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TAXATION KNOWLEDGE, MOTIVATION TO PAY TAX AND EDUCATION LEVEL ON PERSONAL TAXPAYER OBLIGATION COMPLIANCE

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Abstract: *This research aims to find out: (1) The effect of taxation knowledge, (2) motivation to pay tax, and (3) education level on personal taxpayer compliance at KPP Pratama of East Semarang. The samples in this research are 120 personal taxpayers. The sample collection technique used in this research is Incidental Sampling. The data collection method uses questionnaire. The method of analysis used in this research was statistical descriptive analysis, data quality test, classical assumption test and hypothesis test. Data were analyzed by multiple regression analysis using SPSS Version 23. The results of this study state that taxation knowledge, motivation to pay tax, and education level have positive impact on taxpayer compliance.*

Keywords: *Taxation knowledge, Motivation to Pay Tax, Education Level, Taxpayer Compliance.*

1. Introduction

Tax is one of the biggest parts of state revenue to achieve the desired development growth. Tax is the biggest revenue of a state especially Indonesia. The most potential source of Indonesian state revenue is tax revenue which is used to finance development and to improve the welfare of all Indonesian people.

The government has been actively making various efforts to increase revenue from the tax sector recently. The determination of revenue targets that are very high and always increase significantly from year to year is one proof that tax is the excellent for the source of state revenue.

The tax obligation must be implemented because it is a responsibility that must be fulfilled by all taxpayers. Taxpayer compliance has relationship with tax revenue because if the compliance from taxpayers increases, it will also indirectly increase the state revenue from the tax sector (Sri, 2014).

Taxation Knowledge, Motivation to Pay Tax, Education Level, and Taxpayer Compliance is along with the increase of population, the greater the population the greater the state revenue from the tax sector. Tax payment is an embodiment of state obligation and the role of the community to collect funds to finance the state and national development. The tax which aims to improve the welfare of all people through the improvement and addition of public services, allocates tax not only to the people paying tax but also to the interests of the people who are not obliged to pay tax.

Taxation knowledge is the ability of taxpayers to know tax regulations both about tax rates based on the laws they will pay and tax benefits that will be useful for their lives (Utomo, 2011).

The knowledge of taxation will help taxpayer compliance in paying tax, so the level of compliance will increase. Taxpayers who are have knowledge on tax will self-consciously be obedient to pay tax. A taxpayer will obey paying tax if the taxpayer has knowledge on taxation well. If the taxpayer knows the tax regulations, then the taxpayer will obey his tax obligations and will increase taxpayer compliance.

Indonesia's tax collection system has changed from an official assessment system to self assessment system. The official assessment system is tax collection system that authorizes the tax authorities to determine the amount of tax owed by taxpayers (Budiyono and Restu Putri, 2021). Self assessment system is tax collection system that gives taxpayers the authority to determine the amount of tax owed. But in practice, the tax collection system in Indonesia is difficult to run as expected. Sadhani (quoted by Tarjo and Kusumawati, 2006) explained that the level of tax compliance is still relatively low as indicated by the small number of individuals who have Taxpayer Identification Number (NPWP) and report the tax return.

The compliance of taxpayers in meeting their tax obligations is also influenced by the motivation of the taxpayers. Motivation is one of the important factors that must be owned by individuals. Because with this motivation people will eagerly carry out an activity. Without motivation, people will be weak, pessimistic and not classified as active.

Motivation derives from the Latin word "movere" which means the drive or driving force. So motivation is an impulse regulated by purpose and rarely appears in a vacuum. This motivation is only given to humans, especially to subordinates or followers (Sumadi and Santoso, 2022). The motivation of the individual taxpayer still needs to be increased by the Director General of Taxes so that awareness and compliance increase that will make revenue also increase (Putri, 2016).

In broad terms, education can be interpreted as a process with certain methods so that people gain knowledge, understanding, and how to behave in accordance with the needs. According to Tardif, in a broad and representative sense, education is all stages of developing human abilities and behaviors, as well as the process of using almost all life experiences (in Shah, 2010).

2. Research Method

The type of data used in this study is primary data. Primary data is the data obtained directly from the object being studied. In this study primary data were obtained by distributing questionnaires to respondents.

This research was conducted at the East Semarang Pratama Tax Service Office (KPP) which is located at Jalan Ki Mangunsarkoro No.34, Karangkidul, Central Semarang Subdistrict, Semarang City. The time of the study was carried out in December 2019 until completion.

The data source used in this study is primary data. The sources of this data are the respondents who have NPWP registered at KPP Pratama of East Semarang through questionnaire. The type of scale used to answer the part of the research questions is the Likert scale, namely the method used to measure the attitudes, opinions, and perceptions of a person or group of people about a social phenomenon (Indriantoro et al, 2002).

The population in this study is the Personal Taxpayer registered at KPP Pratama of East Semarang. The sampling method in this study is nonprobability sampling, namely incidental sampling.

This study will be analyzed using SPSS 23.0. The data analysis technique of this study used multiple linear regression and the data analysis technique used descriptive statistics, data quality testing, classical assumption testing and hypothesis testing.

3. Results and Discussion

Results

Research Data Description

Questionnaires were distributed directly to the respondents total of 125 questionnaires. From 125 questionnaires distributed, only 120 questionnaires could be processed.

Table 1. Descriptive statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Taxation Knowledge	120	10	27	19,08	3,702
Motivation to Pay Tax	120	10	27	18,45	3,759
Education Level	120	6	20	13,80	2,592
Taxpayer Compliance	120	20	43	33,38	4,653
N Valid (listwise)	120				

Data Quality Test

Reliability Test

X1 Variable Reliability Test

Table 2. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,726	,742	6

Source: Primary data processed in SPSS

The SPSS Output display in the Reliability Statitics table above in the Cronbach's Alpha based on Standardized Items column shows the value of 0.742 or 74.2%. According to the Gozhali Guidelines (2006) by default the variable X1 is said to be reliable because the coefficient of α is more than 0.6.

X2 Variable Reliability Test

Table 3. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,676	,671	6

Source: Primary data processed in SPSS

The output display in the Reliability Statistics table above in the Cronbach's Alpha based on Standardized Items column shows the value of 0.671 or 67.1%. According to the guidelines of Ghozali (2006) by default the X2 variable is said to be reliable because the coefficient of α is more than 0.6.

X3 Variable Validity and Reliability Test

Table 4. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,881	,875	4

Source: Primary data processed in SPSS

The SPSS Output display in the Reliability Statistics table above in the Cronbach's Alpha based on Standardized Items column shows the value of 0.875 or 87.5%. According to the guidelines of Ghozali (2006) by default the X3 variable is said to be reliable because the coefficient of α is more than 0.6.

Y Variable Reliability Test

Table 5. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,802	,785	10

Source: Primary data processed in SPSS

The SPSS Output display in the Reliability Statistics Table above in the Cronbach's Alpha based on Standardized Items column shows the value of 0.785 or 78.5% which according to Ghozali guidelines (2006) by default the Y variable is said to be reliable because the coefficient of α is more than 0.6.

Validity Test

Table 6. X1 Variable Validity Test

	Mean	Std. Deviation	N	r Count	r Table	Note
X1	3,60	1,219	120	0,5176	0,1793	Valid
X2	3,63	1,093	120	0,3259	0,1793	Valid
X3	3,60	1,219	120	0,5176	0,1793	Valid
X4	3,48	1,159	120	0,3801	0,1793	Valid
X5	3,05	1,091	120	0,2413	0,1793	Valid
X6	3,36	1,060	120	0,2804	0,1793	Valid

Source: Primary data processed in SPSS

In the testing, the validity can be seen from the SPSS Output display in the Validity Test table showing the *r count* of X1.1 indicator obtained the value of 0.5176, X1.2 indicator obtained the value of 0.3259, X1.3 indicator obtained the value of 0.5176, X1.4 indicator obtained the value of 0.3801, X1.5 indicator obtained the value of 0.2413 and X1.6 indicator obtained the value of 0.2804. All of the indicators show that *r count* is greater than *r table* where *r table* = 0.1793. It can be concluded that all of X1 indicators are valid and can be followed up.

Table 7. X2 Variable Validity Test

	Mean	Std. Deviation	N	r Count	r Table	Note
X7	3,32	1,137	120	0,4657	0,1793	Valid
X8	3,48	1,145	120	0,4944	0,1793	Valid
X9	3,66	1,134	120	0,4531	0,1793	Valid
X10	3,59	1,156	120	0,4141	0,1793	Valid
X11	3,76	1,296	120	0,5632	0,1793	Valid
X12	3,73	1,352	120	0,6389	0,1793	Valid

Source: Primary data processed in SPSS

In the testing the validity can be seen from the SPSS Output display in the Validity Test table showing the X2.1 indicator obtained the value of 0.4657, X2.2 indicator obtained the value of 0.4944, X2.3 indicator obtained the value of 0.4531, X2.4 indicator obtained the value of 0.4141, X2.5 indicator obtained the value of 0.5632 and X2.6 indicator obtained the value of 0.6389. All of X2 indicators show that *r count* is greater than *r table* where *r table* = 0.1793, this means X2 indicators are said to be valid and can be followed up.

Table 8. X3 Variable Validity Test

	Mean	Std. Deviation	N	r Count	r Table	Note
X13	3,77	1,262	120	0,6856	0,1793	Valid
X14	3,73	1,179	120	0,7197	0,1793	Valid
X15	3,77	1,262	120	0,4531	0,1793	Valid
X16	3,77	1,262	120	0,4141	0,1793	Valid

Source: Primary data processed in SPSS

In the testing the validity can be seen from the SPSS Output display with the Validity Test Table showing X3.1 indicator obtained the value of 0.6856, X3.2 indicator obtained the value of 0.7197, X3.3 indicator obtained the value of 0.4531 and X3.4 indicator obtained the value of 0.4141. All X3 indicators show that *r count* is greater than *r table* where *r table* = 0.1793, this means X3 indicators are said to be Valid and can be followed up.

Table 9. Y Variable Validity Test

	Mean	Std. Deviation	N	r Count	r Table	Note
Y1	3,65	1,207	120	0,4754	0,1793	Valid
Y2	3,68	1,062	120	0,3295	0,1793	Valid
Y3	3,73	1,179	120	0,7197	0,1793	Valid
Y4	3,73	1,179	120	0,7197	0,1793	Valid
Y5	3,73	,968	120	0,3041	0,1793	Valid
Y6	3,60	1,118	120	0,5661	0,1793	Valid

Y7	3,65	1,082	120	0,3814	0,1793	Valid
Y8	3,83	,882	120	0,2253	0,1793	Valid
Y9	3,73	1,179	120	0,7197	0,1793	Valid
Y10	3,73	1,179	120	0,7197	0,1793	Valid

Source: Primary data processed in SPSS

In the testing the validity can also be seen from the SPSS Output display in the Validity Test Table showing *r count* of Y1 indicator obtained the value of 0.4754, Y2 obtained the value of 0.3295, Y3 obtained the value of 0.7197, Y4 obtained the value of 0.7197, Y5 obtained the value of 0, 3041, Y6 obtained the value of 0.5661, Y7 obtained the value of 0.3814, Y8 obtained the value of 0.2253, Y9 obtained the value of 0.7197, and finally Y10 obtained the value of 0.7197. From the value obtained, all indicators of Y indicate that *r count* is greater than *r table*, where *r table* = 0.1793 meaning that all indicators of Y are said to be Valid and can be followed up.

Classical assumption test
a. Multicollinearity Test

Table 10. Multicollinearity Test
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	19,178	3,057		6,274	,000		
	Taxation Knowledge	,333	,110	,265	3,011	,003	,931	1,074
	Motivation to Pay Rax	,193	,107	,156	1,807	,003	,963	1,038
	Education Level	,311	,157	,173	1,983	,005	,945	1,058

a. Dependent Variable: Taxpayer Compliance
Source: Primary data processed in SPSS

In the Coefficients[a] table above, when it is viewed from the Collinearity column the value of low tolerance is the same as the high VIF value, the results of the tolerance value calculation indicate that there is no independent variable that has value less than 0.1, which means there is no correlation among the independent variables.

The VIF value calculation results also show the same thing, there is no single variable that has VIF value of more than 10, so it can be concluded that there is no multicollinearity among the independent variables in the regression model.

b. Normality Test

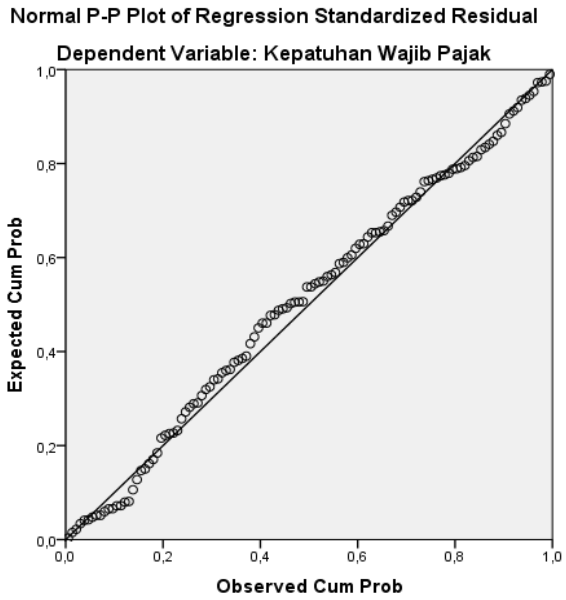

Figure 1

Based on the histogram graph and the normal plot graph above, it can be concluded that the data spread around the diagonal line and follow the direction of the diagonal line or the histogram graph shows the normal distribution pattern, then the regression model meets normality.

c. Heteroscedasticity Test

Table 11. Glejser Test
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,047	1,851		1,106	,271
	Taxation Knowledge	,038	,067	,055	,570	,570
	Motivation to Pay Tax	,015	,065	,023	,239	,811
	Education Level	,022	,095	,022	,233	,816

Dependent Variable: abs_Res

Based on the output above, it is found that the significance (Sig) value for Taxation Knowledge (X1) variable is 0,570. While the significance (Sig) value for Motivation to Pay Tax (X2) variable is 0,811 and significance (Sig) value for Education Level (X3) variable is 0,816. Because the three variable significance values are greater than 0,05, then it can be concluded that there is no heteroscedasticity on the regression model.

Multi Linier Regression Analysis

Table 12. Multi Linier Regression

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	19,178	3,057		6,274	,000
	Taxation Knowledge	,333	,110	,265	3,011	,003
	Motivation to Pay Tax	,193	,107	,156	1,807	,003
	Education Level	,311	,157	,173	1,983	,005

a. Dependent Variable: Taxpayer Compliance
Sumber : Primary data processed in SPSS

The multi linier regression equation is obtained as follows:

Y = 19.178 + 0,333X_1X_1 + 0,193X_2X_2 + 0,311X_3X_3

Simultan Parameter Significant Test (F Test)

Table 13. F Test

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	425,550	3	141,850	7,650	,000[b]
	Residual	2150,816	116	18,542		
	Total	2576,367	119			

a. Dependent Variable: Taxpayer Compliance
b. Predictors: (Constant), Education Level, Motivation to Pay Tax, Taxation Knowledge
Source : Primary data processed in SPSS

From the ANOVA test or F test on the above table, it is noticed that $F_{count}F_{count}$ value is 7.650 with probability 0,000[b]. Because the probability is smaller than 0,05, then regression model can be used to predict the compliance of taxpayer or it can be said that taxation knowledge, motivation to pay tax and education level have an effect on taxpayers compliance.

Individual Parameter Significant Test (t Test)

Table 14. Individual Parameter Significant Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	19,178	3,057		6,274	,000
	Taxation Knowledge	,333	,110	,265	3,011	,003
	Motivation to Pay Tax	,193	,107	,156	1,807	,003
	Education Level	,311	,157	,173	1,983	,005

a. Dependent Variable: Taxpayer Compliance
Sumber : Primary data processed in SPSS

If it is seen from Coefficients[a] above, of the three variables included in regression model the significance level of taxation knowledge variable is 0,003, significance level of motivation to pay tax is 0,003, and significance level of education level variable is 0,005. All variables show the significance level is less than 0,1, it means that taxpayers compliance is influenced by taxation knowledge, motivation to pay tax, and education level individually

Determination Coefficient (R^2)

Table 15. Determination Coefficient

Summary Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,406[a]	,165	,144	4,306

a. Predictors: (Constant), Education Level, Motivation to Pay Tax, Taxation Knowledge

Sumber : Primary data processed in SPSS

From the Summary Model table above, in the Adjust R Square column it is obtained a value of 0.144, this means that 14.4% of the taxpayer compliance variable can be explained by the independent variables of taxation knowledge, motivation to pay tax, and education level, while the remaining 85.6% (100% - 14.4%) is explained by other causes that are not explained in the model.

Discussion

The Effect of Taxation Knowledge on Taxpayer Compliance

The test results indicate that the taxation knowledge variable has significant effect on the taxpayer compliance to pay tax with positive direction. This shows that the higher the taxation knowledge, the higher the tax compliance. In other words, the taxation knowledge owned or understood by taxpayers affects taxpayers in paying their tax.

The results of this study are consistent with the research conducted by Ginting et al (2017), because the results of this study state that taxation knowledge affects taxpayer compliance.

The Effects of Motivation to Pay Tax on Taxpayer Compliance

The test results indicate that the motivation to pay tax variable has significant effect on taxpayers compliance to pay tax with positive direction. This shows that the higher motivation of taxpayers to pay tax, the higher the tax revenue.

The results of this study are consistent with the study of Anggraini (2015), and Putri (2016), which states that the motivation variable influences tax compliance. This study contrasts with Ginting et al (2017) which states that the motivation to pay tax has partial effect on taxpayer compliance.

The Effect of Education Level on Taxpayer Compliance

The results of this study state that there is an effect between the level of education and tax compliance. This proves that the higher the level of education, the higher the level of compliance. This means that if the taxpayer understands taxation, the tendency of taxpayers to obey will increase.

The results of this study are consistent with the research conducted by Putri (2016), and Kakunsi et al (2017). The results of the study state that the education level has an effect on taxpayer compliance.

4. Conclusion

This study aims to determine the effect of Taxation Knowledge, Motivation to Pay Tax, and Education Level variables on Personal Taxpayer Compliance at KPP Pratama of East Semarang in 2019. Based on the results of the calculations and analysis that have been done, the following conclusions can be drawn:

Taxation Knowledge

Taxation Knowledge has positive and significant effect on the compliance of personal taxpayers at KPP Pratama of East Semarang in 2019.

Motivation to Pay Taxes

Motivation to Pay Tax has positive and significant effect on the compliance of personal taxpayers at KPP Pratama of East Semarang in 2019.

Education Level

The education level has positive and significant effect on the compliance of personal taxpayers at KPP Pratama of East Semarang in 2019.

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