

Tax Compliance Base on Knowledge at the Bekasi City KPP Madya in Efforts to Support State Revenue Security

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Abstract

Purpose: Testing influence mandatory knowledge relationship tax with mediation intention pay tax to obedience tax in effort to support Indonesian state revenue security at KPP Madya Bekasi Kota. **Design/ Methodology/ Approach:** Unit of analysis is Must Taxes that have report notification letter Annual 2022. Primary data in the form of a questionnaire with a Likert scale of 1-5. Data is processed use Lisrel 8.80. Approach study is explanative quantitative research with measurement indicators reflective. Validity test of all variables own valid and reliable predicate. The average value of the loading factor by whole variable latency used is valid as measure compliance with tax variables. **Findings:** Intention must tax as variable knowledge mediation must tax influential positive significant to obedience tax. **Practical Implications:** Required inspection must tax good must corporate tax and must personal tax in order to test implementation of self assessment system in Indonesia in effort to increase obedience tax. **Originality/value:** Deliver contribution to Service Office Bekasi City Middle Tax that knowledge must tax with mediation intention to pay tax can influence obedience tax inside effort help security Indonesian state revenue.

Key words: Knowledge, Intention, Tax Compliance

INTRODUCTION

Tax function very dominant for development a country and society . Tax used For finance various type expenditure public . Tax paid by the people to country based applicable laws [1] . Function tax so important so that every taxpayers should be able to comply obligation the taxation [2] .

Indonesia's *Tax Ratio* is classified low If compared to with other countries, especially developed countries [20] . this show that level obedience must still tax low . [21] . Temporary That Indonesia's largest state income obtained from sector taxes , that is reach about 87% [4] . Indonesia is classified as a country with ratio low taxes , so reception taxes collected by the Indonesian government still less than optimal [22] . For do study related with obedience tax very related with knowledge must tax [23] .

Must tax with his knowledge can know regulation taxation , knowing the procedures count tax , way take into account tax , know limit time payment tax , know time reporting taxes , as well know rights and obligations [8] .

Implementation *Self Assessment System* in Indonesia as arranged in Law Number 16 of 2009, (2009) about Provision General and Procedure Taxation , in particular Article 3 (paragraph 1) which states that every must tax must fill in letter announcement with correct , clear and complete , and Article 4 (paragraph 1) which states that must fill out and deliver letter announcement with correct , complete , clear and signed .

Must tax in do calculation , payment and reporting tax with Correct needed knowledge For understand rule applicable taxation . Knowledge tax is a process of change attitude and behavior a must tax or group must tax in business mature man through effort teaching nor training . Knowledge regulation taxation public through formal and non-formal education will impact positive to awareness must tax For pay tax . Must tax can know information from knowledge that someone is aware of and has combined with understanding and potential For follow up , then attached mind someone [25] .

Knowledge is whole business aware For investigate , discover , and improve understanding man from various facet reality in natural aware human . Knowledge taxation is part important in system taxation with obedience volunteer [26] . Knowledge taxation shared to in two aspect , that is knowledge through education general or formally accepted as material in lessons and knowledge that are Specific directed to chance For avoid tax . According to Palil , [11] mention that level education received by Compulsory Tax is factor important contribution to understanding general about taxation , in particular related regulation taxation For can realize obedience tax .

According to Kamleitner, *et al.* , [28] show that SM is perpetrator very business Lots so need calculated in A research . From the corner subject and object tax in a manner auto also has big role in give share in reception taxation . Research results show that knowledge influential significant to obedience tax , by simultaneous SM there is trend For No obey tax , because lack of adequate understanding , so they often faced with reality that tax must paid and is a obligation .

REVIEW REFERENCES

Tax Compliance

In accordance with Constitution Number 16 of 2009 concerning Provision General and Tax Procedures Article 17C paragraph (2) referred to with must tax obey If fulfil criterion (a) is correct time in submit a notification letter , (b) no have arrears tax For all type tax except arrears taxes that have obtain permission For installment or postpone payment tax (c) Report Finance audited by an Accountant Public or institution supervision finance government with opinion Reasonable Without Exception during three year respectively , and (d) no Once convicted Because do follow crime in the field taxation based on decision court that has have strength law still in period five years time [8] . this strengthened with PMK Number 74/PMK.03/ 2012 regarding procedures determination and repeal must tax with criteria certain in framework return introduction excess payment tax [19] . Criteria For can set as must tax obedient . Obedience tax , according to Homans in Fidiana (2017), there are a number of possible factor affect it ie *compliance costs, tax regulation & law enforcement* [29] . If third factor the controlled in a manner adequate , then level obedience tax will increase optimally , vice versa If *high cost of compliance* , regulation complex tax and not clear or raises difference in interpretation (*ambiguous*) as well as application bad rules can cause descent level obedience taxes [30] , [31] .

Knowledge

Understanding regulation taxation is a process where Must Tax understand and know about regulations and laws as well as procedures taxation and apply it For do activity taxation like , count tax owed , take into account tax owed , pay taxes , reporting SPT, and so on [32] .

According to Manrejo [33] state that knowledge and understanding tax influential positive to obedience must tax . understanding Must Tax about regulation taxation is internal causes because are below control must tax alone . Level of knowledge and understanding Must Different taxes will influence evaluation each Must Tax For behave obey in carry out obligation taxation . Understanding level Must Tax tall will make Must Tax choose behave obey in carry out obligation taxation [9]

Must Taxes that will pay tax naturally need understand benefit in pay taxes and functions from tax That alone . The more height understanding about regulation taxation , then Must Tax will the more obey in pay taxes [34] .

Factor able main give impact on obedience must tax for public is knowledge must good tax regarding regulation tax , got impact on compliance pay taxes. Knowledge tax will raises initiative must tax on fulfillment obligation payment tax [35] .

Saad Research [26] obtain results that obedience tax *New Zealand* citizen influenced by knowledge tax them . Society has knowledge bad taxes because exists complicated state rules that eventually cause they No obey pay tax . There is a research gap related with results other studies have shown that knowledge tax No Can influence obedience pay tax .

Intention Pay Tax

Someone who wants for do something behavior certain or No with itself become determinant his actions [22] , This strengthened Pahlsson [37] as well as Dobos & Gyorgy [38] . Intention must tax pay tax is key obedience tax . Intention role in explain behavior obey or No obey somebody in pay tax . In study This intention pay tax is behavior must tax decisive that obligation the taxation can held with Correct or no . More Furthermore , it is also emphasized that intention must tax For pay tax is key obedience must tax . Indication intention pay tax is If must tax tend pay tax , effort pay taxes and decisions pay tax so can confirmed that payment tax has enter to in the state treasury [19] .

In models *Slippery Slope Framework of Tax Compliance* [39] can bridging interest from corner view economics and psychology . Must tax obey in the taxation or No obey can be measured in two corner view that is *enforced compliance* and *voluntary compliance* [40] . *Enforced compliance* emphasize treatment that factor economy like height probability of audits and fines cause perception public to strength authority tax force the more increase and compare straight with level obedience tax . Whereas *voluntary compliance* emphasize that *trust* public to government will go up when perception public to system implemented taxation government considered the more fair and helpful from facet procedural , distributive and *retributive* [41] . Regulation taxation very complex and complicated even tend changed from time to time , meanwhile must tax required For understand and implement so that impact on level obedience must no taxes The same matter This will demand obedience tax along with implementation *self-assessment system* in Indonesia [19] , [42] .

Framework Work Conceptual Study

Framework Work conceptual based on the description above For form constructs and dimensions in framework Work conceptual used as a road map in study this [43] . As for the framework conceptual study can seen in figure 1 below this :

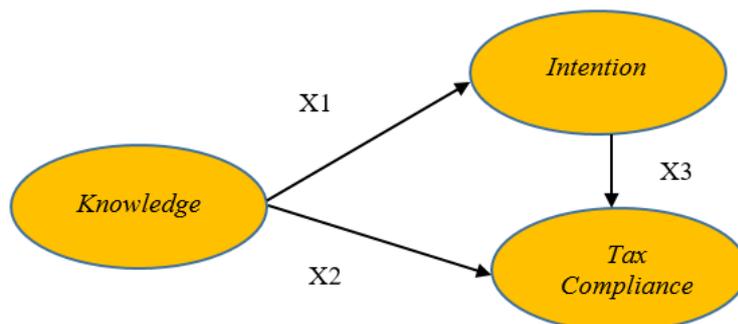


Figure 1
Research Conceptual Framework

Based on descriptions and pictures framework conceptual research above , so can built hypothesis as following :

According to Manrejo [33] that knowledge influential positive significant to obedience tax .
 H1: Knowledge (*Knowledge*) Must Tax influential significant to intention pay Tax .

According to Smart (2013) intention pay tax influential positive to obedience tax [44] .

H2: Intention Pay Tax influential significant to Obedience Tax .

Knowledge influential positive to obedience taxes (Smart, 2013) [44] .

H3: Knowledge influential significant to Obedience Tax .

Knowledge influential positive to obedience tax by intervening intention pay taxes (Smart, 2013) [44] .

H4: Knowledge influential significant to Obedience Tax with *intervene variables* is intention pay tax .

RESEARCH METHODS

Study This is study *Mix Method* ie is combination method quantitative and qualitative with approach reflective using the unit of analysis Must Individual Tax (WPOP) which has been submit an annual SPT at the Service Office Bekasi City Middle Tax [14] . The sample used is 100 respondents with technique *Purposive Random Sampling* [9] . Statistical Data Analysis with *Multivariate* and *software* used in data processing is Lisrel 12.

Approach Theoretical

Method study is *Mixed Method* as a method that can answer increasingly complex problems . According to Sugiyono , 2016) *Mixed Method* is method combined research approach qualitative and quantitative [13] . Approach strategy used in do *mixed method* on study This is *Concurrent Triangulation Design* . On approach Researcher's *Concurrent Triangulation Design* gather good qualitative data as well as quantitative data in a manner together Then do comparison For determine connection between both [14] .

Types and Techniques Data Collection

The type of data is secondary data i.e. level data obedience tax earned from P2Humas Directorate General Service Office Tax Bekasi City Middle Tax and primary data are the data taken direct from researched sources namely the Mandatory Tax [9] . technique data collection using measured questionnaire with scale likert 1-5. For strengthen results analysis done *debt interview* to a number of official in the neighborhood Directorate General Service Office Tax Bekasi City Middle Tax .

Object Study

Object in study this is individual taxpayer that has submit the 2022 Annual Notification Letter (SPT)

RESULTS AND DISCUSSION

The results of data processing in this study can be seen in Figures 2 and 3 as follows:

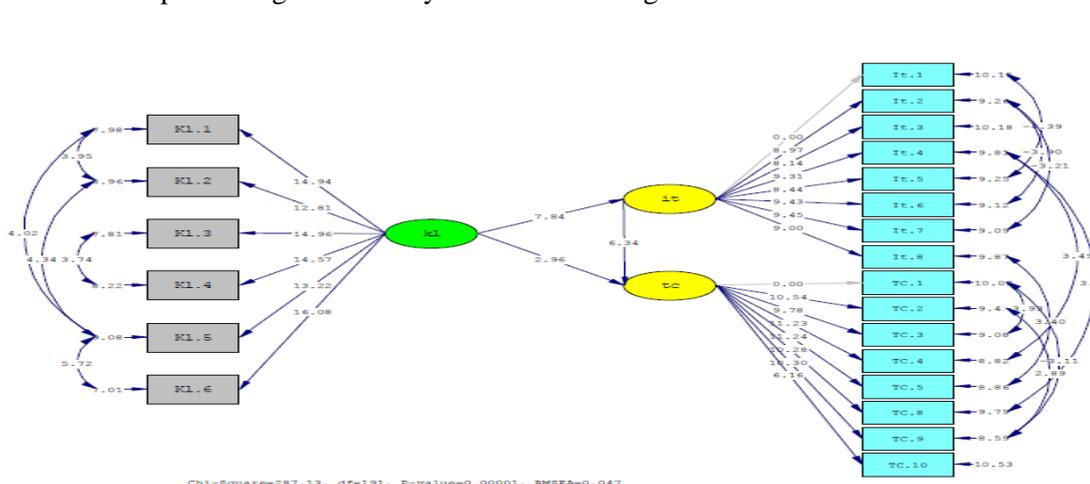


Figure 2 T Value

Source: Lisrel output 8.80 processed by researchers

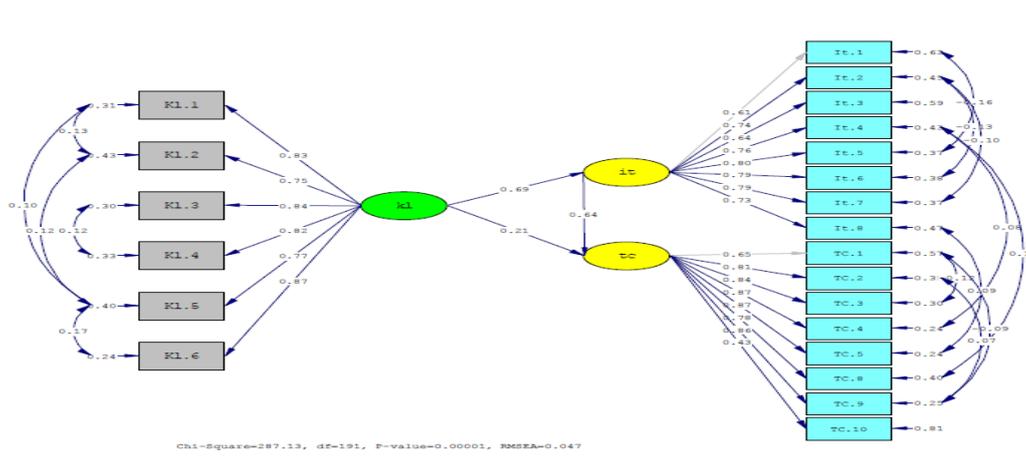


Figure 3 T Value

Source: Lisrel output 8.80 processed by researchers

Description : kl : Knowledge
 it : Intention
 tc : Tax Compliance

Based on picture 2 and 3 then can made recapitulation connection between variable as shown in table 1 below this :

Table 1

Hypothesis	Path	t-value	Coefficient	Results
H ₁	Taxpayer knowledge → obedience tax	2,96	0,21	accepted
H ₂	knowledge must tax → intention must tax	7,84	0.69	accepted
H ₃	Intention Must tax → obedience tax	6,34	0.64	Accepted
H ₄	Intention must Tax mediate knowledge must tax → obedience tax	49,71	0.44	Accepted

Source: Lisrel output 8.80 processed by researchers

Results Testing Compulsory Knowledge Tax to Tax Compliance

Based on Figure 2 and Table 1 above it can be interpreted as more big role taxpayer knowledge of tax compliance, the taxpayer is increasingly obedient and vice versa. The calculated t value is 2.96 > t table 1.97 can interpreted that influence Which happen between variable latent Taxpayer knowledge and tax compliance latent variables have an effect significant in a manner statistics on level 5% significance with 95% confidence level.

Based on results testing statistics there is influence positive significant knowledge must tax to obedience tax. Matter This prove that taxpayer knowledge is closely related to compliance tax. On basically objective *self application assessment system* is give trust to must tax For more independent in management of tax administration. This is a manifestation of the principle of tax collection adopted in Indonesia in the framework of development system taxation modern ie principle bestowal trust fully to taxpayers. The success of the implementation of this collection system then awareness, honesty and discipline of taxpayers are needed in carrying out tax obligations so as to fulfill the material aspects and aspects formal in fulfil obligation the taxation.

In *Self Assessment System* possible must tax For dotax planning in an effort to minimize costs with various strategies Which possible without must violate rule taxation Which known with *taxes avoidance*. Must tax in take into account tax owed must pay attention to the provisions stipulated in Law Number 36 of 2008 concerning Income Tax in particular article 6 regulates fiscal costs and article 9 costs that cannot be financed fiscally, which are then harmonized based on Law No. 7 of 2021 concerning Harmonization of Tax Regulations. income tax in a manner fiscal No can financed, by Because That must tax can get around it with a number of strategy like maximizing cost Which can deducted (*deductible expense*), defer income, speed up the charging of expenses and through strategy others (Pohan, 2018).

The effect of taxpayer knowledge on *tax compliance* in a manner influential statistics positive of 2.96 . This can be interpreted that the increasing knowledge of taxpayers will increase tax compliance. Knowledge must taxes have various degrees of diversity , There is Which understand, There is Which do not understand even some No understand. Must tax can do *tax planning* in an effort to make tax payment efficiency, this is possible Because system taxation Which apply in Indonesia.

Results Testing Influence Knowledge of Intention Pay Tax

Based on Figure 1 Mandatory tax Which own With good knowledge, the taxpayer will tend to have the intention to pay the tax. Mark t count as big 7,84 > t table 1.97 can interpreted that influence Which happen between variable latent behavior planned must tax And variable latent intention pay tax influential significant in a manner statistics on level significance 5%.

Hypothesis-2 (H₂) which states increased knowledge of taxpayers can increase intention pay tax proven ie "there is influence positive significant knowledge of taxpayers with the intention to pay taxes, so that the H₂ hypothesis is accepted.

Results Testing Influence Intention Pay Tax Against Compliance Tax.

From Figure 1 it can be interpreted that it is mandatory tax Which own intention pay tax so must tax will tend have tax compliance. The tcount value of 6.34 > ttable 1.97 can be interpreted that the influence that occurs between latent variable intention to pay taxes and the latent variable *tax compliance* has a statistically significant effect on the level significance 5%.

Hypothesis-3 (H₃), which states that the intention to pay taxes increases increase obedience tax proven ie "there is influence positive significant between intention pay tax with taxes compliance", so that hypothesis H₃ accepted .

Based on results testing on influence intention pay tax to obedience tax with level 95% confidence or $\alpha=0.05$. Results obtained in accordance with hypothesis-3 (H₃), ie there is influence positive significant intention pay tax to obedience tax . With thereby can interpreted that the more strong intention must tax For paytax so obedience must tax will the more increases and so does otherwise . Intention must tax For pay tax is key obedience tax , although tax owed Already calculated the amount However No There is intention pay tax so tax the No will enter to Treasury Fund. Intention pay tax own role central in explain behavior somebody obey or No obey in pay tax . Intention pay tax to obedience tax influential positive significant . Matter This can interpreted that the more tall mandatory intention tax to pay taxes then obedience must tax will increase . Research results This strengthened by (Tiang , and Chang, 2021) in *theory planned behavior* Which state that attitude ,norm and behavior perception mediation intention influential significant to obedience tax that attitude , norm subjective and perceived behavior through intention influential positive to obedience tax .

Test Results Compulsory Knowledge Pen Tax To Obedience Intention - mediated taxes Pay Tax

Must tax with good knowledge will tend obey to obligation the taxation . Coefficient track variable latent behavior planned must tax is tcount 49 , 71 > t table 1.97 Which can interpreted that effect that occurs between variable mandatory knowledge taxes and variables latent intention pay tax significant on level Effect of knowledge of taxpayers mediating intention to pay tax to obedience tax in a manner statistics influential significant, this is shown by *t-value* 49.71 > ttable 1.97 at level significance of 5%. Based on the hypothesis H₄ , which states that knowledge is obligatory tax mediation intention must tax pay tax can increase obedience tax proven ie "there is influence positive significant the knowledge of the taxpayer mediating the intention of the taxpayer to pay taxes can improve tax compliance". Thus there is sufficient evidence significant to accept H₄ which states that knowledge is obligatory tax with mediation intention pay tax influential to tax compliance can accepted.

Variable intention pay tax in model study This is *full mediation variables* , It means connection between knowledge must tax mediation intention pay tax influential in a manner full positive significant on tax compliance.

Mark coefficient determination (R^2) is 0.67 can interpreted variable latent p.s must tax with mediation intention pay tax on tax compliance can be explained in a structural equation of 65%, the rest as big 33% explained variable other outside of research This.

Based on results testing on influence connection mandatory knowledge tax with mediation intention pay tax against obedience taxes with a confidence level of 95% or $\alpha=0.05$. Results that obtained accordingly with hypothesis-4 (H 4), namely there is a significant positive effect on behavior planned taxpayer by mediating intention to pay taxes on compliance tax. Thus it can be interpreted that the better the taxpayer's knowledge and the stronger the taxpayer's intention to pay taxes so taxpayer compliance is getting better and vice versa.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

The results of this study are emphasizing that knowledge of the taxpayer directly affect tax compliance, as well with mediation intention pay tax influential positive significant towards tax compliance at the Bekasi City KPP Madya, this is one of them important aspect because it relates to the level obedience tax.

Based on the results of hypothesis testing, data analysis and discussion has put forward, then can pulled conclusion as following:

1. There is the influence of taxpayer knowledge and obedience tax.
2. There is the effect of taxpayer knowledge on intention to pay tax.
3. Variable intention pay tax influential to obedience Tax.
Obedience tax will influenced by intention pay tax That Alone.
Obedience tax will materialized If must tax own intention pay tax.
4. Intention pay tax mediates the full influence of compulsory knowledge tax to tax compliance.

Tax compliance will be influenced by the knowledge of the taxpayer through intention pay tax. Knowledge must tax there is enough proven For affect tax compliance directly, the results have a significant positive effect, even supported by the mediation of intention to pay realize obedience tax. Mandatory knowledge tax with sustained mediation intention pay tax there is influence positive significant to obedience tax.

Recommendation strategic to Directorate General Tax Republic Indonesian.

Researcher give recommendation strategic to Directorate general Tax Republic Indonesia, especially the Bekasi City Middle Tax Service Office in effort increase taxpayer compliance as following:

- 1) Taxpayers' knowledge needs to be continuously improved to know their tax rights and obligations correctly, including to know that the role and function of tax for the state is very important.
- 2) Sustainable law enforcement without look at feathers created flavor fair to society so that it will build taxpayer trust in the government.

Recommendation to taxpayer

Taxpayers can obtain optimal benefits and carry out efficiency if they can carry out their tax rights and obligations properly, because they will avoid the imposition of sanctions in taxation.

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