

The Effect of Before and After Getting Tax Education on Tax Compliance

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Abstract. Tax education is needed to fulfill the level of community compliance with taxation. To increase obedient behavior, taxpayers must understand tax regulations. This study aims to test whether there is an influence before and after getting a tax education. This research uses a quantitative approach using experimental research. The total number of respondents in this study was 62. The data collection method of this study used a questionnaire distributed via Google Forms. The result of the research is that there is a difference in tax compliance after and before getting a tax education.

Keywords: tax education, tax compliance, before and after effect, pre-test, post-test

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Introduction

Tax is one of the main revenues for a country. The state budget shows that the target of state revenue from taxation has increased every year. The 2013 state budget proves that tax revenue supports around 74% of the total state revenue. Therefore, it can be concluded that taxes' role in financing national development is vital (Sabijono et al., 2014).

In 2021, the Ministry of Finance outlined that the realization of tax revenue reached IDR 1,277.5 trillion or 103.9 percent of the 2021 State Budget target of IDR 1,229.6 trillion. This further reinforces the fact that taxes are crucial to state revenue in achieving a stable economy.

Law Number 28, the Year 2007, on the Third Amendment to Law Number 6, the Year 1983, on General Provisions and Tax Procedures, adheres to a self-assessment tax system in which taxpayers are given full responsibility in calculating, depositing, and reporting their taxes personally which are their obligations. It is necessary to enforce the tax law and support the self-assessment system's success (Sabijono et al., 2014). In the self-assessment system, the community must play a role and actively fulfill their tax obligations. High taxpayer awareness and compliance are critical factors in implementing the self-assessment system.

Tax compliance is the attitude of a taxpayer in fulfilling all tax obligations and exercising his tax rights. Indonesian people need to have high tax compliance so that this source of state revenue remains stable every year. Good tax compliance is able to increase state revenue so that the national economy remains stable. The level of tax compliance can be seen from the ratio of SPT submissions made by the community in a taxation period.

Tax education is needed to fulfill the level of community compliance with taxation. According to Witono (2008), taxpayers must understand tax regulations to increase obedient behavior. Taxpayers need knowledge related to tax self-assessment to submit tax returns on time.

This study focuses on the effect of tax education obtained by students on compliance in paying taxes. The object of this research is night class students majoring in Business Management at Batam State Polytechnic. The reason for determining the object is based on two considerations. First, business management majors have taxation courses. Second, most night-class students already have jobs and have become taxpayers.

Kurniawan (2020) revealed that tax education positively affects taxpayer compliance. In addition, the indirect effect of tax education through tax knowledge also significantly affects tax compliance. What distinguishes this research from previous research is the comparison before and after getting a tax education. The research method that will be used is an experimental research design, where this type of research emphasizes the relationship between effects and causes between research variables.

Literature Review

Theory of Planned Behavior

The theory of planned behavior (TPB) is a development of the Theory of Reasoned Action (TRA) proposed by Fishbein and Ajzen in 1975. Ajzen (1991) said TPB has been used generally and widely in analyzing the differences between attitudes and intentions and intentions and behavior.

Individual behavior is driven by intention, which is a commitment to action. This intention is generated by three things, namely attitudes (behavioral beliefs), subjective norms (normative beliefs), and perceptions of control over behavior (control beliefs). Attitude is defined as a person's assessment of the behavior that will be done, while subjective norms are a person's perception of the values believed in the surrounding environment. Finally, control over behavior is a person's perception of internal and external conditions that limit or encourage their behavior.

Tax Education

Education is defined as a process of changing the attitudes and behavior of individuals or groups of people in order to mature humans by teaching and training. Education in a scientific field is useful to be a reference for someone in taking an action. Tax education can be interpreted as the ability of an individual taxpayer to know tax law both in terms of tariffs and tax benefits that can be used as public needs (Oki Sri, 2018).

Taxpayer Compliance

Tax compliance is a situation where taxpayers are obedient and aware in fulfilling their tax obligations. The government can measure the level of community compliance in paying taxes by looking at the ratio of SPT submissions made by the community in a taxation period. PMK No. 74 / PMK.03 / 2012 explains the

criteria for taxpayers who can be said to be compliant with taxes, namely on time in submitting notification letters, no tax arrears in any form, financial statements that have been audited by auditors or BPKP with a fair opinion and have never been punished.

Hypothesis

TPB is a concept or theory of human behavior based on social psychology literature. This theory explains that a person's behavior is the result of a combination of a person's way of thinking and alternative choices and social demands.

When associated with this research, TPB is in line in explaining the behavior of taxpayers in complying with their tax obligations. Someone will have confidence in the results achieved through their actions. Then, it will determine whether to do it or not. This is related to tax education. When someone studies taxation, someone will understand that it is necessary to pay taxes to help develop the country (*behavioral beliefs*). Individuals will understand that paying taxes is very important.

When someone wants to do something, someone has a belief in the *normative* expectations of other individuals and the motivation to fulfill these expectations (*normative beliefs*). This expectation can be realized through tax education provided by educational institutions, such as universities where knowledge and motivation for taxpayers to comply with taxes cause taxpayers to have confidence or choose to act in a tax-compliant manner.

In addition, tax education also emphasizes aspects of the consequences of non-compliance in fulfilling tax obligations. This further supports the behavior of taxpayers to obey taxes (*control beliefs*). Regarding the concept of control over behavior, TPB reveals that a person may not take an action even though he actually intends to do it. This is because the person does not have sufficient supporting facilities that can be used to carry out his actions. In the context of this study, control over behavior is manifested as a form of tax compliance behavior.

This theory is supported by the results of research by Susanti *et al.* (2020) which states that tax compliance increases after getting tax education. Based on the explanation above, the hypothesis proposed in this study is as follows.

There is a Difference in Tax Compliance of Batam State Polytechnic Business Management Students Before and After Receiving Tax Education

Research Methods

This research is semi-experimental research with a quantitative approach. Experimental research is a structured, organized, logical and accurate research in setting up a situation where the researcher makes a treatment or experimental situation. Then, monitor the effect obtained by the treatment.

Basically, not all experimental research needs to manipulate certain treatments. There are manipulations that run naturally without the researcher providing a special *treatment*. In this study, researchers did not make this manipulation. However, manipulation occurs because of the learning that has been designed by the campus where tax education is given during the teaching and learning process in a certain period.

In experimental research there is a type of research design using assessment at the beginning before getting treatment or manipulation and at the end after getting treatment. This type of research design is called *pretest-posttest design*. In other words, two data collections were carried out in this study before getting a tax course and after getting a tax course.

The research data used is questionnaire data distributed to respondents. This study uses a *Likert* scale with a scale of 1-5. There are 2 types of variables, namely, independent variables and dependent variables. The independent variable in this study is tax education, while the dependent variable is tax compliance.

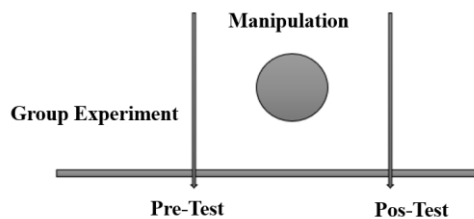


Figure 1: Experimental Research Design

Results and Discussion

Respondent Characteristics

In this study, the questionnaire was distributed to 62 respondents. There were two distributions of

questionnaires, namely at the beginning when before getting a taxation course and after getting a taxation course used to collect data. The following is a description of the characteristics of the respondents.

Table 1. Respondent Characteristics

No.	Characteristics	Information	Total	Percentage
1	Gender	Male	5	11%
		Female	57	89%
		Total	62	100%
2	Age	> 20 Years	11	18%
		20 Years	12	19%
		< 20 Years	39	63%
		Total	62	100%

Based on table 1 above, it can be concluded that the majority of respondents are female and the majority are under 20 years old. *Normality Test*

The following are the results of the normality test.

Table 2. Normality Test Results

	Kolmogrov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Pretest	.219	62	.000	.744	62	.000
Posttest	.158	62	.001	.869	62	.000

a. Lilliefors Significance Correction

Based on table 2, it can be seen that the significance value is <0.05, so the data is not normally distributed. Where the basis for making normality test decisions lies in the Significance value must be > 0.05 to be said to be normally distributed. The type of data analysis that the author uses in this research is a non parametric test called the Wilcoxon test. Where the test is used because the normality test is not met.

Wilcoxon Test

The following are the results of the Wilcoxon test.

Table 3. Wilcoxon Test Results

		N	Mean Rank	Sum of Ranks
Posttest-Pretest	Negative Ranks	23 ^a	26.46	608.50
	Postive Ranks	36 ^b	32.26	1161.50
	Ties	3 ^c		
	Total	62		

^a Post test < Pre test

^b Post test > Pre test

^c Post test = Pre test

Based on table 3, three things can be obtained. *Negative ranks* for *pre-test* and *post-test* are 23 at a value of 26.46 (*mean rank*) and 608.50 (*sum of ranks*). The *positive ranks* section has 36 data at the mean rank or the average improvement has a result of 32.26. On the other hand, the number of positive ranks or sum of ranks is 1161.50. The equality of values or ties in the *pre-test* and *post-test* is 3.

Table 4. Hypothesis Test Results

	Posttest-Pretest
Z	-2.089 ^b
Asymp. Sig. (2-tailed)	.037

^a Wilcoxon Signed Ranks Test

^b Based on negative ranks.

As for the results of the Wilcoxon test conducted, the Asymp. Sig value is 0.037 or smaller than the sig value of 0.05, which means the hypothesis is accepted.

Discussion

The effect of tax education on tax compliance is based on the theory of planned behavior (TPB) where the theory says that when wanting to do something, a person has beliefs about *normative* expectations of other individuals and encouragement aimed at meeting related expectations. The tax education provided is able to encourage individuals to comply with taxes.

In table 3. the value of *positive ranks* or positive comparisons between *pre-test* and *post-test* is greater than the results of *negative ranks*. This shows that there is a difference when before and after getting tax education. This result is corroborated by the qualitative explanation obtained from the questionnaire results. Most respondents stated that tax education had an impact on respondents' knowledge of taxation. This study also shows results in line with research by Kurniawan (2020) and Oki Sri Hartini (2018) which concluded that tax education can make a difference to the level of tax compliance.

Conclusion

This study aims to identify whether there are differences before and after getting tax education on tax compliance. Based on the results, it was found that there were differences in tax compliance before and after receiving tax education. These results are in accordance with *theory planned behavior* (TPB) and previous research (Kurniawan, 2020; Oki Sri Hartini, 2018). In the future, other researchers are advised to examine other factors that may affect tax compliance, and can use other analytical methods.

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