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Determination of Tax Payers Behavior on Tax Reporting with E-Filing System

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Abstract
This study aims to obtain empirical evidence of the factors in TAM and TPB which explain the behavior of taxpayers in reporting taxes by e-filing. The location of the study was conducted at the Singaraja Pratama Tax Service Office. The research method used is quantitative research methods with primary data obtained from questionnaire data. The population in this study were all individual taxpayers registered at the Pratama Singaraja Tax Service Office, totaling 70,592 people. Based on this population using the Slovin formula the number of samples in this study was 400 respondents. The sampling technique in this study was snowball sampling. Data analysis techniques using Variance (Partial Least Square) Structural Equation Modeling Path Analysis. The results of the study show that the factors that influence the behavior of taxpayers' acceptance of e-filing are the perceptions of ease of use, perceptions of usefulness, tax justice, attitudes toward use, perceptions of control behavior, subjective norms, and intentions to use. Other factors, namely gender, education level, income level, and risk perception have no effect on the behavior to use e-filing.
Keywords: tax reporting, e-filing, structural equation modeling, partial least square, acceptance behavior.

1. Introduction

According to Mardiasmo (2015) Indonesia's low tax ratio, among others, was triggered by the low level of taxpayer compliance and limited tax administration capacity, from 254.8 million Indonesians up to January 2015, only 26.8 million individual taxpayers were registered while on the other hand potential workers reaching 44.8 million people and 15-year-old population that can be categorized as productive age, reaching 206.6 million people. Tax administration is a process that covers all activities to carry out various tax functions. The tax function includes: registration, reporting of the Notice of Tax Return (SPT), issuance of the Tax Assessment Letter (SKP), collection of tax debt, settling disputes with Taxpayers in accordance with the authority of the Directorate General of Taxes and removing tax debt (Mansury, 2002).

The Indonesian government continues to make efforts to increase the tax ratio including modernizing tax administration carried out by DGT covering 4 (four) main things, namely organizational restructuring, optimizing the use of communication and information technology, improving human resource management systems, and ensuring the realization of good governance. The efforts made in realizing the modernization of taxation are by creating an online-based tax reporting system, e-filing.

The use of e-filing to report taxes in Indonesia has increased from year to year. Number of Taxpayers who submit SPT through e-filing for the submission of SPT 2017 totaling 8.47 million Taxpayers, SPT 2016 as much as 8.05 million Taxpayers, SPT 2015 as much as 7.96 million Taxpayers, and SPT 2014 as much as 2.49 million Taxpayer. A sharp increase occurred in the use of e-filing in 2015 SPT reporting compared to 2014 SPT reporting which increased by more than 200 percent.

The use of e-filing which is increasing from year to year reflects a shift in the way of manual tax reporting towards technology-based tax reporting so that it is interesting to examine what determinants influence the behavior of taxpayers in receiving e-filing systems. Determination of behavior in this study is intended as things that determine or determine the factors that determine the behavior of taxpayers in using e-filing. In general, e-filing through the website of the Directorate General of Taxes (DGT), addressed at www.pajak.go.id is an SPT reporting system using internet facilities without going through other parties and without any fees made by DGT to make it easier for Taxpayers to report the Annual Notice (SPT) to the DGT. The use of e-filing for Taxpayers provides time efficiency benefits by not having to wait for long queues at Dropbox locations or Tax Service Offices (KPP) (www.pajak.go.id, 2012).

Determination of factors that influence behavior to receive e-filing can be explained by the Technology Acceptance Model (TAM) and Theory of Planned Behavior (TPB) Models. Taxpayers' behavior to use the e-filing system can take the form of a desire to use it and for taxpayers who have used e-filing are willing to continue to use it now and in the future. Taxpayers' behavior to use an e-filing system can be tangible in the opposite, namely that taxpayers are reluctant to try to use e-filing and taxpayers do not intend to continue using e-filing in the future. Research in Indonesia on the application of an online tax system was carried out by Susanto (2011) who found that taxpayer acceptance behavior that had tried or used the e-filing system was influenced by factors such as

perceived ease of use, perceived complexity of use, perceived usefulness, voluntary use, and subjective norms, while other factors such as usage experience, risk perception, perception of ability to control and gender have no significant effect on the intention of Taxpayers to use e-filing. Agus's (2013) study of the use of e-billing systems found that perceptions of usability and perceived ease of influence influenced intentions, attitudes, and perceptions of ease of use had an effect on perceptions of usefulness and attitude towards behavioral intentions.

2. Literature Review

2.1 Theory of Planned Behavior (TPB)

Further development of the Theory of Reasoned of Action (TRA) is the Theory of Planned Behavior (TPB). Ajzen (1985) in TPB adds a variable that is not yet in TRA namely perceived behavioral control. The addition of behavioral control perception variables is to understand the limitations that individuals have in order to conduct certain behaviors, in other words, the conduct or non-conduct of a behavior is not only determined by subjective attitudes and norms but also by individual perceptions of control that can be derived from his beliefs. against these controls (control beliefs). Ajzen (2005) then completes TPB by adding individual background factors.

2.2 Technology Acceptance Model (TAM)

Davis (1989) developed a model to explain technology acceptance that would be used by technology users called the Technology Acceptance Model (TAM). Davis uses TRA as a grand theory to formulate TAM but does not adopt all components of the TRA theory. According to Davis in Ramdhani (2007) the behavior of using IT (Information Technology) begins with the perception of usefulness and perceptions of ease of use of IT (ease of use), these two elements when linked to TRA are part of Belief. Davis defines the perception of usefulness based on the definition of useful words that is capable of being used advantageously or can be used for profitable purposes. Perceived usefulness is a benefit that individuals believe can be obtained when using IT. In the organizational context, usability is associated with improving individual performance, either directly or indirectly, which has an impact on the opportunity to obtain various benefits, whether physical or material or non-material.

2.3 Acceptance of Information Technology by Tax Payer

Dillon (2001) defines user acceptance as the desire shown in a group of users to use information technology. Acceptance of technology can be defined as the breadth of the distribution of a technology in an organizational or community process and becomes an integral part of the tasks associated with the process (Cooper and Zmud 1990; Fichman and Kemerer 1997). In this study the meaning of the user is a taxpayer (WP) and what is meant by information technology is e-filing so that the understanding of the acceptance of information technology users by taxpayers (WP) is the desire shown by taxpayers to use e-filing, as well as the breadth the use of e-filing that is absorbed by taxpayers to carry out an organizational process which in this case is tax reporting.

2.4 E-filing system

The rapid development of information technology has encouraged government agencies around the world to start developing e-government and e-services applications to provide services to citizens and businesses. World wide web and internet have streamlined government information, products and services to those in need, one of the leading e-Government services is e-filing, this system is one of the information technology innovations in supporting tax administration.

The definition of e-filing has the difference between one definition and another, one definition is:"The use of internet technology, the World Wide Web and tax software for a wide range of tax administration and compliance purposes" (Lai, et al, 2004). E-filing is an application of information systems where citizens interact with complex IT systems (Gallant, et al, 2007).

3. Hypothesis

H1: Usability perception has a positive effect on the attitude of using e-filing.
H2: Perception of ease has a positive effect on the attitude of using e-filing.
H3: Perception of the ease of use of the e-filing system has a positive effect on the perception of the usefulness of the e-filing system.
H4: Gender affects the perception of the usefulness of the e-filing system.
H5: The level of education has a positive effect on the perception of the usefulness of the e-filing system.
H6: Income level has a positive effect on the perceived usefulness of the e-filing system.
H7: Tax justice has a positive effect on the attitude of using e-filing.
H8: Perception of behavior control has a positive effect on behavioral intention to use e-filing.
H9: Subjective norms have a positive effect on the intention to use e-filing.
H10: Perception of risk negatively affects the intention to use e-filing.
H11: Attitudes towards the use of e-filing have a positive effect on the intention to use e-filing.

H12: The intention to use the e-filing system has a positive effect on the behavior to use e-filing.

4. Research Methods

The population in this study is an Individual Taxpayer who is registered at the Singaraja Primary Tax Service Office. Determination of the number of samples using the Slovin formula with a 5 percent error tolerance limit obtained a minimum number of samples of individual taxpayers registered in KPP Pratama Singaraja as many as 398 people. The sample selection method uses snowball sampling, a sample determination technique that is initially small in number, then enlarges (Sugiyono, 2013, 97). The first time a sample of 40 respondents will be met randomly from 40 respondents will be asked to give references to the next respondent and if the respondent has not fulfilled, the respondent will request another reference. Respondents selected as samples are Individual Taxpayers who have submitted the 2015 Annual Tax Return and have been registered as taxpayers for more than 1 year. The analysis technique used in this study is a structural equation model (SEM) based on variance or Component based SEM, called Partial Least Square (PLS).

5. Result Discussion

Testing to find out the magnitude of the ability of endogenous variables to explain the diversity of exogenous variables, or in other words to determine the magnitude of the contribution of exogenous variables to endogenous variables using the goodness of fit model. The test results are determined by the value of Q-Square predictive relevance (Q2) for more than one dependent variable or R-Square (R2) for the dependent variable is only one. The results of the Goodness of fit Model are presented in the Table. 1 following:

Tabel 1. Goodness Of Fit Model

Variabel	R Square
Intention	0,699
Attitude	0,197
Financial Perception	0,106
Behavior	0,670

$Q\ Square = 1-((1-R^2_{niat})\ (1-R^2_{perilaku})\ (1-R^2_{persepsi\ kegunaan})\ (1-R^2_{sikap}))$
$Q\ Square = 1-(\ 0{,}301 \times 0{,}803 \times 0{,}894 \times 0{,}330)$
$Q\ Square = 1-\ 0.071$
$Q\ Square = 0.929$

Source: Primary data, 2017

Based on Table 1 it is obtained that the value of R-Square on the Intent to Use E-Filling variable, is 0.699 or 69.9 percent which shows that the contribution of the Attitudes to E-Filling and Behavior Control Perceptions of Intention to Use E-Filling is 69.9 percent while the remaining 30.1 percent is the contribution of other variables not addressed in this research.

The R-Square value on the Behavior To Use E-Filling variable is 0.197 or 19.7 percent indicating the contribution of Intention to Using E-Filling to the E-Filling Behavior is 19.7 percent while the remaining 80.3 percent is the contribution of other variables not discussed in this research.

The value of R-Square on the Perception Usefulness variable is 0.106 or 10.6 percent indicating that the contribution of the variable Gender, Education Level, Income Level, and Perception of Ease of Use to Usability Perceptions is 10.6 percent, while the remaining 89.4 percent is the contribution of other variables not addressed in this research.

The R-Square value on the Attitude Towards the Use of E-Filling variable is 0.670 or 67 percent indicating that the contribution of the Usage Perception, Perception of Ease of Use, and Tax Justice on the Attitude to the Use of E-Filling is 67 percent, while the remaining 33 percent is a variable contribution others that were not discussed in this research.

The value of Q-square on the Behavior variable to use E-Filling, valued at 0.929 or 92.9 percent indicates that the contribution of the variable Gender, Level of Education, Income Level, Perception of Usability, Perception of Ease of Use, Attitude to the Use of E-Filling, Tax Justice, Control Perception Behavior, Subjective Norms, Risk Perception, and Intention to Use E-Filling on the Behavior for Using E-Filling as a whole is 92.9 percent while the remaining 7.1 percent is the contribution of other variables not addressed in this research.

Significance testing is used to test whether there is an influence of exogenous variables on endogenous variables. The testing criteria state that if the t-statistics value ≥ t-table (1.96) then there is a significant effect of exogenous variables on the endogenous variables. The results of significance testing are presented in Table 2 below:

Tabel 2. Hypothesis Testing Result

Hipotesis	Hubungan	t-statistik	t-tabel sig 95%	Hasil Pengujian
1	Usability perception -> attitude of using e-filing	21,646	1,96	Unaccepted H0 (Significant)
2	Perception of ease -> attitude of using e-filing	6,945	1,96	Unaccepted H0 (Significant)
3	Perception of the ease of use of the e-filing system -> perception of the usefulness of the e-filing system	8,649	1,96	Unaccepted H0 (Significant)
4	Gender -> usefulness of the e-filing system	1,161	1,96	Accepted H0 (Unsignificant)
5	The level of education -> usefulness of the e-filing system	0,183	1,96	Accepted H0 (Unsignificant)
6	Income level -> perceived usefulness of the e-filing system	0,205	1,96	Accepted H0 (Unsignificant)
7	Tax justice -> attitude of using e-filing	3,124	1,96	Unaccepted H0 (Significant)
8	Perception of behavior control -> intention to use e-filing	8,566	1,96	Unaccepted H0 (Significant)
9	Subjective norms -> intention to use e-filing	7,054	1,96	Unaccepted H0 (Significant)
10	Perception of risk -> intention to use e-filing	0,672	1,96	Accepted H0 (Unsignificant)
11	Attitudes towards the use of e-filing -> intention to use e-filing	2,26	1,96	Unaccepted H0 (Significant)
12	Intention to use the e-filing system -> behavior to use e-filing	12,111	1,96	Unaccepted H0 (Significant)

Source: Primary data, 2017

Based on Table 2 obtained the results of several hypotheses showed a non-significant relationship that is for the relationship of gender to perception of usefulness (hypothesis 4), the relationship between education levels on perceived usefulness (hypothesis 5), the relationship of income levels to perceived usefulness (hypothesis 6), and the relationship of perception risk of intention to use e-filing (hypothesis 10).

Based on the results of hypothesis testing, it was found that some variables were not significantly related namely variables of gender, level of education, level of income had no significant effect on perceived usefulness variables and risk perception variables were not significantly related to the intention to use e-filing. The relationship between variables both directly and indirectly can be divided into 4 lines and made structural equations as follows:

$$\text{Perceived Usefulness} = 0{,}324\ \text{PEOU} + ß1 \quad (1)$$

$$\text{Attitude} = 0{,}663\ \text{PU} + 0{,}286\ \text{PEOU} + 0{,}078\ \text{TE} + ß2 \quad (2)$$

$$\text{Intention} = 0{,}177\ \text{ATU} - 0{,}814\ \text{PBC} + 0{,}196\ \text{SN} + ß3 \quad (3)$$

$$\text{Behavior} = 0{,}444\ \text{BI} + ß4 \quad (4)$$

From the equation that is formed can be explained that the Coefficient Perception Ease of Use against Perceptions of Use of 0.324 states that Perception of Ease of Use has a positive and significant effect on Perceptions of Use. This result is in accordance with Susanto (2011) and Lu, et al (2010) research that in addition to directly influencing the individual's attitude towards the use of e-filing, it can also indirectly influence the perception of usefulness, which means that it is easier to feel the use of e-filing. positive one's perception of the usefulness of e-filing. Taxpayers' perception of the ease of operating e-filing can increase the perception of the benefits of using e-filing.

Coefficient Perception Usability against Attitudes to Use E-Filling of 0.663 states that Perception Usability has a positive and significant effect on the Attitude of Using E-Filling. These results are consistent with the research of Susanto (2011) and Lu, et al (2010) that Perceptions of Use have a positive effect on the attitude of

using E-Filing which means that the higher a person's perception of the usefulness of IT, the more positive attitudes toward IT use. Taxpayers' perception of the benefits of using e-filing in reporting taxes will increase a positive attitude towards the use of e-filing.

Perception Coefficient of Ease of Use of Attitudes The use of E-Filling of 0.286 states that Perception of Ease of Use has a positive and significant effect on Attitudes toward the Use of E-Filling. These results are consistent with Susanto's (2011) and Lu, et al (2010) research that perceived ease of use has a positive effect on perceived usefulness, which means that the higher the individual's perception of the ease of use of IT, the more positive attitudes toward IT usage. Taxpayers' perception of the ease of operating e-filing can increase a positive attitude towards the use of e-filing.

The Tax Justice Coefficient on Attitudes The use of E-Filling of 0.078 states that Tax Justice has a positive and significant effect on the Attitude of Using E-Filling. This result is consistent with the research of Lu, et al (2010) that the more positive the Taxpayer's perception of tax justice will lead to a positive attitude towards the acceptance of IT in tax reporting so that it can improve IT use behavior.

The Attitude Using E-Filling Coefficient Against Intention to Use E-Filing of 0.177 states that the Attitude of Using E-Filing has a positive and significant effect on the Intention to use E-Filling. This result is consistent with the study of Horst, et al (2007) that the more positive the Taxpayer's perception of e-filing services, the intention to use e-filing is more positive.

Behavioral Control Perception Coefficient of Intention to Use E-Filling of -0.814 states that the Behavioral Control Perception has a negative and significant effect on Intention to use E-Filling. This result differs from Susanto's (2011) study showing that perception of behavioral control does not have a significant effect on behavioral intention to use e-filing while in line with research by Lu, et al (2010) that perception of behavioral control has a positive effect on behavioral intention to use e- Filing of research results shows that the lower the perception of Taxpayers towards their ability to control IT, the smaller the intention to use the e-filing system in reporting their taxes.

The Subjective Norms Coefficient of Intention to Use E-Filling of 0.196 indicates that Subjective Norms have a positive and significant effect on Intention to Use E-Filling. This result is in line with Susanto's (2011) and Lu, et al (2010) research that the greater the social influence to use e-filling facilities to report taxes the greater the intention of a person to use e-filing.

6. Conclusion And Recommendation

With the various analyzes that researcher have undertaken, and based on the limitations of this research, some recommendation can be given as follows:

Based on the results of the analysis, it can be concluded that the factors that influence the behavior of taxpayers to use e-filing are perceptions of ease of use both directly and through perceptions of usefulness towards the attitude of using e-filling. The perceived ease in using E-Filling increases the perception of taxpayers on the uses or benefits obtained from the use of E-Filling. Usefulness or benefits obtained by using E-Filling such as speeding up reporting, making efficient reporting time can make taxpayers have a positive attitude like likes or like to use E-Filling in their tax reporting. Feelings of pleasure and love in using E-Filling can increase the Intention to Use E-Filling and can change the Taxpayer's Behavior to report E-Filling at this time and in the future.

Perception Usability affects the attitude of using e-filling. Taxpayers who feel the benefits of using e-filling to report their taxes can increase a positive attitude on the use of E-Filling. A happy or like attitude can lead to the intention to use E-Filling and can change behavior in using E-Filling.

Tax Justice affects the attitude of using E-Filling. Taxpayers who feel the same treatment with other taxpayers and feel that taxes paid according to the services provided by the government for him will increase the feeling of liking or pleasure to use E-Filling in tax reporting and increase the intention and even behavior to use e-filling. How easy the system is to be used and how useful the system is, but there is no justice in the field of taxation can reduce the intention and even the behavior to report taxes.

Attitude to the use of E-Filing affects the intention to use E-Filing. Taxpayers who feel that they are getting good services from the government in carrying out their obligations by providing e-filing systems tend to feel happy and will intend to use e-filing services in carrying out their tax obligations.

Behavioral Control Perceptions affect the Intention to Use E-Filing. Taxpayers who feel that they cannot afford to do tax reporting with E-Filling such as not mastering IT technology can reduce the intention to report taxes using E-Filling even if forced to reduce the intention to report taxes.

Subjective Norms affect Intention to Use E-Filling. The intention to use e-filling in reporting taxes can be influenced by the taxpayer environment such as friends or family, the more friends and families of taxpayers who use e-filling in reporting their taxes can increase the taxpayer's intention to use e-filling.

Intention to Use E-Filling affects the Behavior for Using E-Filling. Taxpayers who have felt the ease of using e-filling, feel the benefits of using e-filling, have the ability to operate e-filling systems, feel fairness in the field of taxation, get influence from the social environment to use e-filling in reporting taxes can increase their desire

to using e-filling as a means of tax reporting.

From the results of the study, it was found that the factors that influence the use of e-filling are perceptions of ease of use, perception of usefulness, tax justice, attitude of using e-filling, perception of behavioral control, subjective norms, and e-filling intentions. The government is advised to make an e-filling system that is easy to use, easy to register so that taxpayers like to use e-filling. Socialization is needed- socialization of how to use e-filing and contacts that can be contacted if there are constraints in the use of e-filing and provide assistance in the form of services such as helpdesk, dropbox, mobile tax cars or in collaboration with village officials to teach how to report e-filing or assistance to upload SPT by e-filing for users who do not master technology so that the application of e-filling uses does not cause a reduction in taxpayer compliance in reporting taxes.

The test results that found the coefficient of e-filling use intention below 0.5 so that there are many other factors that support the use of e-filling behavior. Further research is expected to find other factors that influence the system of using e-filling in tax reporting. The incorporation of Theory Acceptance Model and Theory Planned Behavior proved to be able to explain the intentions in the reception of information technology, especially e-filling in tax reporting. Future research is expected to combine the two theories in explaining the factors of acceptance behavior towards the application of other accounting and taxation systems. This research is expected to provide an adequate picture of the relationship with the implementation of e-filing. The community is expected to be able to make good use of the services provided by the Director General of Taxation to facilitate meeting the taxpayer's administrative compliance, namely reporting the tax return.

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