

Intention of SMEs Denpasar City Against Taxpayer Compliance in perspective of Theory of Planned Behavior

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ABSTRACT

This study aims to determine the effect of Perceived Behavior Control, Attitude Toward and Subjective Norm on the compliance intention of MSME taxpayers in accordance with PP No. 23 of 2018 and to determine the effect of pressure, tax literacy and past experience on the Perceived Behavior Control and Attitude toward of Taxpayers. This research is based on the development of Theory of Planned Behavior and Cognitive Theory. The population of this research is all MSME taxpayers in Denpasar City. This study uses the Structural Equation Modeling (SEM) analysis tool with the Amos.20 program used to test the hypothesis. The results of the study show that Perceived Behavior Control and Attitude toward the behavior, have a significantly positive effect on the compliance intentions of MSME taxpayers in accordance with PP No. 23 of 2018.

Keyword: *Perceived Behavior Control and Attitude toward the behavior, pressure, tax literacy, past experience, compliance intentions.*

1. INTRODUCTION

Micro, small and medium enterprises (MSMEs) have dominated the Indonesian economy in recent years. The Ministry of Cooperatives and Small and Medium Enterprises provided information that the number of MSMEs in Indonesia increased by around 2.5 million new MSMEs between 2016 and 2018. One of the efforts to be achieved in developing MSMEs is the contribution of MSMEs to GDP. The Ministry of Cooperatives and SMEs stated that 60 percent of MSMEs contributed to GDP in 2017. Moreover, the MSME sector absorbs 97 percent of the workforce. One of the private sector income tax contributions comes from micro, small and medium enterprises. However, in 2017, the total payment of MSME net income to income taxes paid by taxpayers only contributed 2.2 percent (Directorate General of Taxes, 2019).

The government's initial step in increasing taxes in the MSME sector began with the enactment of Government Regulation No. 46/2013, by setting a final MSME tax rate of 1% for corporate taxpayers and individual groups with income with a total turnover of less than 4.8. billion in a year. Furthermore, the government plans to exempt income tax (PPh) for individual micro, small and medium enterprises (MSMEs) with incomes below Rp 500 million per year. Thus, MSMEs with income below Rp 500 million per year, which was originally subject to final income tax of 0.5 percent, will become 0 percent. With the enactment of various MSME income tax regulations, it is expected to encourage the level of taxpayer compliance, especially MSMEs.

However, the pressure of the Covid-19 pandemic has had a negative impact on all sectors, including the economic sector. Based on the official statistical news at the Central Statistics Agency Number 64/08/Th. XXIII, as of August 5, 2020, that the national economic growth in Indonesia experienced a contraction or decline in 2020 by 5.32%. Based on the Bali Provincial Economic Report 2020 (bi.go.id), the economic growth contraction occurred in almost all provinces in Indonesia, including Bali. The contraction of economic growth in Bali in the second quarter was 10.98%. The decline in the economy that has occurred can be caused by a decline in tourism performance, restrictions on community activities including restrictions on the operating hours of trading centers and policies for

workers not to do work in the workplace and even termination of employment for some workers thereby reducing income from the community. The number of people who experience a decrease in income or lose their jobs raises the possibility for people to avoid their tax obligations.

Since the COVID-19 pandemic occurred, the compliance of taxpayers (individual taxpayers or corporate taxpayers) has decreased in a number of regions in Indonesia. Based on articles published on the official website of the DGT (Directorate General of Taxes), namely tax.go.id, there was a decrease of 9.43% in the number of reporting Annual Income Tax Returns as of May 1, 2020 compared to the year 2019. There were 10.97 million SPTs reported, with a total of 12.11 million Annual SPTs.

The level of compliance and awareness of MSME actors is still low. One of the factors that causes a lack of awareness of taxpayers is the closed attitude and perception of taxpayers who still seem negative/pessimistic (Susanto, 2019). Previously, the 1 percent tariff for MSMEs in Indonesia referred to Government Regulation number 46/2013. A review of PP number 46/2013 for small entrepreneurs with income below 4.8 billion for entrepreneurs who complain about the basis for imposition of gross income tax, because the gross income is the same or even smaller than the profits they get (Yusdita, 2017). Taxpayer compliance can be influenced by various factors. One of the non-economic variables that affect taxpayer compliance is fairness (Gilligan & Richardson, 2005). There are two alternatives to tax justice: the benefit principle, i.e., the tax scheme is considered equal if the participation paid follows the benefits received. The second is the principle of ability to pay, namely the tax scheme is considered fair if the tax is only interpreted in terms of taxation without paying attention to the expenditure side, where everyone has to pay for expenses made by the government in accordance with applicable regulations. Their respective ability to pay (Musgrave & Musgrave, 1989). The principle of economic sacrifice encourages taxpayer compliance in paying taxes. Taxpayers expect immediate returns when paying taxes, such as public services and infrastructure built by the government (Mangoting & Ganis, 2015). Namely the tax scheme is considered fair if the tax is only interpreted from the side of taxation without paying attention to the expenditure side, where everyone has to pay expenses made by the government in accordance with applicable regulations. Their respective ability to pay (Musgrave & Musgrave, 1989). The principle of economic sacrifice encourages taxpayer compliance in paying taxes. Taxpayers expect immediate returns when paying taxes, such as public services and infrastructure built by the government (Mangoting & Ganis, 2015). The principle of economic sacrifice encourages taxpayer compliance in paying taxes. Taxpayers expect immediate returns when paying taxes, such as public services and infrastructure built by the government (Mangoting & Ganis, 2015). The principle of economic sacrifice encourages taxpayer compliance in paying taxes. Taxpayers expect immediate returns when paying taxes, such as public services and infrastructure built by the government (Mangoting & Ganis, 2015). The principle of economic sacrifice encourages taxpayer compliance in paying taxes. Taxpayers expect immediate returns when paying taxes, such as public services and infrastructure built by the government (Mangoting & Ganis, 2015).

Government Regulation 46/2013 is considered to have several regulatory weaknesses and is not based on the principle of fairness. According to Mansury (1996), Government Regulation Number 46/2013 based on the concept of justice does not reflect the ability to pay. Fair taxation is the greater the income, the greater the tax to be paid (vertical equity). Here, income is called net income after deducting expenses minus gross income which is allowed in the provisions of the legislation. Previously, in Government Regulation Number 46/2013 it was assumed that every business carried out was profitable. Many small businesses make sales just to rotate their inventory without any profit (Endrianto, 2015). In addition, uncertain market conditions affect the selling power and purchasing power of consumers.

Therefore, in July 2018, Government Regulation Number 23/2018 concerning Reduction of Tariffs for MSMEs by 0.5% was issued. Government Regulation Number 23 of 2018 which came into effect as of July 1, 2018 is valid to replace the previous Government Regulation, namely Government Regulation number 46/2013 which provides for a reduction in income tax rates for MSMEs from 1% to 0.5%. This is intended to motivate community participation in economic activities so that in the future it can provide convenience and justice in carrying out obligations for MSMEs. Government Regulation number 23/2018 is a relatively new government policy.

According to Kastolani and Ardiyanto (2017:2) State revenue from income taxes will run well if every taxpayer behaves obediently in carrying out his obligations to pay taxes. This is based on the intention of the taxpayer in paying taxes. Intention to pay taxes by some people is still considered a burden, the fact shows that the level of

compliance of taxpayers to report their taxes is still low, while taxes are a government tool to achieve the goal of obtaining state cash receipts, both direct and indirect from the community to finance routine expenditures as well as national and economic development of the community. Intention is the desire to perform behavior (Nadhira et al, 2014).

Several previous researchers have discussed the factors that can affect the intention to comply with paying taxes (The intention to comply with paying taxes). These studies show that the intention to comply in paying taxes is influenced by several factors. Based on previous research that the intention to comply in paying taxes is significantly and consistently influenced by attitudes towards behavior, this opinion is supported by Murad et.al (2020), Peng et.al (2019), Riyad (2018), Philmore Alleyne Terry Harris (2017), and Maya F. Farah (2016). In addition to these variables, the intention to pay taxes positively and consistently is also influenced by subjective norms, Duwi et all (2018), Rona et all (2018), Asrofi (2019) Haris Herdiansyah (2020), Gaurav et All (2015),

According to the Theory of Planned Behavior (TPB) that individual behavior is influenced by the individual's intention to behave. Theory of Planned Behavior (TPB) is one of the advanced theories of Theory Reaction of Action (TRA) (Ajzen, 1991). TPB is designed to test and predict Human Intention and Actual Behavior. When an individual performs a behavior without any control over that behavior (Al-Lozi and Papazafeiropoulou, 2012). The TPB model is influenced by two factors, namely external influences and internal influences. External influences used to predict Actual Behavior are Social Influence: Subjective Norm, and Situational Influence, Perceived Behavior Control. While the internal factor used to predict Actual Behavior is Personal Influence Attitude. TPB said that the combination of attitudes towards behavior, subjective norms and perceived behavioral control leads to the formation of behavioral intentions and then forms behavior (Jogiyanto, 2008).

TPB explains that human actions are directed by beliefs, and subsequently behavior is formed, while externally past experience is a perception and anticipation of future situations, and attitudes towards the norms that influence individuals and tax literacy. is a person's ability to read information, understand information and follow up on information through a decision that is useful in life. This means that tax literacy is related to all tax knowledge owned by taxpayers and how taxpayers follow up on their tax knowledge.

Broadly speaking, the TPB is still a picture that has not been realized so that it is still in the form of a plan. Meanwhile, in this case the intention can still not be implemented due to factors that influence the attitude of the taxpayer which is negative such as pressure, past experience and tax literacy which is still lacking. The weakness of the Theory of Planned Behavior (TPB) is that it is just a prediction that is not necessarily made by someone (Achmat, 2010) which means that the planned behavior is different from the plan. The Theory of Planned Behavior in this study is a benchmark for taxpayers to carry out their obligations as tax actors. This condition is very vulnerable to external factors in the form of pressure, past experience and lack of tax literacy.

This research was developed to fill the gap of previous research by adding antecedents that affect the intention to comply as an external factor in this case the variables of pressure, past experience and tax literacy. The novelty of this research is that researchers try to explore the causes of non-compliance by MSME actors to carry out their obligations in the field of taxation. The researcher chose to use the variable intention to comply (The intention to comply with paying taxes) as the dependent variable, while for the independent variable the author tried to group it into two influencing variables, namely Internal variables consisting of Perceived Behavioral Control, Attitude Toward and Subjective Norm, while for Variables External consists of Pressure, Past Experience and Tax Literacy.

2. LITERATURE REVIEW

2.1 State of the art.

In this study, the development of theory in the field of tax compliance at this time there are several main theories that underlie the concept of developing the hypothesis. These theories are Theory of Tax Compliance, Theory of Reasoned Action, Theory of Planned Behavior, Social Learning Theory. In the Theory of Tax Compliance, which was first put forward by Allingham and Sandmo (1972) believes that no individual is willing to pay taxes voluntarily (voluntary compliance), therefore individuals will always oppose paying taxes (risk aversion). The theory of reasoned action (theory of planned behavior) is a theory developed by Martin Fishbein and Icek Ajzen (1975), in this theory a behavior is influenced by intentions, while intentions are influenced by subjective attitudes and norms. Intention determines a person to perform a behavior or not to perform a behavior (Asfa and Meiranto, 2017:2). The theory of planned behavior was developed by Icek Ajzen (1991) which is the development of the theory of reasoned action which has a relationship with individual behavior. If the theory of reasoned action is related to behavioral

interest variables, attitudes, and subjective norms, while in the theory of planned behavior one variable is developed, namely perceived behavioral control.

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2.2 Intention to Obey

The Theory of Planned Behavior (TPB) says that intention is a factor that determines a behavior or behavior that is realized by a person will not change with his goal of the behavior. In other words, if someone has the intention to perform a certain behavior then the individual tends to perform that behavior. Icek Ajzen defines intentions as follows:

...as a person's location on subjective probability dimension on revolving a relation between himself and some action. A behavioral intention, therefore, refers to the person's subjective probability that he will perform some behavior. (Ajzen, Icek. Attitudes, Personality, and Behavior. 2005).

From the sentence fragment above, it can be interpreted that intention is a dimension of the subjective possibility of individuals in carrying out certain behaviors. Intentions are signs of how much a person will try to show a certain behavior. Intention will remain a tendency until the individual shows an effort to turn the intention into a behavior. Because intention is a tendency to behave closest to the behavior itself, then in measuring someone's behavioral intention we can predict whether someone will show a certain behavior or not.

According to TPB, intentions are influenced by three basic determinants, namely personal factors, social factors, and volitional control factors. 1) The first determinant is a personal factor. The personal factor in TPB is an individual's attitude towards behavior (Attitude Toward Behavior / ATB). Attitude Toward Behavior is an individual's (positive / negative) evaluation of a particular behavior. 2) The second determinant is social factors. The social factor in question is an individual's experience of social pressure / encouragement that can be felt to do or not do a behavior. In the Theory of Planned Behavior this factor is said to be subjective norms (SN). 3) The third determinant is the volitional control factor. What is meant by volitional control factor is an individual process about the presence or absence of other factors outside (external) within him that can persuade individuals to show a behavior or not as well as individual processes regarding how strong the influence of these factors is on the condition of a behavior. The consideration of volitional control factors is called perceived behavior control (PBC). Perceived behavior control (PBC) is defined as an individual's assessment of how likely the individual is to visualize a behavior based on an evaluation of the behavior. Based on this, it can be briefly explained that an individual will have an intention to be able to perform certain behaviors when the individual has a positive attitude towards that behavior.

Thus, the better the subjective attitudes and norms towards a behavior, and the stronger the individual's control over volitional control factors, the stronger a person's intention to behave. The relationship between these determinants and intentions can be seen in the following chart:

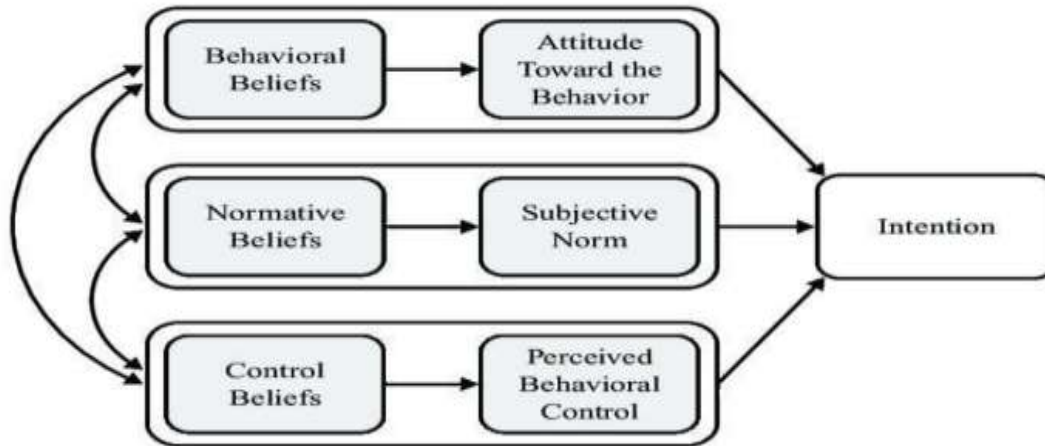


Figure 1 Theory of Planned Behavior

The three determinant factors are not too deep to form an intention. In some cases, it may be considered, attitudes toward behavior to be a more powerful factor in shaping intentions than normative or control considerations. In other cases, the individual's normative exclusion and control may be more powerful than considerations of his or her attitude toward behavior.

2.3 Cognitive Theory

Cognitive theory means that changes in perception and knowledge of each person occur after having knowledge and experience in him. According to cognitive theory, a person's learning process includes setting the stimulus received and adapting to the cognitive structure that has been stated and formed in one's mind based on previous knowledge, understanding and experience. Jean Piaget is one of the figures who have an influence in the cognitive flow. According to Piaget there are three main principles of learning for humans, namely, 1) Active learning (Tax literacy)

To grow the cognitive aspect of the individual, it is necessary to create learning conditions that require the individual to learn on his own about a thing. Febriyani and Kusmuriyanto (2015) in their research provide an explanation of tax knowledge, namely the ability of a taxpayer to understand taxation procedures starting from the tax rates they will pay, as well as tax benefits that will be useful for their lives. Setiyani, et al. (2018) knowledge of the draft general provisions in the field of taxation, the various types of taxes that apply in Indonesia, ranging from tax objects, tax subjects, calculation of tax payable, tax rates, how to fill in tax reporting to recording taxes payable. If literacy is associated with the meaning of tax knowledge, then tax literacy can be defined as the ability or knowledge of a person in reviewing information about taxes, knowing that information and following up on information held through a decision. In other words, tax literacy here is related to how the taxpayer follows up on the tax knowledge he has and all the tax knowledge possessed by the taxpayer. 2) Learning through social interaction (Social Pressure)

Without social interaction, the cognitive development of an individual will be egocentric. Conversely, through social interaction, an individual's cognitive development will lead to many views with various points of view from alternative actions. Baron & Greenberg (2006) define stress as emotional and psychological reactions that occur in situations where individual goals are blocked and cannot be overcome. Mustikasari (2007) found that the influence of people around or strong social pressure affects a person's intention to behave. This shows that if the social pressure around the taxpayer is to comply, then the intention of the taxpayer will tend to comply with taxes as well. And vice versa, if the social pressure around is not obedient, 3) Learning through own experience (Past experience)

Own experience about a certain thing is a means of learning that is quite efficient and effective. With the existing experience, a person will get a visualization of what can be done when dealing with the same thing. Experience can also be defined as a continuous history, namely memory that is able to receive and store events that have occurred or experienced by someone at a certain place and time, which is useful as an autobiographical reference (Bapista et al, in Saparwati, 2012). Experience is a combined observation between the senses of sight, smell, hearing and past experiences (Notoatmojo in Saparwati, 2012). From some of these ideas it can be related that experience is a condition that has been lived, felt or experienced which is then stored in a memory. Past experience, this is formed based on control belief, namely a person's belief that is based on past experience with behavior, as well as factors that support or hinder the context of behavior (Ajzen, 1991) in Feby Eileen Wanarta and Yenny Mangoting (2014).

Spicer and Hero (1985) state that taxpayers who have been audited will tend to be able to assess the probability of a higher audit and this can reduce their level of fraud. Taxpayers who have past experience with audits will be more compliant and reduce the rate of tax evasion. and factors that support or hinder the context of behavior (Ajzen, 1991) in Feby Eileen Wanarta and Yenny Mangoting (2014). Spicer and Hero (1985) state that taxpayers who have been audited will tend to be able to assess the probability of a higher audit and this can reduce their level of fraud. Taxpayers who have past experience with audits will be more compliant and reduce the rate of tax evasion. and factors that support or hinder the context of behavior (Ajzen, 1991) in Feby Eileen Wanarta and Yenny Mangoting (2014). Spicer and Hero (1985) state that taxpayers who have been audited will tend to be able to assess the probability of a higher audit and this can reduce their level of fraud. Taxpayers who have past experience with audits will be more compliant and reduce the rate of tax evasion.

2.4 Attribution Theory

Attribution theory was originally introduced by Fritz Heider in 1958 and further developed by Harold Kelley (1972). Attribution is a process of forming an impression through observing social behavior based on situational and personal factors. Feedback about attribution occurs because of the tendency of human nature to explain everything, including behind the behavior of others. However, this desire does not necessarily come from outside (externally) the person concerned, for example due to environmental conditions (external), but can also come from within (internally) the person under the control of his consciousness.

Attribution theory can be relevant when used in this study because it can explain the factors that can affect the increase in taxpayer compliance. Self-perception and the impression that is manifested in the surrounding environment to the tax apparatus will certainly have an influence on personal assessment of the tax itself. Furthermore, the impression can be realized by the individual through the act of being obedient or not.

Attribution theory (Fritz Heider, 1958) gives the effect of tax literacy variables on taxpayer compliance. This is due to the fact that tax literacy is generated by taxpayers through external factors such as education, information on other taxpayers or through socialization carried out by both the Tax Service Office and direct counseling from the Directorate General of Taxation. Information or knowledge through these external parties will be able to make taxpayers understand more about the importance of paying taxes, so the intention to comply in making tax payments will increase. The assumption that tax literacy is important in supporting a successful increase in tax revenue, The Directorate General of Taxation always helps to ensure that taxpayers get sufficient information about taxation. This is realized by the government through counseling for taxpayers either through mass media or electronic media and through direct counseling to taxpayers. If the taxpayer has a good level of tax knowledge, the taxpayer will be more inclined to carry out his tax obligations well as well.

3. RESEARCH METHODS

This type of research is to use quantitative methods. The data used is primary data. Primary data was obtained by using a questionnaire containing the opinion of MSME managers about the indicators of the variables studied using the survey method. The population in this study is individual taxpayers who have SMEs registered in Denpasar City as many as 30,850. The sample size will be determined based on the slovin method by spreading randomly. Based on the slovin method with an error threshold of 0.10 (10%), the minimum sample size for MSME taxpayers is 142 private taxpayers who have MSMEs registered in Denpasar City. With the researcher's consideration that the response rate of respondents is 70%, the minimum sample that is distributed is 200 respondents. This study uses data analysis that is adapted to the research pattern and the variables studied. The model used in this study is a causality model and to test the hypothesis proposed in this study, the analytical technique used is SEM (Structural Equation Modeling) which is operated through the AMOS program. SEM is a multivariate statistical technique which is a combination of factor analysis and regression analysis (correlation), which aims to examine the relationships between variables that exist in a model, both between indicators and their constructs, or relationships between constructs (Ghozali, 2020). Quantitative method is a method that uses a sampling system from a population and uses a structured questionnaire as a data collection tool. The model used in this study is a causality model and to test the hypothesis proposed in this study, the analytical technique used is SEM (Structural Equation Modeling) which is operated through the AMOS program. SEM is a multivariate statistical technique which is a combination of factor analysis and regression analysis (correlation), which aims to examine the relationships between variables that exist in a model, both between indicators and their constructs, or relationships between constructs (Ghozali, 2020). Quantitative method is a method that uses a sampling system from a population and uses a structured questionnaire as a data collection tool. The model used in this study is a causality model and to test the hypothesis proposed in this study, the analytical technique used is SEM (Structural Equation Modeling) which is operated through the AMOS

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4. RESULT AND DISCUSSION

The object of research used in this study is MSMEs located in Denpasar City and the respondents are MSME owners in Denpasar City. The data needed in this study were collected through observation and distributing questionnaires to MSMEs in Denpasar City. Based on the survey, 200 questionnaires were distributed in May – July 2022. The return of the questionnaires was limited to a period of 2 weeks (14 days) and 190 questionnaires were returned. Structural Equation Model is the second generation of multivariate analysis technique that allows researchers to examine the relationship between complex variables both recursive and non-recursive to obtain a comprehensive picture of the entire model (Ghozali, 2008). Structural equation modeling (SEM) was carried out with the help of the AMOS program. The AMOS program exposes measurement as well as structural problems, and is used to test hypothetical models. The goodness of the model test is used to test the model used in the study. According to (Ghozali, 2008), the SEM analysis technique used several statistical tests to test the hypothesis of the developed model. The statistical test used to measure the level of suitability of the model in the study after the assumptions in SEM were met. Indicators of exogenous variables and endogenous variables that have been fit are then tested as a whole by testing the full model. What is included in the model testing is the data of each dimension. This data is taken by finding the average of each dimension by adding up the data for all indicators in each dimension and then dividing by the number of indicators. This method is also known as the composite test. This composite test was conducted to reduce the variables in the model (Schumaker & Lomax, 1996). Especially for variables that have many indicators. Structural equation models that use latent variables with many theoretical indicators are indeed better because they are able to explain measurement errors in the model, but data processing will be complicated (Ghozali, 2004). Composite test will simplify the model so that it is easier for further processing this composite test was conducted to reduce the variables in the model (Schumaker & Lomax, 1996). Especially for variables that have many indicators. Structural equation models that use latent variables with many theoretical indicators are indeed better because they are able to explain measurement errors in the model, but data processing will be complicated (Ghozali, 2004). Composite test will simplify the model so that it is easier for further processing This composite test was conducted to reduce the variables in the model (Schumaker & Lomax, 1996). Especially for variables that have many indicators. Structural equation models that use latent variables with many theoretical indicators are indeed better because they are able to explain measurement errors in the model, but data processing will be complicated (Ghozali, 2004). Composite test will simplify the model so that it is easier for further processing.

Table 1 Structural Model Full Fit Model Test

| No | Index | Critical Value | Results | Model Evaluation |
|----|--------------------------|----------------|---------|------------------|
| 1 | <i>Chi-Square</i> | Close to zero | 348,999 | |
| 2 | <i>Probability level</i> | 0.05 | 0.000 | Poor Fit |
| 3 | CMIN/DF | < 2.00 | 1,897 | Fit |
| 4 | CFI | 0.95 | 0.961 | Fit |
| 5 | RMSEA | 0.08 | 0.072 | Fit |
| 6 | TLI | 0.90 | 0.951 | Fit |
| 7 | GFI | 0.90 | 0.860 | Marginal |
| 8 | AGFI | 0.90 | 0.808 | Marginal |

Table 2 Hypothesis Testing Results

| | | | CR | P | Information |
|-----------|------|------------|--------|-------|-------------|
| Control | <--- | Pressure | -4,557 | 0.000 | Significant |
| Attitude | <--- | Pressure | -4.236 | 0.000 | Significant |
| Control | <--- | Literacy | 3.523 | 0.000 | Significant |
| Attitude | <--- | Literacy | 3,422 | 0.000 | Significant |
| Control | <--- | Experience | -2.802 | 0.005 | Significant |
| Attitude | <--- | Experience | -2.327 | 0.020 | Significant |
| Intention | <--- | Control | 4,841 | 0.000 | Significant |
| Intention | <--- | Attitude | 4.984 | 0.000 | Significant |
| Intention | <--- | Norm | -2.651 | 0.008 | Significant |

Perceived Behavior Control has a positive effect on the compliance intention of MSME taxpayers in accordance with PP No. 23 of 2018.

This hypothesis means that the higher the Perceived Behavior Control, the higher the intention to comply. In this study, Perceived Behavior Control is focused on personal decisions and individual abilities to implement PP No. 23 of 2018. Behavioral control possessed by taxpayers is the main determinant in carrying out their obligations in paying taxes. The higher the awareness of the taxpayer, the higher the intention of the taxpayer's compliance. Therefore, to build control trusts from the Directorate General of Taxes/DGT, one process that can be carried out is by providing a budget to conduct training and counseling in stages and continuously. This study is in line with research conducted by Amir Hidayatulloh in 2016 which stated that the Perceived Behavior Control variable had a positive and significant effect on intentions. The results of this study are in accordance with the theory of planned behavior by Ajzen & Fishbein (1970), the behavioral control perception factor has characteristics to strengthen and weaken intentions. If the behavior is considered capable of being carried out, then the intention will be strengthened. If the behavior is deemed difficult or impossible to perform, then the intention is weakened. the intention will be strengthened. If the behavior is deemed difficult or impossible to perform, then the intention is weakened. The intention will be strengthened. If the behavior is deemed difficult or impossible to perform, then the intention is weakened.

Attitude toward the behavior has a positive effect on the compliance intention of MSME taxpayers in accordance with PP No. 23 Years 2018.

This hypothesis means that the higher the attitude toward the behavior, the higher the intention to comply. Smith & Bond (2014) explained that Attitude toward the behavior in principle is an individual's attitude towards the object of his attitude and like an attitude will only consist of positive and negative attitudes, this shows that attitudes affect intentions positively so in other words if our attitude is positive then our intentions will also be positive and vice versa. The Directorate General of Taxes/DGT who believe that the behavior applies PP No. 23 of 2018 will lead to positive results, and if they maintain a good attitude towards the behavior and vice versa. Nadhira et.all. (2014) with the results of research on attitude toward behavior, has a positive and significant effect on intention. Subjective Norm does not have a positive effect on the compliance intention of MSME taxpayers in accordance with PP No. 23 of 2018.

Subjective Norm will affect the compliance intention of MSME taxpayers in accordance with PP No. 23 of 2018. With a note that the Subjective Norm has a negative value on the compliance intentions of MSME taxpayers in accordance with PP No. 23 of 2018. These results prove that the higher the Subjective Norm, the lower the intention of mandatory compliance taxes and vice versa. According to Ajzen (2010), subjective norms are also assumed to be a function of a belief, namely a person's belief in another person or a group of other people who perceive that he or she must perform (or not perform) an action of behavior. This means that the views or assumptions of the people around them (family, friends, etc.) can influence or motivate the taxpayer's desire to comply. and they will tend to follow the opinions of those around them. And if the Directorate General of Taxes/DGT has a strong subjective norm, which is formed by their normative beliefs, that the implementation of PP No. 23 of 2018 will receive support in every position, then the normative belief becomes a motivation for the regional DGT (Fiskus) to act. According to

their normative expectations. Based on the answers to the questionnaire, the lowest average of the five subjective norm statements is the fifth statement item "Print/electronic media has influenced me to comply with tax provisions". Then this is the cause of the hypothesis not being proven due to the lack of motivation given by tax consultants to taxpayers through print and electronic media, or it could be due to the absence of normative beliefs and lack of motivation to follow the opinions of others who determine subjective norms. Logically, this condition is influenced by the lifestyle of modern humans, which are all digital and lazy to read. Based on the description above, hypothesis 3 is not proven. This is in accordance with the research conducted by Widi Dwi Ernawati and Bambang Purnomosidhi in 2010 with the research title Effect of Attitudes, Subjective Norms, Perceived Behavioral Control, and Sunset Policy on Taxpayer Compliance with Intentions as Intervening Variables with the results of the study of Subjective Norms having no effect on intention. Pressure does not have a positive effect on Perceived Behavior Control of MSME taxpayers. Logically, this condition is influenced by the lifestyle of modern humans, which are all digital and lazy to read. Based on the description above, hypothesis 3 is not proven. This is in accordance with the research conducted by Widi Dwi Ernawati and Bambang Purnomosidhi in 2010 with the research title Effect of Attitudes, Subjective Norms, Perceived Behavioral Control, and Sunset Policy on Taxpayer Compliance with Intentions as Intervening Variables with the results of the study of Subjective Norms having no effect on intention. Pressure does not have a positive effect on Perceived Behavior Control of MSME taxpayers. Logically, this condition is influenced by the lifestyle of modern humans, which are all digital and lazy to read. Based on the description above, hypothesis 3 is not proven. This is in accordance with the research conducted by Widi Dwi Ernawati and Bambang Purnomosidhi in 2010 with the research title Effect of Attitudes, Subjective Norms, Perceived Behavioral Control, and Sunset Policy on Taxpayer Compliance with Intentions as Intervening Variables with the results of the study of Subjective Norms having no effect on intention. Pressure does not have a positive effect on Perceived Behavior Control of MSME taxpayers.

Pressure will affect the Perceived Behavior Control of MSME taxpayers. With a note that social pressure has a negative value on Perceived Behavior Control. These results prove that the higher the social pressure, the lower the Perceived Behavior Control and vice versa. Government policies in applying pressure sometimes make taxpayers experience discomfort. When the DGT provides socialization to taxpayers, the taxpayer's assumption is that the sanctions are very burdensome, so that it has a negative effect that can reduce the intention to comply. The sanctions that the government provides can at least be positively accepted by taxpayers because this social pressure will be able to pressure taxpayers to further improve compliance in carrying out their obligations. Based on the description above, hypothesis 4 is not proven. Based on the total respondents' answers regarding pressure, it was found that the lowest average item was item statement 3, I paid taxes due to pressure from friends. This can be interpreted why the hypothesis is not proven because the taxpayer's friends have not been able to have a positive effect on controlling taxpayer behavior. Or it could be because the taxpayer's friend also does not have the intention to pay taxes. Therefore, it is important that a positive friend is able to have a positive effect on taxpayers. There is no research that discusses the effect of pressure on the Perceived Behavior Control of MSME taxpayers. Based on the total respondents' answers regarding pressure, it was found that the lowest average item was statement item 3, I paid taxes due to pressure from friends. This can be interpreted why the hypothesis is not proven because the friend of the taxpayer has not been able to have a positive effect on controlling the behavior of the taxpayer. Or it could be because the taxpayer's friend also does not have the intention to pay taxes. Therefore, it is important that a positive friend is able to have a positive effect on taxpayers. There is no research that discusses the effect of pressure on the Perceived Behavior Control of MSME taxpayers. Based on the total respondents' answers regarding pressure, it was found that the lowest average item was item statement 3, I paid taxes due to pressure from friends. This can be interpreted why the hypothesis is not proven because the taxpayer's friends have not been able to have a positive effect on controlling taxpayer behavior. Or it could be because the taxpayer's friend also does not have the intention to pay taxes. Therefore, it is important that a positive friend is able to have a positive effect on taxpayers. There is no research that discusses the effect of pressure on the Perceived Behavior Control of MSME taxpayers. Or it could be because the taxpayer's friend also does not have the intention to pay taxes. Therefore, it is important that a positive friend is able to have a positive effect on taxpayers. There is no research that discusses the effect of pressure on the Perceived Behavior Control of MSME taxpayers. Or it could be because the taxpayer's friend also does not have the intention to pay taxes. Therefore, it is important that a positive friend is able to have a positive effect on taxpayers. There is no research that discusses the effect of pressure on the Perceived Behavior Control of MSME taxpayers.

Tax Literacy has an effect on Perceived Behavior Control MSME taxpayers.

Tax literacy will affect the Perceived Behavior Control of MSME taxpayers, if tax literacy has a positive value on Perceived Behavior Control. These results prove that the higher the tax literacy, the higher the Perceived Behavior

Control and vice versa. Tax literacy is a factor that underlies the condition of taxpayers to be able to control their intention to comply. The condition of taxpayers who have knowledge of taxes tend to be able to control themselves to behave obediently to their responsibilities. This condition indirectly opens the opportunity for DGT to provide better counseling, both orally and in writing. Based on the description above, hypothesis 5 is proven.

Past experience does not have a positive effect on the Perceived Behavior Control of MSME taxpayers.

This means that past experience affects the Perceived Behavior Control of MSME taxpayers, if past experience has a negative value on Perceived Behavior Control. These results prove that the higher the past experience, the lower the Perceived Behavior Control and vice versa. Bad past experiences make some taxpayers experience a disappointment. Both transparency and services from the DGT are able to make confidence in the importance of taxes fade. This makes a very close relationship with self-control. The discrepancy with the expectations received by the taxpayer will change the taxpayer's self-control to a negative direction which can reduce the intention to comply. Based on the description above, hypothesis 6 is not proven. The total respondents' answers regarding past experiences found the lowest average item was statement item 5. Based on experience that there are still some differences from each tax authorities in understanding some tax provisions, so I use PP 23 in calculating and paying taxes. It can be said that taxpayers do not have experience in understanding some tax provisions and in calculating and paying taxes. This can be interpreted that taxpayer do not have experience so that past experience has no influence on behavioral control. There is no research that discusses the effect of past experience on the Perceived Behavior Control of MSME taxpayers.

This means that social pressure has an effect on Attitude toward the behavior of MSME taxpayers, when social pressure has a negative value on Attitude toward the behavior. These results prove that the higher the social pressure, the lower the attitude toward the behavior and vice versa. This social pressure is the most powerful weapon because it makes individuals follow the opinions of more people even though they initially disagree. This makes a person uncomfortable in behaving positively. Meanwhile, the DGT itself uses this social pressure as a weapon to make taxpayers obey. With the sanctions given by the DGT to taxpayers, it seems that taxpayers are regulated in terms of their finances. Tax collection is the transfer of wealth from the people to the state, the results of which will also be returned to the community. Therefore, tax collection must obtain approval from the people themselves regarding what types of taxes will be collected and the amount of tax collection. In essence, taxpayers are capable of accepting all regulations made by the government with a record in accordance with applicable norms. Based on the description above, hypothesis 7 is not proven, it is the same as the fourth hypothesis, but the benchmark is the attitude of the taxpayer. The same conditions as the social pressure associated with friendship. This condition is not able to influence the attitude of taxpayers to behave obediently to taxes because many taxpayer friends are also not orderly in paying taxes.

Tax literacy has a positive effect on Attitude toward the behavior of MSME tax payers. Tax literacy will affect the attitude toward the behavior of MSME taxpayers, if tax literacy has a positive value towards the attitude toward the behavior. These results prove that the higher tax literacy, the higher the attitude toward the behavior and vice versa. Positive taxpayer attitudes are formed because of the knowledge they have. This condition provides a breath of fresh air for the government, especially the DGT because by providing a little counseling about the importance of taxpayers paying taxes in accordance with applicable regulations, taxpayers have implemented it. Based on the description above, hypothesis 8 is proven.

Past experience does not have a positive effect on Attitude toward the behavior of MSME taxpayers.

This means that past experience has an effect on Attitude toward the behavior of MSME taxpayers,

This can happen when past experience has a negative value towards attitude toward the behavior. These results prove that the higher the past experience, the lower the Attitude toward the Behavior and vice versa. The attitude caused by a person is not only determined by the object being faced in this case is a tax, but past experience and future expectations will determine a person's attitude. Taxpayers do not only think that paying taxes is not just money, therefore DGT's service in serving is also very influential on the attitude of taxpayers. This condition makes it easier for a taxpayer to carry out his duties and obligations. For most taxpayers, the bad experience they receive makes a taxpayer tend to commit tax evasion, this encourages the DGT to give a positive impression so that taxpayers can fulfill their tax obligations correctly. Based on the description above, hypothesis 9 is not proven. This is due to the experience of taxpayers against the provisions of PP. 23 do not fully know in detail, this is probably due to the lack of the Directorate General of Taxes in providing counseling or socialization of the provisions of PP no. 23. Counseling or socialization of PP No. It is very necessary for taxpayers, especially for the preparation or

financial recording in calculating the tax budget (tax planning) to reporting the SPT correctly. Another possibility is that the tax system in Indonesia uses self-assessment so that not all tax payments from taxpayers are directly matched by the tax authorities, so that taxpayers assume that what is deposited and reported is correct. In addition, minimal experience triggers taxpayers to behave or be disobedient in calculating and paying taxes. There is no research that discusses the effect of past experience on Attitude toward the behavior of MSME taxpayers.

5. CONCLUSIONS

Based on the results of research conducted by the author, the conclusions are: 1) Perceived Behavior Control and Attitude toward the behavior, have a significantly positive effect on MSME taxpayer compliance intentions in accordance with PP No. 23 of 2018, 2) Subjective Norm has no significant positive effect on intention MSME taxpayer compliance is in accordance with PP No. 23 of 2018. 3) Past pressure and experience do not have a significantly positive effect on Perceived Behavior Control and Attitude toward the behavior of MSME taxpayers, while Tax Literacy has a significantly positive effect on Perceived Behavior Control and Attitude toward the behavior of MSME taxpayers. Suggestion. For further researchers, they can conduct research again when economic conditions have improved, because in this study, the economy was not in good condition because most MSMEs were directly affected by the covid-19 pandemic, so that respondents in filling out questionnaires could not fully match the actual situation. In addition, it is also necessary to add respondents and fill out a questionnaire to find out from MSME actors who do not comply, this can be seen from the number of MSME actors who do not have a TIN. Further researchers can also conduct research on the readiness of MSME actors, especially the individual category to make financial reports as a basis for calculating tax payments, because this will be required by the DGT for all MSME actors after the end of PP 23 of 2018 in 2025.

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