

## DESIGNING VALUE-ADDED TAX (VAT) POLICY ON PEER-TO-PEER LENDING IN INDONESIA

**Nafis Dwi Kartiko<sup>1</sup>; Ismi Fathia Rachmi<sup>2</sup>**

<sup>1</sup>Directorate General of Taxation, Jl. Jend. Gatot Subroto No. 40-42 Jakarta Selatan 12190, Indonesia

<sup>2</sup> Students of the Doctoral Program in Accounting, Faculty of Economics and Business, Gadjah Mada University, Sleman Regency, Special Region of Yogyakarta

[1nafisdwikartiko@gmail.com](mailto:nafisdwikartiko@gmail.com); [2ismifathia@gmail.com](mailto:ismifathia@gmail.com)

### ABSTRACT

*Fintech is one of the newest business models in finance that take advantage of technological advances. One form of fintech in Indonesia is peer-to-peer lending. Based on the 1984 VAT Law, one service not subject to value-added tax is financial services. The reason globally for this is the difficulty in determining the tax base. However, according to the authors, these reasons cannot be accepted by considering the peer-to-peer lending business model. The authors provide reasons based on classical theory and existing empirical facts. This research outlines the urgency of establishing laws at the level of laws on fintech and the imposition of value-added taxes on peer-to-peer lending in Indonesia. In conclusion, the authors suggest that the government needs to (1) encourage the formation of laws and regulations at the level of the law on fintech to include criminal provisions such as laws in other financial institutions; (2) imposing a value-added tax on peer-to-peer lending, and (3) We encourage tax authorities to issue implementing regulations related to the imposition of value-added tax on peer-to-peer lending in Indonesia.*

**Keywords:** *fintech; peer-to-peer lending; value-added tax*

### INTRODUCTION

Financial technology or Fintech is a combination of financial services with technology that eventually changed the business model from conventional to moderate, which initially in making payments must be face-to-face and carrying a specific portion of cash, can directly make long-distance commerce by making payments that can make in a subject of seconds (Syah et al., 2020; Firdaus & Aryanti, 2019; BI, 2020). In 2016 London became the fintech hub, followed by New York and other cities that struggled to reach the top, such as Paris, Hong Kong, and Singapore (Chishti & Barberis, 2016). The birth and emergence of Fintech were rooted in the onset of the financial crisis and the erosion of trust. Public anger towards the banking system makes financial innovation grow perfectly (Dermine, 2017; Parlour et al., 2019). Digital natives or millennials will be potential consumers because their preference in understanding and mastering mobile-based services is excellent (Afandi, 2020; Callaway, 2019). These favorable circumstances make

fintech service providers present, and then they offer new and fresh services at a lower cost through mobile applications or platforms that they design well (Iman, 2018; Chishti & Barberis, 2016).

The Financial Services Authority (Financial Services Authority) classifies Fintech in Indonesia into Fintech 2.0 and Fintech 3.0 (Putra et al., 2021; Benuf et al., 2020). Fintech 2.0 is a fintech for digital financial services operated by financial institutions, such as Mandiri Online by Bank Mandiri (Franedya, 2018). Fintech 3.0 refers to technology start-ups with financial innovation products and services (Arner et al., 2015; Leong & Sung, 2018). One type of Fintech in Indonesia is peer-to-peer lending. On May 18, 2021, the Financial Services Authority released 138 fintech platforms (peer-to-peer lending) registered/licensed as of May 2021. Of the 138 platforms, it consists of 57 licensed media and another 81 with registered information (Financial Services Authority, 2021).

Peer-to-peer lending is the effect of disruptive inventions in finance (Ryu, 2018).

Disruptive innovation resulted in old players (in this case, banks) having to endure harder because of the wave of fintech innovation (Li et al., 2017). In the days before Fintech, people who wanted to borrow money had to go to the bank, follow bank regulations, and take up a lot of their time (Stulz, 2019). After the wave of fintech innovation, they do not have to bother anymore to go to the bank to borrow money. Platforms provided by peer-to-peer lending can accommodate their desires by directly bringing lenders and borrowers (Tampubolon, 2019). In general peer-to-peer lending is tasked to become a facility (through the platform they have) and bring together the lenders directly (Hartanto & Ramli, 2018).

Peer-to-peer lending was first introduced in the UK through the company Zopa in 2005 (Darman, 2019). The following year, America launched Prosper (Cornelli et al., 2020). The initially tempted user to the concept of peer-to-peer lending due to the consequence of the 2008 financial crisis (Puschmann, 2017). The bank closed the new lending and gave depositors interest rates close to 0%. Therefore borrowers should look for alternative funding sources, and fund owners actively seek higher-yielding high investments (Koinworks, n.d.). In Indonesia, peer-to-peer lending officially operates after Financial Services Authority issued Financial Services Authority Regulation No. 77/PFinancial Services Authority.01/2016 on Information Technology-Based Money Lending Services on December 28, 2016 (Santi et al., 2017). The regulation issues as a reaction to the expansion of technology-based financial services. The structures of law in the rules enclose providers of information technology-based money lending services, users of information technology-based money lending services, risk mitigation, governance of information technology systems in the performance of information technology-based money lending services, education and security of users of information technology-based money lending services, electronic signatures, principles and technical recognition of customers, periodic reports, and sanctions.

Quoting from Amarta (2020), Fintech benefits the Indonesian economy. These benefits are, for example, enabling to enhance the standard of living and the growth of start-up companies. Other benefits include:

supporting financial inclusion, helping MSMEs obtain low-interest capital, ease of financial services, and reducing the number of high-interest loans (Techforid, 2019). Any form of economic capability received by the parties involved in transactions on fintech service products (especially peer-to-peer lending) must be responded to by the government within the policymaker framework. The government's position in the economy serves to accelerate economic development and enhance the standard of living of the population at a decent level (Fuad et al., 2004). One of the instruments to realize the role of government in the economy through tax policy.

One interesting tax policy topic to discuss further is the value-added tax treatment policy on peer-to-peer lending. The financial industry in various countries is exempt from value-added tax (Lalujan, 2013). These considerations base on difficulties in identifying a tax base. The presence of peer-to-peer lending as a platform that provides facilities for borrowers and lenders directly by charging the platform fees when a loan is approved or disbursed should break why there is difficulty identifying the tax base. Until this paper was created, the author has not been informed about the imposition of VAT for peer-to-peer lending, specifically in other countries. This is reasonable, considering peer-to-peer lending is a new industry. The role of Fintech and the government's duty as a policy maker in the economy, a new consensus and paradigm are needed in looking at such phenomena. In particular, the affirmation and legal certainty of the imposition of value-added tax on peer-to-peer lending.

Behind its benefits for the economy, Fintech also has some bad possibilities for events not accommodated in the Financial Services Authority Regulation No. 77/PFinancial Services Authority.01/2016. Therefore, higher-level rules are also needed to protect interested parties. An example is low-level regulations such as regulating some financial institutions, both banks, and non-banks. Such matters must be done to mitigate the risks that may occur if the Financial Services Authority Regulation does not accommodate No. 77/PFinancial Services Authority.01/2016.

This research will answer three problems. First, what is the urgency for legislation to be made on peer-to-peer lending practices in Indonesia? Second, what are the possibilities or options for the imposition of value-added tax on peer-to-peer lending based on existing theories, studies, and studies? Third, what steps are recommended to the government (in this case, the tax authority) to publish rules relating to value-added tax treatment on peer-to-peer lending within the framework to establish legal certainty?

This study aims to describe the urgency for creating legislation on peer-to-peer lending practices in Indonesia. Second, it provides an in-depth conclusion of the possibility or option of imposing a value-added tax on peer-to-peer lending based on theory, study, and in-depth study. Third, give recommendations to the government (in this case, the tax authority) to immediately publish rules relating to value-added tax treatment on peer-to-peer lending within the framework to establish legal certainty.

## METHODS

Research in common terminology refers to the examination for knowledge. The study can also analyze as a scientific and systematic search for information on a particular topic (Kothari, 2004). This type of research uses qualitative research. This study will be described empirical reality and match it with the theory and regulations that apply.

This study uses secondary data. Data types divide into primary and secondary data (Sekaran & Bougie, 2016). Primary data is information obtained where the researcher is first-hand. Examples of preliminary data are interviews, observations, questionnaires, and experiments. While secondary data refers to information collected from existing sources, researchers are not first-hand. Secondary data sources are company documents, government bulletins, industry studies by media, internet pages, and the like.

The method used is the legal method and the conceptual method. Bachtiar (2019) stated that the legal method is made by studying and analyzing all laws and regulations related to handling legal issues. The conceptual method makes while researchers do not move from the

existing rule of law. It was done because it has not been or there is no rule of law for the problems faced. The legal approach is chosen to analyze issues related to fintech regulation compared to existing rules so that an appropriate conclusion can be obtained according to the legal context. The legal approach will be used to analyze the position of fintech in the prevailing regulations in Indonesia. We can identify the existing business model in fintech lending based on these regulations.

The analysis obtained is sourced from primary legal materials and secondary legal materials. Marzuki (2017) declares that the primary legal material consists of legislation, authorized documents, treatises in lawmaking, and judges' rulings. Secondary materials in all publications about the law are not official documents (Marzuki, 2017). For the primary legal material itself, authors use the Law and Regulations under it related to Value-Added Tax, Financial Services Authority, and other Financial Institutions as a source of research.

## RESULT AND DISCUSSION

### Financial markets

Financial markets carry an essential economic function to channel funds from households, firms, and governments with a surplus of income allowance to those who need funding. This function is shown schematically in Figure 1. Those referred to as lenders are shown on the left, while those borrowing funds are on the right. In general, the main lender-savers or lenders are mostly households. Still, business enterprises and governments of the country and foreigners and governments of other countries sometimes also have excess funds, so they lend them to people who need funding. The most critical borrower-spenders or borrowers most interested are business entities (business firms) and governments. Still, it does not close the possibility that households and foreigners also need loans to finance, such as purchasing their cars, furniture, and homes (Mishkin & Eakins, 2018).

The following figure shows the flow of funds from lender-savers to borrower-spenders through two systems: direct finance and indirect finance. A direct finance system is

borrowers directly borrow funds from the financial market by selling securities. Meanwhile, indirect finance systems use financial intermediaries to borrow funds from lender-savers and operate that data to make debt deals with borrower-spenders.

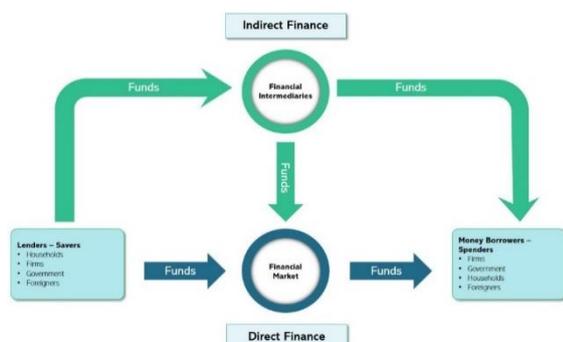


Figure 1 : Financial System Fund Flow  
 Source: processed from various sources

### Financial Intermediaries Function as Indirect Finance

As illustrated in Figure 1, funds can drive from lenders to borrowers through indirect finance schemes due to financial intermediaries between lender-savers and borrower-spenders and help transfer funds from one to the other. A financial intermediary presents funds from lender-savers and uses those funds to deliver loans to borrower-spenders. An indirect finance scheme using a financial intermediary, called financial intermediation, is the main scheme to transfer funds from lenders to borrowers (Mishkin & Eakins, 2018).

### Types of Financial Intermediaries

An intermediary financial is classified into depository institutions (banks), contractual savings institutions, and investment intermediaries. The division of types of financial intermediaries can be seen in Figure 2. Depository institutions generally refer to banks, which function as financial intermediaries that receive deposits from individuals and institutions and provide loans. It consists of commercial banks and thrift institutions. Thrift institutions refer to savings and loan associations, mutual savings banks, and credit unions (Mishkin & Eakins, 2018).

Contractual savings institutions refer to insurance companies or insurance companies, and pension funds are financial intermediaries

that obtain funds periodically based on contracts. Contractual savings institutions can accurately predict how much benefits or benefits to pay in the future (Mishkin & Eakins, 2018).

Investment intermediaries include financing companies or finance companies, mutual funds or mutual funds, money market mutual funds, and investment banks. Finance companies raise funds by selling commercial papers (short-term debt instruments) and issuing stocks and bonds. Mutual funds are financial intermediaries that acquire funds by selling shares to many people and using the proceeds to buy diversified portfolios of stocks and bonds. Like most mutual funds, money market mutual funds sell shares to obtain funds to purchase safe and highly liquid money market instruments. Interest on these assets pays to shareholders. Investment banks have different functions than financial intermediaries in general, and they only help companies issue securities (Mishkin & Eakins, 2018).

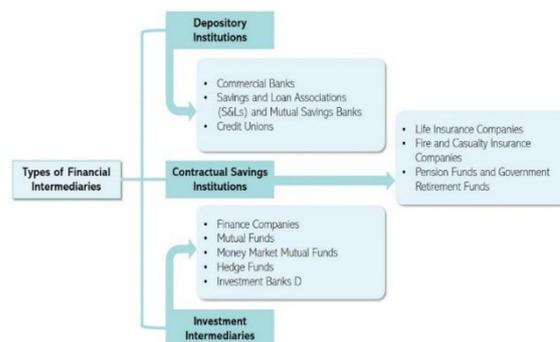


Figure 2 Types of Financial Intermediaries  
 Source: processed from various sources

### Financial Systems and Financial Institutions in Indonesia

In general practice, state finance and monetary policy consist of three components: the financial system, financial policy and supervision of the government or government financial regulation and control, and central bank policy (Cargill, 2017). Furthermore, Cargill (2017) mentions that the function of the financial system or the financial system consists of five tasks in the economy, among others:

*“first, institutionalize the savings-investment process; second, provide for an efficient transfer of funds from lenders to borrowers;*

*third, provide flexibility in response to the changing require-ments of different stages of economic growth; fourth, provide stability in the transfer of funds from lenders to borrowers; and, fifth, provide a platform for the conduct of central bank policy that ensures a wide and effective distribution of the impact of central bank policy.”*

Government regulation and supervision as part of the financial system design to ensure the security and toughness of the financial system, ensure a transparent financial system and ensure that the financial system provides a variety of financial services to the public. The central bank is a specialized government agency that implements central bank policies to regulate money, credit, interest rates, and overall levels of economic activity (Cargill, 2017).

In Indonesia, the institution that formulates policies and supervision of financial institutions is the Financial Services Authority. As the central bank, Bank Indonesia develops monetary, macroprudential, and payment system policy. Suppose we relate to the theory put forward by Thomas F. Cargill before. In that case, the Financial Services Authority held government financial regulation and supervision, while Bank Indonesia controls the role as a central bank.

The Financial Services Authority (starting now referred to as Financial Services Authority) is an independent institution regulating and supervising the Capital Market, Banking, and Non-Bank Financial Industry (IKNB). The provision contains Law No. 23 of 1999 concerning Bank Indonesia, which has been amended several times recently by Law No. 6 of 2009 (Law of Bank Indonesia), specifically Article 34 and Law No. 21 of 2011 concerning Financial Services Authority (Law of Financial Services Authority). In the Law, the bank's regulatory and supervisory duties, which Bank Indonesia originally carried out, now turn to the Financial Services Authority.

### **Theory and Concept of Value-Added Tax**

According to Ben Terra, Value-Added Tax is a form of taxation on the consumption of goods and services of a general nature imposed on each chain of production and distribution lines (Darussalam et al., 2018). Furthermore, Tait (1988) defines the meaning of value-

added as the value added by a manufacturer, manufacturing industry, distributor, or advertising agent to raw materials or its purchase (other than labor) before selling its products or services. Added value can also be seen from the additive side (wages and profits) or the subtractive side (output minus input). If written in an equation, Value Added can be determined using the following equation.

$Value\ added = wages + profits = output - input.$

Based on the equation above, Tait (1988) provides four forms of VAT calculation (assuming that the tax rate for the imposition of VAT is  $t$ ) as follows.

1. the additive-direct/accounts method  
 $t(wages + profits)$
2. the additive-indirect method  
 $t(wages) + t(profits)$
3. the subtractive-direct method  
 $t(output-input)$
4. the subtractive-indirect (the invoice or credit) method  
 $t(output) - t(input)$

The laws and regulations in Indonesia were governing Value-Added Tax based on Law No.8 of 1983 concerning Value-Added Tax on Goods and Services and Sales Tax on Luxury Goods, effective from April 1, 1985. This Law has undergone several changes, namely:

1. The first amendment to Law No.11 of 1994 shall take effect from January 1, 1995
2. The second amendment to Law No.18 of 2000 shall take effect from January 1, 2001
3. The third amendment to Law No.42 of 2009 shall take effect from April 1, 2010

Despite several changes, article 20's Closing Provisions state that "This Law may be called the Value-Added Tax Act of 1984." Law No. 42 of 2009 concerning the Third Amendment to Law No. 8 of 1983 concerning Value-Added Tax on Goods and Services and Sales Tax on Luxury Goods on April 1, 2010.

### **Legal Character Value-Added Tax**

Understanding Value-Added Tax, especially Indonesian VAT, is necessary to understand the legal character of Indonesian VAT, which can be detailed and described as follows (Sukardji, 2009):

### **1. Value-Added Tax as Indirect Tax and Objective Tax**

Indirect tax means that the tax burden bearer and the tax person are on different sides. The vat burden collector referred to in the Law is the consumer of goods/services, but the entrepreneur as the seller is obliged to pay VAT and report it to the government/country. In addition to being an indirect tax, VAT also has a legal character as an objective tax. The offense determines the onset of tax liability, i.e., events or legal acts taxed, called tax objects. The subjective condition of the tax subject does not come into play. VAT does not distinguish between private people and those in the form of bodies, between high-income and low-income consumers. As long as they consume goods or services of the same type, they treat equally.

### **2. Multi-Stage Levy but Non-Cumulative**

Multi-stage tax is a characteristic of VAT that has the meaning of VAT imposed on each chain of production lines and distribution lines. Every delivery of goods that become the object of VAT starting from the manufacturer level than at the level of wholesalers in various forms or names up to retailers (retailers) is subject to VAT. Despite having a multi-stage levy character, VAT does not have an accumulative impact.

### **3. Calculation of VAT payable to be paid to state treasury using indirect subtraction method**

The indirect Subtraction Method often called Invoice-Based Credit, or Credit Method, is the most common method for calculating VAT in several countries, including Indonesia. This method makes entrepreneurs at each production level up to distribution charge VAT on their sales to consumers (the VAT on its output) and credit the VAT paid at the time of purchase (the VAT on its input), and pay taxes to the State Treasury. Tax payable is the difference between ( $t_1 \times \text{sales value}$ ) and ( $t_2 \times \text{purchase value}$ ), where  $t_1$  and  $t_2$  are the rates of sales value and purchase value, respectively. Tax payable is the difference between the tax collected at the time of delivery of goods (services) and the tax paid at the purchase/acquisition of goods (services).

### **4. Value-Added Tax is a Tax on Domestic Public Consumption so that it has a neutral position.**

The consequence of this characteristic is that VAT imposes on the country's consumption of goods/services. Therefore goods imported from abroad are subject to the same tax because they will consume. On the other hand, exported goods are not subject to VAT because they will consume abroad.

### **5. Indonesian VAT applies a single rate**

Article 7 paragraph (1) of the VAT Law 1984 stipulates that submitting BKP is subject to VAT at a rate of 10%. Then in section (3), it is determined that the tariff in paragraph (1) can be raised as high as 15% or lowered as low as 5%. While the export tariff of BKP specified in paragraph (2) of 0% is not an actual tariff but a technical tariff made to fulfill the philosophical aspect of maintaining the neutrality of VAT without compromising the economic element, namely VAT while maintaining the competitiveness of export commodities abroad (destination country).

### **6. Indonesian VAT including Consumption Type VAT**

In consumption type value-added tax, all purchases used for production, including the purchase of capital goods, are deducted from the added value calculation. So the basis of taxation is limited to the purchase for consumption purposes. There is no imposition of taxes more than once on capital goods because the purchase of capital goods is excluded from the basis of taxation. It gives VAT neutrality to production patterns. Employers are free to choose whether to use a capital-intensive or labor-intensive production system, and VAT will not be decisive.

### **Value-Added Tax Object**

In theory, all goods and services should be subject to value-added tax (Tait, 1988). The object of VAT stipulated in the VAT Law 1984 in the form of submission of Taxable Goods (BKP) or Taxable Services (JKP). The object of VAT stipulates in Article 4, Article 16C, and Article 16D of the VAT Law 1984. The VAT objects stipulated in Article 4 Paragraph (1) are:

1. submission of BKP in the Customs Territory conducted by the entrepreneur;
2. import of BKP;
3. submission of JKP in the Customs Territory conducted by the entrepreneur;

4. utilization of Intangible BKP from outside the Customs Territory within the Customs Territory;
5. utilization of JKP from outside the Customs Territory within the Customs Territory;
6. export of Tangible BKP by Taxable Entrepreneurs;
7. export of Intangible BKP by Taxable Entrepreneurs; and
8. JKP export by Taxable Entrepreneurs.

The object of VAT stipulated in Article 16D is the submission of BKP in the form of assets that, according to the property's original purpose, are not to be traded by Taxable Entrepreneur for VAT Purposes. Except for the delivery of the property, The Input Tax cannot be credited. This regulation is as referred to in Article 9 paragraph (8) letter b and letter c.

#### Types of Goods and Services Not Subject to Value-Added Tax

Types of goods that are not subject to Value-Added Tax according to Article 4A paragraph (2) of vat law 1984 are certain goods in the group of goods as follows:

1. mining goods or drilling results are taken directly from the source;
2. essential goods that the people need;
3. food and beverages served in hotels, restaurants, stalls, and the like, including food and drink whether consumed on the premises or not, including food and drink delivered by food or catering services businesses; and
4. Money, gold bars, and securities.

In Article 4A paragraph (3) of vat law 1984, the types of services that are not subject to Value-Added Tax are certain services in the service group as follows:

1. medical health services;
2. social services;
3. mail delivery services with stamps;
4. financial services;
5. insurance services;
6. religious services;
7. educational services;
8. arts and entertainment services;
9. non-advertising broadcasting services;
10. public transportation services on land and in water as well as domestic air transportation services that become an

- integral part of foreign air transport services;
11. labor services;
12. hospitality services;
13. services provided by the government in order to run the government in general;
14. parking space provision services;
15. payphone services using coins;
16. remittance services by money order; and
17. catering or catering services

#### Concepts And Regulations of Peer-To-Peer Lending

Fintech Lending is also called Fintech Peer-to-Peer Lending (Lending) or Information Technology-Based Money Lending Service (LPMUBTI). The innovations in finance use technology that allows lenders and borrowers to make loan transactions without meeting in person. The mechanism of borrowing transactions does through the system provided by fintech lending providers, both the application and the website. To facilitate understanding of the business process of Peer-to-Peer Lending (P2P Lending) can be seen in Figure 3.

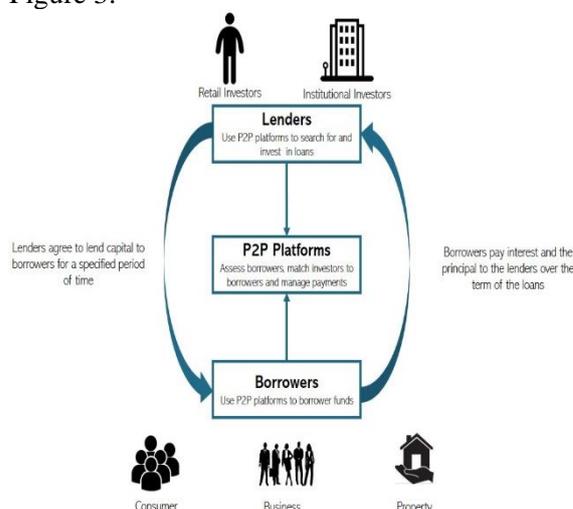


Figure 3 Peer-to-Peer Lending (P2P Lending) Business Process

Source: Processed from various sources.

P2P Lending involves three parties: lenders, borrowers, and p2p platforms. Like other loan agreements, lenders are responsible for lending capital during the loan term, while borrowers commit to repaying such capital plus interest according to the loan agreement. P2P platforms help facilitate transactions by performing credit scoring on borrowers and

matching borrowers with lenders more efficiently and faster (McBride, 2017).

P2P Lending Regulation in Indonesia is regulated in The Financial Services Authority Regulation No. 77/POJK.01/2016 on Information Technology Based Money Lending Services. Financial Services Authority defines Information Technology-based Money Lending Service as the implementation of financial services to bring lenders together with borrowers to make loan agreements in rupiah directly through electronic systems using the internet network. P2P Platform in Indonesia is referred to as Information Technology Based Money Lending Service Provider or Organizer, which is defined as an Indonesian legal entity that provides, manages, and operates Information Technology Based Money Lending Service.

The Organizer's legal entity is limited to limited liability companies or cooperatives. Based on these provisions, peer-to-peer lending providers must be legal entities. They cannot be carried out by individuals or non-legal business activities such as Maatschap, Firma, or CV (Hartanto & Ramli, 2018). Legal entities that can act as peer-to-peer lending providers are only limited liability companies that have obtained ratification from the Ministry of Law and Human Rights or Cooperatives. In Article 5 of PFinancial Fervices Authority No. 77/PFinancial Fervices Authority.01/2016, Financial Fervices Authority provides the classification of peer to peer lending business activities in Indonesia, among others:

1. provide, manage, and operate Information Technology-Based Money Lending Services from the Lender to the Borrower whose source of funds comes from the Lender
2. Cooperate with financial service providers based on information technology, following the provisions of the laws and regulations.

### Peer-to-Peer Lending as Financial Intermediaries?

The financial market section has given two kinds of understanding: direct and indirect finance. The difference between the two lies in the position of borrowers and lenders, whether they meet in person or not. In direct finance or

direct financing, borrowers borrow funds directly from lenders in the financial market by selling securities. Meanwhile, indirect finance funds can move from lenders to borrowers because of the financial intermediary between the lender-savers and the borrower-spenders and help transfer funds from one to the other. A financial intermediary raises funds from lender-savers and uses those funds to provide loans to borrower-spenders.

Peer-to-peer lending itself has a different position to the concept, according to Mishkin & Eakins (2018). The direct finance institution that plays a role is the money market, while the indirect finance institution that plays a role is a financial intermediary. According to peer-to-peer lending, authors have different positions over the concept. Peer-to-peer lending performs functions such as financial intermediary but is only limited to bringing lenders and borrowers together in their platform. The type of financing is included in the concept of direct finance. Figure 4 can help our understanding of the notch of peer-to-peer lending.

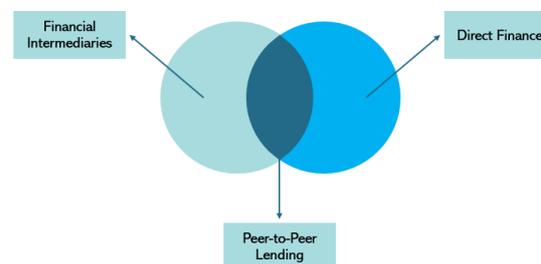


Figure 4 Peer-to-Peer Lending

Menat (2015) warned that peer-to-peer lending has expanded the availability of financing, allowing people and businesses to borrow money more efficiently, faster, and more transparently. Furthermore, Menat (2015) also stated that "These FinTech startups have applied disintermediation to credit, connecting buyers and sellers through marketplaces." Reported from Cerdasco (2019) reported that disintermediation is the process of removing for eliminating intermediaries from the supply chain in the completion of transactions. Disintermediation makes the process faster because IIT cuts the chain of financial intermediaries in the context of the old paradigm of the financial system.

### **Authority of the Financial Services Authority on Peer-to-Peer Lending**

The Financial Services Authority (OJK) is an independent institution and free from interference from other parties, which has the functions, duties, and authorities of regulation, supervision, examination, and investigation as referred to in Law No. 21 of 2011. The purpose of the establishment of OJK is so that all activities in the financial services sector

1. held regularly, fairly, transparently, and accountably;
2. able to realize a financial system that grows sustainably and stably; Dan.
3. able to protect the interests of consumers and the public.

OJK serves to organize an integrated system of regulation and supervision of all activities in the financial services sector. OJK carries out regulatory and supervisory duties on:

1. financial services activities in the Banking sector;
2. financial services activities in the Capital Market sector; Dan.
3. financial services activities in the insurance sector, pension funds, financing institutions, and other financial services institutions.

The peer-to-peer lending provider itself by the OJK declares as Another Financial Services Institution. The presence of OJK as a regulator in Information Technology-Based Money Lending Services to carry out functions, duties, and regulatory authorities by Law No. 21 of 2011. OJK, in this case, acts as the party that gives approval for the registration and licensing application of the system and as the party that must obtain periodic reports on the implementation of the information technology-based money lending system.

### **Legal Position of the Parties Involved**

Hartanto & Ramli (2018), in his research, concluded several things related to his study of the legal relationship between the parties in peer-to-peer lending, which can conclude as follows:

1. The relationship between lenders and peer-to-peer lending providers must not be a relationship of depositing funds but rather

a legal relationship born of a power of attorney agreement.

2. Borrowers in peer-to-peer lending should have a juridical legal relationship with the lender and not with the organizer of peer-to-peer lending.
3. The legal relationship between the borrower and the lender, in this case, is the relationship of borrowing money as stipulated in the Civil Code.
4. The existence of peer-to-peer lending providers is the power of lenders to act for and on behalf of lenders entering into loan agreements to borrow money with borrowers.

Based on the draft loan agreement that authors obtained from [core.akseleran.com](http://core.akseleran.com), Akseleran, one of the peer-to-peer lending services providers, termed their position as Facility Agents. In the draft, the Facility Agent is defined as the party acting as the agent and the proxy for and on behalf of the lender, based on the Agreement on the Appointment of the Agent and the Lending and Special Power of Attorney (Akseleran, 2020). The draft is very much in line with Hartanto & Ramli's previous research. The legal position of parties in peer-to-peer lending becomes essential to provide legal certainty and clarity in the imposition of value-added tax in the following discussion.

### **Pushing Fintech-related Laws**

Financial institutions, both banks, and non-banks, in general, have a legal umbrella at the same level as the law. There are several things that the authors concerns about this, for example, in terms of sanctions arrangements. In Article 47 POJK 77/POJK.01/2016, which regulates sanctions for fintech lending, OJK can only impose administrative sanctions in the form of written warnings, fines, restrictions on business activities, and revocation of licenses. In contrast to the content in the Law of the Republic of Indonesia Number 7 of 1992 concerning Banking as amended by Law No. 10 of 1998. For example, Chapter VIII is stipulated on the Provisions of Criminal and Administrative Sanctions, which accommodates several types of criminal acts. Types of crimes include crimes related to licensing, crimes related to bank secrets,

crimes related to bank supervision, crimes related to bank business activities, crimes related to affiliated parties, and criminal acts related to shareholders.

Until this research has been done, it is only POJK 77/POJK.01/2016 to reference the highest legislation in implementing and supervising peer-to-peer lending practices in Indonesia. Sanctions given have not yet reached criminal sanctions as other financial institutions such as banking, Sharia banking, pension funds, and insurance. Criminal provisions' content can only be contained in the laws, regulations of provincial districts, and district/municipal regulations by article 15 of Law No. 21 of 2011 on the Establishment of Legislation. So, according to the author, if there is a crime in the field of financial technology that has not been accommodated in the prevailing laws and regulations (e.g., the Law on Information and Electronic Transactions and the Law on Financial Services Authority), there will be a legal vacuum. For previous considerations, authors encourage relevant authorities and governments to immediately discuss legislation (fintech only) to protect customers and ensure legal certainty.

### **Taxation on Financial Services in Review of Value-Added Tax Aspects**

In general, VAT in Indonesia adheres to the principle that all goods and services are objects of value-added tax unless other laws and regulations govern. For example, goods or services are excluded from tax objects, given zero ratings, or given other tax incentives so that the goods or services are not subject to value-added tax. By the principles embraced by Indonesia, Tait (1988) states that *"In theory, all such goods and services should be liable to VAT; in practice, messy solutions are found."* The "messy solution" found was due to difficulty in imposing taxes on goods or services (difficult to tax). One of the considered complex services in terms of being subject to value-added tax is financial services.

Tait (1988) said that "Value added in banking and insurance is no less appropriate for inclusion in the VAT base than any other service or provision of goods." On the other hand, many countries do not charge VAT on financial services. The paradox led Edwards

and Mayer (quoted from Tait, 1988) to ask, "Why should the output of banks (and other financial companies)—namely, financial services—be exempt from VAT when most other consumer goods are subject to VAT?" Many difficulties are finding convincing reasons in tax theory for this exemption.

According to Edwards and Mayer (Tait, 1988), the most likely approach is the theory of optimal taxation. In the theory of optimal taxation, we must see from the point of view of economic efficiency that such liberation is granted on the grounds of justice. The justice position in question is that in the financial sector (banking and insurance), more dominated by low-income households than high-income households.

The contribution of financial services and insurance in Indonesia to GDP is quite significant. According to the Central Statistics Agency (BPS) Report, in the fourth quarter of 2019, Indonesia's economy experienced growth of 4.97 percent. One of the sectors experiencing the highest growth was financial services and insurance, with a growth of 8.49 percent (after three other sectors). The growth before is based on a comparison between the fourth quarter of 2019 and the fourth quarter of 2018 (year on year). During 2019 the growth rate of financial services and insurance to GDP was 6.60 percent. The influence of Fintech on national GDP in 2019 is claimed to reach Rp60 trillion or 0.458% (Sandi, 2019). The amount has increased by 131% compared to 2018, which stood at Rp 25.97 trillion.

Indef (2019) and the Indonesian Fintech Association in 2019 released the results of a study stating that Fintech has encouraged the uptake of 362 thousand people or 0.32% of the total workforce nationally. The study also stated that the distribution of funds by financial technology and investment in financial technology positively impacts poverty and inequality (Gini ratio). The inequality rate measured by the Gini ratio is also estimated to decrease by 0.01 percent from 0.382 to 0.380.

Based on the argument that Fintech in Indonesia contributes significantly to GDP and encourages job absorption, the theory of optimal taxation should be reconsidered. Developing Fintech in Indonesia means that the industry deserves to be considered a new tax base. As a possible new tax base, there are

several possibilities in the imposition of value-added tax on the industry. Tait (1988) provides an overview of options for this matter sourced

from Carl Bakker and Phil Chronicon, Financial Service and the GST: A Discussion Paper. The summary presents in Table 1.

Table 1 Summary of VAT Option Options for Financial Service Taxation

Optional forms of VAT:	Forms of Financial Services			
	Financial intermediation	Trading in financial assets	Fee and commission activity	Insurance (life or other)
Full invoice credit offset	Complex; administratively extensive; lending shifts	Complex; offshore trading encouraged	Practical	Tax should not be on full premiums; offshore competition
Special tax rates	The simpler, the more nonneutral	Tax not related to value of service supplied	Likely to be arbitrary	Possible
Zero rating	Should be limited to export of services	Should be limited to exports	No reason to zero rate	No reason to zero rate
Exemption	Cascade, incentive to self-supply services	Cascade, offshore problems	Cascade, offshore problems	Cascade, perhaps offshore problems
Direct additive accounts base	Possible cascade, low cost, problems for offshore and domestic producers	Cascade possible, offshore problems	Cascade possible	Practical

Source: Alan A. Tait, Value-Added Tax International Practice and Problems, Page 94.

In the context of peer-to-peer lending, authors say value-added tax should be charged, and full invoice credit (commonly also called the Indirect Subtraction Method) is the most appropriate option for value-added tax collection for that entity. Some of the reasons that can be stated are as follows:

**Full invoice credit is the most convenient option among other options**

The primary source of peer-to-peer lending income comes from platform fees charged to lenders. Here are the similarities that can be used in understanding the source of income of peer-to-peer lending platforms.

$$\text{Lender's Income} = \text{Income from Services by Borrowers} - \text{Platform Fees}$$

$$\text{Platform Fees} = \text{Income from Services by Borrowers} - \text{Lender's Income}$$

$$\text{Platform Fees (from the lender's side)} = \text{P2P Lending Platform Revenue (from the platform side)}$$

In addition to platform fees, peer-to-peer lending platforms have the possibility of having several other types of income, among others (Derayah Financial, 2017):

1. *Service charge on origination,*
2. *Service fees from investors (monthly payments),*
3. *Feeson collection from defaulted loans,*
4. *Fee on late payment,*
5. *Management fees.*

Suppose we look at peer-to-peer lending platform earnings in general based on fee and commission activity. It can be noted in Table 1 that the full invoice credit option for fee-based financial services and commission activity is the most practical option, including for peer-to-peer lending platforms. Options such as special tax rates, zero-rating, exemption, and direct additive accounts base provide possibilities such as arbitrariness and cascade.

**Peer-to-peer lending platforms are not among the difficult to tax services**

All sources of income earned by peer-to-peer lending platforms are evident and measurable. In principle, financial services should generally be subject to a value-added tax by the opinion expressed by Tait (1988). However, the amount of value-added in interest-based financial services transactions is difficult to separate from other elements that determine the amount of interest benefit payments, including the actual cost of capital, risk, and inflation rate (Thuronyi, 1996). This condition makes financial services challenging to VAT (hard to-tax), especially with the VAT administration system that uses the invoice-credit method (Le, 2003). So that is the difference between peer-to-peer lending platforms and financial services in general. Based on information from koinworks.com

(one of the peer-to-peer lending platforms in Indonesia), the costs incurred if our loan is approved are loan approval fees and administrative costs, which will automatically reduce the loan amount when approved and disbursed. These costs are the income of peer-to-peer lending platforms that can be measured. So, according to authors, reasons such as complex to tax or hard to tax have been disproved through these facts and concepts.

Peer-to-peer lending platforms that have income above the threshold set by the tax authority should be confirmed as entrepreneurs who are subject to value-added tax (tasked with collecting value-added tax to consumers) by applicable domestic taxation rules. In Indonesia, the limit of income subject to value-added tax if up to a month in the financial year the amount of gross circulation and gross receipt exceeds Rp4,800,000,000.00 stipulated in regulation of the Minister of Finance of the Republic of Indonesia Number: 197/PMK.03/2013 concerning Amendments to Regulation of the Minister of Finance No. 68/PMK.03/2010 concerning Restrictions on Small Businessmen Value-Added Tax. So if there is a peer-to-peer lending platform that meets these restrictions must be confirmed as a Taxable Entrepreneur by the VAT Law 1984.

**Full invoice credit is the most ideal and profitable method for entities**

Full invoice credit can also be referred to as Indirect Subtraction Method or Invoice-Based Credit or Credit Method is the most common method used in calculating VAT in several countries, including Indonesia. With this method, taxable entrepreneurs at each production level up to distribution charge VAT on their sales to consumers (VAT on their output) and create VAT that has been paid at the time of purchase (VAT on their input), and pay taxes to the State Treasury. Tax payable is the difference between (t1 x sales value) and (t2 x purchase value), where t1 and t2 are the rates of sales value and purchase value, respectively. Tax payable is the difference between the tax collected at the time of delivery of goods (services) and the tax paid at the time of purchase/acquisition of goods (services).

In the application of this method, in Indonesia is known as Output Tax minus input tax. So, the tax is deductible because of the tax credit system; this method is also known as the Credit Method. To find out how much tax is collected and paid, it is proven by the existence of Tax Invoice. Because tax credits will be able to run well if supported by the presence of Tax Invoices, then this method is also known as the Method of Tax Invoice (Invoice Method). This method is illustrated in the table as follows.

	Tax Payer A	Tax Payer B	Tax Payer C	Total
Sales	10.000	15.000	20.000	45.000
VAT - Sales (1)	1.000	1.500	2.000	4.500
Purchase	8.000	10.000	15.000	33.000
VAT - Sales (2)	800	1.000	1.500	3.300
VAT Payable	200	500	500	1.200

The deductible tax amount is the total tax paid for the purchase, including the full amount of tax paid for purchasing any capital equipment in the consumption type value-added tax. As an alternative to VAT – sales, taxes paid on capital equipment will be amortized or depreciated over the asset's life and not deducted entirely in the year in which the capital asset was purchased.

**Some of the advantages of the Indirect Subtraction Method include**

- a. The indirect Subtraction Method accommodates more than one vat imposition rate and other fiscal facilities  
 If there is more than 1 VAT rate in a country, then the Indirect Subtraction Method becomes the best solution to calculate the tax paid to the state treasury. This method allows for tariff differences in an economic transaction; for example, for PKP at the manufacturing industry level on VAT – Sales are charged at 20%, while for VAT – Purchases are charged at a rate of 10%, then the calculation will be easier than subtractive-direct method. In addition, it could be that the government provides facilities in the field of VAT. For example, facilities are exempt from the imposition of VAT; of course, this method becomes more practical than other methods.
- b. The indirect Subtraction Method reduces loopholes in tax avoidance practices

Because this method is transaction-based, then for each existing transaction will continue to be taxed on each series of production and distribution lines. Any existing transactions are generally required to create a tax invoice—the function of the tax invoice itself as proof of VAT levy on the transaction in question. In the formal law in Indonesia, there are sanctions for not making tax invoices or late making tax invoices, and then on this basis, employers will be encouraged to make a tax invoice correctly and report the entire sale.

c. The indirect Subtraction Method reduces loopholes in tax avoidance practices

Indirect Subtraction Method there will be no tax on tax or "double taxation," this is because as long as the credit mechanism is by the provisions, there will be no charge of tax on the purchase transaction.

### **Juridical Analysis of Value-Added Tax Aspects on Peer-to-Peer Lending**

Imposition of VAT on The Financial Industry  
Memory explanation Article 4A paragraph (3) letter d VAT Law 1984 has provided restrictions on financial services that are not subject to Value-Added Tax, here is an excerpt of the memory of the explanation.

Financial services include:

1. services to raise funds from the community in the form of current accounts, time deposits, certificates of deposit, savings, and/or other forms equated with it;
2. the service of placing funds, borrowing funds, or lending funds to other parties by using letters, telecommunication facilities or by money orders, checks, or other means;
3. Financing services, including financing based on sharia principles, in the form of:
  - a) lease with option rights;
  - b) factoring;
  - c) credit card business; and
  - d) consumer financing;
4. lending services on the basis of mortgage law, including sharia and fiduciary mortgages; and
5. guarantee services.

The use of the word "include" after "financial services", as well as the use of the word "and" in the number 4, provide a meaningful key in the interpretation of the

scope of financial services. Interpretation of financial services according to vat law 1984 is limited to the type of services mentioned. The meaning of the word "include" in the Dictionary of The Great Indonesian language includes, while the cover itself in the Great Dictionary of The Indonesian language has the meaning of summarizing several things, in this case, are some of the things mentioned. Thus, the meaning of the word "include" can be concluded more or less is to include or summarize some things mentioned only, meaning that only concerning the things mentioned, not interpreted as something infinite. It is different if the word "like", "for example", "among others", or "among others" contains the meaning as an example and is not limited to the things mentioned.

In substance, peer-to-peer lending has the task of only being a facility that brings together lenders and borrowers by the previous concept in discussing the legal standing of parties involved in peer-to-peer lending. Therefore, peer-to-peer lending services should not be included in the type of services that are not subject to value-added tax. For this reason, peer-to-peer lending activities in Indonesia should be subject to Value-Added Tax. Although in Article 2 paragraph (1) POJK 77/POJK.01/2016 concerning Information Technology-Based Money Lending Services stated that the Information Technology-Based Money Lending Service Provider is declared another financial services institution. However, it cannot necessarily classify peer-to-peer lending as a financial service that is not subject to value-added tax. There are several reasons to support the statement.

A. The formulation of article 4A paragraph (3) letter d of VAT Law 1984 is more appropriate for parties declared as financial intermediaries

In previous discussions, it has been known that peer-to-peer lending performs functions such as financial intermediary but is only limited to bringing lenders and borrowers together in their platform, the type of financing is included in the concept of direct finance. According to the concept, peer-to-peer lending is not a financial intermediary but a function similar to the financial intermediary in meeting lenders and borrowers. The difference lies in the function of a financial intermediary as a

party that raises funds from lender-savers and uses the funds to provide loans to borrower-spenders. The authors separate the function of financial intermediaries as a meeting place for lenders and borrowers, and their function in business processes is to raise funds from savers and use the funds to provide loans to borrowers.

For example, the explanation stated "the service of collecting funds from the public in the form of current accounts, time deposits, certificates of deposits, savings, and other forms equated with it" as a service that is not subject to VAT. The service refers to the business of commercial banks in Law No. 10 of 1998 concerning Amendments to Law No. 7 of 1992 concerning Banking, in article 6 letter a mentioned that the bank's efforts are one of which is to raise funds from the public in the form of deposits in the form of current accounts, time deposits, certificates of deposits, savings, and other forms equated with it.

Furthermore, for "the service of placing funds, borrowing funds, or lending funds to other parties using letters, telecommunication facilities or by money order, check, or other means" also refers to article 6 letter f of the Law on Banking that is "placing funds on, borrowing funds from, or lending funds to other banks, either using letters, telecommunication facilities or by money order, check or other means.

If we refer to the general section in the explanation of Law No. 10 of 1998 on Amendments to Law No. 7 of 1992 on Banking mentioned that "The Banking Sector which has a strategic position as an intermediation and supporting system...". It can be concluded that indeed the financial services referred to in paragraph 4A (3) letter d of the VAT Law 1984 refer to intermediaries or financial intermediaries, not to institutions such as peer-to-peer lending that only act as agents in charge of providing the platform as a means of bringing together borrowers and lenders only.

B. Tax law in Indonesia adheres to the legal principle of *lex specialis derogat legi generali*

*Lex specialis derogat legi generali* means that the provisions of the legislation are general and special override provisions. In the

event of a conflict between a provision of a special nature and a general nature, then what is enforced is a provision of a special nature. Tax provisions are more specific provisions on the scope of financial services created by the Financial Services Authority. In this case, the VAT Law 1984 may override Law No. 21 of 2011 on Financial Services Authority, including its implementation regulations (POJK 77/POJK.01/2016 on Information Technology-Based Money Lending Services) in defining financial services. This principle is used to confirm that tax laws act as specific laws to regulate material or formal provisions within the framework of taxation. Especially in the concept of value-added tax that adheres to all goods or services should be subject to VAT unless the law specifies otherwise.

C. The formulation of Financial Services in Article 4A paragraph (3) letter d of vat law 1984 has provided legal certainty over the type of financial services that are not subject to Value-Added Tax

As explained earlier, the scope of financial services stipulated in Article 4A paragraph (3) letter d and the memory of the VAT Law 1984 have provided certainty over the imposition of Value-Added Tax. Types of services that are not included in the scope of Article 4A paragraph (3) letter d must be subject to Value-Added Tax by vat law 1984.

The explanation of Article 4A paragraph (3) letter d vat law 1984, which contains about the type of financial services, only describes the provisions of Article 4A paragraph (3) letter d in the torso of the VAT Law 1984, especially about specific service phrases in financial services groups. In the Explanation of Article 4A paragraph (3) letter d vat law 1984, some nothings are contrary to the subject matter regulated in the torso or the addition of norms or arrangements. Thus, the Explanation of Article 4A paragraph (3) letter d of the VAT Law 1984 has been by the rules as stipulated in Law No. 12 of 2011 concerning the Establishment of Legislation, so that the explanation of a quo which is a unity with the article in the torso can be prayed as the norm of Article 4A paragraph (3) letter d of the VAT Law 1984 itself.

## CONCLUSION

This research is expected to contribute to a research gap that can be used as additional research material for academics and policy recommendations that tax authorities can use in designing the imposition of value-added tax on fintech lending. Based on analysis and discussion, the following can be concluded:

1. The role of peer-to-peer lending in loan agreements is only as an agent and proxy on behalf of the lender.
2. The function of peer-to-peer lending is as a platform that bridges or facilitates the meeting of lenders and borrowers.
3. Peer-to-peer lending income is based on fees and commissions earned from platform fees.
4. The full invoice credit option for peer-to-peer financial services is the most convenient and best.
5. Options such as custom tax rates, zero ratings, exemptions, and direct additive account bases provide possibilities such as arbitrariness and cascade, making them inappropriate if imposed.
6. Relevant authorities and governments should encourage the establishment of legislation at the level of legislation on fintech to include the content of criminal provisions as in the laws of other financial institutions.
7. The content of criminal provisions is expected to close the gap in the possibility of financial crimes in fintech that are not accommodated in other laws such as the Law on Financial Services Authority and the Law on Information and Electronic Transactions.
8. Peer-to-peer lending performs functions such as financial intermediary but is only limited to bringing lenders and borrowers together in their platform, the type of financing is included in the concept of direct finance.
9. The function of peer-to-peer lending as a financial intermediary is reviewed only as a meeting place for lenders and borrowers, not referring to its function in business processes.
10. Based on authors' interpretation, peer-to-peer lending should be subject to a value-

added tax by the provisions in the VAT Law 1984.

As a new industry in the financial sector, peer-to-peer lending must gain legal certainty by pushing for the formation of legislation at the same level as other financial institutions. Such legal certainty is necessary given the significance of the role of peer-to-peer lending in the economy. Specifically, in the context of value-added tax law, by the authors' analysis, should peer-to-peer lending be subject to a value-added tax by the provisions in the VAT Law 1984. The imposition of value-added tax on peer-to-peer lending is essential given the urgency of a tax position as one of the support in state revenues. For this reason, the authors encouraged the tax authority to issue implementation regulations related to the imposition of value-added tax on peer-to-peer lending in Indonesia.

## REFERENCES

- Afandi, M. A. (2020). Switching Intentions Among Millennial Banking Customers to Fintech Lending. *International Journal of Islamic Economics and Finance (IJIEF)*, 3(2), 283–304.
- Akseleran. (2020). *Draft Perjanjian Standard Akseleran*.  
[https://core.akseleran.com/media/documents/template-documents/draft\\_perjanjian\\_standard\\_akseleran.pdf](https://core.akseleran.com/media/documents/template-documents/draft_perjanjian_standard_akseleran.pdf)
- Amartha. (2020). *Manfaat Fintech untuk Perekonomian Indonesia*.  
<https://blog.amartha.com/manfaat-fintech-untuk-perekonomian-indonesia/>
- Arner, D. W., Barberis, J., & Buckley, R. P. (2015). The evolution of Fintech: A new post-crisis paradigm. *Geo. J. Int'l L.*, 47, 1271.
- Bachtiar, B. (2019). *Metode Penelitian Hukum*.
- Benuf, K., Njatrijani, R., Priyono, E. A., & Adhim, N. (2020). Pengaturan Dan Pengawasan Bisnis Financial Technology Di Indonesia. *Dialogia Iuridica: Jurnal Hukum Bisnis Dan Investasi*, 11(2), 46–69.

- BI. (2020). *Financial technology*. <https://www.bi.go.id/id/edukasi-perlindungan-konsumen/edukasi/produk-dan-jasa-sp/fintech/Pages/default.aspx>
- Callaway, J. (2019). FinTech Disruption: Opportunities to Encourage Financial Responsibility. *The Disruptive Impact of FinTech on Retirement Systems*, 61.
- Cargill, T. F. (2017). *The financial system, financial regulation and central bank policy*. Cambridge University Press.
- Cerdasco. (2019). *Disintermediasi*. <https://cerdasco.com/disintermediasi/>
- Chishti, S., & Barberis, J. (2016). *The Fintech book: The financial technology handbook for investors, entrepreneurs and visionaries*. John Wiley & Sons.
- Cornelli, G., Frost, J., Gambacorta, L., Rau, R., Tania, R. W., & Ziegler. (2020). *Fintech and big tech credit: a new database*. <https://www.bis.org/publ/work887.pdf>
- Darman. (2019). Financial Technology (FinTech): Karakteristik dan Kualitas Pinjaman pada Peer to Peer Lending di Indonesia. *Jurnal Manajemen Teknolog*, 18(2), 130–137. <https://journal.sbm.itb.ac.id/index.php/ma ntek/article/view/2853>
- Darussalam, Septriadi, D., & Dhora, K. A. (2018). *Konsep dan Studi Komparasi Pajak Pertambahan Nilai (PPN)*. Penerbit DDTC.
- Derayah Financial. (2017). *A Concept Study on Peer-to-Peer Lending*. [https://web.derayah.com/wp-content/uploads/2017/12/concept\\_study\\_p2p\\_lending\\_17.pdf](https://web.derayah.com/wp-content/uploads/2017/12/concept_study_p2p_lending_17.pdf)
- Dermine, J. (2017). Digital disruption and bank lending. *European Economy*, 2, 63–76.
- Firdaus, D. W., & Aryanti, R. K. (2019). The Influence of Financial Technology in Financial Transactions. *IOP Conference Series: Materials Science and Engineering*, 662(2), 22012.
- Franedy, R. (2018). *Ini Dia Empat Jenis Fintech di Indonesia*. Ini Dia Empat Jenis Fintech di Indonesia
- Fuad, N., Prabowo, H. A., & Budiarto, A. H. R. (2004). *Dasar-dasar Keuangan Publik*. Badan Pendidikan dan Pelatihan Keuangan. [https://www.academia.edu/9689852/Dasar\\_Kuangan\\_Publik?auto=download](https://www.academia.edu/9689852/Dasar_Kuangan_Publik?auto=download)
- Hartanto, R., & Ramli, J. P. (2018). Hubungan Hukum Para Pihak dalam Peer to Peer Lending. *Jurnal Hukum Ius Quia Iustum*, 25(2), 320–338.
- Iman, N. (2018). Is mobile payment still relevant in the fintech era? *Electronic Commerce Research and Applications*, 30, 72–82.
- Indef. (2019). *Studi Dampak Fintech P2P Lending terhadap Perekonomian Nasional*. [https://indef.or.id/source/research/Studi Dampak Fintech P2P Lending terhadap Perekonomian Nasional.pdf](https://indef.or.id/source/research/Studi_Dampak_Fintech_P2P_Lending_terhadap_Perekonomian_Nasional.pdf)
- Koinworks. (n.d.). *Sejarah Peer-to-Peer Lending*. <https://koinworks.com/id/education-center/industri-peer-to-peer-lending>
- Kothari, C. R. (2004). *Research methodology: Methods and techniques*. New Age International.
- Lalujan, C. R. E. (2013). Analisis Penerapan Pajak Pertambahan Nilai Pada PT. Agung Utara Sakti Manado. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 1(3).
- Le, T. M. (2003). Value added taxation: Mechanism, design, and policy issues. *Course on Practical Issues of Tax Policy in Developing Countries*, April.
- Leong, K., & Sung, A. (2018). FinTech (Financial Technology): what is it and how to use technologies to create business value in fintech way? *International Journal of Innovation, Management and Technology*, 9(2), 74–78.

- Li, Y., Spigt, R., & Swinkels, L. (2017). The impact of FinTech start-ups on incumbent retail banks' share prices. *Financial Innovation*, 3(1), 1–16.
- Marzuki, P. M. (2017). *Penelitian Hukum*. Kencana Prenada Media.
- McBride, S. (2017). *NoPeer-to-Peer Lending Investor Guide Innovating an Ancient Credit Model*.  
<https://43cyu21tdz6o41fs2y3e45y1-wpengine.netdna-ssl.com/wp-content/uploads/2017/10/P2P-Lending-Guide-Final-Edition.pdf>
- Menat, R. (2015). *Why we're so excited about FinTech*.  
<https://medium.com/@RebMelMen/why-we-re-so-excited-about-fintech-793a40337491>
- Mishkin, F. S., & Eakins, S. G. (2018). *Financial Markets And Institutions*. Pearson Education Limited.
- OJK. (2021). *Penyelenggara Fintech Lending Terdaftar dan Berizin di OJK per 4 Mei 2021*. Financial Technology.  
<https://www.ojk.go.id/id/kanal/iknb/financial-technology/Pages/Penyelenggara-Fintech-Lending-Terdaftar-dan-Berizin-di-OJK-per-4-Mei-2021.aspx>
- Parlour, C. A., Rajan, U., & Zhu, H. (2019). Fintech disruption, payment data, and bank information. *NBER Working Paper*, 22476.
- Puschmann, T. (2017). Fintech. *Business & Information Systems Engineering*, 59(1), 69–76.
- Putra, I. S., Santoso, B., & Benuf, K. (2021). Online Dispute Resolution sebagai Alternatif Penyelesaian Sengketa Bisnis Financial Technology di Indonesia. *Simbur Cahaya*, 27(2), 1–22.
- Ryu, H.-S. (2018). What makes users willing or hesitant to use Fintech?: the moderating effect of user type. *Industrial Management & Data Systems*.
- Sandi, F. (2019). *Terungkap, Fintech Berkontribusi Rp 60 T ke Ekonomi RI*.  
<https://www.cnbcindonesia.com/tech/20191111155625-37-114358/terungkap-fintech-berkontribusi-rp-60-t-ke-ekonomi-ri>
- Santi, E., Budiharto, B., & Saptono, H. (2017). Pengawasan Otoritas Jasa Keuangan Terhadap Financial Technology (Peraturan Otoritas Jasa Keuangan Nomor 77/POJK. 01/2016). *Diponegoro Law Journal*, 6(3), 1–20.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business a skill building approach*. John Wiley & Sons.
- Stulz, R. M. (2019). Fintech, bigtech, and the future of banks. *Journal of Applied Corporate Finance*, 31(4), 86–97.
- Sukardji, U. (2009). *Modul Pajak Pertambahan Nilai Dan Pajak Penjualan Atas Barang Mewah*. Pusdiklat Pajak.
- Syah, R., Nasution, M. K. M., Nababan, E. B., & Efendi, S. (2020). Optimization Metrics Model: The Mobile Wallet for Merchant Ecosystem. *Journal of Physics: Conference Series*, 1566(1), 12124.
- Tait, M. A. A. (1988). *Value added tax: International practice and problems*. International Monetary Fund.
- Tampubolon, H. R. (2019). Seluk Beluk Peer to Peer Lending Sebagai Wujud Baru Keuangan di Indonesia. *Jurnal Bina Mulia Hukum*, 3(2), 188–198.
- Techforid. (2019). *Manfaat Fintech Bagi Masyarakat*.  
<https://www.techfor.id/manfaat-fintech-bagi-masyarakat/>
- Thuronyi, V. (1996). *Tax Law Design and Drafting, Volume 1* (Vol. 1). International Monetary Fund