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Institutional Position of The Tax Court in The Indonesian Judicial System: Between A Court of First Instance and an Appellate Court

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Abstract

The Tax Court plays a central role in resolving tax disputes between Taxpayers and tax authorities in Indonesia. Normatively, the Tax Court is established as a special court within the administrative court system. However, the institutional design of the tax judicial system differs from other judicial environments because it does not adopt a hierarchical structure consisting of courts of first instance and appellate courts. This unique structure raises questions regarding the institutional position of the Tax Court within the judicial system under the Supreme Court. This study aims to analyze the institutional position of the Tax Court in the Indonesian judicial system and to examine whether it should be positioned as a court of first instance or as an appellate-level court. This research employs normative legal research using statutory, conceptual, and case approaches. The analysis focuses on legislation governing the judicial system, particularly laws on judicial power, administrative courts, and the Tax Court, as well as relevant Constitutional Court decisions. The findings indicate that, functionally, the Tax Court examines and adjudicates tax disputes at the first and final instance. Nevertheless, substantively, the cases brought before the Tax Court generally arise after administrative objection decisions, which means that the court performs a review function similar to an appellate examination of administrative tax decisions. Therefore, institutionally, the Tax Court is more appropriately understood as a special court that is structurally equivalent to an appellate-level court within the judicial system under the Supreme Court.

INTRODUCTION

Tax constitutes one of the primary sources of state revenue and plays a strategic role in financing governmental administration and national development. In practice, however, the legal relationship between the state as the tax collector and taxpayers as parties subject to tax obligations does not always proceed without dispute. Differences in the interpretation of tax legislation, differences in the assessment of transactional facts, and differences in the application of legal norms frequently give rise to disputes between taxpayers and tax authorities. To ensure legal protection for the parties involved and to provide legal certainty in resolving such disputes, the Indonesian legal system has established a specialized judicial mechanism in the field of taxation through the Tax Court.

The Tax Court was established as a judicial body authorized to examine and adjudicate tax disputes between taxpayers or tax bearers and the tax authorities. Normatively, the Tax

Court possesses characteristics that distinguish it from courts within other judicial environments. One of these characteristics is its authority to examine and decide tax disputes at the first and final instance. This means that decisions of the Tax Court are not subject to appeal before other courts but may only be challenged through an extraordinary legal remedy in the form of judicial review before the Supreme Court. This feature makes the Tax Court institutionally different from courts within the general courts, religious courts, military courts, and administrative courts, which generally apply a hierarchical system of adjudication consisting of courts of first instance and appellate courts.

Previous research has also examined the role of the Tax Court in resolving tax disputes. Herman and Apriadi (2019), for instance, highlighted the effectiveness of law enforcement in the Tax Court through statistical analysis of tax dispute cases and judicial decisions during the 2013–2018 period. Their study demonstrates that the Tax Court functions as the primary gateway for justice seekers in taxation disputes, emphasizing its central role in the tax dispute resolution system in Indonesia. However, while their research focuses on the effectiveness of the Tax Court in handling disputes, questions regarding the institutional position of the Tax Court within the broader structure of the Indonesian judicial system remain insufficiently explored.

In line with this perspective, Artono and Anggari (2018) emphasize that the Tax Court serves not only as a specialized forum for adjudicating fiscal disputes but also as an essential mechanism of legal protection for taxpayers. Their study distinguishes between preventive protection, which allows taxpayers to submit objections before a decision becomes final, and repressive protection, which enables taxpayers to pursue appeals or lawsuits before the Tax Court. They further highlight that judicial review (peninjauan kembali) before the Supreme Court constitutes the only extraordinary legal remedy against Tax Court decisions, thereby underscoring both the finality of tax adjudication and its role in safeguarding taxpayer rights.

This distinctive feature raises questions regarding the institutional position of the Tax Court within the national judicial structure, particularly within the framework of judicial power under the Supreme Court. In other judicial environments, the institutional position of courts is clearly determined through a hierarchical classification of courts, such as courts of first instance and appellate courts. For example, within the administrative court system, the Law on Administrative Courts stipulates that the judicial structure consists of Administrative Courts as courts of first instance and Administrative High Courts as appellate courts. This structure demonstrates that the determination of court levels forms an essential element in the institutional design of the judicial system.

In contrast to other judicial environments, the tax judicial system in Indonesia recognizes only a single judicial body, namely the Tax Court. This system does not adopt a hierarchical judicial structure as found in other court systems. Consequently, there are no courts of first instance or appellate courts within the tax judicial system, as commonly found in the national judicial structure. This condition raises the question of how the institutional position of the Tax Court should be determined within the judicial system under the Supreme Court, particularly whether it should be positioned as a court of first instance or as an institution equivalent to an appellate court. This issue has become increasingly relevant in the context of strengthening the one-roof system of judicial administration and transferring the organizational, administrative, and financial supervision of the Tax Court to the Supreme Court.

As discussed by Leonita (2023), the discourse concerning the institutional position of the Tax Court has also emerged in various judicial considerations and academic discussions. In its decisions, the Constitutional Court has stated that although the Tax Court is a special court within the administrative court system, its authority to examine and adjudicate tax disputes possesses unique characteristics that are not entirely identical to either a court of first instance or an appellate court. This indicates that, functionally, the Tax Court operates as a court of first and final instance, while at the same time performing a function resembling appellate review of administrative tax decisions. This dual character, as noted by Khalimi (2025), creates complexity in determining the institutional position of the Tax Court within the national judicial structure.

Furthermore, determining the institutional position of the Tax Court has broader implications for various aspects of judicial administration, including the organization of the court system, the status of judges, and the overall design of the tax judicial system. Therefore, clarity regarding the institutional position of the Tax Court is essential to ensure consistency in the institutional design of the judiciary and to provide legal certainty in regulating the tax judicial system in Indonesia.

Based on this background, this study aims to analyze the institutional position of the Tax Court within the Indonesian judicial system and to examine whether the Tax Court should be positioned as a court of first instance or as an institution equivalent to an appellate court within the judicial structure under the Supreme Court. This analysis is conducted through normative legal research by examining legislation governing the judicial system, particularly regulations related to tax courts and administrative courts, as well as relevant judicial decisions. Accordingly, this study is expected to contribute academically to explaining the institutional construction of the Tax Court within the national judicial system and to provide an argumentative basis for developing the institutional design of the tax judiciary in Indonesia.

RESEARCH METHOD

This study employs normative legal research (doctrinal legal research), which focuses on examining legal norms and statutory frameworks governing the institutional position of the Tax Court within the Indonesian judicial system. Rather than relying on empirical observation, normative legal research emphasizes the analysis of legislation, legal doctrines, and judicial interpretations to understand how legal institutions are constructed and positioned within the framework of judicial power (Saptomo, 2009).

The primary legal sources analyzed in this research include the Law on Judicial Power, the Law on Administrative Courts, and the Law on the Tax Court. These legislative instruments provide the normative foundation for examining the structure of the judicial system in Indonesia and determining how the Tax Court is positioned within that structure. In addition, relevant Constitutional Court decisions, particularly Constitutional Court Decision No. 6/PUU-XIV/2016 and Constitutional Court Decision No. 26/PUU-XXI/2023, are also examined as important sources for understanding the judicial interpretation of the Tax Court's institutional character.

Complementary sources consist of academic literature, legal commentaries, and scholarly articles discussing the structure of the judiciary, administrative justice, and the specialization of courts. These sources are used to provide theoretical perspectives and doctrinal analysis regarding the institutional design of specialized courts within the judicial system.

This research applies three methodological approaches in order to analyze the issue comprehensively:

1. Statutory approach, which examines relevant legislation regulating the judicial system in Indonesia, particularly laws governing judicial power, administrative courts, and the Tax Court. Through this approach, the research analyzes how legal norms construct the institutional position of courts within the judicial hierarchy.
2. Conceptual approach, which analyzes fundamental legal concepts related to court hierarchy, judicial specialization, and the distinction between functional jurisdiction and institutional structure. This approach is used to explain the theoretical framework for understanding the position of the Tax Court within the judicial system.
3. Case approach, which analyzes judicial reasoning contained in relevant court decisions, particularly decisions of the Constitutional Court that address the institutional character and authority of the Tax Court within the Indonesian judicial system.

The legal materials are collected through library research, which involves examining statutory instruments, judicial decisions, and academic literature relevant to the subject of this study. The collected materials are then analyzed using qualitative and descriptive legal analysis to identify the normative construction of the Tax Court's institutional position and to evaluate whether the Tax Court should be institutionally understood as a court of first instance or as an institution equivalent to an appellate-level court within the judicial structure under the Supreme Court. Through this methodological framework, the research aims to provide a systematic legal analysis of the institutional position of the Tax Court within the Indonesian judicial system and to contribute to the development of a clearer institutional design for the tax judiciary in Indonesia.

RESULTS AND DISCUSSION

The Position of the Tax Court as a Special Court and Its Jurisdictional Characteristics

The findings of this study indicate that the Tax Court occupies a distinctive position within the Indonesian judicial system. Under the framework of judicial power in Indonesia, the administration of justice is exercised by the Supreme Court and the courts under its authority within several judicial environments, namely the general courts, religious courts, military courts, and administrative courts. These judicial environments reflect the differentiation of jurisdiction based on the types of cases examined and adjudicated by each court system. In addition to these judicial environments, the Indonesian legal system also recognizes the establishment of special courts designed to handle specific types of disputes that require specialized expertise and regulatory frameworks.

Within this structure, the Tax Court is established as a special court responsible for resolving disputes in the field of taxation. The establishment of special courts represents a form of judicial specialization aimed at ensuring more effective dispute resolution mechanisms tailored to the characteristics of particular legal fields. In the context of taxation, the complexity of tax regulations and the technical nature of tax disputes necessitate a judicial institution with specialized competence in examining and adjudicating such disputes.

Normatively, the position of the Tax Court as a special court can be traced to statutory provisions governing the Indonesian judicial system. The Law on Administrative Courts provides the legal basis for the establishment of special courts within the administrative court system. The explanatory section of the law explicitly identifies the Tax Court as one example of such a special court. Consequently, the Tax Court is systematically positioned as part of the administrative court environment, with specific jurisdiction over tax disputes.

This institutional placement indicates that tax disputes fundamentally possess the characteristics of administrative disputes. Such disputes arise from administrative decisions issued by tax authorities in the exercise of governmental authority in the field of taxation. Accordingly, the resolution of tax disputes is conceptually related to the judicial review of administrative decisions, which traditionally fall within the jurisdiction of administrative courts.

Tax law itself is generally considered part of administrative law but possesses distinctive characteristics that differentiate it from other branches of administrative law. As noted by Muhasan (2017), although decisions issued by the Directorate General of Taxes constitute administrative decisions, disputes arising from such decisions do not fall within the jurisdiction of the administrative courts but instead fall under the authority of the Tax Court as a specialized judicial body.

However, the Tax Court differs significantly from other courts within the administrative court system in terms of its institutional design and jurisdictional authority. Historically, tax dispute resolution institutions in Indonesia have existed since the colonial period through bodies such as the Raad van Belastingzaken or Council for Tax Matters in 1915 and the Raad van Beroep voor Belastingzaken or Tax Appeals Council in 1927, demonstrating that the tax judiciary has long developed through a distinct institutional trajectory. Unlike the administrative court structure, which consists of courts of first instance and appellate courts, the tax dispute resolution system in Indonesia recognizes only a single judicial body, namely the Tax Court. As a result, tax disputes are not processed through a hierarchical court structure as commonly found in other judicial environments.

The study further reveals that the authority of the Tax Court possesses distinctive characteristics that set it apart from ordinary judicial structures. The Tax Court is empowered to examine and adjudicate tax disputes at the first and final instance. Consequently, decisions of the Tax Court are not subject to ordinary appellate review but may only be challenged through an extraordinary legal remedy in the form of judicial review before the Supreme Court. This design reflects a dispute resolution system that prioritizes finality and efficiency in tax adjudication.

Nevertheless, the jurisdictional characteristics of the Tax Court cannot be fully equated with those of a typical court of first instance. In the Indonesian tax system, disputes brought before the Tax Court generally arise after taxpayers have pursued administrative remedies, particularly through the objection process before the tax authorities. When taxpayers disagree with the outcome of an administrative objection decision, they may bring the dispute before the Tax Court through an appeal or lawsuit mechanism.

This procedural structure indicates that the Tax Court frequently examines disputes that have already undergone prior administrative resolution. Consequently, the Tax Court often performs a function resembling appellate review of administrative tax decisions. This dual function, serving both as a court of first and final instance and as a forum reviewing administrative decisions, creates a unique jurisdictional design within the Indonesian judicial system.

The Constitutional Court has also recognized this distinctive character. In its judicial reasoning, the Court emphasized that although the Tax Court is formally categorized as a special court within the administrative court system, its authority reflects not only the characteristics of a court of first and final instance but also elements of appellate review in the context of tax dispute resolution. This dual character distinguishes the Tax Court from other courts within the Indonesian judicial structure.

These findings demonstrate that the Tax Court represents a specialized judicial institution with a unique combination of jurisdictional functions. On the one hand, it formally operates as the first and final judicial forum for tax disputes. On the other hand, the nature of the disputes it examines, which arise from prior administrative decisions, creates a functional resemblance to an appellate review mechanism. This institutional uniqueness forms the basis for further analysis of the challenges in determining the precise institutional position of the Tax Court within the Indonesian judicial system.

Institutional Challenges in Determining the Position of the Tax Court within the Judicial Structure

The findings of this study reveal that the institutional position of the Tax Court within the Indonesian judicial system presents a significant conceptual and structural challenge. In general, judicial systems are designed through a hierarchical structure that clearly distinguishes between courts of first instance and appellate courts. This hierarchical arrangement is not only related to the mechanism of case examination but also reflects the institutional design and organizational hierarchy within each judicial environment.

In the Indonesian judicial system, such hierarchical structures are evident in several judicial environments. For example, within the general court system, District Courts function as courts of first instance, while High Courts function as appellate courts. A similar arrangement exists within the religious courts and the administrative courts, each consisting of courts of first instance and appellate courts. In the administrative court system specifically, the Law on Administrative Courts explicitly stipulates that the judicial structure consists of Administrative Courts as courts of first instance and Administrative High Courts as appellate courts. This arrangement illustrates that the determination of court levels forms an integral component of the institutional design of the judiciary.

In contrast to these judicial environments, the tax dispute resolution system does not adopt a hierarchical court structure. The system recognizes only one judicial institution, namely the Tax Court, which holds authority to examine and adjudicate tax disputes. Consequently, there is no separate court of first instance or appellate court within the tax judicial system, as commonly found in other judicial environments. This structural difference creates ambiguity in determining where the Tax Court should be positioned within the broader judicial hierarchy under the Supreme Court.

This institutional ambiguity has also been noted in previous scholarship. Muttaqin and Pasapan (2022) observe that although the Tax Court is legally defined as a special court within the administrative court system, its institutional arrangement historically reflects a dual structure. While judicial supervision is exercised by the Supreme Court, organizational and financial administration have been managed by the Ministry of Finance. This dual arrangement has contributed to ongoing debates regarding the proper institutional placement of the Tax Court within the Indonesian judicial system.

Similar observations have been raised in other studies examining the institutional design of the Tax Court. Leonita (2023) notes that the Tax Court in Indonesia reflects a form of institutional dualism, where the judicial function is exercised within the framework of the judiciary while aspects of organizational and financial administration have historically been managed by the Ministry of Finance. This dual institutional arrangement has long generated debate regarding the independence and structural placement of the Tax Court within the Indonesian judicial system.

Similar concerns have also been raised in previous studies examining the institutional design of the Tax Court. Sumolang (2019) argues that the Tax Court in Indonesia has historically stood between the executive and judicial branches due to the dual system of supervision, where judicial technical guidance is exercised by the Supreme Court while organizational and financial administration has been managed by the Ministry of Finance. This institutional dualism has raised concerns regarding the independence and structural position of the Tax Court within the national judicial system.

Previous scholarship has also emphasized the special jurisdiction of the Tax Court in tax dispute resolution. Muhasan (2017) argues that tax disputes fall under the absolute competence of the Tax Court, meaning that such disputes should not be examined by other judicial bodies unless specific legal provisions explicitly provide otherwise.

From a functional perspective, the Tax Court may appear comparable to a court of first instance because it directly examines and adjudicates tax disputes brought before it. However, this characterization does not fully capture the nature of the disputes handled by the Tax Court. As discussed earlier, most tax disputes arise after taxpayers have pursued administrative remedies, particularly through the objection process within the tax administration. The disputes brought before the Tax Court therefore typically involve the judicial review of administrative decisions issued by tax authorities.

This procedural characteristic creates a functional similarity between the Tax Court and an appellate forum reviewing administrative decisions. In many cases, the Tax Court does not examine disputes originating directly from primary legal conflicts but instead reviews the outcomes of administrative objection decisions issued by tax authorities. Consequently, the Tax Court performs a role that partially resembles the function of an appellate court in reviewing prior administrative determinations.

The institutional ambiguity surrounding the Tax Court is further complicated by its implications for judicial organization and the status of judges within the judicial hierarchy. In the Indonesian judicial system, the distinction between courts of first instance and appellate courts generally determines the structure of judicial positions, career paths, and administrative supervision. Therefore, the lack of clarity regarding the institutional position of the Tax Court may affect broader aspects of judicial governance, including the organization of the court system and the status of Tax Court judges within the judicial hierarchy.

This issue becomes particularly relevant in the context of the implementation of the one-roof system under the Supreme Court, which centralizes the organizational, administrative, and financial supervision of courts within the judiciary. Windia, Alya, and Pratama (2025) argue that the transfer of institutional authority over the Tax Court to the Supreme Court represents an important structural reform aimed at strengthening judicial independence and improving institutional accountability. However, the authors also note that such a transition presents several challenges, including the need to ensure adequate technical expertise in taxation within the judiciary and to maintain effective access to justice for taxpayers.

In other judicial environments, the transfer of such supervision did not raise significant questions regarding institutional positioning because the hierarchical structures of those courts had already been clearly defined by law. For instance, within the religious court system, the existence of Religious Courts as courts of first instance and Religious High Courts as appellate courts provides a clear institutional hierarchy. The situation differs significantly in the case of the Tax Court. Since the tax judicial system does not possess a hierarchical court structure, the transfer of institutional supervision to the Supreme Court raises fundamental questions regarding how the Tax Court should be positioned within the national judicial framework. The absence of a clearly defined hierarchical classification creates uncertainty in determining whether the Tax Court should be institutionally regarded as a court of first instance or as an institution equivalent to an appellate court.

Therefore, the determination of the Tax Court's institutional position cannot be viewed merely as a matter of classification within the judicial hierarchy. Rather, it represents a broader issue concerning the institutional design of the tax judicial system within the Indonesian framework of judicial power. Addressing this issue requires a deeper examination of both the functional characteristics and institutional structure of the Tax Court in order to determine a more coherent and consistent position within the national judicial system.

Reconstruction of the Institutional Position of the Tax Court within the Indonesian Judicial System

The analysis presented in this study suggests that the ambiguity surrounding the institutional position of the Tax Court arises primarily from the unique design of the tax dispute resolution system in Indonesia. Unlike other judicial environments that follow a hierarchical structure consisting of courts of first instance and appellate courts, the tax judicial system is structured around a single judicial institution. This structural characteristic requires a conceptual distinction between the functional jurisdiction exercised by the Tax Court and its institutional position within the broader judicial system. This distinction reflects a broader principle in judicial institutional design: the structural position of a court within the judicial hierarchy does not always correspond directly to the level at which it examines cases.

From a functional perspective, the Tax Court exercises jurisdiction as a court of first and final instance in the resolution of tax disputes. The finality of Tax Court decisions is explicitly recognized in Indonesian tax procedural law, where decisions of the Tax Court are considered final and binding, with judicial review to the Supreme Court serving as the only extraordinary legal remedy (2021).

The existence of tax disputes is closely related to the characteristics of the tax collection system in Indonesia, particularly the implementation of the self-assessment system. Differences in interpretation and application of tax regulations between taxpayers and tax authorities frequently lead to disputes. Sinaga (2024) explains that such disputes ultimately require judicial resolution in order to ensure legal certainty and fairness within the tax system.

In this context, the Tax Court plays a crucial role as the judicial mechanism through which taxpayers may seek legal protection against administrative tax decisions. Handika (2012) emphasizes that the tax dispute resolution system, particularly through objection and appeal mechanisms, constitutes an important avenue for taxpayers to pursue justice when disagreements arise with tax authorities. Taxpayers who disagree with the outcome of an administrative objection may directly submit their disputes to the Tax Court through appeal or lawsuit mechanisms. In this sense, the Tax Court serves as the first judicial forum available to taxpayers seeking judicial review of tax-related administrative decisions.

Building on this perspective, the role of the Tax Court extends beyond its technical function of adjudicating disputes between taxpayers and fiscal authorities. Ahmadi (2006) emphasizes that the Tax Court plays an important role in safeguarding legal certainty and ensuring that the exercise of state power in taxation remains subject to the rule of law. Through judicial review of administrative actions taken by tax authorities, the court provides legal protection for taxpayers while simultaneously strengthening public trust in the fairness and accountability of the fiscal system.

However, the functional role of the Tax Court cannot be understood solely through the lens of first-instance adjudication. As previously discussed, most disputes examined by the Tax Court arise after an administrative objection process has been conducted by the tax authorities. Previous studies also note that the Indonesian tax dispute resolution mechanism requires taxpayers to exhaust administrative remedies before bringing their disputes to the Tax Court. Ritonga et al. (2025) explain that taxpayers must first file an objection with the tax authority and may subsequently submit an appeal or lawsuit to the Tax Court if they disagree with the administrative decision. This procedural structure reinforces the hybrid character of the Tax Court, which reviews administrative determinations while simultaneously acting as the first judicial forum for tax disputes.

Consequently, the Tax Court frequently reviews administrative determinations rather than adjudicating disputes that originate directly at the judicial level. This procedural structure creates a functional resemblance between the Tax Court and appellate courts, particularly in the sense that the court reviews prior administrative decisions rather than initiating dispute examination from the earliest stage.

The Constitutional Court has acknowledged this distinctive characteristic in its judicial considerations. The Court emphasized that the Tax Court possesses a hybrid jurisdictional character: while formally exercising authority as a court of first and final instance, it simultaneously performs a function that resembles appellate review in the context of administrative tax disputes. This interpretation reflects the recognition that the Tax Court cannot be fully equated with ordinary courts of first instance within the Indonesian judicial hierarchy.

Based on these findings, this study argues that the institutional position of the Tax Court should be reconstructed through a clearer conceptual distinction between functional jurisdiction and institutional hierarchy. Recent scholarship has also emphasized the need to reconstruct the institutional position of the Tax Court following the Constitutional Court Decision No. 26/PUU-XXI/2023. Sa'adah and Aulia (2025) argue that the decision requires the full integration of the Tax Court into the Supreme Court as part of the judicial power. This integration necessitates adjustments not only in institutional governance but also in the organizational structure, status of judges, and procedural framework of the tax judiciary.

Although the Tax Court operates functionally as the first judicial forum for tax disputes, its institutional role within the judicial system is more appropriately understood as equivalent to an appellate-level court. Positioning the Tax Court at the institutional level equivalent to an appellate court does not alter its jurisdictional authority as the first and final judicial forum for tax disputes. Rather, such positioning provides a clearer institutional framework for integrating the Tax Court within the judicial hierarchy under the Supreme Court. This reconstruction reflects the hybrid nature of the Tax Court's jurisdiction, which combines elements of first-instance adjudication with the review of administrative decisions.

Furthermore, recognizing the Tax Court as institutionally equivalent to an appellate court also has important implications for the organization of the judiciary and the status of judges within the judicial hierarchy.

Previous scholarship has emphasized that the independence of judicial power is closely related to the institutional status and governance of judges as state officials. Teguh, Bachmid, and Rumadan (2022) argue that judicial independence requires a clear institutional framework governing the status, recruitment, and management of judges within the judiciary. Such arrangements are essential to ensure that judicial authority operates free from external influence and institutional ambiguity.

By aligning the institutional status of the Tax Court with that of appellate courts, the position of Tax Court judges may be placed on a level comparable to judges serving in High Courts within other judicial environments. This alignment supports greater consistency in the institutional design of the judiciary and contributes to strengthening the independence and professionalism of tax adjudication.

In this context, the reconstruction of the Tax Court's institutional position provides a conceptual solution to the ambiguity that has long surrounded the tax judicial system in Indonesia. Clarifying the Tax Court as a special court institutionally equivalent to an appellate-level court helps integrate the tax judiciary more coherently within the national judicial system while preserving its distinctive functional characteristics.

Ultimately, this reconstruction contributes to strengthening the institutional design of tax adjudication in Indonesia. By clarifying the Tax Court's position within the judicial hierarchy, the tax dispute resolution system can better ensure legal certainty, judicial efficiency, and the protection of taxpayer rights within the broader framework of judicial power under the Supreme Court.

CONCLUSION

The institutional position of the Tax Court within the Indonesian judicial system cannot be adequately explained by the conventional hierarchy of courts alone. Although the Tax Court is normatively established as a special court within the administrative court environment, its procedural and jurisdictional design gives rise to a hybrid institutional character. On the one hand, it functions as the first and final judicial forum for resolving tax disputes. On the other hand, because most tax disputes reach the court only after administrative objection procedures have been exhausted, the Tax Court also performs a review function that closely resembles the appellate examination of administrative decisions. This duality distinguishes the Tax Court from ordinary courts of first instance and explains why its institutional classification has remained conceptually unsettled.

This study demonstrates that the ambiguity surrounding the Tax Court is not merely terminological but structural. The tax judicial system is centered on a single court with final adjudicative authority, a design historically compounded by institutional dualism. In this context, Constitutional Court Decision Number 26/PUU-XXI/2023 marks an important constitutional turning point, confirming that the future of the Tax Court must be understood within a unified judicial system under the Supreme Court. Accordingly, this article argues that the Tax Court should be reconstructed through a clear distinction between functional jurisdiction and institutional position. Functionally, the Tax Court remains the first judicial forum available to taxpayers in tax disputes. Institutionally, however, the Tax Court should be positioned as a court equivalent to the appellate level within the judicial hierarchy, considering its review-oriented function, the finality of its decisions, and its role within the broader framework of judicial organization. Such positioning does not alter the court's adjudicative authority but provides a more coherent framework for integrating the Tax Court into Indonesia's judicial structure.

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