# The Effect of Attitude, Subjective Norm, and Perceived Behavior Control of Taxpayer Compliance of Private Person in Tax Office Garut, Indonesia

Dida Farida Latipatul Hamdah
Garut University, Faculty of Economics, Garut, Indonesia.

Rinrin Raini Rahmadya
Garut University, Faculty of Economics, Garut, Indonesia.

Lina Nurlaela
Garut University, Faculty of Economics, Garut, Indonesia.

## ABSTRACT

This research is a quantitative research with descriptive and verification research approach which aims to determine the effect of: (1) The Effect of Attitude on Taxpayer Compliance of Private Person; (2) The Effect of Subjective Norm on Taxpayer Compliance of Private Person; (3) The Effect of Perceived Behavioral Control on Taxpayer Compliance of Private Person; and (4) The Effect of Attitude, Subjective Norm, and Perceived Behavioral Control on Taxpayer Compliance of Private Person. The population in this research were 184.008 private person taxpayers registered in Tax Office Garut, Indonesia. The sample in this research were 100 private person taxpayers. The sample collection technique used in this research was convenience sampling. The data collection method used a questionnaire. The instruments were analyzed with validity and reliability test. The data analysis technique used in this research were multiple linear regression. This research result showed that: (1) Attitude has a Positive Effect on Taxpayer Compliance of Private Person; (2) Subjective Norm has a Positive Effect on Taxpayer Compliance of Private Person; (3) Perceived Behavioral Control has a Positive Effect on Taxpayer Compliance of Private Person; and (4) Attitude, Subjective Norm and Perceived Behavior Control Simultaneously has a Positive Effect on Taxpayer Compliance of Private Person.

Keyword: Taxpayer Compliance of Private Person, Perceived Behavioral Control, Subjective Norm, Attitude.

## 1. INTRODUCTION

Tax is the largest source of domestic revenue used to finance government spending and development. This is stated in the APBN where the main revenue comes from taxes. Tax is one of the vital elements in the development of a country by being the highest source of income in the state budget. Indonesia makes tax as the main source of income, more than 80% of state revenue comes from taxes (kemenkeu.go.id).

Problems that often occur related to this tax collection are still many people who do not want to fulfill their tax obligations, or in other words there are still many tax arrears. The

level of compliance of Individual Taxpayers (WPOP) to fulfill their tax payment obligations in Indonesia is still quite low. Finance Minister Sri Mulyani also said that Indonesia's tax ratio was at the level of 11%. This ratio is the lowest ratio in the world. To increase the tax ratio, Sri Mulyani explained that public compliance and awareness of taxes is needed to advance Indonesia amid the economic slowdown that is currently happening (wartaekonomi.co.id). Other than that, tax knowledge had became a major problem of taxation in developing countries (Pratama, 2018).

The government's move to increase revenues from the taxation sector began with a comprehensive tax reform in 1984 which required taxpayers to be actively involved in the taxation process. Reforms that have been made by the government require taxpayers to participate actively in the taxation process. Compliance is achieved when the taxpayer obey all tax obligations and carry out taxation rights. Compliance is reflected in tax compliance in registering, compliance to repay Annual Tax Return (SPT) (Suryani, 2017).

In fact, based on the Annual Report data at Tax Office Garut, it shows that registered Individual Taxpayers must submit Annual Tax Returns (SPT), but it doesn't accordance with the number of Annual Tax Returns (SPT) that enter. Nonconformities that occur can be seen in the following table 1:

**Table 1**
**Compliance Ratio for Submission of Annual Tax Return (SPT)**
**2013 to 2017**

| Year | Individual Taxpayer | Required SPT Individual Taxpayer | Amount SPT Received | Compliance Ratio (%) |
|------|--------------------|---------------------------------|---------------------|----------------------|
| 2013 | 100.941 | 80.719 | 46.879 | 58,08 |
| 2014 | 128.945 | 90.372 | 40.372 | 44,67 |
| 2015 | 143.934 | 93.398 | 42.213 | 45,20 |
| 2016 | 163.646 | 99.186 | 55.327 | 55,78 |
| 2017 | 184.008 | 81.604 | 39.462 | 48,36 |

*Source: Tax Office Garut 2017 (data processed 2018).*

One of the causes of low taxpayer compliance in Indonesia is a lack of trust in the government as a result of the many disclosures of cases involving tax officials. In 2010, the tax mafia case was uncovered which involved many important names in the taxation field as well as officials in the government, one of which was Gayus Tambunan. Gayus Tambunan is one of the tax officers who is also a tax broker, offering services to pay taxes lower than they should be to companies and taxpayers (Suryani, 2017).

Services from tax authorities also help shape the attitude of taxpayers in following the taxation process. Quality tax services will improve taxpayer compliance with taxes to be paid. Behavioral control perceived by taxpayers will be strongly influenced by knowledge and understanding of tax regulations regarding procedures and sanctions given by Directorate General of Taxes (DGT) to taxpayers, socialization to taxpayers by Directorate General of Taxes (DGT) intensively, and examination by tax authorities (Putri, 2014).

Research on taxpayer compliance has been extensively investigated. One of them is by researching from the psychological side of the taxpayer. It is a well-known theory and often applied to explain various behavioral situations (Bidin, Mohd Zainudin, and Shalihen., 2015).

Theory of Planned Behavior is a theory that is often used by researchers to examine a person's behavior, including in research on compliance with taxation. According to the theory of planned behavior, human action is guided by three kinds of considerations: beliefs about the likely outcomes of the behavior and the evaluations of these outcomes (behavioral beliefs), beliefs about the normative expectations of others and motivation to comply with these expectations (normative beliefs), and beliefs about the presence of factors that may facilitate or impede performance of the behavior and the perceived power of these factors (control beliefs) (Ajzen, 2002).

In this paper, research is carried out on individual taxpayers registered at the Tax Office Garut, Indonesia. This research was conducted to determine the effect of attitudes, subjective norms, and perceived behavioral control on individual taxpayer compliance at Tax Office Garut, Indonesia.

## 2. THEORETICAL REVIEW

### 2.1 Attitude

In the TPB model, attitude refers to an individual's attitude toward engaging in the particular behavior in question. According to the theory, attitude is a function of an individual's underlying beliefs regarding the outcomes that may be achieved by engaging in the behavior and the value they place on these outcomes (Bobek and Wentzel, 2007).

Several definitions of attitude have been written by several researchers, including attitudes defined as evaluating belief in both positive or negative feelings from someone if they have to do behavior that will be determined (Jogiyanto, 2007). Meanwhile, according to Lubis (2011) states that attitude is a matter that learns about all tendencies of action, both beneficial and less favorable, human goals, objects, ideas, or situations. According to Theory of Planned Behavior stated by Jogiyanto (2007) Attitude toward a behavior is determined by strong beliefs about their behavior (behavioral beliefs) which is the belief that an individual has towards a result of behavior and evaluation or results carried out.

The attitude of the taxpayer can be interpreted as a statement or consideration of the taxpayer, whether profitable or not regarding objects, people or events. The attitude towards personal taxpayer compliance is a positive or negative feeling from an individual taxpayer who is determined directly by the beliefs or beliefs held by the taxpayer on tax compliance.
In the area of tax, Bobek (1997) found that when tax payers have a positive attitude toward paying tax, the higher the intention to pay the tax. There are several beliefs that can be used as a measure in shaping attitudes according to Jogiyanto (2007), namely: (1) Economic aspects, paying taxes in accordance with actual (2) Aspects of government regulation, utilization of transparent taxes and feeling of being benefited by the taxation system (3) Bureaucratic aspects, contributions to the state. Some studies show that attitudes have an influence between attitudes and individual taxpayer compliance (Suryani, 2017).

The empirical evidence highlights that attitude toward tax is the main determinant of compliance or noncompliance with tax amongst individuals (Jackson & Milliron, 1986). Other studies (Mustikasari, 2007) also demonstrated positive effect attitude on intention to comply with tax, this researcher formulates a hyphothesis as follows:

*H₁: Attitudes affect the compliance of individual taxpayers*

## 2.2 Subjective Norm

There are several notions of subjective norms put forward by experts, Jogiyanto (2007) explains that subjective norms are a person's perception or view of other people's beliefs that will influence their interest in doing or not carrying out the considered behavior. Suprapti (2010) explains that subjective norms are individual beliefs about the expectations of those around them who are influential, both individuals and groups to do or not do a certain behavior.

Subjective norms refer to a person's beliefs about whether specific individuals or groups approve or disapprove of the individual performing a specific behavior, and to what extent the individual is motivated to conform with these other individuals or groups. Subjective norms can be assessed directly or by considering the fundamental beliefs (referent beliefs) that underlie an individual's judgment of subjective norms. (Bobek & Hatfield, 2003).

Subjective norms are defined as the influence of the people around who are referenced. Jogiyanto (2007) explains that Referents are individuals or groups that become a reference point to direct behavior. Jogiyanto (2007) mentions that including referents include parents, spouses, classmates, and depending on the behavior involved, it can be experts such as doctors or accountants. As for what can be used to measure subjective norms in compliance with taxes, among them are friends of the profession and tax officers.

Previous studies in various fields have shown that subjective norms could influence positively and significantly behavioral intention (Benk, Cakmank, and Budak., 2011). Other studies (Alvin, 2014) also demonstrated positive effect of subjective norm on intention to comply with tax, this researcher formulates a hyphothesis as follows:

*H2: Subjective norms affect the compliance of individual taxpayers*

## 2.3 Perceived Behavioral Control

According to theory of planned behavior developed by (Azjen, 1991; Hidayat & Ardi, 2009), perceived behavioral control is an important determinant of behavioral intention and actual behavior. Jogiyanto (2007) explains that: "Perceived behavioral control is ease or perceived difficulty in performing behavior." Azwar (1995) suggests that: "Control of perceived behavior is determined by past experience and individual estimates of how difficult or easy it is to carry out the behavior in question.

According to Trafimow et al. (2002), perceived behavioral control is associated with behavior when perceived control fits the actual control an individual has over a behavior. They further assert that an individual may have high intention to behave but could not do so because he/she perhaps does not have the capability, has external limitation, or faces other obstacles.

Control of perceived behavior in the taxation context is how strong the level of control and confidence a taxpayer has in showing certain behaviors, such as reporting lower income, reducing expenses that should not be deductible to income, and other non-compliance behaviors.

According to the theory of planned perceived behavioral control behavior has two aspects, namely: self-confidence (self efficacy) and controllability (Jogiyanto, 2007). Of the two aspects that can be used to measure control of perceived behavior include the possibility of being examined by the tax authorities, the possibility of sanctions and possible reporting by third parties.

Bobek and Hatfield (2003) revealed that perceived behavioral control is positively related to intention to comply with tax. Other studies (Agustiantono, Prastiwi., 2012) also demonstrated positive effect of perceived behavioral control on intention to comply with tax, this researcher formulates a hyphothesis as follows:

*H3: Control of perceived behavior influences the compliance of individual taxpayers.*

## 2.4 Taxpayer Compliance

There are many definitions of individual taxpayer compliance stated by experts, Rahayu (2013: 139) said that tax compliance is the act of taxpayers in fulfilling their tax obligations in accordance with the provisions of laws and regulations and the implementation of taxation regulations that apply in a country. Meanwhile, according to Nurmantu, which was reiterated by Rahayu (2013: 138) tax compliance can be interpreted as a situation where taxpayers fulfill all tax obligations and carry out taxation rights. There are 2 tax compliance, namely: formal compliance and material compliance.

Implementation of taxpayer obligations can be used as a measure of compliance from taxpayers. Rahayu (2013: 139) mentions that taxpayer compliance can be identified from: (1) Compliance of taxpayers to register themselves, (2) Compliance to remit back tax returns, (3) Compliance in calculation and payment of tax payable, and (4) Compliance with unpaid payment, this researcher formulates a hyphothesis as follows:

*H4: Attitudes, Subjective Norms, and Perceived Behavioral Control affect the Compliance of Persons Personal.*

## 3. METHODOLOGY

### 3.1 Sample and Data Collection

The population includes 184,008 individual taxpayers registered at Tax Office Garut. The sample size is determined by using the Slovin formula, which is as many as 100 taxpayers with convenience sampling technique.

### 3.2 Variable and The Measures

This study used primary data through distributing questionnaires directly to individual taxpayers registered at Tax Office Garut. This questionnaire contains a statement to measure research variables, with an alternative answer. The variables in this study consist of independent variables and dependent variables. Independent variables include attitudes, subjective norms and perceived behavioral control, with the dependent variable taxpayer compliance. Each indicator from each dimension is measured using a 5-point Likert Scale.

### 3.3 Data Processing

Analysis technique is by multiple linear regression analysis using SPSS Ver.23 by testing the validity and reliability test for valid or valid questionnaires and the consistency of answers to the questionnaire statement. For multiple linear regression analysis the classical assumption test is carried out consisting of normality test, multicollinearity test and heteroscedasticity test.

## 4.  RESULT & DISCUSSION

### 4.1 Descriptive Statistic

The researcher distributed 110 questionnaires directly and got 9 questionnaires from google form, and collected 100 questionnaires that met the requirements for analysis, demographically the respondents of this study consisted of 53% women and 47% men. In terms of age in the range of 20-29 as many as 15%, then 30-39 as many as 25%, as many as 27% aged between 40-49, then 24% aged 50-59%, and 11% respondents who were over 60 years old.

### 4.2  Linear Regression Test Result

The results of calculations with multiple linear regression analysis are as follows:

**Table 2**
**Multiple Linear Regression Test Result (t-Test)**
**Coefficients[a]**

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 15,368 | 3,309 | | 4,644 | ,000 |
| Sikap | ,323 | ,135 | ,247 | 2,396 | ,019 |
| Norma Subjektif | ,232 | ,115 | ,187 | 2,023 | ,046 |
| Kontrol Perilaku Persepsian | ,159 | ,079 | ,211 | 2,022 | ,046 |

*Source: Output SPSS Ver. 23, data processed 2018*

1. The Effect of Attitudes on Compliance with Individual Taxpayers
   Based on Table 2 it can be seen that attitudes positively affect individual taxpayer compliance, with t statistic > t table (2,396 > 1,988). It means, the better attitude of a taxpayer, personal taxpayer compliance will also increase.
2. Subjective Norm Effect on Compliance with Individual Taxpayers
   Based on Table 2, it can be seen that subjective norms have a positive effect on individual taxpayer compliance, with t statistic > t table (2,023> 1,988). This means that the better subjective norm, personal taxpayer compliance will also increase.
3. The Effect of Perceived Behavior Controls on Taxpayer Compliance
   Based on Table 2, it can be seen that perceived behavioral control has a positive effect on individual taxpayer compliance, with t statistic > t table (2,022 > 1,988). It means, the higher control of perceived behavior of a taxpayer, personal taxpayer compliance will increase.

**Table 3**
**Multiple Linear Regression Test Results (F-Test)**
**ANOVA**[a]

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|---------------:|----|------------:|------|------|
| Regression | 81.476 | 3, | 27.159 | 8.478 | 000[b] |
| Residual | 307.514 | 96 | 3.203 | | |
| Total | 388,990 | 99 | | | |

*Source: Output SPSS Ver. 23, data processed 2018*

4. The Effect of Subjective Norms and Control of Perceived Behavior on Compliance with Individual Taxpayers
Based on Table 3 attitudes, subjective norms, and perceived behavioral control simultaneously affect individual taxpayer compliance. This can be seen from F statistic > F table (8.478> 2.70).

**Tabel 4**
**Coefficient Of Determination**
**Model Summary**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1 | ,458[a] | ,209 | ,185 | 1,790 |

*Source: Output SPSS Ver. 23, data processed 2018*

5. Based on the coefficient of determination ($R^2$) shows a number of 0.209 which means that the independent variable attitudes, subjective norms, and perceived behavioral controls influence taxpayer compliance by 20.9% while the remaining 79.1% is influenced by other factors.

*4.3 Discussions and Implications*
In this study there were 4 hypotheses that were tested using multiple linear regression analysis. For a partial test, the hypothesis is accepted if t statistic > t table. Based on table 2, for attitude variables, subjective norms, and perceived behavioral control there is a positive influence on individual taxpayer compliance. Based on table 2 subjective norms affect individual taxpayer compliance, and behavioral control perceived positive effect on taxpayer compliance.

Then, for simultaneous hypothesis testing is accepted if F statistic > F table. Based on table 3 attitudes, subjective norms and perceived behavior control simultaneously influence individual taxpayer compliance.

## 5. CONCLUSION

This study aims to examine the effect of attitudes, subjective norms, and perceived behavioral control on individual taxpayer compliance both simultaneously and partially at the Tax Office   Garut. The results of the study partially indicate that the better the attitude of a taxpayer, personal taxpayer compliance will also increase. The better the subjective norm, personal taxpayer compliance will also increase. The higher the control of perceived behavior of a taxpayer, personal taxpayer compliance will increase. The results of the study simultaneously show that attitudes, subjective norms, and perceived behavioral control have an effect on the individual taxpayer compliance.

For further researchers who are interested in conducting studies in the same field, it is recommended that the independent variables be able to increase individual taxpayer compliance at the Tax Office Garut. In addition, further researchers are advised to conduct research with different respondents, for example: freelance, UMKM, or business entity, so that they get different results.

# REFERENCES

[1]     Agustiantono, Dwi., Andri Prastiwi. (2012). *Analisis Faktor-Faktor yang Mempengaruhi Kepatuhan Wajib Pajak Orang Pribadi: Aplikasi TPB (Studi Empiris WPOP di Kabupaten Pati)*. S1 Akuntansi Universitas Diponegoro.

[2]     Ajzen I (1991). *The Theory of Planned Behavior*. Organizational Behavior and Human Decision Processes 50: 179-211.

[3]     Ajzen, I. (2002), *Constructing a TPB Questionnaire: Conceptual and Methodological Considerations*. September (Revised January, 2006).

[4]     Alvin, Aloysius. (2014). *Pengaruh Sikap, Norma Subyektif, Dan Kontrol Perilaku Yang Dipersepsikan Staff Pajak Terhadap Kepatuhan Pajak Wajib Pajak Badan.* Tax & Accounting Review, Vol. 4, No.1, 2014.

[5]     Benk S, Cakmank AF dan Budak T. (2011), *An Investigation of Tax Compliance intention: A Theory of Planned Behavior Approach*. European Journal of Economics. Finance  and Administrative Sciences :ISSN 1450 -V2275 Issue 28 180-188.

[6]     Bidin Z, Mohd Zainudin Othman, and Shalihen Mohd Salleh. (2015). *An Investigation of Local Sale Tax Compliance: An Application of Theory of Planned Behavior*. Global Journal of Contemporary Research in Accounting, Auditing and Business Ethics (GJCRA). An Online International Research Journal (ISSN: 2311-3162) 2015 Vol: 1 Issue: 1

[7]     Bobek, D (1997). *Tax Fairness: How Do Individuals Judges Fairness And What Effects Does It Have On Their Behavior*. Ph.D. Dissertation, University of Florida, Gainesville.

[8]     Bobek, D., & Hatfield, R. (2003). *An Investigation of the Theory of Planned Behaviorand the Role of Moral Obligation in Tax Compliance*. Behavioral Research in Accounting, 15(1), 13-38.

[9]     Bobek, D., Hatfield, R., Kristin Wentzel. (2007). *An Investigation of Why Taxpayers Prefer Refuds: A Theory of Planned Behavior Appoach. JATA.* Vol. 29. No 1, 93-111.

[10]    Jackson BR and Milliron VC (1986). *Tax compliance research: findings, problems and prospects.* Journal of Accounting Literature 5: 125-65.

[11]    Jogiyanto. (2007). *Sistem Informasi Keperilakuan.* Edisi Revisi. Yogyakarta: Penerbit Andi.

[12]    Lilis Suryani. (2017). *Pengaruh Sikap, Norma Subjektif, Dan Kontrol Perilaku Persepsian Terhadap Kepatuhan Wajib Pajak Orang Pribadi Di Daerah Istimewa Yogyakarta dengan Niat Mematuhi Pajak sebagai Variabel Pemoderasi.* Program Studi Akuntansi Fakultas Ekonomi. Universitas Negeri Yogyakarta.

[13]    Lubis, Arfan Ikhsan. (2011). *Akuntansi Keperilakuan.* Jakarta: Salemba Empat.

[14]    Mustikasari, Elia. (2007). *Kajian Empiris tentang Kepatuhan Wajib Pajak Badan di Perusahaan Industri Pengolahan di Surabaya.* Simposium Nasional Akuntansi X Surabaya. 26-28 Juli 2007.

[15]    Pratama, Arie. (2018). *Individual Taxpayer Characteristics and Taxpayer Knowledge: Exploratory Survey on Inivdual Taxpayers in Bandung City, Indonesia.* Journal of Review of integrative Busines & Economics Research, Vol 7, Supplementary Issue 1, N0, 338 - 349

[16]    Putri, L Y. (2014). *Pengaruh Sikap, Norma Subjektif, dan Kontrol Keperilakuan yang Dipersepsikan terhadap Kepatuhan Wajib Pajak Orang Pribadi di Kota Yogyakarta.* Jurnal Akuntansi dan Keuangan. Edisi 3 Tahun 2017.

[17]    Rahayu, Siti Kurnia. 2013. *Perpajakan Indonesia Konsep dan Aspek Formal.* Edisi Pertama. Cetakan kedua. Yogyakarta: Graha Ilmu.

[18]    Suprapti, Ni Wayan Sri. (2010). *Perilaku Konsumen, Pemahaman Dasar dan Aplikasinya Dalam Strategi Pemasaran.* Denpasar: Udayana University Press.

[19]    Trafimow D, Sheeran P, Conner, M and Finlay K (2002). *Evidence that perceived behavioural control is a multidimensional construct: Perceoved control and perceived difficulty.* British Journal of Social Psychology 41: 101-121.

[20]    Widi Hidayat dan Argo Adhi Nugroho. (2009). *Studi Empiris Theory of Planned Behavior dan Pengaruh Kewajiban Moral pada perilaku Ketidakpatuhan Pajak Wajib Pajak Orang Pribadi.* Jurnal Akuntansi dan Keuangan, Vol. 12, No. 2, November 2010: 82-93.

[21]    Wiratno, Gito Adiputro. (2017). *Perekonomian Indonesia dan APBN 2017.* From https://www.kemenkeu.go.id/apbn2017. 9 Februari 2018 (20:58) WIB.

[22]    Wiratno, Gito Adiputro. (2017). *Tax Ratio Indonesia Terendah.* From http://wartaekonomi.co.id/read126937/sri-mulyani-tax-ratio-indonesia-terendah.html. 7 Mei 2017 (16:24) WIB.