

FACTORS AFFECTING PERSONAL TAXPAYER COMPLIANCE WITH SANCTIONS AS MODERATING VARIABLES AT EAST MEDAN KPP

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Abstract

This study aims to examine and analyze the factors that can affect the compliance of individual taxpayers at the Pratama Medan Timur Tax Service Office with sanctions as moderating variables. This study uses primary data with a sample of 99 individual taxpayers using purposive sampling method. The data analysis technique used multiple linear regression analysis using a data processing application program, namely Stata 14. This research was carried out at the Pratama Tax Service Office in East Medan. The results of this study indicate that tax socialization, tax services, tax audits and taxpayer awareness have a positive and significant effect on individual taxpayer compliance. Sanctions as moderating partially are not able to moderate the effect of tax socialization and tax services on individual taxpayer compliance, meanwhile sanctions as moderators are partially able to moderate the effect of tax audits on individual taxpayer compliance in the East Medan Pratama tax service office. Sanctions as moderating partially are able to moderate the effect of taxpayer awareness on individual taxpayer compliance in the East Medan Pratama tax service office.

Keywords: Socialization, Tax Services, Tax Audit, Taxpayer Awareness, Taxpayer Compliance, Tax Sanctions

1. INTRODUCTION

Indonesia is one of the agrarian countries in the world. As an agricultural country, the government The current strength of global competition, the State of Indonesia is referred to as a developing country which in infrastructure development and the development of globalization takes part in efforts to increase human resources, achieve prosperity, and people's prosperity as stated in the 1945 constitution, which is the embodiment of the image of a society that is just and prosperous. In an effort to create a prosperous society, and carry out national development, the issue of financing is highly highlighted and becomes the main topic in this regard.

State revenue can come from within the country as well as from abroad, funds originating from within the country come from taxes. Law Number 28 of 2007 concerning General Provisions and Tax Procedures reads "taxes are mandatory contributions to the state owed by individuals or entities that are coercive under the law, without receiving direct compensation and are used for the purposes of the State for an amount of -the great prosperity of the people" (Madiasmo, 2018). The Australian government has shown a fluctuating attitude in dealing with any tax evasion, and continues to strive to combat the problem of widespread tax non-compliance (Maartean.R, 2010). The Indonesian government currently uses a self-assessment system, which means that every taxpayer is given the freedom to pay, deposit, and report the amount of tax owed in accordance with the period specified in the taxation laws.

In 2015 there were 116,006 taxpayers who registered themselves, until by 2020 there were 155,725 taxpayers who had registered at the KPP Medan Timur and of course this is expected to continue to increase, and it is hoped that it will raise awareness of every citizen to comply in terms

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of reporting and paying. tax, in PMK Number 210/PMK.01/2017 which states that in article 3 the duties of the Tax Service Office are to carry out analysis, elaboration, coordination, guidance, evaluation, and control of policies as well as the implementation of duties in the field of taxation within its working area based on laws and regulations.

Table 1.1

Obedient taxpayers submit an annual notification letter at the East Medan Tax Service Office

Type of Annual Tax Return Pph21

Description	2015	2016	2017	2018	2019	2020
SPT realization	34,800	37,758	37,911	38,297	41.131	36,627
a. Body	2,533	2,502	2,528	2,763	3.039	2.431
b. Non-employee private person	7,695	7,901	9.198	11.134	11,395	8,416
c. Employee personal	24,572	27,355	26.185	24,400	26,697	25,780
d. Registered Taxpayer	116,006	121.432	126,684	133,344	140,464	155.725
e. Personal	105.512	110,682	115.454	121.576	128.144	142,792
f. Body	10,219	10,472	10,984	11,487	12.003	12,580
g. Treasurer	275	278	282	283	317	353
h. Taxpayers have not reported SPT 21	1,918	1,926	1,778	1.385	1.616	1.521
i. Percentage of taxpayer compliance	42.3%	43.5%	49.9%	68.6%	61%	78%

Source: Medan Timur Pratama Tax Service Office, 2021

Table 1.2

Achievement of Pph 21 KPP Pratama East Medan acceptance

Year	Achievement of Pph 21 Target of KPP Pratama Medan Timur (in million Rupiah)
2015	136,383,578,798
2016	124.172.502.647
2017	88,752,545.816
2018	126,817,595,213
2019	118,551,456,749
2020	101.402.420.494

Source: Medan Timur Pratama Tax Service Office, 2021

Based on tables 1.1 and 1.2 above, it shows that the receipt of individual SPT and mass SPT at the KPP Medan Timur, starting from 2015-2020 has increased, but in 2020 there is a decrease in SPT reporting because the public is not timely in reporting their obligations. both individual SPT and Period SPT. Of course it is an encouragement to the East Medan Tax Service Office to pay more

attention to its taxpayers in reporting SPT, there must be convenience or supporting factors to encourage taxpayers' desire to report SPT on time.

The phenomenon of taxpayer compliance can be seen from the case of one of the modern shopping centers in the city of Medan, namely Mall Center Point which is in arrears in taxes of up to 56 billion rupiah, tax arrears made by PT. Agra Citra Kharisma (PT. ACK) started from 2010 to 2021, the Medan city government has made a memorandum of understanding (MoU) with PT. ACK but PT. ACK did not have good faith until in the end the MoU expired. In the end, the Medan City Government had to close the mall for three days. It was agreed that at the 7 July 2021 meeting, PT. ACK had to pay off obligations of 56 billion rupiah. The Medan City Government has imposed a sanction, namely closing and sealing the mall for three days, and if it does not pay off immediately, legal action must be taken as a settlement of this case.

2. IMPLEMENTATION METHOD

Passociative causal research, where this study aims to determine the causal relationship, seen from the influence of the independent variable (X) on the dependent variable (Y) and the moderating variable (Z) (Erlina, 2011), which can moderate the independent variable and the dependent variable. The population of this study is individual taxpayers (WPOP) who are in the city of Medan, especially in the East Medan area, amounting to 130,680 people in 2019. The sample in this study used the technique of non-probability sampling, namely incidental sampling. In this technique, the determination of the sample is based on chance.

3. RESULT AND DISCUSSION

Tabel 1. Regression Results

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. regress y x1 x2 x3 x4
-----+-----
Source |      SS          df           MS       Number of obs   =      98
-----+-----
Model |  21.4149222         4   5.35373055       F(4, 93)       =     34.59
Residual |  14.3928348        93   .154761664       Prob > F       =     0.0000
-----+-----
Total |  35.807757         97   .369152134       R-squared      =     0.5981
                                           Adj R-squared  =     0.5808
                                           Root MSE     =     .3934
-----+-----
y |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----+-----
x1 |   .1639958   .0788591     2.08   0.040   .0073972   .3205944
x2 |   .4661008   .1237951     3.77   0.000   .2202683   .7119333
x3 |   .1837562   .0829286     2.22   0.029   .0190765   .3484359
x4 |   .4250959   .1146741     3.71   0.000   .1973758   .652816
 _cons | -1.344599   .514545     -2.61   0.010  -2.366383  -.3228145
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Based on the partial test, it is known that all probability values < significant alpha 5%, or 0.05, it is stated that there is an effect of the independent variable on the dependent variable partially.

$$Y = -1.344599 + 0.1639958 X_1 + 0.4661008 X_2 + 0.1837562 X_3 + 0.4250959 X_4$$

The results of the obtained hypothesis can be explained as follows:

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1. The effect of tax socialization on taxpayer compliance has a value of 2.08 with a significance value of $0.040 < 0.05$, meaning that there is a significant effect of tax socialization on individual taxpayer compliance.
2. The effect of tax services on taxpayer compliance has a value of $3.77 > 0.000 < 0.05$, meaning that there is a significant effect of tax services on individual taxpayer compliance
3. The effect of audit on taxpayer compliance has a value of 2.22 with a significance value of $0.029 < 0.05$, meaning that there is a significant effect of tax audit on individual taxpayer compliance.
4. The effect of taxpayer awareness on individual taxpayer compliance has a value of 3.71 with a significance value of $0.000 < 0.05$, meaning that there is a significant influence between taxpayer awareness and individual taxpayer compliance.

Tabel 2. Normality Test

Obs	Pr (Skewness)	PR (Kurtosis)	adj. chi2 (2)	Prob>chi2
98	0.2068	0.6242	1.88	0.3906

Based on the normality test produces a statistical probability greater than the value of *significant alpha* 5%, which is $0.3906 > 0.05$ so that H_0 is accepted, thus the assumption of normality is met.

Tabel 3. Coefficient of Determination (R2)

R Square	Adjusted R Square
0.5981	0.5808

Based on the coefficient of determination (R2), the adjusted R-square value in this model is 0.5808 or 58.08%, this shows that the taxpayer compliance variable can be explained at 58.08% by the socialization variables, tax services, tax audits, tax awareness while 41.92% is a contribution from other variables.

Tabel 4. Multicollinearity Test

Based on the multicollinearity test which states that if the VIF value is less than 10, then each model does not have multicollinearity symptoms so that the multicollinearity assumption is fulfilled. Heteroscedasticity test shows that the significance value of the independent variable level of significant ($\alpha = 5\%$) means, the residual is declared to have a homogeneous variance, namely

Variable	VIF	1/VIF
x3	2.01	0.497993
x1	1.79	0.558364
x4	1.77	0.566487
z	1.41	0.706830
x2	1.33	0.753180
Mean VIF	1.66	



Tabel 5. Moderating Test

Variabel	Koefisien	T Statistics	Sig.
Sosialisasi Pajak (X_1)*Sanksi (Z)	-0.09889	-0.72	0.476
Pelayanan Pajak (X_2) *Sanksi (Z)	-0.47411	-1.74	0.085
Pemeriksaan (X_3) *Sanksi (Z)	0.381778	2.27	0.025
Kesadaran Wajib Pajak (X_4) *Sanksi (Z)	0.677661	3.13	0.002

Sumber: Diolah deh peneliti, STATA

Based on the results of the obtained moderation,

1. The effect of tax socialization on individual taxpayer compliance is moderated by sanctions. It can be seen that the t-statistic is -0.72 with a significant value of $0.0476 > 0.05$, meaning that sanctions are not able to moderate the effect of tax socialization on individual taxpayer compliance.
2. The effect of tax services on individual taxpayer compliance is moderated by sanctions, it can be seen that the t-statistic is -1.74 with a significant value of $0.085 > 0.05$, meaning that sanctions are not able to moderate the effect of tax officers' services on individual taxpayer compliance.
3. The effect of tax audit on individual taxpayer compliance is moderated by sanctions. It can be seen that the t-statistic is 2.27 with a significant value of $0.025 > 0.05$, meaning that sanctions are able to strengthen the effect of audits on taxpayer compliance.
4. The effect of taxpayer awareness on individual taxpayer compliance is moderated by sanctions. It can be seen that the t-statistic is 3.13 with a significance value of $0.002 > 0.05$, meaning that sanctions are able to strengthen the effect of taxpayer awareness on individual taxpayer compliance.

The Results Of The Research On The Effect Of Socialization Variables On Individual Taxpayer Compliance

Based on the t test, it shows that the statistical t value of the socialization variable(X_1) on the dependent variable, namely tax compliance of 2.08 with a significance value of 0.040, the value is smaller than ($\alpha=0.05$). This means that there is a significant positive effect between tax socialization and taxpayer compliance. This research is in line with research by Ananda (2015) which states that tax socialization can improve taxpayer compliance, and in line with research by Monica Mogollon (2021) which states that there is a visible interaction with taxpayers so that it is able to increase taxpayers' desire to be able to fulfill their obligations. their obligations, by committing to be able to avoid the tax payable, with the socialization providing a directive and concrete actions to pay taxes easily and can be followed. In this study, the coefficient produced on the T test result is 0.1639958, which is positive, which means that the higher and wider the information dissemination carried out by the Director General of Taxes, it can affect the compliance of individual taxpayers. Therefore the first hypothesis is accepted.

The Results Of Testing The Influence Of The Tax Officer Service Variable On Individual Taxpayer Compliance

Based on the t-test, the tax service variable has a significance value of 0.000, with a statistical t-value of 3.77, the significance value is smaller than $=0.05$ so that the service quality variable has a positive influence with the resulting coefficient of 0.466108 significant on mandatory compliance. individual tax, meaning the service quality of the tax officer at the East Medan Tax Service Office and a brief interview to the respondents who stated that an excellent form of service is a must and has become

the full responsibility of the officer who has the right to collect state revenues. This is in accordance with the opinion expressed by Jayusman (2017), which says the role of the tax officer must have an attitude, Tangible (tangible), Reliability (relying on), Responsiveness (quick response), Assurance (certainty), Empaty (empathy). In the form of the concept of action theory and reasoning, of course, it will focus on seeing and understanding behavioral intentions which are the main benchmark, where the service attitude of tax officers in serving will determine and influence the intentions of taxpayers. The second hypothesis which states that the service of tax officers has a positive effect on individual taxpayer compliance is accepted.

The Results Of Testing The Effect Of Tax Audits On Individual Taxpayer Compliance

Based on the t-value test, it is known that the audit variable has a value of 2.22 with a significance of $0.029 < 0.05$, with the resulting coefficient of 0.1837562 in this case the tax audit has a positive effect on individual taxpayer compliance at the East Medan Tax Office. Therefore, the third hypothesis of tax audit has a positive effect on tax compliance.

The Results Of Testing The Effect Of Taxpayer Awareness On Individual Taxpayer Compliance

Based on the t value obtained from the awareness variable (X4) on individual tax compliance, it is 3.71 with a significance value of 0.000. This significant value is smaller than the significant alpha 5% or 0.005. In this case the influence of the awareness variable has a significant positive effect on the compliance of individual taxpayers at the East Medan Tax Office, when viewed from the way the respondents answered this awareness variable, it shows that the awareness variable of taxpayers in the East Medan Tax Service Office, has understood function to be able to fulfill its tax obligations both in calculating, reporting and paying attention to the applicable tax laws. The results of this study are in line with research by Mahfud (2016), Monica (2017), Jatmiko (2006), Nur (2020), Gusti Ayu (2020) which states that taxpayer awareness has a positive and significant effect on individual taxpayer compliance. Therefore, the fourth hypothesis which states that taxpayer awareness has a positive effect on individual taxpayer compliance is accepted.

The Results Of Testing The Effect Of Tax Sanctions In Moderating Socialization On Individual Taxpayer Compliance At The Medan Timur Tax Office

The moderating sanction is only -0.72 in the t-statistic table, with a significance value of 0.476, this value is greater than a significant alpha of 5% or 0.05, therefore sanctions are unable or have a negative effect in moderating the influence between socialization variables. tax on individual taxpayer compliance, caused by the wrong target of the socialization. Tax socialization alone without punishment in the form of sanctions given to non-compliant taxpayers will not raise awareness of the taxpayers themselves. Therefore, the fifth hypothesis which states that sanctions are able to strengthen the tax socialization variable on taxpayer compliance cannot be accepted.

The Results Of Testing The Effect Of Tax Sanctions In Moderating The Service Of Tax Officers On Individual Taxpayer Compliance At The Medan Timur Tax Office

The results in the moderation table show a coefficient value of -0.47411, and a significant value of 0.085 which is greater than $= 0.05$ ($-0.47411 > = 0.05$), meaning that sanctions are not able to moderate or have a negative effect in moderating the service variable of officers. This is because tax is an obligation that must be enforced in accordance with applicable laws, if the taxpayer is satisfied

with the services provided by the tax authorities to him, the taxpayer will tend to carry out tax obligations in accordance with With the applicable provisions, the tax authorities must be able to build good relations with taxpayers so that taxpayers feel comfortable in completing their obligations and are more tax compliant. Therefore, the sixth hypothesis which states that sanctions are able to strengthen the service variable of tax officers on taxpayer compliance at the East Medan Tax Service Office cannot be accepted.

The Results Of Testing The Effect Of Tax Sanctions In Moderating Tax Audits On Individual Taxpayer Compliance At The Medan Timur Tax Office

The results of the moderation test with the interaction test show that tax sanctions are able to moderate the effect of the audit on individual taxpayer compliance with a t statistic of 2.27 with a significance value of 0.025 which is smaller than alpha 5% or 0.05, with a coefficient value of 0.381778 is positive, meaning that the sanctions variable as moderating can strengthen or have a significant positive effect in moderating tax audit variables on individual taxpayer compliance at the East Medan tax service office, where the existence of sanctions can strengthen the effect of audits on taxpayers in the KPP East Medan. Audit which is a step that allows taxpayers to continue to comply with tax regulations, and strengthen their trade fairness and compliance with applicable laws. Self-examination is stated in Article 16 paragraph 1 of the 2009 Law on the general provisions of taxation procedures, namely that they must be professional based on audit standards to test compliance with tax obligations. Therefore, the results of the seventh hypothesis which states that sanctions are able to strengthen the effect of audits on individual taxpayer compliance at the East Medan Tax Service Office are accepted.

The Results Of Testing The Effect Of Tax Sanctions In Moderating Taxpayer Awareness Of Individual Taxpayer Compliance At The Medan Timur Tax Office

The statistical value is 3.13 with a significance value of 0.002, this value is smaller than a significant alpha of 5% or 0.05 with a positive coefficient value of 0.677661 which means that the sanctions variable is able to have a strong or significant positive influence on the mandatory awareness variable. taxes to be able to improve compliance in terms of tax obligations. Therefore, the results obtained are in accordance with the eighth hypothesis which states that tax sanctions are able to strengthen the effect of taxpayer awareness on individual taxpayer compliance at the East Medan Tax Service Office.

4. CONCLUSION

1. Tax socialization partially has a positive and significant effect on individual taxpayer compliance at the East Medan Tax Service Office.
2. Tax officer services partially have a positive and significant effect on individual taxpayer compliance at the East Medan Tax Service Office.
3. Partial tax audit has a positive and significant effect on individual taxpayer compliance at the East Medan Tax Service Office.
4. Taxpayer awareness partially has a positive and significant effect on individual taxpayer compliance at the East Medan Tax Service Office.
5. Tax sanctions as a moderator have not been able to strengthen the effect of tax socialization on individual taxpayer compliance at the East Medan Tax Service Office.

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6. Tax sanctions as a moderator have not been able to strengthen the effect of tax services on individual taxpayer compliance at the East Medan Tax Service Office.
7. Tax sanctions as a moderator are able to strengthen the effect of tax audits on individual taxpayer compliance at the East Medan Tax Office.
8. Tax sanctions as a moderator are able to strengthen the effect of taxpayer awareness on individual taxpayer compliance at the East Medan Tax Service Office.

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