

INFLUENCE OF TAX SOCIALIZATION AND TAX KNOWLEDGE ON TAX REVENUE WITH TAXPAYER COMPLIANCE AS A MODERATING VARIABLES AT KPP MADYA MEDAN

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ABSTRACT

The research objective was to determine whether there was an effect of Tax Socialization, Tax Knowledge on Tax Revenue and Taxpayer Compliance as a moderating variable for taxpayers at KPP Madya Medan for the period 2016-2019 using Partial Least Square (PLS) analysis. This study uses tax socialization, tax knowledge as an independent variable, while tax revenue is the dependent variable. And taxpayer compliance as a moderating variable. The sampling technique used in this study was purposive sampling. The research approach used in this research is quantitative research methods, the type of research used is descriptive quantitative research and the nature of the research used is descriptive explanatory research. Data collection methods are primary data obtained from tax staff and Tax Managers who work in companies registered at KPP Madya Medan. The population of this research is 1,612 companies registered in KPP Madya Medan for the period 2016-2019. The sample used in this study were 320 tax staff representing companies registered in Medan City Tax Office for the period 2016-2019. Data processing with software Smart PLS 3.0. The research results prove that tax socialization partially has a significant effect on tax revenue. Tax knowledge partially does not have a significant effect on tax revenue. The taxpayer compliance variable is able to moderate tax knowledge on tax revenue. Taxpayer Compliance Variable is not able to moderate tax socialization on tax revenue. And together (simultaneously) the Tax Socialization variable, Tax Knowledge on Tax Revenue with Taxpayer Compliance as a moderating variable with a determination coefficient value of 81.8%.

Keywords: Tax Dissemination, Tax Knowledge, Tax Revenue, Taxpayer Compliance

PRELIMINARY BACKGROUND

Taxes are mandatory contributions to the state that are owed by private persons or entities that are compelling based on law, without direct reciprocity and are used for state needs for the greatest prosperity of the people, this is contained in Article 1 of Law No.28 of the Year. 2007 concerning General Provisions and Tax Procedures. Therefore, people who according to the law are taxpayers must pay taxes in accordance with their obligations.

Tax revenue is all income and / or budget from state revenue, which consists of domestic taxes and foreign taxes. According to Astuti (2017), Tax Revenue is revenue obtained from the process of selling goods and services owned by taxpayers and generated by the government, for government loans, printing money, road repair), hospital costs, and so on. As well as (System Requirement), which is an application for filling out e-invoices that are run through a computer system (electronic system).

The problem of tax revenue is a classic problem faced by every country that implements a taxation system. The problem of tax revenue is very important because the target of state revenue in the form of tax revenue has not been achieved and there are many tax avoidance efforts made by several taxpayers.

Table 1 Statistics of Taxpayers' Tax Receipts for Madya KPP Medan

	2016	2017	2018	2019
Registered WP	1,280	1,338	1,540	1,612
Tax Revenue Target (Billion Rupiah)	8,200,000,500,000	8,450,253,000,000	8,600,000,400,000	9,000,250,000,000
Actual Tax Revenue (Billions of Rupiah)	8,685,000,000,000	8,425,000,000,000	8,210,500,000,000	8,100,248,000,000
Revenue Ratio	106%	99.70%	95.47%	90.00%

The fact that the increase in the number of taxpayers in the last 3 years (2017-2019) at KPP Madya Medan was not followed by an increase in tax revenue by taxpayers even though in 2016 it experienced the highest increase. The ratio of taxpayers' revenue in carrying out their tax obligations from year to year still shows a decreasing percentage.

The largest increase in tax revenue in 2016 which exceeded the tax revenue target of 106% was due to the Tax amnesty policy from the Minister of Finance which pushed the largest tax revenue for the last 15 years.

Based on the description above, it is necessary to conduct an examination of the effect of taxpayer awareness, tax knowledge, and taxpayer compliance on Tax Revenue. Therefore, researchers are motivated to conduct research on tax revenue with the title "The Effect of Tax Socialization and Tax Knowledge on Tax Revenue and Taxpayer Compliance as a Moderating Variable on Taxpayers at KPP Madya Medan (2016-2019)"

THEORETICAL BASIS IDENTIFICATION OF PROBLEMS

From the background description of the problem, the following issues can be drawn:

- a. Increase in Taxpayer Socialization is not always followed by an increase in Tax Revenue.
- b. Increasing Tax Knowledge is not always followed by an increase in Tax Revenue.
- c. Taxpayer Compliance Level is not always followed by an increase in Tax Revenue.

FORMULATION OF THE PROBLEM

Based on the research background above, the writer formulates the following problems:

1. Does Tax Socialization affect Tax Revenue for taxpayers at KPP Madya Medan?
2. Does Tax Knowledge affect Tax Revenues on taxpayers at KPP Madya Medan?
3. Does Taxpayer Compliance moderate the Socialization of Taxes on Tax Revenue for taxpayers at KPP Madya Medan?
4. Does Taxpayer Compliance moderate Tax Knowledge on Tax Revenue for taxpayers at KPP Madya Medan?

TAX REVENUE

Taxes are the transfer of resources from the private sector (companies) to the public sector. The transfer of these resources will affect the purchasing power or spending power of the private sector. So that there is no serious disruption to the running of the company, the fulfillment of tax obligations must be managed properly.

TAX SOCIALIZATION

Guidelines for Preparation of Work Plans and Outreach Activity Reports on Taxation of Vertical Units within the Directorate General of Taxes. Taxation outreach activities can be carried out in two ways, namely direct socialization and indirect socialization.

TAX KNOWLEDGE

Knowledge of Taxation is knowledge of the concept of general provisions in the field of taxation, the types of tax applicable in Indonesia, starting from the tax subject, tax object, tax rate, calculation of payable tax, recording tax payable to how to file tax reporting. Supriyati (2012)

TAX COMPLIANCE

Taxpayer compliance is the fulfillment of tax obligations by taxpayers in order to contribute to development which is expected to be fulfilled voluntarily.

CONCEPTUAL FRAMEWORK

Previous literature and research have described the analysis of the effect of tax socialization and tax knowledge on tax revenue on taxpayer compliance whose theoretical framework is shown in the following framework:

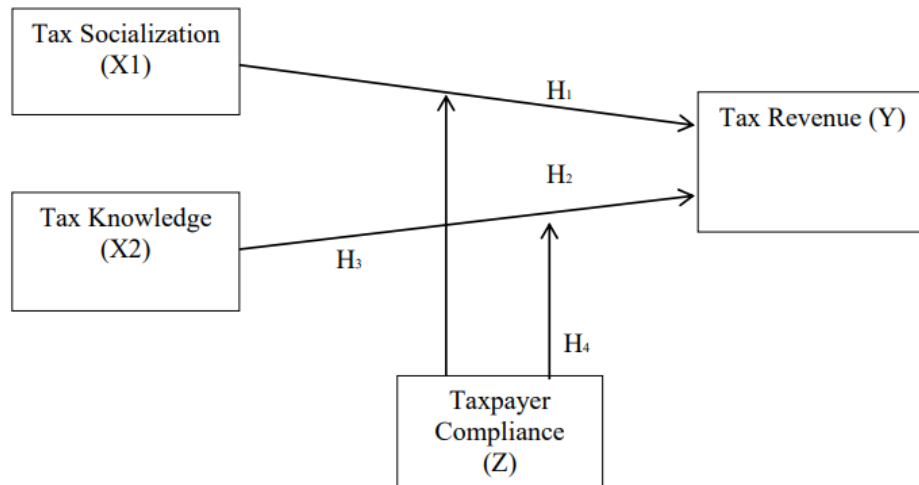


Figure 1 Conceptual Framework

HYPOTHESIS

According to Sugiyono (2013) Hypothesis is a temporary answer to the formulation of research problems, where the problem formulation is stated in the form of a question sentence. Meanwhile, the hypotheses used in this research are:

THE EFFECT OF TAX SOCIALIZATION ON TAXPAYER COMPLIANCE

Based on Dwi Ananda's research (2015), it is stated that the socialization of taxation partially has a significant effect on taxpayer compliance. This research is in line with Pamuji's research (2014: 6), which states that taxation socialization affects taxpayer compliance. Based on this, it can be concluded that the higher the socialization carried out to taxpayers will increase taxpayer compliance

H1: Tax Socialization has an effect on tax revenue at KPP Madya Medan.

THE EFFECT OF TAX KNOWLEDGE ON TAXPAYER COMPLIANCE

According to Nugroho (2012) the higher the knowledge and understanding of taxpayers, the taxpayers can better determine their behavior and in accordance with taxation provisions. However, if the taxpayer does not have knowledge of tax regulations and processes, the taxpayer cannot determine his behavior appropriately.

Based on Aliya Nur Putri Astuti's research (2017), it is stated that the moderating interaction of taxpayer compliance as a moderating variable has a negative effect on moderating tax knowledge on tax revenue (Study at the Sunter Pratama Tax Service Office, North Jakarta).

H2: Tax knowledge affects tax revenue at KPP Madya Medan.

THE EFFECT OF TAX SOCIALIZATION ON TAX REVENUE

According to Febri's research (2014), it shows that the effectiveness of taxation socialization has an effect on tax revenue. This is because the more socialization is carried out, the more taxpayers will fulfill their tax obligations and the higher the tax revenue will be. Research results from Suyanto and Kifita Yahya (2016: 36) state that the tax socialization variable has a significant positive effect on the variable personal income tax revenue, as well as tax extensification has a significant positive effect on personal income tax revenue.

H3: Taxpayer Compliance is able to moderate tax socialization on tax revenue at KPP Madya Medan.

THE EFFECT OF TAX KNOWLEDGE ON TAX RECEIVABLES

Based on research conducted by Nabila and Ita (2020: 28), the knowledge of taxpayers in the Regional Revenue Management Agency, represented by 50 Advertising Bureaus in Bandung, shows good results. This is obtained from the results of the acquisition of scores on the Taxpayer Knowledge variable showing a percentage of 93.93% of the maximum total respondents' answers that

can be accepted and the remaining 20.44% of respondents' answers that are not accepted are that the Taxpayer's Knowledge affects Bandung Regional Tax Revenues. .

H4: Taxpayer Compliance is able to moderate tax knowledge on tax revenue at KPP Madya Medan.

RESEARCH METHODS RESEARCH SITES

Place This research was conducted in the city of Medan KPP Madya Medan.

POPULATION, SAMPLE AND DATA DETERMINATION TECHNIQUES

Population in this research is the people who become taxpayers at KPP Madya Medan. The sample in this study were respondents who were met by researchers randomly and in determining the sample, it was determined using the Slovin formula as follows (Ningsih, 2016). The sample amounted to 320 respondents.

RESEARCH DESIGN

According to Sugiyono (2016: 7), the research approach used in this study is a quantitative research method.

OPERATIONAL DEFENITION VARIABLES

The operational definition of the research variables can be presented in Table 2 as follows:

Table 2. Operationalization of Research Variables

Variable	Operational definition	Indicator
Tax revenue (Y)	Tax revenue is a source of taxes that is useful for helping to finance a country's spending and improving facilities and providing good infrastructure because most of the country's revenue comes from tax revenue.	<ol style="list-style-type: none"> 1. Tax Revenue Target 2. Realization of Tax Revenue
Tax Socialization (X1)	Dissemination is very important for the Directorate General of Taxes to provide the latest information on tax matters and with an approach to the public this is done with the aim that the public understands taxes, the more the public knows the benefits of taxes, the more people will pay taxes and the increase in tax revenue.	<ol style="list-style-type: none"> 1. Live Socialization 2. Indirect Socialization
Tax Knowledge (X2)	Knowledge of taxation, the ability of a taxpayer to know tax regulations, whether it is a matter of statutory tax rates to be paid, or tax benefits that will be useful for their lives.	<ol style="list-style-type: none"> 1. Knowledge of General Provisions and Tax Procedures 2. Knowledge of the Taxation System in Indonesia 3. Knowledge of Tax Functions
Taxpayer Compliance (Z)	Tax compliance is the attitude of taxpayers who are willing and sincere without being forced to carry out tax obligations in the form of calculating taxes, paying their own taxes and reporting taxes. Here the taxpayer is willing to calculate the tax to be paid without feeling forced. sincere and sincere.	<ol style="list-style-type: none"> 1. Compliance to register 2. Compliance in calculating and paying taxes payable 3. Compliance with the payment of tax arrears

SOURCES AND DATA COLLECTION TECHNIQUES

The source of this research comes from the source directly and requires further processing of the data obtained. Based on the source, the data can be divided into two, namely primary data and secondary data

The data collection techniques that researchers use are as follows:

1. Researchers obtain company documents in the form of company history, organizational structure and job descriptions of the company.

Table 3. Likert Scale Score Value

No.	Statement	Indicator	Score
1	Strongly agree	SS	5
2	Agree	S	4
3	Disagree less	KS	3
4	Disagree	TS	2
5	Strongly Disagree	STS	1

Source: Sugiono (2012)

2. Interview

Researchers conducted direct interviews with the HRD department.

3. Document Study

According to Sujarweni (2014: 75), "document analysis that leads to real evidence and to analyze the contents of documents that can support researchers".

4. Literature Study

According to Widodo (2017: 44) "a literature review reflects a comprehensive description of the theories or concepts that are relevant to the research topic, even more specifically reaching variables, dimensions and indicators that are inherent (related)".

DATA ANALYSIS TECHNIQUE

This study analyzes data using the Partial Least Square (PLS) approach, PLS is a component or variant-based Structural Equation Modeling (SEM) equation model.

RESEARCH RESULTS AND DISCUSSION

RESEARCH RESULT

In this study, hypothesis testing used analytical techniques Partial Least Square(PLS), with the SmartPLS 3.0 program. The following is a schematic of the PLS program model being tested.

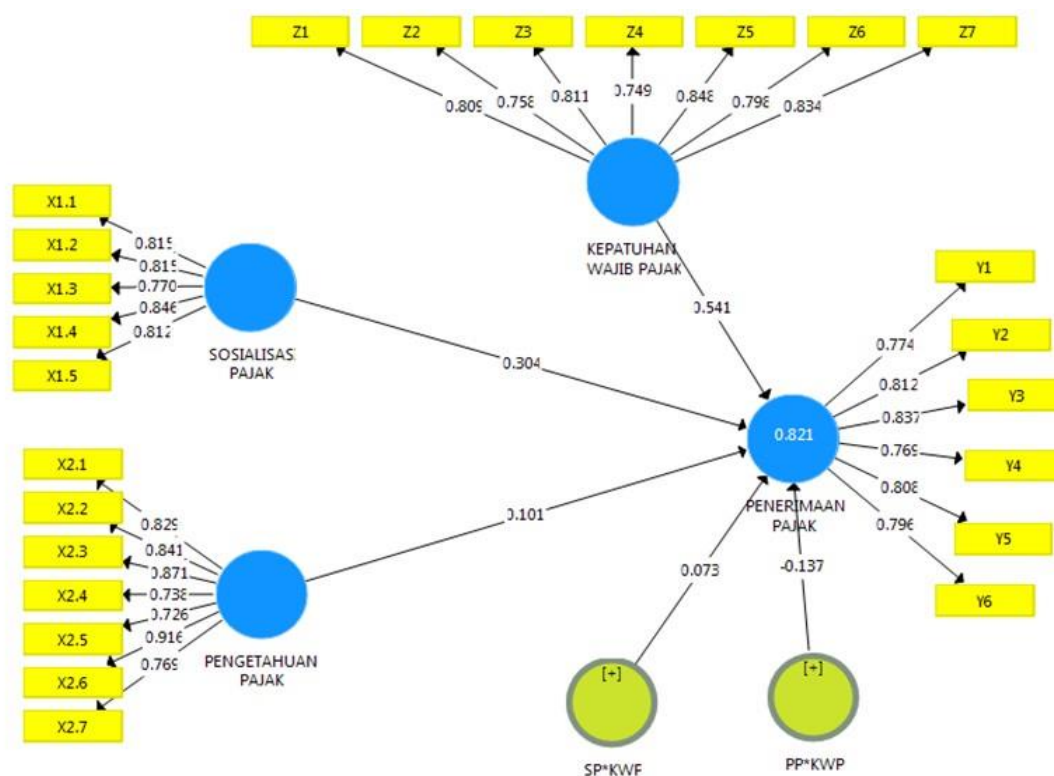


Figure 4.1 Final Path Diagram

The hypothesis is accepted when the significance level is less than 0.05 or the t-value exceeds the critical value (Hair et al, 2014). The value of t statistics for the 5% significance level is 1.96.

Table 4 Path Coefficient Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O / STDEV)	P Values	Result
Taxpayer Compliance -> Tax Receipts	0.541	0.540	0.047	11,577	0.000	Be accepted
Tax Knowledge -> Tax Receipts	0.101	0.098	0.077	1,310	0.191	Rejected
PP * KWP -> Tax Receipts	-0.137	-0.134	0.060	2,278	0.023	Be accepted
Tax Socialization -> Tax Receipts	0.304	0.309	0.063	4,855	0.000	Be accepted
SP * KWP -> Tax Receipts	0.073	0.072	0.061	1,185	0.237	Rejected

Source: Research results, processed with Smart PLS 3.0, 2021

DISCUSSION

EFFECT OF TAX SOCIALIZATION ON TAX REVENUE AT MADYA MEDAN KPP.

The results of this study indicate that tax socialization has an effect on tax revenues at Medan Madya Tax Offices. This explains that taxpayers who often participate in tax socialization held at KPP Madya Medan will increase tax revenue at KPP Madya Medan. Thus, it is concluded that tax socialization has an effect on tax revenue at KPP Madya Medan.

Research results from Suyanto and Kifita Yahya (2016: 36) state that the tax socialization variable has a significant positive effect on the variable personal income tax revenue, as well as tax extensification has a significant positive effect on personal income tax revenue.

According to Riyanti (2013), taxation socialization is an effort by the Directorate General of Taxes to provide information and guidance to the public in general and taxpayers (WP) in particular regarding everything related to taxation and legislation. Based on research from Benny and Sakaria (2019: 262), tax socialization and taxpayer compliance have no effect on tax revenue at Medan Madya Tax Office.

THE EFFECT OF TAX KNOWLEDGE ON TAX REVENUE AT MADYA MEDAN KPP.

The results of this study indicate that tax knowledge has no effect on tax revenue at Medan Madya Tax Office. With the knowledge of tax-on-tax revenue, it will obey, but many taxpayers who have tax knowledge take advantage of loopholes in the field of taxation (loopless). So that it will use the taxation regulations that are still gray (Gray area), to pay less tax. Then this will have an impact on the tax revenue at Medan Madya KPP Will Decrease. Thus, it can be concluded that the knowledge of tax-on-tax revenue does not affect taxpayers to obey tax payments so that tax revenue will decrease.

The results of this study can be concluded that tax knowledge has no effect on tax revenue at KPP Madya Medan. With high knowledge of taxes, it will not affect taxpayers to carry out their obligations as taxpayers, namely paying existing taxes. Therefore, KPP Madya Medan must pay more attention to other factors that can increase public compliance in paying taxes as taxpayers. And the tax sanctions that are applied must also be in accordance with the applicable provisions.

TAXPAYER COMPLIANCE IS ABLE TO MODERATE TAX SOCIALIZATION TOWARD TAX RECEIVES.

The results of this study indicate that taxpayer compliance is not able to moderate tax socialization of tax revenue at Medan Madya KPP. the existence of taxpayer compliance carried out by taxpayers has not been able to moderate the socialization of tax-on-tax revenue at the Medan Madya KPP

The findings by the researchers show that many taxpayers engaged in the construction sector collect VAT from the counterparty but are not paid to the State but are used for the company's operational interests, thus causing the State to suffer losses. This occurs because taxpayers do not have good compliance so they do not able to moderate tax socialization of tax revenue. This study is different from the results of research by Yeny Kopong and Indah Widyaningrum (2016) which state that taxation socialization has a significant effect on tax revenue on taxpayer compliance. This indicates that the higher the level of taxation socialization, the higher the tax revenue.

TAXPAYER COMPLIANCE IS ABLE TO MODERATE TAX KNOWLEDGE OF TAX RECEIVABLES.

The results of this study indicate that taxpayer compliance is able to moderate or strengthen or weaken tax knowledge on tax revenue at Medan Madya KPP. With the existence of taxpayer compliance in the field of taxation which is owned by taxpayers, it is able to moderate tax knowledge on taxpayer compliance at Medan Madya KPP

The results of this study have different results from previous research. Based on the results of research by Aliya and Ingrid (2017), it is stated that the moderating variable between taxpayer compliance and tax knowledge is not significant to tax revenue. Taxpayer compliance and tax knowledge are not significant.

According to Hidayatulloh, (2010). The higher the knowledge and understanding of the taxpayer, the taxpayer can follow the rules in accordance with the tax provisions. However, if the taxpayer does not have knowledge of tax regulations, the taxpayer cannot follow the rules regarding taxes.

CONCLUSIONS AND SUGGESTIONS CONCLUSION

Based on the results of the research and discussion previously described, conclusions can be drawn from research on the analysis of the effect of tax socialization, tax knowledge, and taxpayer compliance on tax revenue as follows:

1. Tax socialization has an effect on tax revenue at KPP Madya Medan.
2. Tax knowledge has no effect on tax revenue at KPP Madya Medan.
3. Taxpayer compliance is not able to moderate the socialization of tax on tax revenue at KPP Madya Medan.
4. Taxpayer compliance is able to moderate tax knowledge on tax revenue at Medan Madya KPP.

SUGGESTION

Suggestions from the results of this study are:

1. Taxation socialization has an influence on tax revenue at Medan Madya KPP, meaning that it needs to be maintained and improved in terms of providing socialization services so that people who obey tax socialization will increase in the future.
2. For tax knowledge has no effect on tax revenue. The tax officer should have explained in more detail how the sanctions that apply if there are taxpayers who violate or accidentally commit violations in the calculation and reporting of taxes.
3. Taxpayer Compliance is unable to moderate the socialization of taxes and knowledge of tax-on-tax revenue at the Medan Madya KPP. in this case, the tax officer must pay attention to and provide services for taxpayers who still lack knowledge of taxation so that in the future the percentage of tax revenue will increase.
4. For KPP Madya Medan must also consider other factors that were not analyzed in this study, due to other roles of these factors in the future.
5. For further researchers, the research conducted by the author is limited to tax socialization, tax knowledge, taxpayer compliance and tax revenue. Researchers do not examine further about other factors that can increase tax revenue; therefore it is hoped that further research can examine other factors that can increase tax revenue.
Such as: Fiskus Services, Taxpayer Satisfaction and others.

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