

# CHAPTER I

## INTRODUCTION

### 1.1 Background

Customs is a field or domain related to the administration, supervision, and control of the import and export of goods and the collection of customs duties. The customs system is designed to regulate and manage the movement of goods between countries with the primary objective of protecting economic interests and national security. Some important concepts in customs involve the application of import duty rates, the supervision of imported and exported goods, and the granting of licenses and regulations related to import and export activities.

International trade is a key element in a country's economy, and ports are the main gateway to import activities. Import duties are types of taxes imposed on goods entering (import duty) a country. These taxes play an important role in regulating the flow of goods, protecting domestic industries, and contributing revenue to the government.

Import duty are important factors in the context of global trade. The government uses import duty as a tool for policy to regulate the movement of commodities into and out of the country and to raise money for development. As such, the success of a nation's trade strategy depends on the application of import duty procedures.

Despite the broad implementation of import duty collection regulations, certain issues still require more in-depth analysis. The introduction of import collection, according to some economists, may have an impact on the competitiveness of homegrown goods, decrease trade efficiency, and may result in the creation of administrative obstacles that impede economic expansion.

This research will be conducted at Customs and excise supervision and service office of Bengkalis Riau. Bengkalis Riau Customs Office is one of the branch offices of the State Audit and Treasury Agency (Customs and Excise) located in Bengkalis Regency, Riau Province, Indonesia. The office is responsible

for the supervision, control and collection of customs duties in its working area. The Bengkalis Riau Customs Office is responsible for collecting customs duties imposed on imported goods entering its working area. This customs duty is one of the sources of state revenue and is used to finance various government programs and activities.

Import duty are collection on goods imported into Indonesia. The objectives of this collection are to regulate imports, safeguard homegrown industries, and bring in money for the state. Import duties are regulated in Law Number 10 Year 1995 on Customs, which has subsequently undergone several amendments and adjustments. Export duties are collection on goods exported from Indonesia. The purpose of this collection is to promote economic growth and bring in money for the state. The Customs Law governs a number of topics pertaining to import duties, including as the rates of import tariffs, the classification of commodities, import procedures, the requirements for deferring or exempting import duty payments, and the penalties that may be applied in the case of customs infractions.

Good cooperation between various related institutions, such as Customs, port authorities, related government agencies, as well as business actors, is essential in ensuring optimal performance of import duty collection procedures. Effective coordination can reduce overlapping tasks, speed up the flow of information, and eliminate administrative barriers in the customs process. several factors that can influence the results of this study, one of which is analyzing implementation the collection of import duties on imported goods at the Bengkalis Customs and Excise Office.

The implementation of import duty collections at ports also plays a role in regulating the flow of imported goods. The duty rates applied can affect a country's import volumes and regulate the balance of trade. The government can use duty collection as a policy instrument to influence the flow of goods and achieve desired economic and trade objectives, such as maintaining trade balance, reducing trade deficits, or encouraging Import of certain goods.

This study aims to determine the implementation of import duty collection toward imported goods at Bengkalis Customs and Excise Office, with the aim of knowing how the process of collecting Import duty is carried out toward imported goods at the port.

## **1.2 Formulation of The Problem**

The formulation of problems in this study is intended to as a guideline for conducting research carefully and precisely in accordance with the principles of scientific research, with the formulation of the problem, it is expected to be able to know the purpose and purpose of the research. Formulation of the problem is expected to know the purpose and purpose of the object of research, and aims to make the research and the scope of the research limited and focused on matters that are not covered in the research. The scope of the research description is limited and directed to matters related to the topic under study. related to the topic of the problem under study. The problems of this research are as follows:

1. How is the process of import duty collection at Bengkalis Customs and Excise Office?
2. What are the obstacles and challenges that be faced in the implementation of the Import duty collection toward imported goods at the Bengkalis Customs and Excise Office?
3. What are the solutions to the obstacles that exist in the implementation of procedures for collecting import duties on imported goods at Bengkalis Customs and Excise Office.

## **1.3 Purpose of the Study**

The purpose of this research is to find data in customs and excise with the statement below:

1. To find out the process of collecting import duties on imported goods at the Bengkalis Customs and Excise Office, so that policies in trade activities at the Bengkalis Customs and Excise Office can be known.

2. To find out constraints and challenges faced in the implementation of the import duty collection toward imported goods at Bengkalis Customs and Excise Office, such as administrative issues, and compliance.
3. To find out the solution to the existing obstacles in the implementation of the procedure for collecting import duties toward imported goods at Bengkalis Customs and Excise Office.

#### **1.4 Significance of Study**

Each research is carried out in order to obtain useful benefits for all parties concerned. The benefits that are expected by the author in conducting this research are as follows:

1. For authors

The author can benefit from this research in the form of developing analytical skills and understanding of international trade and the administration of import duties. In addition, the author can also gain experience in conducting research and producing scientific work that can be used as a reference for related parties.

2. For institution

Research on the results of this study can be a reference for government agencies in developing policies related to the application of import duty collection.

3. For university

The research results for this university as teaching material in courses related to international trade. The title of the proposed thesis is "An Analysis on the Implementation of Import Duty Collection Procedures toward Import Goods at Bengkalis Customs and Exise Office".

## **1.5 Scope and Limitation of the Problem**

Scope of implementation export and import duties can include several things, such as:

### **1. Analysis**

This research used analytical methods to evaluate and understand the application of Import Duties on import goods at Bengkalis Customs and Excise Office. This involves data collection, data processing, as well as qualitative analysis to gain an in-depth understanding of the issues under study.

### **2. Focus on analyzing the application of Import Duties**

This research focus on an in-depth analysis of the application of Import duties on import goods at the Port. This includes an understanding of the regulations, procedures, policies and rules relating to the implementation of these collections at customs and excise.

### **3. Import Goods**

This research study the implementation of import duties toward imported goods at Bengkalis customs and excise office. This includes an analysis of the different types of goods, classification of goods, and the effect of collection on these goods.

Limitations of research problems in customs can include several things, such as:

### **1. Data Limitations**

There are limitations in the availability of data required for the analysis. Complete and detailed data on the application of import and export duties on exported and imported goods may be difficult to obtain or not available in sufficient quantities.

### **2. Time Limitations**

Limited time may be a limiting factor in conducting a more in-depth analysis. The study may only be able to look at a specific period of time or may not involve long-term monitoring of the application of Import duty at Bengkalis Customs and Excise Office.

3. Access Limitations

Limited access to ports or relevant institutions may affect the collection of data and information required for the analysis. There are constraints in directly accessing or directly observing the process of applying Import Duties at Bengkalis Customs and Excise Office.

4. Methodological Limitations

The analytical methods used in this thesis may have their own limitations. The methods chosen may not cover all relevant aspects or may not allow for an in-depth understanding of the application of import duty at Bengkalis Customs and Excise Office.

## **1.6 Systematic Report Writing**

This research is divided into several sections with systematic discussion as the follows:

### **CHAPTER I: INTRODUCTION**

This chapter describes the background, the problems that become formulation of research questions, research objectives, research benefits, scope and problem boundaries, and writing systematics.

### **CHAPTER II: LITERATUR REVIEW**

This chapter describes the theoretical basis and literature review regarding the problems that be discussed in this study. The theoretical foundations that be discussed in this study include: The concepts of import, administration, import duty, port and international trade. In addition, this chapter also discusses previous research studies that are similar to the problems that researchers will raise.

### **CHAPTER III: RESEARCH METHODOLOGY**

This chapter describes the research methods that be researchers use in this research. The methods that be described between other research approach, research objectives, research time, and etc.

### **CHAPTER IV: RESULT AND DISCUSSION**

This chapter describes the research describe the discussion of the result of research analysis that has been carried out by interviews, observations, and other sources.

### **CHAPTER V: CONCLUSIONS AND SUGGESTIONS**

This chapter the author describe the conclusions and obtain from the discussion and sugestions that will be submitted by the Author.

### **REFERENCES**

### **APPENDICES**

### **WRITER BIOGRAPHY**