

# ANALYSIS OF MORALITY AND TAXPAYER'S TAXPOSITION BEHAVIOR TO THE COMPLIANCE WITH INDIVIDUAL TAXATION 2017-2019

<sup>1</sup> Supardi, <sup>2</sup> Obsatar Sinaga, <sup>3</sup> Mohd Haizam Saudi

**Abstract:** *The definition of tax according to Law Number 16 of 2009 concerning General Provisions and Tax Procedures in Article 1 paragraph 1 is a mandatory contribution to the state owed by individuals or entities that are forcing based on the Law, with no direct and direct compensation. used for the needs of the country for the interests and prosperity of the people. The tax compliance ratio always increases and decreases inefficiently, this is due to the lack of discipline of taxpayers and the active role in tax obligations. This study aims to determine whether the level of Tax Knowledge and Tax Examination significantly influence the compliance of individual taxpayers in the city of Bandung. This study uses Primary data obtained from distributing questionnaire data to the Parties concerning the criteria of this Research. The data analysis method used is classic assumption test. The statistical method used in this research is multiple linear regression analysis. The researcher use partial significant test and simultaneous significance test to test the hypothesis. The results revealed that tax knowledge partially had a positive effect on the level of corporate tax compliance, and tax audits had no negative effect on the level of personal tax payer compliance. Meanwhile, based on simultaneous research, tax knowledge, and tax audits have a significant positive effect on the level of corporate tax-payer compliance.*

**Keywords:** *Morality, Tax, Compliance, Ratio.*

---

## 1. INTRODUCTION

Taxes are community contributions that must be paid to the state owed by individuals or entities that are coercive based on the law, with no direct compensation and are used for the country's needs for the greatest prosperity of the people (Nugraha, 2017).

Compliance with taxpayers is one of the keys to guarantee the success of the government in collecting tax revenue so that it can be used to support development funding. Torgler (2005) reveals that one of the most serious problems related to economic policy making is to encourage taxpayer compliance (Torgler, 2005). The reduced level of tax compliance can threaten the government's efforts to improve the welfare of the community (Chau, 2009).

The government is determined to increase taxpayer awareness with the aim of continuing national development towards national independence. The spearhead in implementing the awareness raising and compliance of taxpayers is facilitated by the Taxation Potential Counseling and Observation Office (KP4), because counseling which is carried out essentially plays an important role. Through this system, the implementation of tax administration is expected to be carried out more easily, in an orderly, effective, efficient and controlled manner.

---

<sup>1</sup>Widyatama University, Bandung

<sup>2</sup> Padjadjaran University

<sup>3</sup> Widyatama University, Bandung

Based on Table 1.2, shows that there is still a worrisome phenomenon related to the low level of tax compliance. The low compliance ultimately affects the realization of tax revenue. This is influenced by the low level of compliance of taxpayers in reporting SPT (Nugraha, 2017).

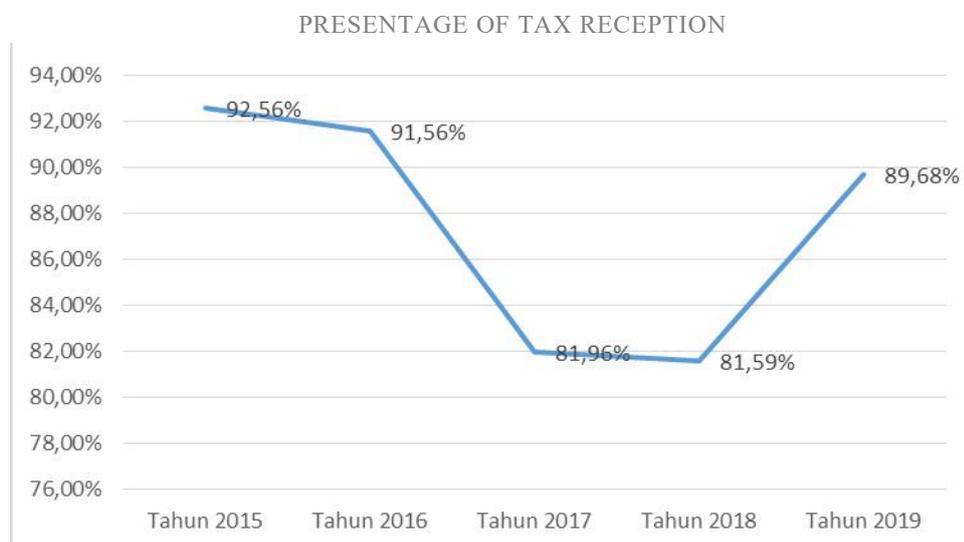


Figure 1. Presentage of Tax Revenue

Source: Performance Report DJP ([www.pajak.go.id](http://www.pajak.go.id))

Based on Figure 1, it can be seen that the percentage of tax revenue in 2019 will reach Rp. 1,151.13 Trillion from the target of Rp. 1,283.56 Trillion or 89.68%, so that a shortfall of Rp. 132 Trillion of the 2019 APBN-P target. If taxpayers have carried out tax obligations in accordance with the rules correctly and correctly, the theoretical tax obligations have been fulfilled.

Many factors can affect taxpayers in reporting and paying tax due. Among them are knowledge of tax regulations, the second is the existence of tax sanctions that can make taxpayers either forced or not have to report and pay taxes about it (Hendarsyah, 2009). Almost all tax systems, both official and self-assessment, regulate the possibility of conducting research and tax audits of tax returns. In this study the effect was tested. tax morality and the attitude of taxpayers towards compliance of individual taxpayers at KPP Pratama in Bandung.

## LITERATURE REVIEW

### Morality

According to Ajzen in Putri (2012) states that ethics, principles of life, feelings of guilt are moral obligations that each person has in carrying out something. Moral obligations are not imposed from the outside but are ordered from within by the individual's conscience and morals. Tax morality is an individual moral that is owned by someone who may not be owned by someone else, in this case the income taxpayer. Such as ethics, principles of life, feelings of guilt that will be associated with the fulfillment of tax obligations in this case for compliance with income taxpayer reporting. With healthy morals and honesty free from negative influences; taxpayers can fulfill tax obligations. The level of tax compliance will be higher when taxpayers have stronger moral obligations (Handayani, 2009).

### Effect of Tax Morality on Taxpayer compliance

Mhd Research Fidhel Gazzelly Gultom (2014) with the title Effect of Tax Morality Dimensions on Tax Compliance (Study of Batak Culture Based Umkm in Medan City) which resulted in research that the dimensions of morality are tax evasion, demographics, taxation systems, economic conditions and trust levels have a significant positive effect on tax compliance. The research of Indar Khaerunnisa and Adi Wiratno (2015) with the title Effect of Tax Morality, Tax Culture, and Good Governance on Taxpayer Compliance shows the result that tax morality is an intrinsic motivation to pay taxes arising from moral obligations or beliefs to contribute to the state by paying taxes.

Research conducted by Putu Arika Indriyani and I Made Sukartha (2014) with the title moral responsibility, taxpayer awareness, tax sanctions and service quality on compliance results in research that there is an influence between moral responsibilities on compliance with corporate taxpayer reporting. This can be interpreted that the higher the level of morality of a taxpayer the higher or lower the tax compliance of the taxpayer.

### Effect of Taxpayer Attitudes Towards Taxpayer compliance

The attitude of taxpayer taxation is that the provisions of tax legislation (tax norms) will be obeyed or obeyed. Tax sanctions are a preventive tool so that taxpayers do not violate taxation norms (Mardiasmo, 2011: 59). Administrative sanctions and criminal sanctions have the difference that administrative sanctions are payment of losses to the state, particularly in the form of interest, fines and increases, while criminal sanctions in the form of imprisonment, or fines and criminal in the form of prison (Nursiti and Fakhrollah, 2015).

Taxpayers will comply with tax payments if the sanction of fines will be more detrimental (Ready Wicaksono, 2016). Attitudes and views of taxpayers towards fines sanctions are thought to affect the level of taxpayer compliance in paying taxes (Rush and Hadiprajitno, 2015).

Empirical evidence as in the study of Arabella and Mangoting (2013) reveals that taxation sanctions can affect taxpayer compliance. Dwiyatmoko Pujiwidodo's research (2016) revealed that tax sanctions affect individual taxpayer compliance. Septarini's study (2015) shows that tax sanctions have a positive effect on individual taxpayer compliance.

### Effect of Tax Morality and Taxpayer Attitudes Towards Taxpayer compliance

Lack of awareness of taxpayers can have an impact on the low morality of the public about taxes. Thus, this will cause a low moral responsibility of the community to report and pay taxes which will ultimately lead to a low level of taxpayer compliance. For tax regulations to be obeyed, there must be tax penalties for offenders (Arinta Wulan Sari, 2015).

People are reluctant to pay taxes, it can be caused by intellectual and moral development of the community, taxation systems that are difficult to understand, and control systems that are not well implemented. Moral obligations are individuals owned by a tax professional, but may not be possessed by another tax professional. (Mardiasmo, 2013).

Wibowo and Yenni (2013) revealed that taxpayer morale is the obedience and awareness of the community in carrying out their taxation rights and obligations. This factor influences taxpayers to fulfill their tax obligations that are not developed, thus tax penalties need to be given to increase taxpayer compliance. (Nursiti and Fakhrollah, 2015).

According to Mardiasmo (2012) tax sanctions are guarantees regarding the provisions of tax laws (tax norms) to be obeyed or adhered to, in other words taxation sanctions are a way to prevent taxpayers from violating taxation norms. Tax sanctions are a last resort or a bastion of law used by the tax authority so that tax norms are obeyed. Tax penalties are imposed on taxpayers who do not meet tax obligations (Arinta Wulan Sari, 2015).

### Framework and Hypothesis Research

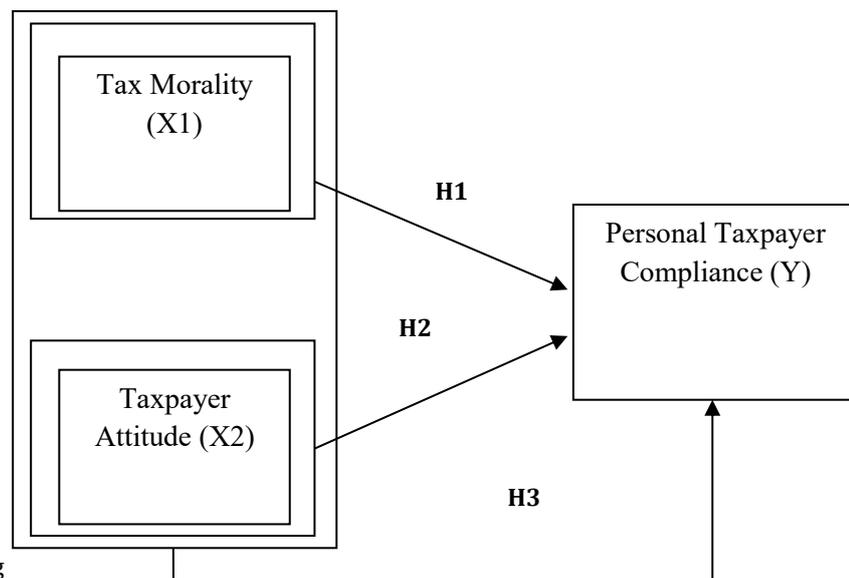


Figure 2. Framework Thinking

Source: Benno Torgler quoted by Widi Widodo (2010), Ajzen (2002) -Dalton

Elik Mustikasari (2017).

Based on the framework above, the hypothesis in this study is as follows:

Hypothesis 1 (H1) : Tax morality affects the compliance of individual taxpayers.

Hypothesis 2 (H2) : Attitudes of taxpayers affect the compliance of individual taxpayers.

Hypothesis 3 (H3) : Tax morality and the attitude of taxpayers affect the compliance of individual taxpayers.

## RESEARCH METHODS

### Types of research

This type of research is descriptive research with quantitative methods. According to Sugiyono (2011) descriptive research is research that seeks to describe or describe data that has been collected as it is. This research uses primary data. The object of research in this thesis is the attitude of the taxpayer, moral of the taxpayer; income level, and education level. This research was conducted at 5 KPP Pratama Kota Bandung.

The sampling method in this study uses a purposive sampling method, that is, the sampling uses certain criteria. The sample in this study is the registered individual taxpayer and must report his annual tax return to the Bandung Tegalega Tax Office.

### Operational Definitions of Research Variables

**Table 1. Operational Definitions of Independent and Dependent Variables**

Variablea	Variables Concept	Dimension	Indicator	Scale	Questioner Number
Mandatory Morals Tax ( Widi Widodo, 2010)  (X <sub>1</sub> )	Moral is mandatory tax constitutes motivation intrinsic to pay taxes arising from moral obligation to pay tax or trust in give out contribution to Public with pay taxes so that contribute to voluntarily on provision	Demogrphics	Age		1
			Sex		2
			Marital Status		3
			Religion		4
		Tax System	Motivation level pay taxes due to ease obtain information taxation.		5
			Motivation level pay tax due to tariffs		6

Taxpayer Attitude (X <sub>2</sub> )	public		applicable tax.		
		Tax evasion	Motivation level pay tax due to tax audits.		7
			Quality level public service		8
			Motivation level pay taxes due to quality of service public		9
	Attitude is a form of evaluation or feeling reaction. A person's attitude towards an object is a feeling of support or favor (favorable) and a feeling of not supporting or not taking sides (unfavorable) on the object. (Ajzen 2002 in Elijah)	Economic conditions	<p>Motivation pay taxes due to</p> <ul style="list-style-type: none"> <li>- The desire to pay less tax than they should.</li> <li>- Formation of reserve funds for tax audits.</li> <li>- Feelings of non-transparent tax use.</li> <li>- Feelings of being harmed by the taxation system.</li> <li>- Cost of bribes to the tax authorities.</li> </ul>		10
Taxpayer Compliance (Ajzen, 2005) (Y)	Compliance with fulfilling the tax obligations voluntarily (voluntary of compliance) is the backbone of the self assessment system, where taxpayers are responsible for setting their own tax obligations and then accurately and timely paying and reporting the tax.	Attitude	Belief	Ordinal	20,21, 22,23,24
			Outcome Evaluation		25,26, 26,28
		Subjective Norms	Normative belief		29,30 31
			Motivation to comply		32,33, 34,35
		Behavioral Control	Control belief		36,37, 38
	39,40,41 42				

			Perceived power		
--	--	--	-----------------	--	--

Source: Research Article.

### Analysis Method

The data analysis method used descriptive data analysis, the data that has been collected is then coded and processed using descriptive analysis to find a picture of each variable studied. Hypothesis testing uses multiple linear regression analysis to test the effect of independent variables on the dependent variable.

## RESEARCH RESULTS AND DISCUSSION

### Research Results

Survey conducted by researchers produced 400 questionnaires that can be processed, respondents in this study were registered personal taxpayers and required to report their annual tax returns to the KPP Pratama Bandung Cicadas, Cibeunying, Karees, Bojongegara, and Tegalega.

**Table 2. Respondent's Responses  
Regarding Compliance of Personal Taxpayers**

No	Statement	Score Index		
		Actual	Ideal	%
1	I registered as a WPOP (Personal taxpayer) voluntarily to the Tax Office (Tax Service Office)	1606	2000	80.3
2	I always fill the SPT (Notification Letter) in accordance with statutory provisions and report it in a timely manner.	1569	2000	78.5
3	I submit tax returns to the Tax Office on time before the deadline for submitting tax returns.	1602	2000	80.1
4	I always calculate the main tax correctly and pay it correctly	1560	2000	78.0
5	I always pay the tax shortages before the inspection.	1603	2000	80.2
6	With the supervision carried out by the Tax Office will increase WPOP compliance in paying taxes.	1567	2000	78.4

7	I always keep records or records.	1585	2000	79.3
8	The taxature has collected taxes in accordance with applicable legislative regulations.	1618	2000	80.9
9	I have submitted the tax return completely and in accordance with the taxation needs.	1652	2000	82.6

Sources: Processing data 2020.

### Effect of Taxpayer Morality and Attitudes Towards Taxpayer Compliance

Based on the results of the study showed that morality and attitude of the tax significantly influence the compliance of taxpayers. The magnitude of the influence of the knowledge of taxpayers in contributing to the influence of hajj compliance is 65.4%.

In line with the phenomenon found that the data shows that taxpayer compliance has a significant gap, both corporate taxpayers and. Individuals each have only 60.82% who are tax-compliant. This is clearly very detrimental to the country because of the large potential that taxes are lost or not absorbed.

The relatively weak growth of tax revenue is also a matter of showing that taxpayer awareness is still weak in depositing their tax obligations. Seen from the data that shows a decrease in tax revenue from 2015-2018.

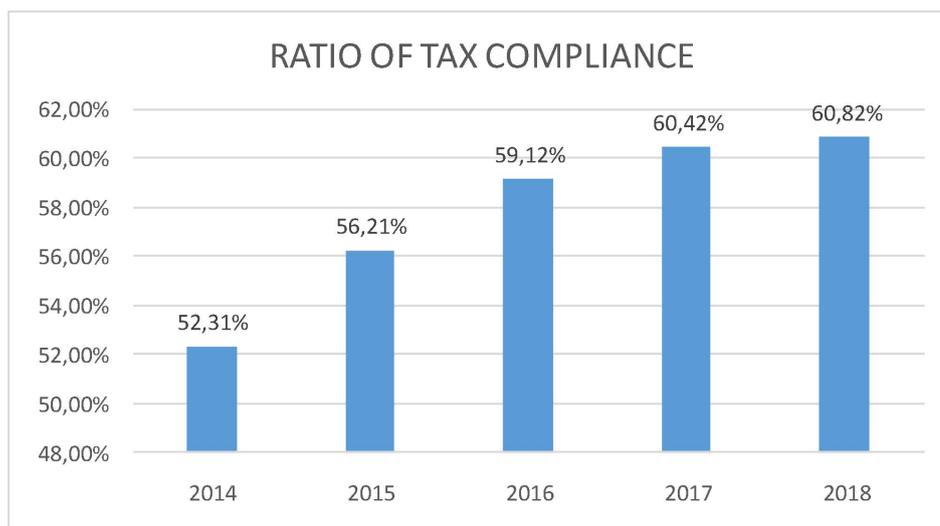


Figure 3. Taxpayer Compliance Ratio 2012-2016

The government's target in receiving PPh is a major component, especially for non-oil and gas PPh. The high acceptance target is usually motivation will affect the intensity of behavior (motivated, without motivation, and patis), and compliance with behavioral goals (effective, ineffective) (Budiatmanto, 1999) in Banu (2008).

Knowledge and Motivation are two inseparable things, where when someone can know and understand through non-oil and gas indicators, besides relating to macroeconomic development it is also related to various tax administration policies that will be pursued such as the development of a computerized taxation system, extensification of individual taxpayers through registration of taxpayers for people with income above PTKP, increased effectiveness of supervision of large taxpayers to increase compliance and revenue, increase tax collection activities, and improve the quality of tax officers through employee internal control (Jogiyanto, HM, 2002).

In addition, the facts found in the field are due to the crisis of taxpayers' trust in the Tax fund manager so that this raises a negative attitude which tends to be unfavorable. approval and / or disapproval of a person's or group's references that are important for the individual to a behavior (normative beliefs), with motivation to comply with the reference (motivation to comply). In general, the more individuals perceive that their social referral recommends doing a behavior, the individual will tend to feel the social pressure to carry out the behavior (Ajzen, 2006).

## Effect of Taxpayer Attitudes Towards Compliance of Personal Taxpayers

The relationship between compulsory attitudes with taxpayer compliance has been examined by Troutman (1993) in Salman, Kautsar R and Mochammad Farid (2009). Empirical test results show a significant relationship between attitude and compliance of taxpayers. The taxpayer attitude variable itself is a statement or evaluative consideration, whether beneficial or unfavorable about an object, person or event. The attitude of taxpayers can be related to the attitude of taxpayers towards tax regulations, the attitude of taxpayers towards taxation policies, and the attitude of taxpayers towards the tax administration system. The hypothesis which states that the attitude of taxpayers has a significant positive effect on compliance of individual taxpayers has been proven in this test.

Through the t-test statistical results obtained that the hypothesis which states that the attitude of the taxpayer does not affect the compliance of individual taxpayers ( $H_0$ ) is rejected. This means that the attitude of taxpayers in 5 Bandung Primary Tax Office can improve individual taxpayer compliance. Based on the results of this study the attitude of taxpayers can affect WP compliance. OP positively and significantly.

The results of this study support the theory proposed by Ajzen, 2002 in Elijah Mustikasari, 2007 that the Theory of Planned Behavior (TPB) is the behavior displayed by individuals that arise due to the intention to behave. The emergence of behavioral intentions is determined by 3 determinants, namely: (1) behavioral beliefs, strong beliefs and evaluation of results, (2) normative beliefs namely beliefs about the normative expectations of others and motivation to fulfill these expectations and (3) control beliefs, namely beliefs about the existence of things that support or inhibit the behavior that will be displayed and the perception of how strong the things that support and inhibit the behavior.

In this study, the attitude of taxpayers in 5 KPP Pratama Pratama Kota Bandung turned out to be included in the good category, in the sense of showing that the registered taxpayer is an individual and must report his annual tax return to the 5th KPP Pratama Pratama Kota Bandung has a good attitude. However, the percentage is still low and if seen from every proposed indicator, there are several indicators that show the respondent's attitude that is not good towards tax compliance including, forming a reserve fund for tax audits, because seen from the realization there are still taxpayers who feel the utilization of tax funds is not optimal so taxpayers feel they have set aside their income to pay tax is not a priority, and taxpayers feel the cost of bribes to the tax authorities is smaller than the tax that can be saved, because it is encouraged by the economic needs of the taxpayer and the opportunity to bribe the tax authorities felt by taxpayers. From the phenomenon, it turns out that the level of compliance is still low, one of which is caused by the attitude of taxpayers who have not been good in forming reserve funds and the existence of bribes to the tax authorities.

## Conclusion

The conclusions in this study based on the results of the analysis and discussion are as follows:

1. Morality of taxpayers can significantly influence the perception of taxpayer compliance. This indicates that in a Taxpayer is really needed a good moral because it will create an obedient attitude, so that the higher the morality of a taxpayer, the higher the tax compliance will be.
2. Based on the results of the study indicate that taxpayer knowledge can affect perceptions regarding tax compliance. The results of this research indicate that the greater the knowledge of individual taxpayers, the more the perception of compliance with tax obligations increases.

## REFERENCES

- Adi Wiratno. 2015. Pengaruh Moralitas Pajak Budaya Pajak, Budaya Pajak.
- Ajzen. I.. 2002. *The theory of planned behavior*. Retrieved January, 09, ([Http://People. Umass. Edu/aizen/tpb. Html.](http://People.Umass.Edu/aizen/tpb.Html))
- Ajzen. I.. 2006. *The theory of planned behavior*. Retrieved January, 09, 2011 Diakses Melalui ([Http://People. Umass. Edu/aizen/tpb. Html.](http://People.Umass.Edu/aizen/tpb.Html))
- Arinta wulansari. 2015. Perpajakan bagi para palanggannya.
- Budiatmanto . 1999. dalam banu (2008), Motifasi Berpengaruh Terhadap Intersitas Perilaku.
- Chau. 2005. Kesejahteraan Rakyat.
- Diana Septarini, 2015, Pengaruh pelayanan Sanksi Kesadaran Wajib Pajak.
- Dwi Yatmoko. Puji Widodo. 2016. Persepsi Sanksi Wajib Pajak.

- Elia Mustika Sari. 2007. *Theory of Planned Behavior* (TPB).
- Hendriyati, Nandayani. 2009. Pajak Memiliki Moral.
- Husein Umar, Jogianto. 2002. Pengertian Objek Pajak Dan Penelitian Kepatuhan Dan Perimaan Kegiatan Menagih Pajak.
- Mardiasmo. 2016. Perpajakan edisi Revisi Tahun 2016, Yogyakarta : Penerbit Andi.
- Nugraha. 2017. Kemakmuran rakyat
- Nursiti dan Fakhrullah. 2005. Pidana Denda Dan Perdana Yang Berupa Penjara.
- Putu Arika, Indriyan dan I made Sukarta. 2014. Tanggungjawab Moralitas.
- Ready Wicakono. 2016. Pembayaran Pajak, Sanksi dan Denda.
- Rakaya Hana, Puspita Rush dan Basuki Hadi Projitno. 2015. Paruh Wajib Pajak.
- Sugiyono, 2009, Metode Penelitian Business, Alfabeta, CV, Bandung.
- Torgler, Benno dan friedrich schaneider. 2005. *The impact of tax morale and institutional quality on the shadow economy. Institute for the study of labor (IZA). Discussion paper No. 2541.*
- Trougman (1993) dalam Salma, Kautsar R dan Mochamad Farid. 2009.
- Torgler, Benno dan Friedrich Schaneider. 2005. *The impact of tax morale and institutional quality on the shadow economy. Institute for the study of labor (IZA). Discussion paper No. 2541.*
- Torgler, Benno, Friedrich Schneider dan Christoph A. Schaltegger. 2007. *With or Against the People? The Impact of a Bottom-tip Approach on Tax Morale and the Shadow Economy. Center Of Research in Economics, Management, and the Arts (CREW). Working Paper NO. 2007-04*
- Torgler, Benno, Ihsan C. Demir, Alison Macintyre dan Marcus Schaffner. 2008. *Causes and Consequences of Tax Morale: An Empirical Investigation. Econonric Analysis & Policy. Volume 38: 313-339.*
- Widodo, Widi, dkk. 2010. *Moralitac*, Budaya dan Kepatuhan Pajak. Bandung: Alfabeta.
- Wibowo dan Yeni. 2013. Moral Wajib Pajak Dan Kepatuhan Pajak .