

# THE ROLE OF TAX VOLUNTEERS IN MEDIATING UNDERSTANDING OF TAX REGULATIONS AND THEIR IMPACT ON INDIVIDUAL TAXPAYER COMPLIANCE

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## ABSTRACT

This research aims to explore the role of tax volunteers in mediating the relationship between understanding tax regulations and individual taxpayer compliance (WPOP). This study uses quantitative methods by collecting data through questionnaires distributed to WPOP. Data analysis was carried out using simple regression and moderation regression analysis to test the relationship between understanding tax regulations, WPOP compliance, and the moderating role of tax volunteers. The research results show that understanding tax regulations has a significant positive influence on WPOP compliance. However, the role of tax volunteers is not able to moderate the relationship between understanding tax regulations and WPOP compliance. In other words, the presence of tax volunteers does not strengthen the impact of understanding tax regulations on WPOP compliance. These findings indicate that while understanding tax regulations plays an important role in improving WPOP compliance, additional strategies are needed to maximize this positive effect. This research provides important implications for tax authorities in developing more effective tax outreach strategies and in managing the role of tax volunteers to support taxpayer understanding and compliance in a more holistic manner.

**Keywords :** Taxpayer Compliance, Understanding Tax Regulations, Tax Volunteers.

## 1. INTRODUCTION

Tax is a mandatory contribution from the people to the State treasury in accordance with legal provisions. These contributions can be forced and are not accompanied by direct rewards that are usually received or used to finance public expenditure. (Mardiasmo, 2016). Indonesia as a developing country needs to increase its economic growth so that it can match other countries. To achieve this, Indonesia needs quite large sources of funds, and one of these sources of funds comes from tax revenues (Ardi, 2016). According to Atmoko (2018), tax revenues are used to fund infrastructure development, finance the health sector, support the education sector, and various other public needs.

According to information submitted by the Directorate General of Taxes (<https://www.pajak.go.id>), the level of taxpayer compliance in Indonesia is still relatively low. This low level of compliance in fulfilling tax obligations is very worrying, especially when compared with business growth in Indonesia. The growth in the number of taxpayers in Indonesia continues to increase from year to year, namely in 2022 as much as 17,507,899 registered taxpayers (2022 DJP Annual Report Data). However, the increase in the number of taxpayers is not matched by taxpayer compliance in carrying out their tax obligations. Lack of understanding of the latest technology and regulations is the main factor why taxpayers have not carried out their tax obligations considering that tax regulations often change (Wulandari, 2023)

The low level of taxpayer compliance can be caused by several factors, including a lack of understanding of taxes, socialization and tax sanctions imposed on each taxpayer if they violate tax laws and regulations. Understanding and socialization of taxation is the cause of low levels of taxpayer compliance. Due to the lack of public education regarding taxation, people tend not to understand the importance of taxes, which results in taxpayers not paying taxes so that taxpayer compliance does not go well (Rossa, et al. 2023).

According to Widyastuti (2020), tax compliance refers to the condition where a taxpayer has fulfilled his tax rights and obligations in accordance with applicable regulations, which can be interpreted as the level of taxpayer compliance. On the other hand, Taxpayer obligations refer to their awareness of fulfilling tax responsibilities, including paying taxes and submitting Annual Tax Returns (SPT), in accordance with applicable tax regulations.

In facing these challenges, the Directorate General of Taxes is holding a Tax Volunteer program to increase taxpayer compliance and awareness by involving non-authority communities, students and related agencies. This program includes training, assistance with SPT reporting, socialization regarding taxation and the latest tax regulations. (Darmayasa, et al, 2020). The tax volunteer program also includes a public relations function with the aim of providing education and outreach through modern technology, especially social media. This is because tax compliance is influenced by the taxpayer's knowledge to comply with and carry out their tax obligations (Prasetyo, et al, 2024)

This research aims to examine the influence of understanding tax regulations on individual taxpayer compliance in Jember Regency, as well as exploring how tax volunteers can moderate this relationship. Jember Regency was chosen as the research object because it has diverse demographic and economic characteristics, and there are various tax outreach programs that have been actively implemented in this area (Jember Regency Central Statistics Agency, 2020). Thus, it is hoped that this research can provide deeper insight into the effectiveness of tax socialization and the role of tax volunteers in increasing individual taxpayer compliance, as well as provide recommendations for strategies to increase tax compliance in the future.

Several studies that examine tax compliance include Fauzia et al., (2023), Permadi et al., (2023), Laksmi et al., (2023), Anakotta et al., (2023), Muhammad Nasrun e al., (2022), Tasha Sakia et al., (2022), Fariq Ananda Diratama et al., (2022), Silvana Saputri et al., (2021), Khodijah et al., (2021), Nugroho, VQ et al. , (2020), Navi Astuti et al., (2020), I Nyoman Darmayasa et al., (2020). The formulation of the problem in this research is whether there is an influence between the variables of implementing E-Filing on Individual Taxpayer Compliance and whether tax volunteers can moderate the relationship between the influence of implementing E-Filing on Individual Taxpayer Compliance. The purpose of this research is to determine whether there is an influence between the variables of implementing E-Filing on Individual Taxpayer Compliance and whether tax volunteers can moderate the relationship between the influence of implementing E-Filing on Individual Taxpayer Compliance.

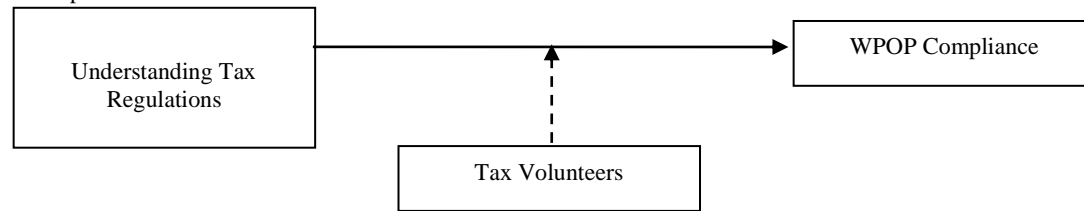
## 2. RESEARCH METHODS

The object of this research is individual taxpayers domiciled in Jember Regency who have a NPWP registered with KPP Pratama Jember and have reported their SPT at least once. The population in this research is all individual taxpayers in Jember Regency, totaling around 112,949 people. The sample in this research was 100 people who were calculated using the Slovin formula with predetermined criteria.

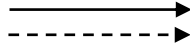
This research is a quantitative study that uses primary data and secondary data. Researchers obtained data by applying data collection techniques through observation, distributing questionnaires, literature study and documentation.

The data analysis techniques used include instrument testing, classical assumption testing, simple linear regression analysis, partial hypothesis testing and moderated regression analysis.

Conceptual Framework



Information:



:Partial influence

- - - :The influence of moderating variables

## 3. TYPESET TEXT

### Research result

#### a. Simple Linear Regression Analysis

Sugiyono (2020:299) explains that simple regression analysis focuses on the functional or cause-and-effect relationship between an independent variable and a dependent variable. This test was carried out to understand the influence of the independent variable on the dependent variable.

**Table 3 Simple Linear Regression Analysis Test Results**

model	Coefficients		Standardized beta coefficients	t	Sig.
	b	Std. error			
(constant)	13,356	2,037		6,556	,000
Understanding of tax regulations	,726	,061	,767	11,820	,000

The following regression equation is obtained:

$$Y = 13.356 + 0.726X + e$$

To interpret the results of this analysis, they can be explained as follows:

1. It is known that the constant value (a) shows a result of 13.356 and has a positive value, which means that when understanding tax regulations is constant, the value of taxpayer compliance is 13.356.
2. The regression coefficient value for understanding tax regulations is 0.726 and is positive, which means that if the variable understanding tax regulations increases by 1 unit, the dependent variable, namely taxpayer compliance, will also increase by 0.726 and vice versa.

#### b. Moderated Regression Analysis (MRA)

Moderation regression analysis aims to assess whether the moderating variable will increase or decrease the influence between the independent variable and the dependent variable.

**Table 4 Moderated Regression Analysis (MRA) Test Results**

Model	Coefficients		Standardized beta coefficients	t	sig
	b	Std. error			
(constant)	3,120	14,432		,216	,829
Understanding Tax Regulations	,854	,432	,902	1,976	,051
Tax Volunteers	,396	,384	,529	1,032	,305
Understanding tax regulations*tax volunteer	-.007	,011	-,559	-,633	,528

Based on table 9, the following equation can be formed:

$$Y = 3.120 + 0.854 + 0.396 - 0.007 + e$$

Based on table 9 it can be seen:

1.  $\alpha = 3.120$

The constant value equation is 3.120. This proves that understanding tax regulations at a constant value will increase individual taxpayer compliance by 3.120.

2.  $\beta_3 (X_2 * Z) = -0.007$

The regression coefficient for the interaction between understanding tax regulations and tax volunteers is -0.007, meaning that if all other variables remain constant, while the interaction variable between understanding tax regulations and tax volunteers increases by one unit, taxpayer compliance will decrease by -0.007

**Table 5 T Test Results with Moderation**

model	Coefficients		Standardized beta coefficients	t	Sig.
	b	Std. error			
(constant)	3,120	14,432		,216	,829
Understanding tax regulations*tax volunteers	-.007	,011	-,599	-,633	,528

Based on table 6, the results of the moderation regression t test can be seen as follows

a. Based on the significance value (sig.) of the output coefficients, it is known that the interaction significance value of the variable understanding tax regulations with tax volunteers is 0.528, which means the significance value is >0.05, so it can be concluded that the tax volunteer variable is not able to moderate the relationship between understanding tax regulations and mandatory compliance. personal tax

**Hypothesis Test T**

The t test is a test used to show how much influence the independent variable (X) individually has in explaining the dependent variable (Y). The basis for accepting or rejecting a hypothesis is carried out with the criterion that if the significant value is <0.05 then the hypothesis is accepted, which means there is a significant influence between one independent variable and the dependent variable. The partial t test table can be seen as follows:

**Table 6 T Test Results**

model	Coefficients		Standardized beta coefficients	t	Sig.
	b	Std. error			
(constant)	13,356	2,037		6,556	,000
Understanding of tax regulations	,726	,061	,767	11,820	,000

Based on table 4.18, the results of the simple regression t test can be seen that:

a. Based on the significance value (sig.) of the output coefficients, it is known that the significance value of the variable understanding tax regulations is 0.000, which means that the significance is <0.05, meaning that there is an influence between the variable understanding tax regulations on individual taxpayer compliance.

**Discussion**

**1. The Influence of Understanding Tax Regulations on Individual Taxpayer Compliance**

From the results of hypothesis testing, it was found that Understanding Tax Regulations has a significance value of 0.000, which is lower than 0.05. Therefore, it can be concluded that Understanding Tax Regulations has a significant influence on individual taxpayer compliance.

The process when taxpayers understand and have knowledge of applicable laws and regulations and apply them in tax activities is called understanding tax regulations. From this statement it can be seen that if taxpayers better understand the applicable laws and regulations, taxpayer compliance will increase.

This finding is also supported by research by Fauzia and her team in 2023 entitled "The Influence of Taxpayer Awareness, Service Quality, and Understanding of Tax Regulations on Individual Taxpayer Compliance in the City of Surabaya", which confirms that understanding tax regulations has a significant impact on taxpayer compliance.

From this description, a conclusion can be drawn, namely that if taxpayers understand more about tax regulations, their compliance will increase. The higher the taxpayer's level of understanding and education, the greater their desire to comply with applicable tax regulations.

## **2. The Effect of Understanding Tax Regulations on Individual Taxpayer Compliance with Tax Volunteers as a Moderating Variable**

From the results of hypothesis testing, it was found that the relationship between Understanding Tax Regulations and Tax Volunteers had a significance value of 0.528, which was higher than 0.05. Therefore, the results of the moderation test indicate that tax volunteers do not have the ability to moderate the relationship between understanding tax regulations and taxpayer compliance. This means that tax volunteers do not strengthen or weaken the relationship between understanding tax regulations and taxpayer compliance.

Tax volunteers are not the only source to increase taxpayer understanding. Taxpayers have access to gain an understanding of taxation from various other sources such as the internet, the official DJP website, as well as through outreach and service activities carried out by parties other than tax volunteers. However, the role of tax volunteers is still important in increasing taxpayers' understanding and providing guidance to them to understand various aspects of taxation. (Anakotta, et al 2023). Tax volunteers do not have formal authority or legal power to enforce tax rules. Although they can provide taxpayers with a better understanding of tax regulations, in terms of enforcing compliance, the main responsibility is still with the Directorate General of Taxes (DGT) and other relevant government agencies. Tax volunteers often work within a limited scope and may not cover all taxpayers who need help. This may limit their ability to effectively influence overall taxpayer compliance.

This research shows results that contradict previous research conducted by Fauzia and her colleagues in 2023 with the title "The Impact of Taxpayer Awareness, Service Quality, and Understanding of Tax Rules on Individual Taxpayer Compliance in the City of Surabaya". Previous research findings confirm that understanding tax regulations has a significant influence on the level of taxpayer compliance.

From this description it can be concluded that tax volunteers cannot strengthen or weaken the relationship between the influence of understanding tax regulations on taxpayer compliance. Because tax volunteers are not a source for increasing taxpayer understanding

## **4. CONCLUSION**

From the results of research on The influence of understanding tax regulations on the compliance of individual taxpayers registered at KPP Pratama Jember with tax volunteers as a moderating variable using the moderation regression analysis method. The total number of respondents in this study was 100 people. So the conclusions of this research are as follows:

Understanding tax regulations influences the compliance of individual taxpayers registered at KPP Pratama Jember. Tax Volunteers are unable to moderate the influence of understanding tax regulations on taxpayer compliance. This means that tax volunteers are unable to strengthen or weaken the relationship between understanding tax regulations and individual taxpayer compliance

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