

The Effect of Knowledge, Taxpayer Awareness, and Tax Sanctions on Taxpayer Compliance

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Article Info	Abstract
<p>Received: September 03, 2023</p> <p>Revised: November 19, 2023</p> <p>Online available: January 20, 2024</p> <p>Keywords: <i>Knowledge, Taxpayer Awareness, Tax Sanctions, Taxpayer Compliance</i></p>	<p>Hotel tax is an integral part of the local tax structure which makes a significant contribution to tax revenue in Banyuwangi Regency. This contribution occurs through indirect collection from individuals who enjoy services in restaurants, which are then channeled by restaurants to local governments. Revenue from restaurant taxes continues to increase from year to year, which is driven by developments in the tourism sector in the region. Using a quantitative descriptive method with a survey approach to investigate the knowledge and awareness of taxpayers, this survey involved 40 respondents who are business actors in the hotel and restaurant sector, and data analysis was carried out using multiple linear regression methods. The results of the study show that the variable knowledge, taxpayer awareness, and tax sanctions have a positive effect on hotel and restaurant taxpayer compliance. Both partially and simultaneously in paying hotel and restaurant taxes in Banyuwangi Regency.</p>

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INTRODUCTION

Regional taxes are used to finance development in the region, with the aim of increasing people's welfare. The level of regional ability to collect taxes is an important indicator of the extent to which local governments can be independent. This study focuses on the Banyuwangi Regency area, where matters related to hotel and restaurant taxes are managed through District Head Regulation no. 6 of 2011. In this regulation, hotel taxable entities are legal entities or legal entities that pay legal entity or legal entity fees. hotel operators. On the other hand, the subject of the food tax rate includes the legal entity or legal entity that buys

The imposition of restaurant tax accounts for most of local tax revenue in Banyuwangi Regency. This tax is paid by individuals who enjoy hotel and restaurant services, and the payment is passed from the restaurant to the government. Tax revenue from the restaurant sector continues to show an increase from year to year, which is driven by the growth of the tourism sector in the area. Details of restaurant tax revenue and its contribution to Banyuwangi Regency regional tax revenue from 2018 to 2022 can be accessed in the table below.

Table 1 Hotel and Restaurant Tax Receipts in Banyuwangi

Year	Restaurant Tax (Rupiah)	Local Tax (Rupiah)
2020	16,089,644,327.83	277,247,592,363.38
2021	36,577,597,178.41	404,981,564,103.82
2022	55,059,349,397.68	511,041,442,068.24

Data source: Banyuwangi Regency Revenue Service (data processed), 2022

Based on the data in table 1, in 2020, restaurant tax revenue is the highest with a contribution of 19.19 percent of total tax revenue. However, this revenue has decreased due to the closure of restaurants and tourism venues as a result of the COVID-19 pandemic. Despite the impact of the pandemic, the construction of hotels and restaurants (PHR) in Banyuwangi Regency is still growing rapidly. In the period from 2020 to 2022, there has been a significant growth in the number of new taxpayers engaged in the hotel and restaurant sector.

Improving public understanding and awareness regarding tax responsibilities can be achieved through the implementation of counseling programs for taxpayers, in which it is explained how vital tax payments are in supporting local revenues and people's welfare. The aim of this extension program is to form a proper understanding among the public regarding their rights and responsibilities in accordance with the applicable tax regulations. With increasing awareness of taxpayers, it is expected that there will be an increase in their level of compliance in paying taxes. In addition, it is expected that the level of compliance in tax reporting will also increase when taxpayers have a strong moral commitment to their tax obligations.

Therefore, efforts are needed to strengthen the moral commitment of taxpayers through various educational efforts and outreach programs. Furthermore, it is important to improve the quality of services provided by tax payment agencies in order to increase the level of taxpayer compliance in making tax payments. Based on the previous explanation, revenue from local taxes in Banyuwangi Regency, especially taxes from the hotel and restaurant sector, has the potential to grow after the COVID-19 pandemic ends. Therefore, researchers are interested in investigating the relationship between the level of understanding of taxpayers and their level of obedience in paying taxes. Based on the background that has been described, the author intends to carry out research that explores the impact of knowledge, the level of taxpayer awareness,

Tax Knowledge

Knowledge of taxation refers to an understanding of tax administration procedures that involve calculating and filling out tax forms carried out by taxpayers. This definition is in line with the views of Siti Kurnia Rahayu (2017: 33), which includes the implementation of tax administration, such as calculating the amount to be paid, filling out tax notification forms, reporting information needed in tax notifications, understanding provisions regarding tax collection, and all aspects other related to tax obligations.

Mardiasmo (2016: 7) states that "tax knowledge includes all known and understood information related to tax regulations, both in substantial and procedural aspects." On the other hand, Dewi (2017: 16) explains basic tax knowledge of taxpayers' understanding of regulations and tax procedures.

The definition of tax knowledge that has been described by the expert, can be summarized Tax Knowledge refers to the fundamental understanding possessed by taxpayers in carrying out tax administration tasks, calculating the amount of tax that must be deposited, as well as filling out and submitting tax returns and other aspects that relating to tax obligations.

Taxpayer Awareness

Consciousness is a condition for understanding reality and how to act or react to that reality. According to Atkinson, quoted by Kurniawan (2009: 24), considers awareness as an individual's level of awareness of external and internal stimuli, such as environmental events and bodily sensations, as well as memories and thoughts. Thus, perception implies will and action based on the reflection of people's understanding of a particular situation. . Consciousness is a phenomenon that occurs simultaneously in both external and internal aspects in humans. The context of the taxpayer, namely fostering awareness about the importance of paying taxes in society. In Nugroho's notes (2006: 81), there are still many Indonesians who think that paying taxes to the government is a burden, while feeling anxious about the potential for misuse of tax funds, which often becomes public concern. Some steps that can be taken include providing motivation, providing information, counseling, and education related to taxation from an early age.

Besides that, it is also important to provide a role model for taxpayers. In this context, the application of sanctions in accordance with the law also has a significant role in increasing the knowledge and awareness of taxpayers regarding the role of taxes in regional development.

Tax Sanctions

Is a regulatory tool used by the government to control the activities of taxpayers and verify that they still comply with applicable legal norms. This view is similar to the perspective of Siti Kurnia Rahayu (2017: 170) who notes that "tax sanctions function as a form of oversight by the government to ensure that legal provisions are complied with by citizens, so as to avoid violations of tax obligations that may be committed by taxpayers." This sanction will be applied to taxpayers who do not comply with applicable regulations. Based on the understanding of tax sanctions that have been put forward by the experts above, it can be said that tax sanctions are actions guaranteed by the government to prevent violations of tax regulations, including non-compliance in fulfilling tax obligations by disobedient taxpayers.

Taxpayer Compliance

Tax compliance in the perspective of Liberti Pandiangan (2014: 179), tax payment compliance is defined as a form of realisation of tax obligations carried out by taxpayers through the act of paying or depositing taxes that must be paid to the state treasury, through predetermined tax payment channels. This tax payment can come from the tax itself or it may come from deductions or tax collections by other parties.

Based on the interpretation of the definition of tax compliance explained by previous experts, it can be concluded that tax compliance refers to a situation where citizens have an awareness of their tax responsibilities, which involves giving part of their assets to the State treasury through a government agency, such as the local KPP.

METHODS

Quantitative descriptive research is research involving the use of numbers in all stages of research, from data collection to data interpretation, as well as in research presentations. The results of the research were analyzed using a deductive approach, starting from general concepts and then tested through observation to test the validity of the applicability of these concepts. From there, conclusions are drawn. Furthermore, the results of this study are explained descriptively because the focus is to detail and explain the data obtained and to provide answers to the formulated research questions. The research was conducted at KPP Pratama Banyuwangi Regency which has a strategic location in the center of city activities, namely on Jl. A. Yani, Banyuwangi. The sample

group in this study consisted of taxpayers in the hotel and restaurant sectors who filed Annual Tax Returns at KPP Pratama Banyuwangi Regency. The respondent collection method used is purposive sample, in which the sample is selected based on special considerations that are considered capable of providing the most comprehensive data (Arikunto, 2010: 108). The sample selection approach in this study follows the views outlined by Roscoe, as quoted by Sugiono (2017: 91), which states that if research involves multivariate analysis (such as correlation or multiple regression), then the number of sample members should be at least 10 times larger than the number of variables studied. In this study, there are a total of 4 variables, namely 3 independent variables and 1 dependent variable. Therefore, the number of samples taken was 4 times 10, namely 40 respondents. The data analysis method applied in analyzing the information generated from this research is descriptive statistical analysis. This process involves a series of instrument tests and data processing using SPSS version 26

RESULTS AND DISCUSSION

Instrument Validity Test

Table 2 Validity Test

No	Variable	R Count	R Table	Information
1	Knowledge (X1)			
	<input type="checkbox"/> Item 1	0.714	0.3120	Valid
	<input type="checkbox"/> Item 2	0.694	0.3120	Valid
	<input type="checkbox"/> Item 3	0.649	0.3120	Valid
2	Consciousness (X2)			
	<input type="checkbox"/> Item 1	0.711	0.3120	Valid
	<input type="checkbox"/> Item 2	0.654	0.3120	Valid
	<input type="checkbox"/> Item 3	0.525	0.3120	Valid
3	Tax Sanctions (X3)			
	<input type="checkbox"/> Item 1	0.793	0.3120	Valid
	<input type="checkbox"/> Item 2	0.862	0.3120	Valid
	<input type="checkbox"/> Item 3	0.808	0.3120	Valid
4	Taxpayer Compliance (Y)			
	<input type="checkbox"/> Item 1	0.851	0.3120	Valid
	<input type="checkbox"/> Item 2	0.848	0.3120	Valid
	<input type="checkbox"/> Item 3	0.834	0.3120	Valid
	<input type="checkbox"/> Item 4	0.404	0.3120	Valid

Source: Data processed 2023

Validity testing is carried out through the application of the product moment correlation formula. The calculated correlation value (R count) is obtained through the output of the calculation, then this value is pitted against the critical value (r table) listed in the statistical table.

Reliability Test

Table 3 Reliability Test

No	Variable	Alpha Crombach	Information
1	Knowledge (X1)	0.743	Reliable
2	Consciousness (X2)	0.672	Reliable
3	Tax Sanctions (X3)	0.753	Reliable
4	Taxpayer Compliance (Y)	0.796	Reliable

Source: Processed data, 2023

The reliability results of the Alpha coefficient values are significant, exceeding 0.672. It can be concluded that each measurement concept that exists for each variable in the questionnaire has a reliability level that exceeds 0.60. the questionnaire instrument used in this study can be considered reliable.

Classic assumption test

Normality test

Table 4 Data Normality Test

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residuals
	N	40
Normal Parameters,,b	Means	.0000000
	std. Deviation	3.01772928
	Most Extreme Differences	
	absolute	.110
	Positive	.072
	Negative	-.110
	Kolmogorov-Smirnov Z	.693
	asyp. Sig. (2-tailed)	.723

a. Test distribution is Normal.

b. Calculated from data.

Source: Processed data, 2023

From the table given, it can be interpreted that the normality test results have a calculated value of 0.723. In the context of research, it is generally required that the data normality test value must be greater than 0.05 so that research data can be considered to have a normal distribution, especially based on the number of independent and dependent variables.

Multicollinearity Test

Table 5 Multicollinearity Test

No	Variable	tolerance	VIF	Information
1	Knowledge	.931	1,074	Multicollinearity Free
2	Awareness	.786	1,271	Multicollinearity Free
3	Tax Sanctions	.747	1,339	Multicollinearity Free

Source ; Data, 2023

From the research data, it can be seen that the regression model shows a low VIF (Variance Inflation Factor) value, with all values below 10 and error values above 0.1. It

can be interpreted that the independent variables used in the study do not show signs of multicollinearity problems. It can be understood that all of these variables can be used as independent variables and are independent of each other.

Heterskesidity Test

Table 6 Heteroscedasticity Test

Model	Coefficientsa				
	Unstandardized Coefficients		Standardized Coefficients		
	B	std. Error	Betas	t	Sig.
1 (Constant)	1.172	1,180		.993	.327
Tot_X1	.096	.071	.205	.358	.023
Tot_X2	.171	.078	.349	.178	.036
Tot_X3	.061	.053	.187	.152	.257

a. Dependent Variable: Y1_1

Source: Processed data, 2023

For the knowledge variable, the t value is 0.358, while for the awareness variable it is 0.178, and the tax sanctions variable has a value of 0.152. Taking into account the ttable value of 2.028, it can be summarized that the conclusions are as follows: H0 is accepted while Ha is rejected, because the range of tcount values is between ttable and tcount <ttable. This means that there is no heteroscedasticity in the regression model, which is also known as homoscedasticity. Thus, the regression model that has been made is considered adequate.

Multiple Linear Regression Analysis

Table 7 Multiple Linear Regression Test

Model	Coefficientsa				
	Unstandardized Coefficients		Standardized Coefficients		
	B	std. Error	Betas	t	Sig.
1 (Constant)	1.172	1,180		.993	.327
Tot_X1	.096	.071	.205	.358	.023
Tot_X2	.171	.078	.349	.178	.036
Tot_X3	.061	.053	.187	.152	.257

a. Dependent Variable: Y1_1

Source: Data, 2023

$$Y = 1,172 + 0,096X1 + 0,171X2 + 0,061X3$$

These results, it can be explained that the results of the calculation have a constant value (a) at 1.172, this is the intersection point between multiple linear regression on the Y axis which is the dependent variable. B1 gets a value of 0.096, has an elaboration if the respondent's answer increases by 1 score on the knowledge assessment, namely X1, then the compliance score (Y) for hotel and restaurant taxpayers will increase by 0.096 assuming that the assessment of other variables is the same.

B2 gets the results of B2 calculations with a value of 0.171, has an elaboration if the respondent's answer increases by 1 score on the awareness assessment, namely X2, then the compliance score (Y) for hotel and restaurant taxpayers will increase by 0.171 and the assessment of other variables remains the same.

B3 gets the results of B3 calculations with a value of 0.061, has a description if the respondent's answer increases by 1 score in the assessment of sanctions, namely X3, then the compliance score (Y) will increase by 0.061, that the assessment of other variables remains the same.

F test

The F test has the overall results of the variables, starting from the knowledge factor (X1), awareness (X2) and the sanction factor (X3), which together can influence the compliance factor (Y) of hotel and restaurant taxpayers.

T-test

There is a significant impact of the variable (X1) on compliance (Y). In addition, there is also a significant effect between the variables (X2) and (Y) in the sector.

Variable (X3) to variable (Y) Overall, the variables of knowledge, awareness, and sanctions have a simultaneous effect on hotel and restaurant taxpayer compliance.

Classic assumption test,

Obtained calculations of normality, heteroscedasticity, and multicollinearity in this study are free from the classical assumption test. The dominant variable in this study is the variable of sanctions (X3) which has the highest value in this study.

The Effect of Knowledge on Taxpayer Compliance

Hypothesis (H1.1), found that there is an influence between knowledge and compliance. Based on the calculation results, the calculated t value is 0.358, lower than the limit value of 2.028. Thus, the alternative hypothesis (Ha) is accepted while the null hypothesis (Ho) is rejected. From this statistical analysis, it can be concluded that knowledge has a positive influence on the level of taxpayer compliance in the hotel and restaurant sector

The Effect of Awareness on Taxpayer Compliance

The results of the hypothesis test (H1.2) indicate that there is an influence between awareness and adherence. After doing the calculations, the calculated t value was recorded at 0.178, which is smaller than the limit value of 2.028. Therefore, the alternative hypothesis (Ha) is accepted while the null hypothesis (Ho) is rejected. Thus, the results of this statistical test confirm that awareness has a positive effect on the level of taxpayer compliance in the hotel and restaurant sector. With the success of this study, the second hypothesis has been proven.

Effect of Tax Sanctions on Taxpayer Compliance

From the hypothesis (H1.3), it can be concluded that there is an effect of sanctions and the level of compliance. The results obtained are t count value of 0.152, which is < t table value of 2.028. Therefore, (Ha) is accepted and (Ho) is rejected. The statistical results confirm that sanctions affect the level of compliance (Y). the third hypothesis in this study has been proven.

The Simultaneous Influence of Knowledge, Awareness, and Tax Sanctions Variables on Hotel and Restaurant Taxpayer Compliance.

Taken together, the three variables, namely knowledge, awareness, and sanctions, have a significant impact on compliance (Y). according to the results of research conducted by researchers on respondents reporting Annual SPT at KPP Pratama Banyuwangi Regency. In terms of the classical assumptions, the results reflect suitability and indicate that this study has tested the validity of the data and successfully verified the various test instruments used

CONCLUSION

Based on the research that the researchers have done, several points of note the researchers found when the researchers took samples of respondents at KPP Pratama Banyuwangi Regency.

- a. Taxpayers in calculating annual SPT still do not understand in detail the flow of reporting, most taxpayers imitate or use the same reporting in the previous year.
- b. the average taxpayer after receiving a letter to report their annual tax return has just implemented it, the researchers found when carrying out the data collection process for respondents, some respondents stated that they had just received a letter to report annual tax returns.
- c. Annual SPT reporting for taxpayers in the hotel and restaurant sector is carried out by staff working in hotels and restaurants. However, only a small number of hotel and restaurant owners file annual tax returns at the same time as filing their individual annual tax returns.

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