

Effect of Taxpayer Ownership Obligations, Taxation Understanding and Personal Taxpayer Awareness of Taxpayer Compliance

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Abstract

The research aims to analyze the influence of the obligation to have tax number, understanding of taxation and awareness of taxpayers against taxpayer compliance. The respondents in this study is the tax payers private person residing in housing Regensi II Tangerang. Some previous research on taxpayer compliance shows the results of the same and also different. Therefore, other studies conducted to test a theory about taxpayer compliance. The population in this research as much as 133 people. A method or technique of sampling conducted in this study was purposive sampling with counting use the formula slovin, so it can be determined the number of taxpayers private people who became the research as many as 100. The data collected were processed using a program SPSS version 24.0, with validity test, reliability test, descriptive statistical test, classical assumption test, multiple linear regression analysis, and the last with a hypothesis test. The results of the research that has been processed shows that the value of significant obligation to have tax number is 0,000, significant value understanding of taxation is 0,048, and significant awareness of taxpayers is 0,015. So the results of the study showed that the level of the obligation to have tax number, understanding of taxation and awareness of taxpayers significant effect against a compliance by tax payers.

I. INTRODUCTION

Tax is a source of financing for national development to improve the welfare of the people. In this regard, the importance of tax management is a top priority for the government. The various types of taxes levied by the government and imposed on the public. Tax is a means as a means of state income for the administration of government in aspects of development. One of the supporting aspects of the success of national development is taken from natural resources, human resources, and other resources. Which is the discovery of the availability of development funds both obtained from tax and non-tax sources.

Tax revenue applied to finance development comes from several sources, one of which is from the community itself. Taxes are people's contributions to the state treasury based on the law (which can be forced) by not getting services that can be directly addressed and which can be used to pay public expenses. An easy tax collection system and supported by public participation in the form of tax compliance is the dream of every form of good and successful government. Awareness of taxpayers who based on their knowledge will increase tax compliance rates. Increased tax compliance can be achieved if a willingness and awareness is arising from self taxpayers to fulfill their tax obligations.

Fostering tax awareness for some is indeed not easy, it even tends to escape the obligation to pay taxes. Many factors cause a low level of public awareness including lack of information from the government to the people, a leak in the tax collection system, laziness, and the absence of direct reciprocity from the government. Appropriate tax collection methods also affect taxpayers in paying taxes. Tax collection is indeed something that is not easy, it takes an active role between taxpayers and the government to create a comfortable and optimal tax service. Also, public knowledge about taxation must be optimized either through socialization or through character education. Indirectly, with the knowledge of taxpayers, it is expected that taxpayers will be aware of their obligations in paying taxes because the tax is useful for mutual needs in building a prosperous and prosperous country.

Giving a Taxpayer Identification Number to each taxpayer accompanied by the implementation of taxation rights and obligations. Ratification of the issuance of a Taxpayer Identification Number is done by providing a Registered Certificate The letter informs each taxpayer of fulfilling tax obligations. The Director-General of Taxes strives to make taxpayers voluntarily pay their taxes, especially business taxpayers. This, due to the increasing number of

entrepreneurs earning, the more tax facilities that can be used. The potential loss due to the enactment of fiscal abolition policies can also be overcome. To deal with this possibility, the government has anticipated and offset the existence of tax revenue derived from increased ownership of the Taxpayer Identification Number. Tax payments can be known and pursued from each tax return submitted by the Taxpayer who has a Taxpayer Identification Number. Therefore, in the latest Income Tax Law, the government through the Director-General of Taxes seeks to attract taxpayers so that more and more people have a Taxpayer Identification Number.

II. RELATED WORKS/LITERATURE REVIEW (OPTIONAL)

Tax

(Supramono, 2015) in his book entitled Indonesian Taxation Mechanisms and Calculations. tax is defined as a contribution to the state treasury based on a law that can be imposed by not getting lead services (contra) which can be directly indicated and used to pay public expenses.

Taxpayer Identification Number

(Poham, 2014) in his book entitled Indonesian Taxation Theory and Case understanding of Taxpayer Nomow Principle is a number given to Taxpayers as a means of tax administration that is used as identification or the identity of the Taxpayer in carrying out his taxation rights and obligations.

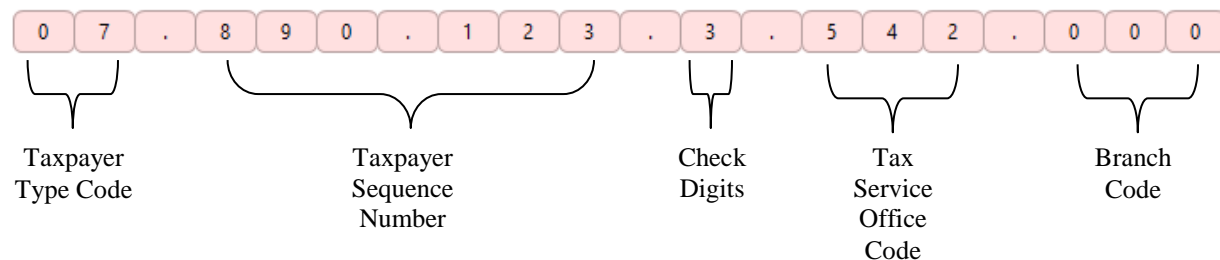


Figure 1. Numbering of Taxpayer Identification Numbers

III. METHODS

This research is classified as verification research because this research is a type of research conducted to test the accuracy of existing theories, both in the basic form, procedures, concepts or principles of the theory itself.

According to his approach, this research uses a quantitative approach, because the work process takes place in a concise, limited and sort out the problem into parts that can be measured or expressed in the form of numbers.

Object of research

The object of research in this study is the Individual Taxpayer about the influence of ownership of the Numbering of Taxpayer Identification Numbers, understanding of taxation and taxpayer awareness of tax compliance in the City of Tangerang, especially in the Permata Regency II Housing area. The data source used in this study is primary data because the data obtained from the direct source or the first source. Primary data can be in the form of individual or group subject opinions, observations of objects (physical), events or activities and test results. The primary data method used is a survey method with a questionnaire technique.

Questionnaires are distributed personally, so researchers can deal directly with respondents and provide explanations as needed and questionnaires can be directly collected after being answered by respondents. The questionnaire was distributed directly to the local community in the city of Tangerang in the Permata Regency II Housing - Kota Tangerang and then processed based on predetermined criteria.

Purposive sampling technique as sampling data. The sampling technique used by the author has certain considerations or special criteria in taking the sample that is required to have Numbering of Taxpayer Identification Numbers and have income / income.

In this study, the authors used the technique of direct interviews with the head of RW 06 in the Permata Regency II Housing area to find out the number of residents who work or who have other income and if they have Numbering of Taxpayer Identification Numbers, that is 133 residents, so the number of respondents can be determined as many as 133 So the authors use the determination of the sample with a formula in a book entitled Business Research Methods (Sugiyono, 2017):

$$n = \frac{N}{1 + N(e)^2}$$

Explanation:

n = Number of samples needed

N = Total population

e = Sample error rate, usually 5%

then:

$$n = \frac{133}{1 + 133(0.05)^2} = 99.81, \text{rounded to } 100$$

Based on the number of samples that have been calculated using the formula, the authors are confident with a 95% confidence level that the sample is 99.81. The author fulfills the sample size to 100 people and will distribute, questionnaires to 100 people in the Permata Regensi II Housing Tangerang City.

Characteristics in sampling are individuals who have fixed income and individuals who have Numbering of Taxpayer Identification Numbers.

1. Variabel Independen

The independent variable or called an independent variable is a variable that is suspected as the cause of the emergence of other variables and this variable is usually manipulated, observed and measured to determine its effect on other variables. In short, the independent variable is a variable that influences or is the cause of a change or the emergence of a dependent variable. The independent variable functions to determine its effect on other variables. The independent variable (X) in this study is:

- a. Obligation of ownership of Taxpayer Identification Number (X₁)
- b. Understanding of taxation (X₂)
- c. Taxpayer awareness (X₃).

2. Variabel Dependen

The related variable or the dependent variable is the variable that is affected or which is due to the presence of the independent variable. The dependent variable (Y) in this study is taxpayer compliance.

The instrument for measuring these variables uses the Likert scale technique, which is a scale that contains 5 levels of answer preference or statements that provide 5 alternatives and answers. In this study, the authors use SPSS version 24.0 to obtain the results of calculations from various methods used and can produce research problem formulation. Each answer from the 5 alternative answers that have been available is given a weighted score (score). This weighting is detailed as follows:

- Strongly agree (SS) : 5
 agree (S) : 4
 not agree (KS) : 3
 disagree (TS) : 2
 strongly disagree (STS) : 1

Table 1. Operational Variables

Variable	Sub Variable	Indicator	Explanation
Ownership Obligations Tax identification number (X ₁)	Definition of tax	Tax administration	Ordinal
	Tax function	Taxpayer identity	
	Tax collection	Maintain tax order	
	Tax identification number	Taxation documents	
		Have a steady income	
(Supramono, 2015)			
Understanding of Taxation (X ₂)	Tax provisions	Understand the rules	Ordinal
	Understand tax	Know the rights and obligations	
	Tax socialization	State funding	
		Inland revenue	
		Tax sanctions	

(Poham, 2014)			
Taxpayer Awareness (X ₃)	Taxpayer awareness	State development	Ordinal
		Pay and report	
		On time	
		Delay of payment	
		State administration	
(Rahayu, 2013)			
Taxpayer Compliance (Y)	Taxpayer awareness	Fulfill obligations	Ordinal
		Fill out the tax return	
		Calculate tax	
		Paying tax arrears	
		Regulatory compliance	
(Rahayu, 2013)			

Data Analysis Techniques

1. Validity Test

There are 2 ways to determine whether a data is valid or not, namely using (Sujarweni, 2015):

- a. If $r_{\text{arithmic}} \leq r_{\text{table}}$ (two-tailed test, with a significance of 0.05), then the statement instrument does not correlate significantly to the total score of the statement (declared invalid). Likewise, if the $r_{\text{counts grid}} \leq r_{\text{table}}$ (two-tailed test, with a significance of 0.05), the question instrument correlates significantly to the total score of the question (declared valid).
- b. If the correlation between the scores of each question item with a total score has a significant level of less than 0.05 then the question item is said to be valid, and vice versa if the total score has a significant level of more than 0.05 then the item question is said to be invalid.

2. Reliability Test

This test uses a method *Cronbach Alpha*.

- a. If the Cronbach Alpha value < 0.70 then the questions used to measure the variable are "unreliable".
- b. If the Cronbach Alpha value > 0.70 then the questions used to measure these variables are "reliable".

3. Statistic Descriptive Test

Descriptive statistics is a data analysis technique that provides a description or description of data that is seen from the average value, standard deviation, maximum, minimum, and range (Ghozali, 2016). Descriptive statistics are used to view the distribution of sample data.

4. Uji Asumsi Klasik

a. Multicollinearity Test

If the normal probability plot data spread around the diagonal line and follows the direction of the diagonal line, the regression model meets the normality assumption. Whereas if the data spreads far from the diagonal line and does not follow the direction of the diagonal line, the regression model does not meet the assumption of normality.

b. Heteroscedasticity Test

To detect the presence or absence of multicollinearity in the regression model is as follows:

- 1) The value of R² produced by an estimation of the empirical regression model is very high, but individually many independent variables do not significantly affect the dependent variable.
- 2) Analyze the correlation matrix of independent variables. If there is a high correlation between independent variables (generally above 0.90), then this is an indication of multicollinearity. The absence of a high correlation between independent variables does not mean free from multicollinearity. Multicollinearity can be caused by the effect of a combination of two or more independent variables.
- 3) Multicollinearity can also be seen from (1) tolerance value and its opponents (2) variance inflation factor (VIF). These two measures indicate which each independent variable is explained by other independent variables. In simple terms, each independent variable becomes a dependent variable and

is regressed against other independent variables. Tolerance measures the variability of selected independent variables that are not explained by other independent variables. So a low tolerance value equals a high VIF value (because of $VIF = 1 / \text{Tolerance}$). If the cut-off that is commonly used to indicate multicollinearity is a Tolerance value ≤ 0.10 or equal to a VIF value ≥ 10 . Each study must determine a tolerable level of collinearity. For example, the value of tolerance = 0.10 is the same as the level of collinearity of 0.95

5. Multiple Regression Test

a. Multiple Linear Regression Test

Based on the relationship between NPWP ownership liability variables (X1), understanding taxation (X2), taxpayer awareness (X3), and taxpayer compliance (Y), multiple linear regression analysis models will be used as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Explanation:

Y : tax revenue

a : a constant

b₁ : regression coefficient (shows the number of increase or decrease in the dependent variable based on the relationship of the value of the independent variable)

X₁ : variable liability ownership Taxpayer Identification Number

X₂ : variable understanding of taxation

X₃ : variable taxpayer awareness

e : error

b. Correlation Coefficient Test (R)

Correlation coefficient test is a coefficient that shows how strong the relationship between independent variables and dependent variables is by looking at r in the following table:

Table 2. Interpretation of Correlation Coefficients

Coefficient interval	Relationship Level
0	There is no correlation
0,00 - 0,199	Very low
0,20 – 0,399	Low
0,40 – 0,599	Medium
0,60 - 0,799	Strong
0,80 - 0,999	Very strong
1	Perfect Correlation

Source: (Sugiyono, 2017)

c. Determination Coefficient Test (R²)

The fundamental weakness of using the coefficient of determination is the bias towards the number of independent variables entered into the model. Every additional one independent variable, R² increases, regardless of whether the variable significantly influences the dependent variable. Unlike R², the Adjusted R² value can go up or down if an independent variable is added to the model. Therefore, we use Adjusted R² to evaluate the best regression model (Ghozali, 2016).

6. Hypothesis Test

a. Simultaneous Significant Test (Test F)

In this study, the decision-making criteria in the F statistical test were carried out by the method of comparing the calculated F value with the F value according to the table. If the value of F count is greater than the value of F table, then H₀ is rejected and H_a is accepted. In other words, alternative hypotheses which state that all independent variables simultaneously and significantly influence the dependent variable are accepted (Ghozali, 2016).

b. Partial Significant Test (t Test)

The statistical test t is done by comparing the t statistical value with the crisis point according to the table. If the calculated statistical value is higher than the t_{table}, we accept an alternative hypothesis which states that an independent variable individually influences the dependent variable. The hypothesis test is conducted by t-test to test the significance of the regression coefficient with the following conditions:

Ho: There is no significant positive effect between the taxpayer ownership obligations, understanding of taxation and taxpayer awareness of the taxpayer's position in the region of Regency II Housing - Tangerang.

Ha: There is a significant positive effect between the taxpayer ownership obligations, understanding taxation and awareness of taxpayers towards taxpayer's compliance in the Regency II Housing area - Tangerang

IV. RESULTS

Hypothesis test

1. Simultaneous Significant Test (Test F)

The statistical test F aims to determine the effect of together or simultaneous independent variables on the dependent or dependent variable. The criteria used are if the probability > 0.05 then Ho is accepted while vice versa if the probability < 0.05 then Ho is rejected.

Table 3. Statistical Test Results F

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	409,545	3	136,515	29,986	,000 ^b
	Residual	437,045	96	4,553		
	Total	846,590	99			

a. Dependent Variable: TOTAL_KPWP

b. Predictors: (Constant), TOTAL_KSWP, TOTAL_PP, TOTAL_KKN

Source: Primary data processed SPSS (2018)

Based on the ANOVA table above it is known that a significant value of 0,000 or smaller than the probability value (p-value) of 0.05 ($0.000 < 0.05$) and also $F_{count} > F_{table}$ or $29.986 > 2.70$. Thus Ho is rejected and Ha is accepted, this means that the independent variable, namely the obligation of ownership of the Taxpayer Identification Number, understanding of taxation and awareness of taxpayers has a significant influence jointly on tax compliance. Hypothesis test results indicate that the taxpayer ownership obligations, understanding taxation, and awareness of taxpayers have a significant effect on taxpayer compliance. Thus, the higher the NPWP ownership obligations, taxation understanding, and taxpayer awareness, the higher the expected level of taxpayer compliance.

2. Partial Significant Test (t Test)

The t-test statistic is useful for testing the effect of each independent variable partially on the dependent variable. To find out whether or not the influence of each independent variable partially on the dependent variable can be seen at the 0.05 significance level. Statistical test results t can be seen in table 4, if the probability value $t < 0.05$ then Ha is accepted, whereas if the probability value $t > 0.05$ then Ha is rejected.

Table 4. Partial Significant Test Results (t Test)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	4,382	1,499		2,923	0,004
	TOTAL_KKN	0,394	0,085	0,416	4,618	,000
	TOTAL_PP	0,139	0,069	0,178	1,999	0,048
	TOTAL_KSWP	0,229	0,092	0,239	2,482	0,015

a. Dependent Variable: TOTAL_KPWP

Source: Primary data processed by SPSS (2018)

Table 4 above can be seen in the significant level for each independent variable. Of the three independent variables included in the regression model, it produces a significant value of p-value <0.05 . This can be seen from the independent variable of ownership obligation of the Taxpayer Identification Number, obtained tcount = 4.618, which is greater than ttable = 1.660. Thus it means that individually the obligation of ownership of the Taxpayer Identification Number has a positive effect on the compliance of taxpayers. It also obtained a significant value of $0 <0.05$ which means there is a significant influence. The conclusion is that H_0 is rejected and H_a is accepted. For the second independent variable, understanding taxation, the value of tcount = 1.999 $> 1,660$ ttable. The conclusion is that partially understanding taxation has a positive effect on taxpayer compliance. Likewise, the significant results show a value of 0.048 <0.05 which means there is a significant influence. In conclusion, H_0 was rejected and H_a was accepted. For the third independent variable, awareness of taxpayers, the value of tcount = 2.482 > 1.660 ttable. This means that partial awareness of taxpayers has a positive effect on tax compliance. Likewise, the significance results showed a value of 0.015 <0.05 which means that there was a significant influence and the conclusion was that H_0 was rejected and H_a was accepted.

Hypothesis H1 Test Results: Effect of taxpayer ownership numbers on the taxpayer compliance

Hypothesis 1 test results shown in table 4, the calculated value of the variable liability ownership Taxpayer Identification Number (X1) is 4,618 with a significance level of 0,000. Because the value of tcount 4.618 is greater than t table 1.660 and the significance value is 0.000 smaller than the significant probability $\alpha = 0.05$. Then H_0 is rejected and H_a is accepted, so it can be said that the obligation of having a Taxpayer Identification Number is positive and significant with taxpayer compliance. More and more taxpayers who have a Taxpayer Identification Number will increase tax compliance. By its function, the Taxpayer Identification Number is a means of tax administration that is used as personal identification or taxpayer identity. Taxpayer Identification Number is also used to maintain order in paying taxes and supervising tax administration. So for taxpayers who already have a TIN are required to pay tax dependents.

Hypothesis H2 Test Results: The effect of understanding taxation on taxpayer compliance

Hypothesis 2 test results are shown in Table 4, the calculated value of the taxation understanding variable (X2) is 1.999 with a significance level of 0.048. Because the tcount of 1.999 is greater than t table 1.660 and the significance value of 0.048 is smaller than the significant probability $\alpha = 0.05$. Then H_0 is rejected and H_a is accepted, so it can be said that the variable understanding of taxation occurs positive and significant coefficient with tax compliance. The more taxpayers who understand taxation, the taxpayer compliance will increase. As explained, understanding taxation is needed to improve taxpayer compliance, because if there are still many taxpayers who do not understand tax, then it will reduce taxpayer compliance to carry out their obligations as taxpayers.

Hypothesis H3 Test Results: Effect of taxpayer awareness of taxpayer compliance

Hypothesis 3 test results shown in table 4, the t-count on the taxpayer awareness variable (X3) is 2.482 with a significance level of 0.015. Because the value of t is 2.482 is greater than t table 1.660 and the significance value is 0.015 smaller than the significant probability $\alpha = 0.05$. Then H_0 is rejected and H_a is accepted, so it can be said that the variable of taxpayer awareness occurs the coefficient positive and significant value of taxpayer compliance, the more taxpayers are aware of taxpayer awareness, the compliance of taxpayers will increase.

Hypothesis Test Results H4: Effect of taxpayer-identification numbers, taxpayer understanding and taxpayer awareness of taxpayer compliance

Based on the results of research conducted by the author, shows that the obligation of ownership of the Taxpayer Identification Number has a positive and significant effect on taxpayer compliance, understanding taxation has a positive and significant effect on taxpayer compliance, and awareness of taxpayers has a positive and significant effect on taxpayer compliance, matters This is because the three variables do have an important influence on taxpayer compliance, as evidenced by the results of Fcount $> Ftable$ or 29.986 > 2.70 , the significance value of 0.000 is smaller than the significant probability $\alpha = 0.05$. Thus H_0 is rejected and H_a is accepted, which means that if any of these variables do not affect, it will affect the level of compliance of the taxpayer.

V. CONCLUSION

Based on the results of testing the data that has been done can be concluded as follows:

1. The obligation of ownership of the Taxpayer Identification Number has instruments namely tax administration, taxpayer identity, maintaining order, tax documents, and having income has a significant and positive effect on

taxpayer compliance of 0,000 <0.05. From the statement above, it can be concluded that the more taxpayers who have a Taxpayer Identification Number, will increase tax compliance.

2. Understanding taxation has an instrument that is understanding the rules, knowing the rights and obligations, state financing, state revenue, and tax sanctions have a significant and positive effect on taxpayer compliance by 0.048 <0.05. From the statement above, it can be concluded that the more taxpayers who understand and understand taxation, it will increase taxpayer compliance.
3. Awareness of taxpayers has instruments namely state development, pay and report, on time, postponement of payment, and state administration has a significant and positive effect on taxpayer compliance by 0.015 <0.05. From the above statement, it can be concluded that the increasing awareness of taxpayers to carry out their rights and obligations as taxpayers, the compliance of taxpayers will increase.
4. Of the three conclusions previously described regarding the obligation of ownership of a Taxpayer Identification Number with a significant value of 0,000 <0.05, understanding of taxation with a significant value of 0.048 <0.05, and awareness of taxpayers with a significant value of 0.015 <0.05 a significant effect and positive for taxpayer compliance. It is also proved by the results of $F_{count} > F_{table}$ or $29.986 > 2.70$. Thus H_0 is rejected and H_a is accepted, which means that if any of these variables do not affect, it will affect the level of compliance of the taxpayer.

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