Transfer Pricing Case Analysis

PT Toyota Motor Manufacturing Indonesia

Rahmat

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Abstract- Transfer pricing is a pricing policy for the sale of goods/services in the internal company. Transfer pricing is widely used for tax planning purposes for divisional performance measurement. PT Toyota Motor Manufacturing Indonesia also conducts transfer pricing for planning purposes.

The Directorate General of Taxes (DGT) considers that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance. The mode used by PT Toyota Motor Manufacturing Indonesia is to sell at a transfer price outside the principle of fairness and business practice to its affiliated companies in Singapore. To prove that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance, the DGT uses the Comparable Uncontrolled Price (CUP) Method of Price Comparison between Parties.

The obstacle in using this method is to find appropriate comparison data. PT Toyota Motor Manufacturing Indonesia rejected the method used by the DGT to determine a reasonable transfer price because the companies being compared with tax officials, namely Hindustan Motors (India), Yulon Motor (Taiwan), and Force Motor Limited (India), were in a loss-making status. PT Toyota Motor Manufacturing Indonesia in 2008 was still profitable, so it cannot be compared with these companies. The issuance of the Minister of Finance Regulation Number 7/PMK.03/2015 concerning Procedures for Formation and Implementation of an Advanced Pricing Agreement (APA) should be appreciated. By doing APA with Taxpayers, DGT will have a more substantial basis in determining a reasonable transfer price. APA can also improve DGT's taxation database.

Index Terms- transfer pricing, PT Toyota Motor Manufacturing Indonesia, Advance Pricing Agreement.

I. Introduction

In the current era of globalization, globalization also occurs in the economic and business fields. Companies do not only carry out their business activities in only one country. Many companies carry out cross-border activities, both through their branches and subsidiaries.

One of the largest multinational companies in the world is Toyota. Toyota is an automotive company headquartered in Japan. Toyota has many branches, subsidiaries, and affiliated companies in various countries around the world. One of Toyota's subsidiaries is PT Toyota Motor Manufacturing Indonesia which is domiciled in Indonesia.

The management of multinational companies is undoubtedly different from the management that is only based in one country. The financial management of multinational companies uses a more complex scheme in order to maximize their profits. One of the financial management schemes used by multinational companies is transfer pricing, especially for tax planning.

Transfer pricing is a mechanism commonly used by multinational companies for their tax planning. Transfer pricing for tax planning purposes is not entirely illegal, as long as it meets the government's requirements. Ideally, transfer pricing of a multinational company can reduce the company's tax burden from a consolidation point of view, while on the other hand, still meet the requirements set by the government.

However, what happened in the case of PT Toyota Motor Manufacturing Indonesia was not the case. Based on the results of the examination by the Directorate General of Taxes (DGT) on the Annual Income Tax Return (SPT Tahunan PPh) of PT Toyota Motor Manufacturing Indonesia for Fiscal Year 2005 to the Fiscal Year 2008, PT Toyota Motor Manufacturing Indonesia is deemed to have carried out illegal transfer pricing to reduce the tax imposed. Must be paid in Indonesia. Based on the DGT's examination results, PT Toyota Motor Manufacturing Indonesia has made legal efforts up to the level of appeal to the Tax Court. However, until now, the appeal decision, in this case, has not been published.

The tax case related to the transfer pricing practice of PT Toyota Motor Manufacturing Indonesia is interesting to discuss. The DGT, as the Indonesian tax authority, can take a valuable lesson from the transfer pricing case of PT Toyota Motor Manufacturing Indonesia. In this paper, the author will analyze the transfer pricing case of PT Toyota Motor Manufacturing Indonesia, the obstacles faced by the DGT in this case, and alternative solutions for the DGT to deal with transfer pricing cases in the future.

II. Question

The questions in writing this paper are as follows:

1. How is the tax case related to transfer pricing at PT Toyota Motor Manufacturing Indonesia?

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2. What are the obstacles faced by DGT in the transfer pricing case of PT Toyota Motor Manufacturing Indonesia?
3. What are the alternative solutions for DGT to deal with transfer pricing cases in the future?

III. THEORY BASIS

Definition of Transfer Pricing

According to Hansen and Mowen (2007, 440), "a transfer price is the price charged for a component by the selling division to the buying division of the same company. " Meanwhile, according to Garrison, Noreen, and Brewer (2010, 558), "a transfer price is the price charged when one segment of a company provides goods or services to another segment of the same company." In line with the two definitions above, Bhimani, Horngren, Datar, and Foster (2008, 619) define transfer price as "the price one subunit (segment, department, division, and so on) of an organization charges for a product or service supplied to another subunit of the same organization." So, in the context of a single company, transfer pricing is a pricing policy for the sale of goods/services that occur within a single company.

This definition is not much different from the definition given by Hansen and Mowen, Bhimani, Horngren, Datar, and Foster, and Garrison, Noreen, and Brewer above. In essence, transfer pricing is a pricing policy for the sale of goods/services that occur within one company or a group of companies. Transfer pricing has two main objectives: measuring the division's performance and determining the optimal tax burden.

In general, there are three approaches to determining the transfer price policy used, namely market price, cost-based transfer price, and negotiated transfer price. However, Atkinson, Kaplan, Matsumura, and Young (2012, 485) added one approach to determining transfer prices, namely administered transfer prices.

1. Market-Based Transfer Price

If the goods/services to be transferred have a competitive external market, the price used as the transfer price is the market price. This market price approach is the best approach used for determining transfer prices. However, this market price approach is challenging to apply because there is rarely a competitive external market for all goods/services.

2. Cost-Based Transfer Price

Since there is rarely a competitive external market for all types of goods/services, companies can use a cost approach to determine transfer prices. Transfer price is determined based on the cost to produce goods/services. Companies can use costs based on variable costing or full (absorption) costing. However, determining the transfer price based on costs has three weaknesses, namely:

a. the use of costs, especially total costs, can lead to wrong decision making
b. if the cost is used as a transfer price, then the selling division will never get a profit (profit) from internal transfers, so measuring the performance of the selling division is difficult to do
c. the cost approach to transfer determination provides no incentive to control costs.

3. Negotiated Transfer Price

The third approach that can be used to determine the transfer price is the negotiation between the selling division manager and the buyer division manager. The selling division and the buyer division will agree to internal sales of goods/services if both divisions earn a profit from the internal sales. Therefore, the agreed transfer price is within the range of acceptable transfer prices, which is the price that causes the selling division and the buying division to both gain profit from internal sales. According to Atkinson, Kaplan, Matsumura, and Young (2012, 485), the negotiated transfer price approach has a weakness: it "can lead to decisions that do not provide the greatest economic benefits."

4. Administered Transfer Price

Under this approach, the transfer price is determined by a policymaker (the arbitrator), which is generally top management. Administered transfer prices are usually used when there are transactions that are frequent in the organization. This approach is easy to apply and can avoid conflicts between the seller and buyer divisions in determining the transfer price. However, the administered transfer price approach generally sacrifices the performance measurement spirit of the transfer pricing concept because transfer prices are determined based on considerations of the company's financial planning, not economic considerations and accountability.

Aspects of Transfer Pricing Tax

Hansen and Mowen (2007, 834) stated that "if all countries had the same tax structure, then transfer prices would be set independently of taxes." because countries in the world have different tax structures and regulations, transfer pricing policies are also influenced by taxation aspects. Transfer pricing is used mainly by multinational companies for tax planning purposes rather than for performance measurement purposes. The use of transfer pricing for tax planning purposes is legal. According to Madura (2014, 468), "multinational corporations are subject to certain guidelines on transfer pricing, but they usually have some flexibility and tend to use a transfer pricing policy that will minimize taxes while satisfying the guidelines." In general, the tax planning scheme used by multinational companies with transfer pricing is to transfer profits from countries with high tax rates to countries with lower tax rates.

The Most Important Tax Issues for Parent Companies Perusahaan

Source: Ernst & Young (2011, 7)

In Indonesia, according to the Regulation of the Director-General of Taxes Number PER-43/PJ/2010 as amended by the Regulation of the Director-General of Taxes Number PER-32/PJ/2011 concerning the Application of the Principles of Fairness and Business Ordinance in Transactions between Taxpayers and Related Parties, Taxpayers in conducting transactions with parties that have unique relationships are required to apply the principles of fairness and business practice. The arm's length principle (ALP) is a principle that stipulates that if the conditions in a transaction between parties having a special

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relationship are the same as or comparable to the conditions in a transaction between parties who do not have a special relationship as a comparison, then the price or profit in transactions between related parties must be the same as or within the range of prices or profits in transactions between non-related parties that are being compared. So, according to Indonesian tax regulations, transfer pricing is allowed, provided that the transfer price determination is carried out using the principles of fairness and business practice. If transfer pricing is carried out outside the principle of fairness and business practice, then following Article 18 paragraph (3) of Law Number 7 of 1983 as last amended by Law Number 36 of 2008 concerning Income Tax, the Director-General of Taxes is authorized to re-determine the amount of income and deductions as well as determining debt as capital to calculate the amount of Taxable Income for Taxpayers who have a special relationship with other Taxpayers following the fairness and normality of business that is not influenced by unique relationships by using the price comparison method between independent parties, the price method resale, cost-plus method, or another method.

In the Regulation of the Director-General of Taxes Number, PER-43/PJ/2010 as amended by the Regulation of the Director-General of Taxes Number PER-32/PJ/2011, the method used to determine the transfer price following the principles of fairness and business practice is the Price Comparison Method between Parties who do not have a Related Party (Comparable Uncontrolled Price/CUP), Resale Price Method (RPM), Cost-Plus Method (Cost Plus Method), Profit Split Method (PSM), or Profit Method Transactional Net (Transactional Net Margin Method/TNMM).

Framework

Framework for writing this paper. The author will analyze the transfer pricing case of PT Toyota Motor Manufacturing Indonesia. From the results of the transfer pricing case analysis of PT Toyota Motor Manufacturing Indonesia, we will know the obstacles faced by the DGT in this case. Furthermore, the author will try to provide alternative problem-solving for DGT to deal with transfer pricing cases in the future.

IV. RESEARCH METHOD

C.1 Type of Research This research is qualitative research. C.2 Data Collection Techniques The data collection technique used in this research is a literature study. The author analyzes books, scientific journals, and mass media reports related to the transfer pricing case of PT Toyota Motor Manufacturing Indonesia. In addition to conducting a literature study, the author also uses unstructured interviews as a data collection technique. The parties interviewed by the author are tax officers who have handled transfer pricing cases. C.3 Data Analysis Techniques To answer the research problem, the author uses qualitative data analysis techniques to produce descriptive-analytical data. This analysis was chosen because it is very flexible and facilitates the search for ideas and clues regarding the problem situation.

V. DISCUSSION

F.1 Case Analysis of Transfer Pricing of PT Toyota Motor Manufacturing Indonesia

The case of PT Toyota Motor Manufacturing Indonesia can be traced back to 2003. In 2003, Toyota Indonesia carried out a fundamental restructuring of its business. Previously, c carried out all of their production and distribution business lines under one banner, namely PT Toyota Astra Motor. The PT Toyota Astra Motor shareholders consist of two parties, namely PT Astra International, Tbk (by 51%), and Toyota Motor Corporation of Japan (by 49%). In mid-2003, PT Astra International, Tbk sold most of its shares in PT Toyota Astra Motor to Toyota Motor Corporation Japan. PT Astra International, Tbk sold its shares in PT Toyota Astra Motor because they had outstanding debts that C could no longer defer. After the sale of the shares, Toyota Motor Corporation Japan became the majority shareholder of PT Toyota Astra Motor with a 95% shareholding. As a result of the change in ownership, the company's name changed from PT Toyota Astra Motor to PT Toyota Motor Manufacturing Indonesia (TMMIN). PT Toyota Motor Manufacturing Indonesia carries out the production function of Toyota Indonesia.

Meanwhile, Astra and Toyota Motor Corporation Japan then established a sole agent company (ATPM) to carry out the distribution function in the domestic market. This company is the sole agent for this brand using the old name PT Toyota Astra Motor (TAM). Astra is the majority shareholder in this company by controlling 51% of the shares, while the remaining 46% belongs to Toyota Motor Corporation Japan.

The PT Toyota Motor Manufacturing Indonesia case began to smell because the Taxpayer applied for tax refunds (restitution) for the 2005, 2007, and 2008 Fiscal Years. On the request for restitution, the DGT conducted a tax audit on PT Toyota Motor Manufacturing Indonesia. From the tax audit of Toyota's tax return for the 2005 Fiscal Year, the tax officer found some irregularities. In 2004, for example, Toyota's gross profit fell by more than 30%, from Rp 1.5 trillion (2003) to Rp 950 billion. In addition, the gross margin ratio (the ratio between gross profit and level of sales) also decreased, from 14.59% in 2003 to only 6.58% in 2004.

Before the restructuring, PT Toyota Astra Motor's gross margin increased 11% to 14% per year. However, after restructuring, PT Toyota Motor Manufacturing Indonesia's gross margin is only around 1.8% to 3% per year. Meanwhile, at PT Toyota Astra Motor (a sole agent company holding the established brand after restructuring), the gross margin reached 3.8% to 5%. If the gross margin of PT Toyota Astra Motor is combined with PT Toyota Motor Manufacturing Indonesia, the percentage is still 7%. IT means that the profit margin before tax after the restructuring is 7% lower than the gross profit margin before restructuring, which reached 14%.

Based on the tax audit results of Toyota's SPT, the tax officer concluded that the cause of the decline in gross margin was transfer pricing with prices outside the standard principles of business and royalty payments deemed unreasonable. In this discussion, the author will only discuss the transfer pricing of PT Toyota Motor Manufacturing Indonesia.

For export sales, Toyota has a policy that PT Toyota Motor Manufacturing Indonesia must make sales to Toyota Motor Asia Pacific Pte., Ltd, Toyota's business unit domiciled in Singapore.

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Toyota Motor Asia Pacific Pte., Ltd is the one who will later distribute the sales of PT Toyota Motor Manufacturing Indonesia to other countries such as the Philippines and Thailand. Such buying and selling schemes through intermediary countries are expected in international trade, especially since the seller and the buyer are part of the same multinational group of companies. However, this will be a problem in taxation if the transfer price used is not based on the principles of fairness and business practice and is used for tax avoidance.

Toyota's policy of choosing Singapore as an intermediary country for its export sales is interesting to note. Singapore is a country that has the lowest corporate Income Tax rate in Southeast Asia, which is 15% to 17%. Singapore's corporate income tax rate is far below Indonesia's, where for the tax year before 2009 (the tax year for the transfer pricing case of PT Toyota Motor Manufacturing Indonesia), the Indonesian corporate taxpayer income tax rate is progressive at 10%, 15%, and 30 %. THI, of course, provides incentives for multinational companies, such as Toyota, to move their income from Indonesia to Singapore to ease their overall tax burden.

The tax officer considers PT Toyota Motor Manufacturing Indonesia to carry out transfer pricing outside the principles of fairness and business practice to reduce its tax payments in Indonesia. The DGT's findings from the tax audit of PT Toyota Motor Manufacturing Indonesia's 2007 tax return show that throughout 2007, PT Toyota Motor Manufacturing Indonesia was recorded to have exported 17,181 Fortuner units to Singapore. From an examination of Toyota's financial statements, the tax officer found that Fortuner's cost of goods sold (COGS) was Rp. 161 million per unit. Surprisingly, Toyota's internal documents show that all Fortuners were selling for 3.49% less than that value. Thus, Toyota Indonesia bears the loss from selling these cars to Singapore.

The tax officer also received the same inspection findings on the Innova diesel and gasoline Innova sale. PT Toyota Motor Manufacturing Indonesia sells the Innova diesel and Innova gasoline to Toyota Motor Asia Pacific Pte., Ltd for 1.73% and 5.14% cheaper than the production cost per unit. Meanwhile, for Rush and Terios exports, PT Toyota Motor Manufacturing Indonesia only made a slight profit, which was only 1.15% and 2.69% of the production cost per unit.

The tax officer's findings on export sales of PT Toyota Motor Manufacturing Indonesia become even more interesting when compared with domestic sales. Toyota Indonesia sells similar products to local buyers in Indonesia at different prices. When sold domestically, S sold these cars with a gross margin of 3.43% to 7.67%.

However, the tax audit findings are not sufficient to conclude that PT Toyota Motor Manufacturing Indonesia has avoided tax through transfer pricing. The price discrimination policy between export and domestic sales is a natural thing if the price determination is based on fairness and business practice. In addition, it is possible that the production process carried out by PT Toyota Motor Manufacturing Indonesia for the products found by the tax office is not efficient, so that PT Toyota Motor Manufacturing Indonesia is forced to export sales at a selling price below the cost of production. To prove the occurrence of tax evasion through transfer pricing, the tax officer must check the fair value of all transactions from PT Toyota Motor Manufacturing Indonesia to Toyota Motor Asia Pacific Pte., Ltd in Singapore.

The method used by the DGT to assess the fairness of the transfer price from the transaction of PT Toyota Motor Manufacturing Indonesia to Toyota Motor Asia Pacific Pte., Ltd in Singapore is by comparing the price with transactions of similar companies abroad. This method is called the Comparable Uncontrolled Price (CUP) method. This method refers to the Transfer Pricing Guideline compiled by the Organization for Economic Cooperation and Development (OECD). The tax officer then uses five automotive companies that are considered to have similar characteristics as a comparison for Toyota. The five companies are Hindustan Motors (India), Yulon Motor (Taiwan), Force Motor Limited (India), Shenyang Jinbei, and Dongan Heibao (China). From the review of the affiliated transactions of the five companies, the tax examiner determined that the arm's length range for automotive companies that export is from 3.22% to 13.58%. Because the gross margin range from PT Toyota Motor Manufacturing Indonesia's transactions to Toyota Motor Asia Pacific Pte., Ltd in Singapore is below this range, the DGT concludes that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing to avoid tax.

F.2 Constraints Faced by DGT in the Transfer Pricing Case of PT Toyota Motor Manufacturing Indonesia

To prove that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance, the DGT uses the Comparable Uncontrolled Price (CUP) Method of Price Comparison between Parties. The obstacle in using this method is to find appropriate comparison data. Based on the author's interview with other tax officials, the availability of this comparative data is the main problem in the transfer pricing case faced by the DGT. In the transfer pricing case of PT Toyota Motor Manufacturing Indonesia, the tax officials used Hindustan Motors (India), Yulon Motor (Taiwan), Force Motor Limited (India), Shenyang Jinbei, and Dongan Heibao (China). DGT considers that the five companies have similar characteristics to Toyota, so that they are worthy of comparison.

However, the DGT's conclusion that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance was denied by PT Toyota Motor Manufacturing Indonesia. In the trial at the Tax Court, PT Toyota Motor Manufacturing Indonesia argued that the companies used as comparisons by the tax officials, namely Hindustan Motors (India), Yulon Motor (Taiwan), and Force Motor Limited (India), had a loss status. Meanwhile, PT Toyota Motor Manufacturing Indonesia in 2008 was still profitable. Thus, PT Toyota Motor Manufacturing Indonesia thinks that these companies are not suitable for comparison in this case.

Determining the amount of a reasonable transfer price is indeed very difficult to implement. The problem faced by DGT is mainly the availability of comparative data to determine the amount of a reasonable transfer price. For some commodities,

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such as crude oil and crude palm oil (CPO), it is easier to determine a reasonable transfer price because the data is available and easily accessible. However, most of the products of multinational companies are difficult to compare because each product has different specifications, functions, and brands. The problem of determining the amount of a reasonable transfer price is experienced by the DGT and the tax authorities of other countries in the world.

To overcome the problem of determining a reasonable transfer price, many tax authorities in the world, especially OECD member countries, use the Advance Pricing Agreement (APA) and the Mutual Agreement Procedure (MAP). The Advance Pricing Agreement and Mutual Agreement Procedure proved to be quite successful in handling transfer pricing cases. Therefore, the issuance of Regulation of the Minister of Finance Number 7/PMK.03/2015 concerning Procedures for Establishing and Implementing an Advanced Pricing Agreement should be appreciated.

F.3 Advance Pricing Agreement (APA) and Mutual Agreement Procedure (MAP)

According to the OECD, APA is "an administrative approach that attempts to prevent transfer pricing disputes from arising by determining criteria for applying the arm's length principle to transactions in advance of those transactions taking place." APA, according to the Regulation of the Minister of Finance Number 7/PMK.03/2015, is a written agreement between the Director-General of Taxes and the Taxpayer, or the Director-General of Taxes and the Tax Authority of the Partner Country or Tax Treaty Partner Jurisdiction involving the Taxpayer, to agree on the criteria and or determine a fair price or fair profit in advance. Meanwhile, MAP is an administrative procedure regulated in the Tax Treaty to resolve problems that arise in implementing the Tax Treaty. So, the formation of APA is carried out through MAP if the APA involves the Tax Authority of the Partner Country or Tax Treaty Partner Jurisdiction.

Tax authorities have widely used APA in the world. The list of countries that have used APA up to 2011 can be seen in the image above. Formally, Indonesia has been using APA since 2010, with the issuance of the Director-General of Taxes Regulation Number PER-43/PJ/2010. However, the Regulation of the Director-General of Taxes Number PER-43/PJ/2010 does not regulate the procedures for the formation and implementation. The procedure for establishing and implementing the new APA is regulated in the Minister of Finance Regulation Number 7/PMK.03/2015.

By making a transfer price contract (APA) with the tax authority, taxpayers will get two main benefits, certainty in transfer pricing and cost and time savings. APA has advantages for both parties, both for the Taxpayer and the DGT as the tax authority. APA will make taxpayers more comfortable in carrying out their business activities because there are limits that have been agreed with the tax authorities regarding the amount of transfer price that is considered reasonable. IT will reduce the potential for tax disputes. Tax audits and legal efforts to resolve tax disputes related to transfer pricing often cost a lot of money and take a long time. Because APA can reduce the potential for tax disputes, taxpayers can save costs and time.

By doing APA with Taxpayers, DGT will have a more substantial basis in determining a reasonable transfer price. If the Taxpayer performs transfer pricing at a price below the APA, then the DGT can conclude that the Taxpayer carries out transfer pricing for tax avoidance. On the other hand, APA can also improve DGT's taxation database because APA should at least contain related parties, transactions that fall within the scope of APA, transfer pricing methods, comparisons (comparables), APA validity period, critical assumptions (critical assumptions), and transfer pricing adjustments. Meanwhile, by conducting APA involving the tax authorities of partner countries or tax treaty partner jurisdictions, DGT can avoid double taxation on taxpayers. Transfer pricing (transfer pricing adjustments). Even though it provides benefits, DGT still has to be careful in making APA. Don't let what the DGT makes with taxpayers have the potential to reduce state revenues. The provisions in the APA must be made as straightforward as possible so that there is no difference of interpretation between the DGT and the Taxpayer. In-depth and careful analysis needs to be carried out by the DGT before signing the APA with the Taxpayer, especially related to transactions that fall within the scope of the APA, transfer pricing methods, comparisons (comparables), the validity period of the APA, critical assumptions, and adjustments.

VI. Conclusion

The things that CAN conclude from this paper are as follows:

1. Transfer pricing is a pricing policy for the sale of goods/services that occur within one company or a group of companies internally.
2. Transfer pricing has two main objectives, namely measuring performance and determining the optimal tax burden. However, recently transfer pricing has been used more for tax planning purposes than for measuring divisional performance.
3. DGT considers that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance. The mode used by PT Toyota Motor Manufacturing Indonesia is to sell at a transfer price outside the principle of fairness and business practice to its affiliated companies in Singapore.
4. To prove that PT Toyota Motor Manufacturing Indonesia conducts transfer pricing for tax avoidance, the DGT uses the Comparable Uncontrolled Price (CUP) Method of Price Comparison between Parties. The obstacle in using this method is to find appropriate comparison data.
5. PT Toyota Motor Manufacturing Indonesia refuted the method used by the DGT to determine a reasonable transfer price because the companies being compared with tax officials, namely Hindustan Motors (India), Yulon Motor (Taiwan), and Force Motor Limited (India), had the status of losers. Meanwhile, PT Toyota Motor Manufacturing Indonesia in 2008 was still profitable, so CONS cannot compare it with these companies.

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6. The issuance of Regulation of the Minister of Finance Number 7/PMK.03/2015 concerning Procedures for Establishing and Implementing an Advanced Pricing Agreement (APA) should be appreciated.

By doing APA with Taxpayers, DGT will have a more substantial basis in determining a reasonable transfer price. In addition, APA can also improve DGT's taxation database.

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AUTHORS

First Author – RAHMAT - BC202120210

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