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Legal Challenges of Coretax System Implementation: Harmonization of Personal Data Protection and Electronic Information Security

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Abstract. *The implementation of the Coretax System represents a major step in the digital transformation of Indonesia's tax administration by integrating taxpayer data into a centralized electronic system. However, this modernization raises legal issues concerning personal data protection, electronic information security, and the harmonization of tax and digital governance regulations. This study aims to analyze the legal status of the Directorate General of Taxes (DGT) as a personal data controller and electronic system operator, evaluate its legal responsibility in cases of system failure or data breaches, and examine the harmonization between the General Provisions and Tax Procedures Law (KUP Law), the Personal Data Protection Law (PDP Law), and the Electronic Information and Transactions Law (ITE Law). This research employs a normative juridical method using statutory and conceptual approaches with qualitative legal analysis. The findings reveal that the DGT's dual legal position creates overlapping obligations and legal uncertainty due to the absence of clear technical regulations on data protection, electronic system security, and inter-agency accountability. This study concludes that harmonized regulations and comprehensive technical standards are essential to ensure legal certainty, strengthen personal data protection, and support accountable digital tax administration in Indonesia.*

Keywords: *Coretax; Directorate General of Taxes; Electronic Information and Transactions Law; Legal Harmonization; Personal Data Protection.*

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1. Introduction

The digital transformation of tax administration in Indonesia has accelerated significantly with the implementation of the Coretax System by the Directorate General of Taxes (DGT). This system is designed to integrate all tax processes, from registration and reporting to payments and taxpayer risk analysis, into a single, integrated digital ecosystem. From a modern governance perspective, Coretax is positioned as an instrument to improve the efficiency, transparency, and accuracy of data-driven state revenue (data-driven tax administration). However, behind this modernization agenda, increasingly complex legal issues have emerged, particularly related to large-scale personal data management (big data governance) and electronic information security. Coretax inherently relies on cross-database integration, including the integration of the National Identification Number (*Nomor Induk Kependudukan*/NIK) as a Taxpayer Identification Number (*Nomor Pokok Wajib Pajak*/NPWP), financial transaction data, and various external data sources through an information exchange system. This situation increases the risk of potential privacy violations, data misuse, and the leakage of sensitive taxpayer information.

Within the national legal framework, personal data protection in Indonesia has been established through Law Number 27 of 2022 concerning Personal Data Protection (PDP Law), which emphasizes principles such as purpose limitation, data minimization, and the right of data subjects to access, correct, and delete personal data. Furthermore, the Electronic Information and Transactions Law (ITE Law) and the General Provisions and Tax Procedures Law (KUP Law) also provide a framework for Electronic System Operators and tax officials to maintain the confidentiality of taxpayer data.

Normatively, tax data confidentiality has long been a fundamental principle of the Indonesian tax system. Article 34 of the Tax Procedures and Tax Administration Law stipulates that every tax official is obliged to maintain the confidentiality of taxpayer information obtained in the course of their duties. In practice, this provision is reinforced by derivative regulations, such as the Finance Minister's Regulation and the Directorate General of Taxes (DGT) technical regulations, which emphasize the importance of taxpayer information confidentiality as part of the integrity of tax administration. However, the implementation of Coretax presents a new dimension that has not been fully accommodated within the existing legal framework. Recent studies have shown that despite Indonesia's PDP Law as the primary foundation for data protection, structural weaknesses persist, including the absence of an independent supervisory authority, fragmented sectoral regulations, and weak law enforcement mechanisms in practice (Widiatedja & Mishra, 2023; Triyanti et al.,

2025). Furthermore, the literature highlights that digital government systems often face challenges in implementing data security principles, including limited resources, digital literacy, and gaps in IT governance (Wiryawan et al., 2024; Prabowo et al., 2025).

In the context of Coretax, initial empirical studies indicate that the system's implementation also faces non-legal issues such as system disruptions, login errors, and low user satisfaction, reflected in negative public sentiment on social media (Tiara et al., 2025). This suggests that Coretax issues are not merely technical-administrative in nature but also have legal implications related to system reliability, data protection, and the accountability of electronic system administrators. However, there are significant research gaps in the existing literature.

First, most previous research focuses on technical aspects, public policy, or information system analysis of Coretax. Studies that specifically place Coretax within a legal perspective, particularly the harmonization of the Personal Data Protection Law (PDP), the Electronic Information and Transactions Law (*Informasi dan Transaksi Elektronik*/ITE), and the General Provisions and Procedures Law (*Ketentuan Umum dan Tata Cara Perpajakan*/KUP), remain very limited. Second, there has been no comprehensive study that addresses the legal consequences of big data integration within Coretax on the principles of personal data protection, including issues of automatic profiling, data minimization, and the legal responsibility of the Directorate General of Taxes (DGT) as the Electronic System Administrator. Third, there remains a gap in the analysis regarding the legal accountability regime in the event of system failures or data leaks, particularly in determining the boundaries between administrative responsibility under the KUP Law, administrative and criminal responsibility under the PDP Law, and the responsibility of electronic system administrators under the ITE Law. This lack of clarity has the potential to create legal uncertainty in the implementation of Coretax as the core system of national tax administration.

Several previous studies provide an important foundation for developing a personal data protection regime in Indonesia, but have not specifically addressed the legal challenges in Coretax's implementation. Research on interoperability and data portability demonstrates the importance of system integration that respects data subjects' rights in the digital ecosystem (Wiwoho et al., 2024). Data protection aspects have also been examined from a comparative perspective, using both cross-country MSME models and the maqasid sharia approach, which emphasizes the balance between system efficiency and ethical data protection (Nurzihad et al., 2023; Hetharie et al., 2025). Furthermore, the literature highlights the urgency of strengthening PDP authorities, sanction mechanisms, and security standards such as ISO/IEC 27001 in data governance (Astuti et al., 2024; 'Aisy et al., 2025). However,

studies on data breach governance, including incident notification mechanisms and cross-jurisdictional legal protection, are still developing (Situmeang et al., 2025). Furthermore, evaluations of PDP regulations reveal gaps in addressing the needs of the modern digital economy (Rosadi et al., 2023; Butarbutar, 2020; Prasetyoningsih et al., 2024; Putra et al., 2024). Therefore, this study broadens the discourse by positioning Coretax within a framework of sectoral legal harmonization that has not yet been comprehensively integrated.

Based on this background, this study seeks to examine the legal challenges arising from the implementation of the Coretax System within Indonesia's digital tax administration framework. Specifically, the main objective of this research is to analyze the harmonization between the Directorate General of Taxes' authority in implementing Coretax and the protection of taxpayers' personal data under the Personal Data Protection Law (PDP Law), as well as to evaluate the legal accountability of the Directorate General of Taxes as an Electronic System Operator under the Electronic Information and Transactions Law (ITE Law). Furthermore, this study aims to identify potential conflicts of norms between the General Provisions and Tax Procedures Law (KUP Law), the PDP Law, and the ITE Law in governing the Coretax ecosystem and to formulate a conceptual framework for strengthening legal certainty in digital tax administration.

To achieve these objectives, this study addresses the following research questions: (1) How should the Directorate General of Taxes' position as a personal data controller and the limits of its authority in implementing the Coretax System be interpreted under the Personal Data Protection Law? (2) What is the legal responsibility of the Directorate General of Taxes as an Electronic System Operator in cases of Coretax system failures or personal data breaches under the Electronic Information and Transactions Law? (3) How can the legal framework be harmonized to address potential conflicts of norms between the KUP Law, the PDP Law, and the ITE Law in regulating the Coretax ecosystem? This research is expected to contribute conceptually to the development of digital tax administration law that ensures legal certainty while upholding the principles of personal data protection and electronic information security in Indonesia.

2. Research Methods

This research uses a normative juridical method, an approach that emphasizes the study of legal norms enshrined in laws and regulations as well as relevant legal doctrine. This approach was chosen to analyze Coretax's legal standing within the Indonesian legal system, particularly regarding personal data protection, electronic system implementation, and tax administration. The approaches employed include a statutory approach and a conceptual approach. The statutory approach examines the provisions of the General Provisions and Tax Procedures Law (UU KUP), the Personal

Data Protection Law (UU PDP), the Information and Electronic Transactions Law (UU ITE), and Presidential Regulation Number 40 of 2018 concerning Tax Administration System Reforms. Meanwhile, the conceptual approach is used to examine the concepts of data controllers, electronic system administrators, and data protection principles such as lawfulness, purpose limitation, and data minimization.

The legal materials used consist of primary legal materials in the form of the aforementioned laws and regulations, as well as secondary legal materials in the form of scientific literature, reputable journals, and previous research results relevant to the implementation of the Coretax system. The analysis was conducted qualitatively by interpreting legal norms to identify relationships, potential conflicts, and harmonization between regulations within the Coretax ecosystem.

3. Results and Discussion

3.1. Coretax's Position as a Personal Data Controller and the Limits of the Directorate General of Taxes' Authority from the Perspective of the PDP Law

The implementation of the Coretax System legally positions the Directorate General of Taxes (DGT) as a Personal Data Controller, as defined in Law No. 27 of 2022 concerning Personal Data Protection (PDP Law) (Annan, 2024). This status has significant legal implications, as the DGT not only acts in an administrative tax capacity under the General Provisions and Tax Procedures Law (KUP Law), but also as the entity that directly determines the purposes and means of processing taxpayers' personal data within the Coretax digital ecosystem (Fransisca et al., 2025).

In the context of the PDP Law, data controllers are required to ensure that all personal data processing meets the principles of legality, transparency, specific purposes, and data minimization (Sulistianingsih et al., 2023). This principle is crucial because Coretax integrates large-scale data from various sources, including the integration of National Identification Numbers (*Nomor Induk Kependudukan*/NIK) as Taxpayer Identification Numbers (*Nomor Pokok Wajib Pajak*/NPWP), transaction data, and inter-agency data exchange. Normatively, this situation expands the scope of the DGT's authority and raises questions about the clear boundaries between the state's fiscal needs and the protection of the constitutional right to privacy.

On the other hand, Article 34 of the Taxation and Taxation Law affirms the obligation to maintain the confidentiality of taxpayer data by every tax official, which has historically been the primary basis for data protection in tax administration (Pracasya, 2021). However, the public revenue interest-oriented nature of the Taxation and Taxation Law does not explicitly regulate modern data protection principles as stipulated in the Data Protection and Data Subject Rights Law. This creates a normative tension between the public interest and data subject rights, particularly in the context of an integrated digital system like Coretax.

Furthermore, this study found that the Directorate General of Taxes' position as data controller also includes an obligation to conduct a Data Protection Impact Assessment (DPIA) before the system is fully operational. The DPIA under the PDP Law serves as a preventative instrument to identify high risks to data subject rights, particularly in large-scale data processing, the use of new technologies, and automated profiling. Normatively, the DPIA obligation is stipulated in Article 34 of the PDP Law, which requires data controllers to assess risks and establish mitigation measures before processing begins. However, in the context of Coretax, this study found a normative gap at the technical implementation level. To date, there are no operational regulations that specifically address DPIA standards in digital tax systems (Hidayat & Inayati, 2025). However, recent literature considers DPIA to be part of the privacy-by-design principle, which requires data protection from the system design stage, not just during the operational phase. This lack of technical regulations has the potential to create legal uncertainty in assessing the compliance of the Directorate General of Taxes (DGT) as the data controller.

Furthermore, the integration of technology into Coretax, including the use of data analytics and the possibility of automated decision-making in tax risk management, reinforces the urgency of implementing the principles of the PDP Law. In this context, Article 53 of the PDP Law grants data subjects the right to file objections to decisions made entirely by automated systems. This is relevant if Coretax is used to determine taxpayer compliance or risk status without substantial human involvement, which could theoretically raise due process issues in digital tax administration.

On the other hand, from the perspective of the ITE Law and Government Regulation 71 of 2019 concerning the Implementation of Electronic Systems and Transactions, the Directorate General of Taxes (DGT) also holds the position of Electronic System Operator (*Penyelenggara Sistem Elektronik*/PSE) and is obligated to ensure the reliability, security, and sustainability of electronic systems (Wildan & Arifin, 2025). This provision broadens the DGT's responsibilities beyond data protection to the overall security of electronic information. Therefore, system failures or data leaks in Coretax could have dual legal consequences, under both the PDP Law and the ITE Law.

This also highlights that the use of NIK as a Taxpayer Identification Number (*Nomor Pokok Wajib Pajak*/NPWP) strengthens national digital identity integration, but simultaneously increases the risk of identity theft and cross-system data misuse. Legally, this situation demands clarity regarding the division of responsibilities between agencies, particularly between the Directorate General of Taxes (DGT) and data source agencies such as the Civil Registration Agency (*Direktorat Jenderal Kependudukan dan Pencatatan Sipil*/Dukcapil). Without clear inter-agency

arrangements, there is a potential legal vacuum in accountability if data leaks occur within the system integration chain.

Normatively, Coretax remains within the framework of the legal digital transformation of tax administration based on the HPP Law and Presidential Regulation No. 40 of 2018 concerning the renewal of the tax administration system. However, this legal framework does not fully address the need for harmonization between the tax regime and the personal data protection regime. This is reinforced by several literature findings that can justify the shift in the DGT's legal position in the implementation of the Coretax System, from merely a fiscal authority to a data controller (data controller) as stipulated in Law No. 27 of 2022 concerning Personal Data Protection (PDP Law). Within this framework, the Directorate General of Taxes (DGT) is not only subject to the KUP Law as tax law, but also to data protection principles such as lawfulness, purpose limitation, and data minimization (PDP Law, Article 16). The literature indicates that the Coretax system, which integrates cross-institutional data through the National Identity Number (*Nomor Induk Kependudukan*/NIK) as the Taxpayer Identification Number (*Nomor Pokok Wajib Pajak*/NPWP), has the potential to significantly expand data processing space, thereby increasing the risk of violating the purpose limitation principle (Prabowo et al., 2025; Akhmad et al., 2025).

Furthermore, studies on data governance in Indonesia confirm that data controllers are required to conduct a Data Protection Impact Assessment (DPIA) before high-risk processing, particularly for AI-based and profiling systems like Coretax. The DPIA serves as a risk mitigation instrument from the design stage (privacy by design), although its implementation still faces limitations from derivative technical regulations (Prayoga, 2025). In this context, the absence of explicit technical regulations highlights a normative gap in preventive protection.

On the other hand, research based on public sentiment analysis indicates that the Coretax system still faces issues of trust and technical stability, including login failures and system errors that impact perceptions of data security (Tiara et al., 2025). This situation strengthens the argument that the Directorate General of Taxes' authority as data controller must be clearly delimited through harmonization of the General Taxation Law and the Personal Data Protection Law to prevent unlimited expansion of authority that could potentially compromise taxpayers' privacy rights.

Thus, it can be concluded that the Directorate General of Taxes (DGT) legally holds the legitimacy as data controller in Coretax, but the boundaries of its authority remain within an area that is not fully defined strictly between the General Taxation Law as the lex specialis taxation and the Personal Data Protection Law as the regime for protecting fundamental personal data rights. This situation indicates an urgent need for more technical derivative regulations, particularly regarding DPIA, data

processing limitations, and cross-agency accountability mechanisms, to ensure legal certainty within the Coretax ecosystem.

3.2. Legal Responsibility of the Directorate General of Taxes as an Electronic System Organizer in the Failure of the Coretax System according to the ITE Law

Under Indonesian legal framework, the Directorate General of Taxes (DGT) in implementing the Coretax System acts as an Electronic System Operator (*Penyelenggara Sistem Elektronik*/PSE) as defined in the Electronic Information and Transactions Law (UU ITE). The legal consequence of this status is the DGT's obligation to ensure the implementation of a reliable, secure, and accountable electronic system (Rulandari et al., 2022). Article 15 of the ITE Law stipulates that electronic system operators are responsible for the reliable and secure management of the system and are liable for losses resulting from system failures if negligence in the implementation can be proven.

In the context of Coretax, the DGT's legal responsibility is no longer understood solely as administrative but has evolved into a multidimensional legal responsibility. This encompasses administrative responsibility under the General Provisions and Tax Procedures Law (UU KUP) regarding the obligation to maintain official confidentiality, civil liability for potential losses resulting from data leaks, and administrative and criminal liability under the ITE Law and the Personal Data Protection Law (UU PDP). Thus, the Directorate General of Taxes (DGT) functions not only as a fiscal authority but also as a data controller in a national-scale electronic system that carries high legal risks.

Several empirical findings indicate that the implementation of Coretax faces serious operational issues. A Twitter-based sentiment analysis study of Coretax revealed a predominance of negative sentiment, primarily caused by login failures, system errors, and other technical disruptions. Data collected from 15,527 public conversations revealed that user complaints related to system errors were the primary factor in public dissatisfaction (Tiara et al., 2025). Furthermore, other research indicates that technical issues such as login failures and password issues are the dominant source of public dissatisfaction with the Coretax system (Saputra et al., 2025). This fact reinforces the assumption that system reliability was not fully optimized in the initial implementation phase.

Furthermore, comparative research based on machine learning indicates that technical improvements can significantly improve system performance, but without strong governance, the risk of instability remains high. After data resampling, the accuracy of the analytical model increased to 96.89%, indicating that digital systems like Coretax are highly sensitive to imbalances and structural errors (Oktafiandi et al., 2025). In a legal context, this strengthens the argument that Coretax system failures

cannot be viewed as ordinary technical errors, but can develop into indications of systemic negligence if they do not meet adequate security and reliability standards.

However, this research also identified a more fundamental legal problem: the lack of clarity regarding the "electronic system reliability" standards in the ITE Law. Existing regulations do not explicitly stipulate minimum technical measures, such as encryption standards, system audits, or cybersecurity standards, that must be met by ESOs. This situation creates legal uncertainty in determining the limits of the Directorate General of Taxes' (DGT) liability in the event of a Coretax failure. Does this failure constitute a tolerable systemic risk, or is it a form of legal negligence that gives rise to liability?

From a data protection law perspective, this situation is even more complex. Research indicates that in digital systems handling sensitive data, such as Coretax, there is an urgent need to adopt international standards such as ISO 27001 or ISO 27701 as system security parameters (Prayoga, 2025). This is crucial because the PDP Law does not yet provide detailed operational technical standards regarding data security in large-scale electronic systems. Thus, without any derivative technical regulations, a legal vacuum exists regarding Coretax security standards. Furthermore, other studies have shown that although PDP regulations have provided a legal framework for data protection, their implementation still faces serious challenges in the form of weak compliance, limited digital literacy, and institutional capacity (Hufron et al., 2024; Triyanti et al., 2025). In the context of Coretax, this reinforces the argument that the risk of data breaches stems not only from technical aspects, but also from weaknesses in the internal governance and compliance of system administrators.

Therefore, the legal liability of the Directorate General of Taxes (DGT) as the Equity Provider (*Penyedia Ekuitas*/PE) in Coretax cannot be separated from two main dimensions. First, the normative-juridical dimension, which positions the DGT as a legal subject subject to the ITE Law and the PDP Law, with responsibility for system security. Second, the empirical-technological dimension, which shows that the Coretax system still faces operational challenges in the form of system errors, service instability, and poor user experience, which impact public legitimacy. Therefore, failures in the Coretax system have the potential to give rise to broader forms of legal liability, including negligence liability from the perspective of the ITE Law (Hidayat & Inayati, 2025). Therefore, strengthening technical regulations is necessary in the form of a Minister of Finance Regulation (*Peraturan Menteri Keuangan*/PMK) or other derivative regulations that explicitly establish electronic system security standards, including mandatory security audits, layered encryption, and the adoption of international standards as legally binding parameters.

In this regard, the main problem in implementing Coretax lies not solely in the technical aspects, but in the weak legal certainty surrounding personal data protection and consumer protection in the digital tax system. When system reliability standards are not explicitly formulated in technical regulations, system failures such as login errors, access disruptions, or loss of transaction data can escalate into serious legal disputes because they directly impact taxpayers' rights as data subjects (Prayoga, 2025; Tiara et al., 2025). This situation is exacerbated by high public dissatisfaction with Coretax, which indicates a gap between digital policy design and user experience (Saputra et al., 2025; Oktafiandi et al., 2025).

From the perspective of the PDP Law, unclear security standards and system accountability increase the risk of violating data protection principles, particularly regarding processing security and the responsibilities of data controllers (Widiatedja & Mishra, 2023; Akhmad et al., 2025). Furthermore, regulatory fragmentation and the suboptimal oversight of institutional oversight weaken the law's coercive power to guarantee the restoration of digital consumer rights (Triyanti et al., 2025). Technologically, although instruments such as encryption, DPIA, and the ISO 27701 standard exist, their implementation has not yet become a mandatory standard integrated into the Coretax design (Sariwating, 2025; Prabowo et al., 2025).

Therefore, without strengthening binding and measurable technical regulations, the Directorate General of Taxes (DGT) is in a vulnerable legal position, as any system failure has the potential to shift from a technical issue to a violation of consumer rights and personal data protection. Therefore, it can be concluded that without strengthening technical regulations, the DGT is in a vulnerable legal position, as unclear system reliability standards open the door to legal disputes in the event of a Coretax failure, resulting in taxpayer losses or personal data leaks.

3.3. Harmonization and Potential Conflict of Norms between the KUP Law, the PDP Law, and the ITE Law in the Coretax Ecosystem

From the previous discussion, it can be seen that the implementation of the Coretax System is within a normative configuration that is not yet fully harmonized, particularly between the General Provisions and Tax Procedures Law (UU KUP), the Personal Data Protection Law (UU PDP), and the Electronic Information and Transactions Law (UU ITE). These three legal regimes do not exist within a single integrative framework, but rather overlap without clear boundaries of authority, creating the potential for normative conflict in digital tax data governance practices (Irawan, & Wahyuni, 2025).

First, there is a normative tension between the principle of tax confidentiality in the KUP Law and the data subject rights regime in the PDP Law. The KUP Law explicitly affirms the confidentiality obligations of tax officials as stipulated in Article 34

paragraph (1), which states that "every official is prohibited from disclosing to other parties anything known or disclosed to him by the Taxpayer in the context of his position or work." This norm reflects a strict confidentiality approach that is closed and administrative in nature. However, the PDP Law establishes a different paradigm based on individual rights to personal data. Article 4 of the PDP Law affirms that data subjects have the right to obtain information, access, correct, delete, and withdraw consent to the processing of personal data. Furthermore, Article 20 of the PDP Law affirms the obligation of data controllers to provide data subjects with access to their personal data (Utama & Yuliana, 2025). In the context of Coretax, this tension is significant because tax data simultaneously falls under the category of state confidential data and is also classified as personal data associated with individuals. Consequently, a normative question arises: to what extent can the Directorate General of Taxes (DGT) provide access to taxpayer data without violating tax confidentiality provisions?

Second, this study found potential overlapping sanctions between the KUP Law, the PDP Law, and the ITE Law. A single data leak in the Coretax system could be classified as an administrative tax violation, a violation of personal data protection, and an electronic system violation. Articles 67 to 70 of the PDP Law stipulate administrative and criminal sanctions for data controllers who fail to protect personal data, including fines and imprisonment. Meanwhile, Article 26 of the ITE Law emphasizes that the use of any information concerning personal data must be based on the consent of the data owner, and Article 36 and Article 51 regulate criminal sanctions for misuse of electronic systems that cause harm to others (Gustryan & Hoesein, 2025).

On the other hand, the KUP Law also recognizes administrative and criminal sanctions regimes for violations of tax officials' obligations to maintain confidentiality (Vic, 2025). This situation creates the risk of double or even triple jeopardy in the same legal incident. While the principle of ne bis in idem in criminal law prevents repeated criminal penalties for the same act, in the context of multi-regulations in digital administration, the boundaries of its application become blurred because each law has different objects of protection but is based on identical incidents. This has the potential to create legal uncertainty for both the Directorate General of Taxes (DGT) as the system administrator and taxpayers as data subjects.

Third, the integration of the Population Identification Number (*Nomor Induk Kependudukan*/NIK) with the Taxpayer Identification Number (*Nomor Pokok Wajib Pajak*/NPWP) increases the risk of identity linkage risk, namely the risk of combining identity data across sectors without clear responsibilities. Normatively, Article 16 of the PDP Law emphasizes that data controllers are responsible for the processing of personal data under their control (Adistiya & Kusuma, 2024). However, in the NIK-NPWP integration scheme, two main institutions are involved: The Directorate

General of Taxes as the data user and the Directorate General of Population and Civil Registration (*Direktorat Jenderal Kependudukan dan Pencatatan Sipil*/Dukcapil) as the data source.

Problems arise because there are no explicit norms governing the division of responsibility in the event of data errors, leaks, or misuse during the integration process. This situation creates a legal vacuum regarding the attribution of responsibility across institutions, whether the DGT, as the primary data controller, or Dukcapil, as the data originator, is responsible. This ambiguity increases the risk of litigation and weakens administrative accountability within the Coretax ecosystem. Furthermore, Article 15 of the Electronic Information and Transactions Law (UU ITE), the legal basis for electronic systems, stipulates that electronic system operators are required to operate the system reliably, securely, and responsibly (Hutabarat et al., 2023). However, the "reliable and secure" standard is not operationally defined in the context of the highly sensitive tax system. This reinforces the argument that there is a regulatory gap between the general norms of the ITE Law and the technical requirements of Coretax as a big data-based state administration system.

The findings of Coretax disharmony not only demonstrate overlapping norms but also reinforce that the primary problem lies in the lack of integration of data protection regimes, tax law, and electronic systems law within a coherent digital governance framework. In this context, previous research has shown that the Coretax system is built on an API architecture and cross-institutional data integration, which inherently increases the risk of data leaks and the expansion of access without clear boundaries (Prayoga, 2025). This situation emphasizes that legal problems are no longer sectoral, but systemic.

Empirically, sentiment analysis studies indicate that the predominance of negative sentiment toward Coretax is caused by system failures, login errors, and instability of digital services, which are directly correlated with declining public trust in data security (Tiara et al., 2025). This finding is reinforced by a hybrid SVM model, which indicates significant fluctuations in user perceptions of the reliability of the digital tax system (Saputra et al., 2025). Even when model accuracy is improved through resampling techniques such as SMOTE, the fundamental issue remains the perception of security risks, not simply technical performance (Oktafiandi et al., 2025).

Legally, the literature indicates that the Data Protection and Data Entry Law provides a broad framework for data subject rights, including access, correction, and deletion of data. However, its implementation remains weak due to the absence of an independent supervisory authority and fragmented sectoral regulations (Widiatedja & Mishra, 2023; Algamar & Ismail, 2023; Januarita et al., 2025). On the other hand, the ITE Law and Government Regulation 71/2019 still operate within the paradigm of

a general electronic system that does not specifically regulate the complexity of tax data as strategically sensitive data (Maharani et al., 2025; Triyanti et al., 2025).

Furthermore, research shows that API integration within the Coretax system opens up new risks in the form of cross-platform data leakage, which has not been balanced by a clear design of legal responsibilities between agencies (Gumilar et al., 2023). In practice, this creates what can be called a "liability gap," namely the lack of clarity regarding whether the Directorate General of Taxes (DGT) is fully responsible as a data controller or merely as a user of data from Dukcapil and other agencies (Akhmad et al., 2025; Sariwating, 2025). Furthermore, although ISO 27701 and DPIA have been recommended as risk mitigation standards, their implementation remains largely normative adoption without full integration into the Coretax system itself (Reksoprodjo et al., 2024; Prabowo et al., 2025). This demonstrates a gap between formal compliance and security-by-design.

Thus, it can be concluded that harmonization between the KUP Law, the PDP Law, and the ITE Law has not been optimally achieved. These three legal regimes still operate in parallel without adequate normative integration, creating overlapping authority, uncertainty over sanctions, and a legal vacuum regarding cross-institutional responsibilities. In this context, strengthening derivative regulations or technical regulations specifically governing legal interoperability between these regimes is necessary to ensure that the Coretax ecosystem is not only administratively efficient but also offers strong legal certainty from the perspective of personal data protection and digital consumer protection

4. Conclusion

This research shows that the implementation of Coretax positions the Directorate General of Taxes (DGT) not only as a fiscal authority but also as a controller of personal data and an Electronic System Operator. This dual position creates complex legal consequences because the DGT is required to comply with the KUP Law, the PDP Law, and the ITE Law simultaneously. However, a normative gap and disharmony between these legal regimes have been identified, resulting in unclear boundaries of authority, system security standards, and accountability mechanisms. The absence of technical regulations for DPIAs, system security standards, and interoperability of cross-agency responsibilities exacerbates legal uncertainty within the Coretax ecosystem.

Empirically, the dominance of negative public sentiment and the high number of system failures indicate that Coretax's problems are not merely technical but also have legal dimensions and public trust. This situation reinforces the urgency of strengthening data governance and system security based on privacy-by-design principles and international standards. The research recommendations are: (1)

regulatory harmonization through derivative regulations that integrate the KUP Law, the PDP Law, and the ITE Law; (2) operational and standardized DPIA obligations; (3) implementation of international security standards such as ISO 27701; (4) affirmation of the division of responsibilities across agencies, particularly the Directorate General of Taxes and Civil Registration; and (5) strengthening the audit mechanism, transparency, and accountability of the digital tax system. With these steps, Coretax can achieve legal certainty and effective data protection for taxpayers.

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