

THE INFLUENCE OF TAXATION KNOWLEDGE AND TAX SANCTIONS ON INDIVIDUAL TAXPAYER COMPLIANCE (CASE STUDY ON NON-EMPLOYEE INDIVIDUAL TAXPAYERS AT KPP PRATAMA BANDUNG CIBEUNYING)

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Abstract

This research aims to find out whether tax knowledge and tax sanctions have an effect on individual taxpayer compliance, as well as finding out how tax knowledge and tax sanctions influence individual (non-employee) taxpayer compliance at KPP Pratama Bandung Cibeunying. The factors tested in this research are tax knowledge and tax sanctions as independent variables. Meanwhile, individual taxpayer compliance is the dependent variable.

The research method used is the explanatory method. The population in this study is all individual taxpayers (non-employees) registered at KPP Pratama Bandung Cibeunying in 2022 with a total population of 56,623 taxpayers. The sampling technique used is engineering simple random sampling, using the formula Slovin. Meanwhile, the number of samples in this study was 100 individual taxpayers (non-employees). The analytical method used in this research is multiple linear regression analysis. The program used to analyze the data uses SPSS Ver25.

Based on partial and simultaneous research results, it shows that knowledge of taxation and tax sanctions influence individual taxpayer compliance at KPP Pratama Bandung Cibeunying. The magnitude of the influence of tax knowledge and tax sanctions in providing support or contributing influence on individual taxpayer compliance is 61%.

INTRODUCTION

Revenue from the Directorate General of Taxes in 2019 again did not reach the target. Tax revenues up to December 31 2019 could only collect IDR 1,332.1 trillion or 84.4% of the target in the 2019 State Revenue and Expenditure Budget, namely IDR 1,577.6 trillion. NEWS - CNBC Indonesia TV (2020). Then the 2022 APBN state revenue was realized at IDR 2,626.4 trillion or 115.9% of the target according to Presidential Regulation Number 98 of 2022 of IDR 2,266.2 trillion. Tax revenues managed to reach IDR 1,717.8 trillion or 115.6% based on the target of Presidential Decree 98/2022, growing 34.3%, far exceeding the 2021 tax growth of 19.3% (Indonesian Minister of Finance, 2023).

Based on data from the Directorate General of Taxes, it shows that the compliance ratio for submitting Annual Income Tax Returns as of the end of 2019 reached 73%. This is better than in

2018 where the compliance ratio was recorded at 71%. This year's achievements are still lower than the target of 80%. In 2019, there were 13.81 million individual employee taxpayers and 3.04 non-employee individual taxpayers and 1,47 million corporate taxpayers (Wildan, 2020). Based on the KPP Pratama Bandung Cibeuving report, there is a phenomenon that the level of compliance of non-employee individual taxpayers is fluctuating. The level of compliance of non-employee individual taxpayers at KPP Pratama Bandung Cibeuving has fluctuated (inconsistent). Non-employee individual taxpayers registered at KPP Pratama Bandung Cibeuving tend not to fully fulfill their tax obligations, only registering themselves as taxpayers, but neglecting other tax obligations. It can be seen that from 2018 to 2019 there was a slight increase, then from 2019 to 2020 there was a decrease. from 2020 to 2021 there was a decrease. and from 2021 to 2022 there was an increase.

Increasing public tax knowledge through formal and non-formal tax education will have a positive impact on taxpayers' understanding and awareness of paying taxes (Siti Kurnia Rahayu, 2017). Tax sanctions are a guarantee that the provisions of tax laws and regulations will be complied with. In other words, tax sanctions are a deterrent tool so that taxpayers do not violate tax norms (Mardiasmo, 2018b), The imposition of tax sanctions is imposed to create taxpayer compliance in carrying out their tax obligations (Sari, 2013).

Based on the background of the problem that has been described, the author formulates the problem as follows: {1) Do tax knowledge have an effect on the compliance of individual taxpayers (non-employees) (2) Do tax sanctions have an effect on the compliance of individual taxpayers (non-employees) (3) Does knowledge of taxation and tax sanctions influence individual (non-employee) taxpayer compliance?

The objectives of this research are: (1) To determine the effect of tax knowledge on individual (non-employee) taxpayer compliance. (2) To determine the effect of tax sanctions on individual (non-employee) taxpayer compliance. (3) To determine the effect of tax knowledge and tax sanctions on individual (non-employee) taxpayer compliance.

II. LIBRARY STUDY

Understanding Tax

According to Law Number 28 of the Year (2007), Tax is a mandatory contribution to the state owed by an individual or entity that is coercive based on the law, without receiving direct compensation and is used for state needs for the greatest prosperity of the people.

Understanding Tax Knowledge

According to Mumu et al. (2020), Tax knowledge is everything that is known, intelligence and everything that is known regarding everything related to taxation. According to Mulyatl & Ismanto (2021), tax knowledge or understanding of taxation possessed by Taxpayers must include Knowledge of General Provisions and Tax Procedures, Knowledge of the Taxation System in Indonesia, and Knowledge of Tax Functions.

Understanding Tax Sanctions

According to Mardiasmo (2018), tax sanctions are a guarantee that the provisions of tax laws and regulations (lax nonns) will be complied with/adhered to/adhered to. In other words, tax sanctions are a deterrent (preventive) so that taxpayers do not violate tax norms.

Understanding Taxpayer Compliance

According to Ilhamsyah et al (2016), taxpayer compliance, namely where taxpayers fulfill their tax obligations and exercise tax rights properly and correctly in accordance with applicable tax regulations and laws. According to Rahayu (2010), compliance is divided into formal compliance and material compliance.

Definition of Non-Employee Individual Taxpayer

Non-employee individual taxpayers are divided into 2 (two), namely entrepreneurs and freelancers. An entrepreneur is a person who, in his business or work activities, produces goods, imports goods and exports goods, carries out trading business, utilizes intangible goods outside the region. Meanwhile, casual workers are individuals who have special skills in an effort to earn income that is not tied to an employment relationship. Examples, doctors, architects, consultants, intermediaries, etc.

Framework of thinking

The Influence of Tax Knowledge on Taxpayer Compliance

According to Gardina & Haryanto (2016), high knowledge and insight in the sense of taxpayers has an impact on increasing levels of taxpayer compliance, namely the existence of sources of tax information that every taxpayer can obtain, for example from tax officers or tax magazines. According to Setyowati & Yushita (2017), Budhiartama & Jati (2016), Nugroho et al. (2016), and

Gusar (2015), the results of the research show that Tax Knowledge influences Taxpayer Compliance.

The Effect of Tax Sanctions on Taxpayer Compliance

According to Sari (2013), the imposition of tax sanctions is imposed to create taxpayer compliance in carrying out their tax obligations. Then obey Mardiasmo (2018), Tax sanctions are a guarantee that the provisions of tax laws and regulations will be complied with. This is in line with the results of research from Artha & Setiawan (2016), states that tax sanctions have a positive effect on taxpayer compliance. This is also in line with the research results Sukmawati & Silviana (2016), states that tax sanctions have a simultaneous effect on taxpayer compliance.

The Influence of Tax Knowledge and Tax Sanctions on Taxpayer Compliance

According to Rahayu (2010), with intensive and continuous tax counseling will increase taxpayers' understanding of the obligation to pay taxes as a form of national mutual cooperation in raising funds for the purposes of government financing and national development. The higher the tax knowledge provided to the public, the higher the level of individual taxpayer compliance. According to Mardiasmo (2018), tax sanctions are a guarantee that the provisions of tax laws and regulations will be complied with. In other words, tax sanctions are a deterrent tool so that taxpayers do not violate tax norms.

Based on the description above, it can be outlined in the framework chart as follows:



Gambar 2.1 Kerangka Pemikiran

Keterangan:
 —————> Hubungan Parsial
 —————> Hubungan Simultan

Figure 2.1 Thinking Framework

Based on the description above, a hypothesis can be determined which is the temporary conclusion of this research, namely that knowledge of taxation and tax sanctions have an influence on individual (non-employee) taxpayer compliance. The hypotheses proposed in this research are as follows:

H₁: Tax knowledge influences individual (non-employee) taxpayer compliance.

H₂: Tax sanctions affect the compliance of individual taxpayers (non-employees).

H₃: Tax knowledge and tax sanctions influence individual (non-employee) taxpayer compliance.

III. RESEARCH METHODS

Types of Research and Research Objects

The type of research used in this research is quantitative explanatory method research, namely collecting the necessary data originating from the company and explaining the causal/cause and effect relationship between the research variables and explaining it as a whole which will provide an overview of the influence of tax knowledge and tax sanctions on compliance. individual taxpayers (non-employees). The researcher chose the location of the KPP Pratama Bandung Cibeunying research object which is located on Jalan Purnawarman No. 21, Babakan Ciamis, Sumur Bandung District, Bandung City, West Java 40117 for the period 2018 to 2022.

Sample

Sample selection technique used Simple Random Sampling. Simple Random Sampling is sampling by first grouping the population based on the same strata, then from each group a random sampling opportunity is taken, this sample uses the formula Slavin. This research was carried out by distributing 100 questionnaires to 100 respondents.

Data Sources and Collection

The data source used in this research is primary data obtained by distributing questionnaires.

Data analysis technique

The data analysis techniques used in this research are classical assumption tests (normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test), multiple linear regression analysis, coefficient of determination analysis, and hypothesis testing (t test and F test), in this research use SPSS Ver25.

IV. RESULTS AND DISCUSSION

The Influence of Tax Knowledge on Individual (Non-Employee) Taxpayer Compliance

Based on the test results, it is shown that tax knowledge has a significant effect on individual (non-employee) taxpayer compliance. Meanwhile, the magnitude of the influence of tax knowledge in contributing to individual (non-employee) taxpayer compliance is 37.1%. The results of this research are supported by the theoretical basis in the previous discussion which states that a lack of knowledge ability and low quality of human resources will have an impact on receiving information that is not optimal. The results of this research are supported by the theoretical basis in the previous discussion which states that a lack of knowledge ability and low quality of human resources will have an impact on receiving information that is not optimal. The intellectuality of the population will influence the absorption of knowledge and information regarding taxation which will be applied well to the population. Then the fulfillment of tax obligations will be better (Rahayu, 2013).

The Effect of Tax Sanctions on Individual (Non-Employee) Taxpayer Compliance

Based on the test results, it is shown that tax sanctions have a significant effect on individual (non-employee) taxpayer compliance. Many individual taxpayers are compliant because of the implementation of tax sanctions. Meanwhile, the magnitude of the influence of tax sanctions in contributing to individual (non-employee) taxpayer compliance is 23.9%. The results of this research are supported by the theoretical basis in the previous discussion which states that tax sanctions are actions in the form of punishment given to individual or corporate taxpayers if they violate regulations (Arum and Zulaikha, 2012).

The Influence of Tax Knowledge and Tax Sanctions on Individual (Non-Employee) Taxpayer Compliance

Based on the test results, it is shown that tax knowledge and tax sanctions have a significant effect on individual (non-employee) taxpayer compliance. Meanwhile, the magnitude of the influence of tax knowledge in contributing to individual (non-employee) taxpayer compliance is 61.0%. The results of this research are supported by the theoretical basis in the previous discussion which states that individual (non-employee) taxpayer compliance can be defined as a situation where the taxpayer fulfills all tax obligations and exercises his tax rights (Rahayu, 2010).

IN. CONCLUSION

Based on the results of the research and discussion that has been carried out, it can be concluded that the results of the partial test (t test) show that the tax knowledge variable has a significant effect on individual (non-employee) taxpayer compliance among taxpayers registered at KPP Pratama Bandung Cibeunying for the 2018-2022 period., secondly, the tax sanctions variable has a significant effect on individual taxpayer compliance (non-employees) among taxpayers registered at KPP Pratama Bandung Cibeunying for the 2018-2022 period. Meanwhile, the results of simultaneous testing (F test) show that the variables of tax knowledge and tax sanctions simultaneously or together have a significant effect on individual (non-employee) taxpayer compliance among taxpayers registered at KPP Pratama Bandung Cibeunying for the 2018-2022 period.

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