MORFAI JOURNAL Multidisciplinary Output Research For Actual and International Issue

Multidisciplinary Output Research For Actual and International Issue (MORFAI Journal) ISSN (e): 2808-6635
Volumes 5 No. 4 (2025)

# THE INFLUENCE OF RELIGIOSITY ON TAX COMPLIANCE IN NIAS ISLAND:THE MODERATING ROLE OF TAX KNOWLEDGEAND THE MEDIATING ROLE OF TAX AWARENESS

**Reaksi Zagoto[1]*, Anskaria Simfrosa Gohae[2]**
1,2 Faculty of Economics and Business, Universitas Nias Raya, Teluk Dalam, Indonesia
E-mail: zagotoreaksi@gmail.com



| | | | |
|---|---|---|---|
| Received | : 01 August 2025 | Published | : 14 October 2025 |
| Revised | : 20 September 2025 | DOI | : https://doi.org/10.54443/morfai.v5i4.4224 |
| Accepted | : 05 October 2025 | Link Publish | : https://radjapublika.com/index.php/MORFAI/article/view/4224 |



**Abstract**

This study analyzes the influence of religiosity on tax compliance with the moderating role of tax knowledge and the mediating role of tax awareness in the community of Nias Island. Using the Structural Equation Modeling Partial Least Squares (SEM-PLS) approach, the results show that religiosity is an important determinant that drives intrinsic moral motivation to fulfill tax obligations voluntarily and ethically. Religiosity also increases tax awareness by internalizing fiscal obligations as a moral responsibility, strengthening civic engagement based on spiritual values. Tax awareness is found to be the main factor encouraging compliance, with conscious recognition of the social function and development role of taxes. In contrast, tax knowledge does not play a significant role as a moderating variable in the relationship between religiosity, awareness, and compliance. These findings indicate that moral mechanisms and awareness are more dominant than technical understanding in shaping taxpayer behavior. Furthermore, tax awareness mediates the influence of religiosity on compliance, reinforcing the importance of moral and spiritual values in promoting compliant behavior. The practical implications emphasize the need for developing tax education and policies focused on moral and awareness-based approaches.

**Keywords:** ***Religiosity, Tax Compliance, Tax Awareness, Tax Knowledge***

## INTRODUCTION

Taxation serves as one of the primary sources of government revenue and plays a vital role in achieving national development goals. However, low levels of tax compliance remain a persistent challenge in many countries, including Indonesia. One factor that may influence tax compliance is religiosity, where religious values are believed to play a role in shaping taxpayer behavior (Abiola et al., 2023). Several studies have indicated that a higher level of religiosity can contribute to improved tax compliance, driven by moral and ethical obligations to fulfill tax responsibilities (Agustina & Umaimah, 2022; Al-Ttaffi & Bin-Nashwan, 2022). Nevertheless, this relationship is complex and often influenced by other factors such as tax knowledge and tax awareness (Delaviansyah et al., 2022; Handoko et al., 2020). In Indonesia, including Nias Island, tax compliance remains a major concern. Data from the Regional Financial Information System (SIKD) of the Indonesian Ministry of Finance show that actual tax revenues in three districts—South Nias, West Nias, and North Nias—display a significant gap compared to their allocated budgets. This phenomenon indicates obstacles in optimizing tax revenue, which are likely associated with taxpayer compliance issues. The inconsistency between tax revenue targets and actual realizations suggests a relatively low level of taxpayer compliance in these regions (Abiola et al., 2023; Agustina & Umaimah, 2022; Al-Ttaffi & Bin-Nashwan, 2022; Delaviansyah et al., 2022; Handoko et al., 2020).

Table 1. Regional Tax Budget and Realization in the Nias Island Area for Fiscal Years 2020–2025 (in billion rupiahs).

| Year | South Nias Regency | | West Nias Regency | | North Nias Regency | |
|---|---|---|---|---|---|---|
| | Budget (Billion IDR) | Realization (Billion IDR) | Budget (Billion IDR) | Realization (Billion IDR) | Budget (Billion IDR) | Realization (Billion IDR) |
| 2020 | 19,88 | 5,7 | 5,51 | 6,31 | 5,95 | 6 |
| 2021 | 12,06 | 8,81 | 3,51 | 5,36 | 5,59 | 4,66 |
| 2022 | 9,78 | 10,12 | 5,83 | 6,34 | 5,95 | 5,32 |
| 2023 | 9,49 | 14,02 | 6,56 | 5,87 | 10,4 | 5,97 |
| 2024 | 9,49 | 9,11 | 7,88 | 3,66 | 10,4 | 5,65 |
| 2025 | 19,88 | 5,7 | 5,51 | 6,31 | 5,95 | 6 |

Sumber Data: Sistem Informasi Keuangan Daerah (SIKD) Kementerian Keuangan RI 2025
https://djpk.kemenkeu.go.id/portal/data/apbd?periode=11&tahun=2024&provinsi=0 2&pemda=22

The development of studies on tax compliance indicates that psychological and cognitive factors play a significant role in shaping taxpayer behavior. Various theoretical approaches have identified religiosity, tax knowledge, and tax awareness as key determinants in improving taxpayer compliance. Studies conducted by Delaviansyah et al. (2022) and Kamal et al. (2023) emphasize that religiosity influences compliance behavior; however, they have not yet integrated the moderating and mediating roles simultaneously within a comprehensive analytical model. Furthermore, most previous studies have focused on urban or national populations, which tend to underrepresent local contexts characterized by distinctive sociocultural attributes. Tax knowledge serves as a crucial factor that enables taxpayers to understand their rights and obligations and to avoid tax violations (Handoko et al., 2020; Md Radzi & Ariffin, 2022). A lack of socialization and understanding of the tax system remains a major obstacle to improving compliance (Pulungan, 2022; Sritharan & Salawati, 2019). On the other hand, tax awareness functions as a mediating variable that strengthens the relationship between internal taxpayer factors and tax compliance (Hair et al., 2021; Utama et al., n.d.). Taxpayers with a higher level of awareness tend to be more compliant because they understand the contribution of taxes to regional development (Sarwono, 2022).

This study offers novelty by examining the influence of religiosity on tax compliance within the local context of Nias Island, a region that possesses strong religious characteristics yet remains underexplored academically. The integration of tax knowledge as a moderating variable and tax awareness as a mediating variable within a single analytical framework represents an approach that has been rarely employed in prior literature. The objective of this study is to analyze the influence of religiosity on tax compliance in Nias Island by considering the moderating role of tax knowledge and the mediating role of tax awareness. Theoretically, this research is expected to broaden the understanding of tax compliance determinants grounded in local cultural values. Practically, the findings of this study provide strategic implications for tax authorities in designing more contextual education and socialization programs, as well as in formulating fiscal policies that are adaptive to regional community characteristics.

## LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Tax compliance is conceptualized as the outcome of moral, cognitive, and individual awareness factors shaping fiscal behavior. Religiosity has emerged as a critical moral determinant, as individuals with higher religious commitment perceive tax compliance as a moral obligation, directly influencing behavior and fostering collective awareness of taxation's role in national development (Abiola et al., 2023; Agustina & Umaimah, 2022; Al-Ttaffi & Bin-Nashwan, 2022; Hwang & Nagacy, 2020; Handoyo et al., 2024). Tax awareness functions as a pivotal bridge linking religiosity and tax knowledge to compliance. Empirical evidence indicates that internalized awareness is essential for voluntary compliance, irrespective of individual moral or cognitive capacity (Handoko et al., 2020; Listyowati et al., 2018; Hidayat et al., 2023). Successful taxation systems rely on taxpayers' recognition of taxes as instruments for national development (Khalimi & Prawira, 2022; Granger et al., 2021; Pistone et al., 2019). Tax knowledge serves a dual role: it enhances awareness by improving comprehension of tax significance and moderates the impact of religiosity on compliance (Delaviansyah et al., 2022; Handoko et al., 2020; Sahari et al., 2019; Sarwono, 2022; Kamal et al., 2023). Thus, in Nias Island, tax compliance is directly shaped by religiosity, mediated through tax awareness, and potentially reinforced by tax knowledge, underscoring the interplay of moral, cognitive, and awareness factors in promoting fiscal responsibility (Md Radzi & Ariffin, 2022; Pulungan, 2022; Sritharan & Salawati, 2019; Hair et al., 2021; Utama et al., n.d.; Hidayat et al., 2023).

**The Influence of Religiosity on Tax Compliance.**

Religiosity reflects a psychological and moral dimension that shapes taxpayer behavior by internalizing ethical values influencing attitudes and decisions on tax obligations. Empirical evidence demonstrates its significant role in enhancing compliance. Abiola, Igbekoyi, and Akande (2023) found a positive effect of religiosity on compliance in Nigeria, while Agustina and Umaimah (2022) highlighted its indirect effect through tax awareness in Indonesia. Kamal, Nadirsyah, and Nuraini (2023) emphasized religiosity's impact moderated by tax morale in Aceh, and Utama, Nimran, Hidayat, and Prasetya (n.d.) confirmed its role in e-Filing compliance intentions. These findings suggest that religiosity strengthens moral orientation and reduces tax evasion tendencies.

H1: Religiosity influences tax compliance.

**The Influence of Religiosity on Tax Awareness**

Religiosity shapes ethical values and personal discipline, fostering tax awareness. High religiosity improves understanding of tax regulations and motivates timely reporting and payment, reinforcing comprehensive awareness (Listyowati et al., 2018; Hidayat et al., 2023; Granger et al., 2021). Moreover, individuals with strong spiritual commitment often perceive tax obligations as a moral responsibility, thereby integrating faith-based integrity with fiscal duties and promoting civic accountability.

H2: Religiosity positively influences tax awareness.

**The Influence of Tax Awareness on Tax Compliance**

Tax awareness directly promotes compliant behavior by highlighting the importance of tax revenues for public development. Studies confirm its significant effect on compliance (Handoko et al., 2020; Pulungan, 2022; Agustina & Umaimah, 2022). Informed taxpayers are more likely to fulfill obligations accurately, recognizing the societal benefits of taxation and its role in sustaining government services for community welfare.

H3: Tax awareness directly influences tax compliance.

**The Moderating Role of Tax Knowledge**

Tax knowledge, the understanding of tax rules and procedures, can strengthen or weaken the relationships among religiosity, awareness, and compliance (Hair et al., 2021). Comprehensive knowledge ensures taxpayers interpret moral values within a legal framework, allowing them to make informed decisions consistent with ethical principles and statutory obligations.

**Moderation of Tax Knowledge on Religiosity to Compliance**

Religiosity alone may not ensure compliance without sufficient tax knowledge (Delaviansyah, Fitriana, & Santosa, 2022). Knowledge reinforces moral motivation, supporting compliance behavior (Kamal, Nadirsyah, & Nuraini, 2023; Sritharan & Salawati, 2019). It provides the cognitive basis to translate moral conviction into effective compliance actions aligned with tax laws and public responsibility.

H4: Tax knowledge moderates religiosity to compliance.

**Moderation of Tax Knowledge on Religiosity to Awareness**

Cognitive understanding enables moral values to translate into practical awareness (Abiola et al., 2023; Sritharan & Salawati, 2019). Tax knowledge bridges religious beliefs and regulatory comprehension, ensuring that ethical principles are implemented through informed fiscal behavior, consistent awareness of statutory obligations, and improved decision-making in complex tax matters.

H5: Tax knowledge moderates religiosity to awareness**.**

**Moderation of Tax Knowledge on Awareness to Compliance**

Awareness alone may not suffice for compliance; tax knowledge enhances the ability to act on awareness (Handoko et al., 2020; Pulungan, 2022; Sritharan & Salawati, 2019). A solid understanding of tax procedures empowers individuals to transform awareness into practical compliance decisions, minimizing unintentional errors

or omissions in reporting obligations, and ensuring consistent adherence to legal requirements while promoting ethical and responsible fiscal behavior.
H6: Tax knowledge moderates awareness to compliance.

**The mediating role of tax awareness in the influence of religiosity on tax compliance**

Tax awareness mediates the religiosity to compliance relationship. Higher religiosity enhances awareness, which promotes moral and behavioral compliance, strengthens administration effectiveness, and reduces evasion (Al-Ttaffi & Bin-Nashwan, 2022; Hwang & Nagacy, 2020; Granger et al., 2021). The mediating process reflects how spiritual beliefs nurture internalized awareness, shaping pro-compliance attitudes and aligning personal morality with civic responsibility, social accountability, and long-term fiscal sustainability.
**H7: Tax awareness mediates the effect of religiosity on compliance.**

## RESEARCH METHOD

Data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4.0, chosen for its ability to test complex relationships involving mediation and moderation under non-normal data conditions (Hair et al., 2021). Analysis began with the measurement model to assess construct validity and reliability using CFA, AVE, HTMT, Cronbach's Alpha, and Composite Reliability (Hair et al., 2021). Once validity and reliability criteria were satisfied, the structural model evaluated relationships among religiosity, tax awareness, tax knowledge, and tax compliance through path coefficients and t-statistics. Mediation tests examined the role of tax awareness between religiosity and compliance, while moderation tests assessed tax knowledge's effect on these relationships, following the Moderation Interaction Model (Hair et al., 2021; Sritharan & Salawati, 2019). Finally, results were interpreted from academic and practical perspectives, comparing findings with prior studies (Delaviansyah et al., 2022; Kamal et al., 2023) and deriving regional taxation policy recommendations to enhance voluntary compliance in Nias Island.

## RESULTS AND DISCUSSION
## ANALYTICAL RESULTS
### Findings of the Outer Model (Measurement Model) Assessment
### Convergent Validity Test

Convergent validity was confirmed as all indicators for Tax Compliance, Tax Awareness, Tax Knowledge, and Religiosity showed loadings above 0.70, and AVE values exceeded 0.50 (Tax Compliance = 0.798; Tax Awareness = 0.881; Tax Knowledge = 0.858; Religiosity = 0.692), indicating that each construct reliably explains the variance of its indicators.

### Discriminant Validity Test

Discriminant validity was confirmed as all indicators correlated more strongly with their assigned constructs than with others, and the square roots of AVE values exceeded inter-construct correlations. This demonstrates that each latent construct has distinct properties, with no multicollinearity detected, indicating that the structural model satisfies discriminant validity requirements.

### Reliability Test Results

The results of the Cronbach's Alpha test presented in Table 4 indicate that all constructs exhibit Cronbach's Alpha values exceeding 0.90, namely Tax Compliance (0.964), Tax Awareness (0.981), Tax Knowledge (0.976), and Religiosity (0.937). The Composite Reliability values are also remarkably high, with Tax Compliance (0.970), Tax Awareness (0.983), Tax Knowledge (0.980), and Religiosity (0.947). These values far exceed the minimum threshold of 0.70 recommended in structural equation modeling research. This finding indicates that the constructs possess excellent internal consistency and are therefore highly reliable in measuring the intended concepts.

### Goodness of Fit Model Evaluation Results

The Goodness of Fit (GoF) test in Partial Least Squares Structural Equation Modeling (PLS-SEM) aims to assess the extent to which the research model aligns with the empirical data. The model's Goodness of Fit indicates a strong overall fit. The SRMR value of 0.052 is below the 0.08 threshold, showing minimal discrepancy between empirical and predicted covariances (Hair et al., 2021; Sarwono, 2022). Discrepancy indices (d_ULS and d_G) demonstrate stability, confirming the measurement model is well-specified. Although the Chi-square is large due to sample size and model complexity, it serves as supplementary information. The NFI of 0.839 is acceptable for exploratory studies involving mediating and moderating constructs (Hair et al., 2021). Overall, these results confirm that the model reliably fits the data and is suitable for further inner model analysis. This aligns with prior research highlighting the importance of validating measurement models in studies of religiosity, tax knowledge, awareness, and compliance (Abiola et al., 2023; Agustina & Umaimah, 2022; Al-Ttaffi & Bin-Nashwan, 2022; Delaviansyah et al., 2022; Handoko et al., 2020; Pulungan, 2022; Sritharan & Salawati, 2019; Anisykurlillah et al., 2025; Hair et al., 2021; Sarwono, 2022).

## INNER MODEL (STRUCTURAL MODEL) TEST RESULTS

### R-Square ($R^2$) Test Results

The following R-Square ($R^2$) table presents the magnitude of the contribution of independent variables to the dependent variables in the regression model used.

Table 2. R-Square ($R^2$) Values

| | R-square | R-square adjusted |
|---|---|---|
| Tax Compliance | 0.782 | 0.777 |
| Tax Awareness | 0.227 | 0.223 |

The results show that **Tax Compliance** has an $R^2$ of 0.782 (adjusted 0.776) and **Tax Awareness** an $R^2$ of 0.766 (adjusted 0.762), indicating substantial predictive power (Hair et al., 2021). The model explains 78.2% of compliance variance and 76.6% of awareness variance, highlighting the key roles of tax awareness and knowledge in shaping taxpayer compliance (Sarwono, 2022; Hair et al., 2021).

### Effect Size ($f^2$) Test Results

The analysis of effect size ($f^2$) indicates that Tax Awareness has the strongest impact on Tax Compliance ($f^2 = 0.440$), confirming its pivotal role in shaping voluntary compliance. This finding suggests that improving taxpayer awareness substantially enhances compliance and represents an effective policy strategy (Handoko et al., 2020; Pulungan, 2022). Conversely, Tax Knowledge shows a negligible direct effect ($f^2 = 0.001$), implying its influence operates indirectly through awareness or contextual factors such as the quality of tax education and institutional credibility (Delaviansyah et al., 2022; Sritharan & Salawati, 2019). Religiosity exhibits a modest direct impact on compliance ($f^2 = 0.062$) but a moderate effect on awareness ($f^2 = 0.294$), indicating its role as a moral and ethical antecedent that shapes tax awareness rather than directly driving compliance (Al-Ttaffi & Bin-Nashwan, 2022; Hidayat et al., n.d.; Pulungan, 2022). Interaction effects between tax knowledge and religiosity, as well as between tax knowledge and awareness, both show near-zero values ($f^2 = 0.000$), confirming their minimal contribution. This aligns with PLS-SEM theory, which acknowledges that moderation effects may be absent when dominant direct paths exist (Hair et al., 2021; Sarwono, 2022). In summary, Tax Awareness serves as the primary determinant of compliance, Religiosity strengthens awareness, and Tax Knowledge operates indirectly. Therefore, policy efforts should prioritize awareness-building initiatives that integrate religious and ethical dimensions while further exploring the indirect influence of knowledge through mediation analysis

### Results of Direct Effect Testing

The following analysis presents the testing of both direct effects among variables and moderating effects within the research model. The direct effect test is conducted to evaluate the relationships between independent and dependent variables without the involvement of any intervening constructs. Meanwhile, the moderation test aims to determine whether the moderating variable functions to strengthen or weaken the relationship between the main variables in the model.

Table 3. Results of Direct and Moderation Effect Testing Among Variables

| | Original sample (O) | T statistics (\|O/STDEV\|) | P values |
|---|---|---|---|
| Religiosity -> Tax Compliance | 0.189 | 3.882 | 0.000 |
| Religiosity -> Tax Awareness | 0.117 | 2.362 | 0.018 |
| Tax Awareness -> Tax Compliance | 0.761 | 9.000 | 0.000 |
| Tax Knowledge x Religiosity -> Tax Compliance | 0.001 | 0.031 | 0.976 |
| Tax Knowledge x Religiosity -> Tax Awareness | -0.034 | 1.219 | 0.223 |
| Tax Knowledge x Tax Awareness -> Tax Compliance | 0.011 | 0.208 | 0.835 |

As presented in Table 10, the results of the direct effect analysis demonstrate that the relationship between religiosity and tax compliance yields an original sample value of 0.189, a T-statistic of 3.882, and a P-value of 0.000, indicating a statistically significant positive effect. Furthermore, the relationship between religiosity and tax awareness shows an original sample value of 0.117, a T-statistic of 2.362, and a P-value of 0.018, signifying a moderate yet significant association. In the subsequent path, tax awareness exhibits a strong and highly significant influence on tax compliance, with an original sample value of 0.761, a T-statistic of 9.000, and a P-value of 0.000. Meanwhile, the interaction path testing reveals statistically insignificant results. The interaction between tax knowledge and religiosity on tax compliance produces an original sample value of 0.001, a T-statistic of 0.031, and a P-value of 0.976, suggesting no meaningful moderating effect. Similarly, the interaction between tax knowledge and religiosity on tax awareness shows an original sample value of -0.034, a T-statistic of 1.219, and a P-value of 0.223. Lastly, the interaction between tax knowledge and tax awareness on tax compliance yields an original sample value of 0.011, a T-statistic of 0.208, and a P-value of 0.835, further confirming the absence of significant moderating influence within the tested model. This pattern collectively suggests that religiosity exerts both a direct and indirect influence through tax awareness, while tax knowledge fails to demonstrate a significant moderating role in strengthening the established relationships.

**Results of Indirect Effect Testing**

This analysis aims to assess the magnitude of the mediating variable's contribution in bridging the relationship between the independent and dependent variables, as presented in Table 8.

Table 4. Results of Indirect Effect Testing

| | Original sample (O) | T statistics (\|O/STDEV\|) | P values |
|---|---|---|---|
| Religiousity -> Tax Awareness -> Tax Compliance | 0.089 | 2.237 | 0.025 |

Based on Table 8, the results of the indirect effect analysis indicate that the path of religiosity through tax awareness toward tax compliance yields an original sample value of 0.089, a T-statistic of 2.237, and a P-value of 0.025

## DISCUSSION

This section presents a critical interpretation of the structural model's empirical results. The discussion integrates statistical findings with theoretical perspectives on tax behavior, focusing on the roles of religiosity, tax awareness, and tax knowledge in shaping taxpayer compliance. Each hypothesis is examined systematically to assess its significance and implications within the broader socio-religious and behavioral tax compliance framework.

### H1: Religiosity Positively Influences Tax Compliance

The analysis reveals that religiosity exerts a positive and significant influence on tax compliance, with an original sample value of 0.189, a T-statistic of 3.882, and a P-value of 0.000. This result implies that higher levels of religiosity among taxpayers increase their tendency to comply with tax obligations. The finding supports the moral tax compliance theory, which posits that religious and ethical values encourage voluntary compliance (Abiola et al., 2023). Similar conclusions were reported by Anisykurlillah et al. (2025) and Handoyo et al. (2024), who found that religious commitment strengthens taxpayers' moral motivation in Indonesia. Furthermore, Al-Ttaffi and Bin-Nashwan (2022) and Kamal et al. (2023) argue that the internalization of religious values fosters moral awareness and social responsibility, ultimately enhancing compliance. Hence, H1 is accepted, confirming that religiosity significantly contributes to taxpayers' moral-driven compliance behavior.

### H2: Religiosity Positively Influences Tax Awareness

The results indicate that religiosity significantly influences tax awareness, with an original sample value of 0.117, a T-statistic of 2.362, and a P-value of 0.018. This suggests that highly religious individuals tend to be more aware of their tax obligations, perceiving tax as a moral contribution to societal welfare. This finding aligns with Agustina and Umaimah (2022) and Pulungan (2022), who observed that religiosity strengthens awareness through moral and social norm formation. Likewise, Sakirin et al. (2021) found that spiritual values and perceived fairness of taxation increase taxpayer awareness regarding the developmental role of taxes. Therefore, H2 is accepted, highlighting religiosity as a key antecedent of tax awareness.

### H3: Tax Awareness Positively Influences Tax Compliance

Tax awareness shows a strong and significant positive relationship with tax compliance, with an original sample value of 0.761, a T-statistic of 9.000, and a P-value of 0.000. This indicates that a higher level of tax awareness encourages voluntary compliance. Handoko et al. (2020) and Hidayat et al. (2023) identified tax awareness as a crucial mediating variable linking tax knowledge and compliance. Additionally, Granger et al. (2021) and Pistone et al. (2019) emphasize that individuals who recognize the role of taxation in national development possess stronger intrinsic motivation to comply. The finding is also consistent with Fitriandi et al. (n.d.), who argue that awareness supported by religious and moral integrity reinforces tax compliance. Hence, H3 is accepted.

### H4: Tax Knowledge Moderates the Relationship Between Religiosity and Tax Compliance

The interaction analysis shows an original sample value of 0.001, a T-statistic of 0.031, and a P-value of 0.976, indicating that tax knowledge does not moderate the relationship between religiosity and tax compliance. Thus, variations in tax knowledge do not strengthen or weaken the influence of religiosity. This contradicts findings by Delaviansyah et al. (2022) and Sritharan and Salawati (2019), who noted that tax knowledge enhances the rational understanding of religiously motivated compliance. However, Md Radzi and Ariffin (2022) and Sarwono (2022) suggest that contextual factors—such as low literacy and weak institutional trust—can diminish moderation effects. Therefore, H4 is rejected, as tax knowledge does not significantly moderate the religiosity–compliance link in this context.

**H5: Tax Knowledge Moderates the Relationship Between Religiosity and Tax Awareness**

The analysis yields an original sample value of –0.034, a T-statistic of 1.219, and a P-value of 0.223, indicating that tax knowledge does not significantly moderate the relationship between religiosity and tax awareness. This suggests that religiosity's influence on awareness operates independently of knowledge level. The result contrasts with Al-Ttaffi and Bin-Nashwan (2022) and Sakirin et al. (2021), who found a synergistic interaction between religiosity and knowledge. However, as Listyowati et al. (2018) and Kamal et al. (2023) highlight, weak tax socialization and perceived fiscal injustice may suppress moderation effects. Accordingly, H5 is rejected.

**H6: Tax Knowledge Moderates the Relationship Between Tax Awareness and Tax Compliance**

The interaction results show an original sample value of 0.011, a T-statistic of 0.208, and a P-value of 0.835, confirming that tax knowledge does not moderate the relationship between tax awareness and compliance. This suggests that even though knowledge is theoretically important, its moderating role becomes negligible once moral and awareness-based compliance mechanisms are well established. Hidayat et al. (2023) and Hwang and Nagacy (2020) support this interpretation, arguing that awareness rooted in moral obligation often overrides technical knowledge. Therefore, H6 is rejected.

**H7: Religiosity Influences Tax Compliance Through Tax Awareness**

As shown in Table 12, religiosity exerts an indirect effect on tax compliance through tax awareness, with an original sample value of 0.089, a T-statistic of 2.237, and a P-value of 0.025. The significance level below 0.05 indicates that tax awareness functions as an effective mediator. This finding demonstrates that individuals with higher religiosity tend to develop stronger tax awareness, which in turn promotes compliance. Agustina and Umaimah (2022) explain that tax awareness reflects the internalization of moral and spiritual values within economic behavior. Similarly, Al-Ttaffi and Bin-Nashwan (2022) and Pulungan (2022) confirm that religiosity enhances compliance indirectly through moral awareness. Hidayat et al. (2023) further emphasize that moral responsibility, rooted in religious values, mediates taxpayers' compliance behavior. Therefore, H7 is accepted, establishing tax awareness as a significant mediating variable linking religiosity and tax compliance.

## CONCLUSION

This study reveals that religiosity is a key determinant of tax compliance, fostering intrinsic moral motivation that encourages taxpayers to fulfill their obligations voluntarily and ethically. Higher religiosity also strengthens tax awareness, as individuals internalize their fiscal duties as moral responsibilities, reflecting an integration of spiritual values with civic engagement. Tax awareness itself is a powerful driver of compliance, demonstrating that a conscious understanding of taxation's social and developmental roles enhances adherence to legal obligations. Contrary to theoretical expectations, tax knowledge does not significantly moderate the relationships between religiosity and compliance, religiosity and awareness, or awareness and compliance. This suggests that moral and awareness-based mechanisms have a greater influence on taxpayer behavior than technical knowledge, indicating that formal understanding of tax rules is less impactful when ethical and cognitive factors are well-developed. Importantly, tax awareness mediates the effect of religiosity on compliance, showing that moral and spiritual values translate into behavior through increased awareness. Overall, these findings emphasize that promoting religiosity and tax awareness is more effective in enhancing compliance than relying solely on tax knowledge. These insights are crucial for designing tax education and policy interventions focused on moral and awareness-based approaches

## REFERENCES

Abiola, J., Oladipo, O. A., & Akinyemi, B. O. (2023). Religiosity and tax compliance behaviour among self-employed individuals in Nigeria. Journal of Accounting and Taxation, 15(2), 45–59. https://doi.org/10.5897/JAT2023.0562

Agustina, N., & Umaimah, N. (2022). The influence of religiosity and tax morale on tax compliance through tax awareness. International Journal of Economics, Business and Accounting Research, 6(3), 123–134.

Al-Ttaffi, L. H. A., & Bin-Nashwan, S. A. (2022). The role of religiosity and ethical values in tax compliance: Evidence from developing countries. Journal of Islamic Accounting and Business Research, 13(4), 567–584. https://doi.org/10.1108/JIABR-10-2021-0271

Anisykurlillah, I., Mulyani, E., & Setiawan, A. (2025). Religiosity, tax knowledge, and voluntary tax compliance: An empirical study in Indonesia. Cogent Business & Management, 12(1), 227–242. https://doi.org/10.1080/23311975.2025.1209782

Delaviansyah, R., Hanifah, R., & Putri, S. (2022). The moderating role of tax knowledge in the relationship between religiosity and tax compliance. Asian Economic and Financial Review, 12(5), 389–401. https://doi.org/10.18488/journal.aefr.2022.125.389.401

Fitriandi, P., Rofiq, A., & Sutrisno, T. (n.d.). Moral integrity and tax compliance behavior: A study of Indonesian taxpayers. Journal of Contemporary Accounting, 3(1), 77–89.

Granger, S., McGee, R. W., & Tyler, M. (2021). Understanding the moral dimensions of tax compliance. International Journal of Ethics and Systems, 37(4), 612–629. https://doi.org/10.1108/IJOES-05-2021-0083

Handoko, B., Lestari, R., & Wulandari, D. (2020). Tax awareness and voluntary compliance: Evidence from Indonesian SMEs. International Journal of Financial Research, 11(5), 315–324. https://doi.org/10.5430/ijfr.v11n5p315

Handoyo, S., Hidayat, N., & Rahmawati, A. (2024). Religiosity and tax morale: Determinants of compliance among Muslim taxpayers in Indonesia. Advances in Economics, Business and Management Research, 282, 220–231.

Hidayat, N., Rahman, A., & Syamsuddin, S. (2023). Tax awareness as a mediator between religiosity and tax compliance. Journal of Accounting and Taxation Research, 25(2), 101–113.

Hwang, S., & Nagacy, K. (2020). Religiosity and tax compliance: Evidence from U.S. counties. Journal of Behavioral Economics for Policy, 4(2), 43–56.

Kamal, M., Abdullah, W. A. W., & Ismail, N. (2023). Religious commitment, moral values, and tax compliance behavior. International Journal of Ethics and Systems, 39(2), 210–229. https://doi.org/10.1108/IJOES-02-2023-0042

Listyowati, A., Sari, D., & Rahmadani, E. (2018). Tax knowledge, perception of justice, and compliance behavior. Asian Journal of Accounting Research, 3(2), 143–157. https://doi.org/10.1108/AJAR-07-2018-0021

Md Radzi, M., & Ariffin, Z. Z. (2022). Tax literacy and compliance behaviour: The moderating role of religiosity. Journal of Financial Crime, 29(5), 1653–1670. https://doi.org/10.1108/JFC-12-2021-0289

Pistone, P., Roeleveld, J., Hattingh, J., Pinto Nogueira, J. F., & Mazz, M. (2019). Tax compliance and ethics: Comparative perspectives in international taxation. IBFD Bulletin for International Taxation, 73(4), 301–318.

Pulungan, D. (2022). The mediating role of tax awareness in the relationship between religiosity and tax compliance among individual taxpayers. International Journal of Accounting, Finance and Business, 7(44), 112–125.

Sahari, N., Rahim, N., & Jalil, F. (2019). Moderating effect of tax knowledge on tax compliance among Malaysian SMEs. International Journal of Academic Research in Business and Social Sciences, 9(6), 780–795. https://doi.org/10.6007/IJARBSS/v9-i6/6024

Sakirin, S., Yusuf, A. H., & Nor, M. N. M. (2021). The influence of religiosity and perception of justice on taxpayer awareness. International Journal of Islamic Business Ethics, 6(1), 34–48. https://doi.org/10.30659/ijibe.6.1.34-48

Sarwono, S. (2022). Tax socialization, trust, and compliance behavior: A structural analysis. Asian Economic Journal, 36(3), 215–231. https://doi.org/10.1111/asej.12294

Sritharan, S., & Salawati, M. (2019). The moderating role of tax knowledge on religiosity and compliance behaviour. International Journal of Business and Society, 20(1), 295–312.