



THE EFFECT OF TAX SANCTIONS AND TAX AUTHORITIES SERVICES ON TAX COMPLIANCE AND TAXPAYER AWARENESS AS MODERATION VARIABLE (SURVEY ON CORPORATE TAXPAYERS DOMICILED IN TANGERANG)

Irwan Kurniawan¹, Apollo Daito²

¹) Department of Accounting Universitas Mercu Buana, Jakarta, Indonesia, Irwankur2013@gmail.com

²) Department of Accounting Universitas Mercu Buana, Jakarta, Indonesia, apollo@mercubuana.ac.id

Corresponding Author: First Author

Abstract: *This research examines the Effect of Tax Sanctions and Tax Authorities Service on Tax Compliance Taxpayer Awareness as Moderation Variables. The population in this study is corporate taxpayers who live in Tangerang, based on data until the end of 2018 there were 1,570 taxpayers, the determination of the number of samples was determined using the Slovin formula so that the sample used was 94 respondents. Data were collected using a questionnaire and using the Ordinal scale. The distribution and collection of questionnaires was carried out in June 2020 and the number of questionnaires that could be used was 88 questionnaires or 93%. In analyzing the data used a quantitative approach through Software SPSS 23. The simultaneous Tax Sanction, Tax Authorities Service have a significant effect on Tax Compliance Taxpayer Awareness. Partially Tax sanctions have a significant effect on compliance with corporate taxpayers, the Tax Authorities Service have a significant effect on compliance with corporate taxpayers. Interactionally awareness of taxpayers moderating tax sanctions does not affect the compliance of corporate taxpayers, awareness of taxpayers moderating tax authorities services have a significant effect on compliance with corporate taxpayers.*

Keywords: *Tax Sanctions, Tax Authorize, Tax Compliance, Taxpayer Awareness enterprises.*

INTRODUCTION

Taxes are one of the main sources of state revenue, therefore taxpayer compliance is an important role in terms of increasing state revenue. Herry Susanto (2019) awareness and voluntary care of taxpayers is very difficult to realize, this situation shows paying taxes is an activity that is voluntary or because of an awareness, this situation provides understanding and understanding that people are required to carry out state obligations by paying taxes voluntarily and full of awareness as the actualization of national solidarity to build the national economy. Until now public awareness of paying taxes has still not reached the

expected level. When people have an awareness of paying taxes in themselves, then paying taxes is done voluntarily without any treatment. This awareness of paying taxes does not only lead to obedience, obedience and discipline, but also a critical attitude, the more critical the community and its government, the higher the awareness of paying taxes, but does not stop here, they are even more critical in addressing taxation issues, especially towards policy material in the area of taxation, for example the application of tariffs, taxation mechanisms, regulations, practice in the field and expansion of subject and objects.

Dadang Sofyan (2019) awareness of Tangerang residents as taxpayers is still low. Other problems that arise related to taxpayers are economic conditions that have not been maximized, taxpayer databases that are not yet valid. In addition, the turnover has not been reported correctly by the taxpayers to the government, of course the four issues are of concern to the Regional Revenue Agency (Bapenda) of the City of South Tangerang, related to the four issues, have made various efforts to achieve the annual regional tax target, including namely issuing an online tax notification, the effort made the South.

Tangerang regional tax in 2018 exceed the target of Rp 1,296 trillion to Rp 1,422 trillion. Yohana Artha (2019) Realization of Annual Notification Letter reporting up to April 1, 2019 reached 11.309 million taxpayers. The realization includes individual and corporate taxpayers, as a percentage of the number of reports equivalent to 61.7% of the 18.333 million taxpayers who should report the Annual Tax Return, this realization shows the level of taxpayer compliance is still low. There are several things that cause the level of tax compliance is low, including the imposition of sanctions in the form of fines for late reporting the value is still small, making taxpayers ignore compliance. A small late fee so that it does not encourage taxpayers to report their tax obligations. Aviliani (2019) agency tax contribution is still small towards the State Expenditure Budget, the realization of the formal compliance rate in 2017 was 72.64%. The amount was sourced from the number of income tax returns received by the Directorate General of Taxes as much as 12.06 million of the total 16.59 million taxpayers. The Directorate General of Tax is currently targeting a tax compliance rate of 80%. The target is measured based on the number of individual and corporate annual Notification submissions for the 2018 tax year, as well as the payment of corporate income tax for which compliance rates are still low, this is because the reporting system adheres to self assessment. Compliance with tax payments needs to be increased, because, through taxes, it can increase revenue and help reduce the deficit of the State Expenditure Budget, and dependence on debt for financing.

Research on the effects of tax sanctions and tax authorities services on corporate taxpayers compliance and taxpayer awareness as a moderating variable has been conducted by several studies. Fitri Marcori (2018) the results of the study revealed the awareness of taxpayers and tax sanctions affect the compliance of corporate taxpayers, while the service of the tax authorities does not affect the compliance of corporate taxpayers. Henny, Intan (2018) the results of the study revealed that tax sanctions and tax authorities have an effect on corporate taxpayer compliance, because taxation sanctions will increase taxpayer knowledge about the consequences of taxation and the better the quality of tax authorities the higher the level of compliance, because taxpayers feel helped and directed. Steven, Joana (2018) the

results of the study revealed that tax sanctions, tax authorities and awareness of taxpayers have a positive and significant impact on tax compliance for the agency. Ega Mawarni, Leonardo (2019) the results of the study revealed that tax sanctions and tax authorities have no effect on taxpayer compliance and taxpayer awareness as a moderating variable influencing corporate taxpayer compliance. Januar Dio (2017) the results of the study revealed that taxpayer awareness and tax sanctions affect taxpayer compliance while the tax authorities do not affect taxpayer compliance. Esti Rizqiana (2017) the results of the study revealed that the tax authorities and awareness of taxpayers affect taxpayer compliance while tax sanctions do not affect taxpayer compliance. Nanik, Zaenal (2018) the results of the study revealed that tax sanctions do not affect taxpayer compliance, this is due to the large number of government employees who embezzle tax so that there are still many taxpayers who do not comply with their tax obligations.

LITERATURE REVIEW

1. Compliance Theory

Allingham, Sandmo (1972) This theory of compliance assumes that such a high level of non-compliance can be seen from an economic standpoint. This theory believes that no individual is willing to pay taxes voluntarily (voluntary compliance), therefore individuals will always oppose to pay taxes (risk aversion). According to this theory, the main factors affecting tax compliance include fixed income, tax rates, the probability of an audit and the amount of sanctions that may be imposed. Individuals are assumed to have a fixed income endowment that must be reported to the government to determine the amount of tax to be paid..

2. Tax Sanctions

Mardiasmo (2016: 32) taxation sanctions are guarantees that the provisions of tax legislation (tax norms) will be obeyed / obeyed / complied with or taxation sanctions are a preventive tool so that taxpayers do not violate taxation norms. Tax sanctions occur because of violations of tax legislation, where the greater the mistakes committed by a taxpayer, the sanctions will also be more severe. One example of a violation that often occurs at this time is the delay in paying taxes intentionally or unintentionally, a shortage in paying taxes and errors in filling out the Notice. Taxpayers will comply with taxes if they consider tax sanctions to be detrimental to themselves³. Tax socialization

According to Sugeng (2012) tax socialization is an effort made by the directorate general of taxation to provide knowledge to the public and especially taxpayers in order to know about all matters regarding taxation both regulations and procedures through appropriate methods. The dimensions of tax socialization are dissemination, installation of billboards, and the directorate general of taxation's website as a socialization media. Research conducted by Khairah (2015), Pasca (2015), Ojochogwu (2012), Newman (2018), INyoman (2017), and Ajat (2015) prove that tax socialization has influence on taxpayer compliance. While Oktaviane (2013) proves that tax socialization has no influence on taxpayer compliance

4. Tax Authorize

Tax authorize can provide comfort and convenience for taxpayers in carrying out their tax obligations. Moenir (2010: 55) service is an activity carried out by a person or group of people on the basis of material factors through certain systems, procedures and methods in order to meet the interests of others in accordance with their rights. Service is basically an activity, therefore service is a process. The service process takes place routinely and continuously, including all community activities in socializing.

5. Taxpayer awarness

Tax awareness is a taxpayer who is willing without compulsion to pay tax obligations. Taxpayers who know how to tax regulations, implement tax provisions correctly, and are voluntary. Taxpayers who are aware of their taxes will not violate the existing taxation regulations, taxpayers also calculate their taxes correctly, and will pay the tax due (Abdul Rahman, 2010) Awareness is a condition to know or understand, whereas taxation is a form of tax , so that tax awareness is a state of knowing or understanding tax matters.

HYPOTHESIS

H1: Effect of tax sanctions on tax compliance

H2: Effect of tax authorize on tax compliance

H3: Effect of tax awareness as moderate tax sanctions on taxpayer compliance

H4: The effect of awareness as moderate the tax authorities services on tax compliance

RESEARCH METHODS

Population is a collection of individuals who possess predetermined qualities and characteristics. Based on these qualities and characteristics, the population can be understood as a group of individuals or objects of observation that have at least one characteristic in common. The population in this study is corporate taxpayers in the Tangerang region, based on data from the end of 2018 there were 1,570. The reason for choosing corporate taxpayers in this study is because corporate taxpayers make significant tax contributions to state revenue, but the implementation is not yet maximum. Sampling is done by random sampling method. Sugiyono (2014: 78) Random sampling is a sampling technique from members of the population that is done randomly without regard to strata that exist in that population. Then each sampling unit as an element of a remote population has the opportunity to represent its population.

RESULT AND DISCUSSION

Table 1: Multiple Regression Test

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	7,882	3,298	
	TS	,064	1,304	,058
	FS	-1,483	,858	-1,335
	TA	-1,443	,821	-1,444
	TS_TA	,042	,312	,269
	FS_TA	,432	,204	2,919

a. Dependent Variable: Tax Compliance

$$\text{Compliance} = 7,882 + 0,064 + (1,483) + (1,443) + 0,042 + 0,432 + e$$

From the results of testing the significance of the data, the results obtained include:

- Tax sanction variable has a coefficient value of 0.064 with a positive direction, this shows that if the tax sanction variable rises 1% will cause an increase in the value of taxpayers received worth the coefficient.
- Fiscal service variable has a coefficient value of -1.483 with a negative direction, this shows that if the fiscal service variable decreases by 1% it will cause a decrease in the value of the taxpayers received worth the coefficient.
- Tax sanctions and taxpayer awareness have a coefficient value of 0.042 with a positive direction, this shows that if the tax sanctions variable and taxpayer awareness increase by 1% will cause an increase in the value of tax sanctions and taxpayer awareness
- Fiscus service and awareness of taxpayers has a coefficient value of 0.432 with a positive direction, this shows that if the variable of tax authorities and awareness of taxpayers increase by 1% will cause an increase in the value of tax authorities and awareness of taxpayers.

In terms of gender, the last level of education and age level can be concluded that the respondents are female, dominated by high school graduates and the age level is 36-45 years old, from this it can be concluded that the average respondent is not in the productive age.

Table 2: Determination Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,595 ^a	,354	,339	,37744

a. Predictors: (Constant), PF, SP

b. Dependent Variable: KWP

Based on table 2 it is known that the coefficient of determination (R²) of Adjusted R Square of 0.339 means that the variable tax sanctions and tax authorities services to taxpayer compliance **and**

Table 3: Model Suitability Test (Test F)

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6,647	2	3,323	23,327	,000 ^b
	Residual	12,109	85	,142		
	Total	18,756	87			

a. Dependent Variable: Tax Compliance

b. Predictors: (Constant), Fiscus Service, Tax Sanction

Based on the table above it is known that the results of the model suitability test (Test F) show that the significance value indicates 0,000. If the significance value <0.05 then the independent variables together have a significant effect on the dependent variable.

Table 4: Partial Test (T Test)

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
	1 (Constant)	1,084	,466			
TS	,276	,112	,247		2,462	,016
FS	,481	,111	,433		4,312	,000

a. Dependent Variable: TC

From the results of the T-test in the above table conclusions can be drawn as follows T table:

- From the regression table it can be seen that the t-count for the tax sanction variable is 2,462 with a probability level of 0.016, it can indicate that the tax sanction variable has a significant effect on taxpayer compliance, because the significance of the study shows less than 0.05, that is, $0.016 < 0,05$ then it can be concluded that H_1 is accepted.
- From the regression table it can be seen the magnitude of t arithmetic for the fiscal service variance of 4.312 with a probability level of 0,000, it can be shown that the tax service variable has a significant effect on taxpayer compliance, because the significance of the research shows that it is smaller than 0.05 which is equal to $0,000 < 0.05$ then it can be concluded that H_2 is accepted.

Table 5: Interaction Test

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.
	B	Std. Error	Beta			
	1 (Constant)	7,882	3,298			
TS	,064	1,304	,058		,049	,961
FS	-1,483	,858	-1,335		1,728	,088
TA	-1,443	,821	-1,444		1,758	,083
TS_TA	,042	,312	,269		,134	,894
FS_TA	,432	,204	2,919		2,120	,037

a. Dependent Variable: KWP

- From the regression table it can be seen that the t-count for the variable tax sanction is moderated by the taxpayer awareness of 0.134 with a significance level of 0.894, it can indicate that the tax sanction variable moderated by the taxpayer awareness does not affect the taxpayer compliance, because the significance of the study shows greater of 0.05 which is equal to $0.894 > 0.05$, it can be concluded that H_3 is rejected.
- From the regression table it can be seen that the t-count for the fiscal service variable is moderated by 2.120 taxpayer awareness with a significance level of 0.037, it can be shown that the fiscal service variable is moderated by taxpayer awareness significantly influencing taxpayer compliance, because the research significance shows smaller of 0.05 which is equal to $0.037 < 0.05$, it can be concluded that H_4 is accepted

DISCUSSION

Based on the results of statistical tests and significance it is known that :

- The effect of tax sanctions on taxpayer compliance
The results showed that tax sanctions had a significant effect on compliance with corporate taxpayers, because tax sanctions established by the government had been

implemented well, so they could be used as a preventive tool so that taxpayers did not violate taxation norms. Tax sanctions occur because of violations of tax legislation, where the greater the mistakes committed by a taxpayer, the sanctions will also be more severe. The results of this study are consistent with research conducted by Fitri Marcori (2018). The results of the study revealed that tax sanctions affect corporate taxpayer compliance. Henny, Intan (2018) the results of the study revealed that taxation sanctions affect the compliance of corporate taxpayers, this is because taxation sanctions are able to increase taxpayer knowledge about the consequences of taxation. Steven, Joana (2018) the results of the study revealed that tax sanctions have a positive and significant impact on tax compliance for the agency. Faiz Alvin, Apollo (2020) research results reveal that tax sanctions have a positive and significant effect on taxpayer compliance. However, this study is not in accordance with research conducted by Ega Mawarni, Leonardo (2019). The results of the study revealed that tax sanctions do not affect tax compliance. Nanik, Zaenal (2018) the results of the study revealed that tax sanctions do not affect taxpayer compliance, this is due to the large number of government employees who embezzle tax so that there are still many taxpayers who do not comply with their tax obligations.

2. The effect Tax Authorize on the compliance of corporate taxpayers

The results showed that the tax authorities had a significant effect on corporate taxpayer compliance, because the tax authorities in Tangerang were already quite good, where the tax authorities had good quality performance so that taxpayers felt helped in their tax obligations, this would have an impact on tax compliance compliance. Fiscus has competence in taxation expertise, knowledge and experience in tax policy, tax administration and tax legislation, services provided by tax authorities to the taxpayer are believed to be able to motivate taxpayers with the aim of increasing taxpayer compliance. The results of this study are in accordance with Henny, Intan (2018) revealed that the tax office services affect the compliance of corporate taxpayers, it is because the better the quality of the tax authorities the higher the level of compliance, because taxpayers feel helped and directed. Steven, Joana (2018) revealed that the tax authorities have a significant effect on tax compliance for the agency. Steffi M Lestari, Apollo (2019) revealed that tax socialization has a positive effect on taxpayer compliance.. The results of the study are not in accordance with Fitri Marcori (2018) revealed that the tax authorities have no effect on corporate taxpayer compliance. Ega Mawarni, Leonardo (2019) revealed that the fiscus have no effect on taxpayer compliance.

3. The effect of tax sanctions is moderated by the awareness of taxpayers on tax compliance

The results showed that tax sanctions moderated by awareness of taxpayers did not affect the compliance of corporate taxpayers, this is because corporate taxpayers in Tangerang still consider tax sanctions to be something that can still be tolerated, so awareness of taxpayers to comply with tax obligations is still low.

4. The effect tax authorize is moderated by awareness of taxpayers on tax compliance

The results showed that the tax authorities service moderated by awareness of taxpayers has a significant effect on compliance with corporate taxpayers, this is

because if the tax authorities provide good service to taxpayers, provide socialization to taxpayers, it will trigger support for taxpayers, so that it will result in services the tax authorities are moderated by the awareness of taxpayers to be high.

CONCLUSION AND RECOMENDATION

1. The effect of tax sanctions on corporate taxpayer compliance

Tax sanctions have a significant effect on compliance with corporate taxpayers, because tax sanctions established by the government have been implemented well, so they can be used as a preventive tool so that taxpayers do not violate taxation norms. Tax sanctions occur because of violations of tax legislation, where the greater the mistakes committed by a taxpayer, the sanctions will also be more severe.

2. The effect of the tax authorities services on corporate taxpayer compliance

The tax authorities have s significant effect on the compliance of corporate taxpayers, because the tax authorities in Tangerang are already quite good, where the tax authorities have good quality performance so that taxpayers feel helped in their tax obligations, it will have an impact on tax compliance compliance. Fiskus has competence in taxation expertise, knowledge and experience in tax policy, tax administration and tax legislation, services provided by tax authorities to the taxpayer are believed to be able to motivate taxpayers with the aim of increasing taxpayer compliance.

3. The effect taxpayer awareness moderates tax sanctions on corporate taxpayer compliance

Awareness of taxpayers moderating taxation sanctions does not affect effect on compliance with corporate taxpayers, this is because awareness of corporate taxpayers in Tangerang are already high enough, so that taxpayers know the consequences of tax sanctions imposed on taxpayers in the event of a violation, so taxpayers minimize the imposition of sanctions.

4. The effect taxpayer awareness moderates the tax authorities service to corporate taxpayer compliance

Awareness of taxpayers moderating the tax authorities have s significant affect the compliance of corporate taxpayers, this is because if the tax authorities do not provide good service to taxpayers, do not provide socialization to taxpayers, it will trigger a lack of awareness of taxpayers, which will result in compliance of taxpayers to be low

RECOMMENDATION

1. For Corporate Taxpayers

Corporate taxpayers are expected to continue to improve taxpayer compliance, where tax reporting and payment are made in a timely manner.

2. For Primary Tax Office Tangerang

Tangerang Primary Tax Office is expected to always provide socialization to corporate taxpayers and provide the best service, so that taxpayers feel embraced by the tax authorities, so that it will have an impact to improve compliance.

3. For further researchers

Future studies are expected to add other variables with different Tax Authorities Location with a larger scope such as KPP LTO or KPP PMA.

REFERENCE

- Abdul Rahman. 2010. *Panduan Pelaksanaan Administrasi Perpajakan untuk karyawan, pelaku bisnis dan perusahaan*. Bandung: Nuansa.
- Allingham, Sandmo. (1972). The Theory of Tax Evasion: A Retroactive View. Paper for Nordic Workshop on Tax Policy and Public Economics in Helsinki. Andreas & Enni Savitri. 2015. *The Effect of Tax Socialization, Tax Knowledge, Expediency of Tax ID Number and Service Quality on Taxpayers Compliance With Taxpayers Awareness as Mediating Variables*. *Procedia Social and Behavioral Sciences*, Vol 211, pp 163-169
- Apollo, Faiz Alvin (2020). Pengaruh Modernisasi Sistem Administrasi Perpajakan, Sanksi Pajak Terhadap Kepatuhan Wajib Pajak Orang Pribadi Pada Kpp Pratama Jurnal Ekonomi Manajemen Sistem Informasi [JEMSI], Vol 1, No 3, pp. 229-237
- Apollo, Steffi M Lestari. (2019). The Influence Of Taxation Knowledge, Tax Socialization And Tax Administration On Taxpayer Compliance (Empirical Study In Micro Small And Medium Enterprises (Msmes) Tobat Village, Balaraja Sub-District, Tangerang Regency, Banten Province), *Dinasti International Journal of Management Science*, Vol 1, No 5 pp. 732-739I
- Ega Mawarni, Leonardo. (2018). Pengaruh Sanksi Perpajakan dan Pelayanan Fiskus Terhadap Kepatuhan Wajib Pajak dan Kesadaran Wajib Pajak Sebagai Variabel Moderasi. *Journal Of Accounting*, Vol.(180), No.10
- Enni Savitri, Musfialdy. (2016). The Effect of Taxpayer Awareness, Tax Socialization, Tax Penalties, Compliance Cost at Tax Compliance With Service Quality as Moderating Variable. *Procedia – Social and Behavioral Science*, Vol. (219), No. 682-687
- Esti Rizqiana. (2017). Pengaruh Pelayanan Fiskus dan Kesadaran Wajib Pajak Terhadap Kepatuhan Wajib Pajak. *Diponegoro Journal of Accounting*, Vol. (6), No.3
- Fitri Marcori. (2018). Pengaruh Sanksi Perpajakan, Pelayanan Fiskus dan Kesadaran Wajib Pajak Terhadap Kepatuhan Wajib Pajak. Tesis S2, Universitas Negeri Padang
- Henny, Intan. (2018). Pengaruh Sanksi Perpajakan dan Pelayanan Fiskus Terhadap Kepatuhan Wajib Pajak. *Jurnal Ilmu Akutansi*, Vol.(16), Hal.2
- Januar Dio. (2017). Pengaruh Kesadaran Wajib Pajak, Pelayanan Fiskus, dan Saksi Pajak Terhadap Kepatuhan Wajib Pajak di Kota Samarinda. *Forum Ekonomi* Vol.(19), Hal.1
- Mardiasmo. (2016). *Perpajakan (Edisi Revisi)*. Yogyakarta : Andi.
- Moenir. (2010). *Manajemen Pelayanan Umum di Indonesia*. Jakarta: Bumi Aksara.
- Nanik, Zaenal. (2018). *Pengaruh Sanksi Perpajakan Terhadap Kepatuhan Wajib Pajak*. Prosiding Sendi, ISBN: 978-979-3649-99-3
- Nurlis, Ismilah Kamil. (2015). The Effect of Taxpayer Awareness, Knowledge, Tax Penalties and Tax Authorities Service on the Tax Compliance. *Research Journal of Finance and Accounting*. Vol.(6), No.2
- Steven, Joana. (2018). Pengaruh Sanksi Pajak, Pelayanan Fiskus dan Kesadaran Pajak Terhadap Kepatuhan Wajib Pajak Badan di Medan Petisah. *Jurnal Reviu Akuntansi dan Keuangan*, Vol.(1), Hal.2
- Sugiyono. (2014). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif*. Bandung : Alfabet
- Aviliani. (2019). Kepatuhan Pajak di Indonesia Masih Rendah. Diakses 24 November 2019 dari <https://www.cnbcindonesia.com>

- Dadang Sofyan. (2019). Kesadaran Warga Tangerang Selatan Masih Minim sebagai Wajib Pajak. Diakses 17 Desember 2019 dari <https://wartakota.tribunnews.com>
- Herry Susanto. (2019) . Membangun Kesadaran Dan Kepedulian Sukarela Wajib Pajak. Diakses pada 16 Desember 2019 dari <https://www.pajak.go.id>
- Yohana Artha. (2019). Pelaporan SPT Baru 61,7%, Tingkat Kepatuhan Wajib Pajak Rendah. Diakses pada 16 Desember 2019 dari <https://economy.okezone.com>