



Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

Hanip Hidayatulloh

Moscow State Institute of International Relations, Russia

Corresponding Email: khanip_k@my.mgimo.ru

Abstract

The increase in the value-added tax (VAT) rate from 11% to 12% starting in January 2025 is part of tax reform efforts to boost State's revenues and support national development. This policy is projected to generate additional revenue of up to IDR 150 trillion annually, which can be allocated for infrastructure, education, healthcare, and poverty alleviation. However, it also poses challenges such as reduced consumer purchasing power, increased inflation, and pressure on micro, small, and medium enterprises (MSMEs). This study examines strategies to strengthen the national economy through a comprehensive approach, including tax incentives for MSMEs, subsidies for essential goods, reinforcement of social assistance programs, and budget management transparency. With proper mitigation measures and measured policies, the negative impacts of this policy can be minimized without compromising public welfare and economic stability.

Keywords: Value Added Tax (VAT), Tax reform, National economic strategy.

Introduction

The increase in the value-added tax (VAT) rate from 11% to 12%, which will take effect from January 2025, is part of tax reform efforts to increase the State's revenues and support public welfare. This policy is expected to increase State's revenues, which can then be used to improve public services and redistribute tax revenues effectively, thereby improving people's quality of life without causing a significant negative impact on certain groups (Fitri et al., 2024).

This increase in VAT rates has generated various responses, both support and criticism. Several parties support this policy because it aligns with the principle of utility in legal and economic analysis, which emphasizes the importance of law in shaping economic behaviour and the economic impact of law implementation (Fitri et al., 2024). However, some concerns are that increasing the VAT rate could reduce people's purchasing power, especially for micro, small and medium enterprises (MSMEs), which may face greater economic challenges due to rising daily necessities (Said, 2024).

In the international context, VAT reforms have also been carried out in various countries to simplify the tax system and increase the efficiency of tax collection. For example, in China, VAT reform was carried out to align the VAT system with international principles and avoid the chain effects of business taxes. This experience shows that VAT reform can positively impact income tax collection, although it also requires adjustments from business actors (Cheng et al., 2023).

Increasing the Value Added Tax (VAT) rate from 11% to 12% at the beginning of 2025 is part of the government's strategic steps to strengthen the fiscal structure and reduce the budget deficit. This step is regulated in the Law on Harmonization of Tax Regulations (UU HPP) as part of tax reform, which aims to increase State's revenues sustainably. With this additional revenue, the government hopes to support financing for infrastructure development, education, health and poverty alleviation while maintaining national economic stability amidst global challenges. Apart from that, this policy is also expected to have a long-term positive impact on the national economy, as can be seen in research on the economic impact of the zero per cent VAT policy on business services exports in Indonesia, which shows that even though there is sector contraction in the short term, there are long-term national economic benefits which are reflected in an increase in the volume of business services exports, real wages, especially for skilled workers, and real income (Sanjaya, 2021).

However, this policy is not free from various challenges. One of the main concerns is the potential for weakening people's purchasing power due to rising consumer goods and services prices. This could impact reducing domestic consumption, which has been the main engine of Indonesia's economic growth. The real sector, especially small and medium enterprises (MSMEs), is also at risk of pressure due to increasing production costs and decreasing demand (Juhro & Iyke, 2020).

This condition is exacerbated by challenges in the labour market, where existing policies have not been fully able to increase productivity and create better jobs (Dong & Manning, 2017). On the other hand, although there have been efforts to increase the State's revenues through the tax amnesty program, the results have not fully met the expected targets (Hamilton-Hart & Schulze, 2016). Therefore, a comprehensive strategy is needed to ensure that this policy is successful in increasing the State's revenues and maintaining a balance between fiscal stability and community welfare.

The increase in the VAT rate from 11% to 12% in 2025 raises several problems that need to be studied in depth. First, an in-depth analysis of effective strategies is needed to strengthen the national economy amidst the implementation of this tax increase policy, considering that this policy can potentially affect various economic sectors, including people's purchasing power and real sector activity. Second, appropriate mitigation measures must be identified to minimize the negative impact of the VAT increase, especially for lower-middle-income communities and MSMEs. Although this policy aims to increase the State's revenues by up to IDR 150 trillion per year to support development, the main challenge is to ensure that this increase in income does not come at the expense of community welfare and business sector growth. Therefore, it is necessary to comprehensively study how to balance the interests of

Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

State's revenue with protecting the community's economy through various measurable programs and policies.

This writing aims to comprehensively examine various strategies for strengthening the national economy that can be implemented in facing the policy of increasing VAT to 12% in 2025. Through in-depth analysis, this paper will identify strategic steps the government can implement to optimize the State's revenues while protecting people's purchasing power. With projected additional revenues of up to IDR 150 trillion per year from the VAT increase, there needs to be a study of how these funds can be managed effectively for development programs while maintaining community economic stability. Furthermore, this paper will provide policy recommendations that focus on balancing efforts to increase State's revenue and protect the welfare of society, especially vulnerable groups, through various measurable mitigation and incentive programs.

Research Method

This research uses the *literature review* method to review various relevant studies, data, and policies regarding the impact of the value-added tax (VAT) increase on the national economy. This approach involves an in-depth analysis of academic literature, government reports, and international experience in implementing similar policies. The aim is to understand the positive and negative impacts of increasing VAT and explore mitigation strategies that can be implemented to minimize the negative impact on people's purchasing power and the small business sector. By integrating findings from various sources, this research seeks to provide comprehensive, evidence-based recommendations (Santoso et al., 2022).

Result and Discussion

1. The Impact of Tax Increases on the National Economy

a. Positive impact

The increase in the VAT rate to 12% in 2025 will have several significant positive impacts on the national economy. First, this policy is projected to increase the State's revenues by up to IDR 150 trillion per year, which can be allocated to support strategic infrastructure development, improve the quality of education, and improve public health services. This is an important step, considering that the APBN requires increasingly large sources of revenue to support national development programs. Apart from that, the increase in the VAT rate is also expected to reduce the budget deficit and stabilize the country's fiscal condition. This policy can also influence consumer behaviour and business investment, especially in the manufacturing, trade and service sectors (Caesaria et al., 2024). However, challenges in implementing this policy include increasing tax administration costs and its impact on business and the economy, which requires a gradual dissemination strategy and political commitment to support this policy.

Second, this VAT rate adjustment aligns with global standards and the ASEAN region, where the world average VAT rate reaches 15%. With this increase, Indonesia can increase its fiscal competitiveness at regional and global levels while strengthening its economic position in international competition. This step also shows Indonesia's commitment to carrying out tax

reforms that are more modern and in line with international practices. This tax reform includes significant changes in the tax system, such as a shift from a global tax system to a territorial tax system, which aims to attract investment and increase Indonesia's economic growth (Astuti, 2021). Apart from that, this reform also includes efforts to adapt to the challenges of the digital economy, which demands a more comprehensive and efficient tax framework (Mahpudin, 2024). Thus, this reform aims to increase the State's revenues and create a more competitive and attractive investment climate for foreign investors (Nuryani et al., 2022).

Third, the increase in VAT is part of an important diversification strategy for State's revenue sources to reduce dependence on the oil and gas sector. With a wider collection base and easier control than income tax, VAT can be a more stable and sustainable source of revenue for the State's. This allows the government to have greater flexibility in managing fiscal policy and supporting long-term development programs.

b. Negative impact

The increase in the VAT rate to 12% in 2025 will significantly negatively impact the national economy. First, this policy has the potential to trigger an increase in inflation due to increasing prices of consumer goods and services. Based on historical data, when VAT was increased from 10% to 11% in 2022, inflation would spike to reach 4.2% (Artiani, 2024). Even before the implementation of the policy, a phenomenon had emerged: *pre-emptive inflation*, in which business actors began to adjust prices to maintain profit margins (Amaliyah, 2024).

Second, the decline in people's purchasing power is unavoidable, especially for the lower-middle economic groups. The middle group is the party most affected because they do not receive social assistance but are still burdened with tax increases (Sukmasari & Immanuel, 2024). Based on simulations, people's income is projected to decline by up to IDR 64.81 trillion, while household consumption is estimated to decline significantly to IDR 40.68 trillion (Amaliyah, 2024).

Third, the MSME and real sectors face heavy pressure due to this policy. MSMEs, which contribute around 61% of gross domestic product and employ more than 97% of the national workforce, have experienced a significant increase in production costs (Artiani, 2024). This pressure can reduce profit margins and force business actors to implement efficiencies, including reducing working hours, moratoriums on recruiting new workers, and termination of employment (PHK). According to the BRI Bank report, this situation is exacerbated by the decline in MSME turnover, which has reached 60% (Amaliyah, 2024).

2. National Economic Strengthening Strategy

a. Balanced Fiscal Policy

Direct subsidies for essential goods and services such as energy, public transportation, and basic commodities are important for maintaining people's purchasing power. This policy aims to reduce the burden on people's living costs, especially for low-income groups, to improve overall social and economic welfare. These subsidies can also help stabilize prices of essential goods and services in the market, preventing runaway inflation and maintaining economic stability (Herry et al., 2024).

Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

Tax incentives for Micro, Small and Medium Enterprises (MSMEs) and the real sector are important to a balanced fiscal policy. This incentive can take the form of an exemption from Value Added Tax (VAT) for certain raw materials or a reduction in tax rates for sectors directly affected by unstable economic conditions. This policy aims to encourage the growth and development of MSMEs, the backbone of the national economy. By providing tax incentives, the government can help MSMEs increase their production capacity and competitiveness, ultimately contributing to sustainable economic growth (Pangaribowo et al., 2022).

A balanced fiscal policy through direct subsidies and tax incentives is important in maintaining economic stability and improving welfare. Direct subsidies help maintain people's purchasing power, while tax incentives encourage the growth of MSMEs and the real sector, which are important pillars of the national economy. Effective implementation of this policy can support economic recovery and sustainable growth.

b. Budget Management Efficiency and Transparency

Ensuring that the allocation of additional funds from the increase in Value Added Tax (VAT) is used optimally for national priority programs such as alleviating poverty and improving public services is an important step in efficient budget management. Research shows that effective public fund management can be achieved by implementing strong fiscal rules and good governance efficiency (Bergman et al., 2016). In addition, using optimal funding allocation models can help determine an effective budget structure that considers inflation and real wages to support national priorities (Kuzmynchuk et al., 2022).

Fiscal transparency is important in increasing public confidence in government fiscal policies. By increasing transparency, the government can increase the effectiveness and efficiency of public spending. Fiscal transparency allows society to monitor and evaluate public spending activities, increasing accountability and better resource allocation.

Efficiency and transparency in budget management are key to ensuring that public funds are used optimally and can be accounted for. By implementing strong fiscal rules and increasing transparency, the government can increase public trust and ensure that additional funds from the VAT increase are used to support national priority programs.

c. Strengthening Social Assistance Programs (Bansos)

Expanding the scope of social assistance, such as Direct Cash Assistance (BLT), requires more accurate recipient data to reach vulnerable groups effectively. Research shows that data mining techniques can help predict BLT recipients more precisely. For example, a study in Tumbang Langkai Village developed a prediction model using algorithms such as *Naive Bayes*, *Decision Tree*, and *Support Vector Machines* (SVM) to increase the accuracy of determining BLT recipients (Stepani & Lestari, 2023). In addition, a recommendation system that combines C4.5 methods and a *decision tree* has also been proven to increase accuracy and efficiency in determining BLT recipients, which is very important in digitalization (Bhactiar et al., 2023).

Efficiency in distributing social assistance is very important to ensure accurate targeting of beneficiaries. Research in Sidodadi Village revealed that although communication between stakeholders is strong, there are still challenges in the accuracy of recipient data, which causes

injustice in the aid distribution (Yanti & Sukmana, 2024). To overcome this problem, a decision support system using the AHP and K-Means methods has been developed to ensure BLT distribution is right on target. This system succeeded in identifying recipients who met the criteria set by the government, with an accuracy level of 100% (Pamungkas et al., 2020).

Strengthening social assistance programs through expanding coverage and distribution efficiency requires an accurate and systematic data-based approach. Technology such as data mining and decision support systems can increase accuracy and efficiency in determining aid recipients, ensuring that aid is right on target and reaches groups that need it.

d. Tax Education and Literacy

An effective tax literacy campaign can increase public understanding of the purpose of tax increases. Tax literacy covers competency domains that are important to include in the tax education curriculum. These domains include disciplinary knowledge, cognitive and social skills, and personal and social attitudes and values (De Clercq, 2021). By increasing tax literacy, the public can better understand the objectives and benefits of tax policies so that resistance based on misunderstandings can be minimized (De Clercq, 2021).

Comprehensive financial management training can empower small businesses. Good financial literacy enables small business owners to understand and use various financial skills, including effective tax planning (Urefe et al., 2024). With a better understanding of tax obligations and benefits, small businesses can reduce their overall tax burden and increase growth opportunities (Urefe et al., 2024). Additionally, AI-based solutions can simplify tax compliance and increase financial literacy, ultimately supporting economic growth in underserved communities (Opeyemi et al., 2024).

The complexity of the tax system often becomes an obstacle to tax compliance. Low financial literacy can hinder the correct understanding and implementation of tax calculations, negatively impacting tax compliance (Bahramov, 2023). Therefore, increasing financial and tax literacy in society can help reduce tax complexity and compliance, ultimately increasing tax revenues (Bahramov, 2023).

Tax education and literacy are important in increasing public understanding and empowering small business actors. By increasing tax literacy, the public can better understand the objectives of tax policy, while small business actors can be better prepared to face changes in fiscal policy. In addition, overcoming tax complexity through financial literacy can increase tax compliance and support economic growth.

e. Digital and Green Economy Development

Investment in the green economy sector can be encouraged through fiscal incentives to create new jobs while maintaining environmental sustainability. Research shows that the digital economy can play a significant role in promoting green economic development. For example, in China, the development of the digital economy has been shown to have a significant positive effect on the green economy, with regional differences showing better development in the south compared to the north (Zhang et al., 2023). In addition, technological innovation in the digital

Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

economy can improve production efficiency and promote the growth of the green industry, which aligns with green economy principles (Liu et al., 2024).

The digital economy can also be optimized as a new source of tax revenue through regulations that are adaptive to technological changes. Research shows the digital economy can accelerate green economic transformation by improving economic efficiency and driving green technology innovation (Lin et al., 2023; Liao, 2023). In China, the digital economy has been proven to increase the efficiency of the green economy through increasing human capital, improving industrial structure, and technological innovation (Kong & Li, 2022). In addition, the digital economy can facilitate green economic growth through spatial spillover effects, meaning that digital economic development in one region can affect surrounding regions (Guo & Wang, 2024).

Digital and green economic development are interrelated and can support each other. Investment in the green economy sector with fiscal incentives can create new jobs and maintain environmental sustainability. Meanwhile, optimizing the potential of the digital economy through adaptive regulations can become a new source of tax revenue and encourage green technology innovation. Combining these two approaches can accelerate the transformation towards a more sustainable and efficient economy.

f. Policy Monitoring and Evaluation

An increase in Value Added Tax (VAT) can significantly impact inflation, purchasing power and economic growth. A study of the VAT increase in Lebanon shows that the increase in VAT from 10% to 11% led to increased inflation, stagnation of economic growth, and decreased consumer purchasing power (Khawaja & Yassine, 2019). On the other hand, analysis of Central and Eastern European countries shows that VAT increases can positively influence economic growth, although this effect varies between countries (Simionescu & Albu, 2016). Therefore, regular evaluation is essential to understand the specific impacts of VAT policies in various economic contexts.

Balancing policies must be developed based on empirical data to adjust mitigation measures dynamically. For example, research in Japan shows that an increase in VAT can affect household spending patterns, where there is a spike in purchases of durable goods before the rate increases, followed by a sharp decline afterwards (Cashin & Unayama, 2021). This shows the importance of understanding consumer behaviour in responding to changes in tax rates to develop effective policies. In addition, the computed general equilibrium (CGE) model used in China shows that VAT reduction can reduce local fiscal pressure, which can be a consideration in devising balancing policies (Guo & Shi, 2020).

Monitoring and evaluating the VAT increase policy requires a comprehensive approach, considering its varying impacts on inflation, purchasing power and economic growth. Regular evaluation and formulation of balancing policies based on empirical data are important to ensure VAT policies can be adjusted dynamically according to changing economic conditions.

3. Comparative Study with Other Countries

Comparative studies of VAT implementation in different countries provide important insights into how this policy can be implemented effectively. In the European Union, countries like Germany, with 19% VAT and Sweden, with 25% VAT, have implemented much higher rates without sacrificing people's welfare. This success was achieved through a comprehensive compensation system, such as providing additional tax cuts for low-income families, which Germany implemented when it raised VAT in 2007 (Tempo.co., 2024).

In the ASEAN region, Vietnam and the Philippines offer valuable lessons in VAT management. The Philippines, which has long implemented 12% VAT, has proven that this rate can be applied successfully in developing countries. Meanwhile, Vietnam shows policy flexibility by implementing a double tariff system of 5% and 10% according to the type of goods or services and providing tariff adjustments when necessary to stimulate the economy. Vietnam even took strategic steps by reducing VAT to 8% until June 2025 to encourage consumption and support production amidst economic challenges (Kompas.id., 2024).

However, it should be noted that the successful implementation of VAT in developed countries such as Norway, Denmark and Sweden is supported by stable economic conditions and strong public purchasing power. This shows that the implementation of VAT needs to be adjusted to each country's socio-economic conditions and supported by adequate social protection policies.

Conclusion

An increase in the VAT rate to 12% in 2025 can increase the State's revenues and support national development significantly. However, this policy also challenges decreasing people's purchasing power, increasing inflation, and putting pressure on the MSME sector. To overcome these negative impacts, mitigation strategies are needed, such as providing tax incentives for MSMEs, subsidies for essential goods, and strengthening social assistance programs. In addition, transparency in budget management and tax education to the public is the key to ensuring the successful implementation of this policy without sacrificing social welfare and economic stability.

References

- Amaliyah, S. (2024). Laporan Celios: Kenaikan PPN 12% berpotensi turunkan daya beli masyarakat dan perlambat ekonomi. NU Online. <https://www.nu.or.id/nasional/laporan-celios-kenaikan-ppn-12-berpotensi-turunkan-daya-beli-masyarakat-dan-perlambat-ekonomi-KjdQq>
- Artiani, L. E. (2024). *PPN 12 persen, penggerak atau pengerem ekonomi rakyat?*. Kompas.id.
- Astuti, M. (2021). Fundamental Changes to Indonesia's Tax System to Attract Investment. *Asia-Pacific Tax Bulletin*. <https://doi.org/10.59403/27q1yg2>
- Bahramov, F. (2023). Elimination of tax complexity issues through financial literacy. *Journal of Financial Studies*, 8(Special-June_2023), 13-22. <https://doi.org/10.55654/jfs.2023.sp.01>
- Bhactiar, R. R. N., & Hartanti, D. (2023). Hybrid Decision Tree Method and C4. 5 Algorithm for a Recommendation System in Determining Recipients of Direct Cash Assistance

Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

- (BLT). *Journal of Computer Networks, Architecture and High Performance Computing*, 5(2), 368-377. <https://doi.org/10.47709/cnahpc.v5i2.2414>
- Bergman, M., Hutchison, M., Jensen, S., Efficienc., G., Jensen, H., & Bergman, U. (2016). Promoting sustainable public finances in the European Union: The role of fiscal rules and government efficiency. *European Journal of Political Economy*, 44, 1-19. <https://doi.org/10.1016/J.EJPOLECO.2016.04.005>
- Cashin, D., & Unayama, T. (2021). The Spending and Consumption Response to A VAT Rate Increase. *National Tax Journal*, 74, 313 - 346. <https://doi.org/10.1086/714368>
- Caesaria, S., Mumpuni, Y., Mayasha, E., & Murti, G. (2024). Analysis of the Impact and Implications of the VAT Rate Increase in Indonesia. *Jurnal Indonesia Sosial Teknologi*. <https://doi.org/10.59141/jist.v5i7.1150>
- Cheng, C. A., Hsieh, C. C., & Lin, K. Z. (2024). VAT Adoption and Corporate Income Tax Avoidance. *The Journal of the American Taxation Association*, 46(1), 9-35. <https://doi.org/10.2308/jata-2020-046>
- De Clercq, B. (2023). Tax literacy: what does it mean?. *Meditari Accountancy Research*, 31(3), 501-523. <https://doi.org/10.1108/medar-04-2020-0847>
- Dong, S., & Manning, C. (2017). Labour-Market Developments at a Time of Heightened Uncertainty. *Bulletin of Indonesian Economic Studies*, 53, 1-25. <https://doi.org/10.1080/00074918.2017.1326201>
- Fitri, N. A., Luth, T., & Hamidah, S. (2024). Economic Analysis of Law in Increasing Value Added Tax Rate Policy. *International Journal of Business, Law, and Education*, 5(2), 2279-2292. <https://doi.org/10.56442/ijble.v5i2.825>
- Guo, X., & Wang, Z. (2024). How does the digital economy affect the green development of China's industry?. *PLOS ONE*, 19. <https://doi.org/10.1371/journal.pone.0309590>
- Guo, Y., & Shi, Y. (2020). Impact of the VAT reduction policy on local fiscal pressure in China in light of the COVID-19 pandemic: A measurement based on a computable general equilibrium model. *Economic Analysis and Policy*, 69, 253 - 264. <https://doi.org/10.1016/j.eap.2020.12.010>
- Hamilton-Hart, N., & Schulze, G. (2016). Taxing Times in Indonesia: The Challenge of Restoring Competitiveness and the Search for Fiscal Space. *Bulletin of Indonesian Economic Studies*, 52, 265 - 295. <https://doi.org/10.1080/00074918.2016.1249263>
- Herry, S., , S., & Halim, A. (2024). Investment and Sustainability Incentives for Msmes. *International Journal of Educational and Life Sciences*. <https://doi.org/10.59890/ijels.v2i4.1663>
- Juhro, S. M., & Iyke, B. N. (2020). Consumer confidence and consumption expenditure in Indonesia. *Economic Modelling*, 89, 367-377. <https://doi.org/10.1016/j.econmod.2019.11.001>

- Khawaja, A., & Yassine, M. (2019). Impact of the Value Added Tax Increase on the Lebanese Macroeconomy and Financial Figures (Economic Growth, Inflation and Purchasing Power). *Management Science*, 9, 48-55.
- Kompas.id. (2024). Pajak naik, harga semua melonjak. *Kompas.id*.
- Kong, L., & Li, J. (2022). Digital Economy Development and Green Economic Efficiency: Evidence from Province-Level Empirical Data in China. *Sustainability*. <https://doi.org/10.3390/su15010003>
- Kuzmynchuk, N., Mardus, N., Davydov, O., Yevtushenko, V., Melen, O., & Kharchenko, A. (2022). Devising the policy of funds allocation in the decision-making process under the budget and tax management. *Eastern-European Journal of Enterprise Technologies*. <https://doi.org/10.15587/1729-4061.2022.253072>
- Lin, Y., Wang, Q., & Zheng, M. (2023). Nexus Among Digital Economy, Green Innovation, and Green Development: Evidence from China. *Emerging Markets Finance and Trade*, 60, 704 - 723. <https://doi.org/10.1080/1540496X.2023.2258260>
- Liu, Y., Yang, Y., Zhang, X., & Yang, Y. (2024). The impact of technological innovation on the green digital economy and development strategies. *Plos one*, 19(4), e0301051. <https://doi.org/10.1371/journal.pone.0301051>
- Liao, W. (2023). How does the digital economy affect the development of the green economy? Evidence from Chinese cities. *PLOS ONE*, 18. <https://doi.org/10.1371/journal.pone.0289826>
- Mahpudin, E. (2024). Digital tax reform in Indonesia: Perspective on tax policy development. *Journal of Infrastructure, Policy and Development*. <https://doi.org/10.24294/jipd.v8i8.7032>
- Nuryani, N., Sitinjak, T. J., & Lavinia, Z. (2022). The Impact Of Corporate Income Tax And Tax Holiday Policy On Direct Foreign Investment In Indonesia. *International Journal of Social Science*, 1(6), 1009-1016. <https://doi.org/10.53625/ijss.v1i6.1930>
- Opeyemi, A., Ewim, S., Sam-Bulya, N., & Ogundipe, B. (2024). Leveraging AI-Driven financial literacy and tax compliance solutions to foster economic growth in underserved communities and small businesses. *International Journal of Advanced Economics*. <https://doi.org/10.51594/ijae.v6i10.1668>
- Pamungkas, T. S., Nugroho, A. S., Wasiso, I., Anggoro, T., & Kusriani, K. (2020). Decision support system for direct target cash recipients using the AHP and K-Means method. *RESEARCH: Journal of Computer, Information System & Technology Management*, 3(2), 45-54. <https://doi.org/10.25273/research.v3i2.7084>
- Pangaribowo, D., Rosalia, F., Mukhlis, M., Novriansyah, M. F., & Poniasih, N. K. (2022). The Effectiveness of the Indonesian Government's Economic Stimulus Policy during the Covid-19 Pandemic. *Jurnal Public Policy*, 8(1), 36-40. <https://doi.org/10.35308/jpp.v8i1.4048>

Strategies for Strengthening Indonesia's National Economy in Facing Tax Rate Increases

- Said, L. (2024). Implementation Of Value Added Tax Rates According To Law No. 7 Of 2021 And Its Impact On Micro, Small, And Medium Enterprises Taxpayers. *International Journal of Law, Government and Communication*, 9 (36), 455-463. <https://doi.org/10.35631/ijlgc.936035>
- Sanjaya, T. B. (2021). Economy-wide impacts of zero-rated VAT on exports of business services in Indonesia: A CGE analysis. *Kajian Ekonomi dan Keuangan*, 5(2), 118-145. <https://doi.org/10.31685/kek.v5i2.525>
- Santoso, S., Kusnanto, E., & Saputra, M. R. (2022). Perbandingan Metode Pengumpulan Data dalam Penelitian Kualitatif dan Kuantitatif Serta Aplikasinya dalam Penelitian Akuntansi Interpretatif. *OPTIMAL Jurnal Ekonomi dan Manajemen*, 2(3), 351-360. <https://doi.org/10.55606/optimal.v2i3.4457>
- Simionescu, M., & Albu, L. (2016). The impact of standard value added tax on economic growth in CEE-5 countries: econometric analysis and simulations. *Technological and Economic Development of Economy*, 22, 850-866. <https://doi.org/10.3846/20294913.2016.1244710>
- Stepani, S., & Lestari, E. A. (2023). Memprediksi Penerima Bantuan Langsung Tunai (BLT) Di Desa Tumbang Langkai. *Jurnal Sains dan Teknologi (JSIT)*, 3(2), 139-142. <https://doi.org/10.47233/jsit.v3i3.1141>
- Sukmasari, N. M., & Immanuel G., V. (2024). Pengamat ungkap berbagai macam efek buruk akibat penerapan PPN 12 persen. Tempo.co.
- Tempo.co. (2024). *Fenomena frugal living untuk menentang PPN 12 persen, apa itu?* Tempo.co.
- Urefe, O., Odonkor, T., Chiekezie, N., & Agu, E. (2024). Enhancing small business success through financial literacy and education. *Magna Scientia Advanced Research and Reviews*. <https://doi.org/10.30574/msarr.2024.11.1.0123>
- Yanti, H. Y. N., & Sukmana, H. (2024). Implementation of the Direct Cash Assistance Program for Village Funds. *Indonesian Journal of Cultural and Community Development*, 15(3), 10-21070. <https://doi.org/10.21070/ijccd.v15i3.1073>
- Zhang, W., Zhang, S., Bo, L., Haque, M., & Liu, E. (2023). Does China's Regional Digital Economy Promote the Development of a Green Economy?. *Sustainability*. <https://doi.org/10.3390/su15021564>