementation of Tax Administration of Income Tax Article 21, Unified Income Tax, and VAT at the General Bureau of the Regional Secretariat of Banten Province**

CONCLUSION

Based on the research results and discussion, it can be concluded that the implementation of tax administration, including Income Tax Article 21, Unified Income Tax, and Value Added Tax (VAT), at the General Bureau of the Banten Provincial Secretariat, has been carried out in accordance with applicable tax regulations. The tax administration process is carried out through several stages: tax calculation, withholding or collection, payment to the state treasury, and periodic tax reporting through an electronic tax administration system. The implementation of an integrated tax administration system facilitates the management of tax obligations and helps increase efficiency and transparency in the tax administration process within government agencies.

The implications of this research indicate that orderly and procedurally sound tax administration can support accountable financial governance within government agencies. The implementation of a digital-based tax administration system also makes a positive contribution to increasing the effectiveness of tax withholding, payment, and reporting processes. This research still has limitations because it was conducted only in one work unit within the local government, so the results cannot comprehensively describe the implementation of tax administration across all government agencies. This study uses a qualitative approach, focusing on describing the tax administration process as it occurs in the field.

Based on the research findings, it is recommended that government agencies continue to improve the quality of tax administration by enhancing employee understanding of tax regulations and optimally utilizing digital-based tax administration systems. Future research is expected to expand the research focus by involving more government agencies or using different methodological approaches to provide a more comprehensive picture of tax administration implementation in the government sector.

References

- Ardin, Asyifa Tiara, Camelia Nur Adiningsih, Devi Rifqiyani Sofyan, and Ferry Irawan. 2022. "Tinjauan Hukum Administrasi Negara Terhadap Kepatuhan Wajib Pajak Dalam Program Pengungkapan Sukarela." *Journal of Law, Administration, and Social Science* 2(1):33–44.
- Bahrien, Mareta, and Mortigor Afrizal Purba. 2024. "Pengaruh Modernisasi Administrasi Perpajakan, Transparansi Dan Kepercayaan Wajib Pajak Terhadap Kepatuhan Wajib Pajak." *ECO -Buss* 6(3):1220–34. doi: <https://doi.org/10.32877/eb.v6i3.1103>.
- Damarwati, Intan, and Gunardi. 2023. "Analisis Penerapan PPN dan PPH Pasal 22 Atas Pengadaan Barang Di Balai Jembatan Kementerian PUPR." *Al-Kharaj : Jurnal Ekonomi, Keuangan & Bisnis Syariah* 5(2):890–904. doi: [10.47467/alkharaj.v5i2.1469](https://doi.org/10.47467/alkharaj.v5i2.1469).
- Fitrah, Muh., and Luthfiah. 2021. *Metodologi Penelitian: Penelitian Kualitatif, Tindakan Kelas & Studi Kasus*. CV.Jejak.
- Hamidullah, Rizky Eka, Rosalinda Kirioma, Uun Sunarsih, and Rimi Gusliana. 2025. "Analisis Modernisasi Sistem Administrasi Perpajakan Dalam Meningkatkan Kepatuhan Wajib Pajak: Studi Literatur Review." *Jurnal Masharif Al-Syariah* 10(4):3042–55. doi: <https://doi.org/10.30651/jms.v10i4.26407>.
- Harefa, Fitri Wahyuni, and Maya Agustina Tanjung. 2022. "Analisis Mekanisme Administrasi Pajak Penghasilan (PPH) Pasal 21 Pada Kantor Jasa Akuntansi." *Jurnal Penelitian Dan Pengembangan Sains Dan Humaniora* 6(2):243–47. doi: <https://doi.org/10.23887/jppsh.v6i2.47580>.
- Kasiadi, Nihayatus Sholichah, and Ika Devy Pramudiana. 2024. "Evaluasi Kualitas Pelayanan Pajak Daerah Di Badan PPKAD Kabupaten Gresik." *Jurnal Mahasiswa Soetomo* 2(3):651–66.
- Korat, Chevri, and Agus Munandar. 2025. "Penerapan Core Tax Administration System (CTAS) Langkah Meningkatkan Kepatuhan Perpajakan Di Indonesia." *Jurnal Riset Akuntansi Politala* 8(1):17–30. doi: <https://doi.org/10.34128/jra.v8i1.453>.
- Marsadita, Bila. 2022. "Mekanisme Perhitungan, Pemungutan, Penyetoran, Dan Pelaporan PPN Atas Belanja BKP Pada CV. Timur Jaya." *Jurnal Aplikasi Perpajakan* 3(1):51–70. doi: <https://doi.org/10.29303/jap.v3i1.27>.
- Misbahuddin, M. Hafidz, and Yuli Kurniawati. 2025. "Analisis Implementasi Penerapan Pajak Di Indonesia Melalui Sistem Coretax Administration System." *Journal of Artificial Intelligence and Digital Business* 4(2):1281–87. doi: <https://doi.org/10.31004/riggs.v4i2.668>.

- Saputra, Agustinus Imam, and Moh Abrori Akbar. 2022. "Compliance Risk Management Mendukung Pengawasan Perpajakan Dan Tertib Administrasi Instansi Pemerintah Desa." *Jurnal Pajak Dan Keuangan Negara* 4(15):386–403. doi: <https://doi.org/10.31092/jpkn.v4i1S.1897>.
- Sepriliani, Lia, and Ismet Ismatullah. 2021. "Sistem Administrasi Perpajakan Modern Terhadap Kepatuhan Wajib Pajak Orang Pribadi." *Jurnal Akuntansi Dan Ekonomi* 6(1):92–102. doi: [10.29407/jae.v6i1.14750](https://doi.org/10.29407/jae.v6i1.14750).
- Siregar, Alan Nauri, Filza Syahirah, and Uci Andriani. 2025. "Implementasi Pajak Penghasilan Pasal 21 Dalam Praktik Administrasi Perusahaan." *Jurnal Ilmiah Penelitian Mahasiswa* 3(4):252–65. doi: <https://doi.org/10.61722/jipm.v3i4.1084>.
- Sugiyono. 2021. *Metode Penelitian Kualitatif: Untuk Penelitian Yang Bersifat Eksploratif, Enterpretif, Interaktif Dan Konstruktif*. Bandung, Jawa Barat: Alfabeta.
- Utama, Kharisma Candra, and Lingga Yuliana. 2025. "Implementasi Pembaruan Sistem Inti Administrasi Perpajakan (Coretax) Terhadap Efisiensi Kinerja Pegawai Di Direktorat Jenderal Pajak." *MASMAN: Master Manajemen* 3(2):43–56. doi: <https://doi.org/10.59603/masman.v3i2.813>