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Analysis of Tax Object Sales Value Discrepancies at Land Market Price

Ema Prihatin Suharyati
Faculty of Law, Universitas Islam Sultan Agung, Semarang, Indonesia, E-Mail: emasuharyati34@gmail.com

Abstract. *This study aims to analyze the discrepancy between the Taxable Value of Land and the market price of land and its impact on the community and the regional taxation system. This study uses an empirical legal approach with qualitative descriptive specifications through interviews, observations, and literature studies. Based on the research results, it is known that the discrepancy between the Taxable Value of Land is influenced by weak data updates, low synchronization of information between agencies, and less than optimal evaluation of land value zoning. These conditions have an impact on increasing taxpayer objections and decreasing the level of public trust in the local government. In addition, taxation policies that do not match the real conditions of land prices can cause fiscal injustice for the community. Therefore, a more transparent, adaptive, and appropriate system for determining the Taxable Value of Land is needed, in line with the development of land prices in the community.*

Keywords: *Fiscal; Justice; Legal; Protection; Regional.*

1. Introduction

Land values in Indonesia have experienced significant growth in line with the growing demand for residential land, investment, and economic activity. This situation also influences regional taxation policies, particularly in determining the Taxable Value of Land (NJOP). According to Purnawan and Adillah (2014), regional tax policies must be implemented fairly to avoid creating inequality within society.[1]Therefore, determining the NJOP is an important part of creating a taxation system that provides legal certainty and fiscal justice.

Land is a vital asset with economic, social, and legal value in society. In Indonesia's regional tax system, land is subject to Land and Building Tax, which is levied based

[1]Amin Purnawan., & Siti Ummu Adillah. (2014). "Justice-Based Regional Tax Policy to Encourage Small and Medium Enterprises (SMEs) in Central Java." in Journal of Legal Reform Volume I No. 3, pp. 241–242. url:https://jurnal.unissula.ac.id/index.php/PH/article/view/1485. Accessed May 24, 2026 at 02.55 WIB

on the Taxable Object Sales Value (NJOP). The NJOP is a key instrument in determining the amount of tax payable to the state.

In practice, the determination of the NJOP (Value-Based Land Value) does not always reflect the actual market value of land. In Bantul Regency, a discrepancy was found between the NJOP set by the local government and the actual transaction prices in the community. Some areas had NJOPs lower than market prices, while others were higher than the real land value. This situation created fiscal injustice and sparked public objections.

This discrepancy indicates that the NJOP assessment mechanism still faces various obstacles, ranging from weak data updates to suboptimal inter-agency coordination. Furthermore, the lack of transparency in the NJOP determination process has also reduced public trust in local government policies.

From a legal and state administrative perspective, determining the NJOP must be carried out objectively, transparently, and in accordance with actual conditions on the ground. This principle also aligns with Islamic teachings, which emphasize the importance of justice and the public interest in managing public policy, including taxation.

Based on these conditions, the discrepancy between the Taxable Object Sales Value (NJOP) and the land market price is a critical issue that requires in-depth study. This issue is closely related to fairness in tax collection, legal protection for the public, and legal certainty in the implementation of regional taxes. The discrepancy between the NJOP and the market price not only affects the amount of tax imposed on the public but can also undermine public trust in local government policies. Furthermore, this discrepancy has the potential to give rise to tax disputes and various administrative obstacles that impact the effectiveness of regional revenue.

This study aims to analyze the discrepancy between the NJOP and the market price of land and its impact on the community and the regional tax system. This study aims to identify the factors causing these differences and to illustrate the importance of a more accurate, transparent, and equitable land valuation system. The results are also expected to serve as a consideration for regional governments in formulating more adaptive tax policies, providing legal certainty, and maintaining a balance between regional revenue interests and protecting taxpayer rights.

2. Research Methods

The approach used in this research is empirical juridical. The research specification uses qualitative descriptive methods, focusing on analyzing the discrepancy between the NJOP and the market price of land in Bantul Regency.

Data collection methods included interviews, observation, and literature review. Primary data were obtained from officials at the Bantul Regency Regional Revenue and Asset Management Agency and members of the public affected by the NJOP policy. Secondary data were obtained from scientific journals, books, and laws and regulations related to regional taxation.

The data analysis method is carried out qualitatively by connecting field facts, legal theory, and the concept of fiscal justice to obtain conclusions that are relevant to the research problem.

3. Results and Discussion

Discussion of the procedures for determining the Taxable Object Sales Value (NJOP) of land by the Regional Financial and Asset Management Agency and the impact of NJOP discrepancies with market prices is an important part of understanding the relationship between regional tax policies and social conditions of the community. The determination of NJOP is essentially carried out as a basis for imposing regional taxes by considering regional data, land value developments, and local economic conditions. However, in practice, the difference between NJOP and market prices often has various impacts, both for the community and local governments, such as the emergence of a sense of injustice, increased tax burdens, hampered land transactions, and impacts on the optimization of regional revenues. Therefore, the balance between legal certainty, justice, and the real conditions of land prices is very important in the implementation of NJOP determination.

3.1. Procedures for Determining NJOP in Bantul Regency

The Taxable Value of an Object, or NJOP, is the basis for imposing Land and Building Tax in the Rural and Urban sectors, the management of which rests with local governments. This transfer of authority is part of the implementation of fiscal decentralization within Indonesia's regional autonomy system. Normatively, local government authority in managing regional taxes is regulated in Article 286 of Law Number 23 of 2014 concerning Regional Government, as last amended by Law Number 6 of 2023 concerning the Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation into Law.[2]These provisions emphasize that regions are given the right to collect regional taxes and regional levies as a source of regional original income in the context of implementing regional autonomy.

The authority of regional governments in collecting regional taxes is also emphasized in Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments. Article 4 paragraph (2) letter d

[2]Law Number 23 of 2014 concerning Regional Government as last amended by Law Number 6 of 2023, Article 286 paragraph (1), url:https://peraturan.bpk.go.id/Details/38685/uu-no-23-tahun-2014

states that Rural and Urban Land and Building Tax is one type of district/city tax that falls under the authority of regional governments. Thus, regional governments have the legal legitimacy to establish regional tax policies, including determining the NJOP as the basis for calculating taxes.

The technical implementation of regional tax management in Bantul Regency is carried out by the Regional Revenue and Asset Management Agency (BPKPAD). BPKPAD's authority stems from the delegation of authority from the regional head based on Regional Regulations and Regent Regulations concerning the organizational structure of regional apparatus. In the context of government administration, BPKPAD's function is to carry out tax object data collection, land valuation, determination of NJOP (Value-Tax-Objective Value Added Tax), issuance of Tax Payable Notification Letters, and management of regional tax revenues.

Administratively, the NJOP determination procedure involves several stages. The first stage involves data collection on taxable land and buildings owned by the community. This stage includes identifying the location, land area, land use, building condition, road access, and development of the area surrounding the taxable object. Next, a field survey is conducted by officers to obtain an overview of the prevailing land values within the community. The survey results are then used as the basis for classifying land values based on specific zones, known as Land Value Zones.

In practice, the determination of the NJOP should adhere to the principles of justice, legal certainty, transparency, professionalism, and accountability, as well as the general principles of good governance. This aligns with Article 2 of Law Number 30 of 2014 concerning State Administration, which stipulates that all government actions must be based on the principles of legality, protection of human rights, and general principles of good governance.[3]Therefore, the determination of NJOP cannot be done unilaterally without considering the real conditions of the community and developments in land market prices.

In addition to being based on regional tax regulations, the NJOP determination process is also closely related to the national land system. Article 19 of Law Number 5 of 1960 concerning Basic Agrarian Regulations stipulates that the government shall conduct land registration throughout Indonesia to ensure legal certainty. This provision was further reinforced by Government Regulation

[3]Firstnandiar Glica Aini Suniaprily and Suharno, (2022), "Accountability of Government Discretion and Its Relationship with the General Principles of Good Governance (AUPB) According to Law Number 30 of 2014 concerning Government Administration," Klausula (Journal of Constitutional Law, Administrative Law, Criminal and Civil Law), Vol. 2, No. 1, available at:www.ejournal.uniska-kediri.ac.id, accessed on May 25, 2026 at 19.35 WIB.

Number 24 of 1997 concerning Land Registration, which regulates physical and legal land data as part of national land administration.[4]

The relationship between land data and the determination of the NJOP (Value-Based Land Value) is crucial because land values recorded in land administration are often used as a reference by local governments in determining taxable values. However, in practice, data mismatches often occur between the BPKPAD (Regional Development Planning Agency) and the land office. This discrepancy results in disparities in land values between market value, transaction value, and the NJOP determined by local governments.

In addition, central tax regulations are also related to the determination of the NJOP, particularly in land sale and purchase transactions. In the practice of transferring land rights, the government uses the transaction value or NJOP as the basis for imposing Income Tax and Land and Building Acquisition Tax if the transaction value is deemed lower than the NJOP. Provisions regarding Income Tax on the transfer of land rights are regulated in Government Regulation Number 34 of 2016 concerning Income Tax on Income from the Transfer of Rights to Land and/or Buildings.[5]Meanwhile, the regulation of Land and Building Acquisition Tax as a regional tax is also regulated in Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments.[6]

This situation demonstrates that the NJOP is not merely an administrative figure, but has broad legal and economic implications for the community. A mismatch between the NJOP and market prices can lead to various problems, including tax determination, land purchase and sale transactions, BPHTB payments, and land acquisition compensation calculations. In some cases, communities feel disadvantaged because the NJOP is set too low compared to market prices, thus not reflecting the land's true economic value. However, some communities object to drastic increases in the NJOP, as this impacts the amount of tax they must pay.

Based on the research results, it was found that updating of NJOP data in Bantul Regency has not been carried out optimally and comprehensively. Several regions are experiencing rapid economic growth and development, but NJOP values have not yet adjusted to actual market conditions. This indicates a delay in the process of updating regional tax data. However, based on the principle of tax fairness, local

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[4]AP Parlindungan, (2022), Land Registration in Indonesia Based on PP Number 24 of 1997, Bandung: Mandar Maju, p. 18.

[5]I Ketut Gede Purnayasa, Ida Ayu Putu Widiati, and Luh Putu Suryani, (2021), "Imposition of Income Tax (PPH) on the Transfer of Rights to Land or Buildings," Journal of Legal Preferences, Vol. 2, No. 3, available atwww.ejournal.warmadewa.ac.id, accessed on May 25, 2026 at 20.12 WIB.

[6]Cecillia Kurniawaty, Lastuti Abubakar, and Mohamad Akyas, 2024, "Legal Certainty of Postponement of BPHTB Payment in Auctioned Assets from the Perspective of Banking Law and Law Number 1 of 2022 concerning Financial Relations between the Central and Regional Governments," ACTA DIURNAL Journal of Notary Law, Vol. 6, No. 1, available atwww.jurnal.fh.unpad.ac.id, accessed on May 25, 2026 at 21.15 WIB.

governments are obliged to maintain a balance between the interests of regional revenue and the protection of the rights of the community as taxpayers.

In interviews conducted by the author with relevant parties within the Bantul Regency BPKPAD, it was revealed that there were obstacles in the process of updating NJOP data, including limited human resources, limited budget for field surveys, and the less than optimal integration of land data and regional tax data. Furthermore, the BPKPAD also acknowledged that there are still discrepancies between NJOP and market prices in several strategic areas in Bantul Regency. This discrepancy is influenced by the rapid development of land values, which cannot always be kept up with the annual regional tax administration updates.

This situation ultimately gave rise to a perception of injustice in the community. Many taxpayers felt they hadn't received a transparent explanation regarding the basis for determining land values used by local governments. The lack of public awareness and involvement in NJOP evaluations often led to regional tax policies being perceived as solely focused on regional revenue. Yet, under the concept of a state based on the rule of law and good governance, every administrative policy must adhere to the principles of transparency and public participation.

From the perspective of state administrative law, the determination of NJOP should not only be understood as an ordinary administrative action, but also as a form of government decision that must fulfill the principles of proportionality, accuracy, openness, and legal certainty.[7]This determination has direct legal consequences for the rights and obligations of taxpayers, requiring local governments to act professionally, objectively, and in accordance with applicable laws and regulations. In this context, local governments must ensure that the land valuation process is conducted through a clear, measurable, and accountable mechanism to avoid injustice within the community.

Regional governments are also obligated to ensure that every determination of taxable property values is based on valid data, objective field surveys, and valuation methods that reflect the actual land prices in the community. Data accuracy is crucial because the NJOP directly impacts the amount of taxes levied on the community and potential regional revenue.[8]If the determination is made without the support of accurate data and regular information updates, the policy

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[7]Verawati Gunawan, Dani Durahman, and Deny Haspada. (2024). "Implementation of the Maximum Increase Policy on the Sales Value of Taxable Object (NJOP) from the Perspective of Legal Certainty Based on Law Number 01 of 2022 Concerning the Financial Relationship Between the Central Government and Regional Governments". in Innovative: Journal of Social Science Research Volume 5 No 3, p. 10215–10217. url:https://j-innovative.org/index.php/Innovative/article/view/19474, accessed on May 25, 2026 at 02.15 WIB.
[8]Siahaan, Albert Lodewyk Sentosa., Sihombing, Andy Tonggo Michael., & Banke, Ricky. (2025). "Legal Substance of Sale and Purchase of Land and Building in the Determination of BPHTB DPP in Land and Building Sale and Purchase Transactions in Medan City". in ACT JOURNAL Volume 12 No 1, p. 6–7. url:https://jurnal.unissula.ac.id/index.php/akta/article/view/44139. accessed on May 25, 2026 at 02.56 WIB.

has the potential to give rise to inequality, objections from the public, and even administrative disputes in the taxation and land sectors.

Thus, it is understandable that the procedure for determining the NJOP in Bantul Regency has a strong legal basis, based on provisions regarding regional autonomy, government administration, regional taxation, and national land law. Existing regulations, in principle, grant local governments the authority to determine the NJOP as the basis for imposing land and building taxes. However, in its implementation, various administrative and technical obstacles remain, such as delays in data updates, limited field surveys, and suboptimal coordination between relevant agencies. These conditions result in the determined NJOP value, in some circumstances, not fully reflecting the actual market price of the land.

Therefore, more comprehensive reforms are needed to create a fairer and more accurate NJOP determination system. Local governments need to regularly update data, improve the quality of internal oversight, strengthen inter-agency coordination, and provide transparent access to information for the public regarding the basis for NJOP determination. Furthermore, public participation in objection and evaluation mechanisms needs to be strengthened as a form of legal protection for taxpayers. With these improvements, it is hoped that NJOP determination in Bantul Regency will not only function as a tax administration instrument but also reflect the principles of justice, legal certainty, and benefit in the implementation of regional governance.

3.2. Analysis of the Mismatch between NJOP and Market Price

The discrepancy between the Taxable Value (NJOP) and the market price of land is fundamentally a problem that relates not only to taxation but also to the principles of fairness, legal certainty, and the protection of the rights of the public as taxpayers. In the regional taxation system, NJOP holds a crucial position as it serves as the basis for imposing Rural and Urban Land and Building Tax (PBB-P2).[9]Therefore, the determination of NJOP must be carried out objectively, transparently, and in accordance with the real conditions of land values that develop in the community.

The legal basis for regulating Land and Building Tax was initially regulated in Law Number 12 of 1985 concerning Land and Building Tax as amended by Law Number 12 of 1994. Subsequently, the authority to manage PBB in the Rural and Urban sectors was transferred to the authority of regional governments based on Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions.[10]These provisions were then updated through Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, which

[9]Mardiasmo. (2023). Taxation Latest Edition. Yogyakarta: Andi Offset, p. 389.
[10]Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions, url:https://peraturan.bpk.go.id/Details/38763/uu-no-28-tahun-2009

serves as the latest legal basis for regional tax management, including regulations regarding PBB-P2 and the determination of NJOP.

Article 1, number 37 of Law Number 1 of 2022, explains that the Taxable Object Sales Value (NJOP) is the average price obtained from a sale and purchase transaction that occurs naturally. If there is no sale and purchase transaction, the NJOP is determined by comparing prices with other similar objects, the new acquisition value, or a replacement NJOP. This provision demonstrates that the determination of the NJOP must, in principle, be based on actual market conditions to ensure fairness in tax collection.

In addition, regulations regarding land and building assessments are also regulated in the Minister of Finance Regulation Number 208/PMK.07/2018 concerning Guidelines for Rural and Urban Land and Building Tax Assessment.[11]The regulation emphasizes that determining the NJOP must take into account regional developments, economic factors, accessibility, land use, and real-world transaction data. Therefore, local governments are obligated to update data regularly to ensure the NJOP remains consistent with actual market prices.

A discrepancy between the NJOP and market prices can occur in two ways. First, the NJOP is set too high, exceeding the actual market price. Second, the NJOP is too low compared to the prevailing transaction value. Both conditions create legal issues and inequities in the regional tax system.

If the NJOP is set too high, taxpayers will experience a disproportionate increase in their land and building tax burden. This can directly impact the community's economic capacity, particularly for low-income individuals who own land or buildings in strategic areas. An increase in the NJOP without a corresponding increase in the community's economic capacity has the potential to lead to an inability to pay taxes and arrears in PBB-P2 (land and building tax).

From the perspective of state administrative law, the actions of regional governments in determining NJOP must comply with the General Principles of Good Governance as regulated in Law Number 30 of 2014 concerning State Administration.[12]These principles include legal certainty, accuracy, transparency, proportionality, and justice. Therefore, determining the NJOP that is not based on real data and does not take into account community conditions can be categorized as an administrative policy that contradicts the principles of good governance.

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[11]Regulation of the Minister of Finance of the Republic of Indonesia Number 208/PMK.07/2018 concerning Guidelines for Rural and Urban Land and Building Tax Assessment, url:*https://peraturan.bpk.go.id/Home/Details/113747/pmk-no-208pmk072018*.

[12]Aksa Maulana. (2020). Implications of the Positiveization of General Principles of Good Governance (AAUPB) in Law Number 30 of 2014 concerning Government Administration. Thesis, Muhammadiyah University of Yogyakarta, pp. 45–47, available at:http://repository.umy.ac.id/handle/123456789/11891, accessed on May 26, 2026 at 10:15 WIB

Conversely, if the NJOP is set too low compared to market prices, local governments could potentially lose a source of local revenue that could be used for infrastructure development, public services, education, health, and public welfare. A low NJOP can also create inequality in land transactions because the tax paid does not reflect the land's true economic value.

In practice in Bantul Regency, the development of residential areas, the tourism sector, investment growth, and the construction of new access roads have led to significant increases in land prices in several strategic areas. However, NJOP updates are not always carried out promptly and comprehensively. As a result, there is a significant gap between the NJOP value and actual transaction prices in the community.

This phenomenon demonstrates that the land value data collection and mapping system still faces various challenges, including human resources, limited transaction data, and suboptimal inter-agency coordination. In some cases, NJOP assessments still use outdated data, thus failing to keep pace with actual economic developments and regional growth.

Legally, the public has the right to file objections to the determination of NJOP which is deemed inappropriate.[13]This right is regulated in regional tax regulations and forms part of the legal protections for taxpayers. Objections can be filed if taxpayers feel that the established NJOP does not reflect the actual condition of the taxable object. This mechanism serves as a form of oversight of regional government authority to prevent arbitrary action in determining the tax burden on the public.

In addition to administrative objections, the public can also pursue legal action through a lawsuit to the Tax Court if the objection decision is deemed unfair. This demonstrates that the Indonesian legal system fundamentally provides legal protection for the public in tax disputes.

The mismatch between the NJOP and market prices also has social and psychological impacts on the community. Many taxpayers feel that the NJOP determination system is not fully transparent and does not optimally involve public participation. This lack of transparency regarding the basis for land valuation often gives rise to the assumption that NJOP determination is carried out unilaterally without considering the real conditions of the community.

From a fiscal justice perspective, taxes must be applied proportionally to the economic capacity of the community. This principle aligns with the principle of equality before taxation, which emphasizes that every citizen must be treated fairly in the tax system. The state does have the right to collect taxes for

[13]Waluyo. (2022). Regional Taxes and Regional Levies. Jakarta: Salemba Empat, pp. 210–211.

development purposes, but its implementation must not neglect the protection of the community's rights as taxpayers.

The Indonesian Constitution also emphasizes that tax collection must be based on law as regulated in Article 23A of the 1945 Constitution of the Republic of Indonesia, which states that taxes and other compulsory levies for state purposes are regulated by law.[14]This provision means that every tax policy, including the determination of NJOP, must be implemented legally, fairly and can be legally accounted for.

From an agrarian law perspective, land has a social function as stated in Article 6 of Law Number 5 of 1960 concerning Basic Agrarian Regulations.[15]Therefore, the policy for determining NJOP should not be solely oriented towards increasing regional income, but must also consider the sustainability of community life and socio-economic balance.

From an Islamic perspective, tax policy must be implemented based on the principles of justice, trustworthiness, public welfare, and protection of public rights. Determining the NJOP (Value-Taxed Property) that does not align with market prices can be categorized as a form of injustice if it causes economic loss or imposes an excessive burden on the public.

The principle of justice in Islam is reflected in the words of Allah SWT in Surah An-Nahl verse 90 which explains that Allah commands humans to act fairly and do good deeds.[16]The concept of justice is an important basis for governance, including taxation policies and regional financial management.

Furthermore, the concept of maqashid sharia in Islamic law places the protection of property, or hifz al-mal, as one of the primary objectives that must be upheld in every government policy. Protection of property is not only interpreted as safeguarding public ownership from direct confiscation or loss, but also includes protection from public policies that have the potential to create unfair economic burdens. In the context of regional taxation, including the determination of the Taxable Object Sales Value (NJOP), the government has a moral and legal responsibility to ensure that the policies implemented truly reflect the principles of justice, balance, and benefit to the wider community. Therefore, determining NJOP that does not align with market price conditions can have a negative impact on the economic stability of the community, especially if the value is set too high and does not take into account the taxpayer's economic capacity.

[14]Bustamar Ayza. (2021). Indonesian Tax Law. Depok: Kencana, pp. 15–16.
[15]Law Number 5 of 1960 concerning Basic Agrarian Regulations, Article 6.
[16]Quraish Shihab. (2022). Tafsir Al-Mishbah: Message, Impression and Harmony of the Qur'an. Jakarta: Lentera Hati, p. 612–614, explaining Surah An-Nahl verse 90 regarding the commandments of justice and virtue in Islam.

From an Islamic perspective, fiscal policy is essentially permissible as long as it is implemented in the public interest and does not contain elements of injustice. The state is granted the authority to collect taxes to meet the needs of development, public services, and public welfare. However, this authority is not absolute and must be limited by the principles of justice and public welfare. Taxes should not be used as an instrument that causes social suffering, economic inequality, or excessive pressure on the poor. Therefore, if the NJOP is determined without an objective assessment and is not adjusted to the actual conditions of land prices in the community, such policy has the potential to conflict with the principle of al-'adl, or justice, which is one of the main foundations of Islamic law.

The principle of justice in Islam emphasizes not only the final outcome but also the policy-making process. Determination of the NJOP must be carried out through a transparent, accurate, and legally and morally accountable mechanism.[17]Regional governments, as holders of administrative authority, are mandated to manage tax policies professionally and not solely focused on increasing regional revenue. In Islam, amanah (trust) is a significant responsibility that must be carried out with honesty and prudence, as every form of authority will be held accountable. Therefore, tax policies that fail to address the real conditions of the community can be viewed as a disregard for the principle of amanah in governance.

From an Islamic legal perspective, the concept of welfare (maslahah) is a crucial foundation for all public policies, including regional taxation policies. This welfare requires that every government action be oriented not only toward formal aspects or revenue generation, but also consider the real impacts felt by the wider community. A good policy is one that delivers balanced benefits, protects the public interest, and simultaneously prevents excessive losses or hardships for the community. Therefore, in the context of determining the NJOP (Value-Taxable Property Tax), this principle of welfare requires careful consideration to ensure that the value set does not impose a disproportionate burden on taxpayers, particularly those with limited economic capacity.

Proportional implementation of the NJOP (Value-Scale Tax) is key to achieving a balance between the fiscal interests of local governments and the economic capabilities of the community as taxpayers. While local governments have the authority to explore regional revenue sources through land and building taxes, this authority must be exercised with due regard for the principle of justice and the real conditions of the community on the ground. Excessive determination of the NJOP, without considering the community's purchasing power and the dynamics of the regional economy, has the potential to generate public dissatisfaction, reduce tax compliance, and even trigger an increase in tax disputes or objections.

[17]Adrian Sutedi. (2020). Regional Tax and Retribution Law in Indonesia. Bogor: Ghalia Indonesia, pp. 212–214.

In the long term, this situation not only harms the community but can also undermine the legitimacy of tax policy itself, as it is considered unfair and does not reflect the principle of public welfare, which should be the spirit of every public policy.

In practice, the discrepancy between the NJOP and market value often gives rise to various social issues. Many taxpayers feel that the tax amount charged does not reflect the actual condition of the land they own.[18]This situation can give rise to the perception that tax policies do not fully support the public's sense of justice. From an administrative law perspective, this situation also indicates that the process of evaluating and updating NJOP data has not been running optimally. Therefore, local governments need to strengthen their land data collection and assessment systems so that NJOP determinations are truly based on actual transaction data, regional conditions, and local economic development.

Furthermore, transparency in the NJOP determination process is also a crucial factor in creating legal certainty and increasing public trust in local governments. The public needs to be provided with access to information regarding the basis for NJOP assessments, land evaluation mechanisms, and procedures for filing objections in the event of tax value discrepancies. This transparency is part of the application of good governance principles, which emphasize the importance of accountability, public participation, and the protection of citizen rights in all public policies.[19]

Thus, the discrepancy between the NJOP and market prices cannot be viewed solely as an administrative issue in regional taxation. This issue is closely related to the legal, economic, social, and moral aspects of governance. Inaccurate NJOP determination can impact public welfare, legal certainty, and even public trust in local government. Therefore, ongoing evaluation measures are needed through periodic data updates, strengthening the real-transaction-based assessment system, improving the quality of civil servant resources, and involving the public in the tax policy oversight process.

Through the implementation of transparent, objective, and equitable policies, local governments can not only increase the effectiveness of regional tax revenue but also create a more humane tax system that aligns with the principles of social justice. From an Islamic perspective, fair and trustworthy policies will bring benefits to society and foster a harmonious relationship between the government and the people. Thus, the goals of regional development, improving public

[18]Graha, Hadi. (2022). Regional Taxation in Indonesia. Jakarta: Graha Ilmu, p. 212
[19]Sedarmayanti. (2022). Good Governance in the Perspective of Public Administration. Bandung: Mandar Maju, pp. 58–60.

welfare, and protecting taxpayer rights can be balanced in accordance with national legal principles and Islamic sharia values.

4. Conclusion

The discrepancy between the NJOP and market prices of land in Bantul Regency indicates that the regional tax assessment system still faces various obstacles, particularly in data updating, information synchronization, and land value zoning evaluation. This situation has resulted in fiscal injustice, taxpayer objections, and a decline in public trust in local government. From the perspective of Islamic law and justice, NJOP determination should be conducted objectively, transparently, and in accordance with actual conditions on the ground to ensure legal certainty and protect community rights. Regional governments need to regularly update NJOP data, improve inter-agency coordination, and strengthen transparency in the land valuation process. Furthermore, public involvement in NJOP evaluations needs to be increased to create a more equitable, accountable, and fiscally just regional tax system.

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