
The Institutional Repositioning of the Tax Court Post-Constitutional Court Decision Number 26/PUU-XXI/2023

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ABSTRACT

Article 5 paragraphs (1) and (2) of Law Number 14 of 2002 concerning the Tax Court provides that: (1) technical judicial supervision of the Tax Court is carried out by the Supreme Court; and (2) organizational, administrative, and financial management of the Tax Court is carried out by the Ministry of Finance. As a result, the oversight of the Tax Court operates under a dual oversight system (two-roof system). The Constitutional Court Decision Number 26/PUU-XXI/2023, dated May 25, 2023, represents a significant milestone in the development of constitutional law and tax law in Indonesia. This ruling asserts that the organizational, administrative, and financial management of the Tax Court under the Ministry of Finance is unconstitutional and conflict with the principle of an independent judiciary as enshrined in the 1945 Constitution of the Republic of Indonesia. According to the Justices, such management must be transferred to the Supreme Court no later than December 31, 2026. This article seeks to analyze and propose the institutional model for the Tax Court following the Constitutional Court's decision specifically, whether the Tax Court will remain a standalone appellate court with the competence to adjudicate tax disputes as it currently exists, or whether it will be integrated into the High Administrative Courts (PT TUN). This article employs a normative legal research method, through statutory, conceptual, and comparative legal methodologies. The research is based on the Tax Court Law, the Administrative Court Law, and the existing judicial framework in Indonesia.

INTRODUCTION

The Tax Court is a specialized court established to adjudicate tax disputes, positioned within the sphere of the Administrative Court system and established pursuant to Law Number 14 of 2002 concerning the Tax Court. The existence of the Tax Court holds a strategic position within the national tax legal system. On one hand, it acts as an instrument of legal protection for taxpayers against fiscal administrative actions that are inconsistent with prevailing laws and regulations. On the other hand, it plays a vital role in maintaining the legitimacy and accountability of the tax collection system, which acts as the backbone of state financing (Simanjuntak, 2020).

Since its inception, the institutional design of the Tax Court has harbored fundamental legal issues. Article 5, paragraphs (1) and (2) of the Tax Court Law mandates a "two-roof system" of oversight, where technical judicial supervision is carried out by the Supreme Court,

while organizational, administrative, and financial management falls under the authority of the Ministry of Finance. This oversight model has received significant criticism, as it is deemed to conflict with the principle of judicial independence. Furthermore, the Minister of Finance through the Directorate General of Taxes and the Directorate General of Customs and Excise is the direct litigating party in the Tax Court. This condition creates a structural potential for conflicts of interest that may undermine public trust in the impartiality of tax justice (Arsawan & Maula, 2023; Suciyani, 2022).

The Constitutional Court Decision Number 26/PUU-XXI/2023, dated May 25, 2023, acts as a constitutional correction to this two-roof system. The Constitutional Court declared that the phrase “Department of Finance” in Article 5 paragraph (2) of the Tax Court Law is unconstitutional and lacks binding legal force, unless interpreted as “the Supreme Court.” The ruling requires that the management of the Tax Court should be entirely managed by the Supreme Court, to be implemented progressively no later than December 31, 2026.

The transfer of administrative, financial, and organizational management indicates the Tax Court's full integration into the administrative judicial sphere (one-roof system). This shift prompts a critical inquiry regarding the institutional model of the Tax Court following the Constitutional Court's decision. To formulate this model, it is necessary to first examine the specificities and fundamental differences between the Tax Court and the Administrative Courts. This article aims to examine and determine the ideal institutional model for the Tax Court post-Constitutional Court ruling. The researcher’s hypothesis posits that the ideal institutional model is for the Tax Court to function as a standalone entity, equivalent to a High Administrative Court (PT TUN) (Nasyira et al., 2024; Widia, 2024).

METHOD

This study represented normative legal research. The approaches utilized include a statute approach and a conceptual approach. The statute approach is employed to analyze the conformity of the Tax Court's institutional model with the principles of the judicial power system and the Tax Court Law. On the other hand, the conceptual approach is utilized to examine the concepts of judicial independence and the separation of powers from the perspective of legal doctrine and constitutional theory. Primary legal materials include the 1945 Constitution of the Republic of Indonesia, Law Number 48 of 2009 concerning Judicial Power, Law Number 14 of 2002 concerning the Tax Court, and Constitutional Court Decision Number 26/PUU-XXI/2023 (Negara, 2023).

RESULTS AND DISCUSSION

The Judicial Power System in Indonesia

Article 24 paragraph (1) of the 1945 Constitution of the Republic of Indonesia expressly provides that judicial power is an independent power to administer justice in order to uphold law and justice. This provision is further elaborated in Law Number 48 of 2009 concerning Judicial Power, which states that judicial power is an independent state power to administer justice to uphold law and justice based on Pancasila and the 1945 Constitution of the Republic of Indonesia, for the realization of the Republic of Indonesia as a State of Law.

Judicial power is exercised by a Supreme Court and the judicial bodies beneath it within the spheres of the general courts, religious courts, military courts, and administrative courts, as

well as by a Constitutional Court. The judicial bodies operating under the Supreme Court are: Judicial bodies within the sphere of the general courts; Religious courts; Military courts and administrative courts (Sufiarina & Fakhriah, 2012).

The Tax Court within the Indonesian Legal System

The existence of tax dispute resolution institutions has a long history in Indonesia, beginning with the establishment of the Tax Advisory Institution on December 11, 1915, based on the State Gazette (Staatsblad) 1915 No. 707. Subsequently, with the enactment of the ICW (State Treasury Law/Staatsblad 1925), the Tax Advisory Council was formed, which at that time was named Raad van Beroep Voor Belastingzaken based on the Ordonnantie tot Regeling van het Beroep in Belastingzaken, Staatsblad 1927 No. 29 in conjunction with (j.o) Staatsblad 1933 No. 6, functioning as an administrative judicial body.

During the Japanese occupation of Indonesia from 1942 to 1945, the Raad van Beroep Voor Belastingzaken continued to function and carry out its duties pursuant to the provisions of Article 3 of Osomu Seirei Number 1, dated March 1, 1942, which stipulated that all former government bodies remained temporarily recognized as valid as long as they did not conflict with military government regulations. Later, pursuant to Law Number 5 of 1959, the Raad van Beroep Voor Belastingzaken was renamed the Tax Advisory Council (Majelis Pertimbangan Pajak or MPP).

Since the enactment of Law Number 5 of 1986 concerning the Administrative Court, all MPP decisions were deemed as decisions of an Administrative Appeal Body/Institution, rather than decisions of an Administrative Judicial Body. As a result, the validity of its decisions could be reviewed by the Administrative Court, which resultingly protracted the tax dispute resolution process.

This condition subsequently sparked the idea to reaffirm the MPP as an administrative judicial body in the field of taxation, by formulating it within Article 27 paragraphs (1), (2), and (4) of Law Number 6 of 1983 concerning General Provisions and Tax Procedures, as amended by Law Number 9 of 1994, as follows:

- (1) Taxpayers may file an appeal solely to the Tax judicial body regarding the decision on their objection stipulated by the Director General of Taxes.
- (2) Before the tax judicial body referred to in paragraph (1) is established, the appeal application shall be submitted to the Tax Advisory Council, whose decision does not constitute a State Administrative decision.
- (3) The decision of the tax judicial body represents a final and legally binding decision.

Efforts to reaffirm the MPP as a judicial body within the said law were ineffective because, in practice, the Supreme Court held the view that as long as the tax judicial body referred to in Article 27 paragraph (1) above had not been established, MPP decisions were considered Administrative (TUN) decisions subject to validity reviews by the Administrative Court. To fulfill the mandate of Law Number 6 of 1983 concerning General Provisions and Tax Procedures, as amended by Law Number 9 of 1994, the Tax Dispute Resolution Body (Badan Penyelesaian Sengketa Pajak or BPSP) was established under Law Number 17 of 1997 as a tax judicial body tasked with examining and adjudicating tax disputes. The definition of taxation in this BPSP Law was broader than before, as it also included customs disputes. BPSP decisions possessed executory power and the same legal standing as court decisions that have

obtained permanent legal force, meaning its decisions could not be litigated in General Courts or Administrative Courts (PTUN).

Nevertheless, in its implementation, the Supreme Court treated BPSP decisions similarly to MPP decisions; all BPSP decisions submitted to the PTUN continued to be examined and adjudicated in accordance with the applicable procedural law, as the BPSP was not considered the tax judicial body referred to in Article 27 paragraph (1) above. Based on the consideration that the implementation of tax dispute resolution through the BPSP still exhibited legal uncertainty capable of generating injustice, and that tax dispute resolution must be conducted fairly through a rapid, affordable, and simple procedure and process, the Tax Court was established pursuant to Law Number 14 of 2002. The Tax Court is a specialized court with the authority to examine and adjudicate tax disputes (Lex Localis, 2025).

Article 1 point 8 of Law Number 48 of 2009 concerning Judicial Power states the following: "A Specialized Court is a court that has the authority to examine, try, and adjudicate specific cases, which can only be established within one of the judicial spheres beneath the Supreme Court as regulated by law."

Law of the Republic of Indonesia Number 51 of 2009 concerning the Second Amendment to Law Number 5 of 1986 concerning the Administrative Court, states:

Article 1 paragraph (5) A Specialized Court is a court that has the authority to examine, try, and adjudicate specific cases, which can only be established within one of the judicial spheres beneath the Supreme Court as regulated by law.

Article 27 paragraph (1) A specialized court can only be established within one of the judicial spheres beneath the Supreme Court as referred to in Article 25.

Elucidation: What is meant by specialized courts includes, among others, the juvenile court, commercial court, human rights court, corruption criminal court, industrial relations court, and fisheries court, which are within the sphere of the general courts, as well as the tax court, which is within the sphere of the administrative court.

Article 27 paragraph (2) "Provisions regarding the establishment of specialized courts as referred to in paragraph (1) shall be regulated by law."

The existence of the Tax Court within the Indonesian judicial system is recognized by the Constitutional Court through its decisions Number 004/PUU-II/2004 dated December 8, 2004, and Number 011/PUU-IV/2006 dated October 2, 2006, which in principle state: "that the absence of cassation remedies at the Tax Court does not mean that the Tax Court does not culminate at the Supreme Court." Accordingly, the position of the Tax Court is that of a specialized court situated within the sphere of the administrative court. (Butt & Lindsey, 2012)

Constitutional Court Decision Number 26/PUU-XXI/2023

Constitutional Court Decision Number 26/PUU-XXI/2023, dated May 25, 2023, represents a ruling on a petition for judicial review against Article 5 paragraph (2) of the Tax Court Law, the entirety of which regulates and reads as follows:

(1) Technical judicial supervision of the Tax Court is carried out by the Supreme Court. (2) Organizational, administrative, and financial management of the Tax Court is carried out by the Department of Finance. (3) The management as referred to in paragraph (1) and paragraph (2) shall not diminish the independence of Judges in examining and adjudicating Tax Disputes.

The Petitioner for the Judicial Review asserted that the norm in Article 5 paragraph (2) clearly and tangibly undermines the independence of the judicial power, which must be free and independent from other powers in case the Executive/Government. Hence, it conflict withs Article 1 paragraph (3) of the 1945 Constitution, which states that the State of Indonesia is a State of Law; Article 24 paragraph (1) of the 1945 Constitution, which states that judicial power is an independent power to administer justice to uphold law and justice; Article 24 paragraph (2), which states that judicial power is exercised by a Supreme Court and judicial bodies beneath it within the spheres of the general courts, religious courts, military courts, administrative courts, and by a Constitutional Court; and Article 28D paragraph (1) of the 1945 Constitution, which states that every person is entitled to fair recognition, guarantees, protection, and legal certainty, as well as equal treatment before the law.

The Constitutional Court stated that concerning the legal fact regarding the dualism of management authority over the Tax Court, such a condition clearly amounts to confounding the management of a judicial institution, which should be integrated within a single institution exercising judicial power and separated from the intervention of the executive power or any other power. The Tax Court is a component of the judicial power (a Specialized Court within the Sphere of the Administrative Court) as regulated in Article 24 of the 1945 Constitution, thus falling under the scope of the judiciary beneath the Supreme Court. Hence, a "one-roof system" must be implemented to establish a judicial body that is free from the influence of other parties. The normative provision of Article 5 paragraph (2) of Law 14/2002 generates legal uncertainty and injustice (Christia et al., 2024).

The Constitutional Court Decision was pronounced in a plenary session of the Constitutional Court, open to the public, on Thursday, the twenty-fifth of May, two thousand and twenty-three, declaring: "that the phrase 'Department of Finance' in Article 5 paragraph (2) of Law Number 14 of 2002 concerning the Tax Court (State Gazette of the Republic of Indonesia of 2002 Number 27, Supplement to the State Gazette of the Republic of Indonesia Number 4189) is unconstitutional and holds no binding legal force insofar as it is not interpreted as 'the Supreme Court, which shall be implemented progressively no later than December 31, 2026'." As a result, Article 5 paragraph (2) of Law 14/2002 in its entirety reads: "Organizational, administrative, and financial management of the Tax Court is carried out by the Supreme Court, which shall be implemented progressively no later than December 31, 2026." Based on this Constitutional Court ruling, the institutional and organizational management of the Tax Court must fully reside with the Supreme Court no later than December 31, 2026.

The Transfer of Tax Court Management to the Supreme Court

The principle of judicial independence is one of the main pillars of a State of Law (*rechtsstaat*). Judicial independence includes not only the freedom of judges in examining and adjudicating cases but also institutional and structural aspects, including the organizational, administrative, and financial management of the court (Voigt et al., 2015).

The principle of judicial independence lies at the heart of the State of Law concept. Independence is not solely interpreted as the personal freedom of judges to examine and adjudicate cases; it also includes institutional guarantees that protect the judiciary from all forms of external influence, whether from the executive or legislative branches of power. In

modern constitutional law doctrine, judicial independence is deemed an absolute prerequisite for the realization of a fair and impartial trial (Bhatnagar, 2025).

Montesquieu, in his theory of the separation of powers (*trias politica*), asserted that liberty can only be guaranteed if the judicial power is strictly separated from the executive power. If the judicial power operates under the control or influence of the executive, judges potentially lose their independence, and the judiciary transforms into an instrument of power (Epperly & Zeng, 2025).

Article 24 paragraph (1) of the 1945 Constitution affirms that judicial power is an independent power to administer justice in order to uphold law and justice. This provision is reinforced by Law Number 48 of 2009 concerning Judicial Power, which designates the Supreme Court as the highest authority holder for the management of judicial bodies beneath it, including technical judicial, organizational, administrative, and financial aspects.

In an international context, the principle of judicial independence is also affirmed in Article 14 paragraph (1) of the International Covenant on Civil and Political Rights (ICCPR), which states that everyone is entitled to a fair and public hearing by a competent, independent, and impartial tribunal. This principle is further elaborated in the Bangalore Principles of Judicial Conduct (2002), which positions independence as the first fundamental value that must be guaranteed by the State (Bedner, 2020).

In the context of the Tax Court, the principle of independence is a primary concern frequently questioned by the public. The Ministry of Finance (the Directorate General of Taxes and the Directorate General of Customs and Excise) acts as the Appellee or Defendant. The concept of the "one-roof system" or a unified judicial system emerged as a response to fragmented judicial management practices. This system aims to guarantee the unity of judicial policy, consistency of oversight, and the independence of judicial bodies from the intervention of other branches of power. In Indonesia, the one-roof system has been implemented progressively post-reform through the transfer of judicial management from technical departments to the Supreme Court (Bedner, 2020; Sufiarina & Fakhriah, 2012).

In the context of the Tax Court, the two-roof management system has given rise to serious constitutional issues. Theoretically, the management of a court by an executive institution conflict with the principle of the separation of powers as posited by Montesquieu. Judicial power must be strictly separated from executive power to prevent the abuse of power and to guarantee judicial independence. The Constitutional Court, in Decision Number 26/PUU-XXI/2023, asserted that the intervention of the Ministry of Finance in the institutional management of the Tax Court potentially diminishes judicial independence. Hence, the full transfer of management to the Supreme Court is a constitutional imperative (Arsawan & Maula, 2023; Larasati et al., 2025).

Constitutional Court Decision Number 26/PUU-XXI/2023 not only carries normative consequences regarding the alteration of phrasing in the Tax Court Law, but it also generates broad policy implications in the process of the institutional transition of the Tax Court toward a one-roof judicial system under the Supreme Court. Several of these implications are as follows:

First, human resource implications within the Tax Court, specifically regarding Judges, Registrars (*Panitera*), and support staff. Tax Court Judges possess distinct characteristics compared to judges within the administrative court sphere, particularly concerning professional

backgrounds, employment status, and technical competencies in the field of taxation. The management transfer process to the Supreme Court must guarantee that the rights and facilities previously received by Tax Court Judges are not diminished or eliminated. Transition policies insensitive to these specificities potentially breed internal resistance and disrupt the stability of trial services.

Regarding the implications for Registrars and support staff, these personnel in the Tax Court hold the status of Civil Servants (PNS) of the Ministry of Finance. There are significant differences concerning job structures, nomenclature, and remuneration amounts for Tax Court Registrars compared to those in the Administrative Court. The transfer of management to the Supreme Court requires extraordinary handling and must be executed in accordance with the principles of a "soft landing" and a "hold harmless" provision.

Second, implications for the trial information technology system. The Tax Court has developed an electronic administrative and trial system distinct from the general judicial system under the Supreme Court. The integration or harmonization of these information technology systems necessitates technical policies implemented progressively and based on the needs of dispute resolution.

Third, implications for tax dispute resolution services for litigating parties. The institutional transition must not compromise the principle of simple, fast, and low-cost justice. The State is obligated to ensure that the repositioning process neither impedes access to justice for Taxpayers nor detracts the interests of state revenue. In this context, service continuity must serve as a primary principle in any transition policy.

Fourth, implications for legislative policy. Constitutional Court Decision Number 26/PUU-XXI/2023 implicitly mandates the necessity to amend Law Number 14 of 2002 concerning the Tax Court. Legislators must formulate a new institutional model that affirms the position of the Tax Court as an appellate court beneath the Supreme Court.

From a public policy perspective, the successful institutional transition of the Tax Court will have a direct impact on Taxpayer trust in the taxation system. An independent and authoritative tax judiciary is a crucial prerequisite for the creation of sustainable tax compliance. Hence, the institutional repositioning of the Tax Court should be regarded as a strategic investment in strengthening the State of Law and fostering fair tax governance (Appiah et al., 2024; Batrancea et al., 2019).

The Institutional Model of the Tax Court Following Constitutional Court Decision Number 26/PUU-XXI/2023

Constitutional Court Decision Number 26/PUU-XXI/2023 requires that the position of the Tax Court must be transferred/repositioned so that it no longer operates under the Ministry of Finance, but rather is subjected to the judicial power (the Supreme Court), as an integral component of an independent judiciary. The transfer of the organizational, administrative, and financial management of the Tax Court from the Ministry of Finance to the Supreme Court raises a fundamental question: what should the institutional model of the Tax Court be following the Constitutional Court's decision?

To formulate the ideal institutional model for the Tax Court following the transfer of its management to the Supreme Court, the Author will outline several specificities of the Tax Court and its differences from the courts within the administrative judicial sphere. This will

lead to a conclusion regarding whether the institution of the Tax Court can be integrated into each of the High Administrative Courts (Pengadilan Tinggi Tata Usaha Negara or PT TUN).

1. Competence of Court Judges

To be appointed as a Tax Court Judge, every candidate must fulfill several requirements, including possessing expertise in taxation and holding a bachelor's degree in law or another discipline. As a result, a law degree is not an absolute prerequisite. This requirement is inextricably linked to the absolute competence of the Tax Court, which is to adjudicate tax disputes. Tax Court Judges must possess expertise in taxation and related fields, such as mastering accounting (bookkeeping), because the tax base is the income generated from the taxpayer's bookkeeping records (Sa'adah & Wibawa, 2023).

2. Status and Background of Court Judges

Based on the provisions in Article 9 of the Tax Court Law, the requirements to register as a Tax Court Judge candidate include, among others: being at least 45 years of age and a maximum of 62 years of age; holding a minimum of a Bachelor's Degree (S1) or a Diploma IV; possessing high motivation and integrity; and having expertise and experience in taxation or customs and excise. There is no requirement to hold the status of a State Civil Apparatus (Aparatur Sipil Negara or ASN) or Civil Servant (Pegawai Negeri Sipil or PNS).

In contrast, the requirements to become a high judge within the Administrative Court sphere are: a. Holding a Bachelor of Laws degree; b. Being at least 40 (forty) years of age; c. Having a minimum of 5 (five) years of experience as a chief or deputy chief of a first-instance administrative court, or 15 (fifteen) years as an administrative court judge; d. Passing an examination conducted by the Supreme Court.

Hence, a distinct difference exists regarding the status of the judges: Tax Court Judges come from both civil servant and non-civil servant backgrounds, whereas judges in the administrative court system are exclusively civil servants (Simanjuntak, 2020).

3. The Standing of the Tax Court

Article 3 of Law Number 14 of 2002 concerning the Tax Court provides that the Tax Court is domiciled in the State Capital. Article 33 provides that the Tax Court is the court of first and final instance in examining and adjudicating tax disputes, and Article 77 paragraph (3) regulates that litigating parties may file a petition for judicial review (*peninjauan kembali*) against a Tax Court decision to the Supreme Court. Accordingly, it can be concluded that the Tax Court acts as an appellate-level judicial institution, and there is only one tax judicial institution in Indonesia, domiciled in the State Capital.

Within the Indonesian administrative judicial sphere, there is a judicial hierarchy: the Administrative Court (PTUN) as the court of first instance, and the High Administrative Court (PT TUN) as the appellate court.

- a. Administrative Court (PTUN) The PTUN is a first-instance court domiciled in the capital of a regency/city, and its territorial jurisdiction covers that regency/city. The PTUN is tasked with examining, adjudicating, and resolving state administrative disputes at the first instance. Currently, there are 28 PTUNs throughout Indonesia.

- b. High Administrative Court (PT TUN) Domiciled in the provincial capital, its territorial jurisdiction covers the provincial territory. The PT TUN is tasked with

examining and adjudicating state administrative disputes at the appellate level. The primary function of the PT TUN is to act as an appellate court for administrative disputes adjudicated by the first-instance PTUN, while also possessing specific authority to act as a court of first instance for certain cases, such as regional head election (*Pilkada*) disputes, the dismissal of state civil apparatus (ASN), and non-tax state revenue (PNBP) disputes. Currently, there are 8 PT TUNs throughout Indonesia. The fundamental difference between the Tax Court and any PT TUN relates to their relative competence (territorial jurisdiction). The Tax Court holds jurisdiction over the entire territory of Indonesia, whereas each PT TUN possesses its own respective relative competence. For example, the Jakarta PT TUN holds the authority to adjudicate appellate cases for administrative disputes originally decided by first-instance PTUNs within the jurisdictions of DKI Jakarta, Banten, and other areas under its purview.

4. Leadership Structure of the Tax Court

The provisions of Article 6 of the Tax Court Law stipulate that the Tax Court is led by a Chief and a maximum of 5 (five) Deputy Chiefs, Associate Judges, and a Registrar (*Panitera*) who concurrently acts as the Secretary, Deputy Registrars/Deputy Secretaries, and Substitute Secretaries. On the other hand, the structural positions in a PT TUN consist of a Chief, Deputy Chief, High Judges, Registrar, and Secretary. As a result, a structural divergence exists between the leadership of the Tax Court and the PT TUN.

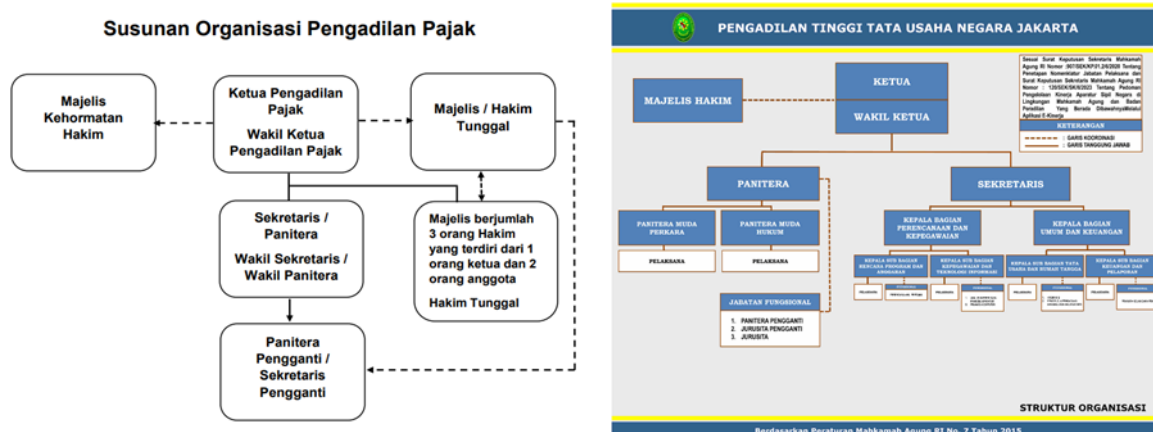


Figure 1: Comparison of Organizational Structures between the Tax Court and the High Administrative Court

5. Types and Volume of Disputes

The Tax Court possesses the specific authority to adjudicate tax disputes (appeals/lawsuits), whereas the PTUN (Administrative Court) has the jurisdiction to adjudicate general State Administrative (TUN) disputes namely, detrimental actions by administrative officials, excluding tax disputes.

Data regarding the decisions of the Tax Court and PTUN, based on the 2024 Supreme Court Annual Report, is as follows:

Table 1: Comparison of Appellate Case Statistics across Four Judicial Environments and the Tax Court in 2024

Judicial Environment	Remaining 2023	Incoming 2024	Total Cases	Resolved 2024	Withdrawn	Remaining 2024	%
General Court	2,527	25,938	28,465	25,369	0	3,096	89.12%
Religious Court	28	2,640	2,668	2,641	4	23	99.14%
Military Court	42	426	468	409	16	43	90.81%
Administrative Court (TUN)	294	1,213	1,507	1,388	10	109	92.77%
Tax Court	10,455	14,642	25,097	17,053	0	8,044	67.95%

Source: Supreme Court of Indonesia, Court Case Data on Appellate Level for Four Judicial Environments, 2024

The total number of decisions from the 8 (eight) PT TUNs was 1,388, resulting in an average of 173.5 decisions per PT TUN. In contrast, the single institution of the Tax Court produced 17,053 decisions. If this caseload were distributed across the 8 PT TUNs, the volume of decisions transferred to each PT TUN would amount to 2,131.6 decisions. It is highly anomalous to integrate a judicial institution with a vastly larger volume of disputes into an institution handling significantly fewer cases (Lex Localis, 2025; Nasyira et al., 2024).

The aforementioned caseload data contrasts with the conditions of other specialized courts in Indonesia, such as the Juvenile Court, Commercial Court, Human Rights Court, Industrial Relations Court, Anti-Corruption Court (*Tipikor*), and Fisheries Court (all situated within the General Court sphere). For instance, the Industrial Relations Court (PHI) is structurally and organizationally positioned under the general court system. The PHI is established within the District Court (PN) to examine and adjudicate industrial relations disputes. The volume of cases and decisions handled by the PHI is lower than that of the general court acting as its parent institution. This dynamic would be completely reversed if the Tax Court institution were to be merged into the 8 (eight) PT TUNs.

6. Procedural Law

The dispute filing process at the Tax Court commences with the submission of an appeal letter or lawsuit by the Appellant (PB) / Plaintiff (PG) to the Tax Court. Based on a quo appeal or lawsuit, the Tax Court requests the Appellee (TB) / Defendant (TG) to submit a Statement of Appeal Review (Surat Uraian Banding or SUB) or a Statement of Response (Surat Tanggapan or ST). Following the submission of the SUB/ST, the Tax Court requests the Appellant/Plaintiff to submit a Rebuttal Letter (Surat Bantahan). Once these stages are completed, the Chief of the Tax Court issues a Stipulation Letter assigning a Judge/Panel of Judges to examine and adjudicate the case. As a result, the procedural law of the Tax Court does not entail the stages of submitting a replik (plaintiff's formal response) and duplik (defendant's rejoinder) by the parties. The nature of a Tax Court decision is a first and final instance ruling that immediately acquires permanent legal force (final). The sole legal remedy available to the parties is filing a Petition for Judicial Review (PK) to the Supreme Court (Widia, 2024).

In contrast, the procedural law at the PTUN fundamentally begins with a Lawsuit filed by the Plaintiff to the competent PTUN. This is followed by a dismissal procedure, which is a preliminary examination by the Chief of the PTUN to determine whether the lawsuit is eligible to proceed. The subsequent stage is the preparatory examination: a closed session to complete the lawsuit requirements. This is followed by sessions open to the public (comprising the reading of the lawsuit, statement of defense, replica, duplicate, evidentiary hearings, and conclusions). The nature of the decision may stipulate that the lawsuit is rejected, granted, inadmissible (not accepted), or void (which is not immediately final and binding). The available legal remedies include Appeal (Banding) to the PT TUN, Cassation (Kasasi), and Judicial Review (PK) to the Supreme Court.

Based on the aforementioned considerations, the Researcher concludes that significant differences exist between the Tax Court and the Administrative Court. These divergences render the merger or institutional unification of the Tax Court into the High Administrative Courts unfeasible.

The specificities of the Tax Court are mandated by Law Number 14 of 2002 concerning the Tax Court. Hence, as long as the Tax Court Law remains in effect, the institutional position of the Tax Court cannot be unified or integrated into any high administrative court. The Tax Court organization must remain a standalone entity (functioning as a specialized tax appellate court) and must be positioned functionally parallel and equal in standing to the PT TUN (Arsawan & Maula, 2023; Larasati et al., 2025; Lex Localis, 2025).

CONCLUSION

The institutional repositioning of the Tax Court following Constitutional Court Decision Number 26/PUU-XXI/2023 is a constitutional imperative intended to strengthen the independence of the judicial power. The transfer of the organizational, administrative, and financial management of the Tax Court to the Supreme Court must be executed progressively and systematically, while firmly preserving the specificities of the tax judiciary. Following the Constitutional Court's decision, the standing of the Tax Court shall be that of a standalone appellate court situated within the sphere of the administrative court.

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