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Analysis of Recommendation for Base Erosion and Profit Shifting Action Plan 12: Mandatory Disclosure Rules in Indonesia

Dyah Santi Palupi
Magister of Accounting,
Faculty of Economics and Business
Universitas Indonesia
Jakarta, Indonesia
dyahsantipalupi@gmail.com

Danny Septriadi
Magister of Accounting,
Faculty of Economics and Business
Universitas Indonesia
Jakarta, Indonesia
dannysept@yahoo.com

***Abstract*—Taxpayers use the services of other parties (promoters) who have great knowledge of domestic and international tax legislation to arrange their tax planning. Tax planning is legal because it does not violate the rules and still remains within the corridor where the rules apply. But tax planning activities can be aggressive or called aggressive tax planning if while still in the corridor of applicable legislation they run at cross-purposes with the intention of legislation. This activity will gradually erode the basis of a country's tax revenue.**

This study aims to determine the suitable form for implementing BEPS Action Plan 12: Mandatory Disclosure Rules in Indonesia's domestic tax regulations, and the design framework based on seven basic elements of that action plan. The research was conducted using a qualitative approach and data collection was conducted through the literature review and in-depth interviews with practitioners, academics and tax authorities in Indonesia. The results of this study indicate a suitable form of implementation is through regulation by the minister of finance, and the design framework based on seven basic elements of the action plan is slightly different from the recommendations.

Keywords—aggressive tax planning, BEPS Action Plan 12, mandatory disclosure rules

I. INTRODUCTION

Trading and investing with other countries by multinational corporations are often part of the company's tax planning. Two factors affecting the development of tax planning are: (1) domestic and international tax regulations that are now considered to be incompatible with the current business world, such that many multinational corporations exploit these loopholes and incompatibilities as tax planning tools; (2) the main purpose of investing in other countries, of course, is to maximize business profits by finding less expensive production resources [1]. Tax planning is legal because it does not violate the rules and it still remains within the corridor where rules apply. Taxpayers use the services of other parties (promoters) who have great knowledge of domestic and international tax legislation to arrange tax planning.

In the 1990s in the United States, the "big four" public accounting firms began to expand their tax shelter businesses, such as PricewaterhouseCoopers with "BOSS," Ernst & Young with "COBRA," KPMG with "BLIPS" and BDO Seiman with "Wolfpack" [2]. PricewaterhouseCoopers, Ernst & Young, KPMG and Delloite as global accountants and tax consultants for multinational corporations have received over US$500 trillion over the last 25 years in tax affairs [3]. According to [4], based on the national balance sheet published by the Federal Reserve in America and the Office for National Statistics, offshore financial wealth amounted about 8% of the total financial wealth worldwide. Furthermore, according to [5] Every company listed on The Financial Times Stock Exchange (FTSE) 100 has a subsidiary or partner located in some tax haven country.

Aggressive tax planning activities through transfer pricing schemes, transactions using tax havens, and tax treaty abuse schemes will gradually erode the basis of a country's tax revenue. Research conducted by the OECD since 2013 indicates that there is an income tax loss of 4% to 10% or about USD 100 billion to USD 250 billion worldwide [6].

In 2015, OECD countries and G20 ones (including Indonesia) agreed to implement fifteen action plans. One is *BEPS Action Plan 12: Mandatory Disclosure Rules* (BEPSAP12) to tackle aggressive tax planning. BEPSAP12 requires mandatory reporting for taxpayers and promoters, disclosing their tax planning schemes. In Indonesia the criteria of taxpayers doing aggressive tax planning itself is still unclear, but the practice of tax planning has been done by many multinational companies located in Indonesia. Implementation of this action plan should be adjusted to the circumstances of each country (best practices) because the conditions and domestic tax legislation of each country is different.

This study wishes to conduct an analysis of the recommendation of BEPSAP12 in accordance with the situation and conditions in Indonesia, given that Indonesia has yet to implement this recommendation [7]. This study is expected to determine a suitable form of implementation of BEPSAP12 into Indonesia's domestic tax regulation, and to design a framework based on seven basic elements of BEPSAP12.

II. LITERATURE REVIEW

A. *Tax Planning*

According to [8], tax planning is an act of structuring related to the consequences of one's potential tax burden that

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emphasizes the tax consequences of each transaction with the aim of streamlining the amount of tax to be transferred to the government by tax avoidance rather than by tax evasion. Furthermore, according to [9], the emphasis of tax planning is generally to minimize tax liability.

Tax planning is divided into domestic and international issues. International tax planning is the art of managing cross border transactions with a knowledge of international tax principles in order to achieve effective taxation in line with the development of business and capital flows, with the main objective of boosting after-tax profits with minimum burden and risk [10].

According to [11] the purpose of international tax planning is divided into three objectives:

1. No or little double taxation;

2. There is no or little single taxation, better known as double non-taxation;

3. Negative taxation, get more tax returned than paid.

B. *Aggressive Tax Planning*

According to [11] aggressive tax planning is a tax haven transaction by utilizing serendipitous legal gaps. For example, the use of insurance companies, the use of investment companies, and other forms of services made possible through entities that are domiciled in a tax haven. According to [12], the definition of aggressive tax planning includes:

• Planning involving a tax position that is tenable but has unintended and unexpected tax revenue consequences.

• Taking a tax position that is favorable to the taxpayer without openly disclosing that there is uncertainty whether significant matters in the tax return accord with legislation.

Furthermore, according to [13] aggressive tax planning consists in taking advantage of the technicalities of a tax system or of mismatches between two or more tax systems for the purpose of reducing tax liability. Aggressive tax planning can take a multitude of forms. Its consequences include double deductions (e.g., the same loss is deducted both in the state of source and the state of residence) and double non-taxation (e.g., income which is not taxed in the source state is exempt in the state of residence, too) frequently allocating significant resources.

According to [14], dividing the three categories of indicators of aggressive tax planning (ATP):

An active ATP indicator is one which can directly promote or prompt an ATP structure. It is the active indicators that are the main source of the tax benefit offered by an ATP structure.

A passive ATP indicator is one which does not by itself promote or prompt any ATP structure, but which is necessary for an ATP structure not to be hindered or blocked.

A lack of anti-abuse rules regarding ATP indicators. In general, anti-abuse rules are rules aimed at counteracting the avoidance of tax. Their scope can be either specific to certain transactions, or broader and generally applicable to several forms of them.

C. *Base Erosion and Profit Shifting Under Action Plan 12: Mandatory Disclosure*

Mandatory disclosure rules (MDR) is a regime that requires the promoter and/or taxpayer (user) to disclose to the tax authorities the use of a tax planning scheme that presents certain features or advantages. This provides early information to the tax authorities on users and aggressive tax planning (ATP) schemes to enable early mitigation [15]. The main objectives of the mandatory disclosure rules (MDR) are:

1. To obtain preliminary information about ATP schemes for risk analysis.

2. To identify the scheme, the users and promoters involved in the scheme in a timely manner.

3. Serves as a deterrent and effective restraining tool

In order to achieve its main objectives, according to [15] mandatory disclosure has seven basic elements that must be taken into consideration in order to become the design framework of making MDR. The seven basic elements of BEPS Action Plan are as follows:

Who has to report?

Recommendations on which obligations to report should be divided into two sources:

1. Option A: the promoter and the taxpayer.

2. Option B: the promoters or the taxpayer.

What has to be reported?

To determine what schemes should be reported to the tax authorities one should consider the following:

1. Threshold requirement

According to MDR, a transaction must be reported if it meets a particular description or set of hallmarks. Some countries that have implemented one use a certain pre-condition or threshold for a transaction which, if meeting these criteria, must be reported. A threshold serves to filter out irrelevant information, lower administrative costs, and compliance costs because it only focuses on high-risk transactions.

2. Hallmarks are generally divided in two subgroups:

a. Generic hallmarks

There are two generic hallmarks that are often targeted in the promoted scheme: (1) confidentiality, (2) premium fee. In addition, there are other hallmarks are targeted such as contractual protection and standardized tax products.

b. Specific hallmarks

This scheme reflects the recent attention of tax authorities and usually high-risk targeted areas. These disclosure obligations are triggered by certain aggressive transaction. Here are examples of specific hallmarks used by some countries that have MDR, such as: loss schemes, leasing schemes, employment-related schemes, schemes relating to stated use with lower tax rates, schemes using hybrid instruments, and transactions of interest.

When is information to be reported?

There are two reporting time options:

1. Time reporting options for promoters:

• Option A: the scheme is available for the user.

This option is the earliest occurrence, at this point the scheme is sufficiently flawless, marketable and important information about how the scheme works is available. The reporting period should be short so that the tax authorities can act quickly to tackle this scheme.

• Option B: the scheme has been implemented.

This option is slower than sub option A because there may already be tax lost due to the implementation of the scheme that only slightly affects the taxpayers' behavior which means the tax loss becomes greater.

2. Reporting time option for taxpayers:

When reporting obligations are incumbent upon the taxpayer, it is advisable to report them since the scheme is implemented rather than when the scheme is available.

What other obligations (if any) should be placed on promoters?

There are two options for identifying scheme users:

1. Option A: by assigning a reference number to the scheme and providing the client list:

This combination can ensure that the reporting of the scheme is complete and identify the taxpayer's appetite for a particular transaction so that the tax authority may conduct a risk assessment of this taxpayer. Use of this option requires considerable resources and costs.

2. Option B: provide a client list only:

This option only requires that the promoter to provide client lists to the tax authorities within a specified deadline, usually before the annual report is produced. A client list is usually received before the annual tax report so that it can provide information on tax avoidance schemes earlier than the reference number.

What are the consequences of non-compliance?

There are recommendations of sanctions (penalties) as follows:

1. Monetary penalties in the application of financial sanctions. Some situations for non-compliance that may arise are as follows:

• Sanctions for those not reporting the scheme;

• Sanctions for those who do not provide and report client lists;

• Sanctions for those that do not provide scheme reference numbers;

• Sanctions for those not reporting scheme reference numbers.

Furthermore, there is a division of the sanctions structure as follows:

• Daily sanctions

• Sanctions are in proportion to the amount of tax saving or promoter's fee.

Non-monetary penalties is the application of non-financial sanctions:

BEPSAP12 recommends that each country explicitly mention the consequences of scheme or transaction reporting, such as non-acceptance of a scheme or recognition of tax benefits. In order to improve compliance, it is advisable to introduce financial sanctions in domestic legislation if it is not complied with. Each country has the freedom to use other sanctions, including non-financial ones, in accordance with its domestic legal provisions.

What are the consequences of disclosure?

If MDR are complied with the following consequences ensue:

1. Legitimate expectation:

Some countries that have implemented MDR say they face a "legitimate expectation," which means that taxpayers or users assume that if a scheme has been reported and there is no response from the tax authority, then the scheme is legal and can be used. This exposure can affect the tax authority's action against the scheme and must respond to all disclosures. Therefore, when introducing MDR, it is recommended that the tax authorities clearly state that disclosure does not have anything to do with the approval of the tax authorities on a given transaction or scheme or tax benefit.

2. The issue of "self-incrimination":

The taxpayer must provide information less than the information requested during the tax audit. Reporting schemes or tax avoidance transactions in the MDR should not be overweight compared to other tax reporting. Furthermore, the type of disclosure reported is not a criminal transaction and criminal transactions should be excluded from MDR.

How may the information collected be used?

There are several ways for the tax authorities to use the collected information in the following ways:

1. Changes in legislation:

The rate of change in legislation depends on the conditions of each legislature of each country in analyzing and assessing the risks of the new scheme.

2. Risk assessment and tax audit:

Within the tax authorities there is usually a special team that handles this reporting. This team determines what form of action needs to be taken, whether in the form of changes to legislation, or taxpayer checks or other forms.

3. Communication strategy:

The tax authority may issue a publication to the taxpayer as a sign of having detected early certain tax avoidance schemes and is considering its effect on taxation. This publication explains that the tax authorities show concern for the scheme so that taxpayers are vigilant and reconsider the risk of using it.

III. Research Methodology

A. Research Method

This study's research was conducted using a qualitative approach with primary and secondary data. According to [16], qualitative research is a method used to explore and understand the meaning that is regarded as a phenomenon, situation, activity or social interaction. A qualitative research approach is selected in order to understand and interpret the problem of the implementation of BEPSAP12 in Indonesia's domestic tax regulation and the design framework using relevant data from BEPSAP12 so that it can ultimately assist in solving the problem. The type of research is a case study, whose design is based on selected research topics, which are the recommendations of BEPSAP12 and what would happen if the recommendations are implemented in accordance with the conditions in Indonesia. Recommendation of BEPSAP12 is a work program created and agreed upon by the OECD and G20. In this study, the data used are qualitative. Data collection was undertaken by means of:

1. Literature review

Collecting data by reading and studying a number of books, journals, articles, publications and tax regulations related to the research topic. Furthermore, the interpretation of the data obtained will be analyzed.

2. Field study (in-depth interviews)

The field study data was collected through interviews with informed people involved with the adoption of BEPSAP12 in Indonesia. Based on these criteria, the people selected were the Director General of Tax, academics, and practitioners in the field of international taxation.

B. Data Analysis

In this research, the analysis proceeded to answer the research problem by showing some relevant data related to the research topic. In the end, conclusions will be drawn that can answer the problems raised in this study. According to [17], the process of data analysis is as follows:

1. Data reduction—the process involves making interview transcripts, reducing texts and grouping them based on the research problem.

2. Display data—the process is to display data in a structured manner according to its grouping, data interpretation and describing the findings based on the data.

3. Drawing conclusions—the process of drawing conclusions is based on a comparison of the findings and the literature review.

IV. Research Findings and Discussion

A. The form of implementation of BEPSAP12 in Indonesia's domestic tax regulation

Indonesia wants to adopt BEPSAP12, then incorporate it into Indonesia's tax regulations in order to create legal certainty for taxpayers and promoters. According to the situation pertaining to Indonesia's tax legislation, the implementation will be different from the best practice countries such as the U.K. with its finance bills, which incorporate MDR into legislation, while Indonesian tax legislation provisions are few and of a more general nature, suggesting that there will be more legislation under BEPSAP12.

Broadly based on the interview there are two opinions in the adoption of BEPSAP12. The first opinion proposed the addition of the article pertaining to the general provisions and procedures of taxation law (UU KUP) to regulate this mandatory disclosure and then delegated it to the minister of finance regulation (PMK). The advantages of including this rule in the general provisions and procedures of taxation law are seen in that government employees can freely determine who is governed, what is stipulated, and the sanctions imposed for disobedience. The disadvantage of this proposal is that the parliamentary conditions in Indonesia evince that the addition of the article or the revision of the legislation requires a long process and completion time because parliament has a priority scale based on the urgencies and benefits for the Indonesian nation. Currently, the general provisions and procedures of taxation legislation is in the amendment process, and the draft is under discussion in the people's representative council of Indonesia (DPR RI) pending approval. Based on the people's representatives' website, the KUP bill was proposed on February 2, 2015, then scheduled to be part of the national legalization program (PROLEGNAS) in 2016, and it currently remains a PROLEGNAS priority for 2017 (DPR RI, n.d.). The first option can be understood as follow (Fig. 1).

B. Seven Basic Elements in the Design Framework for Implementation BEPSAP12 in Indonesia

In achieving the main objective of the MDR, the tax authorities can perform risk analysis, make changes to the legislation, and provide a deterrent effect to both the promoter and taxpayer. There are seven basic elements in the design framework of the MDR. The following discussion of the seven basic elements in the MDR will be adapted to the conditions and situation in Indonesia.

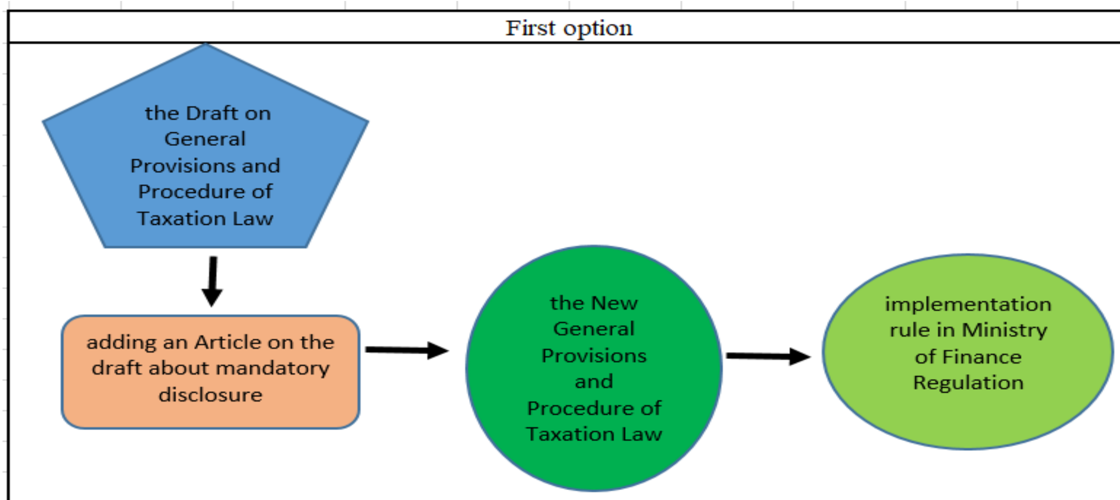

Fig 1. First option the form of implementation

Who has to report?

The reporting obligation falls on the taxpayer and the promoter because there is a matching and cross-check mechanism for the information already disclosed by both parties whether it is appropriate, complete and correct but emphasizes that the obligation of a party should be followed also by adjustment of the existing tax regulation in Indonesia. For taxpayer, an obligation to file an annual tax return already exists. That obligation is in accordance with the general provisions and procedure of tax legislation, Article 3, paragraph 6, which is delegated to the regulators of the minister of finance. While the obligations of the promoter may be related to the obligations of government agencies, institutions and associations and other parties to provide data and information relating to taxation in accordance with Article 35A of the the general provisions and procedure of taxation legislation, which has been delegated by government regulation N°31 (2012) on granting and collection of data and information related to taxes. In addition, the legal basis needs other things to be consider, using the proper definition of the Promoter.

What has to be reported?

In identifying schemes that enter into schemes or transactions that are reported, BEPSAP12 recommendations use threshold and hallmarks of generic and specific hallmarks. One threshold that may be used is the amount of gross taxable income, while the hallmarks used are schemes with hybrid financial instruments and tax haven use. The use of a threshold is important in order to reduce the administrative burden of the DGT to only apply to taxpayers who meet certain limits. Currently, Indonesia has no rules on hybrid financial instruments, so this scheme is a lack of anti-abuse ATP and-tax-haven-use scheme is an aggressive tax planning strategy with active ATP indicators as it facilitates aggressive tax planning [14]. Determination of a hallmarks is done by identifying the main causes of periodic erosion of the tax base in Indonesia, such that hallmarks need to be modified within a certain timeframe to avoid the development of schemes outside the hallmarks that have been previously set. The formulation of threshold and hallmarks should not always follow the recommendations of BEPSAP12, but should rather be adjusted to the conditions and situations found in Indonesia.

When information is reported?

In BEPSAP12's recommendations there are two options for when information should be reported, i.e., from the availability of the scheme making it to the user, starting from the implementation of the scheme [15]. Congruent with simplicity and lower compliance costs, the proper reporting time for the taxpayer is when he submits his annual tax return, including an attachment containing information on the scheme or transaction that has been applied in the relevant fiscal year. Comparing the reporting time for promoters in the U.K.—five days from the time the scheme is available—a scheme that this is impossible in Indonesia because there are obstacles embedded in the rules that need to be re-arranged. Meanwhile, promoters are required to do regular monthly reporting that can be extended to once every three months in order to obtain initial information about aggressive schemes the should undergo some risk analysis, but this idea is still in study from DGT. It needs to be applied to differences in reporting time for the taxpayer and the promoter. In order to implement the reporting obligations by the promoter, it is necessary to reform tax legislation in Indonesia.

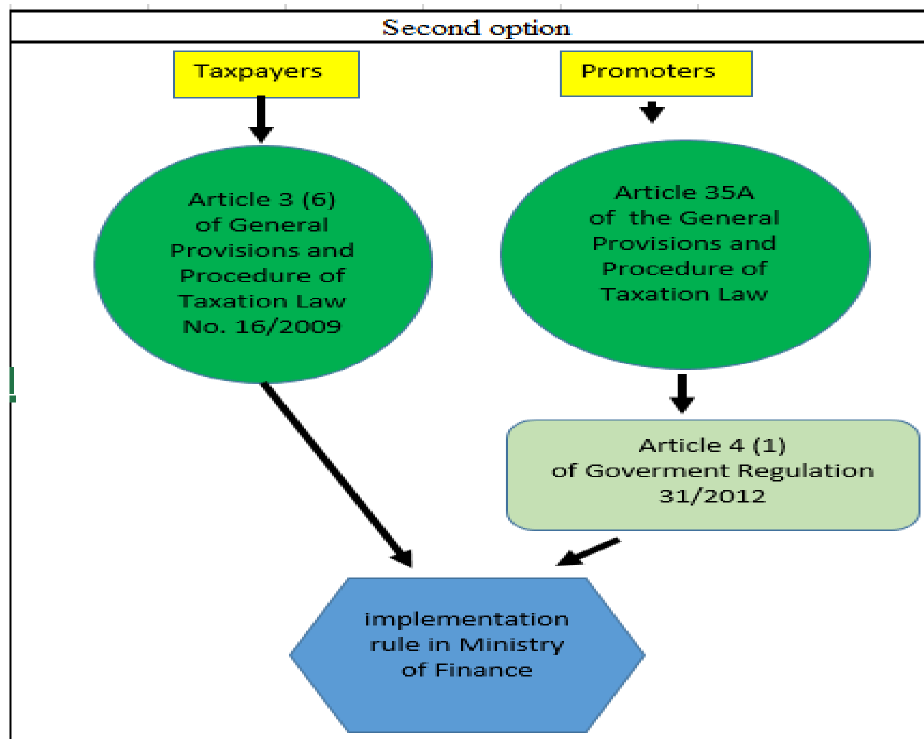

Fig 2. Second option in the form of implementation

What other obligations (if any) should be placed on promoters?

The obligation of such schemes with a reference number and where a client list has been applied by America, U.K., and Ireland. Other obligations that should be placed upon the promoter is a reference number for the scheme and client list with the aim of facilitating the process of identification and administration for the DGT. The mechanism of assigning reference number that can be as follow:

1. The promoter reports the scheme regularly to the DGT;

2. Given the scheme reported by the promoter, the DGT issues a scheme reference number;

3. The promoter assigns a scheme number to the client;

4. The client is required to enclose the reference number of the scheme used at the time of its annual tax return reportingwhile the benefits of providing a client list to the DGT is to analyze a scheme's segmentation.

What are the consequences of non-compliance?

Rules can be effective if taxpayers and promoters can comply with existing rules. Compliance can be achieved by sanctions. Indeed, in the BEPSAP12 recommendations there are two sanctioning options: (1) monetary and (2) non-monetary sanctions. In Indonesia, there is no social sanction because the rules cannot force the community to be hostile to one party. If the implementation of BEPSAP12 falls under the ministry of finance regulation, it will not trigger its own sanction that is different from sanctions that have been regulated in the general provisions and procedures of taxation law. Sanctions that can be granted for non-compliance are administrative sanctions in the form of money. If the adoption of BEPSAP12 falls under the ministry of finance regulation, then the sanction that can be applied is one regulated under the aforementioned legislation. The information should be reported at the time of submission of the annual tax return, so that sanctions that may be applied to the taxpayer are regulated by the the general provisions and procedures of taxation legislation, i.e., administrative sanctions in the form of a fine of Rp1,000,000 for corporate taxpayers and Rp 100,000 for individual ones. Note that the provision of sanctions for non-compliant promoters is still not set in the general provisions and procedures of tax legislation.

What are the consequences of disclosure?

BEPSAP12 recommends that there be two consequences arising from the disclosure obligations:

1. Legitimate expectations

The taxpayer assumes that if a scheme has been reported and there is no response from the tax authority then the scheme is legal and can be used. Addressing this issue, DGT needs to include a clause or a clear statement in the regulation, in which BEPSAP12 is adopted, that "the reported scheme has nothing to do with the approval of the DGT.". If taxpayers want to greater certainty from a scheme, they can take the ruling mechanism and advance a pricing agreement (APA) in the cases of transfer pricing.

2. The issue of "self-incrimination."

Reporting schemes or tax avoidance transactions in the MDR should not be overweight compared to other tax reporting. Addressing the "self-incrimination" issue the DGT needs to do the following:

a. socializing the mandatory disclosure regulations for taxpayers and promoters,

b. creating transitions and trials in the application of this rule,

c. applying this rule gradually in accordance with the type of taxpayer,

d. creating simple and easy reporting forms for taxpayers and promoters, and

e. providing an explanation that the information revealed through this rule is not (when compared to the documentation of transfer pricing).

TABLE I. DESIGN FRAMEWORK IN INDONESIA BASED ON BASIC ELEMENTS OF BEPSAP12

No	Basic Elements	Recommendation of BEPSAP12	Design Framework in Indonesia
1.	Who has to report?	Taxpayers and promoters Promoters	Taxpayers and promoters
2.	What has to be reported?	Using threshold and hallmarks to identify the reportable schemes	Threshold : Gross revenue of taxpayer Hallmarks: schemes related to hybrid financial instruments and schemes with the use of tax-haven countries (noting that such hallmarks need periodic modifications)
3.	When information is reported?	Since the availabilty of the scheme for user MISSING	The taxpayer: when filing an annual tax return promoter: regular quarterly reporting
4.	What other obligations (if any) should be placed on promoters?	Give reference number scheme and provide client list Provide client list only	Give reference number scheme and provide client list
5.	What are the consequences of non-compliance?	Monetary penalties Non-monetary penalties	Monetary penalties according to in the general provision and procedures of tax legislation
6.	What are the consequences of disclosure?	a. Legitimate expectation b. Self-incrimination	Legitimate expectation: there is a clause that “the reported scheme has nothing to do with the approval of the DGT”. Self-incrimination: socialization, transitional granting, gradual enforcement and simple form of reporting
7.	How to use the information collected	a. Changes in legislation b. Risk assessment and tax audit c. Communication strategy	DGT: center of tax analysis information as a risk analyzer

How to use the information collected

Countries that already have MDR have established specialized teams to handle and analyze data derived from disclosure of ATP, such as the U.K., with its disclosure of tax avoidance shares unit, and the United States with its office of tax shelter analysis. In managing information from MDR, data analysis can be managed by the tax analysis center team (CTA) established by decree of the minister of finance N°KMK-609/KMK.03 (2015) on the establishment of tax analysis center team, the team is under DGT. The results of the analysis can be used to cover the loopholes of regulations that have been utilized by taxpayers and promoters. In Indonesia the arrangements in taxation are often delegated into the rules under legislation so that it will be easier to change them because they are at the level of government regulation, ministry of finance regulation, or director general of tax regulation. Thus, the amendment does not require parliamentary approval. Furthermore, the risk mapping of the taxpayer that is used in the tax audit process, must first be analyzed and the truth of the information obtained, the second step is done through risk analysis of all aspects that harm the DGT, the third step is risk mapping that is included in each taxpayer profile, and the last step is conducting tax audits gradually for taxpayers according to their level of risk. A summary of the results of the basic elements of BEPSAP12 can be seen in Table 1.

V. CONCLUSION

A. *Conclusions*

From the foregoing analysis, the following conclusions may be drawn:

The form of implementation lies in the ministry of finance regulation (PMK). There are two option delegations into the first option by proposing a new article through the general provisions and draft of tax legislation (RUU KUP) and the second option by utilizing the existing rules in the current general provisions and tax legislation (UU KUP).

Seven basic elements of BEPSAP12 are noted as a design framework for the implementation of MDR that are slightly different—according to the circumstances of Indonesia.

B. *Recommendations*

Based on the analysis in this study, advice given is described as follows:

1. For the director general of taxes

Take care not to hurry the implementation of MDR because of the sensitivity regarding the relationship between the DGT and taxpayers or promoters (avoid creating a climate of recrimination).

Define ATP in the Indonesian context as it will be different from the existing best practices; it thus requires careful consideration and caution to be on target.

Provide legal certainty by incorporating the general provisions and draft tax legislation (RUU KUP) which is still under discussion in the national legalization program (PROLEGNAS) 2017, especially with regard to the definition of ATP, the definition of a promoter, the main and additional obligations for promoters, e.g., providing client lists and setting sanctions for them. This step is necessary to avoid requests for material testing of these MDR in constitutional court.

The hallmarks requirement is based on the main causes of the tax base erosion in Indonesia. Such hallmarks need to be modified periodically to avoid the development of schemes outside them.

2. For the further research

Suggestions for furthering similar research and perfecting the current study may be done by involving key respondents from legal firms, banks and others who involved in the scheme arrangement that must be reported. Furthermore, future studies can relate the MDR with the creation of general anti-avoidance rules in Indonesia.

C. Research limitations

The author tried to implement the concept of BEPSAP12 that are not yet implemented in Indonesia. In this study, the author realizes that there are still limitations stemming from data gathering shortcomings and analysis of the scheme's implementation in Indonesia.

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The preferred spelling of the word "acknowledgment" in America is without an "e" after the "g". Avoid the stilted expression "one of us (R. B. G.) thanks ...". Instead, try "R. B. G. thanks...". Put sponsor acknowledgments in the unnumbered footnote on the first page.

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