

# ANALYZING CHALLENGES IN REPORTING WITHHOLDING TAX (PPH 23) ON ADVERTISING SERVICES AT PT SIJORI INTERBINTANA PERS: CONSTRAINTS IN OBTAINING PROOF OF WITHHOLDING FROM ADVERTISERS

## INTRODUCTION

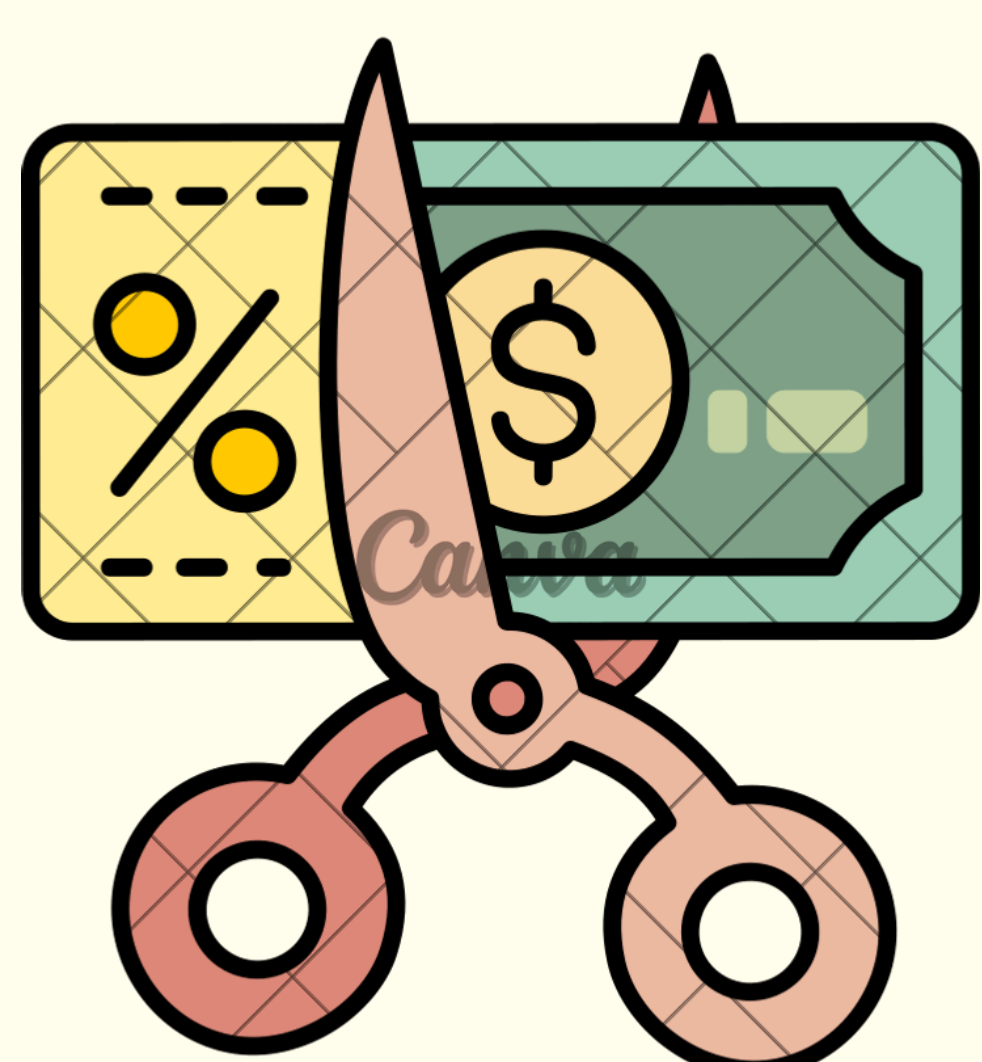
Taxation is one of the most crucial sources of revenue for Indonesia as the majority of state revenue comes from taxes. Tax is a mandatory contribution paid by the public to the state without direct compensation and is used for the benefit of the government, national development, and society. One of the taxes that must be paid is the Income Tax (PPh) Article 23. Based on Law Number 36 of 2008 concerning Income Tax, PPh Article 23 is imposed on income derived from capital, prizes, awards, and services other than those already subjected to PPh Article 21

## LITERATURE

- **Definition of PPh Article 23:** Income Tax Article 23 is a tax withheld on income received or earned by domestic taxpayers (individuals and entities) and permanent establishments originating from the provision of services or the conduct of activities other than those subjected to PPh Article 21).
- **Withholding Evidence:** Withholding evidence is a valuable document for taxpayers. Besides serving as a tax credit, it also functions to monitor the tax that has been withheld by the employer or service provider. Withholding evidence is attached to the annual PPh tax return submission and is used to verify the correctness of the tax paid.
- **Withholders of PPh Article 23:** Parties that are required to withhold PPh Article 23 include government agencies, taxable entities, activity organizers, permanent establishments, and company representatives

## DISCUSSION

The reporting of PPh Article 23 on advertising services at PT Sijori Interbintana Pers faces several challenges, particularly in obtaining withholding evidence from advertisers. This evidence is crucial for smooth reporting and tax crediting by the company. The evaluation of PPh 23 reporting procedures at PT Sijori Interbintana Pers aims to identify solutions that can be implemented to facilitate and expedite the process of receiving withholding evidence from advertisers and prevent delays in PPh 23 reporting



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