



Determinants of Individual Taxpayer Compliance at KPP Pratama Tarakan

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ABSTRACT

Purpose – Based on data from the Performance Report of the Directorate General of Taxes of the Ministry of Finance, until 2021 it shows unsatisfactory results. In addition to fluctuating, taxpayer compliance also never reaches the targets that have been set. From this background, it is important to further examine the attitude of fiscal services, tax socialization, and taxpayer knowledge of taxpayer compliance. **Methodology / approach** – This study uses a quantitative approach to answer these problems using primary data in the form of questionnaires. The population in this study is all taxpayers registered at KPP Pratama Tarakan. The number of questionnaires distributed in this study was 110 questionnaires distributed within the scope of KPP Pratama Tarakan. However, after going through the questionnaire collection stage, it turned out that only 100 questionnaires could be processed. Before conducting data analysis, researchers conducted validity and reliability tests on 100 respondents to show the extent to which the questionnaire was trustworthy and reliable. The data analysis technique used in this study is multiple regression analysis technique. **Novelty/value** – The results of hypothesis testing in this study show that fiscal service attitudes, tax socialization, and taxpayer knowledge have a positive and significant effect on taxpayer compliance.

Keywords: *Fiscal Service Attitude, Tax Socialization, Taxpayer Knowledge, and Taxpayer Compliance*

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INTRODUCTION

One of the functions of the existence of a state is to protect and provide services to every citizen. The government was formed to carry out the functions of the state. In an increasingly advanced era, Indonesia as a developing country is inevitably required to be able to compete with other countries. The State of Indonesia was established with the commitment of the founding fathers to make this country prosperous, prosperous, smart, while contributing to world peace. It is not an easy thing to make it happen, of course, it takes power and effort from state organizers along with full community support. Efforts to realize these goals must be based on the principles of freedom, lasting peace, and social justice. For this reason, legal rules are needed that regulate state life by taking into account these principles.

One of the government's efforts is to carry out national development, which is expected to be able to improve people's welfare. To achieve this goal, the government must pay attention to existing funds or budgets, so that the national development process can run well. Furthermore, the funds or budgets managed are contained in the State/Regional Budget (APBN/APBD). The source of APBN/APBD revenue comes from oil and gas (oil and gas) and non-oil and gas sources. The source of state revenue from non-oil and gas, especially from taxes.

Until now, the tax sector is still highly relied upon by the government as the main source of revenue in financing development and state spending. As stated in the State Budget (APBN) that taxes are the largest revenue from within the country. It is undeniable that tax dominance as the largest source of revenue is a very reasonable thing, because this source of revenue has an unlimited age, especially with the increasing population every year. (Hardiningsih and Yulianawati 2011).

According to Article 1 of Law No. 28 of 2007 concerning General Provisions and Tax Procedures, tax is a mandatory contribution to the state owed by an individual or entity that is coercive based on the Law, with no direct compensation and used for state purposes for the greatest prosperity of the people. Government functions will not run well if taxpayers do not have the obligation to pay taxes (Hammar *et al.*, 2005 in arum 2012). So large is the role of taxes to support the survival of the state that the government, in this case, the Directorate General of Taxes must be required to work extra hard in maximizing state revenue from the tax sector (Iskamto, 2022; Prihastuti *et al.*, 2022; Roni, 2022; Syihabudin *et al.*, 2023).

Therefore, in order to increase tax revenue, especially revenue from within the country, the government carried out a major reform in the field of taxation (*Tax Reform*) in 1983 which originally adopted the official assessment system system where the responsibility of the tax collection system lies with the tax officer (*fiscus*) to be a self assessment system. This is considered important to be able to further maximize tax revenue, which as long as it only relies on the role of the Directorate General of Taxes and tax officers, without the active role of the taxpayers themselves. Self assessment system is a tax collection system where taxpayers are given the trust to register, calculate, deposit and report their own amount of tax owed in accordance with the provisions of tax laws and regulations

In practice, the Self Assessment System is difficult to run as expected, even often misused. This can be seen from the number of taxpayers who deliberately do not comply, as well as low taxpayer awareness or a combination of both, thus making taxpayers reluctant to carry out their obligations to pay taxes. Taxpayer compliance *can* be identified from taxpayer compliance in registering, compliance to report back the Tax Return (SPT), compliance in calculating and paying taxes owed, the correctness of the amount of income tax installment payment article 25/29. Jamin (2001) in Santi (2012) revealed that the compliance level of Corporate Taxpayers is better than that of Individual Taxpayers. This can happen because most Corporate Taxpayers use consultant services in handling corporate tax issues, while Individual Taxpayers take care of their own tax issues.

Based on this, there is an assumption that tax compliance or *Tax Compliance* is considered as the ideal condition for taxpayers who meet tax regulations and report income accurately and honestly. However, the reality in Indonesia shows that the level of voluntary compliance with the community is still low. This can be seen from the lack of optimal tax revenue as reflected in the tax *ratio* (comparison between the amount of tax revenue compared to the gross domestic product (GDP) of a country. This figure is a ratio used to assess the level of compliance of tax payments by the public in a country) and *tax coverage ratio* (the amount of comparison between the amount of tax that has been collected with the potential amount of tax that should be collected).

Taxpayer compliance is a long-standing issue in taxation. The ratio of taxpayer compliance in fulfilling their tax obligations from year to year still shows a percentage that has not increased significantly. This

is based on a comparison of the number of eligible taxpayers in Indonesia compared to the total number of registered taxpayers. Of the many existing taxpayers, most taxpayers do not understand what are their rights and obligations. In addition to looking at the tax ratio, here is an overview of the level of compliance of taxpayers in Indonesia in the last few years.

Table 1
Taxpayer Compliance Rate in Indonesia

Year	Number of WP	Target	Realization of Annual Tax Return	Compliance
2013	24.347.763	65%	9.966.833	56,21%
2014	27.379.256	70%	10.852.301	59,12%
2015	30.044.103	70%	10.972.336	60,42%
2016	32.769.215	72%	12.735.463	63,15%

Source: *Performance Report of the Director General of Taxes of the Ministry of Finance 2020*

Based on the data in the table above, it can be seen that from 2013 to 2016, the level of compliance of taxpayers in Indonesia has never met the target that has been set previously.

According to Lars P. Field and Bruno S. Frey (2007), people are less interested in paying taxes because there is no direct incentive from the state. The taxes that have been paid are also not proportional to the benefits felt by the community. People will pay taxes from the income they receive if they feel that public services are proportional to their tax payments, fair treatment from the government and clear legal processes from the government.

Then Several previous studies have discussed various factors that affect taxpayer compliance, such as the results of research from Riyanti (2015) whose results are Tax Socialization, Quality of Fiscal Services and Tax Sanctions affect Taxpayer Compliance in addition to Jatmiko (2006) which reveals that taxpayer attitudes towards fines, service fiskus, dan k Tax awareness has a positive effect on taxpayer compliance. Setyoningrum *et al* (2014) also revealed that tax socialization, quality of fiscal services and tax sanctions affect taxpayer compliance.

However, there are previous studies that are not in line with the results of previous studies such as Winerungan (2013) found different things, tax initialization, fiscal services and tax sanctions have no effect on tax compliance. Similarly, Veronica (2015) revealed that tax socialization has no effect on taxpayer compliance. Thus, the level of compliance of taxpayers is interesting for further research.

LITERATURE REVIEW

Attribution Theory

Attribution theory was first introduced by Fritz Heider in 1958 which was later developed again by Harold Kelley (1972). Attribution is one of the processes of impression formation by observing social behavior based on situational or personal factors. Attribution occurs because of the tendency of human scientists to explain everything, including what is behind the behavior of others. But this tendency does not necessarily originate only from outside the person concerned, for example, because of the surrounding environment (external). However, it can also originate from within the person under the control of his consciousness (internal).

Theory Of Planned Behavior

The *Theory of planned behavior* (TPB) that has been developed by Icek Ajzen (1988) in Damayanti (2012) is a development of the *Theory Of Reasoned Action* (TRA) designed to relate to individual behaviors. In the SDGs is added a variable that has not been applied to the TRA, namely *perceived behavioral control*. Explicitly, the SDGs recognize the possibility that not all behavior is carried out fully under the control of individuals or groups, so the concept of perceived behavioral control was added to address these behaviors. If all behavior can be fully controlled by individuals and groups, where *behavioral control* is close to maximum, then the SDGs return to TRA.

Perceived behavioral control is defined by Ajzen (1991) as the *perceived ease or difficulty of performing the behavior*. In the context of information technology systems, Taylor and Todd (1995) in

Jogiyanto (2007) define perceived behavioral control as perceptions of internal *and external constructs of behavior* ("*perception of internal and external constructs of behavior*"). Perceivable behavioral control describes past experiences and also anticipates obstacles. The general rule is that the more attractive subjective attitudes and norms are to a behavior, and the greater the perceived behavioral control, the stronger a person's intention to perform the considered behavior.

This theory is considered relevant and able to strengthen the attribution theory previously described above in explaining research variables. The impression formed in an *individual's mindset* will affect the intention or belief in the individual before doing something. Confidence in the results he obtains from his behavior then has an impact on whether or not he will meet his tax obligations. Taxpayers who are aware of the importance of paying taxes on state administration, of course, will fulfill their tax obligations (*behavioral beliefs*). By fulfilling tax obligations, taxpayers want reciprocity or confidence about the fulfillment of normative expectations from others and the surrounding environment that motivates them to continue to behave in tax compliance. Through improving the quality of tax fiscal services, conducting tax socialization to increase public taxation knowledge & understanding, reinforce the application of tax regulations, etc. will motivate taxpayer awareness to be compliant (*normative beliefs*). Meanwhile, tax sanctions are used as a means of controlling the extent to which taxpayers' perceptions of sanctions affect compliance (*control beliefs*).

Fiscus' Ministry Attitude

Service is a way of serving (helping to take care of or prepare all the needs that someone needs). Meanwhile, the fiscus is the tax officer. So that fiscal services can be interpreted as a way for tax officers to help take care of or prepare all the needs needed by someone (in this case it is a taxpayer). The success rate of tax revenue is not only influenced by tax payer but also influenced by tax policy, tax law and tax administration (Prastianto 1994). These last three factors are inherent and controlled by the fiscus itself, while the tax payer factor is dominated from within the taxpayer itself.

The attitude of the tax officer in providing the best service for taxpayers also affects the compliance of taxpayers to pay their taxes. Arum (2012) states that fiscal services are a way for tax officers to help, take care of or prepare all the needs needed by a taxpayer. The Directorate General of Taxes as the holder of the tax authority does various ways to improve the quality of tax fiscal services by providing training to improve the technical capabilities of employees, infrastructure improvements, the use of information systems and technology to make it easier for taxpayers to fulfill their tax obligations (Supadmi, 2009). With these efforts, it is expected that the fiscus will become more professional in providing services to taxpayers.

The best service that should be done by the fiscus, requires an understanding of the rights and obligations first as a fiscus. Tax law regulates fiscal obligations including:

1. Obligation to nurture taxpayers
2. Obligation to issue Overpaid Tax Assessment Letter
3. Obligation to keep taxpayer data confidential
4. Obligation to carry out the Judgment

Tax Socialization

Tax extension activities have a significant role and contribution in socializing taxes to all taxpayers. Various media are expected to be able to arouse public awareness to comply with taxes and bring moral messages about the importance of taxes for the State. Various media are expected to be able to arouse taxpayer awareness and increase taxpayer compliance. Taxpayers both corporate taxpayers and individuals in order to increase the amount of State revenue.

Tax has the meaning of people's contributions to the State treasury based on the law by not getting direct lead services that can be appointed which are used for State purposes for the greatest prosperity of the

people collected by certain institutions appointed (Directorate General of Taxes) based on the KUP in (Muljono, 2010). After knowing the meaning of socialization and taxes above, it can be described the definition of tax socialization as an effort from the Directorate General of Taxes to provide understanding, information and guidance to the public in general and taxpayers in particular, regarding everything related to tax laws and regulations. With the socialization of taxation carried out by the Directorate General of Taxes, it is hoped that effective participation of the public and taxpayers will be able to fulfill their rights and obligations so as to enable the preservation of tax awareness.

Taxpayer Knowledge

In Indonesian big dictionary, knowledge means information that has been combined with understanding and the potential to act that then sticks in one's mind. Or in another sense, knowledge is a variety of phenomena that are discovered and obtained by man through the observation of reason. Knowledge is the result of thinking (reasoning) that turns ignorance into knowing and removes doubts about a matter (Widayati and Nurlis, 2010). Taxes are people's contributions to the State Treasury based on the Law (which can be enforced) with no direct lead services (counterperformance) that can be shown and which are used to pay public expenses (Mardiasmo, 2011: 1). So the conclusion about tax knowledge is the result of thinking (reasoning) work that changes taxpayers from not knowing to knowing about taxation, both against tax elements, tax functions, the role of taxes and the applicable system, thus eliminating doubts about a case, especially regarding tax elements that are coercive and counter-interpretation.

Taxpayers who know the function of taxes and the role of taxes for state purposes for the greatest prosperity of the people, they will not hesitate about cases regarding tax elements that are coercive and counter-interpretation. They will consciously obey to pay taxes through applicable systems and regulations, because they already know how the flow of tax revenue can be felt even though indirectly. Someone who is not knowledgeable about taxes, will judge all the facilities they have used in this country as the responsibility of the government, without them thinking where the funds come from to realize all those facilities. Thus, taxpayers who have knowledge about taxation will implement this knowledge with a compliant attitude in carrying out their tax obligations so that the level of taxpayer compliance will be high.

Taxpayer Compliance

According to the general dictionary Indonesian. "Obedience means submission or obedience to a doctrine or rule". Obedience is the motivation of a group or organization to do or not do something according to predetermined rules. A person's obedience behavior is an interaction between individual, group and organizational behavior (Robbins, in Purbo, 2012). Obedience means submitting or obeying the teachings or rules (KUBI, 1990) in Damayanti (2012). Gibson, et al (2000) in Damayanti (2012) argue that obedience is the motivation of a person, group or organization to do or not act in accordance with predetermined rules. A person's obedient behavior is an interaction between the behavior of individuals, groups and organizations. WP compliance according to Salamun (1991) in Arniati (2009) is the fulfillment of tax obligations (ranging from calculating, collecting, withholding, depositing, to reporting tax obligations) by WP in accordance with applicable tax laws and regulations. Salamun explained that the indicator of the level of fulfillment of tax obligations consists of the tax ratio and the timely filling and submission of tax returns (SPT).

Kiryanto (2000) in Ernawati and Purnomosidhi (2011) argues that tax compliance is entering and reporting in time the necessary information, correctly filling in the amount of tax owed, and paying taxes on time, without any inspection action. Nurmantu (2003) in Mustikasari (2007) tax compliance is a condition where taxpayers fulfill all tax obligations and exercise tax rights. According to the Directorate General of Taxes (2013), tax compliance is the level to which taxpayers comply with tax laws and administration without the need for law enforcement activities.

METHOD

This research uses a quantitative approach (*Quantitative Approach*), which is an approach that emphasizes testing theories or concepts through variable measurements and data analysis procedures

with statistical equipment to test hypotheses. This approach is used to obtain objective, valid, and *reliable* data using data formed by numbers or numerical qualitative data (Sugiyono, 2011).

The type of data that will be used in this study is subject data. Subject data is a type of research data in the form of opinions, attitudes, experiences or characteristics of a person or group of people who are the subject of research (respondents). Subject data are further classified based on the form of response given, namely oral (verbal), written and express (Indriantoro and Supomo, 2009: 145)

Pengumpulan data menggunakan kuensier from primary sources, namely data sources that directly provide data to data collectors (Sugiyono, 2011: 308) to be diperby data yang relevan, dapat dipercaya, obyektif dan dapat diinjakan dalam proses analisis. The research variables are fiscal service attitude, fiscal service attitude, tax socialization, taxpayer knowledge, and tax morale and individual taxpayer compliance. The data collection technique is to provide a set of questions or written statements (questionnaires) to respondents to answer.

The method used by researchers is multiple linear regression. Multiple linear regression analysis is the linear relationship between two or more independent variables ($X_1, X_2, X_3 \dots X_n$) with the dependent variable (Y). Multiple regression models aim to predict the magnitude of independent variables that are already known magnitude. This model is used to test whether there is a causal relationship between the two variables to examine how much influence between independent variables, namely fiscal service attitudes, tax socialization, and taxpayer knowledge, affect the dependent variable, namely taxpayer compliance, while the formula used is:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Information:

$Y =$ Taxpayer Compliance

$X_1 =$ Fiscus' Ministry Attitude

$X_2 =$ Socialization of Taxation

$X_3 =$ Taxpayer Knowledge

$a =$ Number of constants

$\beta =$ Regression Coefficient

$e =$ Residual Value

The t test is used to determine whether the independent variables have a partial effect or not on the dependent variable. To find out whether there is a significant influence of each independent variable, namely: fiscal service attitude, tax socialization, and taxpayer knowledge of one dependent variable, namely *taxpayer compliance*, the significant value t is compared to the degree of trust. When the sig t is greater than 0.05 then H_0 is accepted. Similarly, if the sig t is smaller than 0.05, then H_0 is rejected. If H_0 is rejected it means that there is a significant relationship between independent to dependent variable (Ghozali, 2011).

RESULT AND DISCUSSION

Table 2. Validity Test Results

Variable	Research instruments	r calculate	R Table	Information
Fiscus' Ministry Attitude	Item_1	0,691	0.196	Valid
	Item_2	0,692	0.196	Valid
	Item_3	0,414	0.196	Valid
	Item_4	0,781	0.196	Valid
	Item_5	0,674	0.196	Valid
Socialization Taxation	Item_1	0,708	0.196	Valid
	Item_2	0,788	0.196	Valid

Taxpayer Knowledge	Item_3	0,763	0.196	Valid
	Item_4	0,401	0.196	Valid
	Item_5	0,675	0.196	Valid
	Item_6	0,460	0.196	Valid
	Item_1	0,688	0.196	Valid
	Item_2	0,693	0.196	Valid
	Item_3	0,804	0.196	Valid
	Item_4	0,717	0.196	Valid
	Item_5	0,760	0.196	Valid
	Item_1	0,823	0.196	Valid
Taxpayer Compliance	Item_2	0,678	0.196	Valid
	Item_3	0,876	0.196	Valid
	Item_4	0,718	0.196	Valid
	Item_5	0,792	0.196	Valid

Source: Primary data year 2022, processed

The results of validity testing show that all items in the internal control system variables tested are declared that each statement instrument is considered valid because of the *value of Corrected Item-Total Correlation* of the r table at a significance of 0.05 (5%).

Reliability test is a measuring tool to measure a questionnaire which is an indicator of variables. A questionnaire is said to be reliable if the answers of the respondents are stable over time. The criteria of a research instrument are said to be realistic if by using the *Cronbach Alpha* statistical test (α), the reliability coefficient > 0.60 .

Table 3 Reliability Test Results

Variable	Cronbach's Alpha	Reliability limits	Ket.
Fiscus' Ministry Attitude	0,660	0.60	Reliable
Tax Socialization	0,714	0.60	Reliable
Taxpayer Knowledge	0,772	0.60	Reliable
Taxpayer Compliance	0,835	0.60	Reliable

Source: 2022 primary data, processed

The table above shows that *Cronbach's alpha* value of all variables is greater than 0.60, so it can be concluded that the instrument of the questionnaire used to explain the variables of Fiscal Service Attitude, Tax Socialization, Taxpayer Knowledge, Tax Morale and Taxpayer Compliance is declared reliable or reliable as a variable measuring tool.

Table 4 Summary of Regression Estimation Results

Variable	Coefficient	T-ratio	Probability Significancy	Decision	VIF
Fiscus' Ministry Attitude	0,356	3,272	0,001	Significant	1,257
Tax Socialization	0,267	2,378	0,019	Significant	2,176
Taxpayer Knowledge	0,108	1,962	0,028	Significant	1,414
Constant	1,769	0,289	0,047	Significant	
Adjusted R ²	0,426				
F-ratio	19,363				
(Prob.-Sig.)	0,000				
DW	1,801				
N	100				

Source: 2022 primary data, processed

Research on what matters affect Taxpayer Compliance, which involves the influence of independent variables (variables of fiscal service attitude, tax socialization, and taxpayer knowledge) on independent variables (taxpayer compliance), can be discussed as follows:

1. The attitude of the fiscal service has a positive and significant effect on taxpayer compliance.

The first hypothesis proposed in this study is that the attitude of the fiscus servant affects taxpayer compliance. That is, with optimal service, it will increase the level of taxpayer compliance. Based on the results of the analysis, the attitude of fiscal services has a positive and significant effect on taxpayer compliance. This result shows that research respondents think that with optimal service from the fiscus, it will have implications for increasing taxpayer compliance.

Taxpayer compliance in fulfilling the obligation to pay taxes depends on how the attitude of the tax officer (fiscus) provides the best service to taxpayers. The services provided by the fiscus during the tax process are related to the attitude of the taxpayer. The tax process involves the fiscus and the taxpayer makes the services provided by the fiscus also shape the attitude (*attitude*) of the taxpayer in following the tax process. The better the fiscal service, the taxpayer will have a positive attitude towards the tax process. Therefore, fiscal services are highly required to provide friendly, fair, and firm services at all times to taxpayers and can foster public awareness of responsibility pay taxes. 4 from the data obtained on the frequency of respondents' answers to the fiscus service attitude variable, it showed a positive answer. Most of the respondents' answers were in the high range, while the indicator that occupies a high-frequency position is the statement "*the fiscus is friendly, polite, and responsive in providing services to every taxpayer*". This means that most respondents agree that taxpayers are given excellent service so that the level of taxpayer compliance in this case with the desire to pay taxes can increase. The indicator that is at the lowest frequency is the statement indicator "*satisfactory service quality will make taxpayers feel helped and profitable in terms of time and service*". This means that most respondents agree that if taxpayers are given good service, taxpayers feel helped and helped.

Attribution theory becomes relevant if it is associated with taxpayer compliance which is influenced by fiscal service attitudes. Perceptions from within oneself and impressions formed from the surrounding environment to the tax authorities will certainly affect personal assessment of the tax itself. Which then the impression will be realized by a person through the action of whether to be obedient or not.

The results of research by Jatmiko (2006), Riyanti (2013), Indriani and Sukartha (2014), and Veronica (2015), revealed that the attitude of the fiscus affects taxpayer compliance. The better the attitude of the fiscus in providing services to taxpayers, the higher the level of compliance of taxpayers in paying taxes

2. Tax Socialization Has a Positive and Significant Effect on Taxpayer Compliance.

The second hypothesis proposed in this study is that socialization of piracy affects taxpayer compliance. That is, taxextension activities have a significant role and contribution in socializing taxes to all taxpayers, this illustrates that tax socialization has a close relationship in increasing taxpayer compliance. Various media are expected to arouse public awareness to comply with taxes and bring moral messages about the importance of taxes for the State. Various media are expected to arouse taxpayer awareness and increase taxpayer compliance, both corporate and individual taxpayers, in order to increase the amount of state revenue.

Good tax socialization is expected to increase taxpayer compliance. The importance of socialization provides understanding to the community in paying taxes, with the socialization of taxation the community becomes aware and understands the benefits of paying taxes (Winerungan, 2013). Dharma & Suardhana (2014) stated that good tax socialization is expected to increase taxpayer compliance. The more taxpayers understand the benefits and functions of taxes, the more intrigued taxpayers will be to carry out their tax obligations. So a way is needed that can communicate the intentions of the government as a tax collector with the public, especially taxpayers as parties collected to pay taxes. From the data obtained on the frequency of respondents' answers to tax socialization variables showed positive answers. Most of the respondents' answers were in the high range, but the indicator occupies a high-frequency position with the statement "*KPP always informs taxpayers if there are recent changes*

in regulations". This means that most respondents agree that taxpayers are always given feedback if there are the latest regulatory changes. The indicator that is at the lowest frequency is the indicator with the sound of the statement "information is submitted to taxpayers through circulars". This means that most respondents agree that the information available has not all been conveyed through circulars.

Attribution theory becomes relevant if it is associated with taxpayer compliance affected by tax socialization. Perceptions from within oneself and impressions formed from the surrounding environment to the tax authorities, by way of socialization by tax officers will certainly affect personal assessment of the tax itself. Which then the impression will be realized by a person through the action of whether to be obedient or not. The results of research from Riyanti (2013), and Setyoningrum et al (2014) revealed that tax socialization affects taxpayer compliance. The better the tax socialization, the more attractive it will be for taxpayers to fulfill their tax obligations.

3. Taxpayer Knowledge Has a Positive and Significant Effect on Taxpayer Compliance.

The third hypothesis proposed in this study is that taxpayer knowledge affects taxpayer compliance. This means that tax officials who know the function of taxes and the role of taxes for state purposes for the greatest prosperity of the people, they will not hesitate about cases regarding tax elements that are coercive and counter-interpretation. They will consciously obey to pay taxes through applicable systems and regulations, because they already know how the flow of tax revenue can be felt even though indirectly. Someone who is not knowledgeable about taxes, will judge all the facilities they have used in this country as the responsibility of the government, without them thinking where the funds come from to realize all those facilities. Thus, taxpayers who have knowledge about taxation will implement this knowledge with a compliant attitude in carrying out their tax obligations so that the level of taxpayer compliance will be high.

Knowledge and understanding of tax regulations is the reasoning and capture of meaning about tax regulations. WP's knowledge and understanding of tax regulations is related to WP's perception in determining its *behavior (perceived control behavior)* in the awareness of paying taxes. The higher the knowledge and understanding of WP, the WP can determine its behavior better and in accordance with tax provisions. However, if WP does not have knowledge of tax regulations and processes, then WP cannot determine its behavior appropriately (Rusli 2014).

From the data obtained on the frequency of respondents' answers to taxpayer knowledge variables showed positive answers. Most of the respondents' answers were in the third range, namely high, as for indicators that occupy a high-frequency position with the statement "*taxpayers know that the largest income of the State comes from taxes*". This means that most respondents agree that the state has a very large income from the tax sector. The indicator that is at the lowest frequency is the first indicator and is in the medium range with the statement "the tax system in Indonesia, namely *Self Assessment*, is considered an easy and efficient system". This means that most respondents feel that there is still something missing from this system.

Attribution theory becomes relevant if it is related to taxpayer compliance influenced by taxpayer knowledge. Perceptions from within oneself and impressions formed from the surrounding environment to the tax authorities, through the learning process, both directly and indirectly, will certainly gain knowledge that initially did not know to know. This will affect personal assessment of what has been obtained from the learning process, of course regarding the tax itself. Which then the impression will be realized by a person through the action of whether to be obedient or not.

The results of research by Veronica (2015) and Caroko et al (2015), revealed that taxpayer knowledge affects taxpayer compliance. The higher the level of knowledge of taxpayers about taxation, the greater the potential for how these taxpayers can fulfill their tax obligations.

CONCLUSION

Based on the results of research and data analysis, the following conclusions can be drawn: (1) The attitude of fiscal services, in a practical manner, has a positive and significant effect on

individual taxpayer compliance. This means that the better the fiscus in the service process, the higher the compliance of taxpayers. (2) Socialization of taxation on a p a rsial basis has a positive and significant effect on individual taxpayer compliance. This means that the more active and better the socialization process regarding taxation, the more it will increase taxpayer compliance. (3) Taxpayer knowledge has a positive and significant effect on individual taxpayer compliance. Artiya, the higher the level of taxation knowledge of a taxpayer, the level of taxpayer compliance will naturally increase.

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