

Moderation Tax Incentive on the Effect of Tax Service Quality and Tax Knowledge on Taxpayer Compliance

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Abstract

This study aims to obtain empirical evidence regarding the effect of tax service quality and tax knowledge on taxpayer compliance, moderating tax incentives on the effect of tax service quality on taxpayer compliance and moderating tax incentives on the effect of tax knowledge on taxpayer compliance. The population in this study are corporate taxpayers registered at the KPP Pratama Denpasar Timur. The data used is primary data collected through survey techniques using a questionnaire. The data analysis technique used is moderation regression analysis (MRA). Determination of the sample is done by non-probability method with simple random sampling technique. This study analyzed the primary data questionnaire from 100 respondents' answers. Based on the regression analysis, the results of descriptive statistics were obtained with the mean of each variable approaching the maximum value. The variable of tax service quality (X1) with a mean of 5.44, tax knowledge (X2) with a mean of 5.45, tax incentives (Z) with a mean of 5.59, and taxpayer compliance with a mean of 5.51. It can be concluded that the Tax service quality affects taxpayer compliance, tax knowledge affects taxpayer compliance, tax incentives strengthens the effect of tax service quality on taxpayer compliance and tax incentives strengthens the effect of tax knowledge on taxpayer compliance.

Keywords: service quality, knowledge, incentives, compliance

DOI: 10.7176/RJFA/13-4-04

Publication date: February 28th 2022

INTRODUCTION

Tax revenues in the Bali region in particular also experienced a decline. Head of Counseling, Service and Public Relations (P2Humas) Regional Office of the DJP Bali Ida Ernawati said the decline in tax revenue was strongly influenced by the unrecovered tourism industry in Bali. Bali's economic downturn due to the pandemic is rooted in Bali's dependence on the tourism sector with alternative sectors such as agriculture and fisheries, construction, and education/health services that are not managed properly. The closure of entry access for tourists as well as the closure of the tourist attractions themselves have caused the cessation of various types of businesses affiliated with tourism such as wholesale and retail trade, provision of accommodation, food and beverages (akmamin), processing industries, service industries, to transportation.

Denpasar City as one of the areas in Bali where most of the people rely on tourism as a livelihood also feel the enormity of the impact of Covid-19. The impact of the economic wheels of the Denpasar community also affects the reporting of the Annual Tax Return of the KPP Pratama taxpayers in Denpasar, especially the East Denpasar KPP Pratama. Until 2020, the number of corporate taxpayers registered at the East Denpasar Tax Service Office (KPP) is 5,514 taxpayers. However, the realization of annual corporate tax return reporting in 2020 was only 63.04% or as many as 3,476 corporate taxpayers. This number has decreased considering the realization of annual corporate tax returns reporting in 2019 as many as 3,786.

Not yet finished with the problem of taxpayer compliance, now the government has to face another problem, namely the COVID-19 pandemic. The COVID-19 pandemic is spreading rapidly and affecting almost all segments of people's lives. The high rate of the spread of this virus forces us to limit activities outside the home and must stay away from crowds. This condition is certainly very difficult for people to move in carrying out their daily activities. Business activities to worship had to be abolished while waiting for the situation to return to conducive. Ronny Bako, a Tax Observer at Pelita Harapan University on CNBC Indonesia (2021) argues that this pandemic has put pressure on economic growth.

There are several factors that have the potential to affect the low compliance of taxpayers, two of which are the Tax service quality and tax knowledge. During the COVID-19 pandemic, taxpayers were encouraged to use online facilities more when using tax services (Widiiswa, 2021). The use of digital technology is inevitable for the continuity of the organization in the midst of a pandemic. With the change in people's behavior towards digital, sectors that cannot transform digitally during a pandemic will experience the most negative impact.

Likewise with the public service sector. The government is required to be able to utilize digital technology so that public services can continue to run effectively. The government, including the tax sector, must be able to

take advantage of digital facilities in providing services to the public. When viewed from the perspective of tax compliance, the pandemic that occurs can not only affect the course of services that occur, but can also have an impact on taxpayer compliance. The more the number of services provided to taxpayers, the higher the level of taxpayer compliance. Research conducted by Yadinta, et al (2018), Willmart (2020), Fitri, et al (2020), Riani (2020), and Kaunyah (2021) reveals that the Tax service quality affects taxpayer compliance. This can be interpreted that the better the quality of service provided by the officer, the higher the compliance of taxpayers to fulfill their responsibilities and obligations in paying taxes (Prastyowati, 2018). Providing good and excellent service to taxpayers, then being able to maintain and improve it again in order to continue to provide satisfaction and comfort for taxpayers (Susmita and Supadmi, 2016).

Even though good service is provided, it turns out that this does not necessarily make taxpayers comply in completing their tax obligations. Ttafi and Jabbar (2016), and Swee Kiow (2019) found that the Tax service quality had no effect on taxpayer compliance. This is supported by Kilapong, et al., (2017) that increasing taxpayer compliance is not enough just to provide good service, but there is still a need for other driving factors to be able to increase taxpayer compliance.

The second factor that is thought to affect taxpayer compliance is tax knowledge. The low taxpayer compliance with tax regulations is caused by the low knowledge of taxpayers about taxation (Razman in Dicriyani and Budiarta, 2016). Tax knowledge is important in order to improve tax compliance. By knowing and understanding all provisions related to applicable tax obligations, it will be very easy for taxpayers to carry out their tax obligations (Mardiasmo, 2016).

Tax knowledge is knowledge about the concept of general provisions in the field of taxation, the types of taxes that apply in Indonesia ranging from tax subjects, tax objects, tax rates, calculation of tax payable, recording of taxes payable to how to fill out tax reports. It can be concluded that tax knowledge is tax information that can be used by taxpayers as a basis for acting, making decisions, and to take certain directions or strategies in relation to the implementation of their rights and obligations in the field of taxation (Veronica, 2009).

Palil (2011) in Adelina and Nugrahanto (2021) emphasizes the relationship between tax knowledge and one's tax compliance in the self-assessment system. Recognizing the importance of promoting tax knowledge in an effort to improve tax compliance, DGT carries out various outreach, socialization, service and public relations activities. These activities are carried out directly to taxpayers, as well as through media such as television, radio, websites, as well as print media, and social media on the official accounts of the tax authorities.

Taxpayer compliance cannot be separated from the existence of tax knowledge by the taxpayer himself. Aswati, et al (2018), Rosyida (2018), Hartini and Sopian (2018), Yulianti, et al (2019), Perdana and Dwirandra (2020), and Mandowally (2020) reveal that tax knowledge has an effect on taxpayer compliance. Taxpayers who have good tax knowledge will tend to comply in fulfilling their tax obligations. Knowledge of public tax regulations will have a positive impact on taxpayer compliance in paying taxes. So, the more knowledge a taxpayer has about taxation, the more obedient the taxpayer is in carrying out his tax obligations.

In contrast to the results of previous studies, Ayuba, et al (2016), Fitrianiingsih, et al (2018), Herdianto (2021), and Adeniran, et al (2021) found that tax knowledge could not affect taxpayer compliance. The quality of tax knowledge from taxpayers has not been able to meet or exceed the expectations of taxpayers. Tax knowledge possessed from educational background does not guarantee that taxpayers will be more obedient in carrying out their tax obligations.

The results of the empirical research above show that the effect of tax service quality and tax knowledge on taxpayer compliance is varied/inconsistent which is thought to be due to other factors that affect the relationship between the independent variable and the dependent variable. The possibility that there is no unity of research results depends on certain factors or better known as contingency factors (Govindarajan, 1986). In order to reconcile conflicting results, a contingency approach is needed to identify other variables that act as moderators or mediators in the research model (Murray, 1990). From the results of empirical research, there are several variables that are thought to play a role in moderating the effect of tax service quality and tax knowledge on taxpayer compliance.

The dominance of state revenues from the tax sector has resulted in the Indonesian government issuing policies aimed at optimizing tax revenues (Dewi and Sari, 2015). In July 2020, the government through the Directorate General of Taxes issued a press release related to tax incentives. This tax stimulus is expected to help taxpayers in dealing with the impact of the Covid-19 pandemic. The tax incentives provided include Article 21 Income Tax Incentives, Final Income Tax Incentives for MSMEs, Article 22 Import Income Tax Incentives, Article 25 Income Tax Installment Incentives, and VAT incentives.

The weakening performance of tax revenue does not seem to eliminate the government's willingness to ease the burden on taxpayers during this pandemic. Through Presidential Decree No. 72 of 2020, the government has extended several tax incentives which originally ended in September until the end of the year. Unmitigated, as reported by the Ministry of Finance, the total tax incentives prepared by the government for the business world are Rp. 120.6 trillion. Of course, this strengthens the signal that tax instruments are always present and play an

important role for the national economy (Darussalam, 2020). However, not all taxpayers take advantage of these incentives. According to the statement of Minister of Finance Sri Mulyani as of 27 June 2020, absorption from incentives was still at 10.14% or around Rp. 12.2 trillion.

This research is the development of research conducted by Kilapong, et al (2017) with the title The effect of tax service quality and taxpayer knowledge on individual taxpayer compliance in Kleak Village, Malalayang District, Manado City. The difference between this research and previous research lies in the variables used, the place and time of the study. This study uses two independent variables, namely the Tax service quality and tax knowledge and one moderating variable, namely tax incentives. The location of the previous research was carried out at KPP Manado while this research was conducted at KPP East Denpasar. Previous research was conducted before the pandemic, while this research was conducted during the COVID-19 pandemic. This research is important to do to test taxpayer compliance during the pandemic.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

The Tax service quality can be determined by comparing the perceptions of taxpayers on the real services they receive or get with the services they actually expect on the service attributes at each Tax Service Office (KPP) (Willmart and Puspita, 2018). Supadmi (2009) in Putri and Setiawan (2017) revealed that efforts to improve service quality can be done by increasing the technical capabilities of employees in the taxation sector, infrastructure improvements such as expansion of Integrated Service Places (TPT), the use of information systems and technology to provide convenience to compulsory taxes in fulfilling their tax obligations. From an administrative point of view, Taxation procedures that are simple and easy to understand by taxpayers will certainly be implemented more effectively and efficiently so as to provide satisfaction to the taxpayers themselves. Taxpayers' satisfaction with the quality of services provided by the tax authorities will give a positive response in the form of compliance in paying taxes. Providing good service can increase taxpayer compliance. Taxpayers expect to be treated with respect, because they honestly report their true income (Feld and Frey, 2002). A taxpayer who is satisfied with the services provided tends to carry out his tax obligations in accordance with applicable rules and regulations (Putrid and Setiawan, 2017). Taxpayers' satisfaction with the quality of services provided by the tax authorities will give a positive response in the form of compliance in paying taxes. Providing good service can increase taxpayer compliance. Taxpayers expect to be treated with respect, because they honestly report their true income (Feld and Frey, 2002). A taxpayer who is satisfied with the services provided tends to carry out his tax obligations in accordance with applicable rules and regulations (Putrid and Setiawan, 2017). Taxpayers' satisfaction with the quality of services provided by the tax authorities will give a positive response in the form of compliance in paying taxes. Providing good service can increase taxpayer compliance. Taxpayers expect to be treated with respect, because they honestly report their true income (Feld and Frey, 2002). A taxpayer who is satisfied with the services provided tends to carry out his tax obligations in accordance with applicable rules and regulations (Putrid and Setiawan, 2017).

The effect of tax service quality on taxpayer compliance is based on compliance theory. The theory of compliance (compliance theory) means obedient, obedient, subject to teachings or regulations. Compliance assessed in this case is the compliance of all activities in accordance with applicable policies, rules, regulations and laws, especially taxpayer compliance. Taxpayer compliance is an indicator of the success of the government in increasing tax revenue. This cannot be realized simply by prioritizing the aspect of coercive tax collection, but also by paying attention to clear regulations, procedures and administrative services. One factor that needs to be considered is the Tax service quality. Taxpayers who get good service,

Empirical research conducted by Yadinta, et al (2018) found that the quality of tax service services had a significant positive effect on taxpayer compliance. Good service will encourage taxpayer awareness in carrying out their tax obligations (Trianto in Willmart, 2020). The sense of comfort and satisfaction obtained by every taxpayer can encourage themselves to always be willing to carry out their obligations in paying taxes properly. In addition, the tax authorities must also be able to uphold integrity, accountability, and transparency so as to generate trust from taxpayers. The better the quality of services provided by the tax authorities, the level of taxpayer compliance will increase (Riani, 2020). The smaller the gap between the fulfillment of promises and expectations, the closer to the quality measure.

H1: Tax service quality has a positive effect on taxpayer compliance.

Taxpayers will carry out their tax obligations and rights if they already know and understand their obligations as a taxpayer taxes until finally the benefits of paying taxes can be felt (Nurlaela, 2013). Taxpayers who have good tax knowledge will be aware and obedient to their tax rights and obligations, without having to be forced and threatened by several sanctions and penalties. If the taxpayer does not have a basic knowledge of taxation, the taxpayer will have difficulty registering himself, filling out a notification letter (SPT), not knowing how much tax should be paid and depositing the tax (Siti, 2014 in Rosyida, 2018). Low tax knowledge can lead to distrust and negative attitudes towards taxes, while good tax knowledge is correlated with positive attitudes towards taxes (Niemirowski et al., in Aswati, 2018).

The effect of tax knowledge on taxpayer compliance is based on compliance theory. The theory of compliance (compliance theory) means obedient, obedient, subject to teachings or regulations. Compliance assessed in this case is the obedience of taxpayers in carrying out their tax obligations. Taxpayers who have sufficient knowledge of taxation will understand the important role of taxes, one of which is as a source of state financing. Taxes are used by the government for equitable development throughout Indonesia, improving infrastructure and providing public facilities. However, the results of paying taxes do not automatically be enjoyed directly, but through public facilities provided by the government. This is where the knowledge of taxpayers is needed in order to realize the importance of this mandatory contribution to the state. Taxpayers with sufficient tax knowledge will tend to be obedient in carrying out their tax obligations.

Research conducted by Putri and Setiawan (2017) found that tax knowledge has a positive effect on taxpayer compliance. This means that the higher the level of knowledge of taxpayers' taxation, the taxpayers will be more obedient in fulfilling their tax obligations. Tax knowledge is an important element in improving taxpayer compliance. In line with previous research, Aswati (2018) revealed that the more knowledge a taxpayer has about taxation, the more obedient the taxpayer is in carrying out his tax obligations. The low compliance of taxpayers with tax regulations can be caused by the low knowledge and understanding of taxpayers towards taxation (Razman in Dicriyani, 2016).

H2: Tax knowledge has a positive effect on taxpayer compliance

Tax incentives are assistance from the government to certain taxpayers to increase income or reduce business costs and risks. Tax incentives are incentives provided by the government for Indonesian taxpayers during the Covid-19 pandemic. This is due to the current situation so that the government is being tested to take appropriate fiscal measures in overcoming the deplorable economic conditions, this will also lead to public confidence in the government's efforts to overcome the fiscal gap. If the government shows a step forward in this policy, then the community will feel the benefits, so that taxpayer compliance will be increasingly realized. Because taxpayer compliance is the spirit of state revenue in the tax sector. Therefore,

Moderation of tax incentives on the effect of tax service quality on tax compliance is based on the relevant Theory of Planned of Behavior (TPB) used to interpret the behavior of taxpayers in fulfilling all their tax obligations. Attitudes towards the described behavior can link tax incentives with taxpayer compliance. This theory explains that this relationship can be built with the presence of internal and external factors. The tax incentives provided by the government are external factors from the taxpayer. Tax incentives used by taxpayers can ease the burden of paying taxes, because the taxes that should be paid will be reduced or borne by the government.

Research conducted by Rachmawati & Ramayanti (2016); Latif & Zakaria (2020); Khairiyah & Akhmadi (2019); Kihanga (2020); Indrayani & Budiman (2020); Andrew and Asri (2021); Wijoyo (2020); Loupatty (2021); Evi & Pramesworo (2021); Bulutoding (2020) shows that tax incentives have a positive and significant effect on taxpayer compliance

H3: Tax incentives strengthen the effect of tax service quality on taxpayer compliance.

With the increasingly open digital information system today, it provides greater opportunities for taxpayers to find out tax information issued by the government. Various types of media are available to be used as sources of information. Not only through newspapers and television, now tax information can be easily obtained from digital media such as social media. Digital platforms that are currently trending are a means for the government to stay close to taxpayers. Taxpayer education is also intensively organized by the government through socialization of the latest tax regulations which are expected to build awareness of taxpayers to be more obedient in carrying out their obligations.

Moderation of tax incentives on the effect of tax knowledge on tax compliance is based on the relevant Theory of Planned of Behavior (TPB) used in interpreting the behavior of taxpayers to be able to fulfill all their tax obligations. Ajzen (1985) explains that the attitude towards the described behavior can link tax incentives with taxpayer compliance. This theory explains that this relationship can be built with the presence of internal and external factors. The tax incentives provided by the government include external factors from taxpayers. Taxpayer compliance cannot be separated from the existence of tax knowledge by the taxpayer himself. Taxpayers who have good tax knowledge will tend to comply in fulfilling their tax obligations.

Taxpayer compliance cannot be separated from the existence of tax knowledge by the taxpayer himself. Taxpayers who have good tax knowledge will tend to comply in fulfilling their tax obligations. Knowledge of public tax regulations will have a positive impact on taxpayer compliance in paying taxes. Aswati, et al (2018), Rosyida (2018), Hartini and Sopian (2018), Yulianti, et al (2019), and Mandowally (2020) reveal that tax knowledge affects taxpayer compliance. So, the more knowledge a taxpayer has about taxation, the more obedient the taxpayer is in carrying out his tax obligations.

H4: Tax incentives strengthen the effect of tax knowledge on taxpayer compliance.

METHODS

This research was conducted at the Tax Service Office (KPP) Pratama East Denpasar. The choice of location is

due to taxpayers residing in the Denpasar area, especially those registered at the East Denpasar KPP, the percentage of taxpayer compliance is still low which allows for non-compliance. The low compliance of taxpayers can be seen from the ratio of submitting annual corporate tax returns in 2020 which only reached 63% or a total of 3,476 taxpayers out of a total of 5,514 corporate taxpayers who are required to submit annual tax returns 2020. In addition, the community's economy is mostly supported by tourism activities in the area East Denpasar is also heavily affected by the spread of Covid-19.

In this study, the population of all corporate taxpayers registered at KPP Pratama Denpasar Timur. Sampling is done by simple random methodsampling. Based on calculations using the Slovin method, from 5,514 corporate taxpayers, 98 respondents were rounded up to 100, so that the number of respondents who will be respondents is 100 taxpayers. The 100 taxpayers who will be respondents in this study are carried out using a sample collection technique, namely directly collecting data on corporate taxpayers registered at KPP Pratama Denpasar Timur from the tax consultant office, then sending a google survey form in the form of a questionnaire to taxpayers via whatsapp. The analytical technique used is Moderated Regression Analysis (MRA) with the processing of moderated regression analysis using the Statistical Package for Social Science (SPSS) program.

RESULTS AND DISCUSSION

Results of Moderated Regression Analysis (MRA) and Hypothesis Testing

The research hypotheses were tested using Moderated Regression Analysis (MRA). The results of the MRA analysis are presented in Table 1.

Table 1. Results of Moderation Regression Analysis (MRA)

Variable	Unstandardized coefficients (β)	t value	Significant Value
Tax Service Quality (X1)	0.652	4,721	0.000
Tax Knowledge (X2)	0.346	4.171	0.000
Tax Incentive (Z)	2,078	4,945	0.000
Quality of Tax Service on Taxpayer Compliance (X1 * Z)	0.015	3,938	0.000
Tax Knowledge on Taxpayer Compliance (X2 * Z)	0.007	2,220	0.029
Constant Value			61,788
F Uji test			0.000
R2			0.480

Primary Data, 2021

Coefficient of Determination

The test results provide results where the magnitude of R2 (coefficient of determination) is 0.480. This means that variations in taxpayer compliance can be explained by the variable tax service quality (X1), tax knowledge (X2), tax incentives (Z), interaction X1.Z and interaction X2.Z is 48 percent, while the remaining 52 percent is explained by other factors outside the research model.

Model Feasibility Test Results (F Test)

Based on the F test in Table 1, the resulting significance level of 0.00 is smaller than $\alpha = 0.05$. Thus, this research model is suitable to be used to prove the formed hypothesis or in other words the fit model.

Hypothesis Results

The effect of Tax service quality on taxpayer compliance

The results of the first hypothesis test presented in Table 1 show that the beta coefficient (b_1) is 0.652 and the significance value is 0.000 which is smaller than (0.05), which means that the Tax service quality has a positive effect on taxpayer compliance. These results accept the hypothesis H1 which states that the Tax service quality has a positive effect on taxpayer compliance.

Taxpayer compliance is an indicator of the success of the government in increasing tax revenue. This cannot be realized simply by prioritizing the tax collection aspect, but also by paying attention to clear regulations, procedures and administrative services. One factor that needs to be considered is the tax service quality. The tax service quality plays a very important role considering that taxpayer compliance is not only the duty of the taxpayer itself, but there must be facilities that can be utilized by taxpayers related to tax administration that must be fulfilled. The Director General of Taxes must be able to guarantee the security of confidential information and data of taxpayers by limiting the parties who can access them. This data and information can be managed to determine the tax obligations that should be fulfilled by taxpayers, so that measurements and evaluations of taxpayer compliance can be carried out so far. If the taxpayer tries to avoid his obligations, the tax authorities can use the data and

information as a basis for collecting taxes. That way, taxpayers can be directed to be able to carry out their obligations in accordance with applicable tax provisions. In other words, good quality tax services will cause taxpayers to tend to comply with their tax obligations. If the taxpayer tries to avoid his obligations, the tax authorities can use the data and information as a basis for collecting taxes. That way, taxpayers can be directed to be able to carry out their obligations in accordance with applicable tax provisions. In other words, good quality tax services will cause taxpayers to tend to comply with their tax obligations. If the taxpayer tries to avoid his obligations, the tax authorities can use the data and information as a basis for collecting taxes. That way, taxpayers can be directed to be able to carry out their obligations in accordance with applicable tax provisions. In other words, good quality tax services will cause taxpayers to tend to comply with their tax obligations.

The results of this analysis are in line with research conducted by Yadinta, et al (2018), Willmart (2020), Fitri, et al (2020), Riani (2020), and Kauniyah (2021) revealing that the Tax service quality affects taxpayer compliance. However, this is not in line with the results of research by Ttafi and Jabbar (2016), Kilapong (2017), and Swee Kiow (2019) which found that the Tax service quality had no effect on taxpayer compliance.

The effect of tax knowledge on taxpayer compliance

The results of the second hypothesis test presented in Table 1 show that the beta coefficient (b_2) is 0.346 and the significance value is 0.000 which is smaller than (0.05), which means that tax knowledge has a positive effect on taxpayer compliance. These results accept hypothesis H2 which states that tax knowledge has a positive effect on taxpayer compliance.

Tax knowledge can improve taxpayer compliance. By knowing the tax regulations, taxpayers will understand the things that can or cannot be done in carrying out their rights and obligations. Taxes are closely related to the business world. Before starting a business, a tax analysis is needed that aims to determine the ideal form of business in accordance with the wishes of the taxpayer but still comply with tax regulations. This is done by developing a tax planning strategy. In line with the increasingly rapid economic development, business people are competing to create the latest innovations. The government through the Directorate General of Taxes over time issues tax regulations that aim to accommodate businesses in Indonesia. Taxpayers must be able to update tax information so that it can be applied properly to their business. At the beginning of 2020, a tax incentive policy was issued for taxpayers affected by Covid-19. A series of regulations are issued so that tax incentives can be enjoyed by taxpayers. Taxpayers must also be active in sorting out related information because not all tax incentives can be enjoyed by all types of taxpayers.

The amount of tax payable after deducting incentives that can be utilized by taxpayers must be deposited on time to the state. With taxation knowledge obtained through various sources, such as tax socialization, through Account Representatives, also through tax consultants, and other reliable sources of information, taxpayers can become more familiar with tax payment procedures and can be more confident in depositing their tax payables. alone. This certainly opens up opportunities for taxpayers to get used to paying their taxes, so as to increase taxpayer compliance. Armed with good tax knowledge, taxpayers will still be able to enjoy their taxation rights without violating their obligations so that taxpayer compliance can be created.

The results of this analysis are in line with research conducted by Aswati, et al (2018), Rosyida (2018), Hartini and Sopian (2018), Yulianti, et al (2019), and Mandowally (2020) which reveal that tax knowledge has an effect on taxpayer compliance. However, this is not in line with research conducted by Ayuba, et al (2016), Fitrianiingsih, et al (2018), Herdianto (2021), and Adeniran, et al (2021) who found that tax knowledge could not affect taxpayer compliance.

Tax incentives moderate the effect of tax service quality on taxpayer compliance

The results of the third hypothesis test presented in Table 1 show that the beta coefficient (b_4) is 0.015 and a significance value of 0.000 which is smaller than (0.05), which means that the tax incentive variable is a moderating variable that strengthens the positive influence of service quality. tax on taxpayer compliance. In other words, tax incentives can accelerate the increase in taxpayer compliance with the higher Tax service quality. These results accept hypothesis H3 which states that tax incentives strengthen the positive effect of service quality on taxpayer compliance.

Based on the Theory Planned Of Behavior put forward by Ajzen and Fishbein (1975) which is a theory that explains the existence of a person's attitude towards behavior that can predict an action. If there is a positive attitude, and there is support from people around and there is a perception that supports the ease without any barriers to behavior, the intention of a person to behave will be higher. This theory has a relationship with the quality of service taxpayers, namely if the taxpayer obtains quality tax services, this will be able to support a positive attitude towards tax compliance. This will encourage taxpayers' actions to comply with taxation.

The current tax incentive policy can indirectly increase taxpayer compliance which is influenced by the Tax service quality. Taxpayers certainly feel helped by the presence of the tax authorities who provide good services in order to fulfill their tax rights and obligations. Tax services to provide understanding, information, and guidance

to taxpayers regarding everything related to taxation and tax legislation will encourage the creation of taxpayer compliance. In addition, taxpayers will also be encouraged to be more active in paying taxes owed after taking advantage of tax incentives.

These results are in line with research conducted by Latief, et al (2020) which proves that tax incentives have a positive and significant effect on taxpayer compliance. Tax incentives provided by the government can provide motivation and state awareness of taxpayers towards their compliance in fulfilling tax obligations. This also means that taxation is not only aimed at generating government revenue, but also provides an impetus for economic development through the provision of tax incentives. This result is also supported by Marlinah (2021) that the provision of this tax incentive can reduce operational costs or the burden of business expenses so that taxpayers are able to survive during the pandemic.

Tax incentives moderate the effect of tax knowledge on taxpayer compliance

The results of the fourth hypothesis test presented in Table 1 show that the beta coefficient (b_5) is 0.007 and the significance value is 0.000 which is smaller than (0.05), which means that the tax incentive variable is a moderating variable that strengthens the positive effect of tax knowledge on taxpayer compliance. In other words, tax incentives can accelerate the increase in taxpayer compliance with the more qualified taxpayers' knowledge of taxation. This result accepts hypothesis H3 which states that tax incentives strengthen the positive effect of tax knowledge on taxpayer compliance.

Theory of planned behavior (TPB) states that the direct determinant of individual behavior is the intention to display the behavior. A person's intentions can be predicted through 3 main things, namely his attitude towards it, the subjective norms he has, and the perception of behavioral control (Ajzen, 1991). A person's behavior to do or not to do is strongly influenced by intentions (Ajzen, 1991). Intention to behave is an indication of a person's readiness to perform the behavior, so that the intention to behave is a direct antecedent of the behavior itself. So intention (intention) is a person's tendency to choose to do or not do a job and is assumed to be a driving factor that exists within the individual that influences his behavior.

Tax knowledge has a positive effect on taxpayer compliance, this is reinforced by the existence of tax incentives. If taxpayers have extensive knowledge about tax incentives, they will be able to support a positive attitude towards taxation. This will encourage taxpayers to comply with taxation. This result is in line with Putri's research (2021) which reveals that the knowledge that taxpayers have about tax incentives will be able to encourage taxpayers' actions to comply with taxation. Taxpayers during the pandemic will definitely accept all kinds of procedures that have been set by the government for the smooth creation of this tax incentive program, so that it can have a positive effect on taxpayer compliance so that taxpayer compliance will increase.

MANAGERIAL IMPLICATIONS

Theoretically, the results of this research have the implication that the compliance theory is a strong or rigorous theory because it is proven to be able to explain the effect of tax service quality and tax knowledge on the phenomenon of taxpayer compliance. The results of this research also reveal that the Theory of Planned Behavior (TPB) are strong or rigorous theories because they are able to explain the moderating role of tax incentives on the Tax service quality and tax knowledge on the phenomenon of taxpayer compliance. The results of this research imply that the anticipation of taxpayer compliance is not only sufficient to improve the Tax service quality and tax knowledge but must also be accompanied by a stimulus, one of which is tax incentives.

CONCLUSION

The higher the Tax service quality, the more taxpayer compliance will increase. The better the taxpayer's knowledge of taxation, the higher the taxpayer's compliance. Tax incentives accelerate the effect of tax service quality in increasing taxpayer compliance. Tax incentives accelerate the effect of tax knowledge in increasing taxpayer compliance.

Fiskus is expected to be able to provide a comprehensive explanation of various matters related to taxation so that taxpayers receive good information, so they can understand tax regulations. In addition, there is a need for ways to educate taxpayers, for example by conducting socialization of the latest tax regulations with more frequent intensity than before.

Fiskus is expected to be able to foster and serve taxpayers wholeheartedly. A good relationship between the tax authorities and taxpayers will undoubtedly create convenience for taxpayers in carrying out their tax obligations so that taxpayer compliance can be improved.

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