

## Legal Review of Allowances and Calculation of Income Tax (PPh) for Members of the House of Representatives from A Justice Perspective

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**ABSTRACT:** Income is one of the tax objects used as the main income for the state. Income tax (PPh) is imposed on tax subjects based on income in the form of salaries, wages, honorariums, allowances, or other forms of payment received by domestic tax subjects as a consequence of the work, position, or services performed, received or obtained during the tax year. The obligation to pay PPh is inherent in individuals according to the principle of personal responsibility. This principle is in line with the provisions of the Law on Income Tax Number 7 of 1983 in conjunction with Law Number 36 of 2008 concerning the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax. However, according to Government Regulation (PP) Number 80 of 2010 and Minister of Finance Regulation (PMK) Number 262/PMK.03/2010, Income tax Article 21 for members of the House of Representatives (DPR) are borne by the Government, not borne by members of the House of Representatives as taxpayers. This paper studied whether the income tax of article 21 members of the House of Representatives borne by the State is in accordance with the principle of justice as a personal responsibility and how the mechanism of imposition of income tax article 21 for members of the House of Representatives is concerned.

**KEYWORDS:** Income tax, House of Representatives allowances, justice

### INTRODUCTION

Taxes are a fundamental instrument in the modern state financial system, serving as the primary source of national revenue that supports state administration, development, and the fulfillment of public needs. In the administration of national life, taxes play a highly strategic role. Taxes are obligatory contributions paid by individuals and business entities to the state as a source of funding for development and efforts to improve public welfare. Taxes are also contributions to the state treasury regulated by law, making payment compulsory without receiving any direct compensation. The government collects taxes based on legal norms to cover the costs of producing collective goods and services to achieve the general welfare.<sup>1</sup>

From a legal and economic perspective, tax policy is part of public policy formulated by the government to optimize state revenue. This policy is aimed at raising funds to strengthen state finances as a basis for implementing various government programs and activities. From a constitutional perspective, tax policy must refer to Article 23A of the 1945 Constitution of the Republic of Indonesia, which stipulates that taxes and other compulsory levies must be regulated by law. This provision not only emphasizes the importance of a formal legal basis but also requires that every tax policy reflect substantive justice.

The principle of justice occupies a fundamental position in tax law, given that taxes are compulsory and directly affect citizens' economic rights. Every tax policy is required not only to be legally valid but also to reflect fair treatment for taxpayers. Fairness in tax imposition is divided into two types: 1) horizontal fairness and 2) vertical justice. In horizontal fairness, tax collection is horizontally fair if the tax burden is the same for all taxpayers earning the same income and with the same number of dependents, regardless of the type of income tax or source of income (equal treatment for the equal). While for the latter, justice can be defined as fair tax collection if people in unequal economic circumstances are taxed unequally (unequal treatment for the unequal).

The concept of justice is the primary foundation of the legal system, which aims to maintain balance and certainty in society. Justice is not only related to law enforcement but also involves the moral and ethical dimensions that underlie every regulation. The principle of justice ensures that every individual is treated equally, without discrimination, and receives equal rights to legal protection. Laws are created and enacted by the state to regulate social, national, and state life with the aim of providing legal certainty, justice, and benefit.<sup>2</sup>

Income is one of the objects of taxation, serving as the primary source of revenue for the State Budget. Income Tax (PPh) is imposed on taxpayers based on the income received or accrued during the tax year. Income tax is a subjective tax, where the tax



rate is heavily influenced by the taxpayer's personal circumstances. These personal circumstances, reflected in the taxpayer's ability to pay or their ability to bear the tax, are the primary consideration in determining the amount of tax payable. In accordance with Law Number 28 of 2007 concerning the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Tax Procedures, Article 2 paragraph 1 states that taxpayers who have met the subjective and objective requirements in accordance with applicable laws and regulations are required to register at the Directorate General of Taxes office whose jurisdiction corresponds to the taxpayer's residence or domicile.

Basically, the purpose of paying income tax is for the benefit of the state and society in the life of the nation and state, as an obligation that must be carried out. The obligation to pay Income Tax (PPH) is attached to individuals according to the principle of personal liability.<sup>3</sup> This principle is in line with the provisions of Law Number 7 of 1983 concerning Income Tax in conjunction with Law Number 36 of 2008 concerning the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax, Article 2 paragraph 3, which states that tax subjects are individuals who reside in Indonesia or are in Indonesia for more than 183 days in a 12-month period, as well as those who intend to reside in Indonesia. In addition, bodies established or domiciled in Indonesia are also tax subjects, except for certain units of government bodies whose entire formation is based on statutory regulations, funded by the State Budget (APBN) or Local Government Budget (APBD), all of whose revenues go to the state or regional budget, and whose bookkeeping is supervised by the state's functional supervisory apparatus.

Income from work earned by each individual is subject to income tax by the government, namely Article 21 Income Tax. This is an income tax imposed on income in the form of salaries, wages, honorariums, allowances, and other payments under any name in connection with work, services, and activities performed by domestic individual taxpayers.<sup>4</sup> Article 21 Income Tax withholding refers to every taxpayer, both individuals and corporations, required by law to withhold, deposit, and report Article 21 Income Tax. This includes employers, corporate bodies, and activity-organizing institutions. Employers are obligated to calculate, withhold, pay, and report the amount of tax to be withheld and deposited on income received by individuals in connection with work, services, or activities performed.<sup>5</sup>

One characteristic of a democratic country is the existence of general elections (pemilu),<sup>6</sup> including elections to elect members of the People's Representative Council. The People's Representative Council, abbreviated as DPR, is a political representative body whose members are elected through a general election process. DPR, as an institution entrusted with the constitutional duty to champion and realize the welfare of the people, holds crucial functions and rights that determine the governance of the state.<sup>7</sup> Its members are elected by the people through general elections. This aligns with the concept of representative democracy, where each DPR member is tasked with representing the interests of the people.<sup>8</sup> DPR members, as representatives of the people, are directly elected by voters in a constituency and, theoretically, act based on the aspirations of the people, not the interests of a particular party or group.<sup>9</sup>

The rights and obligations of DPR members, as an embodiment of their functions as a legislative, oversight, and representative body, must be implemented effectively and accountably to the public to improve and monitor the system of government.<sup>10</sup> DPR members are obligated to prioritize the interests of the state over personal, group, or factional interests and to champion the improvement of the people's welfare, as stipulated in Article 81, letters D and E of Law Number 17 of 2014 concerning the MPR, DPR, DPD, and DPRD. Therefore, the state provides adequate facilities and infrastructure to carry out the duties of DPR members optimally, accountably, and responsively to public needs. State facilities provided to members of the DPR include salaries, various types of allowances, housing or house rent, official vehicles, support staff, health insurance, and official travel expenses.<sup>11</sup> Therefore, every component of this income is legally subject to PPh and is subject to withholding in accordance with applicable laws and regulations.

Based on Minister of Finance Regulation (PMK) No. 262/PMK.03/2010 in conjunction with Minister of Finance Regulation (PMK) No. 168/PMK.03/2023, withholding is carried out by calculating gross monthly income, subtracting office expenses and other deductions as required, then determining the Taxable Person for VAT purposes (PKP) and applying progressive rates ranging from 5%, 15%, 25%, 30%, to 35%. This withholding mechanism is mandatory and binding and it serves as a form of fiscal compliance for state officials as individual taxpayers receiving a fixed income from the APBN.<sup>12</sup> Therefore, we can understand that income tax (PPH) is an obligation that must be fulfilled personally by every taxpayer, including members of the DPR, in accordance with the principle of personal liability. However, in reality, Article 21 Income Tax (PPH) for members of the People's Representative Council (DPR) as referred to in Government Regulation (PP) Number 80 of 2010 and Regulation of the Minister of



Finance (PMK) Number 262/PMK.03/2010 is borne by the Government, not borne by each member of the DPR, which does not reflect a sense of justice.

In this study, we intended to answer two big questions: 1) Does the Article 21 income tax imposed on members of the House of Representatives being borne by the state comply with the principle of fairness as a personal responsibility? And 2) What is the mechanism for imposing Article 21 income tax on members of the House of Representatives?

## MATERIALS AND METHODS

We conducted the research using normative juridical with a statutory and conceptual approach. The legal materials used consist of secondary data, including primary, secondary, and tertiary legal materials, using a legal material collection technique, namely literature study.

## RESULTS AND DISCUSSION

### 1. Article 21 Income Tax of Members of the People's Representative Council is borne by the State in terms of the principle of justice based on personal responsibility

The tax regulations in Indonesia, as stipulated in Article 23A of the amended 1945 Constitution, state that taxes and other compulsory levies for state purposes are regulated by law. This article emphasizes that tax collection has a strong constitutional basis and must be based on statutory regulations. Article 3 of Law of the Republic of Indonesia Number 6 of 2021 states that the State Revenue Budget is derived from tax revenues, non-tax state revenues, and grants. Taxes are the largest source of State Revenue, the primary supporter of achieving state revenue realization.

Taxes have the following functions:<sup>13</sup>

- Budgetary Function: Taxes constitute the largest source of state revenue. As a source of state revenue, taxes are used to finance state expenditures, including carrying out routine government duties and implementing development.
- Regulatory Function: Through taxes, the government can regulate economic growth. Tax policy can reflect a country's economic policies, aimed at achieving desired economic goals.
- Stability Function: Through taxes, the government has funds to implement policies related to price stability. Taxes play a vital role in maintaining the balance of the country's economy, including by regulating the circulation of money in the community, tax collection, and the effective and efficient use of taxes.
- Income Redistribution Function: Taxes are used to finance public interests, including economic development that creates jobs.

Paying taxes to the state is mandatory because taxes are a key component of state revenue, vital for supporting development financing and reflecting a country's level of fiscal independence. The obligation to pay taxes is the responsibility of every individual or entity required to bear the tax liability, in accordance with the principle of personal liability applicable in tax law. This principle emphasizes that taxes are an obligation inherent in every taxpayer and cannot be transferred or borne by another party unless explicitly stipulated in law.

Fiscal justice requires that every individual or public official bear his or her own tax obligations, unless there is a statutory provision that expressly provides an exception.<sup>14</sup> Therefore, every individual, including public officials, must fulfill their tax obligations based on the income they receive, in accordance with their capacity and ability to pay. Failure to comply with these obligations, such as attempting to shift tax payments to another party, may be considered a violation of the principles of fiscal justice and legality in taxation.<sup>15</sup>

Income Tax is a type of tax owed on work, services, or activities that provide income to individuals in accordance with Law Number 7 of 1983 concerning Income Tax in conjunction with Law Number 36 of 2008 concerning the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax. This tax is deducted and paid by the employer, so it can be understood as a levy on income in the form of salary, wages, honorarium, allowances, or other forms of payment received by domestic tax subjects as a consequence of work, position, or services performed.

The tax collection system in Indonesia is a self-assessment system, namely a tax collection system that gives full authority to taxpayers to determine the amount of tax owed and to report the tax they must pay themselves.<sup>16</sup>

At the implementation level, based on Government Regulation (PP) No. 80 of 2010 concerning Income Tax Deduction and



Imposition Rates, Article 21 on Income that is a Burden of the State Budget or Regional Budget provides technical details regarding the determination of tax subjects and the grouping of income recipients, especially in Article 2 and Article 3 of the Government Regulation which explicitly indicates that every individual who receives a fixed and regular income every month that is a burden on the APBN or APBD such as state officials, civil servants, members of the TNI, members of the POLRI and retirees, is treated as a taxpayer, without exception based on position or title.

Guidelines for withholding, depositing, and reporting Article 21 Income Tax are further detailed in Minister of Finance Regulation (PMK) No. 168/PMK.03/2023. This PMK emphasizes that employers are required to withhold Article 21 Income Tax on income received by employees or state officials. It also emphasizes that the resulting tax is the taxpayer's personal obligation, unless expressly provided by law for an exception.

The obligation to pay taxes is essentially a personal liability for every individual or entity earning income. This provision is affirmed in Law Number 36 of 2008 concerning Income Tax, specifically explained in Article 2.

The principle of personal liability ensures that each taxpayer bears the tax burden proportionally according to their economic capacity, thus preventing the shifting of tax obligations to other parties, including the state. The tax system must guarantee fair treatment between taxpayers, both vertically (between rich and poor taxpayers) and horizontally (between taxpayers with similar economic conditions).<sup>17</sup>

However, in reality, Article 21 Income Tax (PPh) for members of the House of Representatives (DPR), as stipulated in Government Regulation (PP) Number 80 of 2010 and Regulation of the Minister of Finance (PMK) Number 262/PMK.03/2010, is borne by the Government.

Government Regulation Number 80 of 2010 concerning withholding rates and imposition of Article 21 Income Tax on income burdened by the state budget or regional budget, Article 5 states, "In the case of civil servants, members of the Indonesian National Armed Forces (TNI), members of the Indonesian National Police (POLRI), and retirees appointed as leaders and/or members of institutions that are not considered State Officials, income burdened by the State Budget or Regional Budget related to their position as leaders and/or members of such institutions is subject to Article 21 Income Tax withholding in accordance with the Income Tax Law and is not borne by the Government."

This article should also serve as a strong basis for the House of Representatives (DPR), as a state institution, to pay income tax, personally, and not through the state, as their income or salaries are sourced from the state budget.

Government Regulation (PP) Number 80 of 2010 and Minister of Finance Regulation (PMK) Number 262/PMK.03/2010, which cover the income tax of DPR members, provide special treatment for DPR members compared to the general public, in accordance with Law Number 7 of 1983 concerning Income Tax in conjunction with Law Number 36 of 2008 concerning the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax, which regulates existing income tax. This contradicts John Rawls' principle of justice.

According to John Rawls, justice must be understood as a form of fairness, meaning that not only those with greater talent and ability are entitled to greater social benefits, but these benefits must also provide opportunities for those less fortunate to improve their quality of life. In this context, moral responsibility for the advantages of those who are more fortunate must be directed towards paying attention to the interests of less fortunate groups.<sup>18</sup>

According to Rawls, justice emphasizes the importance of fair and impartial policies, which can emerge from structures capable of guaranteeing the interests of all levels of society. Rawls asserts that the principle of justice is the most fundamental aspect of social work, as it must be the primary foundation for building a social structure that ensures the fulfillment of the interests of all members of society.<sup>19</sup>

Unjust actions often occur in society and can influence judgments about the good or bad of decisions or actions taken by a ruler. According to Rawls, injustice occurs when some people suffer for the benefit of the majority.<sup>20</sup> Rawls developed two main principles in his theory.

First, the principle of liberty, which means that every individual in society has equal rights and opportunities to basic freedoms. That everyone has the right to have an equal position in obtaining basic rights, with the greatest equal principle emphasizing that every individual can enjoy broad basic freedoms, as long as those freedoms are also owned equally by everyone. These rights are part of the basic rights inherent in every individual. Thus, justice is achieved if freedoms are distributed fairly and equitably among all members of society. This principle also includes fundamental freedoms, such as the freedom to participate in



political life, freedom of opinion and expression, freedom of religion and belief, freedom to be oneself, and the right to own and maintain private property.

The second principle is the difference principle. Economic and social inequalities must be regulated to remain within reasonable and acceptable limits. This principle aims to generate the greatest benefit for disadvantaged communities, emphasizing that under equal circumstances and opportunities, every position or job must be accessible to every individual without exception.<sup>21</sup> This principle serves to ensure that a proportional balance is achieved between the rights and obligations of each party, so that inequality in exchange can be accepted objectively, as long as it meets the principles of good faith and fairness. Social and economic inequalities, such as differences in wealth and power, are considered fair if they provide benefits or compensatory advantages to all members of society, especially those in the most disadvantaged positions.

The principle of justice in tax law is not only substantive, relating to the content and burden of taxes, but also procedural. Procedural justice demands fair treatment in the tax audit, determination, objection, and dispute resolution processes. Every taxpayer has the right to equal legal treatment and the opportunity to defend their rights fairly in court. This aligns with the principle of due process of law in a state governed by the rule of law.<sup>22</sup> That justice is not only measured by the distribution of resources or formal procedures but must also take into account the extent to which individuals are truly able to utilize their rights and opportunities in real social and economic contexts.<sup>23</sup>

According to Jimly Asshiddiqie, there are twelve (12) basic principles as the main pillars that support the establishment of a state based on law, namely<sup>24</sup> Supremacy of Law, Equality Before the Law, Principle of Legality, Limitation of Power, Independent Supporting Organs, Free and Impartial Judiciary, State Administrative Court, Constitutional Court, Protection of Human Rights, Democratic in Nature, Functioning as a means of realizing the goals of the state, Transparency and Social Control.

The principle of equality before the law, as stated in Article 27 paragraph 1 of the 1945 Constitution of the Republic of Indonesia, requires fair treatment for all citizens<sup>25</sup> regardless of their status and position. However, in reality, the state's coverage of income tax provides special treatment for members of the House of Representatives (DPR) who, in terms of socio-economic status, fall into the category of high-income taxpayers. This inequality creates inequality between public officials and the general public, who continue to pay their own taxes. Therefore, this policy fails to reflect the principle of justice, which should be the primary principle in managing state finances.

Justice in tax law must pay attention to the principle of proportionality, namely the balance between the interests of the tax authorities in enforcing regulations and protecting the rights of taxpayers.<sup>26</sup> In the framework of administrative law, the principle of justice is part of the general principles of good governance which binds not only administrative officials, but also judicial decisions in the administrative field, such as tax courts.<sup>27</sup>

## 2. Mechanism for imposing income tax on members of the House of Representatives

Income tax is a type of tax owed on work, services, or activities that generate income for individuals. This tax is withheld and remitted by employers, so it can be understood as a levy on income in the form of salary, wages, honorarium, allowances, or other forms of payment received by domestic taxpayers as a consequence of work, position, or services performed.

Provisions regarding taxpayers are contained in Law Number 7 of 1983 concerning Income Tax, as amended by Law Number 36 of 2008. Article 2 paragraph (1) of this law stipulates that individuals, undivided inheritances, and entities are tax subjects, so that any party that meets the subjective and objective requirements automatically becomes a taxpayer. Furthermore, in Law Number 36 of 2008, Article 4 paragraph 1 letter a states, "The object of tax is income, namely any additional economic capacity received or obtained by a taxpayer, whether originating from Indonesia or from outside Indonesia, which can be used for consumption or to increase the wealth of the taxpayer concerned, in any name and form, including compensation or compensation related to work or services received or obtained, including salaries, wages, allowances, honorariums, commissions, bonuses, gratuities, pensions, or other forms of compensation, unless otherwise specified in this law.

In Law Number 36 of 2008, the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax, Article 21 paragraph 1 letter a states, "Tax deductions on income related to work, services, or activities in any name and form received or obtained by domestic individual taxpayers must be made by employers who pay salaries, wages, honorariums, allowances, and other payments related to work performed by employees or non-employees." Therefore, the tax becomes the personal responsibility of each individual income recipient.



Income Tax is a type of tax owed on work, services, or activities that generate income for individuals, in accordance with Law Number 7 of 1983 concerning Income Tax in conjunction with Law Number 36 of 2008 concerning the Fourth Amendment to Law Number 7 of 1983 concerning Income Tax. This tax is withheld and remitted by employers, and can therefore be understood as a levy on income in the form of salary, wages, honorarium, allowances, or other forms of payment received by domestic taxpayers as a consequence of work, position, or services performed.

Guidelines for the implementation of withholding, remitting, and reporting of Article 21 Income Tax are further elaborated in Minister of Finance Regulation (PMK) No. 168/PMK.03/2023. This PMK stipulates that employers are required to withhold Article 21 Income Tax on income received by employees or state officials. It also emphasizes that the resulting tax is the taxpayer's personal obligation, unless there are statutory provisions that expressly provide an exception.

Based on Government Regulation (PP) No. Article 21 of Law No. 80 of 2010 concerning Income Tax Deduction and Imposition Rates on Income that Becomes a Burden on the State Budget or Regional Budget provides technical details regarding the determination of tax subjects and the grouping of income recipients, especially in Articles 2 and 3 of the Government Regulation which explicitly indicate that every individual who receives a fixed and regular income every month that becomes a burden on the APBN or APBD such as state officials, civil servants, members of the TNI, members of the POLRI and retirees, are treated as taxpayers, without exception based on position or title.

However, based on the Regulation of the Minister of Finance (PMK) Number 262/PMK.03/2010 concerning Procedures for Withholding Income Tax Article 21 for State Officials, Civil Servants, TNI Members, Polri Members, and their Retirees on income that is a burden on the state revenue and expenditure budget or regional revenue and expenditure budget in Article 2 paragraphs 1 and 2 which states:

1. Article 2 paragraph 1:

Article 21 Income Tax payable on fixed and regular monthly income that is a burden on the State Budget or Regional Budget is borne by the Government at the expense of the State Budget or Regional Budget.

2. Article 2, paragraph 2:

Fixed and regular monthly income that is a burden on the State Budget or Regional Budget as referred to in paragraph (1) includes fixed and regular income for:

- a. State Officials, for 1) salaries and other allowances that are fixed and regular every month; or 2) similar fixed remuneration, as determined based on statutory provisions;
- b. Civil servants, members of the Indonesian National Armed Forces (TNI), and members of the Indonesian National Police (POLRI), for salaries and other allowances that are fixed and regular every month as determined based on statutory provisions; and
- c. Pensioners, for pensions and other benefits which are fixed and regular every month as determined based on the provisions of statutory regulations.

Based on the legal provisions governing Minister of Finance Regulation No. 205/PMK.02/2013, No. 222/PMK.05/2014, and No. 212/PMK.05/2020, it is stated that State Officials are the leaders and members of state institutions as referred to in the 1945 Constitution of the Republic of Indonesia and State Officials determined by law. The Speaker, Deputy Speaker, and members of the House of Representatives (DPR) are State Officials as referred to in Article 58 letter C of Law Number 20 of 2023 concerning the State Civil Apparatus.

As an institution entrusted with the constitutional duty to promote and realize the welfare of the people, the state provides adequate facilities and infrastructure to carry out these duties optimally, accountably, and responsively to public needs. State facilities provided to DPR members include salaries, various types of allowances, housing or house rent, official vehicles, support staff, health insurance, and official travel expenses. For clarity, some of the forms of facilities and income components received by DPR members are depicted in Table 1.



Table 1. Breakdown of income and benefits received by members of DPR

Num	Legal Basis	Remarks	Speaker of DPR	Deputy Speaker of DPR	DPR Member
1	PP No. 75 Tahun 2000	Basic Salary	5.040.000	4.620.000	4.200.000
2	SE Setjen DPR RI No. KU.00/9414/DPR RI/XII/2010	Spouse Allowance	504.000	462.000	420.000
3	SE Setjen DPR RI No. KU.00/9414/DPR RI/XII/2010	Children Allowance	206.600	184.800	168.000
4	Keppres RI No. 60 Tahun 2003	Session Fee	2.000.000	2.000.000	2.000.000
5	Keppres RI No. 60 Tahun 2003	Positional Allowance	18.900.000	15.600.000	9.700.000
6	SE Setjen DPR RI No. KU.00/9414/DPR RI/XII/2010	Rice Allowance	30.900	30.900	30.900
7	SE Setjen DPR RI No. KU.00/9414/DPR RI/XII/2010	PPh Article 21 Allowance	2.699.813	2.699.813	2.699.813
		Total Bruto	29.381.313	25.597.513	19.218.713
		PPh Deduction 15%	4.407.197	3.839.627	2.882.807
		Total Received (Netto)	24.974.116	21.757.886	16.335.906

The table above shows the income and benefits received by members of DPR as state officials, all of which are charged to the APBN. This breakdown is useful for determining whether each form of income received in an official capacity is subject to PPh in accordance with tax regulations. This income mapping serves as the basis for assessing the applicable PPh withholding mechanism and examining whether the state's practice of covering PPh through the APBN complies with the principles of fiscal justice and legality in state financial management.

For comparison, the following figure is a calculation scheme for Article 21 income tax between a member of the public, in this case a director of a private company, and a member of the DPR whose income tax is covered by the state/government.

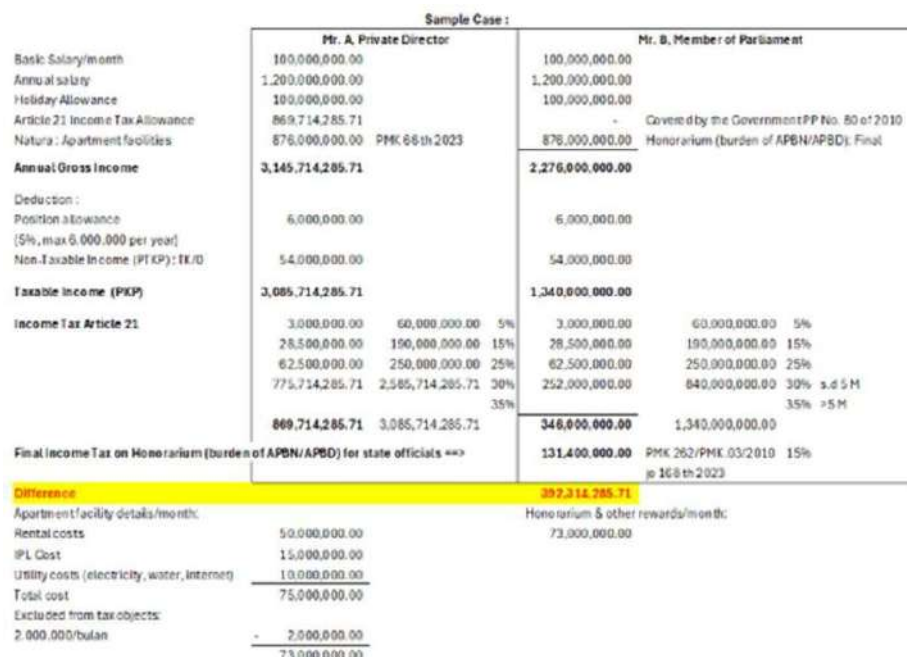


Figure 1. Comparison of calculation simulation for PPh Article 21 between private employee and member of parliament.



As a state institution, members of the House of Representatives receive income sourced from the APBN, so that every component of this income is legally subject to PPh and must be subject to deductions in accordance with applicable laws and regulations. Based on PMK No. 262/PMK.03/2010, deductions are made by calculating monthly gross income, deducting office costs and other deductions according to the provisions, then determining the Taxable Entrepreneur (PKP) and imposing progressive rates ranging from 5%, 15%, 25%, 30% to 35%. This deduction mechanism is mandatory and binding and is a form of fiscal compliance of state officials as individual taxpayers who receive fixed income from the APBN.

Paying taxes to the state is mandatory because taxes are a key component of state revenue, vital for supporting development financing and reflecting a country's level of fiscal independence. Within the APBN, taxes occupy a crucial position as a source of state revenue, serving as the basis for implementing various government programs and activities.

## CONCLUSION

Payment of Article 21 Income Tax for members of the House of Representatives (DPR) which is borne by the Government based on Government Regulation (PP) No. 80 of 2010 and Regulation of the Minister of Finance (PMK) No. 262/PMK.03/2010 is contrary to the principle of justice in terms of the principle of difference according to John Rawls and the principle of personal liability which requires every taxpayer to bear their own tax obligations. The burden of Income Tax by the state through the government creates an imbalance in the fiscal burden between state officials and the general public.

Regulations regarding income tax for taxpayers borne by taxpayers are regulated in Law Number 7 of 1983 concerning Income Tax, as amended by Law Number 36 of 2008 and Minister of Finance Regulation (PMK) No. 168/PMK.03/2022. With the issuance of Government Regulation (PP) No. 80 of 2010 and Minister of Finance Regulation (PMK) No. 262/PMK.03/2010, which essentially stipulates that the state bears the income tax of members of the House of Representatives (DPR), different regulations apply between the general public and DPR members, who represent the people.

It is best to apply the principles of justice and personal responsibility in the legal regulations governing income tax without exception for all taxpayers. The government should revise the regulations related to the Minister of Finance Regulation which regulates the implementing instructions and technical instructions for income tax for DPR members which is no longer borne by the State but is borne by DPR members as a personal responsibility.

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