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THE INFLUENCE OF TAXPAYER AWARENESS AND TAX SANCTIONS ON THE SATISFACTION OF LAND AND BUILDING TAXPAYERS

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ABSTRACT

Tax is one of the sources of funding for a country. The development of a country is partly financed by taxes paid by taxpayers. High tax payments have an impact on the progress of a country. For developing countries awareness of taxes is still too low. Tax payments are still not carried out every year. In addition, tax sanctions that are not given significantly cause taxpayers not to pay taxes. Regular tax payments in accordance with applicable regulations can occur if the taxpayer is satisfied with the tax system and rules. This study aims to determine the effect of taxpayer awareness and tax sanctions on taxpayer satisfaction. This study uses 100 samples who are taxpayers of land and buildings in the city of Surabaya. The research data was obtained by distributing questionnaires to the research sample. The research data were analyzed using multiple linear regression test. The results showed that tax awareness and tax sanctions have an effect on taxpayer satisfaction.

Keywords: Taxpayer awareness, Tax sanctions, The satisfaction taxpayers.

INTRODUCTION

Indonesia as a developing country that still continues to develop in various sectors and requires a large budget. In order to support the development of these various sectors, funding from the state is needed. Sources of state financing come from natural resources and human resources in the form of taxes, where taxes are made as the main choice as natural resources decrease.

Tax is a contribution to the state (can be forced) owed by the taxpayer to pay it (according to regulations) without getting a return which can be directly appointed and its purpose is to finance general expenses related to the state's duty to administer the government (Darmawan, 2018). One way to optimize tax revenue is to increase taxpayer awareness in paying Land and Building Tax. Land and Building Tax is a direct tax imposed on land and or buildings. Tax subjects are people or entities that actually have a right to the land, or own, control, and obtain benefits on buildings.

Compliance is behavior to do or not do certain activities in accordance with applicable rules and regulations. Taxpayer compliance is the behavior of taxpayers in fulfilling their tax obligations in accordance with applicable regulations. Taxpayer compliance is an important issue because if the taxpayer does not comply, it will lead to the desire to take actions to avoid, smuggle, and neglect taxes (Irfan, 2017).

The problem of public awareness or compliance in paying taxes is a classic problem faced by almost all countries that implement a tax system in their country, including Indonesia. The level of payment of land and building taxes is still there for residents who are in arrears on land and building taxes. In addition to the problem of the non-optimal level of payment, the penalty for late payment of taxes has not been confirmed by the exact time limit or the deadline for late payment of taxes so that there are still Land and Building Taxpayers who are in arrears until the following year. Awareness of taxpayers depends on the availability of information about taxes and applicable regulations (Olaoye et al., 2017).

Awareness is a state of knowing or understanding, while taxation is a matter of taxation. Thus, tax awareness is a state of knowing or understanding about taxes (Barrios et al., 2020). A positive assessment of taxpayers on the implementation of state functions by the government will move people to comply with their obligations to pay taxes. Therefore, awareness of taxpayers regarding taxation is very necessary in order to increase taxpayer compliance. With high taxpayer awareness, it will have an effect on increasing better tax compliance.

Tax sanctions are a guarantee that the provisions of taxation laws (tax norms) will be complied with. Tax sanctions are a preventive tool so that taxpayers do not violate tax norms. The imposition of tax sanctions is applied as a result of non-fulfillment of tax obligations by taxpayers as mandated by the tax law (Sinambela & Putra, 2021). Strict tax sanctions will increase tax payments from taxpayers (Neckář & Vavříková, 2021). Tax sanctions that apply are first informed to taxpayers so that taxpayers know the sanctions that threaten (Majka, 2020).

Based on the above background, this study takes the topic of the Influence of Taxpayer Awareness and Tax Sanctions on the Satisfaction of Land and Building Taxpayers.

RESEARCH METHODS

This study uses a descriptive method and the population in this study is limited to land and building taxpayers in the city of Surabaya. Calculation of the number of samples set as many as 100 citizens as taxpayers with accidental sampling technique.

The operational definition of each research variable is as follows. The variable of Taxpayer Awareness (X.1) is the awareness of a citizen to pay taxes to the government. The indicators are (a) the role of taxes for development; (b) understand the tax benefits; (c) obligations of good citizens; (d) feel proud to be able to pay taxes; (e) the amount of land and building tax.

Tax Sanctions variable (X.2) is a preventive tool so that taxpayers do not violate tax norms. Indicators are (a) understanding of tax sanctions; (b) the amount of tax sanction; (c) the importance of tax sanctions; (d) firmness of tax sanctions; (e) deterrent effect.

Taxpayer Satisfaction Variable (Y) is the feeling of pleasure, comfort and relief felt by taxpayers after fulfilling their obligations in paying taxes. The indicators are (a) a sense of security over ownership of land and buildings; (b) satisfaction with the tax payment system; (c) satisfaction with the services provided by the government; (d) satisfaction with the facilities and infrastructure built; (e) satisfaction with the fulfillment of tax payment obligations.

The instrument used in this research is a questionnaire/questionnaire, by providing answer choices as measured by a Likert scale. The respondent's answer data in this study is still on an ordinal scale so it needs to be changed to an interval scale. The analytical model used is a multiple linear regression model, starting with testing the validity and reliability of the data and testing the classical assumptions required.

RESULTS AND DISCUSSION

Characteristics of Respondents

The sample of this study amounted to 100 respondents consisting of 78 female respondents and 22 male respondents. Based on the level of education, the majority of respondents are S1 graduates, as many as 74 respondents, while at least 6 respondents are high school graduates. A total of 66 respondents are private employees, 23 respondents are self-employed, and 11 respondents are government employees. Based on the age ²¹el, 8 respondents were between 26-30 years old, 23 respondents were 31-35 years old, 45 respondents were 36-40 years old and the rest were over 40 years old. A total of 86 respondents had married status, 8 respondents stated that they were not married, and 6 respondents were married. The average respondent has an income above the city's minimum wage.

Validity Test and Reliability Test

The data obtained through the distribution of questionnaires were then tested using a validity test. In this study, the validity test was carried out by comparing the corected item values. The statement is declared valid if the corrected item value is greater than 0.3. Based on the results of the study, 15 statements of tax awareness obtained a value exceeding 0.3. For 15 statements that represent tax sanctions also get a value greater than 0.3. The same result is obtained by 15 statements that represent tax satisfaction. Thus, all statements are declared valid.

Furthermore, the reliability test was carried ¹⁹ The value used for the reliability test is the Cronbach Alpha value. The research variable is declared reliable if the Cronbach Alpha value is greater than 0.6. The results showed that the Cronbach Alpha value of the tax awareness variable was 0.724. Cronbach's Alpha value for the tax sanction variable is 0.718. Cronbach's alpha value for the taxpayer satisfaction variable is 0.721, the results of the reliability test show that the research variable is reliable.

Classic assumption test

The research data were then tested using the normality test. The normality test is carried out by observing the P-P Plot graph shown in Figure 1. The results of data processing show that the line is around the diagonal line. This means that the research data obtained have a normal distribution.

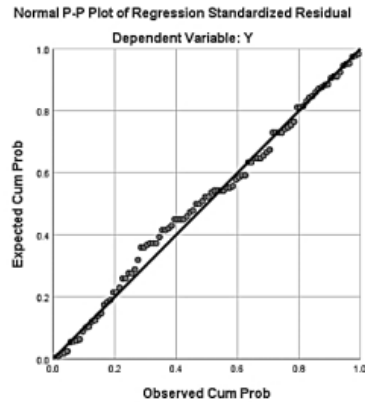


Figure 1. Normality Test
Source: SPSS 26

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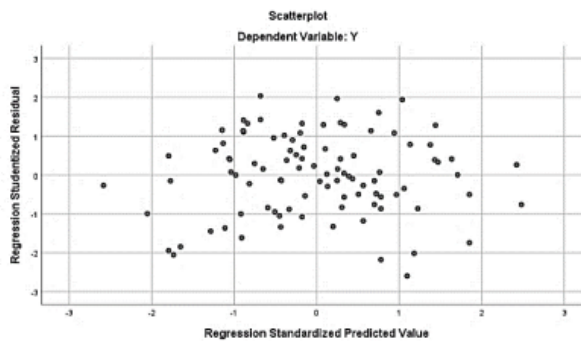


Figure 2. Heteroscedasticity Test
Source: SPSS 26

Furthermore, heteroscedasticity test was carried out. The heteroscedasticity test is carried out by observing the scatterplot graph shown in Figure 2. The data is declared not to have heteroscedasticity because the data is spread evenly on the Y axis. The data does not form a certain pattern.

3 Multiple Linear Regression Test

The t-test was conducted to determine the effect of the independent variables on the formation of the dependent variable. In the t-test, the value used as the reference for the assessment is a significant value. An independent variable is declared to have an influence on the dependent variable if the significant value obtained through the t test is greater than 0.05. The results of data processing for the test are presented in table 1.

Table 1. Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	33.209	3.430		1	(Constant)
X.1	2.153	.502	.370	4.995	X.1
X.2	-2.376	.526	-.390	5.186	X.2

Source: SPSS 26

The results of data processing show a significant value on the taxpayer awareness variable of 0.000. The results obtained indicate a significant effect of taxpayer awareness on the formation of taxpayer satisfaction. Furthermore, the significant value for tax sanctions is 0.000. The results of data processing indicate tax sanctions have a significant effect on taxpayer satisfaction.

Furthermore, based on data processing, obtained a regression model that is $Y = 33,209 + 2.153X.1 - 2,376X.2$. Based on the resulting regression model, it is known that the value of taxpayer satisfaction is 33,209 with the assumption that the value of tax awareness and tax sanctions is zero.

Table 2. ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1252.246	2	626.123	34.254	.000 ^b
	Residual	1773.064	97	18.279		
	Total	3025.310	99			

Source: SPSS 26

The research data was then processed using the F test. The F test process was carried out to determine the effect of the independent variables on the dependent variable simultaneously. The value used is a significant value which should not be more than 0.05. The results showed that the significant value of the F test was 0.000. The results obtained indicate that taxpayer awareness affects taxpayer satisfaction simultaneously.

Table 3. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.807 ^a	.651	.632	3.354	1.558

Source: SPSS 26

The value of R Square obtained is 65.1%, which means that there is such a large contribution to form taxpayer satisfaction.

Discussion

The results show that tax awareness affects taxpayer satisfaction (Oladipupo & Obazee, 2016). Having awareness about the benefits of taxes for the ongoing government activities makes taxpayers feel satisfied. Taxpayers feel they have contributed to the progress of the country. High awareness makes taxpayers carry out their obligations to give satisfaction to themselves.

Taxpayer satisfaction can increase with strict rules that apply to all levels of society (Rechberger et al., 2010).

Basically, Indonesian citizens have the right to get welfare and carry out activities. To be able to realize prosperity and be able to regulate the interests of the people, the wheels of government must run smoothly. For that, it takes costs that come from taxes, one of which is land and building taxes. Tax revenue is a source of funds to improve progress and prosperity together in society, including providing opportunities for the poor to improve their standard of living. From this utilization, it can be seen that taxes contain elements of equity and justice. Basically, people expect the money given to the state to be used properly by the government for the progress of the state and the welfare of the people. People want to see clearly what the government is doing with the tax money from the people.

This study shows that taxpayers have the awareness to pay taxes and have the hope that the tax money will be used again to improve the welfare of the Indonesian people. Respondents use this level of awareness as a stimulus to achieve satisfaction as taxpayers. Their perception is that when development in this country seems to be increasing, they think that the tax money has been used properly. On the other hand, if the development in this country according to them does not go as expected, then they are not satisfied that they have paid taxes. This will have an impact on continued behavior. It is possible that people are more likely not to pay land and building taxes (Benkraiem et al., 2021). More people paying land and building taxes will help the state to be able to prosper the community and regional development can be evenly distributed. Public facilities, such as education, roads, electricity, health and so on can be met.

The results of the study indicate that tax sanctions negatively affect taxpayer satisfaction (Junpath, 2016). Tax sanctions impose a burden on taxpayers to carry out the obligation to pay taxes. Taxpayer satisfaction can increase with strict rules that apply to all levels of society (Rechberger et al., 2010). Tax sanctions make taxpayers carry out their obligations by being forced to avoid sanctions given according to law.

As citizens, they should be aware of their obligations to the state, namely paying taxes. For this reason, every citizen must be aware of his obligations to the state. Awareness to become a taxpayer and fulfill all its obligations needs to be fostered for the people of Indonesia. Thus the wheels of government will run smoothly for the benefit of the people. The smooth wheels of government will also facilitate the achievement of the overall ideals of the people who live in a just and prosperous country. Every people must be aware that the obligation to pay land and building taxes is very important for the state because tax revenues are used to expedite the running of the wheels of government and for the welfare of the people's lives. There are still quite a lot of Indonesian people who are not aware of their obligations to pay taxes to the state.

The main obstacle that causes the failure to achieve the target of tax revenue is the compliance of taxpayers to have the willingness to carry out their obligations in paying taxes. The community should be submissive and obedient to the existing rules to complete their obligations in the form of paying their taxes.

Efforts to improve tax compliance can also be done by providing sanctions that result in a deterrent effect to taxpayers who commit tax violations. In accordance with the definition of

coercive tax, it can be interpreted that the tax obligation must be implemented, if the tax obligation is not implemented then the consequence is the imposition of tax sanctions. Tax sanctions should be made with the aim of avoiding taxpayer non-compliance (Sinambela & Mardikaningsih, 2020). Tax sanctions are actions to force and guarantee taxpayers to comply with their obligations in paying taxes (Sudjai & Darmawan, 2021).

For taxpayers, tax sanctions that are considered fair in application cause satisfaction for them. However, if the tax sanctions are judged to have no justice, they do not feel satisfied as taxpayers.

Tax awareness and tax sanctions are proven to have a significant effect on the formation of taxpayer satisfaction. The taxpayer's view of the tax rules and the tax benefits provided will have an impact on taxpayer satisfaction. Information on tax benefits, sanctions for not paying taxes and the impact if no one pays taxes (Yee, 2017).

CONCLUSION

Based on the conclusions of the results of this study, the following suggestions were obtained. For policy makers in the field of taxation, it is better to impose stricter land and building tax sanctions and provide a deterrent effect.

15 Taxpayer awareness has a significant effect on taxpayer satisfaction, it is suggested to the Tax Agency to further improve its tax awareness section, so that taxpayers get convenience in the tax awareness process, and the public needs to know the importance of awareness and knowledge about taxpayer compliance. in paying land and building taxes.

27 Tax sanctions have a significant effect on taxpayer satisfaction, it is suggested to the Tax Agency to increase or enforce tax sanctions to taxpayers who are less compliant, and it is hoped that the government will be more assertive in implementing tax sanctions in real terms, so that taxpayers tend to impose tax sanctions. pay taxes on time.

This study has several limitations as follows. The research was conducted in the era of the Covid-19 pandemic, so strict health protocols were applied. Researchers can only use the survey method through a questionnaire (google form) and without conducting interviews so that the research results presented are only based on data collected through written instruments. The study was only limited to the city of Surabaya and samples were taken incidentally so it is possible that if this research was applied it would show different results at different locations and samples. For further researchers, they can perform analysis by adding moderating variables to better describe the variable of taxpayer satisfaction.

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