EDUCORETAX
Volume 6 No.9, 2026

RESOLVING REGULATORY CONFLICTS IN VAT DISPUTES: A TAX COURT CASE STUDY

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Abstract
This study focuses on analyzing the resolution of intertemporal regulatory conflicts in four Tax Court decisions (August 19, 2024) concerning PT HT. The core of the dispute analyzed is the tax authority's error in using PMK 31/2014 as the basis for correcting the VAT Assessment Notice (SKPKB) for the September–December 2019 period, even though that regulation had been revoked by PMK 18/2021 as of February 17, 2021. This study is a normative legal research employing a legislative, case-based, and conceptual approach. The main finding of this study is that the temporal conflict was resolved through Article 110(1) and (2) of PMK 18/2021 (as provisions governing implementation), rather than merely through the principle of lex posterior. The Tax Court granted the petition due to a fundamental procedural defect in the legal basis but simultaneously ordered a substantive re-examination based on the principle of substantive truth (Article 76 of the Tax Court Law). This hybrid ruling serves to balance legal certainty and substantive justice (Radbruch's dialectic), anchored in the doctrine of defects in administrative decisions (KTUN). The mention of "substance over form" in the ruling is merely nominal, as the panel of judges interpreted it as prioritizing substantive truth.
Keywords: Defective administrative decision; Hybrid ruling; Intertemporal regulatory conflict; Substantive truth; VAT dispute

INTRODUCTION

Taxes are the primary source of government revenue, used to finance the administration of government and national development. Under Indonesia's tax system, which adheres to the principle of self-assessment, taxpayers are entrusted to calculate, pay, and report their own tax obligations in accordance with applicable laws and regulations. A consequence of this system is that taxpayer compliance depends heavily on the clarity and legal certainty of the tax regulations that serve as their guide, while tax authorities carry out oversight and audit functions to ensure the accuracy of such reporting.

One of the significant changes brought about by this wave of regulatory reform was the repeal of Minister of Finance Regulation No. 31/PMK.03/2014 concerning the Timing of Calculation and Procedures for the Refund of Input Tax That Has Been Credited and For Which a Refund Has Been Granted to Taxable Entrepreneurs Experiencing a Production Failure (PMK 31/2014), which was replaced by Minister of Finance Regulation No. 18/PMK.03/2021 (PMK 18/2021), promulgated on February 17, 2021. This regulatory change occurred in the midst of several ongoing tax audit processes, including an audit of the VAT refund application filed by PT HT at the KPP PJK. When the tax authorities issued a Tax Assessment Notice for Underpayment in September 2021, continuing to use PMK 31/2014 as the legal basis for the adjustment, the taxpayer filed a lawsuit with the Tax Court on the grounds that the regulation had been revoked and was no longer in effect at the time the assessment was issued.

This case is worth examining for several reasons. First, it concretely demonstrates how intertemporal regulatory conflicts can lead to procedural defects in the issuance of a tax assessment notice, resulting in its annulment by the Tax Court. Second, the Tax Court's ruling in this case exhibits a distinctive hybrid pattern of judgment—granting the claim based on procedural defects while simultaneously ordering a substantive reexamination—as an effort to balance the tension between legal certainty and substantive truth, thereby creating a pattern of rulings worthy of further in-depth analysis. Third, this case highlights systemic issues in the management of tax regulatory transitions in Indonesia that require attention from policymakers and tax authorities alike.

The novelty of this research lies in its contribution to filling a gap in the jurisprudential literature on tax litigation in Indonesia. Previous studies that have highlighted the conflict between substance and form in tax disputes include those by (Yasa & Sadnyini, 2025) on a VAT dispute regarding the transfer of land rights, (M. & Enggarani, 2026) on disputes regarding import documents, and (Pratama, 2024) on disputes concerning Article 23 Income Tax on reinsurance commissions, have consistently prioritized economic substance or substantive truth as the direct determinant of one party's victory at a single stage of resolution. No study has yet specifically examined the pattern of hybrid rulings arising from intertemporal regulatory conflicts—that is, when procedural defects serve as the basis for overturning a tax assessment while substantive truth is upheld through an order for reexamination, thereby allowing these two dimensions of justice to coexist within a single ruling. This research fills that gap by analyzing this pattern through the lens of Radbruch's dialectic and the doctrine of defects in administrative decisions as its doctrinal foundation.

Based on this background, this study formulates the following research questions: How does the Tax Court resolve the intertemporal conflict between PMK 31/2014 and PMK 18/2021 in the issuance of VAT SKPKBs, and what are the implications for legal certainty in tax administration? The objective of this study is to analyze the Tax Court's legal reasoning in resolving intertemporal conflicts in tax regulations, as well as to identify the implications of these rulings for tax administration practices and legal certainty for taxpayers.

This study is expected to make a theoretical contribution by enriching the Indonesian tax law literature, particularly regarding the resolution of intertemporal regulatory conflicts and the pattern of hybrid court rulings that balance legal certainty with substantive justice in tax litigation. In practical terms, this study is expected to serve as input for the Directorate General of Taxes in designing better regulatory transition management, as well as for policymakers in drafting adequate transitional provisions whenever changes to tax regulations occur.

LITERATURE REVIEW

Tax Disputes and Litigation Mechanisms under Article 23(2) of the Tax Administration Law

A tax dispute is a dispute arising in the field of taxation between a taxpayer or a party liable for tax and an authorized official as a result of the issuance of a decision that may be appealed or challenged in Tax Court pursuant to tax laws and regulations, as defined in Article 1, item 5 of Law No. 14 of 2002 on the Tax Court (Tax Court Law). Tax disputes are essentially a manifestation of disagreement between taxpayers and tax authorities regarding a tax assessment or decision, whether from a substantive or procedural perspective (Sa'adah, 2019).

Under Indonesia's tax law system, the legal remedies available to taxpayers for resolving tax disputes include objections, appeals, and lawsuits. Objections and appeals are legal remedies for disputes concerning the substance of a tax assessment, whereas lawsuits are legal remedies with a broader scope (S. Supriyadi et al., 2019). Pursuant to Article 23(2) of the Law on General Provisions and Tax Procedures (KUP Law), a lawsuit may be filed regarding four types of matters, one of which is the issuance of a tax assessment notice that does not comply with the procedures or rules stipulated in tax laws and regulations (subparagraph d). This provision serves as the legal basis for the lawsuit in the case examined in this study.

The mechanism for filing a lawsuit is further regulated in Articles 40 and 41 of the Tax Court Law. A lawsuit must be filed in writing in Indonesian with the Tax Court within 30 days from the date of receipt of the contested decision, accompanied by clear grounds and a copy of the contested document. In the event of a lawsuit, the Tax Court examines and adjudicates the dispute at the first and final instance pursuant to Article 31(3) of the Tax Court Law. This means that the Tax Court's ruling on the lawsuit is final and binding, making the quality of the judges' legal reasoning crucial for legal certainty for the parties involved (Erwiningsih, 2022). The modernization of court proceedings through the e-Tax Court platform, effective July 2023, supports the principles of swift, simple, and cost-effective adjudication in the resolution of tax disputes (M. W. Supriyadi, 2024).

The Principle of Legal Certainty in Tax Administration

The principle of legal certainty is one of the fundamental pillars of the rule of law (rechtsstaat), as affirmed in Article 1, paragraph (3) of the 1945 Constitution of the Republic of Indonesia. In the tradition of legal philosophy, Gustav Radbruch identified three fundamental legal values that must be pursued simultaneously: justice (Gerechtigkeit), utility (Zweckmäßigkeit), and legal certainty (Rechtssicherheit) (Firdaus, 2025). These three values exist in a dialectical relationship marked by tension, in which emphasizing one value has the potential to sacrifice another—a tension that is also evident in the context of tax regulations (Hapsari, 2024). Hans Kelsen, in General Theory of Law and State, reinforces the dimension of legal certainty by presenting it as a logical consequence of the hierarchical structure of legal norms, in which each lower-level norm derives its validity from a higher-level norm, thereby creating a coherent and predictable legal system (Kelsen, 1961). Legal certainty in this sense means sicherheit des Rechts selbst—certainty regarding the law itself—as a guarantee that legal subjects can know with certainty their rights and obligations under applicable regulations (Nasriyan, 2019).

In the context of tax administration, the principle of legal certainty holds a more crucial position than in many other areas of law for two main reasons. First, the Indonesian tax system adheres to the principle of self-assessment, which places the responsibility for calculating, paying, and reporting taxes on the taxpayers themselves. Without regulatory certainty, taxpayers cannot properly fulfill their obligations and may inadvertently fall into noncompliance due to unclear regulations. Second, the relationship between tax authorities and taxpayers is asymmetrical, with tax authorities holding coercive powers to assess, audit, and collect taxes. The principle of legal certainty serves as a check on these powers while also protecting taxpayers from arbitrary administrative actions. (Nasriyan, 2019) research emphasizes that legal certainty in tax administration must serve as a guarantee of the public welfare and a guarantee of justice for society, not merely formal certainty that disregards substantive dimensions.

The lack of legal certainty in tax administration has the potential to give rise to unnecessary disputes between taxpayers and tax authorities, which ultimately not only harm taxpayers but also place a burden on the tax court system (Sa'adah, 2019). Disputes stemming from regulatory ambiguity result in significant compliance costs for taxpayers, as well as administrative costs for tax authorities and litigation costs for the tax court system. Case studies of disputes over tax refunds and VAT assessments from the taxpayer's perspective show that this compliance burden is clearly felt in practice (Kusumastuti et al., 2021; Novita et al., 2022). A study by (Saptono et al., 2021) on Tax Court rulings from 2019 shows that only 32% of tax authority assessments were upheld by the panel of judges in Value-Added Tax disputes, indicating a high level of disagreement between taxpayers and tax authorities regarding the interpretation of tax provisions. This high rate of reversal of assessments not only reflects issues with the quality of audits but also points to gaps in legal certainty within tax regulations, which allow for differing interpretations between the two parties.

In the context of this study, the issue of legal certainty arises in a specific form, namely when tax authorities use a regulation that has been repealed as the legal basis for issuing a tax assessment notice. This issue raises a fundamental question regarding which regulation should apply at the time the audit and assessment are conducted, while also calling into question the quality of tax regulatory transition management in Indonesia. Radbruch's dialectic is relevant to understanding this case, as the panel of judges at the Tax Court must balance the demand for legal certainty—which requires adherence to the regulations in effect at the time the administrative action was taken—with the demand for substantive justice, which requires that the material truth of the tax liability still be pursued (Firdaus, 2025). It is this balancing act that is ultimately reflected in the hybrid ruling pattern, which grants the claim based on procedural defects while simultaneously ordering a substantive reexamination. It is Radbruch's dialectic—and not the "substance over form" doctrine—that serves as the primary analytical framework of this study in interpreting this ruling pattern, as will be elaborated in depth in the discussion chapter.

Intertemporal Regulatory Conflicts: The Lex Posterior Principle and Its Problems in Taxation

The principle of lex posterior derogat legi priori is one of the principles for resolving conflicts between legal norms, stating that a newer regulation supersedes an older one regarding the same subject matter (Irfani, 2020). This principle serves as one of the primary tools for resolving intertemporal regulatory conflicts—that is, situations in which two regulations governing the same subject matter are in effect during different time periods. However, applying this principle is not always straightforward, particularly when it involves legal proceedings that are already underway at the time a new regulation is enacted.

This issue becomes even more complex when new regulations do not include transitional provisions governing the fate of legal proceedings that are still pending under the old regulatory regime. The absence of transitional provisions can give rise to two conflicting interpretations: first, the new regulations apply immediately to all ongoing proceedings because no exceptions are explicitly stated; and second, the old regulations remain in effect for proceedings that began before the new regulations were enacted, based on the principle of non-retroactivity and the protection of rights that have already arisen.

In the context of Indonesian taxation, PMK 18/2021, which replaces PMK 31/2014, does not contain transitional provisions that explicitly maintain the applicability of PMK 31/2014 for audit processes that were already underway prior to the date of promulgation of PMK 18/2021. However, PMK 18/2021 contains specific provisions in Article 110(1) and (2) governing the application of rules for taxable persons who have claimed input tax credits on the acquisition of goods prior to November 2, 2020. It should be emphasized that Article 110 is structurally not a transitional provision in the classical sense, which typically preserves the old regime for ongoing processes; rather, it functions as an enforcement provision that extends the applicability of PMK 18/2021 retroactively (limited retroactivity) to resolve temporal issues—namely, which regime applies to cases spanning two regulatory periods. This is where the added value of Article 110 lies in relation to the lex posterior principle. The lex posterior principle, together with the explicit repeal through Article 118(c), has indeed established PMK 18/2021 as the applicable regulation at the time the SKPKB was issued; however, this principle has not fully refuted the tax authority's "tempus fiscus" argument that processes initiated under the old regime should be resolved under the old regime as well. Article 110 closes this argumentative loophole textually by stating that refunds resulting from corrections to tax returns for tax periods prior to November 2, 2020, are also processed in accordance with PMK 18/2021; thus, the new regime explicitly asserts the very situation that the tax authorities sought to maintain under the old regime. The existence of this article is key in determining which regulation should serve as the basis for audits and the issuance of tax assessment letters in the case under review.

Failure of PKP to Produce: PMK 31/2014 and PMK 18/2021

Taxable Business Entities (PKP) that have not supplied Taxable Goods or Taxable Services within a certain period are classified as PKPs experiencing a production failure. The provisions regarding PKPs experiencing a production failure have significant implications for input tax credit rights, as input tax that has been credited by a PKP experiencing a production failure must ultimately be repaid to the government.

PMK 31/2014 stipulates that for PKPs that have not yet commenced production, only input tax on the acquisition of capital goods may be credited. Input tax on the acquisition of goods other than capital goods cannot be credited. If, within a certain period, the PKP has still not made a delivery, the input tax that has been credited and for which a refund has been issued must be repaid in accordance with the provisions of Article 7(6) of the aforementioned PMK.

PMK 18/2021 was subsequently promulgated on February 17, 2021, as an implementing regulation of Law No. 11 of 2020 on Job Creation in the field of taxation. Article 118(c) of PMK 18/2021 explicitly repeals and declares PMK 31/2014 invalid. PMK 18/2021 revises the provisions regarding Taxable Persons (PKP) that have ceased production with several substantial changes, including more detailed provisions regarding specific time periods and a mechanism for input tax refunds that differs from the previous regime.

The critical point in this case is the provision of Article 110 of PMK 18/2021, which specifically governs the treatment of PKPs that have claimed input tax credits on the acquisition of goods prior to November 2, 2020. Article 110(2) explicitly states that in the event a PKP that has not yet made a delivery amends its Periodic VAT Return for a tax period prior to November 2, 2020, resulting in an overpayment, the refund of the excess input tax shall be processed in accordance with the provisions of PMK 18/2021. This provision served as the basis for the Tax Court in determining that the review of PT HT’s refund request should refer to PMK 18/2021, not PMK 31/2014.

The Principle of Substantive Truth in Tax Litigation and Its Distinction from the Doctrine of Substance over Form

In resolving tax disputes, the panel of judges of the Tax Court is bound by the principle of substantive truth as affirmed in Article 76 of Law No. 14 of 2002 on the Tax Court. That article stipulates that the judges determine what must be proven, the burden of proof, and the evaluation of evidence, with the aim of establishing substantive truth. This principle reflects the active (inquisitorial) nature of tax adjudication, meaning that the judges’ duty is not merely to assess the formal validity of the parties’ arguments, but to determine the correct substantive position regarding tax obligations. Substantive truth is thus a principle of procedural law that grants the panel of judges the authority to go beyond formal limitations in order to ensure the accuracy of the substance of tax obligations, and it serves as the most decisive operative principle in the analysis of the patterns of judgment rulings examined in this study.

Unlike the principle of substantive truth, which pertains to procedural law and concerns the function of the judiciary, the “substance over form” doctrine is a rule of substantive tax law that prioritizes the economic substance of a transaction as the most important element in tax analysis, over its legal form. “Form” is understood as the legal form of a transaction’s details, while “substance” is understood as the content or substance of the actual economic transaction (Jordi, 2025). In the tradition of tax law, this principle is rooted in the idea that taxation must reflect the actual economic reality, not merely a formal appearance that can be manipulated through contractual or procedural engineering (Darussalam et al., 2024). This principle serves as a balancing mechanism between the principle of legality—which requires compliance with the forms prescribed by law—on the one hand, and the principle of substantive justice—which demands tax treatment consistent with economic reality—on the other.

In Indonesian positive law, the “substance over form” doctrine is embedded at various levels of tax legislation. At the statutory level, this doctrine is implicitly regulated in Article 4(1) of the Income Tax Law through the phrase “by any name and in any form,” which means that the classification of a receipt as income is based on the economic substance of that receipt, not on the name or form designated by the transacting parties (Jordi, 2025). A more explicit provision is found in Article 32(4) of Government Regulation No. 55 of 2022, which grants the Director General of Taxes the authority to reassess the amount of tax that should be owed by adhering to the principle of recognizing economic substance over formal structure. The literal explanation of this article refers to the principle of recognizing economic substance over formal structure as “substance over form,” making it the only explicit recognition of this doctrine in Indonesian tax law. Regulations at the Director General of Taxes level are also found in Director General of Taxes Regulation No. 25 of 2018, although its applicability is limited to the context of the use of Double Taxation Agreements. This distribution of regulations confirms that, under positive law, the “substance over form” doctrine primarily functions as a general anti-avoidance rule that operates at the level of transaction characterization, rather than as a procedural rule for resolving disputes (Jordi, 2025).

The two concepts above are often conflated in tax law literature, even though they operate in different spheres, and equating them constitutes a categorical error. The “substance over form” doctrine operates at the level of factual characterization—that is, assessing the economic substance of a transaction over the legal form chosen by the parties—and, under positive law, functions primarily as an anti-tax avoidance instrument. Conversely, the principle of substantive truth operates at the level of judicial function (procedural law), namely the judge’s obligation to determine the correct tax liability by going beyond the formal limitations of evidence. Thus, “substance over form” addresses the economic nature of a transaction, whereas substantive truth addresses the actual tax liability and the manner in which the judge determines it. Some literature uses the phrase “substance over form” loosely to refer to both at the same time; for example, (Adiasih & Sihombing, 2025) in a dispute over the determination of a non-effective taxpayer, but conceptual rigor requires that the two be distinguished, given that Article 76 of the Tax Court Law mandates substantive correctness, not “substance over form” in the sense of a general anti-avoidance rule. The study by (Yasa & Sadnyini, 2025) on a VAT dispute regarding the transfer of land rights illustrates the application of “substance over form” in that narrow sense—namely, when the panel of judges recognizes that the economic substance of the transaction outweighs the form of the authentic deed, provided that the taxpayer has fulfilled the substantive obligations; such an application differs from the situation in the case examined in this study, as explained in the following paragraph. This kind of terminological confusion is even manifested textually in the reasoning of the judgment under review.

In the context of this study, the principle actively at work in the four decisions examined is the principle of substantive truth, not the “substance over form” doctrine in the sense of anti-avoidance. The panel of judges did not recharacterize the economic substance of a transaction contrary to its legal form; rather, the panel annulled the procedurally defective administrative decision while upholding the substantive tax liability through an order for reexamination. In fact, interpreting this annulment as an application of “substance over form” would be paradoxical, because the annulment of the SKPKB due to the citation of a revoked PMK actually prioritizes formal legality over actual tax obligations—a victory of form over substance.

The appropriate analytical framework for interpreting this case is Radbruch’s dialectic, in which the panel of judges balances the demand for legal certainty—which requires the annulment of a procedurally defective SKPKB as a form of protection for the taxpayer’s procedural rights— with the demands of justice and substantive truth, which require that the substance of the tax liability be thoroughly examined through a re-examination so that the procedural annulment does not automatically eliminate any tax liability that may be owed. The combined ruling in the four PT HT cases—namely, the granting of the petition based on procedural defects accompanied by an instruction for a substantive re-examination—constitutes a synthesis of this tension, with the doctrine of defects in administrative decisions serving as its doctrinal anchor. Within this framework, the "substance over form" doctrine remains relevant, but only as a conceptual point of reference that places this case within the broader family of tensions between substance and form in tax law, rather than as the backbone of the analysis.

The Doctrine of Defective Administrative Decisions in Administrative Law

A Tax Underpayment Assessment Letter (SKPKB) is, in essence, an Administrative Decision (KTUN) in the context of administrative law—that is, a written determination issued by an administrative official that contains legal actions based on applicable laws and regulations; it is concrete, individual, and final, and giving rise to legal consequences for an individual or a civil law entity (Sitorus et al., 2025). The characteristics of the SKPKB as a KTUN place it within the broader doctrinal framework of administrative law, under which every administrative decision must meet certain validity requirements to be considered valid and binding. Although disputes regarding SKPKB are resolved not through the Administrative Court but through the Tax Court—a specialized court established under Law No. 14 of 2002—the principles and doctrines of administrative decision validity remain relevant as a framework for analyzing any legal defects that may be inherent in SKPKB.

In administrative law doctrine, the requirements for the validity of an administrative decision can be categorized into three main dimensions: validity in terms of authority (competence), validity in terms of procedure, and validity in terms of substance (Astawa, 2024). A defect in authority occurs when the official issuing the decision lacks the authority to do so, whether in terms of attribution, delegation, or mandate. A procedural defect occurs when the decision-making process does not follow the stages and procedures established by laws and regulations, including the obligation to use a legal basis that is still in effect at the time the decision is issued. Meanwhile, a substantive defect occurs when the content or substance of the decision conflicts with laws and regulations or violates the general principles of good governance. (Sitorus et al., 2025) emphasize that an administrative decision that fails to meet any one of these three requirements may be declared invalid and may be annulled through available legal remedies. Thus, the KTUN defect doctrine provides a systematic conceptual framework for assessing the validity of an administrative decision without getting bogged down in a rigid distinction between formal and substantive issues.

Article 53 of Law No. 30 of 2014 on Government Administration reinforces this doctrine by affirming the obligation of every government agency or official to follow the procedures established in applicable laws and regulations when making and/or implementing administrative decisions and/or actions. This provision carries the important implication that compliance with procedures—including the use of the correct and applicable legal basis—is not merely a formality but a fundamental requirement for the validity of an administrative decision. In the context of tax audits, this means that every administrative action taken by tax authorities—from the issuance of an Audit Order, through the conduct of the audit, to the issuance of a tax assessment notice—must be based on the laws and regulations in effect at the time the action was taken. The use of a repealed regulation as the legal basis for an audit adjustment—as occurred in the case examined in this study—constitutes, under legal doctrine, a procedural defect that may result in the annulment of the decision.

The legal consequences of the annulment of an administrative decision due to procedural defects are distinctive in nature. Such annulment is ex tunc, meaning it takes effect retroactively from the date the decision was issued, so that the decision is deemed to have never had legal force from the outset. However, annulment based on procedural defects does not automatically eliminate the substantive legal relationship underlying the issuance of the decision. In the context of taxation, this means that the annulment of a Tax Assessment Notice (SKPKB) due to procedural defects does not eliminate any tax liability that may be materially owed, but merely annuls the administrative decision establishing it. This understanding is consistent with the general principles of good governance (AUPB), which require the government—including tax authorities—to act in accordance with the principles of legality, legal certainty, and due diligence. The doctrine of defects in the KTUN thus serves not only as an instrument for protecting taxpayers' procedural rights, but also as a mechanism that encourages tax authorities to exercise their powers carefully and in accordance with applicable procedures. It is this character of annulment—which is ex tunc in nature yet does not eliminate the substantive legal relationship—that serves as the doctrinal anchor for the hybrid ruling pattern in the case under review: the annulment of the SKPKB due to procedural defects goes hand in hand with the continued existence of the substantive tax liability, which can be reexamined through a re-audit; thus, this doctrine serves as the technical-legal foundation for the synthesis of Radbruch's tension.

METHODS

This study is normative (doctrinal) legal research of a prescriptive character, conducted within the framework of legal research set out by (Marzuki, 2021), in which the object of analysis is the internal coherence and correctness of legal reasoning rather than social fact. Three approaches are combined. The statute approach is used to examine the vertical and horizontal coherence of the norms governing the repayment of credited input tax by taxable entrepreneurs that have not commenced production, and to determine which of the two competing Ministerial Regulations was in force at the moment the assessment was issued. The case approach is used to reconstruct the *ratio decidendi* of the four rulings and to situate them within the existing body of tax litigation jurisprudence. The conceptual approach draws on the doctrines of legal certainty, intertemporal conflict of norms, substantive truth, and defects in administrative decisions in order to construct the analytical framework through which the rulings are read.

The legal materials are classified into three levels. Primary legal materials consist of the four official copies of the Tax Court rulings numbered PUT-010557 through PUT-010560.99/2021/PP/M.XIIA of 2024, pronounced on August 19, 2024 and retrieved from the Tax Court information system (SIPP), together with the Tax Administration Law, the Tax Court Law, Law No. 30 of 2014 on Government Administration, Law No. 12 of 2011 on the Formation of Legislation, Law No. 11 of 2020 on Job Creation, PMK 31/2014, and PMK 18/2021. Secondary legal materials consist of peer-reviewed journal articles, legal treatises, and doctrinal writings on tax dispute resolution, legal certainty, and the validity of administrative decisions. Tertiary legal materials, in the form of legal dictionaries and standard references on Latin legal maxims, were consulted only to fix the meaning of technical terms and are not relied upon as authority. Data collection was carried out by documentation. All materials used are publicly accessible; no internal document of the tax office — audit working papers, audit reports, or audit orders — was accessed or cited.

Each ruling was read following the sequence in which the Tax Court composes its decisions: the facts of the dispute, the plaintiff's arguments, the defendant's arguments, the panel's legal considerations, and the operative part of the judgment. Within the legal considerations, the *ratio decidendi* was separated from *obiter dicta* by testing whether the removal of a given proposition would alter the operative part. Two propositions satisfied that test in each of the four rulings: first, that the legal basis applicable at the time the assessment was issued is PMK 18/2021, by virtue of Article 110(1) and (2) read together with the repealing clause in Article 118(c), so that reliance on the repealed PMK 31/2014 renders the assessment procedurally defective; and second, that the second amendment of the periodic VAT return cannot serve as the basis of the audit because it falls outside the time limit set by Article 8(1a) of the Tax Administration Law. The panel's passing reference to "substance over form" was classified as *dictum*, since the operative part rests on Article 76 of the Tax Court Law and not on any recharacterisation of the transaction. The instruction to conduct a substantive re-examination, by contrast, forms part of the operative part itself and was therefore analysed as an element of the ruling rather than as commentary.

The four rulings were then compared paragraph by paragraph. The comparison established that the panel's reasoning is materially identical across the four tax periods, differing only in the tax period, the assessment number, and the amounts involved. The four rulings are accordingly treated in this study as a single line of reasoning applied four times, not as four independent corroborating observations, and no inference of frequency or trend is drawn from their number.

Three modes of legal interpretation were applied to the text of the rulings and of the regulations at issue. Grammatical interpretation was directed at Article 110(2) of PMK 18/2021, in particular the words providing that where a taxable entrepreneur that has not commenced production amends its periodic VAT return for a tax period before November 2, 2020 and the amendment produces an overpayment, the refund is to be processed under that Regulation; read literally, the provision attaches the new regime to precisely the factual situation the tax authority sought to retain under the old one. Systematic interpretation placed Article 110 within the structure of PMK 18/2021 as a whole, alongside the repealing clause in Article 118(c) and against the drafting technique for transitional provisions prescribed by Law No. 12 of 2011, which yielded the finding that Article 110 operates as a provision on applicability (*ketentuan pemberlakuan*) rather than as a transitional provision in the classical sense; the same mode of interpretation was used to read the assessment as an administrative decision subject to Article 53 of Law No. 30 of 2014, and to reconcile the amendment issue with Article 8(1a) of the Tax Administration Law. Teleological interpretation traced the purpose of PMK 18/2021 as an implementing regulation of Law No. 11 of 2020, namely simplification and certainty in the crediting of input tax, and the purpose of Article 76 of the Tax Court Law in obliging the panel to establish the substantive tax position, in order to explain why the panel annulled the assessment and yet declined to leave the underlying liability undetermined.

Two limitations follow from this design. First, because the analysis rests exclusively on the text of the rulings, it reaches only the reasoning the panel chose to record; deliberative material not reproduced in the decisions is beyond its reach, and the study does not assess whether the substantive correction underlying the assessment was materially justified. Second, the study is confined to the legal analysis of the lawsuit rulings and does not extend to the administrative follow-up carried out after the rulings were pronounced, nor does it generalise beyond disputes sharing the same structure of intertemporal conflict. The identity of the taxpayer and of the tax office is masked throughout as "PT HT" and "KPP PJK"; the ruling numbers are retained in full so that every factual proposition in this article can be verified by the reader against the same publicly accessible documents.

RESULTS AND DISCUSSION

Chronology and Facts of the Case

PT HT is a corporate taxpayer registered with the KPP PJK since March 16, 1998, and was designated as a Taxable Business Entity (PKP) on August 28, 2013, with Business Field

Code 68110 (Self-Owned or Leased Real Estate). Since being designated as a PKP, the company has claimed input tax credits on the acquisition of goods and services in connection with its business activities; however, up until the period in question, the company had not yet supplied any Taxable Goods or Taxable Services and was therefore categorized as a PKP experiencing a production failure.

During the period from August to September 2020, PT HT filed a second amendment (P-2) to its VAT Periodic Tax Return for the tax periods from April 2014 through December 2016, and filed a standard VAT Periodic Tax Return for the tax periods from January 2017 through December 2019, showing an overpayment. Subsequently, on September 14, 2020, the company filed a first amendment to the December 2019 VAT Periodic Tax Return, changing the status of the overpayment—which had originally been carried forward to the next tax period—to an overpayment for which a refund (restitution) was requested. It was this restitution request that subsequently triggered the issuance of an Audit Order by the KPP PJK.

On March 25, 2021, the KPP PJK issued an Audit Order (SP2) for the tax period from September through December 2019 in connection with the refund request. The audit process continued until August 24, 2021, when the Notice of Audit Results (SPHP) was delivered to the taxpayer. After going through the response process and the Final Discussion of the Audit Results on September 8, 2021, on September 10, 2021, the KPP PJK issued four Value-Added Tax (VAT) Tax Assessment Letters for Underpayment (SKPKB) for each tax period: September 2019, No. 00118/207/19/207/21; October 2019 Tax Period No. 00119/207/19/207/21, November 2019 Tax Period No. 00120/207/19/207/21, and December 2019 Tax Period No. 00121/207/19/207/21.

Regarding these four SKPKBs, PT HT filed a lawsuit with the Tax Court on September 27, 2021, raising two main objections. First, there was an error in the application of the legal basis for the audit correction, namely the use of PMK 31/2014, which, according to the plaintiff, had been revoked and was no longer in effect at the time the SKPKBs were issued. Second, there was an error in determining the VAT Periodic Tax Return used as the basis for the audit, as the tax authorities used the first amendment (P-1) to the VAT Periodic Tax Return for the tax periods from April through December 2014 as the basis for calculation, whereas the plaintiff argues that the second amendment (P-2), submitted in August 2020, should have been used because it had never been declared as not submitted via an official notification letter.

The Tax Court reviewed the four lawsuits and issued its ruling on August 19, 2024, under ruling number PUT-010557. 99/2021/PP/M.XIIA (September 2019 Term), PUT-010558.99/2021/PP/M.XIIA (October 2019 Term), PUT-010559. 99/2021/PP/M.XIIA (November 2019 Session), and PUT-010560.99/2021/PP/M.XIIA (December 2019 Session), all in the year 2024.

Analysis of Intertemporal Conflict: PMK 31/2014 vs. PMK 18/2021

The core of the dispute in the four decisions under review is the conflict between two positions regarding which regulation should serve as the legal basis for the audit and issuance of the SKPKB: PMK 31/2014, as used by the tax authorities, or PMK 18/2021, which the plaintiff (the taxpayer) claims is the regulation that should apply.

The tax authorities' (defendant's) position is based on the argument that the request for a refund of the December 2019 VAT Return was submitted on September 14, 2020—that is, before PMK 18/2021 was enacted on February 17, 2021. Thus, in substantive terms, the taxpayer was still guided by the provisions of PMK 31/2014 at the time the refund request was filed. The tax authority argued that the use of PMK 31/2014 as the basis for the refund settlement procedure was appropriate because the application was filed under the old regulatory regime, and the procedures for processing the refund of input tax that had been credited refer to the provisions in effect at the time the application was filed.

Conversely, the plaintiff's position is based on the fact that the SKPKB was issued on September 10, 2021—seven months after PMK 18/2021 took effect. PMK 18/2021, through Article 118(c), explicitly repeals PMK 31/2014 and declares it invalid, without including any transitional provisions that would maintain the applicability of PMK 31/2014 for ongoing processes. The plaintiff argues that, in the absence of transitional provisions, PMK 18/2021 applies immediately to all unfinished proceedings, including ongoing audits. Consequently, the issuance of an SKPKB that uses PMK 31/2014 as the legal basis for the correction is procedurally flawed because it relies on a regulation that is no longer in effect.

The Tax Court found the key to resolving this intertemporal conflict in Article 110, paragraphs (1) and (2), of PMK 18/2021. Article 110(2) explicitly stipulates that in the event a Taxable Person (PKP) who has not yet made a delivery amends their Periodic VAT Return for a tax period prior to November 2, 2020, resulting in an overpayment, the refund of the excess input tax shall be processed in accordance with the provisions of Minister of Finance Regulation No. 18/2021. This provision functions as an application rule that extends the retroactive applicability of PMK 18/2021 to a limited extent to cover tax return corrections for tax periods prior to the enactment of said PMK, and thus resolves the temporal issue, rather than serving as a transitional provision in the classical sense, which would instead maintain the old regime. With the discovery of Article 110, the tax authority's argument—that PMK 31/2014 remains relevant because the refund request was filed before PMK 18/2021 took effect—is rendered invalid.

Legal Considerations of the Tax Court: Between Procedural Defects and Substantive Truth

In the four decisions reviewed, the Tax Court granted the plaintiff's claim pursuant to Article 80(1)(b) of the Tax Court Law. However, what is academically interesting is that the judgment's ruling did not stop at merely granting the claim. The Tax Court simultaneously instructed the defendant to conduct a substantive review and examination of the VAT for the relevant tax period in accordance with applicable regulations. This combination of rulings reflects a hybrid pattern: granting the claim based on procedural defects on the one hand, and upholding the substantive tax liability through an instruction for re-examination on the other.

Regarding the first issue in dispute—the erroneous application of the legal basis for the adjustment—the Tax Court held that although the refund petition was filed before Minister of Finance Regulation (PMK) No. 18/2021 took effect, the audit of VAT for the December 2019 period and prior periods must be conducted in accordance with the provisions of PMK No. 18/2021, specifically pursuant to Article 110(1) and (2) of that regulation. The Tax Court held that the defendant, which issued the SKPKB based on the provisions of PMK 31/2014, acted improperly and in violation of the procedures and rules for issuing an SKP. Consequently, the contested SKPKB was declared null and void due to procedural defects in the application of the legal basis.

Regarding the second issue in dispute—the erroneous use of the tax return as the basis for the audit—the Tax Court actually disagreed with the plaintiff. The Tax Court considered that the tax authorities' use of the first amendment (P-1) to the VAT Periodic Tax Returns for April through December 2014 as the basis for the audit was in accordance with the provisions of Article 8(1a) of the Tax Administration Law, which requires that an amendment to a tax return indicating an overpayment must be submitted no later than two years before the statute of limitations for assessment expires. The second amendment (P-2), submitted in August 2020, exceeded this time limit and therefore could not be used as the basis for the audit. Consequently, the lawsuit was granted only on the basis of the first issue in dispute.

Although the SKPKB was declared null and void, the Tax Court did not allow the substantive issue to remain unresolved. Pursuant to Article 76 of the Tax Court Law, which mandates the pursuit of substantive truth, and considering that substantive truth must take precedence over formal aspects, the panel of judges instructed the defendant to re-examine the substance of the VAT for the relevant tax period in accordance with applicable regulations, namely PMK 18/2021. This instruction is a concrete expression of the principle of substantive truth (Article 76) and, at the same time, of the nature of defects in administrative decisions, which are ex tunc in nature but do not nullify substantive legal relationships: the annulment due to procedural defects does not automatically exempt the taxpayer from any tax liability that may be materially owed, but rather represents a synthesis of the tension between legal certainty and substantive truth within the framework of Radbruch's dialectic.

It is worth noting that, textually, the legal reasoning in the decision does indeed mention the term "substance over form." The panel of judges stated that the annulment of the SKPKB was carried out "based on tax laws that adhere to the principle of 'substance over form,' which prioritizes substantive truth," a principle that was then directly anchored in Article 76 of the Tax Court Law and its explanatory notes. This phrasing demonstrates that the panel used the term nominally as a label for the principle of substantive truth: the interpretation provided by the panel itself refers to the procedural legal principle in Article 76, not to the recharacterization of the economic substance of the transaction—which is the hallmark of the "substance over form" doctrine in the context of anti-avoidance. Not a single part of the reasoning recharacterizes the transaction; the entire legal operation of the decision takes place within the realm of the procedural validity of establishing and maintaining substantive tax obligations through an order for re-examination. The panel's loose use of terminology serves as textual evidence of a terminological conflation between "substance over form" and "substantive truth," while simultaneously affirming that a proper analytical reading of this decision rests on the principle of substantive truth as the principle that actually governs the matter.

Implications of the Ruling: Legal Consequences Following the Revocation of the SKPKB

The revocation of the four SKPKB through the Tax Court's ruling on the lawsuit raises legal consequences that need to be analyzed within the context of Indonesia's tax administration system. All analyses of these consequences in this subsection are normative and are derived solely from the timeline set forth in the ruling—namely, the date of the Audit Order, the date of issuance of the SKPKB, and the date the ruling was rendered—rather than from the results or findings of a post-ruling re-examination; thus, all conclusions can be verified by the reader using the same public documents. As stipulated in Article 88(2) of the Tax Court Law, a Tax Court decision must be enforced by the competent official within 30 days from the date the decision is received. This means that tax authorities have a legal obligation to immediately follow up on the decision by conducting a re-examination as instructed by the panel of judges.

The instruction to conduct a re-examination contained in the judgment creates an unusual legal situation. On the one hand, the SKPKB that has been issued is declared null and void, and thus no longer has enforceable effect. On the other hand, the ordered re-examination has the potential to result in a new legal instrument in the form of a new tax assessment notice. However, in practice, the possibility of issuing a new Tax Assessment Notice for Underpayment is limited by the statute of limitations on assessment as stipulated in Article 13(1) of the Tax Administration Law, which restricts the issuance of SKPKBs to a period of five years after the tax becomes due or the end of the tax period. For the tax period from September through December 2019, the five-year assessment period will expire between September and December 2024, while the new ruling was received by the Tax Office in August 2024.

More specifically, for the September 2019 tax period, the statute of limitations for assessment expires in September 2024—just about one month after the decision is received by the Tax Office in August 2024. This extremely tight timeframe directly limits the tax authorities' ability to adequately complete the re-examination before their authority to issue an assessment expires by operation of law.

The fact that the assessment deadline was very close at the time the ruling was received created significant time pressure for the tax authorities in carrying out the re-examination instructions. If the re-examination cannot be completed before the assessment deadline expires, then legally the tax authorities no longer have the authority to issue a new SKPKB. Consequently, the VAT overpayment claimed by the taxpayer may have to be refunded in the form of a Tax Overpayment Assessment Letter (SKPLB). This situation illustrates how procedural flaws in the issuance of the initial SKPKB—which could essentially have been avoided had the tax authorities applied the correct legal basis from the outset—ultimately result in an unfavorable outcome for government revenue.

These implications underscore the importance of tax officials' diligence in ensuring that every tax administration action—particularly the issuance of tax assessment notices—always complies with the regulations in effect at the time the action is taken. In an era of intensive tax regulatory reform, the potential for intertemporal conflicts between old and new regulations is growing, requiring more serious attention from both tax authorities and policymakers.

Implications for Legal Certainty and Tax Administration Practices

The four rulings examined in this study have implications that extend beyond the individual case of PT HT. More broadly, these rulings highlight at least three systemic issues in Indonesia's tax administration that are worth discussing.

First, the issue of managing the transition in tax regulations. This case illustrates how the repeal of PMK 31/2014 and its replacement with PMK 18/2021 were carried out without comprehensive transitional provisions to address the status of ongoing tax audit processes. The absence of explicit transitional provisions created a normative vacuum that opened the door to conflicting interpretations between tax authorities and taxpayers, which ultimately could only be resolved through litigation. As analyzed in the previous section, the key to resolving the dispute in this case was actually found by the panel of judges in Article 110(1) and (2) of PMK 18/2021, which serve as implementation rules to resolve temporal issues. However, relying on the panel of judges' interpretation of a provision that, structurally, was not designed as a transitional rule places legal certainty in a vulnerable position. This issue is systemic in nature because tax regulatory reforms in Indonesia have been proceeding intensively in recent years—including following the enactment of the Job Creation Law and the Tax Regulation Harmonization Law—so the potential for similar intertemporal conflicts to arise in the future is very high if the practice of drafting transitional provisions is not fundamentally improved. A similar pattern was also identified by (M. & Enggarani, 2026) in their analysis of Supreme Court Rehearing Decision No. 174/B/PK/Pjk/2021 regarding a VAT dispute over import documents, where the tax dispute arose not due to taxpayer noncompliance with substantive obligations, but as a result of an administrative conflict across fiscal legal regimes between the Directorate General of Taxes and the Directorate General of Customs and Excise. This finding underscores that issues of regulatory disharmony and transition are systemic sources of tax disputes that could actually be prevented at the regulatory drafting stage.

Second, the issue of the quality of audits and tax officials' understanding of regulatory dynamics. This case reveals that the tax authorities issued a Tax Assessment Decision (SKPKB) on September 10, 2021, while still using Minister of Finance Regulation No. 31/2014 as the legal basis for the adjustment, even though that regulation had been revoked as of February 17, 2021—nearly seven months before the SKPKB was issued. This fact highlights a significant gap in the Directorate General of Taxes' internal mechanisms for ensuring that every tax auditor possesses an adequate and up-to-date understanding of current regulatory developments. The consequences of this gap are not only the annulment of the SKPKB through a Tax Court ruling but also an adverse impact on government revenue. This issue underscores the importance of investing in structured internal outreach and the prompt issuance of technical guidelines whenever regulatory changes occur, serving as policy rules (beleidsregel) to guide auditors (Amiruddin et al., 2022), and strengthening the analytical capacity of tax auditors to identify the applicable regulations at each stage of the audit. Within the framework of the KTUN doctrine of defects, a tax official's failure to apply the appropriate legal basis falls under the category of procedural defects, which can conceptually be avoided through stricter quality assurance mechanisms. A recent study by (Loshita Sari & Nuryanah, 2023) on thin capitalization disputes in Tax Court rulings from 2019 to 2022 shows that the weak basis for tax examiners' adjustments in proving the reasonableness of transactions is a consistent source of tax disputes in court, confirming that issues regarding the quality of tax audits are systemic. A phenomenological study by (Wahyudi et al., 2017), conducted from the perspective of tax auditors, further confirms that pressures and limitations in the audit process contribute to the emergence of disputes at a later stage.

Third, the issue of the burden of disputes in the Tax Court. The PT HT case demonstrates that disputes fundamentally rooted in the ambiguity of transitional regulations must still be resolved through litigation, a process that takes nearly three years (the lawsuit was filed in September 2021, and the ruling was handed down in August 2024). This prolonged dispute duration imposes significant compliance costs on taxpayers and simultaneously strains the capacity of the Tax Court, which is already handling a large caseload (Sa'adah, 2019). If the first and second issues mentioned above can be systematically addressed through improvements in regulatory transition management and enhanced audit quality, a portion of this dispute burden could actually be prevented from the outset. In other words, many tax disputes that reach the Tax Court are not, in fact, disputes over complex substantive matters, but rather disputes over procedural defects that should have been avoided at the audit stage. Reducing the dispute burden in the Tax Court, therefore, cannot be achieved solely by expanding judicial capacity but must begin with improving the quality of tax administration at the upstream level.

From the perspective of legal certainty, the Tax Court's decision in this case makes a positive contribution by affirming two important principles. First, that the issuance of a tax assessment notice based on a legal provision that has been repealed constitutes a procedural defect resulting in the annulment of that legal instrument, regardless of whether the substance of the correction made is materially justified. Second, the annulment due to a procedural defect does not automatically exempt the taxpayer from any tax liability that may be owed, as the judge may order a re-examination based on substantive correctness. Together, these two principles form a framework that balances the protection of taxpayers' procedural rights while maintaining the integrity of the tax collection system.

The Position of the Rulings within the Landscape of Tax Litigation Jurisprudence

To understand the position of the PT HT ruling within the landscape of tax litigation jurisprudence in Indonesia, a comparative analysis is needed with recent rulings that resolve disputes by prioritizing economic substance or material truth. Research by (Yasa & Sadnyini, 2025) on Tax Court rulings regarding VAT disputes over the transfer of land rights shows that the panel of judges recognized the economic substance of the transaction, which actually outweighed its legal form as set forth in the authentic deed; consequently, the dispute was resolved in favor of the taxpayer based on a purely substantive assessment. A similar pattern was identified in the study by (M. & Enggarani, 2026) on Supreme Court Review Decision No. 174/B/PK/Pjk/2021, which addressed a VAT dispute related to import documents, in which the panel of judges recognized the import documents as the basis for input tax credits provided that the taxpayer had fulfilled the substantive obligations, as an application of the "substance over form" principle to resolve administrative disharmony across fiscal legal regimes. (Pratama, 2024), in his analysis of a dispute over Article 23 Income Tax on reinsurance commissions—which the taxpayer won for five consecutive years—also identified the same pattern: the panel of judges prioritized the substance of the reinsurance transaction as the primary consideration in ruling that reinsurance commissions did not meet the objective criteria to qualify as a withholding tax object. These three rulings, despite differences in the terminology used, demonstrate a relatively conventional typology: consideration of substance or material truth is used as the basis that directly determines the taxpayer's victory and resolves the dispute definitively in a single stage.

The ruling in the PT HT case exhibits a different typology from the conventional jurisprudential patterns described above. First, the basis for granting the claim in this case was not a substantive consideration of the correction's content, but rather a procedural defect involving the use of Minister of Finance Regulation No. 31/2014—which had been revoked—as the legal basis for the correction. Substantive consideration of the tax liability did not serve as the direct basis for granting the claim; rather, it was deferred to the next stage through an instruction for a re-examination. Second, the ruling did not stop at granting the claim but was accompanied by an instruction for a substantive re-examination based on the principle of substantive truth as mandated by Article 76 of the Tax Court Law. This combination results in a hybrid judgment, in which the taxpayer achieves a formal victory through the annulment of the SKPKB, yet must simultaneously face a re-examination of the substantive tax liability associated with the same transaction. Third, the conceptual bridge in this case is not the "substance over form" doctrine, but rather the principle of substantive truth—supported by the doctrine of defects in administrative decisions—which ensures that a procedural annulment does not automatically eliminate the substantive dimension of the tax liability that may still be owed.

This hybrid typology enriches the jurisprudence of tax litigation in Indonesia by demonstrating that, in disputes stemming from intertemporal regulatory conflicts, the principle of substantive truth and the doctrine of defects in administrative decisions can serve as a balancing mechanism that ensures the protection of taxpayers' procedural rights does not evolve into an automatic exemption from substantive obligations. In cases where procedural defects are irreparable, the combination of a ruling that annuls the tax assessment while simultaneously ordering a re-examination ensures that both legal certainty and substantive truth are preserved. This mechanism is a concrete manifestation of dialectics—that is, the balancing of legal certainty and substantive justice through a single ruling. Within this framework, the "substance over form" doctrine is not the backbone of the resolution but merely a conceptual reference point that places this case within the broader family of tensions between substance and form in tax law. It is this contribution that distinguishes the analysis of the PT HT ruling from previous studies and opens the door for the further development of jurisprudential doctrine regarding the pattern of hybrid rulings in the resolution of tax disputes rooted in intertemporal regulatory conflicts.

CONCLUSION

The intertemporal regulatory conflict in this case was resolved through Article 110 of PMK 18/2021 as a provision governing the temporal application of regulations; thus, the tax authorities' application of PMK 31/2014 was found to have resulted in a procedural defect that invalidated the SKPKB. The Tax Court applied a hybrid ruling pattern (annulling the formal decision while ordering a re-examination of the merits) that reflects Radbruch's dialectic in harmonizing legal certainty and substantive truth. This case highlights systemic weaknesses in the management of tax regulatory transitions and in the tax authorities' oversight of audit quality, which risk harming state revenue due to the statute of limitations on assessments.

Recommendations

1) To the Directorate General of Taxes: It is necessary to issue responsive and structured internal technical guidelines whenever regulatory changes occur to guide the conduct of ongoing audits.
2) To Policy Makers (Ministry of Finance): It is mandatory to include explicit and adequate transitional provisions in every new regulation to avoid a legal vacuum for ongoing audits.
3) To Academics: It is hoped that they will conduct further studies on similar hybrid rulings to enrich a coherent body of intertemporal tax law jurisprudence

Conflict of Interest Statement

The first three authors are tax auditors at KPP PJK, the tax office that acted as the defendant in the disputes analysed here; the fourth author is a university lecturer with no connection to the case. The first author was not a member of the audit team whose assessment was challenged. After the rulings were pronounced he was assigned to the re-examination ordered by the panel, an assignment that had been completed before this study was written. The second and third authors were involved in neither the audit nor the re-examination.

The authors disclose this position rather than assert that it has no effect. Three measures were taken to limit its influence, each of which the reader can check. All primary material is drawn from the official copies of the rulings, which are publicly accessible through SIPP; no internal document of the tax office — audit working papers, audit reports, or correspondence — was used, and none is cited. Every factual proposition about the case in this article is traceable to a numbered ruling. The analysis is directed at the legal reasoning of the panel and at the administrative practice that produced the defective assessment, and it records findings unfavourable to the tax authority, including the loss of assessment authority through the running of the statutory time limit.

The authors nonetheless acknowledge a residual risk that an insider position may shape the selection of the case, the framing of the research question, and the emphasis placed on particular arguments, and that procedural safeguards alone cannot eliminate it. Objectivity is therefore left to be assessed by the reader against the public documents cited, rather than claimed by the authors.

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