



CHALLENGES AND STRATEGIES TO STRENGTHEN TRANSFER PRICING AUDITS: AN INSTITUTIONAL LOGICS APPROACH

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Abstract

Globalization has increased the number of multinational companies in Indonesia, but transfer pricing practices are often used for profit shifting, which harms state revenue. The high number of losses experienced by the Directorate General of Taxes (DGT) in transfer pricing disputes indicates that audit quality needs improvement. This study is the first to apply the Institutional Logics approach, which includes symbolic carriers such as regulations and material carriers such as actors, routines, and supporting infrastructures, while also allowing for findings beyond this framework. The research uses a qualitative descriptive method through questionnaires distributed to tax auditors and interviews with various stakeholders, including the DGT, tax consultants, and the Tax Court. The results show several challenges, including ambiguous regulations and the need for more detailed technical guidelines, unequal auditor competence and limited training, restricted access to comparable databases, and an organizational culture that lacks consistent leadership support, policy continuity, and effective incentive systems. In addition, coordination among both internal and external stakeholders still needs to be improved in managing transfer pricing cases. Therefore, it is necessary to refine regulations and technical guidelines, strengthen auditor competence through tiered training and mentoring, enhance supporting facilities such as access to comparable databases and international cooperation, reinforce leadership roles and incentive systems, and establish effective coordination mechanisms from the initial examination stage to dispute resolution.

Keywords: Globalization; Institutional logics; Multinational corporation; Transfer pricing; Transfer pricing audit

INTRODUCTION

Globalization has expanded cross-border access, leading to an increase in the number of multinational corporations worldwide, including in Indonesia. The presence of multinational corporations is considered capable of generating various benefits for host countries, such as increased productivity and technology transfer. Nevertheless, their presence also entails certain risks, one of which is tax avoidance, particularly through profit shifting practices. This strategy is conducted by transferring profits from high-tax jurisdictions to low-tax jurisdictions, thereby reducing the tax base and state revenue (Álvarez-Martínez et al., 2022; OECD, 2015). In response to the growing concern over such practices, the OECD together with the G20 launched the Base Erosion and Profit Shifting (BEPS) Project, consisting of 15 action plans aimed at strengthening the authority of tax administrations in collecting taxes on profits generated within their jurisdictions (Darussalam, 2017; DDTC, 2016).

One of the methods frequently employed in profit shifting practices is transfer pricing, namely the determination of prices in transactions between related parties. The unfair determination of transfer prices has become a central issue because corporations often misuse it to reduce their tax burden. Although transfer pricing is fundamentally legal when conducted in accordance with the arm's length principle, it may be considered illegal when it involves price manipulation and causes losses to the state (Beer & Loeprick, 2015; Juliana et al., 2024; Wijayanti, 2009).

In Indonesia, transfer pricing practices remain a major challenge in the taxation sector. In 2016, approximately 2,000 foreign investment companies were reported to have paid no taxes on the grounds of incurring losses, despite the expectation that they should have paid an average of IDR 25 billion in taxes annually (Karunia, 2020). Furthermore, according to Fuest



et al. (2011), transfer pricing constitutes one of the factors contributing to Indonesia's low tax ratio. In response to these concerns, the Directorate General of Taxes (DGT) has been granted the authority to address transfer pricing practices by assessing the arm's length nature of affiliated transactions, as stipulated in Article 18 paragraph (3) of the Income Tax Law. This authority has been further clarified through Minister of Finance Regulation Number 172 of 2023, which establishes audit procedures for transactions between affiliated taxpayers (Bahtiar et al., 2024; Dewanti & Khuluqy, 2025).

To date, the effectiveness of transfer pricing audits remains a significant challenge in Indonesia. Tax audits are expected to create a deterrent effect that encourages taxpayers to comply in the future (Elipen & Sudrajat, 2021). However, the effectiveness of such deterrence depends heavily on audit quality (Kasper & Alm, 2022). According to Sumardjito (2002, cited in Yamin et al., 2024), one indicator of audit quality can be observed through the outcomes of objection and appeal decisions. Based on the study conducted by Zulfiqar et al. (2023), out of 205 transfer pricing disputes in 2021, only 29% were won by the DGT, while the remaining 71% resulted in losses. This condition indicates that the quality of tax audits has not yet been sufficiently optimal to withstand transfer pricing disputes. In addition to weakening the deterrent effect, ineffective tax audits may also create a negative learning effect, namely the perception that tax avoidance does not necessarily lead to significant consequences (Kasper & Alm, 2022). This condition has the potential to reduce taxpayer compliance in the future (Kasper & Alm, 2022; Kusuma et al., 2023).

Several previous studies have examined the challenges associated with transfer pricing audits. Valente (2013), found that the Italian tax authority's defeats in transfer pricing disputes were caused by weak justifications for price adjustments, difficulties in proving functions and risks in comparability analyses, and limitations in comparable data. Mashiri et al. (2021), concluded that the performance of transfer pricing audits is influenced by human resource quality, information systems, inter-unit synergy, and leadership, although several obstacles remain, including limited comparable data, ambiguous regulations, and high workloads. Muhammadi et al. (2016) identified the lack of transparency and cooperation from taxpayers, regulatory complexity, and limitations in human resources and infrastructure as major challenges in transfer pricing audits involving intangible assets. Similarly, Zaki and Irawan (2022) emphasized that the effectiveness of transfer pricing audits, particularly in intra-group services, heavily depends on regulatory clarity and the implementation of adequate operational procedures.

Based on these studies, it can be concluded that the factors affecting the performance of transfer pricing audits include human resource factors, regulatory factors, organizational infrastructure factors, and organizational factors. These findings are consistent with the principles of Institutional Logics, which emphasize that organizational actions are shaped not only by formal policies but also by symbolic constructions (symbolic carriers), such as rules and norms, as well as material carriers in the form of actors, routines, and supporting infrastructures (Friedland & Alford, 1991; Scott, 2008; Thornton et al., 2012). Therefore, in order to comprehensively understand the issue, this study employs the Institutional Logics framework as its primary analytical reference while remaining open to findings beyond the framework.

This study addresses gaps in previous research, which has tended to rely on secondary data or focus on specific types of transactions. By employing the Institutional Logics approach, this study analyzes the dynamics of transfer pricing audits in Indonesia more comprehensively through both primary and secondary data and within the current context. Considering the conditions of transfer pricing audits described above, this study seeks to answer several questions: Why is the quality of transfer pricing audit outcomes in Indonesia still not optimal?



What efforts should the DGT undertake to improve the quality of transfer pricing audit outcomes? This study is expected to identify and analyze the factors contributing to the suboptimal quality of transfer pricing audit outcomes and to determine the efforts required by the DGT to enhance the quality of transfer pricing audits.

LITERATURE REVIEW

Theories and Expert Opinions

Panopticon theory

The concept of the Panopticon introduced by Jeremy Bentham (1995) and further developed by Michel Foucault (1995) describes a mechanism of power through invisible surveillance, in which individuals adjust their behavior because they feel constantly monitored. In the context of taxation, this theory explains how tax authorities function as a “watchtower” that creates compliance through the self-assessment system. Although taxpayers are not always directly supervised, they are encouraged to comply due to the potential for oversight. Boll (2014) describes taxation as a social and institutional practice that reflects the power relationship between tax authorities and taxpayers. However, as Boll noted, “there is no god eye”; therefore, tax supervision is not free from blind spots, making continuous evaluation necessary to improve supervisory performance.

Institutional logics

Meyer and Rowan (1977) argued that organizations are shaped by institutionalized rules and symbols of legitimacy, in which formal practices are often separated from actual realities (decoupling). This perspective forms the basis of Institutional Logics, which emphasizes the role of values, norms, and social symbols in directing organizational actions (Friedland & Alford, 1991). Scott (2004) asserted that organizational decisions are strongly influenced by environmental pressures, while Weick (1995) and Lamont (2012) explained how actors interpret (sense-making) and evaluate their actions based on such institutional logics.

This framework helps explain how formal structures, work procedures, organizational culture, and authority are formed through socially legitimized values and practices. In the context of transfer pricing audits, the analysis is conducted through two primary dimensions of Institutional Logics, namely symbolic carriers, consisting of rules, norms, and belief systems, and material carriers, consisting of actors, supporting facilities, and organizational culture.

Symbolic carrier

Symbolic carriers include regulations that form the basis of transfer pricing audits, such as Minister of Finance Regulation Number 172 of 2023, PER-22/PJ/2013, and SE-50/PJ/2013. These regulations function as normative guidelines that shape auditors’ behavior and ensure uniform implementation of the arm’s length principle (Rao et al., 2003).

Material carrier

Material carriers consist of three primary elements, namely actors, artifacts, and routines (Friedland, 1991; Scott, 2008).

- a) Actors: Tax auditors, as the primary implementers, play a key role in determining audit quality. Their competence is shaped by knowledge, skills, experience, and attitudes/behavior (Spencer, 1993; Minister of Finance Regulation Number 132 of 2023).
- b) Artifacts: These include supporting facilities such as comparable databases, international data exchange mechanisms, taxpayer data provision, and the Transfer Pricing Knowledge Management Center (TPMKC), which functions to improve consistency in case handling (Hariani, 2021; Luippold & Kida, 2012; Wildan, 2022; Zaki & Irawan, 2022).



- c) Routines: Routines reflect work patterns and organizational culture implemented by actors in carrying out their duties (Scott, 2008). A positive work culture supported by exemplary leadership enhances the motivation and performance of tax audit teams (Andayani & Tirtayasa, 2019; Marlisza & Yulianti, 2022). In addition, organizational culture also encompasses the implementation of training programs and achievement-oriented culture in transfer pricing audits within the DGT (Schein, 2010; Wahyuningsih et al., 2024).

Transfer pricing

Transfer pricing refers to the determination of prices between related parties that may be utilized for profit shifting purposes (Kelley et al., 2016). Although legally neutral, this practice is often used to avoid taxes by transferring profits to low-tax jurisdictions (Koethenbueger et al., 2019). Through the arm's length principle, the OECD establishes five primary methods for determining fair transfer prices: the Comparable Uncontrolled Price (CUP) Method, Resale Price Method (RPM), Cost-Plus Method, Comparable Profit Method, and Profit Split Method.

Transfer Pricing Audits

Tax audits function to ensure compliance within the self-assessment system. Based on the General Tax Provisions and Procedures Law, audits are conducted to assess compliance and prevent manipulation. In the context of transfer pricing, audits focus on the implementation of the arm's length principle. The process consists of several stages, namely the preparation stage (risk analysis and profitability comparison), the implementation stage (analysis of functions, assets, risks, and transfer pricing methods), and the reporting stage (preparation of audit results). These audit standards ensure effectiveness, accountability, and consistency among auditors.

Previous Studies

Various previous studies indicate that the effectiveness of tax audits, particularly those related to transfer pricing, is influenced by regulatory factors, auditor competence, data availability, and organizational support. Irawan and Budiono (2015) highlighted the importance of regulatory clarity, effective policies, and auditor professionalism, although implementation remains constrained by ambiguous regulations and unrealistic revenue targets. Similar findings were presented by Tambunan (2020) and Kusuma et al. (2019), who argued that weaknesses in technical aspects and evidentiary support frequently cause the Directorate General of Taxes (DGT) to lose disputes, whereas high-quality audits increase the likelihood of success in litigation.

Marlisza & Yulianti (2022) as well as Mashiri et al. (2021), emphasized the importance of auditor competence, data integration, and inter-unit coordination. However, limited comparable data and ambiguous regulations remain major obstacles. Similar constraints were identified by Muhammadi et al. (2016), Valente (2013), and Zulfiqar et al. (2023), who found weaknesses in data transparency, justifications for price adjustments, and inconsistent application of the arm's length method, resulting in taxpayers prevailing more frequently in disputes. Zaki and Irawan (2022) further added that audits of intra-group services face challenges in the form of limited data, insufficient taxpayer cooperation, and inadequate auditor competence.

Despite their important contributions, most previous studies still possess several limitations. Some studies focus on tax audits in general (Irawan & Budiono, 2015; Kusuma et al., 2019; Marlisza & Yulianti, 2022), rely primarily on secondary data such as Tax Court decisions (Tambunan, 2020; Valente, 2013; Zulfiqar et al., 2023), or focus on specific types of transfer pricing transactions, such as intangible assets (Muhammadi et al., 2016) and intra-group services (Zaki & Irawan, 2022).



To address these gaps, this study examines transfer pricing audits comprehensively by employing the Institutional Logics approach within the current context. This approach enables a more comprehensive analysis of institutional dynamics, actor behavior, and organizational culture that influence audit quality. Furthermore, this study combines primary data obtained through questionnaires and interviews with stakeholders, including auditors, regulators, evaluators, practitioners, and legal authorities, in order to explore the challenges and formulate strategies for improving the quality of transfer pricing audits in Indonesia.

METHODS

This study employs a descriptive qualitative approach to identify the factors contributing to the suboptimal quality of transfer pricing audit outcomes and the efforts that can be undertaken by the Directorate General of Taxes (DGT) to improve them. This approach was selected because it enables researchers to explore the meanings, experiences, and perspectives of various parties regarding social issues in depth (Creswell & Creswell, 2018). Accordingly, this study not only describes factual conditions but also interprets the institutional context and actor behavior involved in transfer pricing audits.

This study utilizes both primary and secondary data. Primary data were obtained through open-ended questionnaires and in-depth interviews with parties directly involved in transfer pricing audits, including tax auditors, regulators within the Directorate of Audit and Collection, evaluators within the Directorate of Objection and Appeals, tax consultants, and representatives from the Tax Court. Meanwhile, secondary data were obtained from various tax regulations, policy documents, and academic literature relevant to the findings of the study.

To ensure the accuracy and depth of the findings, this study applied the principles of source and method triangulation (Denzin & Lincoln, 2009). Documentation was conducted through the examination of regulations such as the Harmonization of Tax Regulations Law, Minister of Finance Regulation Number 172 of 2023, and Circular Letter SE-09/PJ/2018. Open-ended questionnaires were distributed to tax auditors across six KPP offices in the DKI Jakarta region representing each type of tax office, namely KPP Pratama, KPP Madya, and foreign investment (PMA) offices. This method was employed to collect broad perspectives regarding the contributing factors and proposed improvements related to transfer pricing audits. In-depth interviews were conducted with informants from regulatory bodies, practitioners, legal authorities, and evaluators. This approach provided a comprehensive understanding of the dynamics and challenges of transfer pricing audits from multiple perspectives. In this study, data analysis was conducted using the model proposed by Miles and Huberman (1994), which consists of three stages: data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

Factors Affecting the Suboptimal Quality of Transfer Pricing Audits

Regulations

The existing regulations concerning transfer pricing audits fundamentally possess a strong legal foundation and are aligned with international practices. The provisions stipulated in Minister of Finance Regulation Number 172 of 2023 represent an improvement over previous regulations because they integrate various guidelines and align with the OECD Transfer Pricing Guidelines and the UN Transfer Pricing Manual. This reflects the seriousness of the DGT in ensuring that national policies are consistent with global practices. Nevertheless, the effectiveness of implementing these regulations still faces several obstacles. Audit guidelines are considered insufficiently operational, as many provisions remain general in nature and are not accompanied by concrete examples for complex cases. This condition has the potential to create differences in interpretation among auditors as well as between the DGT and taxpayers.



The dissemination of regulations related to transfer pricing audits has not yet been fully uniform across the DGT environment. The materials are also considered insufficiently practical for some auditors. This unsystematic dissemination process has resulted in differences in regulatory interpretation in practice. In addition, the provisions regarding audit timeframes are considered disproportionate to the complexity of transfer pricing cases. Several informants argued that transfer pricing audits, which require in-depth analysis, continue to face challenges due to limited time. This issue is important because time constraints may affect audit outcomes, causing them to become less comprehensive.

Actors

The quality of transfer pricing audits is highly determined by the competence, experience, and professionalism of tax auditors as the primary implementers in the field. The findings indicate that auditor competence is not evenly distributed across all work units. Auditors in Large Taxpayer Offices and PMA KPP generally possess more advanced analytical capabilities because they frequently handle complex transfer pricing cases, while most auditors in other KPP offices have not yet acquired sufficient experience. In addition to differences in the intensity of transfer pricing cases across KPP offices, this disparity is also influenced by variations in educational backgrounds and opportunities to participate in transfer pricing audit training programs.

This unevenness in auditor competence is reflected in the fact that many auditors have not yet fully mastered Functional, Assets, and Risk Analysis (FAR), which constitutes the primary foundation of transfer pricing audits. Furthermore, time limitations often cause analyses to be conducted hastily, resulting in audits that focus more on nominal adjustments rather than substantive transaction testing. Understanding of industry characteristics also requires improvement. Auditors who lack sufficient understanding of taxpayers' business contexts tend to assess the arm's length nature of transfer prices solely on numerical data without considering relevant economic factors. On the other hand, time management in audit processes also needs improvement to ensure that interactions with taxpayers are more efficient and do not create the impression of being rushed, particularly in requests for taxpayer documents.

Supporting Factors

The effectiveness of transfer pricing audits depends heavily on the availability of supporting facilities, particularly comparable data and access to relevant information. The study found that limited access to comparable databases remains a major obstacle. Access to external databases is generally available only at the central office, the Large Taxpayer Regional Office, and the Jakarta Special Regional Office of the DGT. For KPP offices outside the supervision of these regional offices, access to comparable databases can only be obtained by submitting requests to the central office. This condition may slow down the analytical process because coordination between the central office and the relevant KPP requires additional time.

In addition to limited access, auditors also face challenges in utilizing comparable data. In several cases, data are used without adjustments for industry conditions or taxpayer business characteristics, resulting in differing perspectives between the DGT and taxpayers. Unequal access to data and insufficient technical guidance on its utilization may reduce the quality of audit outcomes.

Data exchange with foreign tax authorities through the Exchange of Information (EOI) mechanism has also not been fully optimized due to administrative constraints and the foreseeable relevance principle, which limits the scope of information that can be requested. Furthermore, although consultant informants stated that taxpayers generally attempt to provide the required data to the best of their ability, most auditors still found that taxpayers frequently



provide incomplete or delayed information. This condition further slows down the audit process.

The DGT has established the Transfer Pricing Knowledge Management Center (TPMKC) as a knowledge and coordination center for handling transfer pricing matters. However, its implementation effectiveness in practice remains inconsistent. Some units actively provide technical support to auditors, while others remain less active, and several auditors even stated that TPMKC facilities were not yet available. The performance of such supporting institutions needs to be strengthened so that they may function effectively as reference centers for all auditors.

Organizational Culture

Organizational culture plays an important role in creating a conducive work environment for improving audit quality. Within the DGT environment, the implementation of a work culture oriented toward quality, collaboration, and integrity has not yet been fully consistent across all units. Strong leadership has proven to be an important factor in maintaining audit quality. Tax offices led by leaders with a strong commitment to work quality generally produce audit reports that are more consistent and accountable. However, changes in leadership frequently result in differences in policies and supervisory directions, which affect the continuity of transfer pricing case handling.

Technical training in the field of transfer pricing has been conducted regularly, including through the involvement of experts from international institutions. Nevertheless, the outcomes of these training programs have not demonstrated uniform impacts due to differences in participants' levels of understanding and the limited frequency of follow-up training. Existing training programs also tend to be general in nature, whereas auditors in practice require more specific and case-based learning. The reward system implemented by the DGT is also considered insufficient in encouraging performance improvement. Although additional performance points have been provided for transfer pricing cases, many auditors still perceive that the reward system does not generate direct and tangible benefits.

Cross-Functional Coordination

Based on the findings of this study, another factor outside the Institutional Logics framework was identified as influencing transfer pricing audits, namely cross-functional coordination. The quality of transfer pricing audits is also influenced by the extent to which coordination with both internal and external DGT units is carried out effectively. Oversight of affiliated transactions should ideally begin at the upstream stage, particularly through Account Representatives, so that potential risks can be identified at an early stage. However, in practice, transfer pricing issues are often only addressed once cases enter the audit stage, resulting in suboptimal preventive measures.

Furthermore, coordination between auditors and objection reviewers has shown improvement through alignment forums that bring together both functions to discuss the quality of audit results and legal arguments. This effort is important to ensure consistency between audit findings and objection decisions. Coordination with the Tax Court has also improved, particularly following the issuance of Supreme Court Circular Letter Number 2 of 2024, which emphasizes that data not submitted during the audit stage will not be considered during dispute resolution proceedings. Nevertheless, cross-institutional coordination outside the DGT, such as with the Audit Board of Indonesia (BPK), the Tax Court, and tax consultants, still requires strengthening. An integrated communication forum among these stakeholders could serve as an important mechanism for harmonizing understandings regarding the arm's length principle while simultaneously reducing differences in interpretation, which frequently constitute the primary cause of transfer pricing disputes.



Strategies/Efforts Required by the Directorate General of Taxes (DGT) to Improve the Quality of Transfer Pricing Audit Outcomes Regulations

The DGT needs to strengthen the regulatory aspect by developing more detailed and practical technical guidelines for transfer pricing audits, accompanied by concrete case examples to reduce differences in interpretation in practice. These guidelines should also include audit approaches for various industrial sectors with differing characteristics. Regulatory dissemination should be conducted continuously and systematically to ensure more consistent understanding of regulatory changes among auditors.

Actors

Human resource capacity development should be directed toward establishing transfer pricing specialist auditors who possess in-depth expertise in this field. In addition, knowledge transfer mechanisms between units need to be strengthened through employee rotations and experience-sharing forums. Tiered training programs based on participants' initial competencies are also necessary to ensure that competency development occurs systematically and evenly across all KPP offices.

Supporting Factors

The optimization of supporting facilities for audits should be pursued through the expansion of access to comparable databases for all KPP offices, supported by the provision of dedicated budget allocations. The utilization of information systems such as the Knowledge Management System (KMS) and Kapita Selektta, which evaluate court decisions, including transfer pricing disputes, should also be enhanced so that dispute evaluation outcomes may serve as learning materials for auditors in developing stronger arguments for future audits.

Organizational Culture

A quality-oriented work culture needs to be strengthened through consistent leadership, performance-based reward systems, and strong synergy among audit teams. Training programs should be designed using real case-study approaches and adjusted to participants' competency levels. In this way, the development of organizational culture will not only improve technical capabilities but also foster commitment to integrity and the quality of audit outcomes.

Cross-Functional Coordination

Improving coordination among units within the DGT and across institutions should become a primary focus. Collaboration among auditors, objection reviewers, and litigation units must be carried out continuously to ensure consistency in legal arguments up to the judicial review stage. The establishment of specialized teams responsible for handling appeal or judicial review decisions could also strengthen the DGT's position in disputes. Furthermore, joint communication forums involving the DGT, the Tax Court, tax consultants, and the Audit Board of Indonesia (BPK) should be developed as mechanisms for harmonizing understanding and implementation of the arm's length principle.

CONCLUSION

Transfer pricing issues have become a global concern because such practices have the potential to erode the tax base and reduce state revenue. In Indonesia, the high rate of losses experienced by the Directorate General of Taxes (DGT) in transfer pricing disputes indicates that audit quality still requires significant improvement. Based on the findings of this study, the factors contributing to the suboptimal quality of transfer pricing audits encompass five primary aspects, namely regulations, actors, supporting factors, organizational culture, and cross-functional coordination. From the regulatory perspective, challenges arise due to ambiguous provisions, limited technical guidelines, and uneven dissemination of regulations. The actor-related factor reflects disparities in auditor competence, limited experience in handling transfer



pricing cases, as well as weaknesses in time management and analytical depth. In terms of supporting factors, limited comparable databases and the suboptimal implementation of cross-border data exchange constitute major obstacles. Meanwhile, organizational culture faces challenges in the form of inconsistent leadership support, uneven training implementation, and ineffective reward systems. Finally, cross-functional coordination remains weak, particularly among audit units, counseling units, objection reviewers, and external institutions such as the Tax Court.

To address these issues, this study proposes several strategic recommendations. From the regulatory perspective, the DGT needs to develop more detailed and practical technical audit guidelines accompanied by concrete examples and specific guidance for sectors with high complexity, such as mining and banking. Regarding actor-related factors, capacity building for auditors through the establishment of transfer pricing specialists and tiered training programs should become a priority. In terms of supporting factors, access to more comprehensive comparable databases and evaluations of court decisions should be expanded. Within the organizational culture aspect, strengthening leadership roles, implementing competency-based training, and improving reward system evaluations are necessary to encourage motivation and consistency among auditors. Meanwhile, cross-functional coordination must be strengthened through the harmonization of understanding among internal DGT units, as well as through joint communication forums involving the DGT, tax consultants, the Tax Court, and academics in order to build a shared perspective in handling transfer pricing issues.

Suggestions

This study is limited in scope because it only involved KPP offices located in DKI Jakarta and did not compare practices across other countries. Therefore, future studies are recommended to involve tax auditors from various regions and conduct comparative cross-country studies in order to obtain broader perspectives regarding the dynamics of transfer pricing audits.

Disclaimer

The English translation presented in this article was assisted by artificial intelligence (AI) tools and has been reviewed and adjusted by the author to ensure clarity, accuracy, and consistency with the intended academic context.

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