WHAT IS KNOWN ABOUT TAX AMNESTY? A SCOPING REVIEW

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ABSTRAK

Scoping review is increasingly common approach for reviewing research evidence to address broader topic. This scoping study aims to review the literatures on tax amnesty program and describe the factors related to tax amnesty, such as implementations, costs and benefits, participation, and the effects of the program, and lesson learned from countries around the world. This review also provides some policy recommendations for policy makers to make it useful in reaching the objectives of the amnesty.

Scoping review merupakan pendekatan yang mulai banyak digunakan dalam meninjau penelitian ilmiah dalam topik tertentu. Studi ini bertujuan untuk meninjau literatur terkait pengampunan pajak dan menjabarkan faktor-faktor yang berkaitan dengan pengampunan pajak seperti implementasi, biaya dan manfaat, partisipasi, dan dampak dari program ini, serta pelajaran yang didapat dari penerapan pengampunan pajak di berbagai negara di dunia. Studi ini juga memberikan rekomendasi untuk pembuat kebijakan untuk membuat program pengampunan pajak bisa mencapai tujuannya.

1.   INTRODUCTION

Tax amnesty is a controversial revenue-raising tool that widely used in dealing with tax evasion. Typically, the program gave a one-time opportunity to delinquent taxpayers to pay back taxes and interests without being subject to some or all of the financial and criminal penalties (Alm et al., 2009). Government expect to reach several goals when they decided to conduct a tax amnesty program. First, amnesty is a tool to generate immediate revenues. Second, government look for the indirect effect of amnesty to increase the future compliance (Alm and Beck, 1993). Third, an amnesty program aims to the previous tax evaders back into the tax system, whether they have already been in the system or those who still remain outside the tax rolls (Parle and Hirlinger, 1986). Another benefit of the program is the administration cost reduction like backlog of paperwork and arrears. On the other hand, the opponent of tax amnesty argues that the announcement of amnesty itself is an indication of the high level of tax evasion and low level of tax morale. Moreover, honest taxpayers view the amnesty program as unfair since it gives incentives to tax evaders and thus make them feel less motivated to comply (Torgler and Schaltegger, 2005).

Despite the controversy, this program become very popular, especially since several states in the US implemented the amnesty programs during 1980s. Since then, more than sixty amnesty programs have been applied in the US (Torgler and Schaltegger, 2005). Not only the US, several countries around the world were also view amnesty as an easy and low-cost way to collect unpaid taxes and improve compliance. Both developed and developing countries used the programs to get immediate revenues, such as Belgium, France, Ireland, Italy, Argentina, Bolivia, Chile, Columbia, Ecuador, Panama, Peru, Mexico, Philippine, and many more (Das-Gupta and Mookherjee, 1995).

In order to improve tax compliance, to boost revenue and to encourage the repatriation of offshore assets back to the country, Indonesian government introduced a nine-month period of tax amnesty program from 1 July 2016 to 31 March 2017. To increase participation, government designed a generous offer. Assets declared in the first three months were taxed at just 2-4%. The percentage became higher to 3-6% in the next three months and to 5-10% in the last three months. The amount was much smaller than the normal individual income-tax rate of up to 30%. Successfully collecting more than 4.8 trillion rupiah ($360 billion) from 973.426 taxpayers (Indonesian Directorate General of Taxes, 2017), tax amnesty programme in Indonesia is one of the most successful programs so far (The Economist, 2017). However, beyond the revenue windfall, the success of the program is still questionable. Compare to last year, the impact of the amnesty program for tax collection is negligible. The growth of revenue even declined compared to 2015 and 2014. Moreover, the increase of Indonesia's tax base has been insignificant (Keithly, 2017).

From this situation then the questions arise, what is known about tax amnesty and how to determine whether an amnesty program is success or fail? From Indonesia's experience, we can see that the biggest tax collection in the world from an amnesty program did not represent the success of the program. Whether this also happened in other countries, what can we learn from the amnesty implementation and how can we measure the success or the effect of amnesty on reaching its goals? To answer these questions, we conducted a scoping review.

Scoping reviews or scoping studies are relatively new but increasingly common approach for reviewing research evidence (Levac et al, 2010; Pham et al, 2014). Despite the lack of universal definition and purposes (Arksey and O'Malley, 2005; Anderson et al, 2008; Davis et al, 2009; Levac et al, 2010), the use of scoping reviews as stand-alone project as well as part of larger research projects is increasing rapidly after 2010, especially in health topic (Pham et al, 2014). As one method amongst many ways to review literature, scoping studies have some main differences to other methods. They tend to address broader topic where many different study designs might be available and less likely to seek to address very specific research questions so they will not assess the quality of studies (Arksey and O'Malley, 2005).

Scoping reviews usually aims to map the existing literatures in the field of interest (Arksey and O'Malley, 2005) and involve the synthesis and analysis of a wide range of research in order to give a clear concept of a specific topic or evidence (Davis et al, 2009). There are at least four reasons why researchers use a scoping study: to examine the extent, range and nature of research activity; to determine the value of undertaking a full systematic review; to summarize and disseminate research findings; and to identify research gaps in the existing literature (Arksey and O'Malley, 2005).

Scoping studies are 'policy directed and intended to guide more focussed lines of research and development' (Davis et al., 2009, p 1386). The strengths of a scoping studies lie on its ability to be developmental and intellectual creative. It explains more to the 'what' and 'why' of a topic rather than the 'who', 'where' and 'how'. Scoping reviews also produce a comprehensive overview that not only focus on the context but also contribute in policy and practice developments (Davis et al., 2009). Furthermore, in the public policymaking process, scoping studies can also be used as a policy mapping. By doing a scoping study, policy-makers are able to map the existing documents and statements from related government agencies and professional bodies that are bearing on the nature of practice in that area (Anderson et al., 2008).

The main objective of many of the scoping studies is to inform research commissioners about clear recommendations for further research. They are indicative and suggestive rather than definitive and prescriptive (Anderson et al., 2008). The review allows researchers to be flexible to conduct the study as they think fit. The methods, the sources, the selection

criteria, how to select which studies should be included and excluded, are depend on the objectives of the scoping review.

The stakeholders play an important role in scoping studies, especially in policy development process. Consulting with all stakeholders with an interest in the development of services is a useful way to keep the research on its track, so the result could be utilized. They can help the project particularly in helping to define relevant questions, identify the research priority and validate the outcomes of scoping studies through peer-review (Anderson et al., 2008). Arksey and O'Malley (2005) added a 'consulting exercise' as an additional component of the methodological framework for conducting a scoping study to provide added value by enhancing and improving the result. The consultation may provide additional references about potential studies and valuable insights about issues relating to the topic of the project.

The objectives of this scoping study are to review the literatures on tax amnesty program and describe the factors related to tax amnesty, such as implementations, costs and benefits, participation, and the effects of the program, and lesson learned from countries around the world. At the end of this review, we provide some policy recommendations for policy-makers, especially Indonesian government, on what has to be done next after the program implementation to make it useful for reaching the goals of tax amnesty program, such as increase tax compliance, generate tax revenue, and reduce tax evasion.

2. METHODS

Academic articles were searched in order to address the question: what is known about tax amnesty? This study used the methodological framework for conducting scoping review from the five stages of Arksey and O'Malley (2007): (1) identifying the research question; (2) identifying the relevant studies; (3) study selection; (4) charting the data; and (5) collating, summarizing, and reporting the result. The optional 'consultation exercise' of the framework was not conducted.

2.1. Identifying the Research Question

The starting point for a scoping review is to identify the research question as the guidance for developing the search strategy (Arksey and O'Malley, 2005). In this study, we tried to answer the research question: 'What is known from the existing literature about tax amnesty program?' We were aware that 'amnesty' term could be used in different disciplines with different meaning. In the Cambridge dictionary, amnesty has two meaning: 'a decision by a government that allows political prisoner to go free' and 'a fixed method of time during which people are not punished for committing a particular crime'. The first meaning is usually used in politics or law articles and the second meaning is common in many topics like human rights, crime, or law, depend on the type of crime. 'Tax amnesty' term follows the second meaning of amnesty and broadly discussed in economics, finance, or public policy topics. The research strategy was developed following the purposes of this study and more focused on lesson learn from previous tax amnesty programs around the world.

2.2. Identifying Relevant Studies

The goal of a scoping review is to capture as comprehensive as possible in identifying primary studies and reviews in order to answer the research question (Arksey and o'Malley, 2005). As explained above, searching the term 'tax amnesty' lead us to search in several areas. Therefore, the databases were selected to cover at least three ranges of discipline: social/public policy, economics, and politics, that we think most of the studies about tax amnesty were conducted in these areas. We searched published literatures in seven online databases via internet: Web of Science, Proquest ASSIA, Science Direct, Scopus, Econlit Ovid, PAIS Index, and JSTOR. We set no limitation on date/year of publication, language, or type on the database search to broaden the results. However, because of the limited time and human resources, we only searched in the online databases and did not search for unpublished and gray literature.

The search query consisted of terms considered to describe the tax amnesty programs and its objectives. Unlike the term 'amnesty', the term 'tax amnesty' has a straight meaning, not an ambiguous term that makes it easy to search. The only synonym of 'tax amnesty' is 'tax pardon' but the use of 'tax pardon' is not as wide as 'tax amnesty'. There are some synonyms of the word 'amnesty' but they are not usually following the word 'tax' or if so, they have a different meaning. For example, tax remission has very different meaning from tax amnesty. Finally, we use the words: tax amnesty, tax pardon, amnesty, tax, revenue, tax collection, compliance and fiscal. We were aware of using the term 'amnesty' alone can have another meaning that not related to taxation, so we put 'AND' between 'amnesty' and 'tax' or 'revenue' or 'compliance' or 'fiscal'. The search query was tailored to the specific requirements adjusting with each of the database (see table 1).

Table 1. Tax amnesty search queries.

1	"tax amnesty*"
2	"tax pardon*"
3	amnesty*
4	1 or 2 or 3
5	tax*
6	revenue*
7	"tax collection*"
8	compliance
9	fiscal
10	5 or 6 or 7 or 8 or 9
11	4 and 10

We found 361 articles from seven online databases in searching period from 2-8 May 2017. Duplicates and non-English articles were removed from the list before the screening proses of inclusion and exclusion. A follow-up search was conducted later to identify additional literatures that have been missed or published in other databases. We did a hand-searching of key journal in the Google Scholar to get more tax amnesty literatures, without date restrictions. Fourteen articles were screened directly to make sure the inclusion and exclusion criteria were met and then included to the final list.

All citations are imported into the web-based bibliographic manager EndNote Online and duplicate were removed manually. Further duplicates and non-English articles were removed when found later in the process.

2.3. Study selection

Several stages of screening process were used to assess the relevance of studies. Inclusion and exclusion criteria were applied to the all of the studies found guided by research question and objectives of this review (see Table 2). First, we removed duplicate and non-English articles. Next, by screening the title and abstract, we removed the studies that we think did not related with tax amnesty, such as international amnesty, amnesty for immigration, human right, criminal or law, etc. We also removed book reviews, commentaries, monograph, speech and news from the list. After that, regardless of study type and research method used, we confirmed that the remaining articles are full-text accessible. We also make sure that these articles were able to answer the research question and objectives of this review by deepen the screening process into the body paragraph of each article.

Table 2. Inclusion criteria and exclusion criteria

Criterion	Inclusion	Exclusion
Language	English	Non-English
Time period	All	-
Topic	Public policy, fiscal policy, economic, politic.	Law, human right, immigration, criminal.
Type of article	Published article, journal, working paper, and book	Unpublished article, book review, commentaries, monograph, speech, and news
Study design	Empirical and theoretical studies	
Accessibility	Access to full text, read online	No access to full text

We were aware that searching in the seven online databases is not enough so we conduct a follow up searching. We manually searched for additional articles in the Google Scholar. In this step, we directly screened anywhere in the body paragraphs to find whether they are fitted with the research question. Finally, forty-five articles plus fourteen articles from follow-up searching was ready to synthesize for the complete scoping review. However, for the purpose of this essay, only ten articles, which best answer the question, most fit the objectives and cover a broad range of study type and countries (setting), were retained for analysis and discussion. The selection process is described in Figure 1 (attachment).

2.4. Charting the data

After the selection process, the next stage of this scoping study is charting key items of information obtained from the primary research report. This process involves synthesizing technique and interpreting material according to key issues and themes. This resume of key description of each study helps readers to understand and contextualize the outcomes (Arksey and O'Malley, 2005).

From fifty-nine final articles ready for complete scoping review, we have chosen ten studies for this essay, which we think cover a wide range of study design. Nine of ten papers are empirical studies and one paper is a theoretical economic research. The empirical studies consist of evaluation, quantitative and qualitative researches, and experimental design studies. The chart consists of key description of the ten final papers about general information about the study, such as author(s) and year of publication, and other specific information, such as methodology or study design, setting or study location, short description of the key features of the tax amnesty program, study objectives, and findings. The resume of the findings of the ten articles is showed in Table 1 (appendix).

3. RESULT

3.1. Collating, summarizing, and reporting the result

The last stage of scoping review is collating, summarizing and reporting the result. The 'real' scoping study is supposed to present an overview of all materials reviewed instead of deep reviewed of limited best studies as in the full systematic review. It needs some analytic framework or thematic construction to present a big picture of existing literatures. Prioritizing certain aspects of the literature is the key process in developing the framework (Arksey and O'Malley, 2005).

In developing the framework for this scoping study, we reported our findings from ten final chosen articles in three broad areas: objectives of the study, characteristics of tax amnesty programs, and findings or lesson learn from other countries experiences.

3.1.1 Objectives of the study

Majority of the studies examined the impact of the tax amnesty program on tax revenue and/or tax

compliance. Some of them (Alm and Beck, 1993; Lopez-Laborda and Rodrigo, 2003; and Alm et al., 2009) used time series analysis to see the long-term effect of tax amnesty on compliance while others (Torgler and Schaltegger (2005) and Saracoglu and Caskurlu (2011)) used experimental design. A study by Christian et al. (2002) also discussed about tax compliance, but they used evidence from subsequent filling rather than tax collection data. A study by Parle and Hirlinge (1985) and Das-Gupta and Mookherjee (1995) evaluated the implementation of tax amnesty programs in thirteen states in the US during 1980s and India respectively. The one qualitative study by Darmayasa et al. (2016) aimed to deconstruct modernity of tax amnesty policy using postmodern paradigm.

3.1.2. Characteristics of the tax amnesty programs

Most of the amnesty programs that discussed in the empirical studies was become a part of the broader tax or administrative reform and organization improvement, except a study of the Russian Federation amnesty by Alm et al. (2009), which was not accompanied by any substantive tax reform. The amnesty programs also usually accompanied by massive publications and followed by greater enforcement and penalties. The publicity is needed to convince people that the program is a one-time opportunity for them to stop the practice of tax evasion before they get caught in the future when the penalties is bigger and the audit is more intensive. Only a study in India (Das-Gupta and Mookherjee, 1995) explained that in the multiple amnesty programs, government did not give information about the future enforcement effort. The coverage of the programs, period, and cost are varied among the studies.

3.1.3. Findings or lesson learn from other countries experiences

For this scoping review, we specifically choose not only broad range of study design but also wide range of countries. We hope that from other countries' experiences, we can learn how and what strategy can be used to get better result in reaching the amnesty goals. The result from every study is varies. The studies of impact of tax amnesty programs on compliance and revenue may have positive, zero, even negative result. The following paragraphs explain in more details about the findings and lessons learn from the US, India, Spain, the Russian Federation, Switzerland and Costa Rica, and Turkey.

A study by Parle and Hirlinger (1985) might be the first empirical analysis of tax amnesty program that become very popular among States during 1980. Triggered by the successful experiences of Arizona and Massachusetts in 1982, thirteen states conducted major amnesty programs between 1983 and 1984. Parle and Hirlinger provided a preliminary empirical assessment of the performance of the programs using the data from survey of state fiscal agencies conducted in summer and fall of 1985. The survey conducted by asking states about various aspects of their amnesty program by sending them a questionnaire and then followed by phone interview.

The study evaluated the performance of the program by comparing four dimensions: program planning, structure, performance and politics. First, the quality of planning was assessed by asking States how they set the target of tax collection. It appears that professional intuition or educated guessing was high reliance. Only two states based their approaches on compliance data. Introducing the amnesty program as a part of a larger reform in collection and compliance system was another aspect of the program planning. Second, there were four basic structural features of the different states' programs: tax coverage and eligibility (limited or general types of taxes); public relation (types of publication used); accessibility (the length of period); and program cost (financial allocation for the program). Third, the performance of the program was measured subjectively and objectively. Every state was asked whether they think the program was successful. Only one state views their program as failed while most of the states think the programs have been successful. Objective performance used three indicators: the total costs, the total receipts and the number of taxpayers participating in the programs. This study found that there was a very close relationship between the amount spent on publication and the revenue generated. Finally, the political aspect of the program was measured by the case of obtaining legislative approval, interest group activity and perceptions of citizen reaction to the program. The decision to undertake an amnesty program was taken by internal executive and legislative politics. The initiative has come from tax authorities or legislator rather than from outside interest groups or the grassroots. However, once implemented, the citizens seemed to react positively towards the amnesty program. Overall, learn from the US experience, the amnesty program was helpful in bridging the budget shortfall and relatively inexpensive to conduct. Despite the critics of moral ground of the amnesty, they have proven to be politically acceptable to both officials and citizen.

A study by Alm and Beck (1993) might be the first paper that attempted to investigate empirically the long-run impact of tax amnesty. The study took the setting in Colorado, US, 1985 amnesty, which was part of a larger Colorado tax program entitled 'Colorado Fair Share' that aimed to detect tax evasion and promoting voluntary compliance with the tax code. The amnesty, just like other amnesties on most states at that time, designed as a one-time opportunity for individuals and businesses to pay any unpaid back taxes. The program gave many facilities to ensure maximum participation from the public, such as allowed instalment payments as a method to pay taxes and penalties and provided specially trained tax officers who could answer the questions about the amnesty and interpret the tax code. The government have also spent much money for advertising budget to make sure that everybody was informed that this was the last chance for delinquent taxpayers to comply with the tax laws and after the

amnesty, there will be a large number of new or increased penalties as well as tougher tax enforcement. The result was delightful. Of the $5 million expected revenue, Colorado succeeded to get $6.3 million actual collections from two months implementation period.

The study used time series methods to analyse the long-term effect of 1985 amnesty. The data was taken from monthly gross individual income tax collection for the period January 1980 through December 1989 of The Colorado Department of Revenue. There were three steps in the approach. First, a simple time trend analysis examined the long run time trend of the time series, which showed the trend of revenue collection was unchanged over time. Second, ARIMA (autoregressive-integrated moving average) model by Box and Jenkins (1976) was used to identify the differences of the ARIMA process generating the tax revenue before and after the amnesty. As same as the first test, the second analysis showed that there was no change in income tax compliance after the amnesty 1985. The last and the most sophisticated test was an intervention analysis (commonly referred to as multivariate ARIMA or MARIMA) to identify the impact of amnesty as an intervention in the compliance at the point of amnesty and/or after the amnesty. As with the previous result, the amnesty had no impact on post-amnesty tax compliance.

Despite the good result in the actual tax collection during the Colorado 1985 amnesty, the paper clearly indicated that the amnesty had no impact on both the level and the trend of tax revenue and tax compliance. Alm and Beck suggested that the possible explanations for this result were: the small size of amnesty led to unchanged decision of taxpayers and the greater enforcement efforts after the amnesty that keep the compliance rate stable rather than decline. To conclude, a typical amnesty seems unlikely to generate revenue, but it also unlikely to have significant negative impact on long-run compliance.

The next research was conducted in India. India had offered several tax amnesties programs in order to solve the black assets problem. Black assets represent accumulation of past-undisclosed incomes that were typically invested in the underground economy where sources of investible funds are not usually investigated by tax authorities. Indian government implemented the amnesties programs in 1951, 1965, 1975, 1980, 1985, 1986, and in 1991, without signaling future enforcement resolve or the need to provide benefits of insurance or consumption smoothing to taxpayers. The 1965 and 1975 amnesties seemed to be unanticipated, but the introduction of 1980 amnesty led the taxpayers to expect the next amnesties periodically due to weak enforcement.

Das-Gupta and Mookherjee (1995) provided empirical estimates of the revenue effects of various amnesty schemes in India by using aggregate data for the period 1965-1966 to 1992-1993. The approach used follows the theoretical framework, which examines the role of amnesty programs in allowing taxpayers to launder previously undisclosed assets. The empirical study estimated the effect of amnesty on revenue after controlling for other important influence on aggregate income tax revenues. The temporal specification of dummy variables used to capture the effect of amnesty. The revenue effects of various amnesties are estimated by the coefficient of various variables corresponding to pre amnesty, amnesty and post amnesty years. The result showed that only the 1975 amnesty has significant revenue gains of the order of 25% of annual revenues. The 1965 and 1980 amnesties had negative overall effects on revenues, even during the amnesty year itself. After 1980, the amnesties programs have been more anticipated. Therefore, the revenue effects of 1980 amnesty onward have insignificant impact to income tax revenue. In conclusion, learn from India experiences, repeated amnesty programs lead to negative impact on tax collection.

In the case of Spain, Lopez-Laborda and Rodrigo (2003) have evaluated the long-term impact on individual income tax compliance of the 1991 amnesty program. The tax amnesty program is a part of a thoroughgoing reform of the tax system that implemented during the period 1988-1991. Following individual income tax (IRPF) Provisional Reform Law 1989, a legal foundation of this reform, a set of administrative measures were implemented to improve the tax control. In 1991, a tax amnesty program was run as a complementary of the ongoing tax reform. This amnesty program, consisted of two regularization mechanism, was targeting the disclosure of undeclared incomes held in the form of specific assets. The first regularization was aimed at the individuals or corporations who held funds in the Spanish Treasury Notes, which previously were part of undeclared income and not subject to tax withholding tax at source. As the exchange of these Notes, government has provided a Special Public Debt, which carried a nominal return of 2 per cent. The second mechanism is the voluntary regularization of any evaded taxation through the filling of a supplementary tax return. In addition to these two mechanisms, to increase the participation of tax amnesty, the government put a body of legislative reform and specific administrative measures. Among these measures were: first, the organizational improvements to increase the efficiency of Spanish Revenue Service; second, the aggressive advertising campaign of the commitments to intensify the tax inspections specifically for those who did not participate in the regularization; and, third, the strengthening of the penalty regime. Participation in this amnesty was massive but the immediate results were not as good as the expectation. For example, tax collection from supplementary tax returns amounted were decrease from 1989.

Lopez-Laborda and Rodrigo examined the long-term effect of 1991 tax amnesty on IRPF compliance by using the time series techniques. First, they have used the Box-Jenkins (1976) methodology for estimating ARIMA models to identify the variation in the explanatory model of the series following the amnesty.

They applied a structural change test (Chow (1960) test) and a forecast-quality exercise. This first step confirmed the absence of structural permanence in the tax collection. Second, intervention analysis was applied to evaluate the effect of other events that also influence on the time series. These first two steps indicated that there was an indication of a structural break in the IRPF tax collection series, but it was not by the amnesty event. The next test identified the genuine source of the break. From the Bai and Perron test and the detection of the outliers in the stochastic data-generating process of tax collection, they found that the 1988-1991 IRPF reform itself was the possible event that caused the long-term effect instead of the amnesty program. This Spanish study gave two possible explanations for the insignificant result: first, because the final figure from the regularization process was not significant to change the taxpayers' behavior; and second, in practice the positive and negative impacts were being neutralized. In conclusion, this paper suggested that in the case of Spain, tax amnesty 1991 did not have significant long-term effect to income tax compliance, the tax reform did.

Alm, Martinez-Vazquez, and Wallace (2009) have analyzed the impact of the multiple tax amnesties enacted in the Russian Federation on tax collections. Since 1992, the Russian Federation has undergone some changes in the tax system and enacted several tax amnesties programs. The first amnesty was introduced in 1993 that gave just 34 days for all enterprises, organizations, and private entrepreneurs to disclose their unpaid taxes and tax payment. This first amnesty failed in three ways: first, the amnesty period was very short; second, the payment period was also very short. Government just gave a month for them to repay the tax liabilities; third, it did not allow for inadvertent or unintended mistakes. The second amnesty in 1996 replaced the first amnesty. Enterprises and organizations that have tax arrears were allowed to defer payments on the arrears. For the taxpayers, this amnesty was a burdensome due to the requirement that 50 per cent of arrears have to be repaid and that the remaining be faced with nominal interest penalties of 30 percent annually. Although there was a Decree to modified form of the amnesty in the middle of the year, the lack of government control and the ineffectiveness of tax administration authorities made this amnesty become irrelevant for the taxpayers. About a year after, another amnesty was introduced. The tax amnesties of 1997-1998 affected a limited number of enterprises who granted deferments of taxes to the federal budgets. The next amnesty was applied in 2001, giving enterprises another chance to legally defer their payments. Half of the accrued fees should be waived if an enterprise has been paying taxes on time after it deferred its tax liabilities. To help attract some of the income that had flowed out of the country since 1990s, the more recent amnesty introduced in 2007. This amnesty allowed individuals with undeclared income over the period 2001 through 2006 to declare their income and pay back taxes at a 13 per cent personal income tax rate.

The poor quality of tax administration that widespread the tax evasion made the tax officials rely on the amnesty programs and related provisions as an attractive way of dealing with delinquent tax liabilities. However, these nearly annually enactment of amnesties in many forms led the amnesties to become expected. Furthermore, those amnesties were never accompanied by substantive tax reform. The effect of the amnesties on tax revenues become a major concern for the tax authorities. Using the monthly data on tax collections for the major revenue sources of the general government for the period January 1995 to December 2000, this study examined the impact of several tax amnesties on tax revenues. An econometric modelling was built and then followed by various time series methods. The first analysis examined the simple long run time trend of the time series. The result showed no difference in the regression, so that the trend of revenues collected did not change over time. The second test used box and Jenkins (1976) ARIMA model to identify the changes before and after amnesties. The result indicated that the tax revenue is unchanged. The third step used multivariate ARIMA to analyze the amnesties' intervention on revenues. As with the previous result, this method confirm that the amnesty had no impact on post-amnesty tax compliance. To conclude, the empirical evidence from the Russian Federation experience urges other government to avoid the use of tax amnesties in their fiscal strategy.

The following study from Christian et al. (2002) examines the impact of tax amnesty on compliance by using different approach. Based on the sample of Michigan amnesty returns 1986, this study provided empirical evidence on the subsequent filling compliance of the amnesty participants. The result showed that two-third of new fillers and nine-tenths of previous fillers who filed amended returns under the amnesty, subsequently filed income tax returns. Although unsuccessful in keeping all the new fillers in the system, Michigan succeeded in keeping a large number of existing taxpayers. However, while the amnesty was successful to attract many participants (5,500 new taxpayers) to get into the tax system, the impact on revenues appears negligible (only about 0.1 per cent of total personal income tax revenue).

Torgler and Schaltegger (2005) conducted an experimental studies of tax amnesty. Involving 122 subjects in the laboratory experiments in two countries, Switzerland and Costa Rica, this study examined the impact of voter participation on tax amnesties. After a descriptive finding and a multivariate analysis, they found that fostering public communication before casting votes for a tax amnesty helps increasing tax compliance. In both experiments, compliance behavior before and after voting period was clearly different under the same fiscal regime. Discussion before voting is fundamental to build group cooperation, which enhances the moral cost of free riding and thus

increases the social norm of compliance, lead to higher tax compliance. Another interesting finding of this experiment was that audit probability did not have statistically significant impact and the penalty rate event has negative impact on tax compliance. On the contrary to previous study, this experiment confirmed that tax amnesty tends to increase compliance. Furthermore, expected amnesty reduces the positive effect since citizen view government does not keep its promise. Thus, government commitment plays an important role to keep the compliance increasing.

The next experimental study used the case of Turkish amnesty. Saracoglu and Caskurlu (2011) investigated the influence of tax amnesty on tax compliance and then examined the effect of increases tax audit and penalties on the success of amnesties. The experimental study was conducted in 2010 by using face-to-face interviewing method to 503 taxpayers. The result showed that the tax amnesty diminishes the effect of compliance since the taxpayers did not confidence towards political government. The majority of participants also agreed that the amnesty program would cause repetition of offences and did not effective to attract new fillers to get into the tax rolls. They confirmed that tax amnesty would harm tax compliance. The survey also indicated that taxpayers are aware of insufficient level of tax audit, so even if government increase the level of audit after the amnesty, the taxpayers' opinion towards tax amnesty remains unchanged.

In this Turkish case, since the tax amnesties have put into power because of political reasons and become part of legislation, it is difficult to convince taxpayers that amnesty is nonrecurring. Repeated tax amnesties decrease the reliability of government that lead to decrease the tax compliance.

The next paper built an economic theory on tax amnesty. The analysis done by Bose and Jetter (2012) was based on the observation on the effects of liberalization on tax amnesty. The openness to trade, technology transfer, and FDI (foreign direct investment) inflow occur in the formal sector would increase income opportunities and productivity gains. Following this situation, the economy tends to move from illegal to legal sector to benefit from new opportunities in formal sector. In this case, tax amnesty seems to facilitate them by reducing the cost of becoming legal by allowing payment of delinquent taxes without or reduced penalty. Hence, participating in tax amnesty program can benefit even if enforcement activities remain unchanged. This study also demonstrated that an amnesty could enhance the welfare even if the amnesty impact on revenue is negative. Overall, Bose and Jetter indicated that the timing for the amnesty program is important and potential success of an amnesty can be predicted by observing and predicting the liberalization, technological improvements or economic prosperity.

The last and the only qualitative research in this review is a study by Darmayasa et al. (2016) that aims to deconstruct modernity of tax amnesty policy. Using postmodern paradigm, this study discusses a current issue in Indonesia about a tax amnesty program that still under discussion in the parliament. This research used Pancasila, the state ideology that contains the value of God, community, unity, consensus and social justice, as the most appropriate tools to obtain the truth about justice. Deconstruction result by entering five values of Pancasila to produce appropriate tax amnesty policy, which has to rely on God's laws, drafted with human sense of respect, by nurturing the whole community by consensus to achieve justice for all Indonesian people. In conclusion, this study suggests that government should reconsider the use of the value of Pancasila as the national ideology that based on spirit of mutual cooperation to create a fair amnesty rather than the value of modernity.

4. DISCUSSION

This scoping study has been able to draw a map in the topic of tax amnesty based on the existing literatures. There is a large amount of literatures of tax amnesty, covered in public policy, politic, and mostly economic areas. We can see that most of the papers are empirical study, a small amount of them is theoretical economic model, and very limited number of them use qualitative research. There are some literature reviews on this topic. However, from the searching, we find no scoping review about tax amnesty.

From the discussion above, we can see the variation of the result of the amnesty programs around the world, thus make this policy remain controversial. Although most of the studies did not recommend the use of tax amnesty program as a tool to boost revenue or increase voluntary compliance, government of many countries still tempted to run another amnesty program with justification and adjustment here and there.

Mainly, there are three goals in conducting a tax amnesty program. First, amnesty is a way to generate immediate revenue especially the uncollectible revenue by previous tax inspection. This is an easy and inexpensive way to collect unpaid taxes. Second, an amnesty program is expected to increase future tax compliance. Third, amnesty can get taxpayers back on the tax rolls both the new fillers and the previous evaders who somehow were not detectable by the tax authorities. This scoping study has able to draw a map in the topic of tax amnesty based on the existing literatures. There is a large amount of literatures of tax amnesty, covered in public policy, politic, and mostly economic areas. We can see that most of the papers are empirical study, a small amount of them is theoretical economic model, and very limited number of them use qualitative research. There are some literature reviews on this topic. However, from the searching, we find no scoping review about tax amnesty.

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In order to achieve these goals, existing literatures suggest some consideration that must take into account when designing a tax amnesty program. First, an amnesty program should become a part of a larger tax reform. It becomes a tool to encourage massive participation because people recognize amnesty as an introduction of improvement on tax organization as well as tax or revenue system. If the potential participants do not see the changes of current situation, they will not see the urgency of changing their current behavior. This reform also becomes fundamental to maintain the long-term impact on revenue and compliance.

Second, government should be reliable and it is urgent to get people trust by promising them the amnesty program is a one-time opportunity. Many studies prove that repeated amnesty will harm compliance. In the case of the Russian Federation (Alm et al., 2009), Turkey (Saracoglu and Caskurlu, 2011) and India (Das-Gupta and Mookherjee, 1995), for instance, we can see that the multiple amnesties failed to reach its goals to generate revenues and increase compliance. Taxpayers would see the repeated amnesty as an incentive for tax delinquency. Thus, their behavior keeps unchanged because there will always be the next amnesty.

Third, the citizen's perception of fairness and equity is important to maintain the honest taxpayers' compliance. If they think the amnesty is unfair, even give incentive to tax evaders, the future compliance will fall. In the experimental study in Turkey (Saracoglu and Caskurlu, 2011) and Switzerland and Costa Rica (Torgler and Schaltegger, 2005), generally no participants agree with tax amnesty. One of the ways to lessen this perception is by allowing public to participate in voting before conducting an amnesty program. The voting procedure brings a sense of civic duty as taxpayers that lead to increase the participation and future compliance (Torgler and Schaltegger, 2005).

Forth, massive publication is important to make sure everybody know and have a willingness to participate in the program. Furthermore, government should maintain the positive view of the program to create a change in taxpayers' as well as tax evaders' behavior. A study by Parle and Hirlinger (1986) found that more spending in publication creates more

revenue. It is important to invest a proportional amount of budget for publicity to attract maximum participants.

Fifth, in planning an amnesty, timing is crucial. A study by Bose and Jetter (2012) showed that the best time to conduct an amnesty program is when it is time to coincide with liberalization and rising income. When economic grow positively, the productivity and income raise, there is a need to move from illegal sector (underground economy) to legal or formal sector. Therefore, accepting the tax amnesty can be profitable because amnesty reduce the cost of becoming legal, even if enforcement activities remain unchanged.

Finally, as one of this study objectives, we recommend some point to Indonesian government in conducting a tax amnesty program:

1. There are five considerations in designing a tax amnesty.
2. Government have to maintain the trust from the people. The massive participation and revenue windfall from the last amnesty program is a positive sign from the public that they support this policy. People's trust is the most important, especially in the changing situation. If the government obtain people's trust, the future compliance need not to be worried. Government have to make sure that existing tax reform keep running as well as organisation improvement.
3. Future enforcement is become a crucial aspect after the program implementation. Since the government have indicated of greater and stricter enforcement after amnesty, they should prioritize their work in the enforcement efforts. Tax inspection procedures need to be updated and redesigned to reach the existing tax delinquents who remain outside the tax system.
4. Most of the studies have confirmed that repeated amnesty is a bad policy. Therefore, government has to ensure the next amnesty is far enough from current amnesty. Alternative policies need to be considered to substitute the amnesty. As mention before, once government break their promises, it would be hard to get them back.
5. A study found that publication has close relationship with revenue. After the amnesty program, massive campaign may no longer needed. However, the information about tax reform, greater enforcement, increase in penalties, and arrest tax evaders, still need to be communicated and disseminated to the public.

5. LIMITATIONS

We found some limitations of using the scoping review to find information about tax amnesty programs. First, due to limited of time and human resources, this study only searches in the online databases, not in other type of sources, such as reference lists, existing networks, relevant organizations and conferences. Moreover, because of the same reason, we also limit our search in seven online databases. Some literature

databases cannot be included because they gave a very large number of results. For example, SAGE journals gave more than 1,700 results and EBSCOhost gave more than 1,500 results. Although the follow-up manual searching in the Google Scholar was conducted to fill this gap, only a small number of articles were included into the list since most of the top 100 relevant articles have already existed in the previous online databases. Therefore, this study does not capture the whole literatures of tax amnesty.

Second, we understand that the discussion of tax amnesty programs may be included as a part of a study in a broader topic in taxation, such as tax revenue, evasion and compliance. The search strategy applied in this scoping study limit us to find this kind of literatures since we only searched in the title, abstract, and keyword instead of anywhere (in the body paragraph). Thus, this study found a very limited number of literatures on tax amnesty topics.

6. CONCLUSION

Tax amnesty is still a controversial policy. The proponent of amnesty emphasizes the immediate impact on revenue and the increasing in future tax compliance. Amnesty is also able to bring tax delinquents back into the tax system as well as attract new tax filers. Furthermore, future compliance may increase if an amnesty is accompanied by greater enforcement, stricter penalties, improvement in tax system and organisation, and better service and education for the public especially the taxpayers. On the other hand, the opponent of tax amnesty argues that the revenue impact is usually very little or insignificant and long-term compliance is also questionable. If honest taxpayers view amnesty as unfair, their compliance may decline. Moreover, when they believe the amnesty is not a one-time chance and there is an indication of repeated amnesty, their compliance may also fall.

This study conducted a scoping review to examine what is in the existing literature about tax amnesty program. From the result, we can see in the mapping that the pros and cons is still there. However, despite some limitations that we face in conducting this review, we still can take into account some important points. In order to reach the goals, tax amnesty need to design a planning that put the program as a part of larger tax reform, convince people that the program is a one-time opportunity, maintain the fairness and equity, invest more money in publication, and consider the timing.

We have conveyed the limitation of this study that we were not able to capture the whole literature on tax amnesty due to limited time and resources. Future study needs to put more time and involves several members of the team, including a librarian, to conduct a real scoping study on tax amnesty and search in more comprehensive databases.

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APPENDIX

TABLE 1
Search Query

Online Database	Search Query	Result	Time
Web of Science	TOPIC: ("tax amnesty*" OR "tax pardon*" OR amnesty*) ANDTOPIC: (tax* OR revenue* OR "tax collection" OR compliance OR fiscal) Timespan: All years. Indexes: SSCI	34	2 May 2017
Scopus	(TITLE-ABS-KEY ("tax amnesty" OR "tax amnesties" OR "tax pardon" OR amnesty*) AND TITLE-ABSKEY (tax* OR revenue* OR "tx collection" OR compliance OR fiscal))	63	2 May 2017
ASSIA Proquest	("tax amnesty*" OR "tax pardon*" OR amnesty*) AND (tax* OR revenue* OR "tax collection" OR compliance OR fiscal)	135	2 May 2017
Science Direct	TITLE-ABSTR-KEY ("tax amnesty*" OR "tax pardon*" OR amnesty*) and TITLE-ABSTRKEY (tax* OR revenue* OR "tax collection" OR compliance OR fiscal).	10	2 May 2017
Econlit Ovid	(("tax amnesty*" or "tax pardon*" or amnesty*) and (tax* or revenue* or "tax collection" or compliance or fiscal)).af.	73	2 May 2017
PAIS index Proquest	TI, AB, SU ("tax amnesty*" OR "tax pardon*" OR amnesty*) AND TI,AB,SU (tax* OR revenue* OR "tax collection" OR compliance OR fiscal)	25	3 May 2017
Jstor	(ab:("tax amnesty*" OR "tax pardon" OR amnesty*) AND (tax* OR revenue* OR "tax collection" OR compliance OR fiscal)) AND la:(eng OR en)	21	8 May 2017

TABLE 2
Articles Included

Authors	Methodology	Setting	Program description	Study objectives	Findings
Parle and Hirlinger (1986)	Empirical evaluation	13 amnesty States, US, 1984	• Mostly programs were part of the tax reform • Coverage, publicity, time period, and cost were varied	Evaluation of amnesty programs in 4 dimensions: program planning, structure, performance and politics.	There is close relationship between spending and revenue generated. Although it was a political decision, the program produce positive reaction from the public
Alm and Beck (1993)	Quantitative, time series method	Colorado, US, 1985	• As a part of tax reform • Massive publication • One-time opportunity • Indication of greater enforcement after the amnesty • Payment instalment facility to encourage participation	Examine the long-term effect of tax amnesty 1985	No long run impact on the level and trend of tax collection or voluntary compliance
Das-Gupta and Mookherjee (1995)	Empirical evaluation	India, multiple tax amnesties between 1965 and 1993	• Multiple amnesties • No signal of future enforcement effort	Evaluate the amnesty impact on tax revenue	Only the 1975 amnesty has positive impact while others have zero or even negative effects on revenue.
Lopez Laborda and Rodrigo (2003)	Quantitative, time series method	Spain, tax amnesty 1991	• A part of tax reform • Aggressive campaign • Accompanied by organisation improvement, intensive tax inspections, indication of final opportunity, and stronger penalties.	Evaluate the long-term impact	No impact on the short- and long-term tax collection.

Alm et al. (2009)	Quantitative, time series method	The Russian Federation, multiple tax amnesties	• Poor quality of tax administration Multiple amnesties • Not accompanied by substantive tax reform	Analyses the impact of the amnesties on tax collection	Insignificant short- or long-term impacts on revenues.
Christian et al. (2002)	Quantitative study	Michigan, US, 1986	Increasing in enforcement mechanism	Examine the success of an amnesty in adding taxpayers to the tax rolls and keeping them in the tax system	Two-thirds of new filler and nine tenths of previous fillers who participated in amnesty, subsequently y filed tax returns.
Torgler and Schaltegger (2005)	Experimental design	Switzerland and Costa Rica		Examine the effect of tax amnesty on compliance	Tax compliance only increase after voting.
Saracoglu and Caskurlu (2011)	Experimental design	Turkey	Multiple amnesties	Investigate the effects of amnesty of compliance and the increase of tax audit and penalties on the amnesty.	Repeated amnesty harm the compliance even if government convince that there will be increase in future enforcement
Bose and Jetter (2012)	Economic theory			Examine the participation of tax evader in amnesty program during liberalization.	Tax evaders can respond to an amnesty if it is time to coincide with liberalization and rising incomes.
Darmayasa et al. (2016)	Qualitative research	Indonesia		Deconstruction of tax amnesty based on the value of Pancasila	Pancasila as national ideology can be used as a guidance to design an equitable tax amnesty.

FIGURE 1
Flow chart diagram for articles selection process

| Econlit Ovid 2 May 2017 73 articles | Proquest ASSIA 2 May 2017 135 articles | Science Direct 2 May 2017 10 articles | Scopus 2 May 2017 63 articles | Web of Science 2 May 2017 34 articles | PAIS Index 3 May 2017 25 articles | JSTOR 8 May 2017 21 articles |

Records identified through 7 database searching (n = 361)

Records after duplicates and non-English removed (n = 268)

Duplicates and non-English removed (n = 93)

Records screened (n = 77)

Records excluded (n = 191)

Exclusion criteria:
- Commentaries
- Book reviews
- Editorial
- Irrelevant topics

Full-text articles accessible (n = 45)

Inaccessible full-text excluded (n = 32)

Final articles included (n = 59)

Additional articles from follow-up searching (n = 14)

Final studies included in the review (n = 10)