

**INFLUENCE OF TAXPAYER FORMAL KNOWLEDGE AND
TAX AWARENESS AGAINST COMPLIANCE OF TAX
MOTOR VEHICLES
(Car Taxpayer Case Study in SAMSAT POLDA Jakarta Selatan)**

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ABSTRACT

The purpose of this study is to determine the effect of the formal knowledge of taxpayers and taxpayer awareness on compliance of motor vehicle taxpayers in the company SAMSAT POLDA South Jakarta. The data used is primary data by distributing questionnaires to the Motor Vehicle Taxpayer registered in the Office of South Jakarta Police SAMSAT. The population that will be the object of research are all motor vehicle taxpayers registered in the Office of SAMSAT POLDA South Jakarta until the period of December 2016. The sampling technique used is accidental sampling. This research uses linear regression analysis method. The results showed that the formal knowledge of taxpayers have a significant positive effect on compliance of motor vehicle taxpayers. The results of this study also concluded that together the formal knowledge of taxpayers, and awareness of taxpayers significantly affect the compliance of motor vehicle taxpayers.

KeyWords: Formal Knowledge of The Taxpayer, The Consciousness of The Taxpayer, The Compliance of The Motor Vehicle Taxpayer

1. INTRODUCTION

Taxes are levies from the public to the State on the basis of imposed and indebted laws, then the results are used to finance the development of the State (Siahaan and Marihot, 2010). Once the magnitude of the tax role in the state budget, the business to increase tax revenue continues to be done by the government which in this case is the task of the Directorate General of Taxes.. Implementation of regional autonomy is one form of community participation through local taxes and levies (Susilawati, Ketut Evi, and Ketut Budiarta, 2013). With the local government system is expected to help improve the distribution of development

throughout the territory of Indonesia so that national development goes well and can realize a just society, prosperous and prosperous (Dharma, 2014).

Local taxes and user charges are an important source of local revenue to finance the implementation of regional and regional development orders to obtain real, dynamic, harmonious and responsible regional autonomy (Dharma, 2014). Provision of authority in the imposition of local taxes and levies, is expected to further encourage local governments continue to work to optimize local revenue (PAD), especially Vehicle Tax (PKB) and *Pajak Bea Balik Nama Kendaraan Bermotor* (BBNKB) which is one of the local

taxes has considerable potential in financing regional development (Dharma, 2014).. Motor vehicle taxes are very influential on local revenue sources, which are useful to finance the implementation of routine tasks of local governments. The growth of the number of vehicles acquired from the region has increased considerably from year to year. However, the increase in the number of motor vehicles from year to year is not matched with the awareness and compliance of taxpayers against the fulfillment of its obligations in paying taxes. Public concerns in paying taxes due to the many cases of taxation that occurred in this country. Such conditions may affect taxpayer compliance, because the taxpayer does not want the tax paid to be misused by the irresponsible apparatus (Arum, 2012). So needed knowledge about good taxation, so that taxpayer better understand tax benefit. Both for the welfare of self and for the development of the State.

Referring to the background, the purpose of this study is to determine whether the formal knowledge of taxpayers and taxpayer awareness affect the compliance of motorcycle taxpayers in Jakarta. Therefore, this problem can be formulated as follows:

1. What is the effect of the taxpayer's formal knowledge on taxpayer compliance of motor vehicle users in Jakarta?
2. How is the effect of taxpayer's awareness on compliance of motor vehicle taxpayers in Jakarta?
3. What is the effect of the taxpayer's formal knowledge and taxpayer's awareness on compliance of motor vehicle taxpayers in Jakarta?

2. LITERATURE REVIEW

2.1 General Review of Taxes

Based on Article 1 Sub-Article 1 of Law Number 6 Year 1983 as amended the latest by Law Number 16 Year 2009

regarding General Provisions and Tax Procedures, Taxes are defined as follows:

Taxes are a compulsory contribution to a country that is indebted by an individual or a coercive body under the Act, by not obtaining direct remuneration and used for the purposes of the state to the greatest possible prosperity of the people. The tax collection system in Mardiasmo (2011) has several tax collection systems:

1. Self Assessment System
Self Assessment System is a tax collection system that authorizes taxpayers to determine for themselves the amount of tax payable.
2. Official Assessment System
Official Assessment System is a collection system that authorizes the government (fiskus) to determine the amount of tax payable by the taxpayer.
3. Withholding Assessment System
Withholding Assessment System is a tax collection system that authorizes third parties (not tax authorities and not taxpayers concerned) to determine the amount of tax payable by the taxpayer.

2.2 Tax Knowledge

The concept of tax knowledge or understanding tax according to Siti Kurnia Rahayu (2010) that is Taxpayer must include: 1) Knowledge of General Provisions and Procedures of Taxation 2) Knowledge of taxation system in Indonesia 3) Knowledge of taxation function. According to Supriyati and Nur Hidayati (2008), the indicator of the tax knowledge itself consists of:

1. Knowledge of payment and reporting deadlines.
2. Knowledge of general terms and procedures of taxation.
3. Knowledge of taxation system

2.3 Taxpayer Awareness

Taxpayer awareness is the most important factor in modern taxation system (Harahap, 2004: 43). So that the taxpayer is required to pay taxes to the state to finance the development for the sake of public interest and welfare. Increasing the awareness of taxpayers to pay taxes also depends on the way the government provides information and services to the public as taxpayers so that the impression and wrong view of the meaning and function of tax can be eliminated (Single, 1995: 8).

Widayati and Nurlis (2010) outlines some form of awareness that is the awareness that taxes are a form of participation in supporting state development. By realizing this, taxpayers are willing to pay taxes because they feel not harmed by tax collection.

2.4 Personal Taxpayer Compliance

Tax compliance can be defined as a condition in which the Taxpayer fulfills all tax obligations and exercises its taxation rights (Siti Kurnia Rahayu, 2006). Taxpayer compliance is the fulfillment of taxation obligations undertaken by taxpayers in order to contribute to the development of today which is expected in the fulfillment of voluntary given. Taxpayer compliance becomes an important aspect considering Indonesia's taxation system

adopts Self Assessment system which in its process absolutely gives trust to taxpayer to calculate, pay and report obligation.

2.5 Thinking and Hypotheses

Framework

The more knowledge of taxation in the can, the taxpayer will pay taxes on time without any coercion. Research conducted by Ilhamsyah et al. (2016) and Ihsan (2013) indicates that the taxpayer knowledge variable has a significant influence on taxpayer compliance. Based on the explanation, the hypothesis shall be:

Hypothesis 1: Formal knowledge of taxpayers positively affects taxpayer compliance of motor vehicle users.

If the taxpayer has an awareness of the importance of the role of taxation in advancing the economy, then the taxpayer will have compliance in making tax payments. Research conducted by Amanda R. Siswanto Putri (2013) concluded that Taxpayer awareness has an influence on Taxpayer compliance in paying motor vehicle tax. The higher the awareness of Taxpayer then the taxpayer compliance will rise. Based on the explanation then the hypothesis shall be:

Hypothesis 2: Taxpayer awareness positively affects the taxpayer compliance of motor vehicle users.

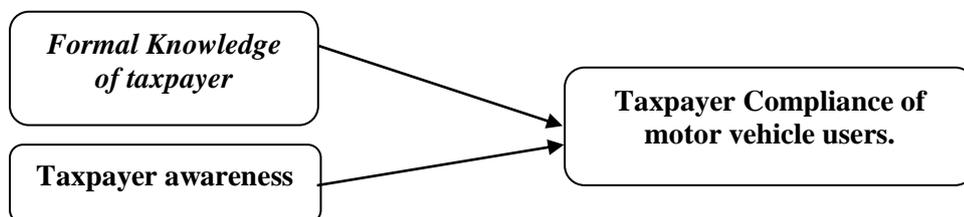


Figure 1. Schema Research Model

3. RESEARCH METHODOLOGY

3.1 Types and Research Data

This type of research is a type of quantitative research by testing the

hypothesis. The data used is primary data by distributing questionnaires to the Motor Vehicle Taxpayer registered in the Office of SAMSAT POLDA South

Jakarta until the period of December 2016 . The sampling technique used is accidental sampling, Samples taken in this study amounted to 100 respondents taxpayers two-wheeled vehicles and four wheels.

3.2 Operational Definition And Measurement

1. Dependent Variables

Tax Compliance is defined as a condition in which the taxpayer meets all tax obligations and exercises his taxation rights (Christina and Kepramareni, 2012). There are four indicators of tax compliance in this study, where the measurement of taxpayer compliance variables using questions developed by Wardani and Rumiyaatun (2017) using the Likert Scale.

2. Independent Variables

- 1) Formal Taxation Knowledge (X2)
The formal knowledge of taxation is the understanding of the taxpayer regarding the law, the law, and the correct taxation procedure (Ihsan, 2013). Measurement of taxpayer compliance variables using questions developed by Wardani and Rumiyaatun (2017) using the Likert Scale.
- 2) Taxpayer Awareness (X1)
Taxpayer awareness is a good faith of a person to fulfill the obligation to pay tax based on his sincere and sincere conscience (Susilawati and Budiarta, 2013). Measurement of taxpayer compliance variables using questions developed by Wardani and Rumiyaatun (2017) using the Likert Scale.

3.3 Data Analysis Method

Test Instruments

The instrument used in this study is a questionnaire. Before a research instrument is widely disseminated, trials

must first be used to measure the reliability and validity of the measuring instrument.

1. Test Validity

Validity test is done by looking for correlation of each indicator of its total value by using the formula of moment moment correlation

technique. The basic decision-making validity test is to compare the p-value with the level of significant is 5%.

If $p\text{-value} < \alpha 0.05 \rightarrow$ item statement is valid

If $p\text{-value} > \alpha 0.05 \rightarrow$ item statement is invalid

p-value is a symbol that states the probability level determined by the researcher to make a decision to reject or support the hypothesis. The number 0.05 here indicates that the decision made by the researcher to reject or support a hypothesis has a probability of error of 5 percent.

2. Test Reliability

Reliability test is an indicator of stability and consistency that is used as an instrument to measure a concept and helps to estimate the suitability of measurement (now, 2001). The reliability test of each cone used in this study used Cronbach's Alpha method with the help of SPSS version 17 software. According to Sekaran, (2001) the closer the reliability coefficient to 1.0 is considered the better. In general, reliability of less than 0.60 is considered weak, which is in the range of 0.70 is considered acceptable, while over 0.80 is considered good.

Based on the above statement, the basis of decision-making reliability test can be summed up as follows:

- 1) If Cronbach's Coefficient Alpha > 0.60 then Cronbach's Alpha is acceptable (construct reliable).
- 2) If Cronbach's Coefficient Alpha < 0.60 then Cronbach's Alpha

poor acceptable (construct unreliable).

3.4 Hypothesis Testing

This study uses multiple regression coefficient analysis model to analyze the effect of formal knowledge of taxation, and awareness of taxpayer on compliance of motor vehicle taxpayer in this case is arranged in the form of the following equation:

$$\text{Taxpayer Compliance} = \alpha + b_1 \text{ Formal Tax Knowledge} + b_2 \text{ Taxpayer Awareness} + e$$

Information :

α = Constant coefficients

b_1 - b_2 = Regression coefficient of independent variables

e = error

In accordance with the two hypotheses proposed by researchers above, the hypothesis testing is done as follows:

1. Goodness of Fit Test (Goodness of Fit Test)

This test produces Coefficient of Determination (R^2). This determination coefficient describes a variation of the independent variable. The value of this R^2 ranges from 0 to 1. If the value of $R^2 = 1$, it indicates that a perfect match exists and the independent variable is able to provide all the information needed to predict the variation of independent variables. Whereas if $R^2 = 0$, this means that between independent variables and dependent variables have no relationship (Gujarati: 2009).

2. Simultaneous Regression Coefficient Test (F Test)

This test is conducted with the intent to see the effect of free variables simultaneously to the dependent variable. The steps are as follows:

Ho: Independent variables simultaneously affect the dependent variable

Ha: The independent variables simultaneously do not affect the dependent variable

Decision-making based on probability:

1) If P-value $< \alpha$ 0.05, then Ho is rejected.

2) If P-value $> \alpha$ 0.05, Ho fails to be rejected.

3. Partial Regression Coefficient Test (t test)

This test aims to determine the influence of each independent variable partially to the dependent variable with the assumption of other independent variables are constant. (Gujarati, 2009) The steps are as follows:

- Ho: The independent variable does not have a significant influence on the dependent variable.

- Ha: The independent variable has a significant influence on the dependent variable.

Decision-making based on probability:

1) If P-value $< \alpha$ 0.05, then there is a significant influence and Ho decision is rejected

2) If P-value $> \alpha$ 0.05, then there is no significant influence and his decision Ho failed to be rejected.

4. ANALYSIS OF RESULTS AND DISCUSSION

4.1 Descriptive Statistics of Motor Vehicle Users

The average of 100 respondents of motor vehicle users who owns the car has the highest frequency of 71 people with percentage of 71%, while those with car and motor vehicles are only 29 people with a percentage of 29%. Referring to the sex data of 100 respondents it is seen that male sex respondents have the highest frequency of 68 people with percentage of 68% while men 32 people with percentage 32%. Of 100 respondents related to how to pay motor vehicle taxes are generally

the respondents make self-payments of 65 people with 65% percentage, only 35 respondents with 35% percentage using expert assistance to pay motor vehicle taxes

Table 4.1

Pengetahuan Peraturan Formal Pajak

		Frequency	Percent	Valid Percent	Cumulativ e Percent
Valid	Sangat Tidak Setuju	1	1.0	1.0	1.0
	Tidak Setuju	3	3.0	3.0	4.0
	Cukup setuju/Netral	25	25.0	25.0	29.0
	Setuju	59	59.0	59.0	88.0
	Sangat Setuju	12	12.0	12.0	100.0
	Total	100	100.0	100.0	

From table 1 respondents motor vehicle users generally agree on knowledge of formal tax rules with percentage of answers by 59%.

Table 4.2

Kesadaran Wajib Pajak

		Frequency	Percent	Valid Percent	Cumulativ e Percent
Valid	Tidak Setuju	1	1.0	1.0	1.0
	Cukup setuju/Netral	5	5.0	5.0	6.0
	Setuju	42	42.0	42.0	48.0
	Sangat Setuju	52	52.0	52.0	100.0
	Total	100	100.0	100.0	

Table 2 shows 52 respondents of motor vehicle users stated strongly agree on the importance of taxpayers' awareness in paying motor vehicle taxes, 42 respondents of motor vehicle users agree, only 1 respondent of motor vehicle user who expressed disagreement about the importance of the consciousness of the taxpayer in make payments on motor vehicle taxes.

Table 4.3

Kepatuhan Formal Wajib Pajak

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cukup setuju/Netral	18	18.0	18.0	18.0
	Setuju	66	66.0	66.0	84.0
	Sangat Setuju	16	16.0	16.0	100.0
	Total	100	100.0	100.0	

Table 3 shows that 66 respondents of motor vehicle users generally agree to compliance to make tax payments.

4.2 Hypothesis Testing

From the results of multiple regression processing known that the coefficient of determination Adj R2 = 0.074. This means that all independent

variables, able to explain the variation of the dependent variable (taxpayer formal compliance) of 7.4% while the rest (100% - 7.4% = 92.6%), can be explained by other factors.

Table 4.4 Coefisien determination (Model Fit Test)

<i>R square</i>	<i>Adjusted r square</i>
0,093	0,074

Source: Data processed

1) F Test (Concurrent Test)

Together there is a significant influence between all independent variables (formal knowledge of tax rules, taxpayer awareness) on the

dependent variable (formal compliance of the taxpayer). Basic Decision Making: Based on the probability
 If $p\text{-value} < \alpha 0.05$, then H_0 is rejected
 If $p\text{-value} > \alpha 0.05$, then H_0 fails to be rejected

Table 4.5 Test F (Simultaneous Test)

<i>p-value</i>	Conclusion
0,009	Ho ditolak

Source: Data processed

From the regression test by looking at the Anova table, it is known that p-value equal to 0.009 is less than 0.05 then H_0 is rejected, which means together there is significant influence between (formal knowledge of tax regulation, taxpayer awareness) to the dependent variable formal compliance of the taxpayer).

2) Partial Test (T Test)

T test is done to know the influence of each independent variable to the dependent variable. The t test results are as follows:

$$\text{Taxpayer Formal Compliance} = 12,639 + 0,197 \text{ Formal Knowledge of Tax Regulation} - 0,040 \text{ Taxpayer Awareness} + e$$

Table 4.6 Partial Test Result

Variable	T	<i>p-value</i>	Conclusion
Constanta	12,639		
Formal knowledge of taxpayers	3,116	0,002	Ho is rejected (There is a significant effect)
awareness of taxpayers	- 0,405	0,086	Ho is rejected (There is not a significant effect and negative)

Source: Data processed

Hypothesis 1:

From result of t test known that regression coefficient for formal knowledge variable of positive taxpayer equal to 0,197 mean if more knowledge owned by taxpayer about taxation hence taxpayer will more obedient in doing obligation of taxation. P-value 0.002 is smaller than 0.05 then H_0 is rejected, which means the formal knowledge of taxpayers have a significant influence on compliance taxpayers users of motor vehicles.

Hypothesis 2:

The above table shows the value of p-value 0.086 greater than 0.05 then H_0 failed to be rejected, which means the consciousness of the taxpayer does not have a significant effect on compliance taxpayers of motor vehicle users. From result of t test known that regression coefficient for negative taxpayer awareness variable equal to 0,040 mean if the awareness of taxpayer increase hence the taxpayer will tend not obedient in doing obligation of taxation.

5. CONCLUSIONS

Based on the results of data analysis and discussion that has been done, it can be concluded that:

- 1) Formal knowledge of taxpayers has a significant positive effect on compliance with taxpayers of motor vehicle users.
- 2) Awareness of taxpayers does not have a significant and positive impact on compliance with taxpayers of motor vehicle users.
- 3) Simultaneously states that the formal knowledge of taxpayers and awareness of taxpayers affect the compliance of taxpayers of motor vehicle users.

With this research, an input for further consideration can be delivered for SAMSAT POLDA JAKARTA SELATAN to improve public understanding of the importance of taxes by making an interesting and innovative taxation socialization efforts in the form of seminars, training and review tax regulations.

Further research is expected to increase the number of samples that also contribute to taxpayer compliance and can add other variables that will be more varied such as tax sanctions, taxpayer attitudes, tax reform.

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