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KKN-Thematic Counseling to Combat Illegal Cigarettes in Undaan Kidul Village, Kudus

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Abstract: One of the excisable goods in Indonesia is tobacco products. Excise is a state levy imposed by the state on certain goods that have the properties or characteristics stipulated in this Law. Certain goods that have properties or characteristics of consumption need to be controlled, their circulation needs to be monitored, their use can have a negative impact on society or the environment, or their use. The purpose of this counseling is to provide insight to the public about the dangers and prevent the circulation of illegal cigarettes. The counseling method is used to educate the public about the adverse effects of illegal cigarette distribution. As well as providing insight to the community regarding the circulation of illegal cigarettes. The results of this counseling activity were that the community members enthusiastically participated in this counseling by focusing on paying attention, and actively asking questions to the KKN Team. So that this counseling is very important to do considering that the increasingly widespread circulation of illegal cigarettes. The community must be able to be wise in consuming cigarettes. In addition, people must be able to choose and distinguish between legal cigarettes and illegal cigarettes, because this greatly affects the negative impact or losses obtained from the dangers of illegal cigarette circulation.

Keywords: Counseling, Cigarettes, Illegal Cigarette Distribution, Excise

1. Introduction

Tobacco is one of the plants with so many benefits, all parts of the tree can be utilized by the community in their daily needs. According to Barla and Kumar (2019), tobacco plants consist of stems, tobacco leaves and flowers. After the tobacco plant is old, the leaves are gradually picked starting from the lower, middle and upper leaves. Furthermore, tobacco stems are used for firewood and seeds from flowers are used (selectively) for seedlings and tobacco leaves are processed into cigarettes, cigars, sliced tobacco and/or exported in the form of dried tobacco.

Because of its usefulness, tobacco has an impact on people's lives, where the tobacco processing industry can play an important role in driving the national economy (Wallace et al., 2007; Windrum, 2008), especially in tobacco-producing areas, cloves and cigarette production centers, among others in growing related industries/services, providing business opportunities and absorbing labor. In a situation of economic crisis, IHT is still able to survive and not carry out layoffs, even this industry is able to make a significant contribution to State revenue. Tobacco is one type of goods that is taxed because it is one type of excisable goods. In Article 1 Paragraph 1 of Law Number 39 of 2007 concerning Excise which reads “excise is a state levy imposed by the state on certain goods that have the properties or characteristics stipulated in this Law” this levy is carried out on certain goods that have been determined in Article 4 paragraph 1 of Law Number 39 of 2007 concerning excise which is imposed on excisable goods consisting of ethyl alcohol or ethanol by not transferring the goods used and the manufacturing process, beverages containing alcohol in any degree by not moving the materials used and the manufacturing process and tobacco products which include cigarettes, cigars, leaf cigarettes, sliced tobacco, and other tobacco processing products, without moving the materials used and the manufacturing process. One of the excisable goods in Indonesia is tobacco products. Cigarettes are a product of tobacco products that are in great demand by the people of Indonesia.

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In Syahputra and Edorita (2016) that certain goods that have the nature or characteristics of their consumption need to be controlled, their circulation needs to be monitored, their use can have a negative impact on society or the environment, or their use needs the imposition of State levies for the sake of justice and balance, are subject to excise based on the law on excise on certain goods, hereinafter referred to as excisable goods. One of the processed tobacco products is cigarettes. Where cigarettes are one of the biggest contributors to health problems in Indonesia. According to Lawrence and Collin (2004) cigarettes that are produced contribute to the death of around 521 Indonesians every day. In addition to health, due to smoking the State also bears the burden of environmental damage and public facilities.

Cigarette excise is a means of controlling cigarette consumption which is addictive and damaging to health. Compared to other countries, the price of cigarettes in Indonesia is still relatively affordable with low taxes and excises WHO, (2020)

According to Wardani (2022) the imposition of an excise tax on tobacco products (HT) is the right instrument to reduce the adverse health effects of smoking, and excise tax on HT is a reliable source of revenue for the state. According to WHO (2020), there are deaths of more than 225700 people every year due to smoking behavior or other diseases associated with tobacco consumption. Another loss felt by Indonesia due to smoking is the total cost of lost productivity of smokers of productive age.

However, the threat of the imposition of excise as an instrument in reducing smoking prevalence and a source of state revenue is the existence of illegal cigarettes because the increased availability of illegal cigarettes reduces consumer prices through tax evasion, thus threatening efforts to control tobacco consumption and collect excise by the state. According to Wardani (2022) In Indonesia, based on data from the Directorate General of Customs & Excise, the circulation of illegal cigarettes in 2020 amounted to 4.86% with an estimated loss of excise revenue of nearly 5 trillion rupiah.

The circulation of illegal cigarettes in society is one form of crime that still needs attention because it is easy to find without us realizing it Van Duyne (2003). As a result of this community disease, state losses rise to billions of rupiah, which is why the circulation of cigarettes in Indonesia needs control by the authorities, namely the Directorate General of Customs and Excise and the Regional Government and the community.

Apart from illegal cigarettes harming the state, there are several things that need to be emphasized as reasons for illegal cigarettes to be eradicated. According to Assauqi and Islam (2022) First, illegal cigarettes do not have a permit from customs, which means that the product has not gone through health standards so that it is not explained exactly the percentage content of harmful (addictive) ingredients in these cigarettes so that the composition of the ingredients used cannot be accounted for. Secondly, the cheap price of illegal cigarettes makes unfair competition in the market, this happens because the price difference between legal and illegal cigarettes is fairly high, reaching 50 percent. In fact, the legal cigarette business is one of the pillars of state revenue from excise taxes and product value added taxes (Astuti, 2021).

The circulation of illegal cigarettes is a problem in various regions in Indonesia, one of which is kudus district. Where the problem of illegal cigarette distribution in kudus district, which is the center of the cigarette industry, is in the high category where, as reported by (Suarda et al., 2024) that in the middle of 2023 there were 58 cases of illegal cigarette distribution handled by the Kudus Regency Customs.

Various ways are carried out by the government in order to prevent and stop the circulation of cigarettes in Kudus Regency. One of them is the Central Java Disperindag and Beacukai inviting KKN students to fight illegal cigarettes.

Based on the above background, students of Kuria Kudus University's Community Service Program (KKN), located in Undaan kidul Village, Undaan Subdistrict, Kudus Regency, conducted a socialization on the prevention of illegal cigarettes. The purpose of this activity is to build public awareness to be wiser in consuming cigarettes and to assist the government in eradicating the circulation of illegal cigarettes.

2. Methods

The method of implementing the activity is socialization. The stages of the activity are as follows:

1. Coordination and Preparation of Activities Coordination was carried out by the Head of Undaan Kidul Village, Field Supervisors, and KKN Students. This activity is carried out to prepare participants, locations, and implementation time.
2. Dissemination was carried out in several coffee shops and public places in the Undaan Kidul village area with local residents by delivering material about the dangers of illegal cigarettes and the importance of using legal cigarettes. This socialization was attended by around 30 Undaan Kidul villagers.

3. Results

Activity Coordination and Preparation Stage. At the coordination and preparation stage, the KKN student team, Field Supervisors, and the Village Head confirmed the schedule of activities and the form of activities to be carried out. The target audience consists of Undaan Kidul Village community members who are highly motivated and wise in consuming cigarettes and helping the government in preventing the circulation of illegal cigarettes.

At this stage, data collection of ideas was carried out through community leaders. The survey results obtained data that

in general there are several strategic places where smokers, especially men, gather. One of the most strategic places is the stalls where people hang out. Based on the survey results, it is necessary to socialize to smokers who are very close to cigarette circulation. Thus, counseling was given with the theme "Counseling to combat illegal cigarettes in stalls in Undaan Kidul Village". This theme was chosen with the aim of providing information about the circulation, weaknesses, and also the negative impact of the circulation of illegal cigarettes.

Counseling on Illegal Cigarette Distribution Stages of counseling activities we started with the opening, then we mapped the place to be used as counseling. Next, we conducted counseling from strategic places, namely stalls in the Undaan Kidul village area.

This counseling activity was carried out in the 3 most crowded coffee shops in Undaan Kidul village which was attended by a total of 25 people. The Undaan Kidul villagers who attended the counseling were enthusiastic, they were able to follow carefully. In terms of observations made, the residents followed the counseling by focusing on paying attention to the explanation of the KKN team.

Based on socialization, it is also known that participants are active during discussion sessions. Participants' questions were more about how to find out illegal cigarettes from legal ones. In addition, how to prevent the circulation of illegal cigarettes so as not to reach the villagers. And residents also conducted a question and answer session on the impact of illegal cigarettes.

According to (Ihsania & Kumala, 2021) there are several things that must be considered to determine whether cigarettes are illegal and legal, namely by checking the excise tape on the cigarette packaging, namely cigarettes without excise tapes, fake excise tapes, used excise tapes which can be identified by paying attention to the presence of folds, tears, or additional glue marks on the excise tape, excise tapes but wrong personalization and wrong designation known by comparing the name of the company that produces the visible at the bottom or side of the cigarette packaging with the ownership of the excise tape can be seen from the personalization code on the excise tape.

In the implementation, the officers took and examined several electrical products of various brands in the shop window. Then the officer compares the retail price on the excise tape with the price set by the seller. In addition, the officers also noted the type, content, brand, and company that produced it. This means that if the local government understands how to distinguish between real and fake excise tapes, it will pass on the information to the public in order to avoid illegal excisable goods in the market.

There are several reasons that have led to an increase in the circulation of illegal cigarettes. According to Azizah and Purwana (2021) that the increase in excise rates on tobacco products is one of the triggering factors in tax evasion and the creation of a black market for illegal tobacco products. So there are indications that the policy of increasing excise tax rates on tobacco products regularly every year carried out by the government has caused the price of tobacco products to become more expensive in the market and become less affordable for people in Indonesia. This is thought to have encouraged irresponsible individuals to take advantage of the situation by circulating tobacco products illegally and selling them at low prices in the market. So the government launched the High Risk Excise Control Program (PCBT) with the aim of reducing the circulation of illegal cigarettes.

In an effort to prevent the circulation of illegal cigarettes. According to (Putri et al., 2022) Preventive law enforcement efforts can be taken by organizing legal counseling such as socialization of customs and excise regulations, carrying out observations to gather information regarding the circulation of cigarettes without excise with the intention of preventing the rampant circulation of cigarettes without excise in the community, as well as conducting Customs and Excise patrols with direct execution in the field.

Then carry out prevention or confiscation with the status of confiscated goods, namely state property, auctioned, destroyed. As well as repressive efforts to destroy cigarettes without excise that absolutely cannot be circulated.

The law enforcement is also regulated in Law Number 39 Year 2007 on Excise, namely to every person who does not have a license to run a factory or import excisable goods can be caught in a minimum imprisonment of 1 (one) year and a maximum of 2 (two) years and a minimum fine of 2 (two) times and a maximum of 10 (ten) times the excise tax that should be paid. It also stipulates that a person who offers, delivers, sells, or makes available for sale excisable goods without the attachment of an excise band or without other excise payment marks can be charged with a prison sentence of as short as 1 (one) year and a maximum of 5 (five) years and/or a fine of at least 2 (two) times and a maximum of 10 (ten) times the excise assessment that should have been paid.

Several things have a negative impact on the circulation of illegal cigarettes.

a) Reduced state revenue from tobacco excise taxes

b) Triggering unfair business competition

c) Increasing the number of novice cigarettes because of the affordable price in the youth field

d) In addition, illegal cigarettes are very dangerous because the content in illegal cigarettes is not measurable and not via laboratory test

In addition, the implementation of vinegar for goods with certain characteristics has a positive impact on society. One of them is the Revenue Sharing Fund for Tobacco Excise (DBHCHT). According to Ministry of Finance (2021) by Law No. 39 of 2007, Article 66A paragraph 1 of PMK No. 7/PMK.07/2020 instead of PMK No. 222/PMK.07/2017 Article 2 states:

1. Used to fund programs/activities:

a. improving the quality of raw materials

b. industry development

c. social environment development

d. socialization of provisions in the field of excise, and/or

e. eradication of illegal excisable goods.

2. At least 50% (fifty percent) of the previous year's allocation + silpa is prioritized to support the National Health Insurance program.

This is done to overcome the negative impact of smoking, the impact of CHT policy, and/or the impact of national tobacco policy with the priority target of tobacco farmers and/or cigarette factory workers. Synchronized with activities funded from the APBD.

Its uses include;

1. Community Welfare (50%)

- Support through the raw material quality improvement program:

1) Assistance

2) Seeds/fertilizers, production facilities to tobacco farmers (crop diversification). Training on tobacco quality improvement.

3) Partnership program between tobacco farmers and partner companies

-Support through social environment development programs, in the form of:

1) BLT for tobacco farm workers and cigarette workers

2) Professional training and business capital assistance

2. Health (25%)

- National Health Insurance (JKN) contribution assistance.
- Improving public health through promotive / preventive and curative / rehabilitative activities
- Supporting efforts to reduce stunting prevalence rates and efforts to deal with the Covid- 19 pandemic
- Procurement/maintenance of facilities and infrastructure for health facilities and services.

3. Discussion

From the results of counseling by the KKN team, it is known that the community around Undaaan Kidul village still does not understand the difference between legal and illegal cigarettes as illustrated in Fig. 1. In addition, because illegal cigarettes tend to be affordable, they prefer cigarettes without excise bands. And assume cigarettes are the same type of goods. But after this counseling the community has begun to understand the difference between legal and illegal cigarettes.

Community members began to want to move from illegal cigarettes to legal cigarettes because of the negative impact given from the circulation of illegal cigarettes.



Fig. 1 - Counseling on illegal cigarette distribution in undaan kidul village stalls.

4. Conclusion

Counseling on the circulation of illegal cigarettes can provide new insights and knowledge to smokers, especially in Undaan Kidul village about the dangers of illegal cigarettes circulating in the community. With this counseling will have an impact on cigarette addicts to be wiser in consuming cigarettes. Cigarette addicts are advised to be wiser in choosing cigarettes, and it is hoped that the community will be able to choose and understand, how to characterize illegal cigarettes and also characterize legal cigarettes. Because knowing the difference between legal and illegal cigarettes is very useful to prevent the negative impact of illegal cigarettes.

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Conflict of Interest

The authors declare no conflicts of interest.

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