

Compliance With Msme Taxpayers In Mamajang District

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Abstract

In particular for Mamajang District, this study aims to investigate four factors that can affect MSME taxpayer compliance: taxpayer awareness, tax authorities' services, knowledge and understanding of government regulations on taxation (PP No. 46 of 2018), and knowledge and understanding of taxpayers. 55 MSME respondents who were registered with the Office of Cooperatives, SMEs, and Industry in Makassar City made up the sample. The Isaac and Michael formula is used in the sampling technique, and its error rate is 4%. Multiple linear regression must be used to assess the data, as well as validity and reliability evaluations for research tools. According to the findings, the compliance of MSME taxpayers in the Mamajang District is significantly influenced by taxpayer knowledge and the modernization of the tax administration system.

Keywords : *Knowledge and Understanding of Government Regulations on Taxation, Taxpayer Awareness, Fiscal Services*

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INTRODUCTION

In recent years The MSME sector has succeeded in supporting the new economy in our country. The contribution of MSMEs to the Gross Domestic Product (GDP) was recorded at 61.41%. So that MSMEs can no longer be underestimated. But in the field of taxation, MSME has not shown a significant contribution. This is due to a lack of knowledge about taxation, how to fill out SPT, sanctions if you are late or don't pay taxes and other factors that cause low MSMEs to pay taxes.

One of the main sources of state revenue is from the taxation sector, which is used to finance personnel expenditures, finance the construction of public facilities such as the construction of bridges and roads, to finance education, fuel subsidies and finance the construction of other public facilities and infrastructure. The more taxes that can be collected by a country, the more public facilities and infrastructure that can be built.

Given the importance of taxes in supporting the running of government programs, the taxation directorate must be even more active in collecting taxes on personal taxpayers and business entity taxpayers. And it is no exception for Micro, Small and Medium Enterprises which have to pay the final tax.

From the description above, this study aims to determine whether there is a significant influence of knowledge and understanding of taxation contained in Government Regulation No. 46 of 2018, mandatory awareness, tax administration services, and modernization of the tax administration system on MSME taxpayer compliance in Mamajang Kota District Macassar. And to find out the dependent variable

that dominantly influences MSME taxpayer compliance in Mamajang District, Makassar City.

1. LITERATURE REVIEW

A. Previous Research

Wicaksono (2016), concluded that knowledge of taxation, modernization of the tax administration system and awareness of taxpayers has a positive and significant effect both partially and simultaneously on taxpayer compliance in MSMEs in Bantul Regency

Khasanah (2016), the conclusions of the research results, namely Tax Knowledge, Modernization of the Tax Administration System, and Taxpayer Awareness, have a positive and significant effect on taxpayer compliance; Tax Knowledge, Tax Administration System Modernization, and Taxpayer Awareness have a positive and significant effect on Taxpayer Compliance simultaneously.

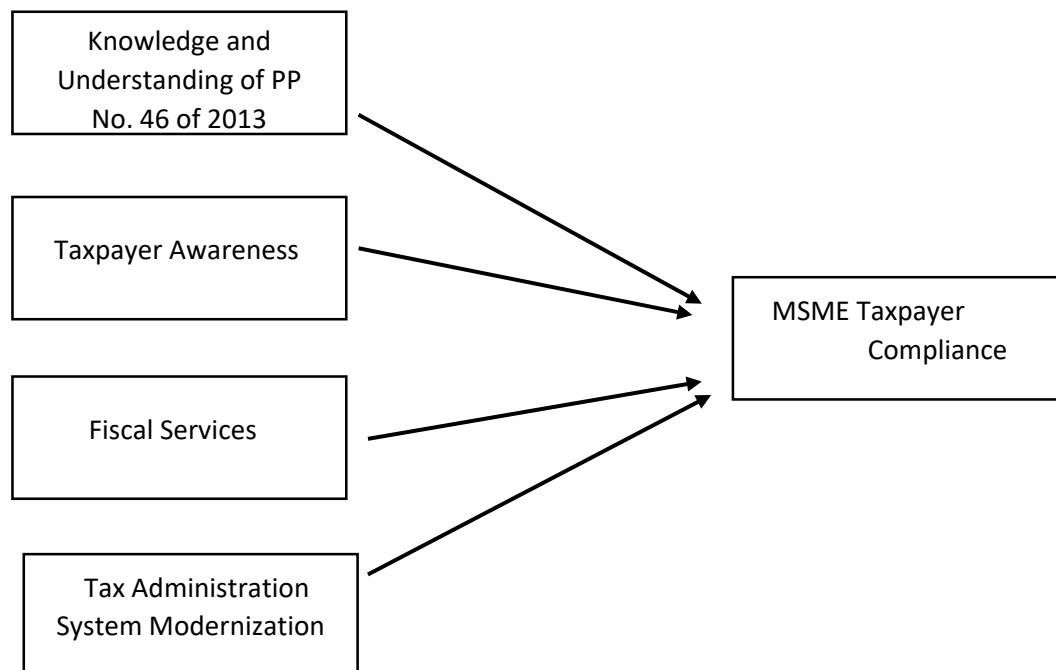
B. Modernization of the tax administration system

Modernization of the tax administration system is the refinement or improvement of administrative performance both individually, in groups and institutionally so that it is more efficient, economical and fast (Suparman, 2007:1). In this case, the government has provided e-system-based services, such as e-SPT, e-filing, e-billing, e-registration, which can assist taxpayers in carrying out their obligations.

Based on the description above, the hypothesis proposed is as follows:

- H1** : Knowledge and understanding of Government Regulations on taxation (PP No. 46 Tahun2013), has an effect on MSME taxpayer compliance in Mamajang District.
- H2** : Taxpayer awareness influences MSME taxpayer compliance in the DistrictMamajang.
- H3** : Fiscal services have an effect on MSME taxpayer compliance in Mamajang District.
- H4** : Modernization of the tax administration systemeffect on MSME taxpayer compliancein Mamajang District.

Figure 1. Research Framework



METHOD

A. Population and Sample

The population in this study were all taxpayers in Mamajang District who were registered with the Office of Cooperatives, SMEs and Industry in Makassar City. The

number of MSME actors in Mamajang District is 70 (Department of Cooperatives, MSME, and Industry, 2017). Based on the formula table made by Isaac and Michael with an error rate set at 5%, a total sample of 55 respondents was obtained.

B. Data collection technique

Using a questionnaire distributed to 55 respondents, which is closed in nature so that MSME taxpayers can only choose the answers listed in the questionnaire.

C. Data analysis method

Instrument testing techniques using validity and reliability tests. The analysis uses multiple linear regression, with the t-test used to test the hypothesis. And to ensure that the resulting regression equation has accuracy in calculations, is not biased and is consistent, a classic assumption test is carried out which consists of a multicollinearity test, heteroscedasticity test and autocorrelation test.

RESULTS AND DISCUSSION

A. Validity and Reliability Test

The validity test of all variable items in this study was declared valid, because they met the conditions, namely the large r count that resulted from r table.

The reliability test uses the Cronbach Alpha coefficient with a tolerance limit of 60% for data that can be obtained considered reliable. The alpha coefficient results for all research variables were obtained greater than 60% (0.6) so that the research instrument could proceed to the next stage.

B. Multiple Linear Regression Analysis

This analysis aims to determine the significant or not the effect of the independent variable (variable X) on the dependent variable (variable Y). The results of the data processing carried out can be seen from the table below:

Table. 1 Results of Multiple Linear Regression Analysis

Variable Name	Coeff ientRe gressi on	Test Partial (t test) Prob 0.05		
		t count	t table	Sig
Constant	0.677			
Knowledge &				
Understanding	0.007	0.055	2.005	0.952
PP No. 46 of 2013			5	
Taxpayer Awareness	0.368	2,523	2.005	0.013
			5	
Fiscal service	0.033	0.263	2.005	0.792
			5	
System Modernization				
Tax Administration	0.40	3012	2.005	0.002
			5	
R	0.801			
R ²	0.622			

Source: data processed 2023

From the table above, the multiple linear regression equation can be formulated as follows:

C. Correlation Coefficient (R)

$$Y = 0.677 + 0.007 X_1 + 0.368 X_2 + 0.033 X_3 + 0.42 X_4 + e$$

From table 3.1 it is known that the correlation coefficient $R = 0.803$ means the correlation between knowledge and understanding of Government Regulations on taxation (PP

No.46 of 2013) (X1), awareness of taxpayers (X2), tax authorities services (X3), and modernization of the tax administration system (X4) the compliance of MSME taxpayers in Mamajang District (Y) is strong and positive (unidirectional).

D. Coefficient of Determination (R²)

The coefficient of determination $R^2 = 0.644$ means that the contribution of knowledge and understanding of overnment regulations on taxation (PP No.46 of 2013) (X1), awareness of taxpayers (X2), tax authorities services (X3), and modernization of the tax administration system (X4) to MSME taxpayer compliance in Mamajang District (Y) of 64.4%, the remaining 35.6% is influenced by other factors.

E. Classic assumption test

Heteroscedasticity test using the scatterplots graph, the results of which can be seen in Figure 1, namely the points spread randomly and spread above and below the number 0 on the Y axis, this means that there is no heteroscedasticity in the regression equation. The multicollinearity test can be seen from the Variance Inflation Factor (VIF) value. If any VIF number exceeds 10, it means that there is multicollinearity. From the calculation results, the VIF value for all independent variables is less than 5 and the tolerance value is above 0.1. This means that all the independent variables in this study have no symptoms of multicollinearity.

F. artial Test (Test - t)

From table.1 above it can be described the results of the partial test (t-test) with t table 2.0057 as follows:

- a) T test of knowledge and understanding of Government Regulation on Taxation (PP No.46 of 2013) for variable X1 obtained t count $0.057 < 2.0057$ then the hypothesis 0 is accepted, ieknowledge and understanding of Government Regulations regarding taxation (PP No. 46 of 2013) has no significant effect on MSME taxpayer compliance in Mamajang District.
- b) Taxpayer awareness t test (X2) obtained t count $2,523 > 2.0057$ then hypothesis 0 is rejected so hypothesis 1 is accepted, namely taxpayer awareness has a significant effect on MSME taxpayer compliance in Mamajang District.
- c) The tax service t test (X3) obtained t count $0.263 < 2.0057$ then the hypothesis 0 is accepted means Fiscal services do not have a significant effect on MSME taxpayer compliance in Mamajang District.
- d) The t test of modernizing the tax administration system (X4) obtained t count $3.014 > 2.0057$ then hypothesis 0 is rejected, and hypothesis 1 is accepted, namely the modernization of the tax administration system has a significant effect on MSME taxpayer compliance in Mamajang District.
- e) The hypothesis stating that the modernization of the tax administration system has the most significant or dominant influence on MSME taxpayer compliance is accepted, this is evidenced by the resulting t count which has the greatest value with the smallest significance level of 0.4%.

G. The effect of knowledge and understanding of PP No.46 of 2013 on MSME taxpayer compliance in Mamajang District

Based on the results of the analysis in table.1 for the variable Influence of Knowledge and Understanding of PP No.46 of 2013 it is known that knowledge and understanding of PP No.46 of 2013 (X1), shows a t-count value of 0.057, where the t-count value is $0.057 < \text{of t table } 2.0057$, and a sig value of 0.954 is obtained where the value is $0.954 > 0.05$, the knowledge and understanding variable about PP No.46 of 2013 has no significant effect on MSME taxpayer compliance. And this result is confirmed by a multiple linear regression coefficient of 0.7%, which is very small, which means that every increase in the score of knowledge and understanding of PP No.46 of 2013 is 1, then MSME taxpayer compliance will increase by 0.7% assuming mandatory awareness taxes, tax services,

H. The effect of mandatory awareness on MSME taxpayer compliance in Mamajang

District

Based on the results of the analysis in table.1 for the variable Taxpayer Awareness it is known that Taxpayer Awareness (X2), shows a t-count value of 2.523, where t-count is $2.523 >$ from t-table 2.0057, and a sig value of 0.015 is obtained where the value of 0.015 is < 0.05 , then the taxpayer awareness variable has a significant effect on MSME taxpayer compliance. And this is reinforced by the value of the multiple linear regression coefficient of 36.8%, which means that for every increase in the taxpayer awareness score of 1, MSME taxpayer compliance will increase by 36.8%, assuming knowledge and understanding of Government Regulation No. 46 of 2013, tax authorities, and modernization of the tax administration system in a constant state.

These results are also supported by research conducted by Wicaksono (2016) which states that taxpayer awareness has a positive and significant effect on taxpayer compliance at MSMEs in Bantul Regency

I. The influence of tax authorities on MSME taxpayer compliance in Mamajang District

Based on the results of the analysis in table.1 for the tax service variable, it is known that the tax office service (X3), shows a t-count value of 0.263, where t-count is $0.263 <$ from t-table 2.0057, and a sig value of 0.794 is obtained where the value is $0.794 >$ from 0.05, then the service variable tax authorities have no significant effect on MSME taxpayer compliance. With a low multiple linear regression coefficient that is 3.3%, which means that for every increase in the tax office's service score of 1, MSME taxpayer compliance will increase by 3.3%, assuming knowledge and understanding of Government Regulation No. 46 of 2013, taxpayer awareness, and modernization of the tax administration system in a constant state.

J. Effect of modernization of the tax administration system on MSME taxpayer compliance in Mamajang District

Based on the results of the analysis in table.1 for the modernization variable of the tax administration system, it is known that the modernization of the tax administration system (X4), shows a t-count value of 3.014, where t-count is $3.014 >$ from t-table 2.0057, and a sig value of 0.004 is obtained where the value of 0.004 is $<$ than 0.05, then the modernization variable of the tax administration system has a significant and dominant effect on MSME taxpayer compliance. This is also reinforced by the value of the multiple linear regression coefficient which shows the largest number of the other three variables, namely 42%, which means that for every increase in the score of modernization of the tax administration system by 1, MSME taxpayer compliance will increase by 0.42 or 42%, assuming knowledge and understanding of PP No.46 of 2013, awareness of taxpayers, These results are also supported by research conducted by Khasanah (2016) which states that the modernization of the tax administration system has a positive, significant and dominant effect on taxpayer compliance at the Regional Office of the Directorate General of Taxes, Special Region of Yogyakarta

CONCLUSION

From the results of the above research it can be concluded that taxpayers carry out their obligations to pay taxes because of their own awareness of the importance of paying taxes. And also with the modernization of the tax administration system such as the existence of e-filing, e-SPT, e-registration or taxes which can be filled on-line really help taxpayers to make tax payments. Based on the results of this study, the advice that the author can give to the Directorate General of Taxes is to increase the development of e-systems in the field of taxation, in order to make it easier for taxpayers and tax officers to exercise their tax rights and obligations. And pay attention to and conduct training for MSMEs regarding existing tax regulations so that taxpayers have a better understanding

of applicable tax matters, and make an evaluation of the services of the tax authorities. And for the next researcher to be able to expand the independent variable by adding supervision, tax sanctions and tax rates.

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