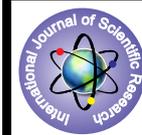


Changes on Indonesia Tax Culture, is there a Way ? Studies Through Theory of Planned Behavior



Commerce

KEYWORDS:

Mr. BHARATKUMAR J
ACHARYA

Research Scholar, CMJ UNIVERSITY

INTRODUCTION:

Self-assessment system that was developed in Indonesia implies higher dependency of tax revenue to the taxpayer compliance. This system gives full credence to taxpayers to actively enforce their tax obligations (voluntary compliance). However, according to Head of Sub Directorate of Taxpayer Compliance and Monitoring, Directorate of Potential, Compliance, and Revenue, Directorate General of Taxation of Ministry of Finance (Kompas, 2011) tax compliance in Indonesia in 2010 just reached 58.16%. Compliance in 2010 has increased significantly compared to compliance in 2008 which only 33.08% and in 2009 at 54.15%. Moreover, the reality shows that the compliance of corporate taxpayers apparently lower than that of individual taxpayer compliance. Compliance of corporate taxpayer in 2010 only 32.66% and individual taxpayer in 2010 had 61.28% compliance. Carolina et al (2012) even stated that the non-compliance tax in Indonesia is a picture of Tax Culture in Indonesia. Lack of compliance is, of course, encourage the Directorate General of Taxation to constantly strive to improve adherence. However, the efforts made by the Directorate General of Taxation were allegedly not in line with the spirit in the self-assessment system. In an effort to improve compliance, the Directorate General of Taxation emphasized the sanction both administrative sanctions, penalties and interest.

EFFECT OF ATTITUDES ON TAX COMPLIANCE TOWARD INTENT TO COMPLY:

Attitude toward behavior is the trust evaluation or positive or negative feelings of a person when doing a behavior. Azjen (2005) defines attitude as a disposition to respond in a favorable or unfavorable to the object, person, institution or event.

Tan and Laswad (2006) stated that attitudes of an individual towards behavior reflect the extent to which a person has positive or negative perceptions of such behavior. In relation to tax compliance, attitude is the perspective of compliance in taxation system. Edlund (1999) stated that the attitude or perspective on taxes refers to how social groups would appreciate or even be the opposition to the existing tax system.

Attitudes have an important role in explaining the behavior of a person in his/her neighborhood, although there are still many other factors that influence behavior, such as the stimulus, individual background, motivation, and personality status (Mistikasari, 2007). This is the case in attitude towards tax compliance behavior that will encourage someone to have or not have an intention to comply. Bobek & Hatfield (2003) and Hanno & Violette (1996) found that attitude towards tax compliance significantly influence on intention to comply.

THE INFLUENCE OF PERCEIVED BEHAVIORAL CONTROL ON INTENTION TO COMPLY:

In the Theory of Planned Behavior, perceived behavioral control refers to the degree of control of an individual who perceive that he/she must be engaged in a particular behavior (Bobek and Hatfield, 2003). Ajzen (1991) defines perceived behavioral control as the perceived ease or difficulty of performing the behavior and it is assumed to reflect past experience as well as anticipated impediments and obstacles.

The perceived behavioral control is not like the attitude and subjective norm as it is a non-motivational factor and represents someone who has more than the performance of behavior (Tan and Laswad, 2006).

Briefly Hogg-Hougan (2005) states that the perceived behavio-

ral control is the extent to which an individual believes concerning the ease or difficulty of showing a particular behavior.

INFLUENCE INTENTION TO COMPLYING WITH TAX COMPLIANCE:

Ajzen (1991) describes intent as the extent to which an individual is willing to try hard to do a behavior, or a planned effort to mobilize action to implement a behavior. This means, in general, people act in accordance with the intent or tendency. Blanthorne (2000) and Hanno and Violette (1996), have proved empirically, that the intention has a positive significant effect on tax non-compliance.

RESEARCH METHODOLOGY:

The research was conducted with Individual Taxpayers as respondents in the territory of KPP Pratama Salatiga whose territory covers Salatiga City and Semarang regency.

Object retrieval of Individual Taxpayer because of the data show that the level of compliance of Mandatory Personal Taxpayers are relatively higher compared to the compliance of corporate taxpayer, so then any reason that causes of Individual Taxpayer compliance can be a measure of the increased compliance of Corporate Taxpayer. Individual Taxpayers that used as the respondents in this study is limited to the individual taxpayers who do businesses or as entrepreneurs, because they run all the functions of taxation. Attitude towards tax compliance measured using an instrument that has been developed by Bobek and Hatfield (2003) by implementing two questions.

ANALYSIS:

DATA ANALYSIS:

The study involved 114 individual taxpayers, comprising 69.30% of the taxpayer engaged in the trade sector and 30.70% engaged in services and other sectors. In terms of income, 30.71% had income above Rs. 1,500,000 and 69.29% had income above IDR 3,000,000 per month so it can be concluded that all taxpayers who were respondents have income above the Penghasilan Tidak kena Pajak (PTKP) and perform all tax obligations from of calculating, paying and reporting. Table 1 below shows the descriptive statistics of the variables studied.

Respondents' answer on attitude towards tax compliance variable indicate the minimum 2.50 and maximum 5.00 which means that the range stance of attitude on tax compliance of taxpayers are in a range that is very negative attitude to a positive attitude. With an average of 4.34 indicates that the taxpayer has a negative attitude towards tax compliance.

The same is true for subjective norm variable, which has a minimum value of 2.17, the maximum value of 4.83 and average 3.76.

Table 1
Descriptive Statistics

Variable	Min	Max	Men	Std Dev.
Attitude towards Tax Compliance	2.50	5.00	4.34	0.52
Subjective norms	2.17	4.83	3.76	0.55
The perceived behavioral control	2.83	5.33	4.22	0.59
Intentions to comply	1.50	5.50	3.18	0.64
Tax Compliance	1.29	2.00	1.25	0.15

Table 2
Hypothesis Testing Results

Independent Variable	Dependent Variable	Reg. Coef	Sig.
Attitude towards Tax Compliance	Intentions to comply	0.194	0.027*
Subjective norms	Intentions to comply	0.560	0.000*
The perceived behavioral control	Intentions to comply	0.163	0.006*
The perceived behavioral control	Tax Compliance	0.159	0.031*
Intentions to comply	Tax Compliance	0.637	0.000*

This result shows the low level of social pressure from other taxpayers, relatives, or colleagues to direct behave obediently. It is quite contradictory, amid Indonesia is known as a country with a collectivist culture where social pressures will drive behavior, but this study shows that social pressure is not believed as to direct a person to a compliance behavior. Perceived behavioral control has the average value of 4:22, which indicates the low level of external pressures such as the possibility of checks, penalties or tax reporting and verification of third parties to encourage a person to behave obediently.

Taxpayers intentions indicate a minimum value 1.50 and 5.50 with the maximum value and the average value of 3.18 that in-

dicates the intention of abiding taxpayer is in the low category. Similarly, the variable of intention to comply, variable of compliance also showed that levels of compliance were in the low category as indicated by the average value of 1.57. By using regression analysis in which all variables have fulfilled the classical assumption, Table 2 below shows the results of hypothesis testing.

ANALYSIS AND DISCUSSION:

This study was able to prove that the attitude towards tax compliance, subjective norms, and perceived behavioral control have influence on the intention to comply. This suggests that the more positive attitude of taxpayers toward the tax compliance would encourage someone to obey in running his/her tax obligations.

This is in line with research from Bobek & Hatfield (2003); Hanno and Violette (1996) and Mustikasari (2007) who found that attitudes towards tax compliance significantly influence intention to comply and an attitude of non-compliance on tax has positive effect on the intention to behave in a non-compliant way Same thing with the attitude towards tax compliance that shown by subjective norms.

Subjective norm variables have also been shown to significantly affect the intention to obey Social pressures from other taxpayers, family members or colleagues support to implement tax compliance will increase intent to comply.

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