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Tax Dispute Resolution Mechanisms: Legal Contributions of Tax Consultants and Tax Attorneys in Indonesia

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ABSTRACT: This study examines the roles of tax consultants and tax attorneys in resolving tax disputes in Indonesia, emphasising their contributions to tax compliance, dispute resolution, and litigation. As tax regulations become increasingly complex, taxpayers encounter significant challenges in understanding and fulfilling their tax obligations, mainly when disputes arise with the Directorate General of Taxes. The involvement of tax professionals is essential in mitigating risks, ensuring compliance, and navigating intricate legal frameworks. Despite extensive research on tax compliance and litigation as separate subjects, limited studies explore the complementary functions of tax consultants and attorneys in the Indonesian context. This paper addresses this gap by analysing their collaborative roles in providing advisory services, representing clients in disputes, and safeguarding taxpayer rights. This study uses a qualitative methodology to review relevant tax regulations and incorporates insights from interviews with tax professionals. The findings reveal that tax consultants primarily assist in tax planning, compliance, and dispute prevention, while tax attorneys focus on legal representation and advocacy in tax litigation. Their collaboration is instrumental in minimising financial penalties, expediting dispute resolution, and enhancing taxpayer confidence. Strengthening the synergy between these professions can lead to a more effective tax administration system, fostering fairness, legal certainty, and improved taxpayer trust in Indonesia's tax regime.

Keywords: Tax Consultant, Tax Attorney, Tax Compliance, Tax Dispute, Legal Strategy.

INTRODUCTION

Indonesia's fiscal policy, implemented through its taxation system, encourages taxpayer compliance while contributing to national economic growth. Taxation is a cornerstone of state revenue, ensuring fiscal stability and supporting long-term development goals. However, the complexity of tax regulations, diverse legal interpretations, and limited taxpayer understanding of their rights and obligations often create challenges. These factors frequently lead to tax disputes requiring legal solutions (Ispriyarso B and Saadah N, 2019).

Numerous studies have explored various aspects of tax compliance, tax litigation, and the role of tax intermediaries in assisting taxpayers. Ispriyarso and Saadah (2019) (Ispriyarso B and Saadah N, 2019) examined the challenges taxpayers face due to complex tax regulations and the diverse legal interpretations that often lead to disputes. Their study highlighted the necessity of legal assistance but did not explore the collaborative role of tax consultants and attorneys in resolving tax disputes.

Tan and Sudirman (2020) analyzed tax consultants' contributions to ensuring compliance and optimizing tax planning. Their research focused on strategies consultants use to reduce tax liabilities within legal boundaries. However, it did not assess their involvement in dispute resolution or interaction with tax attorneys in legal proceedings.

Anggia et al. (2023) investigated the role of taxpayer attorneys in legal representation, emphasizing their function in advocating for taxpayer rights during tax litigation. While their study provided insights into the effectiveness of legal strategies in court, it did not address how taxpayer attorneys work alongside tax consultants to prevent disputes before litigation arises.

Cahyadini et al. (2023) conducted a comparative study on the availability and role of tax consultants in different countries. They found that jurisdictions with a higher ratio of tax consultants to taxpayers tend to experience fewer disputes due to proactive advisory services. However, their study did not specifically examine Indonesia's tax environment or the interplay between tax consultants and attorneys.

Totanan et al. (2024) explored the impact of frequent tax policy changes on taxpayer compliance, revealing that regulatory uncertainty often leads to disputes. They suggested that tax intermediaries are crucial in bridging the gap between taxpayers and tax authorities. Still, their research did not provide a detailed analysis of the legal mechanisms available to taxpayers when disputes arise.

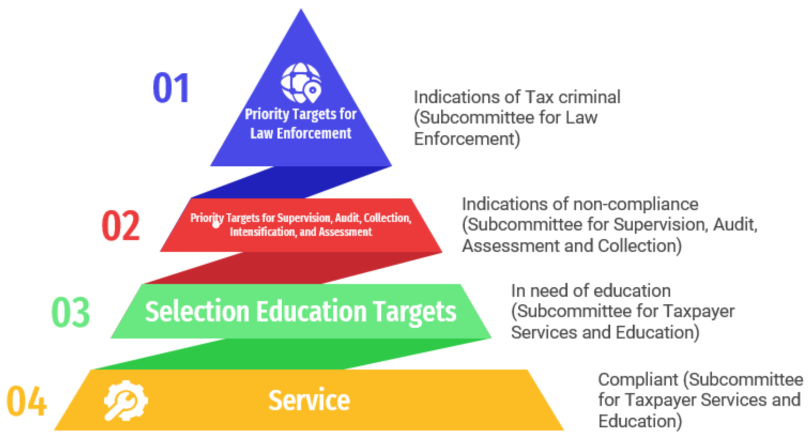
Tax consultants emerge as essential advisors and problem solvers in this landscape, helping taxpayers navigate the evolving landscape of tax regulations. With their in-depth expertise, tax consultants provide tailored guidance beyond mere compliance, protecting taxpayer rights. For instance, they can assist with strategies to optimise taxes, take advantage of incentives, and provide representation during legal disputes when necessary (Tan D and Sudirman L, 2020).

This study fills this gap by analyzing how tax consultants and taxpayer attorneys interact in resolving tax disputes, offering a unique perspective on their complementary roles. Unlike previous research that examines tax compliance or litigation separately, this paper highlights the synergy between these professions in assisting taxpayers and ensuring legal certainty in Indonesia's tax system. By adopting a qualitative approach, this study provides insights into how their collaboration enhances taxpayer outcomes, particularly in navigating complex regulations and mitigating legal risks.

Taxpayer attorneys, on the other hand, play an equally significant role in representing taxpayers before tax authorities and in legal proceedings. Their responsibilities include ensuring taxpayers act under the law while advocating for their rights, which may be at risk due to conflicting interpretations of tax regulations. In many cases, these attorneys are pivotal in resolving disputes, whether through administrative channels or court litigation (Anggia P, et al, 2023).

By fostering collaboration with tax consultants and taxpayer attorneys, taxpayers can better navigate the complexities of taxation. This support helps prevent disputes and provides more legal certainty in meeting tax obligations. Ultimately, this study underscores the importance of synergy between taxpayers, consultants, and attorneys in building a taxation system that is more transparent, fair, and aligned with sustainable development goals (Jaya IMLM, Padilla MAE, 2024).

Figure 1. The comprehensive approach of the Directorate General of Taxes (DGT)



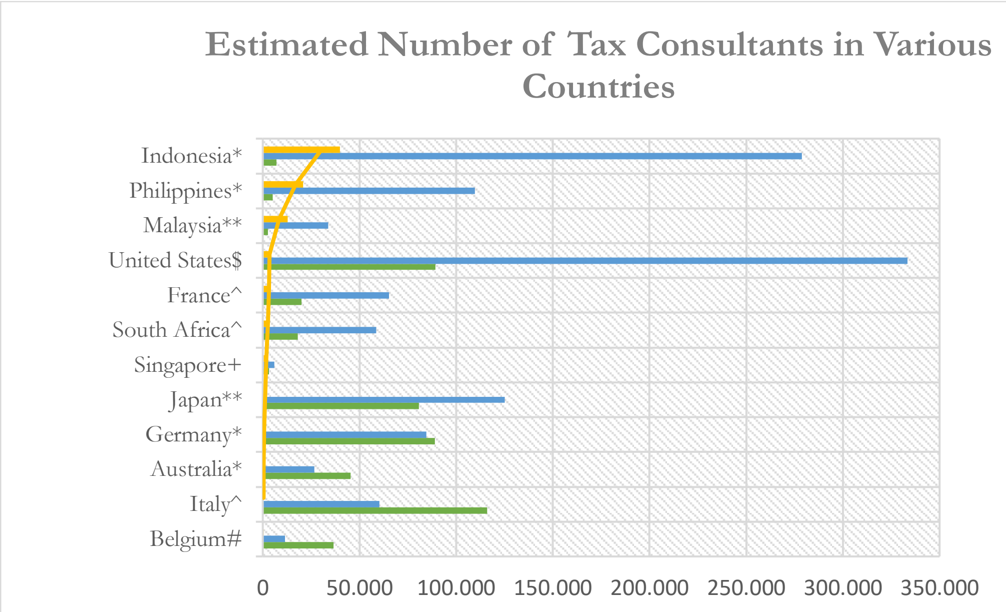
Source: Directorate General of Taxes (DGT) Annual Report, 2024, processed by the Authors

This infographic illustrates the comprehensive approach of the Directorate General of Taxes (DGT) in enhancing tax compliance through a structured management of taxpayer behavior, focusing on various taxpayer categories, from those flagged for potential criminal activities to those requiring educational outreach. In this context, the roles of tax consultants and taxpayer attorneys are pivotal, serving as a bridge between the DGT and taxpayers by offering precise advice and strategies to optimize tax compliance (Tenreng M, et al, 2021).

Tax consultants assist taxpayers in understanding their tax obligations, identifying potential issues, and providing solutions to prevent tax crimes or other compliance challenges. Meanwhile, with their legal authority, taxpayer attorneys represent taxpayers in dealings with the DGT, ensuring that tax obligations are fulfilled accurately and under prevailing regulations (Eddy J and Rahayu MIF, 2019).

Through these roles, tax consultants and attorneys support compliance committees in guiding taxpayers toward higher levels of compliance, employing educational and solution-focused approaches.

Figure 2. Estimated Number of Tax Consultants in Various Countries



	Belgium#	Italy^	Australia*	Germany*	Japan**	Singapore+	South Africa^	France^	United States$	Malaysia**	Philippines*	Indonesia*
Population per Tax Consultant	315	520	587	950	1.551	1.894	3.253	3.260	3.737	12.929	20.900	39.826
Population (Thousands)	11.500	60.400	26.600	84.500	125.100	5.900	58.600	65.200	333.300	33.900	109.600	278.700
Number of Tax Consultants	36.500	116.000	45.419	88.969	80.692	3.125	18.000	20.000	89.170	2.625	5.244	7.094

Source: Various sources, processed by the Authors.

Note: * data for 2023; ** data for 2022; ^ data for 2020/2021 or the latest available year; $ data for 2024

Graph 2 illustrates the Estimated Number of Tax Consultants in Various Countries, offering a comparative perspective on the ratio of tax consultants to population across several nations. The data reveals significant variations in the population-to-consultant ratio, with countries like Australia, Belgium, and Germany exhibiting relatively low ratios. This suggests a robust presence of tax consultants to serve their populations. Conversely, countries such as Indonesia and the Philippines display much higher ratios, potentially indicating unmet demand for tax advisory services. These disparities may stem from factors such as the complexity of tax systems, public awareness of tax obligations, and the overall economic scale of the respective countries (Cahyadini A et al., 2023).

As tax intermediaries, tax consultants and taxpayer attorneys serve as critical liaisons between taxpayers and tax authorities. They assist taxpayers in navigating complex tax regulations, provide strategic advice, and represent them in legal proceedings such as objections, appeals, lawsuits, and dispute resolutions at the Tax Court. Their role also extends to improving taxpayer compliance through continuous education and mitigating legal risks. In Indonesia's increasingly complex tax environment, this role has grown more pertinent, particularly as frequent regulatory changes often create uncertainty for taxpayers (Totanan C, et al, 2024).

However, tax consultants and taxpayer attorneys face numerous challenges. On the one hand, they must stay abreast of rapid and intricate policy changes (Yunita I and Silalahi H., 2024). Conversely, they must ensure that legal strategies effectively safeguard taxpayers' interests. These challenges are compounded by the limited understanding many taxpayers have regarding available legal procedures, necessitating intensive support to protect their rights effectively (Budiartha INP, Puspadma INA, 2019].

This study explores the strategic roles of tax consultants and taxpayer attorneys in assisting taxpayers in addressing tax issues in Indonesia. It focuses on the legal remedies available to taxpayers, offering an in-depth analysis of how these intermediaries contribute to overcoming challenges (Kemmeren ECCM, 2024). Furthermore, it aims to provide recommendations to enhance the effectiveness of Indonesia's tax system.

In Indonesia's tax system, tax consultants and taxpayer attorneys play vital roles in balancing the interests of taxpayers and tax authorities. They assist taxpayers in fulfilling their tax obligations and ensure their rights are adequately protected. The growing complexity of tax regulations, which often change within short timeframes, underscores the necessity of their roles. Such rapid regulatory changes can create confusion among taxpayers, making the presence of tax consultants and taxpayer attorneys essential in fostering understanding and compliance (Beryll TA et al., 2023).

Additionally, key challenges taxpayers face include data discrepancies, a lack of understanding of legal procedures, and insufficient access to comprehensive information (Prawati LD, et al, 2019). In such circumstances, tax consultants and taxpayer attorneys act as advisors and legal representatives capable of constructing compelling arguments to resolve tax disputes (Waluyo and Basrowi, 2024).

This study seeks to address the following key questions:

a) Who are tax consultants and taxpayer attorneys, and why are their roles essential in Indonesia's tax system?
b) What legal remedies are available to taxpayers to resolve tax issues in Indonesia?
c) How do tax consultants and taxpayer attorneys assist taxpayers in formulating effective legal strategies?

METHOD

The research adopts a normative legal approach, aiming to analyze the legal framework governing taxpayer remedies and the role of tax consultants and taxpayer representatives in resolving tax disputes in Indonesia. The study examines applicable tax regulations, taxpayers' rights and obligations, and the legal avenues for addressing tax disputes through administrative or litigation channels (Erina L. et al.).

This research relies on secondary data, encompassing legal literature such as laws, government regulations, legal doctrines, articles, academic journals, and reports pertinent to taxation issues in Indonesia. Data from Tax Court rulings and official publications from the Directorate General of Taxes (DGT) enhance understanding of prevailing tax practices (Palalangan CA et al., 2024). The study also incorporates case studies of tax disputes involving taxpayers in Indonesia to illustrate the application of legal remedies in real-world scenarios (Christian Hamdany Barus D, et al, 2024).

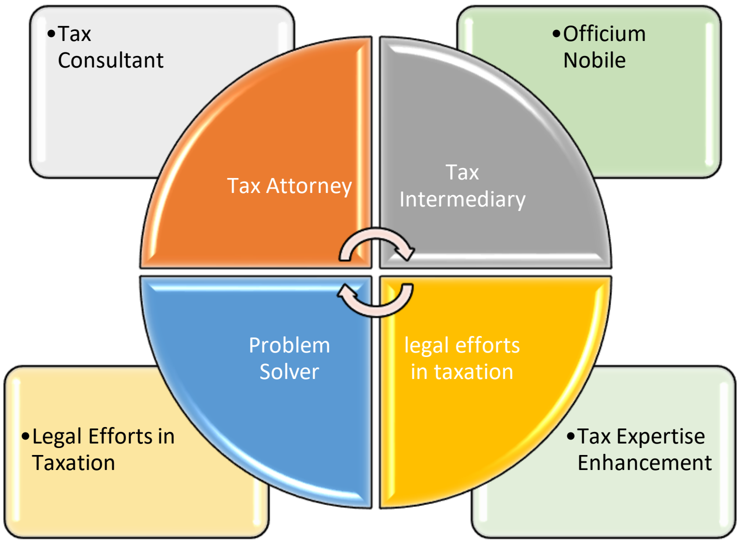
The research employs a comparative analysis approach to juxtapose Indonesia's tax dispute resolution system with countries with similar tax frameworks. This methodology seeks to identify the strengths and weaknesses of Indonesia's tax legal system while providing actionable recommendations for improvements. Moreover, interviews with tax practitioners, including tax consultants, taxpayer representatives, and officials from the Directorate General of Taxes, are conducted to gain direct insights into their roles in resolving tax-related issues in Indonesia (Maulana N, et al, 2024).

Data is collected through comprehensive literature reviews covering tax regulations and relevant legal literature, complemented by structured stakeholder interviews. The respondents include practising tax consultants in Indonesia, lawyers handling tax disputes, and tax officials involved in the dispute resolution process. These interviews are expected to yield deeper insights into the challenges and solutions surrounding tax dispute resolution and the critical roles played by tax consultants and taxpayer representatives (Amri K et al., 2019).

The collected data are analysed using qualitative methods with a descriptive approach. The findings of the literature review are thematically analyzed to identify patterns within tax law practices in Indonesia. Furthermore, a comparative analysis is carried out to benchmark Indonesia's tax dispute resolution mechanisms against those of comparable jurisdictions. This approach is designed to glean broader insights and develop more comprehensive recommendations (Rosid A and Romadhaniah, 2023).

The results of this analysis aim to depict the effectiveness of Indonesia’s tax legal system and the strategic roles of tax consultants and taxpayer representatives in ensuring equitable and efficient resolution of tax disputes (Tambunan MRUD, 2024). Through these findings, the research seeks to enhance Indonesia's tax dispute resolution framework and better support taxpayers in navigating the complexities of the tax system.

Figure 3. Research Framework



Source: Processed by the Authors

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Table 1. Research Novelty

Reference	Research Focus	Distinction (Novelty)	Reason for Novelty
Doshi, J., & Shah, P. *"Embracing Digital Transformation: The Growth of Tax Technology in India and Beyond"* (2021) (Doshi J and Shah P, 2021)	Digital transformation in tax technology	This study emphasizes the role of tax consultants and taxpayer representatives in addressing legal tax issues traditionally, rather than exclusively focusing on technology.	It provides deeper insights into legal and administrative aspects, particularly the application of legal strategies in Indonesia's tax system.
Hoppe, T., et al. *"The Tax Complexity Index - A Survey-Based Country Measure of Tax Code and Framework Complexity"* (2021) (Hoppe T, 2021)	Tax system complexity and tax index measurement	It focuses on resolving tax disputes through legal efforts involving tax consultants and taxpayer representatives rather than purely theoretical analysis of tax complexity.	The novelty lies in understanding and applying concrete legal procedures to resolve tax issues, offering practical solutions in the Indonesian context.
Frecknall-Hughes, J., & McKerchar, M. *"Historical Perspectives on the Emergence of the Tax Profession: Australia and the UK"* (2015)	History and development of the tax profession in Australia and the UK	It highlights the practical role of tax consultants in resolving disputes and legal tax issues instead of exploring the historical evolution of the tax profession.	Adopts a systematic legal approach to addressing tax disputes in Indonesia, focusing on clear and applicable legal and administrative strategies.

Frecknall-Hughes, J., & Kirchler, E. *"Toward a General Theory of Tax Practice"* (2015) (Frecknall-Hughes J and Kirchler E., 2015)	The general theory of tax practices and compliance	Directs attention toward the practical use of taxpayer representatives and tax consultants in dispute resolution, unlike the theoretical orientation of this study.	It emphasizes the practical implementation of structured legal strategies in resolving taxpayer issues in Indonesia, adding a new dimension to tax theory.
Hoppe, T., et al. *"The Tax Complexity Index - A Survey-Based Country Measure of Tax Code and Framework Complexity"* (2021) (Hoppe T, 2021)	Measuring tax system complexity and framework analysis	Expands knowledge by focusing on structured legal and procedural aspects of tax problem resolution, rather than merely analyzing tax complexity.	Novelty arises from applying clear and procedural legal solutions to address tax complexity in Indonesia, actively involving tax consultants and taxpayer representatives.

Source: Processed by the Authors

This research contributes significantly to Indonesia's tax system by examining the roles of tax consultants and taxpayer representatives in resolving tax issues, particularly from legal and administrative perspectives. The novelty of this study lies in developing and applying systematic legal strategies and providing actionable solutions compared to merely analysing theoretical aspects or the complexity of tax systems.

RESULT AND DISCUSSION

Taxation in Indonesia encompasses various complex aspects, where taxpayers must comply with prevailing regulations while facing potential disputes or tax-related issues. In addressing these challenges, tax consultants and taxpayer representatives play a pivotal role as advisors and intermediaries, assisting taxpayers in understanding and resolving tax issues. With legal provisions governing remedies such as objections, appeals, and civil lawsuits, taxpayers can seek justice for inappropriate decisions. Through proper guidance from tax consultants, the goal of tax compliance can be achieved, enabling taxpayers to fulfil their tax obligations optimally while avoiding detrimental sanctions.

1. Tax Consultants and Taxpayer Representatives

This study uses the terms "power of attorney" and "tax consultant" with specific meanings in Indonesia's taxation context. The term "power of attorney" refers to a party authorised by the taxpayer to carry out the taxpayer's rights and obligations based on a special power of attorney letter. Meanwhile, a "tax consultant" is a party that provides tax services, either as a representative or for other tax-related services (Darussalam et al., 2024).

In Indonesia's taxation system, tax consultants and taxpayer representatives play a crucial role in helping taxpayers resolve their tax issues. According to Article 32, Paragraphs 3 and 3a of the General Tax Provisions and Procedures Law (KUP Law), it is stated:

> *"(3) Individuals or entities may appoint a power of attorney using a special letter of power of attorney to exercise rights and fulfill obligations under statutory tax provisions.*
>
> *(3a) An appointed power of attorney, as referred to in paragraph (3), must possess certain competencies in the taxation aspect unless the appointed power of attorney is a husband, wife, or relatives by blood or marriage up to the second direct lineage."*

Based on the provisions in this article, it is clear that taxpayers may appoint a representative, allowing them to delegate the task of appointing a tax consultant. The provisions regarding tax consultants are regulated in the Indonesian Minister of Finance Regulation No. 175/PMK.01/2022, which amends the Minister of Finance Regulation No. 111/PMK.03/2014 concerning Tax Consultants. The regulation defines a tax consultant as someone who provides tax consultation services to taxpayers to exercise their rights and fulfil their tax obligations in compliance with applicable tax laws. Therefore, it can be concluded that tax consultants have the authority to provide consultation services, supervision, and resolve tax disputes on behalf of taxpayers. In this regard, tax consultants act as legal advisors who not only serve as intermediaries in the taxpayer's interactions with the Directorate General of Taxes (DGT) but also provide appropriate guidance regarding the tax obligations that taxpayers must fulfill. The taxpayer's representative, often represented by the tax consultant, ensures that all legal actions taken to resolve tax issues are legitimate under applicable regulations. A tax consultant with profound knowledge of tax regulations can provide solutions that help taxpayers avoid sanctions or further legal complications (Nasution MK, et al, 2020).

Tax representatives and consultants are highly strategic in Indonesia's taxation system. They function as intermediaries, bridging communication and relationships between taxpayers and the government. Thus, in addition to representing the interests of taxpayers, they also play a crucial role in enhancing taxpayer compliance and act as an extension of the government to ensure the tax system operates efficiently and fairly. Through this role, taxpayer representatives and consultants help taxpayers understand complex and constantly evolving tax regulations, providing clear and easily understood information (Manrejo S, Yulaeli T, 2022).

More holistically, the profession of tax representatives and consultants has a significant social role in the fiscal contract between the government and society. As a noble profession (Officium Nobile), their duties extend beyond commercial aspects, focusing on balancing the service of taxpayer interests with fulfilling social responsibilities to the state. In practice, this profession emphasizes improving tax literacy, educating the public, and raising awareness of the importance of tax compliance (Nuryanah S et al., 2024).

The strategic role of taxpayer representatives and tax consultants also highlights the importance of government involvement in designing policies that can ensure the sustainability and relevance of this profession. A visionary approach is necessary to ensure legal certainty, principles of equal treatment, and the fair protection of all parties' rights (Vivian YFA et al., 2023).

As tax regulations continue to evolve, the role of the taxpayer's representative will continue to change under the developments in applicable laws. This role may be carried out by various parties, including tax consultants, taxpayer employees, or other parties who meet the requirements as stipulated by the prevailing regulations. This underscores the importance of having adaptive and relevant regulations to maintain the continuity of the functions of taxpayer representatives and tax consultants in the national taxation system (Tanjung AM and Muhafidin D, 2023).

In the context of the regulation of taxpayer representatives and tax consultants, amendments made in Law No. 6 of 1983 concerning General Tax Provisions and Procedures (KUP), as revised by the 2023 Job Creation Law, provide a crucial legal basis. The articles regulated under this provision, particularly Articles 32 Paragraph (3), Article 44E Paragraph (2)(e), and Article 48, are central to the regulation of taxpayer representatives and tax consultants in Indonesia. These articles define the qualifications and requirements that must be met by taxpayer representatives, such as an understanding of tax issues, mastery of tax legislation, and competence in the tax field (Mahpudin E, 2024).

However, the criteria mentioned in these provisions leave room for inconsistencies and broad interpretation. Terms such as "understanding tax issues" and "mastery of tax legislation" may lead to differing interpretations among the parties involved, creating uncertainty in practice. Therefore, these provisions require adjustment and reinforcement to ensure clarity regarding the role and responsibilities of taxpayer representatives.

Article 44E Paragraph (2)(e) also grants the Minister of Finance the authority to delegate substantive aspects of taxpayer representatives. However, the substance of the 2023 Job Creation Law, which revises the KUP Law, has not fully addressed the need for higher standards for those acting as taxpayer representatives. This leads to the need for updates and improvements to regulations that more comprehensively address the qualifications and competencies of taxpayer representatives.

Creating a consistent and credible regulatory framework for taxpayer representatives is important. This approach should be based on clear legal principles that accommodate taxpayers' needs in dealing with increasingly complex tax challenges. More thorough regulation of the law will reduce the potential for ambiguity in interpreting and implementing taxpayer rights and obligations.

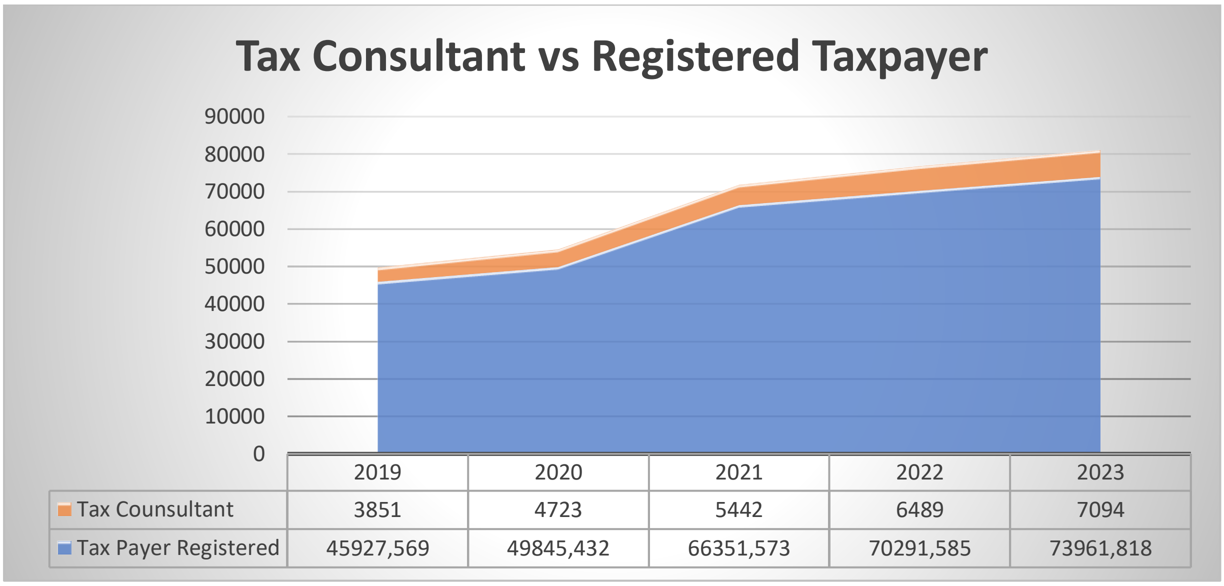
In the existing regulatory context, Articles 32 Paragraph (3) and (3a) of the KUP Law, which only covers activities requiring a special power of attorney letter, demonstrate a misalignment with the Constitutional Court Decision (MK) No. 63/PUU-XV/2017, which underscores the importance of more comprehensive regulation of the roles, qualifications, and competencies of taxpayer representatives. Inadequate regulation may limit the ability of competent parties to provide maximal legal assistance to taxpayers.

Therefore, policies related to the profession of taxpayer representatives and tax consultants should be more inclusive and accommodate various disciplines related to taxation's legal, economic, and administrative aspects. More flexible and open criteria will expand opportunities for participation in this profession and ensure that every taxpayer receives the support that meets their needs.

Finally, all policies and regulations should aim to foster a tax-aware and critical society, with an improvement in tax literacy. Strong tax literacy, both in quantity and quality, is key to achieving transparency and accountability in the management of the tax system in Indonesia. This, in turn, will enhance tax compliance and make society more aware of its rights and obligations within the taxation system.

According to the infographic data, the ratio of tax consultants compared to the number of registered taxpayers is as follows:

Figure 3. Tax Consultant vs Registered Taxpayer

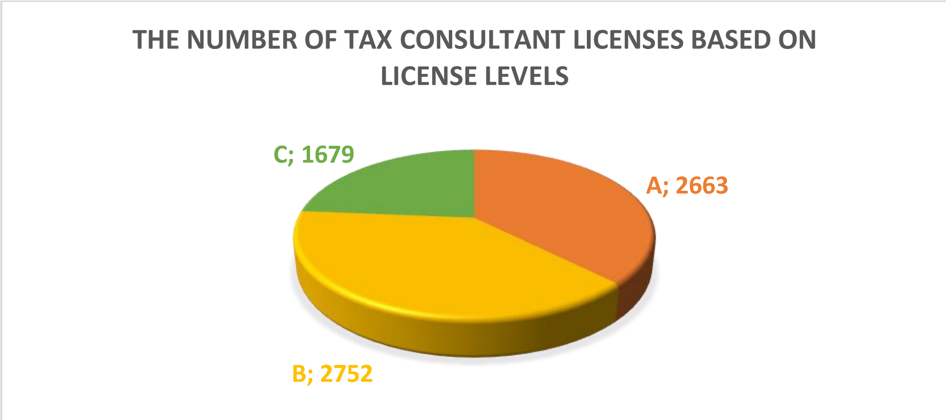


Source: Tax court secretariat, ministry of finance, 2024

In 2023, the number of tax consultants in Indonesia was 7,094, starkly contrasting the number of registered taxpayers, which reached 73,961,818. This results in a ratio of 0.0096%, or approximately 1 tax consultant for every 10,422 taxpayers. This ratio highlights the limited number of tax consultants available to support the needs of taxpayers in Indonesia. In comparison, several other countries exhibit a much more favourable ratio. For instance, the ratio of tax consultants to taxpayers in the United States is approximately 1:1,800, while it is about 1:2,000 in Australia. This comparison indicates that Indonesia faces a significant challenge in providing adequate tax consultancy services to meet the needs of its taxpayers. This gap represents an issue that must be addressed to enhance tax compliance and foster a more efficient and equitable tax system.

In Indonesia, the practice licenses granted to tax consultants are categorised into three levels: A, B, and C, as stipulated in Article 3, paragraph (1) of the relevant regulations. A Level A practice license is granted to tax consultants holding a Level A Tax Consultant Certificate, a Level B license is for those holding a Level B Tax Consultant Certificate, and a Level C license is issued to those with a Level C Tax Consultant Certificate. These three levels of licenses are valid throughout the Republic of Indonesia and are personal, non-transferable, non-inheritable, and non-franchisable.

Figure 4. The Number of Tax Consultant Licenses Based on License Levels



Source: Tax court secretariat, ministry of finance, 2024

According to data from the Financial Profession Development Center (PPPK) in 2023, published in 2024, the number of tax consultants holding an A-level license was 2,663, B-level license holders numbered 2,752, and C-level license holders amounted to 1,679. This data reflects the distribution of tax professionals with varying qualifications in Indonesia, who play a strategic role in supporting tax compliance and assisting taxpayers in fulfilling their obligations under applicable regulations. The presence of tax consultants with practice licenses distributed throughout Indonesia demonstrates the government's commitment to providing professional and equitable tax services to the public (Cahyadini A et al., 2023).

Over time, various parties have been able to act as tax power of attorney for taxpayers. In addition to tax consultants, other parties such as taxpayer employees, third parties, and even spouses or close relatives can also serve as representatives. However, it is important to note that not all tax services require a special power of attorney.

Although "power of attorney" and "tax consultant" are often used interchangeably, it is important to understand the distinction between them. In this context, the two terms are differentiated to better understand each party's role in the tax relationship.

In addition to acting as a representative, tax consultants can provide other tax-related services that do not require a special power of attorney. Examples include offering tax advice, assisting in preparing tax reports or representing taxpayers during tax audits.

In Indonesian taxation, the terms "power of attorney" and "tax consultant" have specific and interrelated meanings. A power of attorney is a party authorized by the taxpayer to act on their behalf in tax matters, whereas a tax consultant provides general tax services. Understanding these terms' differences is essential for comprehending the relationship dynamics between taxpayers, representatives, and tax consultants.

2. Tax Obligations

Every taxpayer must comply with the applicable tax regulations, including the obligation to report and pay the taxes owed. These obligations are outlined in various articles of the General Taxation

Provisions and Procedures Law (UU KUP), which regulate the submission of the Annual Tax Return (SPT), tax payments, and other obligations such as tax withholding and collection by third parties. In fulfilling tax obligations, taxpayers must ensure that the tax reports submitted are accurate and reflect the company's or individual's financial condition. Failure to meet these tax obligations can lead to audits by the Directorate General of Taxes (DJP), which may result in fines or administrative sanctions. Therefore, properly understanding tax obligations is crucial for ensuring optimal tax compliance.

Table 2. Compliance Ratio of Annual Income Tax Return Submission, 2019-2023

Description	2023	2022	2021	2020	2019
Registered Taxpayers Obliged to Submit Tax Return (SPT)	19,182,071	19,075,197	19,002,585	19,006,794	18,334,683
a. Corporations	1,665,826	1,567,298	1,652,251	1,482,500	1,472,217
b. Individual Employees	13,925,788	13,842,704	13,279,644	14,172,999	13,819,918
c. Individual Non-Employees	3,590,457	3,665,195	4,070,690	3,351,295	3,042,548
Annual Income Tax Returns (SPT)	16,682,564	16,556,759	15,976,387	14,755,255	13,394,502
a. Corporations	1,162,453	1,052,482	1,012,302	891,877	963,814
b. Individual Employees	13,099,917	12,971,323	13,110,613	12,105,833	10,120,426
c. Individual Non-Employees	2,420,194	2,532,954	1,853,472	1,757,545	2,310,262
Compliance Ratio	86.97%	86.80%	84.07%	77.63%	73.06%
a. Corporations	69.78%	67.15%	61.27%	60.16%	65.47%
b. Individual Employees	94.07%	93.71%	98.73%	85.41%	73.23%
c. Individual Non-Employees	67.41%	69.11%	45.53%	52.44%	75.93%

Source: Directorate General of Taxation, Potential, Compliance, and Revenue, 2024

Notes:

- Registered Taxpayers Obliged to Submit SPT is the number of registered taxpayers who are administratively obliged to submit Annual Income Tax Returns as of January 1st.
- Annual Income Tax Returns (SPT) is the number of Annual Income Tax Returns received by the Directorate General of Taxes during one fiscal year, regardless of the tax year of the SPT.

- The Compliance Ratio compares the annual income tax returns received in a particular tax year to the number of registered taxpayers Who Are Required to submit SPT at the beginning of the year.

The table above presents a comprehensive overview of taxpayer compliance in submitting the Annual Income Tax Return (SPT) from 2019 to 2023. The data reveals intriguing fluctuations in compliance levels and significant differences among various categories of taxpayers, namely business entities, individual employees, and non-employee individuals.

This data highlights the critical role of tax consultants and tax attroyes in the Indonesian tax landscape. Several implications can be drawn from this, including:

a) Increased Demand for Consulting Services: The fluctuations in compliance rates and the continuous evolution of tax regulations will drive the growing demand for tax consulting services. Taxpayers, particularly those with complex business operations or income, will increasingly require professional assistance to comply with tax obligations.
b) Specialization in Consulting Services: The differences in compliance rates across taxpayer categories emphasize the need for specialization within tax consulting services. Tax consultants must understand each taxpayer category's unique characteristics in-depth to provide tailored and effective solutions.
c) Importance of Education: The relatively low compliance rates observed in certain taxpayer categories indicate the necessity for more intensive educational efforts. Tax consultants can serve as agents of change by providing clear, accessible education regarding tax regulations relevant to their clients' specific needs.
d) Role of Taxpayer Representatives in Legal Processes: In tax disputes, taxpayer representatives play a pivotal role in representing their clients' interests before the tax authorities. Their ability to understand tax regulations and legal procedures will significantly influence the success of any legal actions undertaken on behalf of their clients.

3. Legal Efforts Available to Taxpayers

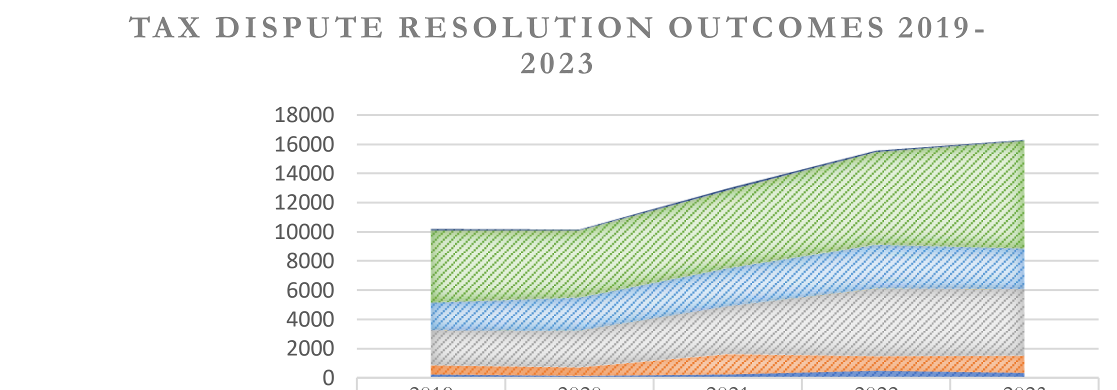
Disputes between taxpayers and the tax authorities are commonplace in the tax system. Various interpretations of tax regulations may trigger conflicts. To ensure justice and legal certainty, the state provides several legal avenues taxpayers can pursue. Below is data on the number of dispute files and resolutions based on the 2024 data from the Secretariat of the Tax Court, Ministry of Finance.

Table 3. Number of Dispute Cases by Party Involved 2019-2023

No	Party Involved	2019	2020	2021	2022	2023	Total
1	Directorate General of Taxation	12,882	14,660	12,317	11,602	10,038	61,499
2	Directorate General of Customs and Excise	2,142	1,830	2,804	2,889	2,615	12,280
3	Regional Government	24	144	67	218	61	514
	Total	15,048	16,634	15,188	14,709	12,714	74,293

Source: Secretariat of the Tax Court Report 2024

Table 4. Tax Dispute Resolution Outcomes 2019-2023



	2019	2020	2021	2022	2023
Dismissed	76	21	112	82	21
Fully Granted	4.937	4.598	5.338	6.374	7.399
Partially Granted	1.903	2.282	2.590	3.004	2.769
Additional Tax Assessment	1	6	9	1	2
Rejected	2.388	2.507	3.297	4.634	4.574
Inadmissible	621	573	1.381	959	1.174
Withdrawal and Determination	240	141	232	507	339

Source: Secretariat of the Tax Court Report 2024

The table above shows that most tax disputes filed by taxpayers end with decisions that are unfavourable to the taxpayer, such as being rejected or partially granted. This indicates that the burden of proof in tax disputes remains a significant challenge for taxpayers. The high percentage of cases rejected or only partially granted suggests taxpayers continue to bear a heavy burden of proof. The number of tax disputes fluctuates yearly but generally tends to increase. This indicates that taxpayers' awareness of their right to pursue legal action is rising. However, despite the increased number of cases filed, the outcomes have not significantly improved. This implies that the legal efforts made by taxpayers still need to be enhanced, both in terms of quality and strategy (Chaisse J, et al, 2021).

The General Tax Provisions and Procedures Law (UU KUP) provides several legal avenues that taxpayers can pursue to resolve tax disputes:

a. Correction of Tax Returns (SPT)

Article 8 of the KUP Law governs taxpayers' voluntary correction of the Tax Return (SPT). Taxpayers can correct an SPT submitted if the Directorate General of Taxes has not conducted an audit. The correction must be made by submitting a written statement indicating an error or mistake in the SPT. However, there is a time limit set for this correction. The taxpayer must correct SPT corrections that indicate a loss or overpayment no later than two years before the tax assessment expiration date.

If the correction results in a higher tax liability, the taxpayer will be subject to administrative sanctions in the form of interest, calculated based on the interest rate set by the Minister of Finance. The interest is applied to the underpaid tax amount, calculated from the deadline for submitting the SPT until the date of payment, and will be applied for up to a maximum of 24 months. The monthly interest rate is calculated based on the reference interest rate plus 5% and divided by 12 as of the date the penalty calculation starts.

Additionally, taxpayers still have the opportunity to disclose incorrect SPT filings, even after the Directorate General of Taxes has conducted an initial evidence examination. If the disclosure is made voluntarily, the taxpayer must submit a written report regarding the incorrect filing of the SPT. In this case, the taxpayer must also pay the outstanding tax and administrative penalties in interest. The examination will continue if corrections are made after the initial examination but before the results are provided.

Article 8 also allows taxpayers to correct their Annual SPT if, after receiving a Tax Assessment Letter or other decisions related to different fiscal losses, the taxpayer can correct within 3 months of receiving the letter. This correction must also be made if the Directorate General of Taxes has not conducted an audit. Therefore, Article 8 allows taxpayers to correct mistakes in their SPT filings while ensuring the obligation to pay taxes is consistent with the amount due.

b. Correction of Tax Assessments Due to Misapplication of Laws

Article 16 of the KUP Law provides the legal foundation for correcting tax assessment notices and other tax documents issued by the Directorate General of Taxes (DGT). This provision aims to ensure fairness in tax administration by offering an opportunity to rectify administrative errors caused by the tax authority or the taxpayer. Corrections can be made to documents such as the Tax Underpayment Assessment Notice, Objection Decision, Administrative Sanction Reduction Decision, and others in clerical errors, miscalculations, or misapplication of tax regulations.

This article also allows taxpayers to request corrections from the DGT. The DGT is required to decide within six months of receiving the request. If the deadline is not met, the correction request is automatically deemed granted, thus providing legal certainty for the taxpayer. Furthermore, the taxpayer has the right to request written clarification regarding the basis for the rejection or approval of the request, ensuring transparency and accountability in the tax administration process.

The scope of corrections includes errors such as typographical mistakes (e.g., incorrect name, address, or taxpayer identification number), calculation errors (e.g., arithmetic mistakes), and misapplication of tax provisions (e.g., incorrect tax rates or taxable income calculations). This mechanism is designed to support good governance by addressing administrative errors without the need for more complex dispute processes. Therefore, this provision offers an effective solution for both taxpayers and the tax authority in resolving administrative issues in the taxation field.

c. Reduction or Correction of Incorrect Tax Assessments

Article 36, paragraph (1) of the KUP Law grants the Director General of Taxes the authority, either by their initiative or upon request by the taxpayer, to reduce or cancel administrative sanctions, such as interest, fines, and increases imposed due to the taxpayer's oversight or errors not attributable to them. It also allows for the reduction or cancellation of incorrect tax assessments or tax collection notices and the annulment of tax audit results or tax assessments issued without submitting an audit result notification or a final discussion of the audit result with the taxpayer.

The taxpayer can request such reductions or cancellations up to two times for administrative sanctions, tax assessments, and tax collection notices, and once for the annulment of tax audit results or assessments. The Director General of Taxes must decide within six months of receiving the request. The request is deemed granted if the decision is not made within this period. If the taxpayer requests, the Director General of Taxes must provide written reasons for the rejection or partial approval of the request.

d. Objection

Article 25 of the KUP Law regulates the taxpayer's right to file an objection to decisions made by the Directorate General of Taxes (DGT) concerning the taxes owed or third-party tax withholding and collection. The objection can be submitted against various tax assessment notices, including the Tax Underpayment Assessment Notice, Additional Tax Underpayment Assessment Notice, Zero Tax Assessment Notice, Tax Overpayment Assessment Notice, or third-party tax withholding and collection. The objection must be submitted in writing with clear reasons, including the amount of tax owed and the calculation explanation.

Article 25 also includes provisions regarding objections, such as the submission deadline (3 months from the date the tax assessment notice is received or tax withholding/collection is made). The taxpayer must pay part of the tax owed based on the audit results before submitting the objection, and any objection that does not comply with the provisions will be considered invalid.

When an objection is filed, the Director General of Taxes must decide within 12 months. If no decision is made within this period, the objection is considered granted. Administrative sanctions, such as a 30% fine on the reduced tax amount after deducting taxes already paid, will apply if the objection is rejected or only partially granted.

Article 26 of the KUP Law stipulates that the decision on the objection can either be fully or partially accepted, rejected or include an increase in the tax owed. The objection is granted if no decision is made within the specified period.

Article 26A supplements this procedure by regulating the objection submission process, granting taxpayers the right to provide clarification, and specifying requirements for records or data disclosed during the objection process.

e. Appeal

Article 27 of the KUP Law regulates the procedure for taxpayers wishing to file an appeal against a Tax Objection Decision issued by the Directorate General of Taxes. Under this provision, taxpayers have the right to file an appeal with the Tax Court within (3) months after receiving the Tax Objection Decision. The appeal must be submitted in writing with clear reasons and include a copy of the Tax Objection Decision that serves as the basis for the appeal. This process aims to give taxpayers who feel that the objection decision is unjust an opportunity to resolve the matter through the judiciary.

For example, suppose a taxpayer company receives a Tax Objection Decision stating that they owe additional taxes and believes the decision is unfair or incorrect. In that case, they can appeal to the Tax Court. The appeal process must be completed within 3 months of receiving the decision, along with the reasons for the disagreement and a copy of the Tax Objection Decision.

Furthermore, if the taxpayer needs further clarification on the basis for the Tax Objection Decision, the Director General of Taxes must provide written clarification within one month after receiving the request. This clarification explains the legal grounds and reasons behind the issuance of the decision. If the taxpayer appeals, the payment of the unpaid tax will be postponed during the appeal process and will not be considered tax debt until the appeal decision is issued. For example, suppose the taxpayer in the previous case has not paid the additional tax stated in the Tax Objection Decision. In that case, they will not incur interest or penalties on the unpaid tax during the appeal process.

Suppose the appeal is eventually rejected or only partially granted. In that case, the taxpayer will be subject to an administrative sanction of a 60% fine on the tax amount based on the Appeal Decision, minus the tax already paid. For instance, if, after the appeal process, the tax owed is higher, the company will face an administrative fine of 60% of the additional tax amount minus the tax already paid.

f. Civil Review

Article 27 of the KUP Law also regulates provisions regarding Civil Review that the Taxpayer may file. According to the applicable provisions, a petition for civil review against the Tax Court decision, whether filed by the Taxpayer or the Director General of Taxes, will not delay or suspend the obligation to implement the decision.

Furthermore, suppose the result of the Civil Review decision indicates that the tax obligation to be paid is higher. In that case, the Taxpayer will also be subject to the same administrative penalty, which is 60% of the tax amount determined in the Civil Review decision minus the tax previously paid before filing the objection. This procedure ensures transparency in the objection and appeal process and protects the taxpayer's right to a fair decision.

The Directorate General of Taxes is required to issue a Tax Bill for the administrative sanctions within two years of receiving the civil review decision.

The above provision emphasizes that the principle of legal certainty in taxation remains valid, even in the event of further legal efforts. A Taxpayer who submits a civil review and is subsequently adversely affected by the decision must be prepared to bear the consequences in the form of administrative sanctions. The strict deadline for issuing the tax bill provides legal certainty for both parties.

g. Lawsuit

Article 23 of the KUP Law regulates the mechanism for a lawsuit that the Taxpayer or Tax Guarantor can file against certain decisions or actions taken by the tax authorities. This lawsuit can only be filed with the tax judiciary, which has the authority to examine and determine whether the decisions or administrative actions taken by the tax authorities are lawful or under the applicable regulations. This article aims to provide a legal channel for the Taxpayer or Tax Guarantor to resolve tax disputes arising from administrative decisions that are considered detrimental to them.

Several actions or decisions that may be subject to a lawsuit under Article 23 include the enforcement of a Tax Collection Order, an Order to Carry Out Seizure, or an Auction Announcement. For example, suppose the Taxpayer feels that the Tax Collection Order they received does not comply with the relevant regulations or procedures. In that case, they can challenge its implementation in the tax judiciary. In addition, decisions related to the seizure of assets or the announcement of an auction may also be subject to a lawsuit if deemed unlawful or inconsistent with the law.

Article 23 also provides for lawsuits against preventive measures taken for tax collection purposes. Suppose the taxpayer or tax guarantor feels that the preventive measures taken by the tax authorities are against their rights, such as activity restrictions or travel bans, and are not under the applicable procedures. In that case, they may file a lawsuit against such decisions. Furthermore, lawsuits may be filed against decisions related to implementing other tax decisions, provided they are not regulated under Article 25 paragraph (1) and Article 26 of the KUP Law.

In addition, the Taxpayer or Tax Guarantor may also sue the issuance of a Tax Assessment Letter or a Tax Objection Decision if there are deviations in the procedures or methods set out in the tax regulations. For example, if the Tax Assessment Letter is issued without providing the Taxpayer with an adequate opportunity to submit objections, or if the process is not under the applicable regulations, a lawsuit may be filed in the tax judiciary.

Thus, Article 23 of the KUP Law provides legal protection for the Taxpayer or Tax Guarantor by granting the right to sue administrative actions considered unfair or inconsistent with the law. All lawsuits related to administrative tax actions must be filed with the tax judiciary, which is responsible for ensuring that all decisions and actions taken by the tax authorities are in line with principles of justice and applicable regulations.

h. Mutual Agreement

Article 27C of KUP Law regulates the mechanism for resolving international tax disputes through the mutual agreement procedure. When there is a difference in the interpretation or application of tax rules between Indonesia and another country, the Taxpayer, Director General of Taxes, or Indonesian citizens who feel aggrieved may submit a request for a mutual agreement. This procedure may be initiated alongside other legal remedies, such as objections or appeals.

The primary objective of this procedure is to prevent double taxation and provide legal certainty for taxpayers engaged in cross-border business activities. The outcome of this procedure is a mutual agreement between the two involved countries, which will then be formalized in an official decision letter.

4. Tax Consultants as Problem Solvers and Achieving Tax Compliance Goals

Tax consultants are crucial in supporting taxpayers in achieving optimal tax compliance objectives. As experts in the field of taxation, tax consultants act as problem solvers, helping taxpayers identify and resolve complex tax issues. In practice, tax consultants not only provide advice related to tax obligations but also design strategies that allow taxpayers to comply with tax regulations efficiently and on time, while minimizing potential risks or penalties that may arise from errors in filing or tax avoidance (Mitchell M, and SR, 2020).

One of the main aspects of the role of tax consultants is providing a deep understanding of the ever-evolving tax regulations. With extensive and up-to-date knowledge of tax provisions, tax consultants can recommend appropriate actions in response to regulatory changes, both at the national and international levels. Tax consultants can assist taxpayers in devising strategies to take advantage of legitimate tax incentives or facilities, which business actors often overlook due to a lack of awareness or understanding (Nursalam M, and ZM, 2017).

Beyond simply providing information, tax consultants also act as mediators between taxpayers and tax authorities, helping resolve disputes or disagreements that may arise regarding tax obligations. Through mastery of legal procedures and dispute resolution mechanisms, tax consultants can offer advice that leads to fair and mutually beneficial solutions. This is essential for achieving tax compliance that avoids conflicts and fosters good relationships between taxpayers and tax authorities (Yuliyono AD, et al, 2019).

Additionally, the role of tax consultants in promoting tax compliance is not limited to administrative aspects but extends to counselling and education. Many taxpayers, particularly among small and medium-sized enterprises, lack a deep understanding of their tax obligations. Tax consultants assist them in understanding the various tax duties they must fulfill and the importance of accurate recordkeeping and reporting. By providing training and regular guidance, tax consultants contribute to raising awareness and fostering a better tax compliance culture among taxpayers (Bogoviz A V, et al, 2023).

Overall, tax consultants serve as highly effective problem solvers in ensuring taxpayers comply with their tax obligations on time and strategically manage their taxes. Through careful approaches and continuous counseling, tax consultants assist in achieving tax compliance and add value for taxpayers by designing more efficient and beneficial tax strategies. Therefore, the presence of competent and professional tax consultants becomes a key element in creating a healthy and sustainable tax system (Susyanti J and Sunardi, 2023).

To further deepen the understanding of the role of tax consultants as problem solvers and in achieving tax compliance goals, the following table matrix illustrates the main roles of tax consultants in assisting taxpayers and the benefits derived from the tax compliance process:

Table 4. The Role of Tax Consultant

Aspect	Role of Tax Consultant	Benefits for Taxpayer
Understanding Tax Regulations	Provides an in-depth understanding of the changes and applicable tax regulations.	Taxpayer can avoid errors in filing and fulfill tax obligations in accordance with the latest regulations.
Tax Planning	Designs efficient and profitable tax strategies, as well as takes advantage of available tax incentives.	Optimizes tax obligations by reducing unnecessary tax burdens, and utilizing potential reductions or legitimate tax facilities.
Tax Dispute Resolution	Acts as a mediator between the taxpayer and tax authorities to resolve disputes or issues related to tax obligations.	Reduces potential risks of penalties or fines and resolves tax disputes amicably and fairly.
Counseling and Education	Provides training and education to taxpayers regarding tax obligations, including accurate tax recording and reporting.	Increases taxpayer understanding, reducing errors in filing tax reports and raising awareness about the importance of tax compliance.
Tax Report Preparation	Assists taxpayers in preparing and submitting accurate, complete, and timely tax reports.	Ensures tax reports are prepared in accordance with applicable provisions, preventing errors that could lead to fines or sanctions.
Tax Compliance Planning	Develops a tax compliance plan that covers all tax obligations to be fulfilled by the taxpayer.	Ensures better and more systematic tax compliance, avoiding delays or neglect that could result in administrative or criminal sanctions.
Tax Risk Management	Identifies and manages potential tax risks that may arise in the taxpayer's business activities.	Reduces potential financial losses due to tax issues, including fines or administrative sanctions, while maintaining the company's good reputation with tax authorities.
Communication with Tax Authorities	Assists taxpayers in communicating with tax authorities, whether for audits or consultations regarding tax regulations.	Facilitates smooth communication with tax authorities, which can simplify the resolution of issues or consultations concerning tax obligations.

Source: Processed by the Authors

This table illustrates how tax consultants serve as problem solvers for taxpayers, providing valuable benefits to better fulfill their tax obligations. As problem solvers, tax consultants not only assist taxpayers in resolving administrative issues but also design strategic, sustainable solutions to achieve optimal tax compliance.

The study presents valuable statistical data; however, the interpretation of these figures requires further clarification to adequately convey their implications and provide better context. While quantitative analysis predominates, the study lacks qualitative insights that could offer a deeper understanding of the real-world experiences of taxpayers and tax consultants, such as through interviews or case studies. Moreover, it would be beneficial to explore regional variations in the practices of tax consultants across Indonesia, as this could illuminate how differing regulatory applications impact tax compliance and dispute resolution. Additionally, although the study identifies several challenges, it does not propose concrete solutions. To strengthen the research, practical recommendations should be included, such as strategies for improving access to tax consultants, enhancing training programs, and leveraging technology to address service gaps and improve overall system efficiency.

CONCLUSION

In the Indonesian tax system, both **tax consultants** and **tax attorneys** play essential roles in ensuring that taxpayers comply with tax obligations. These professionals offer different but complementary services to assist taxpayers in navigating the complexities of the tax system (Suhartono S and Huda MK, 2019).

Tax consultants are professionals who specialize in advising taxpayers on tax-related matters, helping them to understand and comply with tax regulations. Tax consultants provide critical assistance in areas such as tax planning, optimizing tax liabilities, preparing tax returns, and advising businesses on tax strategies. Their expertise ensures that taxpayers are well-informed and compliant with tax laws.

Tax consultants assist businesses and individuals by ensuring that they file accurate and timely tax returns, minimizing the risk of penalties and audits. They also guide clients on how to structure transactions and investments in a way that is tax-efficient and compliant with the law. Their role primarily focuses on proactive, advisory services aimed at tax compliance and planning, rather than on legal representation in disputes (Najicha FU, et al, 2023).

Tax attorneys, on the other hand, are legal professionals who specialize in tax law and provide legal representation for taxpayers involved in disputes with tax authorities. They help clients navigate complex legal issues, represent them in audits, and handle objections and appeals. Tax attorneys are essential when tax disputes escalate to the Tax Court or when litigation is required.

Tax attorneys assist with defending taxpayers in cases of tax audits, objections, and appeals, ensuring that their client's rights are protected throughout the process. In cases of tax-related legal disputes, tax attorneys also represent taxpayers in court, seeking to minimize penalties and liabilities and ensuring that all legal processes are followed correctly. They also advise clients on tax litigation strategies and handle matters related to judicial reviews and penalties (Katelouzou D and Micheler E, 2022).

When disputes arise between taxpayers and the Directorate General of Taxes, taxpayers can file an objection to the tax assessment issued. Tax consultants help prepare the necessary documentation and evidence for the objection process, ensuring that the objection is well-founded and properly submitted (Rokhmawati A, etal, 2024).

If the objection is rejected, tax attorneys can assist taxpayers by filing an appeal with the Tax Court. They help prepare legal arguments, represent the taxpayer in hearings, and strive to achieve a favorable ruling. If the case is decided in the Tax Court and becomes final and binding, taxpayers may still seek a judicial review, and tax attorneys play a crucial role in guiding clients through this process (Uddin N, et al, 2023).

This study emphasizes the crucial roles that tax consultants and tax attorneys play in ensuring tax compliance and resolving disputes in Indonesia's tax system (Li Y and Hua Z, 2024). Tax consultants provide proactive services such as tax planning and advice, while tax attorneys handle reactive legal representation in disputes (Verma M, 2024). Together, they ensure taxpayers are not only compliant but also effectively defend their interests when issues arise with the tax authorities (Guedrib M and Bougacha F, 2024).

Key recommendations include enhancing training programs for tax consultants to improve their understanding of the latest tax regulations and streamlining tax dispute resolution procedures to reduce complexity and costs for taxpayers (Hsu A and Liu S, 2023). Additionally, clearer guidelines outlining the roles of tax professionals would improve efficiency and accountability. Providing better public access to tax information and increasing public awareness about the importance of tax compliance would foster greater trust in the system. Lastly, incentivizing early compliance through penalties reduction could motivate taxpayers to engage professionals sooner, preventing disputes (Vovchenko NG, et al, 2023).

These improvements align with broader public policy goals by supporting the efficiency of the tax system, which in turn contributes to economic growth. A well-functioning tax system can generate more revenue for national development projects, helping drive social progress (Murwendah M, et al, 2024). The ethical and social aspects of this issue are significant; tax consultants and attorneys, by upholding high professional standards, play a key role in maintaining public trust and ensuring fairness within the system (Erasashanti AP, et al, 2024).

The limitations of this study include its focus on the roles of tax consultants and attorneys without fully examining regional differences in tax practices across Indonesia (Satyadini A and Rosid A, 2024). Future research could address this gap, as well as explore the role of technological advancements in improving the efficiency of tax services (Silalahi H,2023). Further studies could also investigate the social impact of tax professionals on public attitudes toward tax compliance and government transparency (Chen H and DP, 2021).

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