DETERMINANTS OF INDIVIDUAL TAXPAYER COMPLIANCE: MOTIVATION, LEVEL OF EDUCATION, AND TAX SANCTIONS

Novrida Qudsi Lutfillah
Politeknik Negeri Malang

Aprilia Erlin Ndapa
Universitas Wijaya Putra

Alamat Korespondensi: novrida@polinema.ac.id

ABSTRAK
This study aims to analyze the influence of taxpayer motivation, level of education, and tax sanctions on tax compliance for individual taxpayers in West Surabaya. The t test is used as an analytical method. The unit of analysis in this study is individual taxpayers domiciled in West Surabaya, consisting of 100 respondents. The results of the study show that the motivation of taxpayers, education level, and tax sanctions have an influence on taxpayer compliance in West Surabaya. The implications of this research can be useful for the Directorate General of Taxes, which can be used as input for future decision-making regarding tax policy for individual taxpayers in West Surabaya.

Penelitian ini bertujuan untuk menganalisis pengaruh motivasi wajib pajak, tingkat pendidikan, dan sanksi pajak terhadap kepatuhan perpajakan pada wajib pajak orang pribadi di Surabaya Barat. Uji t digunakan sebagai metode analisis data. Unit analisis dalam penelitian ini adalah wajib pajak orang pribadi yang berdomisili di Surabaya Barat sebanyak 100 responden. Hasil penelitian menunjukkan motivasi wajib pajak, tingkat pendidikan, dan sanksi perpajakan memiliki pengaruh terhadap kepatuhan wajib pajak di Surabaya Barat. Implikasi penelitian dapat bermanfaat bagi Direktorat Jenderal Pajak, yaitu dapat menjadi masukan untuk pengambilan keputusan di masa depan mengenai kebijakan perpajakan bagi Wajib Pajak Orang Pribadi di Surabaya Barat.

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 642

1. INTRODUCTION

1.1. Background

Compliance with tax laws is as old as taxes themselves. Distinguishing and explaining known patterns of tax non-compliance, and then finding strategies for taxpayers to become compliant, is a hallmark of state governments around the world (e Hassan, Naeem, & Gulzar, 2021). Taxpayer compliance can be said to be the motivation of a person or group to comply with or violate tax rules and regulations that must be met in accordance with the provisions (Firmansah & Nurhayati, 2016), where timeliness in submitting SPT is one of the criteria for taxpayer compliance (SPT). Personal motivation to carry out the state's obligations supports taxpayer compliance with the accuracy of SPT reporting. If people's motivation is high in fulfilling their tax obligations, it will have a significant impact on state tax revenues and development, but if people's motivation is low in fulfilling their tax obligations, it will have an impact on state finances and become an obstacle to the country's development process (Ginting, Sabijono, & Pontoh, 2017; Harefa, 2019).

Motivation is often associated with the desire of the taxpayer himself to exercise his tax rights and responsibilities (Ginting et al., 2017) or the desire that arises from a person who encourages that person to pay taxes either consciously or not (Firmansah & Nurhayati, 2016). The results of the study state that the motivation of taxpayers influences tax compliance (Safitri et al., 2021; Setiyani, Andini, & Oemar, 2018; Sitorus & Fauziyati, 2016). To increase the motivation of taxpayers, when socialization occurs, tax officers must explain concretely the benefits of taxes and increase awareness that taxes are used for the needs of the state and the prosperity of the people (Floyd et al., 2022). The reason for people's lack of enthusiasm in paying taxes is because paying taxes is considered burdensome and there are no benefits that can be felt directly (Tologana, 2015). However, the process and mechanism for paying taxes is considered to be complicated (Ismawati & Lutfillah, 2019; Sari, Lutfillah, Rahayu, Yudi, & Rahayu, 2021), and rampant cases of fraud (Sari, 2020). It can be seen from these conditions, that motivation in paying taxes does not make a person obedient in paying his tax obligations (Ginting et al., 2017). To increase taxpayer compliance in paying taxes it is not enough to have the motivation to pay taxes, other driving factors such as level of education are still needed (Yustina, Diatmika, & Yasa, 2020) and tax sanctions (Manalu, 2016).

Individual compliance can also be influenced by education level (Octavianny, Makaryanawati, & Edwy, 2021), the higher the level the education of an individual, the wider and more developed the mindset and behavior (Florientina & Vidyarto Nugroho, 2021).The low level of education can have an impact on low public knowledge or awareness of the importance of paying taxes and regarding matters relating to taxes, because they find it difficult to report SPT and are reluctant to take care of the tax provisions that must be paid (Firmansah & Nurhayati, 2016). This statement contradicts the results of the study Manalu (2016) and Tologana (2015) which states the low education of taxpayers does not guarantee a taxpayer to comply with tax provisions. The higher a person's education level, the more adept at doing tax evasion because he knows the gaps in tax policy (Florientina & Vidyarto Nugroho, 2021). It can be argued that taxpayer compliance cannot be measured by level of education because, if paying taxes is a conscious obligation, a taxpayer will certainly carry it out correctly regardless of his level of education.

The imposition of tax sanctions is imposed to create order in taxation (Jotopurnomo & Mangoting, 2013) and guarantees that the provisions of the tax laws and regulations (taxation norms) will be complied with (Tologana, 2015) which leads to taxpayer compliance. In other words, tax sanctions are a preventive tool so that taxpayers do not violate established tax norms. That is why it is important for taxpayers to understand tax sanctions so that they know the legal consequences of what is done or not done (Lutfillah & Setiyawati, 2020). It can be said that tax sanctions affect taxpayer compliance in fulfilling their tax obligations (Floyd et al., 2022; Harefa, 2019; Katini & Suardana, 2017). Threats and punishments have no effect on compliance in Malaysia because taxpayers are generally willing to comply, unless using threats of punishment results in taxpayers becoming less compliant or even rebelling against the government (Mohdali, Isa, & Yusoff, 2014). The threat of punishment actually encourages taxpayers to avoid paying taxes (Lydiana, 2018).

The government has handled the problem of taxpayers paying taxes in various ways. To achieve taxpayer compliance, the determination of a substantial increase in PTKP and the ease of paying taxes has been made and announced. In this regard, the Indonesian government emphasizes or requires the payment of taxes to the public, whether to the regions, provinces or the central government. The government believes that the public, especially the Indonesian people, will be more aware of their responsibility to pay taxes and contribute more. The purpose of tax payments by the public is not limited to compliance with existing rules; rather, these tax payments return to society in a different manner. Based on several previous studies with various factors and findings, then research on taxpayer compliance in certain areas is of particular concern. West Surabaya was chosen as the subject of the study because it is one of the important city components in Indonesia. Researchers want to further explore tax compliance in West Surabaya by combining a number of characteristics that have been studied previously with different items. Consideration and input in an effort to encourage taxpayer compliance to maximize acceptance and implementation of taxpayer compliance regulations through motivation, taxpayer education level, and tax sanctions, especially in West Surabaya. Researchers wish to further investigate tax compliance in West Surabaya by combining previously studied characteristics with additional variables. To maximize acceptance and implementation of taxpayer compliance regulations through motivation, level of

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 643

taxpayer education, and tax sanctions, with a focus on West Surabaya. Considerations and input in an effort to encourage taxpayer compliance to maximize acceptance and implementation of taxpayer compliance regulations through motivation, level of taxpayer education, and tax sanctions, especially in West Surabaya.

1.2 Research purposes

This research concerns the factors that influence individual taxpayer compliance behavior with the following objectives:

1. To analyze the effect of motivation on individual taxpayer compliance behavior in West Surabaya.
2. To analyze the effect of education level on individual taxpayer compliance behavior in West Surabaya.
3. To analyze the effect of tax sanctions on individual taxpayer compliance behavior in West Surabaya.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS DEVELOPMENT

2.1 Tax Compliance

Compliance comes from the word obedient, where the Big Indonesian Dictionary defines obedience as liking to obey orders, obey orders or rules, and be disciplined. Tax compliance will generate many benefits, both for the tax authorities and for the taxpayer himself as the holder of this important role. For the tax authorities, tax compliance can lighten the task of the tax officials, officers do not do too many tax audits and of course tax revenues will get optimal results. There are two kinds of obedience (Sari & Kusumawardhani, 2019), namely formal compliance and material compliance: 1) Formal compliance is a condition in which the taxpayer fulfills obligations formally in accordance with the provisions in the Tax Law, and 2) Material compliance is a condition in which the taxpayer substantially or essentially fulfills all provisions for material taxation, namely in accordance with the content and spirit of the Tax Law. Material compliance may also include formal compliance.

Criteria for taxpayers who can be said to be compliant based on Minister of Finance Regulation Number 74/PMK.03/2012 are: a) Timely submission of tax returns (SPT); b) Do not have tax arrears for all types of taxes, except for tax arrears that have obtained permission to repay or postpone tax payments; c) The financial statements are audited by a public accountant or government financial supervisory institution with an unqualified opinion for three consecutive years, and d) Never been convicted of a crime in the field of taxation based on a court decision that has permanent legal force within a certain period of time the last five years.

Compliance theory (compliance theory) explains a person's obedience in carrying out the applicable rules. Compliance related to taxation is a responsibility to God, for the government and the people as taxpayers to fulfill all activities of tax obligations and exercise their tax rights (Tahar & Rachman, 2014). The obligation of the government is to regulate revenue and expenditure so that it has the right to collect the people based on applicable laws. The people's obligation to pay taxes, then the right to supervise the use of funds that have been paid to the state. The role of the government and the people is needed in creating independence for Indonesia, based on the belief that there is God who is always watching over the responsibilities of each party.

2.2 Motivation and Tax Compliance

Motivation is the impetus contained in a person to try to make changes in behavior that are better in meeting their needs. The amount of motivation will affect the intensity of behavior (motivated, unmotivated, and apathetic) and conformity with the purpose of behavior (effective, not effective)(Sitorus & Fauziyati, 2016). Motivation to pay taxes is a potential strength of the taxpayer which can be the background for paying taxes voluntarily, originating from within or outside the individual taxpayer, influenced by the environment, relatives and friends.(Setiyani et al., 2018). The existence of motivation will influence whether or not individual taxpayers are obedient in carrying out their tax obligations. The higher the motivation of individual taxpayers in terms of paying taxes, the higher the level of compliance, so that tax revenue by the Directorate General of Taxes also increases. This is the basis for the allegation that motivation to pay taxes affects taxpayer compliance(Firmansah & Nurhayati, 2016; Safitri et al., 2021). First hypothesis:

H1: The motivation influences tax compliance

2.3 Level of Education and Tax Compliance

The level of education is related to the level of education, such as high school/equivalent, D3, S1, S2, S3 and so on. The level of education is related to control beliefs, where the taxpayer's education can support the behavior that someone will display. The higher the education of the taxpayer, the better the level of behavioral control will be in line with his compliance in paying taxes (Yustina et al., 2020). The level of education is expected to increase the taxpayer's motivation for his obligations. Research result Octavianny et al., (2021) found that the level of education has a positive effect on tax compliance. A high level of education is a reflection of one's knowledge. Awareness of the experiences that individuals have will result in motivating the actions of taxpayers regarding their tax obligations. The higher the level of education a taxpayer has, the more likely he is to understand the applicable tax rules and regulations. Other research related to the level of education has been carried out by Firmansah & Nurhayati (2016) and Pratama & Kurnia (2022) which shows that the level of education has an effect on the level of tax compliance. Based on the results of this study, the second hypothesis:

H2: The education level has an effect on tax compliance

2.4 Tax Sanctions and Tax Compliance

According to the Big Indonesian Dictionary (KBBI), sanctions are obligations or punishments to force people to comply with provisions or fulfill agreements. Sanctions can also be interpreted as a negative reward in the form of a burden specified in law. Sanctions come from the Dutch language, *sanctie*, which means threats

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 644

of punishment or coercive tools to comply with the rules, so that people who break the law or rules can know their mistakes and not repeat them. Another purpose of sanctions is so that people can be disciplined in obeying the law. Tax penalties can arise from several mistakes, such as forgetting the date of tax payment and reporting, delaying tax payments, and hiding data (Floorientina & Vidyarto Nugroho, 2021). Tax sanctions are divided into two types, namely administrative sanctions and criminal sanctions. Tax administrative sanctions are sanctions in the form of payment of losses to the state in the form of fines, interest and increases. Meanwhile, tax criminal sanctions are tax sanctions that are given in the form of criminal penalties such as fines, imprisonment, and imprisonment (www.online-pajak.com). This criminal sanction is imposed on taxpayers if they are found to have intentionally submitted incorrect SPTs or failed to submit SPTs. Research conducted Jotopurnomo & Mangoting (2013; Katini & Suardana (2017); Yustina et al., (2020) states that tax sanctions affect tax compliance. Based on this analysis, the hypothesis is formulated as follows:
H3: The tax sanctions affect tax compliance

3. RESEARCH METHOD

The population in this study are individual taxpayers domiciled in West Surabaya. The research sampling technique is non-probability sampling, which is a sampling technique that does not provide equal opportunities for each member of the population to be selected as a sample based on convenience (convenience sampling), which is a general term that includes variations in the extent of the procedure for selecting respondents. Convenience sampling means that the sample units drawn are easy to contact, not troublesome, easy to measure and cooperative. Thus the selection of the sample is an individual taxpayer domiciled in West Surabaya with the sample criteria being that the respondent already has an NPWP and is willing to be a respondent. The 119 questionnaires that were distributed, 100 questionnaires met the criteria for the research sample.

3.1 Variables and Operational Definitions of Variables

Figure 1 shows the conceptual diagram of the research model of factors that influence tax compliance behavior. There are three independent variables and one dependent variable in this study (see Figure 1). The independent variables in this study are motivation (X1), education level (X2), and tax sanctions (X3), then the dependent variable is taxpayer compliance (Y).
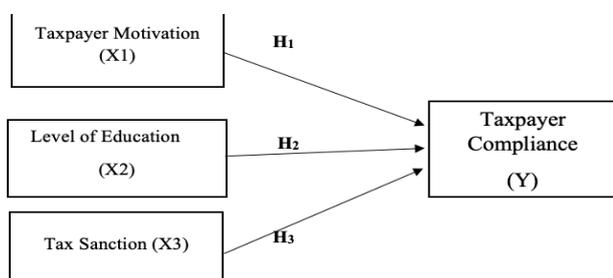

Figure 1. Conceptual Framework

3.2 Taxpayer Compliance

Taxpayer compliance indicators are used as parameters to develop from(Setiyani et al., 2018), that is:
1. Compliance in registering as a taxpayer.
   The first stage of taxation obligations that must be carried out by taxpayers is to register themselves as taxpayers to obtain an NPWP
2. Compliance in submitting notification letters (SPT)
   Every taxpayer is required to fill out a notification letter and submit it to the DGT office where the taxpayer is registered or confirmed or another place determined by the DGT.
3. Compliance in correct reporting (on the calculation and payment of tax payable)
   Every taxpayer is required to fill out a notification letter correctly, completely and clearly. Correct is correct in calculation, including correct in applying tax laws and regulations, in writing, and in accordance with the actual situation; complete is containing all other elements that must be reported in the Tax Return; and clear is to report the origin or source of the tax object and other elements that must be reported in the Tax Return.

3.3 Motivation

Taxpayer motivation (X1) is the urge contained in a person to try to make changes in behavior that are better in meeting their needs. The indicators of taxpayer motivation in this study use indicators in research(Setiyani et al., 2018), that is:
1. Awareness, taxpayers are aware of their obligations as good citizens, namely by paying taxes.
2. Honesty, taxpayers are given the freedom to calculate their own taxes. With this freedom, people are expected to be honest in reporting the results of their tax calculations.
3. Will, Without a strong will on the part of the taxpayer, the self-assessment system cannot be implemented properly.

3.4 Level of education

This variable is measured using the developed instrument Manala (2016) with indicators of education level (X2) consisting of:
1. Educational stage
   The level of education is the stage of education that is determined based on the level of development of students, the goals to be achieved and the abilities developed.
2. Department suitability
   The suitability of majors is that before employees are recruited, the company first analyzes the education level and suitability of the employee's education majors so that later they can be placed in positions that are in accordance with educational qualifications.
3. Competence
   competence is knowledge, mastery of tasks, skills and basic values that are reflected in the habit of thinking and acting.

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 645

3.5 Tax Sanctions

Tax Sanctions (X3) are law enforcement tools or guarantees so that taxpayers can fulfill all their tax duties or in other words so that taxpayers comply with the provisions of tax laws and regulations. This variable is measured using the developed instrument Manala (2016) with tax indicators include:

1. Tax sanctions are needed in order to create taxpayer discipline in fulfilling tax obligations.
2. The imposition of sanctions must be implemented strictly to all taxpayers who commit violations.
3. Sanctions given to taxpayers must be in accordance with the size of the violation that has been committed.
4. The application of tax sanctions must be in accordance with the applicable rules and regulations.

Data in the form of respondents' answers regarding motivation, level of education, tax sanctions and taxpayer compliance collected from distributing questionnaires via the Google form and then tabulated. From the data that has been collected then look for the average value of each statement item. To find the average value of respondents' answers to each statement item for each variable, the class interval table is used with the following formula:

Class Interval = $\frac{\text{Highest-lowest score}}{\text{The number of class intervals}} = \frac{4-1}{4} = 0.75$

With a class interval of 0.75 then the research criteria for the average respondent's answers were compiled in table 1.

Table 1. The mean categories of interval scores

intervals	Category
$3.26 < a \leq 4.00$	Very high/ SS
$2.51 < a \leq 3.25$	Height/ S
$1.76 < a \leq 2.50$	Low/ TS
$1.00 < a \leq 1.75$	Very Low/ STS

Questionnaires that have been filled in by respondents are then processed based on predetermined criteria. The scale used in the level of measurement is a Likert scale which contains four levels of preference for answers.Testing the hypothesis in this study using multiple linear regression analysis. To prove the hypothesis, researchers used statistical tests F test and t test. The multiple linear regression model is shown through equation 1.

Taxpayer Compliance = $\sigma + \beta_1 M + \beta_2 TP + \beta_3 SP + \varepsilon$...(1)

Based on equation 1, there are three independent variables and one dependent variable in this study. The independent variables in this study are motivation (M), level of education (TP), and tax sanctions (SP), then the dependent variable is taxpayer compliance.

4. RESEARCH RESULT

Individual taxpayers domiciled in West Surabaya were selected as respondents. Of the 119 questionnaires that were distributed, there were 100 respondents whose data could be used in this study. Education level data Most of the respondents who filled out the questionnaire had non-college education, totaling 36 people with a percentage of 36%. Then at the tertiary level there are 64 people with a percentage of 64%. This data consists of 42 men and 58 women. In terms of work, the respondent's data is divided into 22 Civil Servants, 47 private employees, 29 self-employed and 2 others. To obtain an overview of the characteristics of research respondents from the aspects of age, education level, and age tax sanctions as a factor of tax compliance, a descriptive statistical analysis was carried out which can be seen in table 2.

Table 2. Descriptive Analysis

	Motivation (X1)	Education Level (X2)	Tax Sanctions (X3)	Tax Compliance (Y)
Means	3.38	3.37	3,34	3,40
Minimum	3,28	3,22	3,26	3.19
Maximum	3.50	3,44	3,41	3.58

Descriptive analysis is also used to provide an overview of respondents' perceptions of the indicators of each research variable, based on the tendency of respondents' responses to the statement items in the research instrument. The descriptive analysis in Table 1 shows the respondents' perceptions of the indicators that reflect the research variables. Tax compliance as a whole shows an average of 3.40 in the very high category, meaning that taxpayer compliance is very good in complying with tax regulations. The highest average value on the taxpayer compliance variable is 3.58 regarding the implementation of tax procedures in accordance with applicable tax regulations, while the lowest average is 3.19 regarding the registration of NPWP according to their own volition. The variable of taxpayer motivation is 3, 38 in the very high category, meaning that the presence of taxpayer motivation greatly influences taxpayer compliance. The highest average score on the motivational variable is 3.50 regarding the statement of the number of places for paying taxes that can make it easier for taxpayers to pay taxes, while the lowest average is 3.28 regarding the requirements for registering E-Filling which must apply for E-Fin.

The variable level of education is 3.37 in the very high category, meaning that the higher the education a taxpayer gets, the greater the level of compliance in taxation. The highest average value on the education level variable is 3.44 regarding the statement of complying with taxation wanting to set a good example to others, while the lowest average is on the education level variable of 3.22 concerning the taxpayer's ability to calculate the tax payable. The tax penalty variable has an average of 3.34 in the very high category, meaning that if the tax sanctions are tightened, the level of taxpayer compliance will be higher. The highest average value in the tax penalty variable is 3.41 regarding the statement of taxpayers who have never received tax sanctions/penalties due to negligence.

Validity testing is done by measuring the correlation between the scores of instrument items in a factor with a total score. The correlation of each factor is guided by r count > r table at a significant 5%, so the

Determinants of Individual Taxpayer Compliance: Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 646

item is considered valid. whereas if r count <r table then the item is considered invalid. Table 3 presents the results of the research instrument validity test which shows the dependent variable has a correlation for each factor so that all of these indicators meet the validity test requirements.Reliability indicates the extent to which a measurement can produce the same (consistent) data when measurements are made several times on the same object. The value of an instrument is said to be reliable if the value of Cronbach's Alpha ≥ 0.7. Table 4, presents the results of the research instrument reliability test.

Testing for normality using the Kolmogorov-Smirnov Normal test was selected in the study. Based on the results of the normality test, it can be concluded that this regression model is normally distributed. Then based on the results of the multicollinearity test, it is known that the tolerance and VIF of the motivation variable (X1) are 0.411 and 2.431, the education level variable (X2) is 0.338 and 2.959, the tax sanctions variable (X3) is 0.365 and 2.732, therefore, it can be concluded that the regression model equation does not contain multicollinearity problems, which means there is no correlation between the independent variables so it is feasible to use and analyze in the next stage because the results show > 0.1 of the tolerance limit and the VIF value shows a result of less than 10.

Table 3. Test the Validity of each Variable

Variable	Question Items	Count	Rtable	Information
Taxpayer Motivation	X1.1	0.602	0.195	Valid
	X1.2	0.529	0.195	Valid
	X1.3	0.643	0.195	Valid
	X1.4	0.612	0.195	Valid
	X1.5	0.686	0.195	Valid
	X1.6	0.383	0.195	Valid
	X1.7	0.641	0.195	Valid
	X1.8	0.557	0.195	Valid
	X1.9	0.670	0.195	Valid
	X1.10	0.553	0.195	Valid
	X1.11	0.567	0.195	Valid
	X1.12	0.680	0.195	Valid
Level of education	X2.1	0.567	0.195	Valid
	X2.2	0.481	0.195	Valid
	X2.3	0.626	0.195	Valid
	X2.4	0.646	0.195	Valid
	X2.5	0.688	0.195	Valid
	X2.6	0.590	0.195	Valid
	X2.7	0.579	0.195	Valid
	X2.8	0.597	0.195	Valid
	X2.9	0.623	0.195	Valid
	X2.10	0.542	0.195	Valid
Tax Sanctions	X3.1	0.599	0.195	Valid
	X3.2	0.718	0.195	Valid
	X3.3	0.721	0.195	Valid
	X3.4	0.621	0.195	Valid
	X3.5	0.648	0.195	Valid
	X3.6	0.655	0.195	Valid
	X3.7	0.653	0.195	Valid
	X3.8	0.691	0.195	Valid
Taxpayer Compliance	Y. 1	0.708	0.195	Valid
	Y.2	0.666	0.195	Valid
	Y.3	0.682	0.195	Valid
	Y.4	0.566	0.195	Valid
	Y.5	0.648	0.195	Valid
	Y.6	0.553	0.195	Valid
	Y.7	0.527	0.195	Valid
	Y. 8	0.776	0.195	Valid
	Y.9	0.655	0.195	Valid
	Y.10	0.688	0.195	Valid
	Y.11	0.559	0.195	Valid

Table 4. Reliability Test

Variable	Cronbach's Alpha	Information
Taxpayer motivation (X1)	0.831	reliable
Education level (X2)	0.796	reliable
Tax Sanctions (X3)	0.817	reliable
Taxpayer compliance (Y)	0.855	reliable

Table 5.Determination Coefficient Test

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.782a	.612	.600	2,333	2.108

a. Predictors: (Constant), SANCTIONS, MOTIVATION, EDUCATION
b. Dependent Variable: COMPLIANCE

Based on table 5, the R2 value obtained is 0.612, it can be concluded that taxpayer compliance domiciled in West Surabaya is influenced by taxpayer motivation, education level, and tax sanctions of 61.2%, while the remaining 38.8% is influenced by other variables that not included in this study.

4.1 Multiple Linear Regression Test

To identify the impact of motivation, education level, and tax sanctions on taxpayer compliance in West Surabaya, the researchers used a regression test. The results of the regression test are explained in Table 6, with the equation model formed, namely:

Tax Compliance = $7.485 + 0.558\,B + 0.418\,TP - 0.247\,SP + \varepsilon$ … (2)

The regression equation means that the constant value is 7.485, indicating that if the independent variable is constant 0 then the value of tax compliance (Y) faces a decrease of 74.85%. However, if the value of the variable decreases by 1%, then tax compliance faces an increase of 74.85%. The value of the motivation regression coefficient (M) is 0.558, even this value shows a positive effect of the tax compliance variable on the motivational variable. Even this result is assumed if the motivation to face an increase of 1% through the assumption that other independent variables have an unchanged value, thus personal taxpayer tax compliance increases by 55.8%. The value of the regression coefficient for the level of education (TP) is 0.418, which proves the positive direction of tax compliance with the level of education. Meaning that if the education level of the taxpayer faces an increase of 1% assuming the other independent variables have an unchanged value, thus the personal taxpayer's tax compliance increases by 55.8%.

The value of the regression coefficient of tax sanctions (SP) is -0.247 which proves the direction of the negative influence (opposite direction) of the tax compliance variable with the tax penalty variable. This

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 647

means that if the tax penalty variable (SP) increases by 1% assuming that the other independent variables do not change, vice versa, tax compliance will face a decline of 24.7%. The value of the regression coefficient of tax sanctions (SP) is -0.247 which proves the direction of the negative influence (opposite direction) of the tax compliance variable with the tax penalty variable. This means that if the tax penalty variable (SP) increases by 1% assuming that the other independent variables do not change, vice versa, tax compliance will face a decline of 24.7%. The value of the regression coefficient of tax sanctions (SP) is -0.247 which proves the direction of the negative influence (opposite direction) of the tax compliance variable with the tax penalty variable. This means that if the tax penalty variable (SP) increases by 1% assuming that the other independent variables do not change, vice versa, tax compliance will face a decline of 24.7%.

Table 6. Multiple Linear Regression Analysis Results

		Coefficients				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	std. Error	Betas	t	Sig.
1	(Constant)	7,485	2,539		2,947	.004
	MOTIVATION	.558	088	.632	6,375	.000
	EDUCATION	.418	.123	.372	3,401	001
	PENALTY	-.247	.120	-.217	-2,061	042
a. Dependent Variable: COMPLIANCE						

4.2 The Effect of Motivation on Individual Taxpayer Compliance

The result of data analysis shows that the variable of taxpayer motivation has t value = 6.375 and significant t = 0.000. The significant value of t here is less than α 5% (0.000 ≤ 0.05). The indicator that has an effect on this variable is the statement that there are many places for paying taxes which can make it easier for taxpayers to pay taxes, while the indicator that is less influential is regarding the requirements for registering E-Filling which must apply for E-Fin. Thus, it can be concluded that there is a significant influence between motivation on tax compliance for individual taxpayer research subjects in West Surabaya.

4.3 The Effect of Education Level on Individual Taxpayer Compliance

Regression results in this study indicate the value of t count equal to 3.401 with a significant value of 0.001. The significant value of t is less than 5% (0.001≤ 0.05). Based on these results, it can be concluded that the level of education has a significant effect on individual taxpayer compliance in West Surabaya. . This means that if the education level of the taxpayer is getting better, it will significantly increase taxpayer compliance. Based on these results, H2 research which suspects the level of education has an effect on taxpayer compliance is proven true/accepted. This shows the education level of taxpayers in West Surabaya, not only obtained from formal education but from informal, for example, communication between family, friends, discussions that can directly increase people's knowledge about taxation. With the knowledge obtained from formal or informal education, it is hoped that knowledge of taxation will increase motivation to

increase the level of compliance of individual taxpayers domiciled in West Surabaya.

4.4 The Effect of Tax Sanctions on Individual Taxpayer Compliance

The tax penalty has a calculated t value of -2.061 with a significance value of 0.042 and is greater than a significance value of 0.05. Based on these results it can be concluded that tax sanctions have a negative effect on individual taxpayer compliance in West Surabaya. The most influential indicator in this variable is the statement of the taxpayer who has never received tax sanctions/penalties due to negligence, while the lowest indicator is regarding the question of whether the taxpayer agrees that the existence of tax sanctions will make the taxpayer comply with his tax obligations.

4.5 Discussion

4.5.1 The Effect of Motivation on Taxpayer Compliance

The first hypothesis of the research which suspects that motivation has an effect on taxpayer compliance shows that the hypothesis is accepted. This is evidenced by the acquisition of t count > t table (6.375 > 1.984) and a significance value <α, namely (0.000 <0.05). So, if the motivation of the taxpayer is getting better, it will increase taxpayer compliance. Taxpayer motivation is the motivation to pay taxes is the potential strength of the taxpayer which can be the background to pay taxes voluntarily. This motivation can be from within or outside the individual taxpayer. Motivation from outside the taxpayer can come from the environment, relatives, co-workers, tax officials who encourage them to pay taxes (Safitri et al., 2021). This research supports research conducted by Firmansah & Nurhayati (2016) and Setiyani (2018) which has the result that there is a significant influence between taxpayer motivation on taxpayer compliance. The results of this study are contrary to research Ginting et al., (2017) who concluded that motivation did not affect taxpayer compliance.

There is motivation in taxpayers in Surabaya because they realize that public facilities provided by the government such as health facilities, road access, and education come from paying taxes, furthermore this is also encouraged by taxpayers understanding their rights and obligations as taxpayers (Andinata, 2015). Thus a conclusion can be drawn that the respondent has a drive within himself to fulfill his obligations as a taxpayer because the respondent realizes that if the taxpayer wants to complete his obligations it will provide benefits for the benefit of society.

4.5.2 The Influence of Education Level on Individual Taxpayer Compliance

The second hypothesis in this study which suspects the level of education has an effect on taxpayer compliance, indicates that the hypothesis is accepted. This is evidenced by the acquisition of t count > t table (3,401 > 1.984) and a significance value < α, namely (0.001 <0.05). So if the education level of the taxpayer is higher, the level of compliance will be better.

Education is all stages of developing human abilities and behavior, as well as the process of using almost all life experiences. Taxpayer education can

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 648

support the behavior that someone will display. Then the level of behavioral control will be better in line with compliance in paying taxes.This is supported by evidence of education level data in West Surabaya showing 64% of taxpayers have a higher education level. This research is consistent with research Firmansah & Nurhayati (2016); Octavianny et al. (2021); Pratama & Kurnia (2022); Yustina et al. (2020) which has the result that there is a significant effect between the level of education on taxpayer compliance.

External motivation includes the level of education which is influenced by the environment. The level of education that is influenced by the social environment will encourage taxpayers to pay their taxes (Octavianny et al., 2021). On the other hand, someone who is highly educated can assist taxpayers in understanding and complying with tax regulations and sanctions imposed if they make mistakes or commit fraud in paying or reporting taxes (Cahyonowati, 2011). Another impact, can educate and understand the people around him who are unfamiliar with taxation so as to increase taxpayer compliance (Andinata, 2015).

Different from research result Manalu(2016); Floriontina & Vidyarto Nugroho (2021) which states the level of education has no effect on taxpayer compliance. This is caused by the higher a person's education level, the more disobedient it is because it is easier to do tax evasion, it can be said that a high level of education or not does not affect whether a taxpayer becomes compliant or not in carrying out their obligations in paying taxes. If paying taxes is a conscious obligation, a taxpayer will certainly carry it out properly without being influenced by the education he has taken.

4.4.3 The Effect of Tax Sanctions on Taxpayer Compliance

The third hypothesis of the study which suspects tax sanctions have an effect on taxpayer compliance, shows that the hypothesis has a negative and significant effect as evidenced by the acquisition of t count = -2,061 and a significance value of 0.042. So it can be concluded that tax sanctions have a negative and significant effect on individual taxpayer compliance. This condition is consistent with the results of the study Harefa (2019; Katini & Suardana (2017); Yustina et al. (2020), remains in stark contrast to the results of the study Andinata (2015); Manalu (2016); Tologana (2015).

Tax Sanctions are law enforcement tools or guarantees so that taxpayers can fulfill all their tax duties or in other words so that taxpayers comply with the provisions of tax laws and regulations (Floyd et al., 2022). Perceptions of tax sanctions are a structured and meaningful description of the penalties imposed on taxpayers who do not comply with statutory provisions. The negative sign of the results of this study symbolizes that even with sanctions/fines, the level of taxpayer compliance is still low. Therefore one alternative to increase taxpayer compliance is very important to apply sanctions/fines so that taxpayers comply with their tax obligations (Jotopurnomo & Mangoting, 2013).

5. CONCLUSIONS AND RECOMMENDATIONS

Based on the empirical evidence obtained, it can be concluded that motivation, level of education, and tax sanctions partially affect the compliance of individual taxpayers in West Surabaya. The applied tax system requires taxpayers to fulfill their own obligations, namely registering, calculating, paying and reporting. Therefore, if the taxpayer's motivation is high, it will increase the level of compliance, because they know the functions and uses of taxes for state development. The level of education is very helpful in understanding and complying with tax regulations and sanctions imposed. Tax sanctions that are given strictly will increase the level of compliance, because it makes taxpayers afraid of being subject to these sanctions.

6. IMPLICATIONS AND LIMITATIONS

The limitation in this study is that there are research indicatorswhich does not yet include concrete confirmation of knowledge of taxation and level of education, so it still looks ambiguous. This is a consideration of the depth and continuity of research questions and indicators. The results of this study are expected to be useful for the Directorate General of Taxes, namely to be input for future decision-making regarding tax policy for individual taxpayers in West Surabaya. The author also hopes that this research can provide information in such a way to interested parties and can be used as a comparison material for further research by observing other factors such as awareness, religiosity, trust in tax officials, knowledge of taxation, which can affect taxpayer compliance.

REFERENCES

Andinata, M. C. (2015). Analisis Faktor-Faktor Yang Mempengaruhi Kepatuhan Wajib Pajak Orang Pribadi Dalam Membayar Pajak (Studi Kasus Pada Kantor Pelayanan Pajak Pratama Surabaya Rungkut di Surabaya). *Calyptra: Jurnal Ilmiah Mahasiswa Universitas Surabaya Vol.4*, *4*(2), 1–15.

Cahyonowati, N. (2011). Model Moral Dan Kepatuhan Perpajakan. *Jaai*, *15*(2), 161–177.

Derli Manalu. (2016). Pengaruh Kesadaran, Sanksi Perpajakan, Tingkat Pendidikan Dan Pelayanan Fiskus Terhadap Kepatuhan Wajib Pajak Dalam Melaporkan Pajak Restoran Di Kota Pekanbaru. *JOM Fekon*, *3*, 1–15.

e Hassan, I., Naeem, A., & Gulzar, S. (2021). Voluntary tax compliance behavior of individual taxpayers in Pakistan. *Financial Innovation*, *7*(1). https://doi.org/10.1186/s40854-021-00234-4

Firmansah, M., & Nurhayati. (2016). Pengaruh Motivasi Membayar Pajak Dan Tingkat Pendidikan Terhadap Kepatuhan Wajib Pajak Orang Pribadi. In *Prosiding Akuntansi* (Vol. 7, pp. 38–42). https://doi.org/http://dx.doi.org/.v7i1.

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 649

25278

Florientina, & Vidyarto Nugroho. (2021). Pengaruh Usia, Pendidikan, Tingkat Pendapatan, Dan Sanksi Pajak Terhadap Kepatuhan Wajib Pajak. *Jurnal Paradigma Akuntansi*, *3*(2), 612–619. https://doi.org/10.24912/jpa.v3i2.11709

Floyd, E., Hallsworth, M., List, J. A., Metcalfe, R. D., Rotaru, K., & Vlaev, I. (2022). What Motivates People to Pay Their Taxes? Evidence from Four Experiments on Tax Compliance. *SSRN Electronic Journal*, 1–71. https://doi.org/10.2139/ssrn.4023806

Ginting, A. V. L., Sabijono, H., & Pontoh, W. (2017). Peran Motivasi Dan Pengetahuan Perpajakan Terhadap Kepatuhan Wajib Pajak (Studi Empiris Pada WPOP Kecamatan Malalayang Kota Manado). *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, *5*(2), 1998–2006.

Harefa, M. S. (2019). Analisis Faktor-Faktor Yang Mempengaruhi Ketaatan Wajib Pajak Orang Pribadi Dalam Melaporkan Surat Pemberitahuan Tahunan. *Journal of Economics and Business*, *1*(1), 30–39. https://doi.org/10.36655/jeb.v1i1.48

Ismawati, Y. I., & Lutfillah, N. Q. (2019). Determinant Tax Avoidance. *Research In Management and Accounting*, *2*(2), 76–86. https://doi.org/10.33508/rima.v2i2.2604

Jotopurnomo, C., & Mangoting, Y. (2013). Pengaruh Kesadaran Wajib Pajak, Kualitas Pelayanan Fiskus, Sanksi Perpajakan, Lingkungan Wajib Pajak Berada Terhadap Kepatuhan Wajib Pajak Orang Pribadi di Surabaya. *Tax Dan Accounting Review*, *1*(1), 49–54.

Katini, N. K. O. Y., & Suardana, K. A. (2017). Pengaruh Kesadaran Wajib Pajak, Pengetahuan Perpajakan, Pelayanan Fiskus, Sanksi Administrasi Pada Kepatuhan Wajib Pajak Restoran. *E-Jurnal Akuntansi Universitas Udayana*, *19*(1), 392–420.

Lutfillah, N. Q., & Setiyawati, T. A. (2020). [Dis] Honesty of Taxpayers in the Self-Assessment System. In *1st Annual Management, Business and Economic Conference (AMBEC 2019) [Dis]* (Vol. 136, pp. 169–172). https://doi.org/10.2991/aebmr.k.200415.034

Lydiana. (2018). Pengaruh Kesadaran Wajib Pajak, Pengetahuan Pajak dan Sanksi Pajak terhadap Kepatuhan Wajib Pajak Orang Pribadi di KPP Pratama Surabaya Gubeng. *Jurnal Ilmiah Mahasiswa Universitas Surabaya*, *7*(1), 125–133.

Manalu, D. ; A. N. dan A. S. (2016). Pengaruh kesadara, sanksi perpajakan, tingkat pendidikan dan pelayanan fiskus terhadap kepatuhan wajib pajak dalam melaporkan pajak restoran di Kota Pekanbaru. *JOM Fekon*, *3*(1), 15. Retrieved from https://jom.unri.ac.id/index.php/JOMFEKON/article/view/10516

Mohdali, R., Isa, K., & Yusoff, S. H. (2014). The Impact of Threat of Punishment on Tax Compliance and Non-compliance Attitudes in Malaysia. *Procedia - Social and Behavioral Sciences*, *164*(August), 291–297. https://doi.org/10.1016/j.sbspro.2014.11.079

Octavianny, P., Makaryanawati, M., & Edwy, F. M. (2021). Religiusitas, Kepercayaan pada Aparat, Tingkat Pendidikan, Pengetahuan Perpajakan dan Kepatuhan Wajib Pajak. *E-Jurnal Akuntansi*, *31*(1), 77. https://doi.org/10.24843/eja.2021.v31.i01.p06

Pratama, V. M., & Kurnia. (2022). Pengaruh Modernisasi Sistem Administrasi Perpajakan, Kewajiban Moral Dan Tingkat Pendidikan Wajib Pajak Terhadap Kepatuhan Wajib Pajak (Studi Kasus Pada Wajib Pajak Orang Pribadi Non Karyawan Di KPP Pratama Kuningan Tahun 2021). In *e-Proceeding of Management* (Vol. 9, pp. 509–517).

Safitri, M., Septiani, N. A., Saepulah, Pratiwi, W., Yustika, Y., & Yulianto. (2021). PERPAJAKAN TERHADAP KEPATUHAN WAJIB PAJAK (PADA WPOP KABUPATEN BOGOR) Abstrak. In *Prosiding PIM (Pekan Ilmiah Mahasiswa)* (pp. 368–385).

Sari, D. P. (2020). Persepsi Wajib Pajak Terhadap Citra Perpajakan Indonesia Setelah Fenomena Kasus Korupsi Pajak. *Akutansi Bisnis & Manajemen (ABM)*, *27*(1), 15. https://doi.org/10.35606/jabm.v27i1.550

Sari, D. P., Lutfillah, N. Q., Rahayu, S., Yudi, Y., & Rahayu, R. (2021). Taxpayer's Compliance: Towards Voluntary Compliance. *GATR Journal of Finance and Banking Review*, *6*(1), 62–71. https://doi.org/10.35609/jfbr.2021.6.1(3)

Sari, R. H. D. P., & Kusumawardhani, I. (2019). The Effect of Tax Service Quality on Taxpayer Compliance in Paying Land and Building Tax. *IInternational Journal of Computer Networks and Communications Security*, *7*(2), 258–265. https://doi.org/10.29322/ijsrp.11.07.2021.p11583

Setiyani, N. M., Andini, R., & Oemar, A. (2018). Pengaruh Motivasi Wajib Pajak dan Pengetahuan Perpajakan Terhadap Kepatuhan Wajib Pajak Orang Pribadi Dengan Kesadaran Wajib Pajak Sebagai Variabel Intervening (Pada Kantor Pelayanan Pajak Pratama Di Kota Semarang). *Journal Of Accounting*, 1–18.

Sitorus, R. R., & Fauziyati, I. (2016). Pengaruh Lingkungan Kerja dan Motivasi Wajib Pajak Terhadap Kepatuhan Wajib Pajak Dengan Kesadaran Wajib Pajak Sebagai Variable Intervening. *Media Akuntansi Perpajakan*, *1*(2),

Determinants of Individual Taxpayer Compliance:
Motivation, Level of Education, and Tax Sanctions
Lutfillah, N.Q., Ndapa, A.E.

Jurnal Pajak Indonesia Vol.6, No.2S, (2022), Hal.641-650

Halaman 650

74–85.

ahar, A., & Rachman, A. K. (2014). Pengaruh Faktor Internal dan Faktor Eksternal Terhadap Kepatuhan Wajib Pajak. *Jurnal Akuntansi Dan Investasi*, *15*(1), 56–67.

Tologana, E. Y. (2015). Pengaruh Sanksi, Motivasi Dan Tingkat Pendidikan Terhadap Kepatuhan Wajib Pajak Orang Pribadi (Studi Kasus Kpp Pratama Manado). *Accountability*, *4*(1), 1. https://doi.org/10.32400/ja.8407.4.1.2015.1-11

Yustina, L. A., Diatmika, I. P. G., & Yasa, I. N. P. (2020). Pengaruh Tingkat Pendidikan, Kewajiban Moral Dan Sanksi Perpajakan Terhadap Kepatuhan Wajib Pajak Kendaraan Bermotor (Studi Pada Kantor Samsat Kabupaten Buleleng). *Jurnal Ilmiah Mahasiswa Akuntansi*, *11*(1), 138–145.