

---

## The Implementation of EMKM Financial Accounting Standards (SAK) on Tax Compliance

Della Widyasari<sup>1</sup>, Della Erdiana<sup>2</sup>

<sup>1,2</sup>. Faculty of Economics and Business, Universitas 17 Agustus 1945  
Surabaya, Indonesia

E-mail: [dellawidyasari5@gmail.com](mailto:dellawidyasari5@gmail.com)<sup>1</sup>, [dellaerldiana2284@gmail.com](mailto:dellaerldiana2284@gmail.com)<sup>2</sup>

Received: April, 2025; Accepted: April, 2025; Published: June, 2025

Permalink/DOI:

---

### Abstract

*This study aims to analyze the effect of the implementation of Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM) on the level of tax compliance for MSME actors in Indonesia. The background of this research is based on the low quality of financial reporting and tax non-compliance which are still the main problems in the MSME sector. Using a qualitative approach through the literature study method, this study examines various academic literature, official regulations, and related documents to evaluate the relationship between SAK EMKM-based accounting practices and tax obligations. The results of the study show that the implementation of SAK EMKM can improve the quality of MSME financial statements which has a direct impact on improving the accuracy of tax calculations and reporting. In addition, factors such as accounting literacy, technology support, and the role of supporting institutions also affect the effectiveness of the implementation of this standard. This study concludes that the consistent implementation of SAK EMKM can be a strategic instrument in improving MSME tax compliance, noting that there is synergy between business actors, the government, and other stakeholders.*

**Keywords:** SAK EMKM, MSMEs, financial statements, tax compliance

---

### INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the Indonesian economy that has a significant contribution to national development. Official data from the Ministry of Cooperatives and Small and Medium Enterprises states that the MSME sector contributes more than 60% to Indonesia's Gross Domestic Product (GDP) and absorbs almost 97% of the workforce throughout Indonesia. This shows that MSMEs are not only small economic actors, but also the main drivers of economic growth and equitable distribution of people's welfare. The existence of MSMEs is crucial in maintaining socio-economic stability, as well as opening up business and employment opportunities for various levels of society. However, behind this strategic role, MSMEs face various challenges that are quite complex, especially in terms of financial management and the implementation of tax obligations. Many MSMEs have not implemented an adequate and structured accounting system, so that the financial recording carried out is still simple or even only uses manual methods that do not meet applicable accounting principles.

These limitations contribute to the low quality of financial statements, which ultimately negatively impacts the accuracy and accuracy of their tax liability calculations. This condition causes many MSMEs to not be fully compliant in fulfilling tax obligations, thus causing problems for the government in optimizing tax revenues from this sector. Responding to these problems, the Indonesian Institute of Accountants (IAI) has taken strategic steps by formulating and issuing Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM) in 2016. This standard aims to provide guidance for the preparation of financial statements that are simple, practical, and in accordance with the characteristics of MSMEs that do not have access or ability to implement complex accounting standards such as PSAK. SAK EMKM sets the obligation to prepare three main reports, namely financial position reports, income statements, and records of financial statements, so as to make it easier for MSME actors to carry out more systematic and standardized recording. With the implementation of this standard, it is hoped that MSMEs can improve the quality of their financial reporting which in turn will simplify the tax administration process and significantly increase the level of tax compliance.

Tax compliance itself is an important factor in building an effective, fair, and sustainable tax system. However, the MSME sector still faces obstacles in meeting tax obligations, which contributes to the low level of tax compliance in general. One of the main causes of this low compliance is the limitation of MSMEs in compiling financial statements that are the basis for tax calculations, so that there are often inconsistencies and errors in tax reporting. Therefore, the implementation of SAK EMKM is expected to be an important instrument to improve this problem by providing clear and easy-to-understand guidelines, as well as encouraging MSMEs to be more disciplined and orderly in carrying out their tax obligations. Various previous studies have shown that there is a positive correlation between the implementation of good accounting and the level of tax compliance, both in corporate and individual taxpayers.

These studies show that the better the financial reporting that is prepared, the higher the level of compliance of taxpayers in fulfilling their tax obligations. Against this background, this research is very important to evaluate and analyze in depth how the implementation of SAK EMKM affects the level of tax compliance among MSMEs in Indonesia. The approach used is a literature study that examines various relevant empirical findings and theories, so as to be able to provide a comprehensive and in-depth picture of the relationship between the application of accounting standards and tax compliance in MSMEs.

## **METHOD**

### **Types and Approaches to Research**

This study uses a qualitative approach with the literature review method. This method was chosen to explore and analyze various research results, scientific articles, books, and relevant documents that discuss the application of Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM) and its relation to tax compliance. This approach aims to understand in depth the conceptual and practical relationship between the two variables.

---

### **Data Source**

The data sources in this study are secondary data obtained from various reliable references. Data was collected through national and international scientific journals relevant to the research topic, as well as textbooks that discuss MSME accounting, taxation, and SAK EMKM regulations. In addition, data also comes from laws and regulations as well as official documents issued by related institutions such as the Financial Accounting Standards Board (DSAK), the Directorate General of Taxes (DGT), and the Financial Services Authority (OJK). This research also uses reports on the results of previous research, such as theses, theses, and dissertations that are related to the topic raised.

### **Data Collection Techniques**

Data is collected through systematic searches using various credible and widely accessible online databases, such as Google Scholar, Garuda (Garba Reference Digital), ScienceDirect, and the National Library of the Republic of Indonesia (Perpusnas). The search process is carried out in a structured manner by using a combination of relevant keywords to obtain literature that is appropriate to the focus of the research. The keywords used include: "SAK EMKM", "MSME accounting", "MSME tax compliance", "the influence of accounting on taxes", and "literature review of SAK EMKM". In the literature selection process, the researcher considers the relevance of the topic, the quality of the source, the year of publication, and the up-to-date information so that the data obtained can support a comprehensive analysis. The selected literature is then critically reviewed to identify key findings, research gaps, and theoretical perspectives that can enrich the basis of the study in this study.

### **Data Analysis Techniques**

The analysis in this study was carried out using **the content analysis** method, which is a qualitative approach that aims to identify, classify, and synthesize the main findings of each literature reviewed. The analysis process begins with *data reduction*, namely the selection and filtering of information that is considered relevant and directly related to the research topic, especially those that discuss the implementation of SAK EMKM and MSME tax compliance. Furthermore, *data* is presented in the form of a matrix or thematic narrative to facilitate visualization and grouping of information based on certain themes. The final stage is *the drawing of conclusions*, which is carried out by compiling interpretations and explaining the patterns of relationships that emerge from various literature sources, so as to provide a comprehensive picture of how the implementation of SAK EMKM contributes to the level of tax compliance in the MSME sector.

## **RESULTS AND DISCUSSION**

### **Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM)**

It is a set of accounting rules and guidelines that were developed specifically to meet the financial recording and reporting needs of micro, small, and medium entities (MSMEs). This standard was issued by the Indonesian Institute of Accountants (IAI) in 2016 in response to MSMEs' need for simpler

and easier to understand accounting standards, considering that MSMEs have limited resources, both in terms of human resources, systems, and capital, compared to larger business entities.

SAK EMKM is designed with the principles of simplicity and relevance, so that it does not burden MSMEs with complex reporting requirements as applicable to financial accounting standards for large companies (PSAK). This standard simplifies the financial recording process by requiring only three main financial statements, namely the statement of financial position (balance sheet), the income statement, and the record of the financial statements that explain important information related to the report. By focusing on essential financial statements, SAK EMKM enables MSME actors to routinely and consistently document the financial condition of their business.

The implementation of SAK EMKM is very important for MSMEs because it provides a framework that helps them manage business finances in a more systematic and transparent manner. Through financial statements prepared according to this standard, MSMEs can get a clear picture of business performance, financial position, and cash flow, making it easier to make the right managerial decisions and plan for future business.

In addition, the existence of SAK EMKM also provides significant benefits in the context of tax compliance. Financial statements prepared with good accounting standards are a valid basis for MSME actors to calculate and report tax obligations correctly. Thus, the implementation of the SAK EMKM can increase the transparency and accountability of MSMEs in tax reporting, which ultimately contributes to increasing tax compliance and supporting a fair and sustainable tax system.

Overall, SAK EMKM is an important innovation in the development of MSME financial governance in Indonesia. This standard not only assists MSMEs in meeting administrative and tax requirements, but also supports the sustainability and growth of small businesses by providing a strong and standardized financial management foundation.

#### **Tax Compliance for MSMEs**

Tax compliance is the awareness and behavior of taxpayers in fulfilling tax obligations in accordance with applicable regulations, including reporting, payment, and implementation of tax provisions in a timely and correct manner. In the MSME sector, tax compliance is a crucial issue because MSMEs are significant contributors to the national economy but often have a low level of tax compliance. The level of tax compliance of MSMEs is influenced by various factors, such as understanding of tax obligations, administrative and financial recording capabilities, awareness of tax benefits, and the level of socialization and assistance from the government. Based on research conducted by Halim (2019), MSMEs often experience difficulties in managing tax administration due to limited knowledge and resources, resulting in an impact on their low level of tax compliance. This is strengthened by data from the Directorate General of Taxes which shows that the tax contribution from MSMEs is still far below its potential, even though this sector absorbs the majority of the workforce in Indonesia.

A study by Prasetyo (2021) revealed that one of the main factors affecting tax compliance for MSMEs is their ability to record and report financial neatly and systematically. MSMEs that have good financial records tend to be more disciplined in fulfilling tax obligations, because they can calculate and report taxes accurately. On the other hand, MSMEs that lack an adequate financial recording system often have difficulties in meeting tax administration requirements, causing non-compliance. In the context of regulations, the Indonesian government has made efforts to improve MSME tax compliance through various programs, such as providing tax incentives, facilitating tax administration, and education and assistance for MSMEs. However, the main challenge remains to increase the capacity of MSMEs in understanding and implementing tax obligations correctly.

### **Financial Statements**

According to the Indonesian Institute of Accountants (2009: 1), the definition of financial statements consists of the process of financial statements generally consisting of balance sheets, income statements, statements of changes in equity, cash flow statements, notes and other reports and explanatory material that is an integral part of financial statements. Financial statements serve as a communication tool between the entity and external and internal parties, such as investors, creditors, management, government, and other stakeholders. Through financial statements, these parties can assess the company's financial condition, evaluate business results, and estimate future cash flows.

Financial statements are the end result of an accounting process that is systematically and structured to describe the financial condition, operating performance, and cash flows of an entity within a certain period. This report is prepared based on generally accepted accounting principles, both Financial Accounting Standards (SAK) in general, as well as SAK EMKM for micro, small and medium entities. Financial statements provide very important information for internal and external parties in the process of making rational and targeted economic decisions.

Financial statements not only show “how much money goes in and out”, but also explain how the entity is managed, how healthy its finances are, how much it owes, and whether the business is profitable or not in a certain period of time. Therefore, financial statements are vital for companies in terms of transparency, accountability, performance evaluation, and future planning.

This study aims to analyze how the implementation of the Financial Accounting Standards for Micro, Small and Medium Entities (SAK EMKM) can contribute to improving MSME tax compliance. Based on the results of content analysis of various scientific literature, reference books, and official documents, a number of important findings are obtained that show a strong relationship between standardized accounting practices and tax obligations that are carried out compliantly by business actors.

In general, most of the literature confirms that the implementation of SAK EMKM has great potential in improving the financial reporting system of MSMEs. SAK EMKM is designed to meet the needs of financial reporting that is simple, relevant, and easy to apply by micro to medium scale entities. The



structure of this standard is cash-based and does not require the preparation of complex financial statements, so it is very suitable for the characteristics of the majority of MSMEs in Indonesia, which generally do not have a formal accounting system. This is supported by previous studies which show that MSMEs tend to be reluctant to apply accounting due to the assumption that accounting is complicated, expensive, and requires special skills (Setiawati, 2021).

In the context of tax compliance, the existence of financial statements prepared in accordance with SAK EMKM is very helpful in determining tax obligations appropriately. MSME taxes, especially those imposed based on turnover or profit, are highly dependent on the accuracy of the reported financial data. Literature shows that MSMEs that do not have a good financial recording system tend to have difficulties in calculating, reporting and paying taxes correctly (Kurniawan et al., 2022). In fact, ignorance of tax obligations and difficulties in accessing tax information are often the main reasons for low levels of compliance. Thus, the application of SAK EMKM-based accounting becomes one of the crucial instruments in bridging between daily business activities and the implementation of tax obligations.

One of the important findings obtained from various sources is that the accounting and tax literacy of MSME actors is still a big challenge. Many of them do not understand the contents of SAK EMKM or have never even heard of the standard. In this case, the level of education, business experience, and access to information play an important role. Some literature emphasizes that without intervention in the form of training, counseling, and mentoring, the utilization of SAK EMKM will not be optimal. Business actors tend to need a practical and applicable approach in order to implement the standard consistently.

Several studies also show the important role of external parties, such as tax consultants, financial institutions, public accountants, and government agencies in encouraging the implementation of SAK EMKM in the MSME sector. The active involvement of the Directorate General of Taxes (DGT), the Financial Services Authority (OJK), and the Financial Accounting Standards Board (DSAK) in socializing and integrating the application of accounting standards with the tax system will be very influential in improving tax compliance. In fact, in several studies, it is stated that MSME players who have used accounting and financial professional services show a higher level of tax compliance than those who have not (Habu et al., 2021).

In addition, digitalization is also an important driving factor in the implementation of SAK EMKM. More and more mobile or desktop-based financial recording applications are compatible with SAK EMKM and can be directly connected to online taxation systems such as e-Faktur and e-Filing. This digitalization opens up opportunities for MSMEs to more easily and efficiently implement financial records while carrying out their tax obligations. Some literature underlines that the integration between digital record-keeping systems and online taxation platforms is a potential strategy to improve overall fiscal compliance.

However, some literature also highlights structural barriers, such as limited access to technology, low human resource capacity in MSMEs, and the suboptimal role of local institutions such as the Office of Cooperatives and MSMEs in providing technical guidance. Therefore, the effectiveness of SAK EMKM implementation depends not only on the awareness of individual businesses, but also on the alignment of public policies and the sustainability of support from the wider business ecosystem.

In synthesis, the study results show that the application of SAK EMKM and MSME tax compliance have a mutually supportive relationship. Good accounting produces reliable financial data, and the data becomes the basis for calculating and reporting taxes correctly. With a good understanding of accounting standards and tax obligations, MSME actors can be more confident in running their businesses legally and sustainably.

Thus, it can be concluded that a consistent and structured implementation of SAK EMKM can be an effective strategy in improving MSME tax compliance. However, to achieve these results, synergy between business actors, government, academics, technology providers, and the general public is needed in creating an environment that supports the strengthening of accounting and tax literacy in the MSME sector. This research is expected to be a reference in formulating policies and programs to empower MSMEs that are more oriented towards compliance and good governance.

## **CONCLUSION**

The implementation of the Financial Accounting Standards for Micro, Small, and Medium Entities (SAK EMKM) has proven to have an important role in improving tax compliance for MSMEs in Indonesia. SAK EMKM provides financial reporting guidelines that are simple, relevant, and in accordance with the capacity of MSMEs, making it easier for business actors to prepare financial reports systematically. Well-structured financial reports are a valid basis for calculating and reporting tax obligations accurately, which in turn increases the level of tax compliance.

This study also revealed that many MSME actors still have limitations in understanding accounting and taxation. Therefore, support is needed in the form of education, training, digitalization of recording systems, and assistance from the government and related institutions. Collaboration between the government, academics, technology providers, and business actors is needed to create a business ecosystem that is able to carry out accounting and taxation practices in an orderly manner. Thus, the consistent implementation of SAK EMKM is an effective strategy to strengthen MSME financial governance and increase the sector's contribution to national tax revenues in a sustainable manner.

---

## **REFERENCES**

- Habu, R. E., Ayem, S., & Kusuma, D. (2021). PENGARUH KESADARAN WAJIB PAJAK, PEMAHAMAN PSAK EMKM DAN RELAKSASI PAJAK TERHADAP KEPATUHAN WAJIB PAJAK PELAKU USAHA MIKRO KECIL MENENGAH DI KOTA YOGYAKARTA. *Amnesty: Jurnal Riset Perpajakan*, 4(2), 357–375.
- Halim, A. (2019). Factors Affecting MSME Tax Compliance in Indonesia. *Journal of Economics and Taxation*, 5(1), 45-56.
- Indonesian Institute of Accountants. 2009. Financial Accounting Standards as of July 1, 2009. Jakarta: Salemba Four
- Indonesian Institute of Accountants. (2016). Financial Accounting Standards for Micro, Small, and Medium Entities. Jakarta: IAI.
- Kurniawan, A., Tohari, A., & Muslih, B. (2022). Implementasi Sak Emkm Dan Kepatuhan Wajib Pajak Pelaku Umkm Di Kota Kediri. *Simanis : Simposium Manajemen Dan Bisnis*, 16(1), 55–58. <https://doi.org/10.32400/gc.16.1.32906.2021>
- Prasetyo, B. (2021). The Effect of Financial Recording Ability on MSME Tax Compliance. *Journal of Management and Accounting*, 9(3), 89-101.
- Setiawati, E. (2021). Implementasi Sak Emkm Dan Kepatuhan Wajib Pajak Pelaku Umkm Di Kota Mataram. *Going Concern : Jurnal Riset Akuntansi*, 16(1), 16. <https://doi.org/10.32400/gc.16.1.32906.2021>