

Analysis Of Tax Compliance Based On Psychological Factors And Tax Administration

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ABSTRACT

Awareness of paying taxes is a personal area that is abstract and difficult to measure. However, it can still be pursued by taking into account the factors that influence it, including financial condition and awareness of paying taxes, as well as presenting professional and pleasant tax services. This research is part of the survey method, in which research data is obtained through distributing questionnaires to 100 respondents. The sampling technique adheres to incidental assumptions. The results of the study state that awareness of paying taxes will increase when various conditions are met, including the implementation of easy tax services, the existence of a penalty system for delays (in the form of population administration sanctions), a high desire to contribute to the state (nationalism motivation), and the financial condition of taxpayers. It is firmly estimated at 95%. This means that there will be an increase in participation in paying taxes by 95% of the total taxpayers. This is very helpful for government revenue receipts.

Keywords: Sanctions, Tax Services, Financial Condition, Motivation/Awareness of Paying Taxes

INTRODUCTION

In order to build a nation, the government cannot be separated from the State Revenue and Expenditure Budget (APBN), in this case usually taxes are used, so it is not surprising when the government then make rules that are expected to be able to increase state tax revenues (Official, 2016).

The government's efforts in optimizing regional development that are carried out independently, taxes continue to increase from year to year, as an effort to break away from dependence on foreign parties (foreign debt). As expected in the Main Thoughts and Points of Amendment to Law no. 16 of 2000 concerning General Provisions and Tax Procedures, that the main policy in the tax sector is aimed at increasing tax

revenues towards national independence in state financing and development financing (Official, 2016).

In practice, taxes are a potential source of state and local revenue. Taxes managed by the central government are a source of state revenue in the APBN, while taxes managed by local governments are a source of regional revenues in the APBD (Mardiasmo, 2016).

Given the importance of the role of taxes, the government in this case the Directorate General of Taxes has made various efforts to maximize tax revenues. One of the efforts made is through the reform of legislation in the field of taxation with the implementation of a *self-assessment system* in tax collection since the 1984 fiscal year (Ali & Nasaruddin, 2020).

Prior to the era of tax reform, the tax collection system established was the *official assessment system*. *official assessment system* is a collection system that authorizes the tax authorities to determine the amount of tax owed by the taxpayer (WP). Agustiningsih & Isroah (2016) stated that the advantage of this system is that all tax risks that will arise are the responsibility of the tax authorities, such as late paying or reporting due to the tax officer's delay in determining the amount of tax owed to be paid by taxpayers (Putu & Asmara, 2019). The weakness of this system is that taxpayers are passive in following the provisions and provisions issued by the discus (Syafriel, 2018).

The advantage of this *self-assessment* is that taxpayers are trusted by the tax authorities to calculate, pay, and self-report the tax payable in accordance with the applicable tax provisions. The calculation function is a function that gives taxpayers the right to determine their own tax payable in accordance with tax regulations (Khasanah & Yushita, 2016). The weakness of this system is that all tax risks that will arise are the responsibility of the taxpayer.

One of the obstacles that can hinder the effectiveness of tax collection is *tax compliance*. Taxpayer compliance can be defined as an attitude or behavior of a taxpayer who carries out all his tax obligations and enjoys all his tax rights in accordance with the provisions of the applicable laws and regulations. In order to achieve the tax target, it is necessary to continuously develop public awareness and compliance to fulfill tax obligations. Tax awareness arises from within the taxpayer

himself, without paying attention to tax sanctions. Meanwhile, tax compliance arises because of knowing the existence of tax sanctions. However, in practice it is difficult to distinguish whether taxpayers who fulfill their tax obligations are motivated by tax awareness or compliance.

Triandani & Apollo (2020) suggests that taxpayer awareness of the tax function as state financing is needed to improve taxpayer compliance. In other words, good tax service is expected to increase taxpayer compliance who will fulfill tax obligations. Research conducted by Wijaya (2019) and Siregar, et, al. (2019) found that taxpayer awareness has a positive and significant effect on taxpayer compliance. Furthermore, Triandani & Apollo (2020) states that to improve taxpayer compliance in fulfilling their tax obligations, the quality of tax services must be improved by the tax authorities. Taxpayers will fulfill their tax obligations if they perceive that tax sanctions will harm them more (Rahayu, 2017). The results of research by Wijaya (2019) and Oktaviani, et, al. (2020) found that tax sanctions have a positive effect on taxpayer compliance.

THEORETICAL BASIS

Motivation on taxpayer compliance

Robbins and Coulter (2010), states that motivation is a process that causes intensity, direction, and persistence towards achieving goals. In this case, motivation has a very important role in growing one's awareness to pay taxes. Therefore, the government's role in disseminating taxes to the public must be comprehensive and persuasive, in which the government explains the purpose and use of taxes for national development, all of which are intended for the welfare of the Indonesian people. For example, such as the construction of free education, free health, road construction and so on. Thus, the community will be born to participate by paying taxes to the state.

Tax service services on taxpayer compliance

Service is a way of serving (helping take care of or preparing all the needs that someone needs). Meanwhile, the tax officer is a tax officer. The activities carried out by the tax authorities by greeting the public to submit their SPT on time, including continuous counseling through various media, as well as NPWP care parades on the street, deserve to be commended. With continuous counseling to the public so that they

know, recognize, respect, and comply with tax provisions, it is hoped that the purpose of tax revenue can be successful.

Ilyas and Burton (2010) explained that although the tax campaign and counseling had been carried out by the Director General of Taxes, the best way to change the attitude of the people who were still constrained and did not understand the importance of paying taxes, and finally willing to register to get a NPWP was through services. Still in Ilyas and Burton (2010), it is explained that it is the attitude or service of good tax authorities that must be given to all taxpayers, because in paying taxes a person does not have a direct counter-achievement. If in the world of trade there is an expression "The buyer is the King", then the expression "Taxpayer is the King" also needs to be publicized, so that taxpayers are enthusiastic in paying taxes.

Tax sanctions on taxpayer compliance

Sanctions are an action in the form of punishment given to people who violate the rules. Regulations or laws are signs for someone to do something about what to do and what not to do. Sanctions are needed so that regulations or laws are not violated. Tax sanctions are a guarantee that the provisions of taxation legislation (tax norms) will be obeyed, adhered to, and obeyed, in other words, tax sanctions are a deterrent so that taxpayers do not violate tax norms and thus taxpayers will gradually be able to comply with taxes. with full awareness to participate in building the nation.

Financial condition on taxpayer compliance.

Financial condition is an individual's financial ability to fulfill all their needs. If the individual can meet all these needs, whether it is primary, secondary, or tertiary needs based on the income they have without outside assistance in the form of loans, it can be said that the individual's financial condition is very good. However, if the individual often makes loans from outside parties which are usually obtained from family, friends, or banks, it can be said that the individual's financial condition is very bad (Agustiantono, 2012: 28).

This explanation provides an understanding that financial condition is the key word for someone to pay taxes so that in the end they comply to pay taxes regularly. Given the financial condition that is the main source of someone being able to pay taxes, without it taxpayers cannot do much. Therefore, it is very clear that financial

conditions can certainly increase a person's awareness to comply with his obligations as a citizen to pay taxes.

METHOD

This research is part of the scope of Tax Accounting Economics. The discussion includes empirical theory explaining the specifics of tax accounting science which includes taxpayer compliance, financial condition, motivation, tax service services and tax sanctions. This type of research is included in the category of deductive research. Deductive research is a research based on general theory in order to generalize the results. The sample in this study were individual taxpayers who were still active at the KPP Pratama Jakarta, Kebayoran Lama, South Jakarta, who were met at the time of the research. The sampling method uses *simple random sampling*, where samples taken from the population are considered to have the same opportunities and simple random sampling is carried out. The method of analysis uses *Moderating Regresson Analysis* (MRA), where research data is obtained through distributing questionnaires. Furthermore, the data were analyzed using descriptive test, data quality test, classical and partial assumption test, simultaneous test and coefficient of determination test.

RESULTS

Table 1. Linear Regression Test

Variable	Standar Regression Test
Constant	16,083
Motivation	0.139
Tax Service	0.178
Tax Sanctions	0.553

Source: SPSS output, 2020

Based on the SPSS output above, it is known that the results of the multiple linear regression test are as follows:

1. The constant value (a) is 16,083 which means that if the taxpayer does not have motivation, there is no tax service and there is no tax sanction or equal to zero (0), then taxpayer compliance is 16,083.

2. Variable X1 is a motivation regression coefficient of 0.139, meaning that if there is an increase in motivation of 1 unit, there will be an increase in taxpayer compliance of 0.139.
3. Variable X2 is a regression coefficient for tax service services of 0.178, meaning that if there is an increase in tax service (taxation) services of 1 unit, there will be an increase in taxpayer compliance of 0.178.
4. Variable X3 is a tax sanction regression coefficient of 0.553, meaning that if there is an increase in tax sanctions of 1 unit, there will be an increase in taxpayer compliance of 0.553.

Furthermore, the results of the moderation analysis show the following findings:

1. Motivation and financial condition have a significant effect on taxpayer compliance through moderating variables.
2. Fiscal services and financial conditions have a significant effect on taxpayer compliance through moderating variables.
3. Tax sanctions and financial conditions have a significant effect on taxpayer compliance through moderating variables.
4. Motivation, tax service, tax sanctions and conditions have a significant effect on taxpayer compliance through moderating variables.

Table 2. Determination Test

of Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.976 ^a	0.952	0.950	.774

Source: SPSS output, 2020

Based on the table above, it is known that the coefficient of determination of motivation variables, tax services, tax sanctions and financial conditions on individual taxpayer compliance at KPP Pratama Jakarta Kebayoran Old is 0.950. This means that motivation, tax service services, tax sanctions and financial conditions are able to explain the individual taxpayer compliance variable of 0.950 or 95% while the remaining 5% is explained by other variables outside of this study. For example, the level of tax knowledge, income level, awareness, tax facilities, tax amnesty, tax service and taxation service facilities and so on.

CONCLUSION

The results of the analysis and discussion present the following findings; 1) motivation has a positive and significant effect on taxpayer compliance with a regression coefficient of 0.139. 2) Fiscal service has a positive and significant effect on taxpayer compliance with a regression coefficient of 0.178. 3) tax sanctions have a positive and significant effect on taxpayer compliance with a regression coefficient of 0.553. 4) Simultaneously the variables of motivation, tax service and tax sanctions have been proven to have a positive and significant effect on individual taxpayer compliance by 95% while the remaining 5% is explained by other variables outside of this study. and 5) The results of the *Moderated Regresson Analysis* (MRA) test prove that motivation, tax service services and tax sanctions through financial conditions have a significant effect on individual taxpayer compliance.

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