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Implementation of Calculation, Withholding, and Reporting of Article 4(2) Income Tax on Deposit and Savings Interest at PT BPR Sahabat Tata

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Abstract— This study aims to analyze the implementation of the calculation, withholding, and reporting of Article 4(2) Income Tax on deposit and savings interest at PT BPR Sahabat Tata. Given the importance of tax compliance in the banking sector, this study employs a descriptive qualitative approach through observation, interviews, documentation, and literature reviews. The findings indicate that PT BPR Sahabat Tata has implemented tax procedures in accordance with applicable regulations. Final income tax at a rate of 20% is automatically withheld through the banking system for customers with balances exceeding IDR 7,500,000. The withheld tax is subsequently remitted to the state treasury and reported through the e-Bupot Unifikasi system. This study concludes that systematic and computerized tax administration can improve compliance and enhance the accuracy of tax obligations in the banking sector.

Keywords— *Article 4(2) Income Tax, Deposit Interest, Savings Interest, Tax Withholding, Tax Reporting.*

I. INTRODUCTION

Tax revenue is one of the main pillars supporting the sustainability of national development. As a major source of government revenue, taxation plays an important role in financing public needs and supporting the implementation of fiscal policies. Therefore, taxpayer compliance is a crucial factor in maintaining sustainable state revenue. Tax compliance literature explains that compliance behavior is influenced by various factors, including administrative systems, law enforcement, taxpayer perceptions, and interactions between taxpayers and tax authorities (Alm, 1992; Andreoni et al., 1998; Kirchler et al., 2008).

In the modern economy, the banking sector plays an essential role as a financial intermediary that collects funds from the public and redistributes them in the form of credit. These deposit-taking activities generate administrative and tax obligations that must be fulfilled in accordance with applicable regulations. In this context, banks serve not only as financial institutions but also as entities responsible for withholding taxes on certain types of income paid to customers. Time deposits and savings accounts are banking instruments that provide returns in the form of interest to customers. Such interest income is subject to final Income Tax under Article 4(2) of Indonesia's Income Tax Law, in accordance with applicable tax regulations. This final tax treatment aims to provide legal certainty regarding the taxation of interest income while supporting the implementation of tax withholding procedures. In practice, banks must ensure that taxation is applied based on the type of deposit, customer characteristics, interest amount, and applicable exemption provisions.

PT BPR Sahabat Tata, as a banking institution, is responsible for fulfilling tax obligations related to interest paid on time deposits and savings accounts. These obligations include calculating the taxable amount, withholding tax, remitting the tax to the state treasury, and reporting the transactions in accordance with applicable tax regulations. Research on taxpayer compliance in the banking industry highlights the importance of tax policies, administrative procedures, and service quality in understanding the implementation of tax obligations within banking institutions (Salman & Farid, 2010). The calculation and withholding of Article 4(2) Income Tax require accuracy because they involve transaction data, deposit balances, and interest earned by customers. Banking information systems can support consistent calculations and transaction recording; however, the reliability of these processes depends on accurate system configuration, valid data, and effective internal supervision. Therefore, evaluating operational procedures and administrative controls is essential to reducing the risk of errors in tax calculations and withholding.

Incorrect tax withholding may result in inaccurate tax compliance and increase administrative risks for banks. From a tax compliance perspective, clear procedures, sound administration, and consistent policy implementation are important factors in encouraging compliance (Kirchler et al., 2008; Salman & Farid, 2010). Accordingly, tax withholding procedures should be supported by Standard Operating Procedures (SOPs), data verification, and periodic reconciliation between banking transaction records and tax records.

In addition to calculating and withholding taxes, tax remittance must comply with the deadlines and procedures stipulated in tax regulations. Managing these obligations requires coordination among operational, accounting, and tax units to ensure that the amount withheld corresponds to the amount remitted. Effective administrative controls become increasingly important when transactions are processed through information systems that integrate multiple stages of recording and reporting. The modernization of tax administration through digital technology has also transformed how taxpayers fulfill their administrative obligations. The use of information technology in tax administration can improve process efficiency, accelerate data processing, and facilitate tax reporting. Djafri et al. (2023) discuss the utilization of information and communication technology in tax administration to support taxpayer compliance. Meanwhile, Winoto et al. (2022) examine the relationship between tax administration technology and taxpayer compliance. These studies provide a relevant foundation for explaining the importance of system readiness and human resource capabilities in technology-based tax administration.

One form of digitalization in Indonesia's tax withholding administration is the e-Bupot Unification system. This system facilitates the preparation of electronic withholding tax certificates and tax reporting in accordance with its designated tax coverage. Faisol and Norsain (2024) examine the use of e-Bupot in tax withholding and its relationship with corporate taxpayer compliance. Novianti and Ernandi (2024) also discuss the implementation of e-Bupot Unification in fulfilling corporate tax obligations. In addition, Kawuri et al. (2024) examine digital tax transformation through e-Bupot Unification and its relationship with corporate compliance. These studies can serve as a foundation for examining electronic tax withholding and reporting, while recognizing differences in research contexts and the types of taxes investigated.

Although digitalization offers administrative benefits, its success depends on more than the availability of software applications. Data quality, human resource competence, information technology infrastructure, and understanding of tax regulations remain important considerations. Luthfiyati and Hariyanto (2025) discuss factors associated with taxpayer compliance in digital tax administration. Safitri et al. (2026) also examine the relationship between digital tax administration systems and taxpayer compliance through a literature review. Accordingly, the implementation of digital systems should be accompanied by continuous training, internal controls, and periodic evaluations of tax procedures.

Based on this background, this study focuses on analyzing the implementation of the calculation, withholding, and reporting of Article 4(2) Income Tax on time deposit and savings interest at PT BPR Sahabat Tata. This study

employs a descriptive qualitative approach through observation, interviews, documentation, and literature reviews to examine the procedures implemented, their conformity with applicable tax regulations, and the challenges encountered during implementation. The findings are expected to provide practical recommendations for improving tax administration procedures and controls within banking institutions, while contributing to the broader discussion of tax withholding obligations on deposit interest.

II. METHOD

This study employs a descriptive qualitative approach to provide a detailed, in-depth, and systematic description of the phenomenon under investigation. The research focuses on the implementation procedures for Article 4(2) Income Tax on time deposit and savings interest at PT BPR Sahabat Tata.

Data were collected using four primary techniques:

1. **Direct Observation:** The researcher directly observed the automated calculation process at the end of each month when interest was credited to customers' accounts. This observation aimed to understand how the banking system calculates and withholds tax on interest income in accordance with applicable tax regulations.
2. **In-Depth Interviews:** Semi-structured interviews were conducted with the Operations Manager and Accounting/Tax Staff of PT BPR Sahabat Tata to obtain information regarding the implementation of Standard Operating Procedures (SOPs), tax administration practices, and operational challenges encountered in the field.
3. **Document Analysis:** Relevant documents were examined, including interest calculation summaries, electronic withholding tax certificates, State Revenue Transaction Receipts (Bukti Penerimaan Negara/BPN), and Periodic Unification Income Tax Returns (SPT Masa PPh Unifikasi). These documents were analyzed to assess the consistency and accuracy of tax calculation, withholding, remittance, and reporting procedures.
4. **Literature Review:** Relevant tax regulations and scientific journal articles were reviewed to establish the theoretical foundation of the study and identify the regulatory requirements applicable to the implementation of Article 4(2) Income Tax on time deposit and savings interest.

The data obtained from observations, interviews, document analysis, and the literature review were examined descriptively to develop a comprehensive understanding of the tax administration procedures implemented at PT BPR Sahabat Tata and their conformity with applicable tax regulations.

III. RESULTS AND DISCUSSION

A. Calculation of Article 4(2) Income Tax

The calculation of Article 4(2) Income Tax on time deposit and savings interest at PT BPR Sahabat Tata has been computerized through the bank's core banking system. Based on Government Regulation No. 131 of 2000, in conjunction with Minister of Finance Decree No. 51/KMK.04/2001, the applicable final income tax rate is 20% of the gross interest amount, subject to an exemption for savings accounts with balances not exceeding IDR 7,500,000, provided that the applicable requirements are met.

Calculation Example

Customer A maintains a savings account with an average daily balance of IDR 10,000,000 and an annual interest rate of 4%.

Monthly Gross Interest: $(\text{IDR } 10,000,000 \times 4\%) / 12 = \text{IDR } 33,333$

Article 4(2) Income Tax Withheld (20%): $20\% \times \text{IDR } 33,333 = \text{IDR } 6,667$

Net Interest Received by the Customer: $\text{IDR } 33,333 - \text{IDR } 6,667 = \text{IDR } 26,666$

Since the account balance exceeds the IDR 7,500,000 threshold, the banking system automatically withholds IDR 6,667 in income tax when the interest is credited to the customer's account at the end of the month.

B. Tax Withholding, Remittance, and Reporting

Tax withholding is performed by the bank when interest is credited to customers' accounts, usually on the last business day of each month. After the tax funds have been collected, PT BPR Sahabat Tata generates a billing code and

remits the tax to the state treasury no later than the 10th day of the following month through a designated tax payment bank or an internet banking facility.

The reporting of the Periodic Article 4(2) Income Tax Return (Surat Pemberitahuan Masa PPh Pasal 4 Ayat (2)) is conducted through the e-Bupot Unification application. Electronic withholding tax certificates are generated, and the tax return is submitted no later than the 20th day of the following month. The evaluation results indicate that PT BPR Sahabat Tata has consistently submitted its tax reports on time throughout the current year, with no recorded reporting delays. This timely compliance helps the bank avoid administrative penalties for late tax reporting.

IV. CONCLUSIONS

Based on the research findings, ease of use has a positive and significant effect on the intention to use Shopee PayLater in Tegal City. The easier the feature is to learn, operate, and understand, the stronger consumers' intention to use the service. In contrast, cashback promotions do not have a statistically significant partial effect on usage intention. Although the regression coefficient is positive, its magnitude is very small and statistically insignificant. Simultaneously, ease of use and cashback promotions have a statistically significant effect on usage intention. The adjusted R-squared value of 0.639 indicates that the two variables explain 63.9% of the variation in usage intention, while the remaining 36.1% is associated with factors outside the research model.

Based on these findings, Shopee is encouraged to prioritize improvements in user experience by simplifying transaction procedures, providing an intuitive interface, and presenting billing information, fees, payment due dates, and installment options more clearly. Cashback promotions may still be implemented, but their design should emphasize relevant benefits, straightforward terms and conditions, and an easy-to-understand redemption process. Meanwhile, users should use PayLater responsibly by considering their financial capacity and understanding the applicable repayment terms.

This study has several limitations, including the use of only two independent variables – ease of use and cashback promotions – and a sample restricted to 100 respondents in Tegal City. Future research could incorporate additional variables, such as perceived usefulness, trust, perceived risk, social influence, service quality, economic conditions, and other promotional factors. Expanding the geographical coverage and increasing the sample size would also help improve the generalizability of the findings.

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