

SOCIAL NORMS AS A MODERATION VARIABLE IN THE RELATIONSHIP OF TAXPAYER AWARENESS TO THE COMPLIANCE OF PBB-P2 TAXPAYERS IN AMBON CITY GOVERNMENT

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ABSTRACT

This research aims to empirically test the influence of independent variables, namely; taxpayer awareness of taxpayer compliance, as well as to empirically analyze the influence of varied social norms in moderating the relationship of taxpayer awareness to taxpayer compliance in paying Earth and Rural and Urban Buildings Tax (PBB-P2) in Ambon City. This research is empirical research with sampling techniques used is purposive sampling and data collection using survey methods. The analysis used was multiple linear regression with hypothetical tests using t-statistics to test partial regression coefficients as well as F-statistics to test influence together with a confidence level of 0.005 or 5%. The results of this study showed there was an insignificant influence of taxpayer awareness on taxpayer compliance in paying taxes. There is a significant influence of variable moderation of social norms on the relationship between taxpayer awareness and taxpayer compliance.

Keywords: Taxpayer Awareness, Social Norms, Taxpayer Compliance, Earth and Rural and Urban Buildings.

INTRODUCTION

Earth and Building Tax is a central tax that is then given and/or delegated to the local government. The basic and basic reasons for the transfer of PBB-P2 into local taxes are; First: based on the theory of PBB-P2 is more local, the object of the tax is not moving around, and there is a close relationship between taxpayers and those who enjoy the tax proceeds and Second: the transfer of PBB-P2 is expected to increase Local Native Income (PAD), as well as improve the Regional Budget (APBD), as well as the Third: improve public services, accountability, and transparency in the management of PBB-P2 (reported from <http://www.kemenkeu.go.id>). Land and Rural and Urban Buildings Tax (PBB-P2) in Ambon City Government, regulated in Ambon City Regional Regulation Number 4 in 2013 concerning Earth and Rural and Urban Building Tax (PBB-P2). Since the handover of authority to take care of PBB-P2 from the Primary Tax Office (KPP) to the regional revenue agency (Bapenda) many programs need to be addressed. There is still a mismatch of the print out of Sismiop (Tax Object Information Management System) with the proof of payment in the hands of taxpayers.

Besides, partially submitted tax receivable data is not supported by the taxpayer's name and address, making it difficult to identify tax subjects and objects. Another problem is that since the humanitarian conflict there are many taxpayers who have not paid their obligations for the payment and settlement of PBB-P2. Based on the results of the BPK RI examination in 2018, the arrears of Earth and Rural and Urban Buildings Tax (PBB-P2) accumulated from previous years amounted to Rp. 17,691 billion (Source: ambon.bpk.go.id). The conditions referred to by the

Ambon City Government continue to be improved by data collection of the subjects and objects of The Earth tax and Rural and Urban Buildings (PBB-P2) through cooperation with relevant parties in improving the data. Another phenomenon that causes the disbursement of land and rural and urban building tax payments (PBB-P2) is the issue of land and building ownership rights. This can cause delays in payment of taxes by taxpayers because SPPT- PBB-P2 does not apply as proof of ownership in case of problems or disputes of land ownership or buildings in the future. On the other hand, the development of the realization of receipts from the Earth Tax and Rural and Urban Buildings (PBB-P2) in ambon city government is perceived to be still lacking, because the value of realization of receipts from the source is intended when compared to the target decreased.

This condition must be followed up wisely continually in the future the realization of Regional Revenues from The Earth and Rural and Urban Buildings Tax (PBB-P2) in ambon city government can increase in the following years. Therefore, there must be good coordination and cooperation between the KPP and the Ambon City Government in handling the Earth Tax and Rural and Urban Buildings (PBB-P2) of the community. Cooperation between agencies that deal with the tax levy problem can begin with an overhaul of the tax payment system. To facilitate the payment of taxpayers in making tax payments specifically for the payment of land and rural and urban buildings (PBB-P2) is provided also a means of paying taxes online that we are commonly known as id-billing services. Because the tax payment system with the id-billing system by the Director-General of Tax then issued a payment system called e-filing is only intended for the payment of income tax. Therefore, this system should also be developed for the payment of other taxes such as land and rural and urban building taxes (PBB-P2). This system will make it easier for taxpayers in terms of payments that could have an impact on improving taxpayer compliance.

THEORETICAL FRAMEWORK

Relationship of Taxpayer Awareness with Taxpayer Compliance

According to Jati (2016), tax awareness has logical consequences for taxpayers so that they are willing to contribute funds for the implementation of taxation functions, by paying their tax obligations in a timely manner. This research shows that taxpayer awareness has a positive effect on tax compliance. Yusnidar's research (2015), showed that taxpayer awareness has a significant positive effect on the compliance of Earth and Buildings Taxpayers (PBB). In the study, taxpayer awareness had a significant effect on the compliance of paying The Earth and Buildings Tax (PBB). Based on the explanation above can be hypothesized as follows:

H1: Taxpayer awareness has a positive effect on the compliance of taxpayers of earth and rural and urban buildings (PBB-P2).

Social Norms In Moderating the Relationship Between Taxpayer Awareness And Taxpayer

Compliance Social norms are the views of others towards behaviors carried out by individuals. If the other person agrees with the behavior of the individual, then this behavior will continue because it is accepted by the community and develops into a social norm (Laksito, 2014). It is relevant to this research that is, if the subjective norms of taxpayers in compliance with paying taxes develop into social norms, it will affect the increase of public awareness in complying with their obligations to pay taxes. Individuals who have been affected by social

norms that develop in society will tend to bring about individual awareness so that they will tend to comply with their tax obligations. If the growing social norms affect the compliance with tax payments, then social norms have a positive effect in improving the relationship between taxpayer awareness and tax compliance. Based on the explanation above can be hypothesized as follows: *H2: Social norms moderate the influence of taxpayer awareness on the compliance of taxpayers of earth and rural and urban buildings (PBB-P2)*

METHOD

Population in this study are all taxpayers of Earth and Rural and Urban Buildings (PBB-P2) in Ambon city given SPPT. This research uses sampling techniques, namely purposive sampling. Purposive sampling technique is deliberate sampling in accordance with the necessary sample requirements or based on certain considerations. To test the relationship between independent variables and dependent variables and moderation variables, use multiple linear regression analysis. As for testing independent and dependent variables that in relation there are strengthening or weakening factors that are moderation variables, testing using Moderate Regression Analysis (MRA).

DISCUSSION

Effect of Taxpayer Awareness on Taxpayer Compliance. The results of the analysis showed the taxpayer awareness variable relates positively to 0.12 with a probability value or a significant value of 0.06 and if measured by a significant degree used is 0.05 then it can be concluded that there is a positive but insignificant relationship of taxpayer awareness to taxpayer compliance, so that the hypothesis proposed in this study is rejected. The results showed a positive relationship between taxpayer awareness and taxpayer compliance in making tax payments. This means that taxpayer awareness is in line with taxpayer compliance in making tax payments. If taxpayers have a good awareness of their obligations as taxpayers, it will have an impact on the increasing compliance of taxpayers in making tax payments. Conversely, if the taxpayer's awareness of his/her obligations in making tax payments decreases, it implies a decrease in taxpayer compliance in making tax payments. In addition, insignificant influence indicates that taxpayer awareness does not have a major influence on taxpayer compliance in making tax payments. Or in other words, taxpayer compliance in paying taxes is not directly influenced by the awareness within the taxpayer.

Taxpayer compliance of earth and rural and urban buildings (PBB-P2) in Ambon City, especially for 14 Villages in Kecamatan Sirimau Subdistrict for its awareness in fulfilling tax payment responsibilities, is felt still lacking. This can be seen from the increasing number of taxpayers who delinquent from the previous year, with the highest amount of PBB-P2 receivables in Sirimau Subdistrict. In addition, the lack of awareness of taxpayers in making tax payments due to the ownership factor of land and building rights. The phenomenon that occurs is numerous taxpayers in the District Sirimau Ambon City that is constrained by the issue of land ownership rights and buildings occupied. This causes taxpayers to be reluctant to make PBB-P2 payments, because they assume that if in the future the ownership rights are transferred to others, then they will suffer losses. This is because SPPT PBB does not apply as proof of ownership in case of problems or disputes of land ownership or buildings in the future. Therefore, the Ambon

City Government through related parties should respond and quickly clarify the ownership rights of land and buildings occupied by taxpayers.

Management of ownership rights on land and buildings by taxes for example; can be facilitated from the village level to the management in the Land Agency with an accelerated period time. The process that has occurred so far is the management by taxpayers regarding land ownership rights and the building takes a considerable amount of time up to a year more. This long process makes the goal of increasing the regional revenue of Ambon City from PBB-P2 tax difficult to achieve. Another step that can be taken by the Ambon City Government in triggering the awareness of PBB-P2 taxpayers is to include PBB-P2 tax evidence as one of the supporting documents or completeness in the management of population administration by taxpayers.

The effect of Variable Moderation of Social Norms on the Relationship Between Taxpayer Awareness and Taxpayer Compliance.

The hypothetical test results show that moderation variables (social norms*taxpayer awareness) are positively related to 0.26 with a probability value of 0.00 and if measured by a significant degree used is 0.05 then it can be concluded that social norms have a significant effect in moderating the relationship between taxpayer awareness to taxpayer compliance so that the hypothesis proposed in this study is accepted. The results showed a positive relationship of variable moderation of social norms to the relationship between taxpayer awareness and taxpayer compliance in making tax payments. This means that social norms are in line with the relationship between taxpayer awareness and taxpayer compliance. If good social norms develop in society, then taxpayer awareness will increase and have an impact on the increasing compliance of taxpayers in making tax payments.

Conversely, if social norms that develop in society decrease, then taxpayer awareness of their obligations in making tax payments will also decrease, which also affects the decrease in taxpayer compliance in making tax payments. Furthermore, significant influence indicates that social norms have a great influence in influencing the relationship between taxpayer awareness and taxpayer compliance in making tax payments. Social norms are the views of others towards behaviors carried out by individuals. If the other person agrees with the behavior of the individual, then this behavior will continue because it is accepted by the community and develops into a social norm (Laksito, 2014). If the social norms of taxpayers in compliance with paying taxes develop in society, it will affect the community in terms of complying with the obligation to pay taxes. But on the contrary, if these social norms do not develop well in society, then the compliance of the taxpayer in question, will decrease.

Because individuals who have been affected by social norms will tend to comply with their tax obligations. Social norms are influential in moderating the relationship between taxpayer awareness and the compliance of earth taxpayers and rural and urban buildings (PBB-P2) in Ambon City, indicating that taxpayers are likely to be influenced by the norms or habits of those around them. Theory about social psychology as David (in Nina 2012) stated that social psychology is how we are influenced by social situations. Social behavior will be formed from the interaction and environment that affects a person's behavior. Social behavior has an impact on the existence of reciprocal actions or mutual reciprocity of the response received by the individual, which can be demonstrated by feelings, attitudes or beliefs, and actions.

Related to this, social norms are an important factor in influencing the actions and awareness of taxpayers in complying with all their tax obligations. What needs to be done in improving social norms in the community?. To facilitate the payment of land and rural and urban buildings (PBB-P2) taxes by taxpayers, the step taken by the Ambon City Government is to cooperate with RT/RW devices. Policies that can be done by the City Government in fostering good social norms in the RT / RW environment are RT / RW devices can be used as a role model in influencing the community in this case taxpayers in the RT / RW environment concerned. This means that RT/RW devices that are partners of the Ambon city government are used as an example to show good behavior as taxpayers. Also, the civil apparatus of the state in the community is encouraged or stimulated with certain rewards so that they are motivated as a good example of taxpayers in their residential environment. Thus, they will directly affect the taxpayers who are around them.

CONCLUSION

The test results of the responses of 195 respondents gave the conclusion of this study, among others: taxpayer awareness has no significant effect on taxpayer compliance. Variable moderation of social norms has a significant effect on the relationship between taxpayer awareness and taxpayer compliance. Ambon City Government can raise taxpayer awareness, especially taxpayers of land and rural and urban buildings (PBB-P2) by: (1) The Government of Ambon City through related parties should respond and quickly clarify the ownership rights of land and buildings occupied by taxpayers. Management of land and building ownership rights by taxes for example; can be facilitated from the Village level to the management in the Land Agency with an accelerated period, (2) The existence of administrative rules such as including UN-P2 tax evidence as one of the supporting documents or completeness in the management of population administration by the people of Ambon City, dan (3) RT/RW devices can be used as role models in influencing the community in this case taxpayers in the RT / RW environment concerned. This means that RT/RW devices that are partners of the Ambon City Government are used as an example to show good behavior as taxpayers.

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