



The Effect of E- Filing, Tax Socialization, and Taxpayer Awareness on MSME Taxpayer Compliance with Tax Sanctions as Variable Moderation

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Abstract. This research purpose is to investigate the effect of E-Filing Implementation, Taxation Socialization, and Taxpayer Awareness on the Compliance of SMEs Taxpayers, with Tax Sanctions acting as a Moderating Variable. The primary data for this study were obtained from respondents' answers to the questionnaire used in the research. The research sample consists of 100 SME taxpayers holding a Taxpayer Identification Number (NPWP) in Depok City. Methodology sampling method employed is purposive sampling. The data analysis methods include Descriptive Statistics, Data Quality Test, Classical Assumption Test, and Hypothesis Testing, which includes Moderation Regression Analysis, Coefficient of Determination, F-test, and T-test. Findings indicate that E-Filing Implementation, Socialization and Taxpayer Awareness have a positive and significant impact on Taxpayer Compliance. Regarding the hypothesis testing results for the moderation variable, Tax Sanctions and Taxation Socialization can positively moderate the relationship between E-Filing Implementation and Taxpayer Compliance. Tax Sanctions have negatively moderated the association between Taxpayer Awareness and Taxpayer Compliance. Suggestion is that the government and relevant institutions enhance the implementation of a more user-friendly E-Filing system and provide clear guidelines for SMEs. Taxation socialization should be intensified through various media to enhance taxpayers' understanding. Moreover, encouraging unpaid awareness through tax education programs is crucial. Additionally, the proportional application of tax sanctions can serve as an effective tool in promoting SMEs' tax compliance.

Keywords: E-Filing Implementation, Taxation Socialization, Taxpayer Awareness, Tax Sanction.

1 Introduction

Taxes have an essential role in a country, namely as a source of state revenue. The tax has a significant contribution to the implementation of national development for the realization of the welfare of the Indonesian people, so the management of tax revenues must be carried out effectively and efficiently. Tax collection must be carried out per the ability and income of the taxpayer, which means that tax collection is based on justice by adhering to the principle of equality (Abadi, 2016).

Ignorance and misunderstanding of taxpayers about taxes is one of the phenomena that often occur today in society and tends to be controversial. People are reluctant to pay taxes because they believe that reckless politicians will misuse their collected money. If a taxpayer knows the provisions regarding tax obligations, such as tax regulations, the system used, the government or community tax function, and openness.

According to Kania (2017), taxpayer compliance is a person's obligation as a citizen to pay taxes per the provisions of the tax law so that later, as a taxpayer, he can contribute to the country's development. Taxpayer non-compliance is taxpayer disobedience in fulfilling tax obligations in fulfilling their obligations because if taxpayers do not comply, it will lead to a desire to take tax evasion actions (Basri et al., 2014).

Efforts made by the Directorate General of Taxes to provide services and convenience to taxpayers so that they are more obedient in paying taxes are to provide services such as e-filing, an online tax payment system that taxpayers, both individuals and bodies, can use. Adequate socialization provided by the tax authorities to taxpayers can also provide tax-related information and knowledge to taxpayers. With knowledge of regulations and everything related to taxes, it is expected to have a positive impact on taxpayer compliance. Tax sanctions as moderation also play a role in encouraging taxpayer compliance. The effect of these sanctions can vary depending on the level of oversight and enforcement exercised by the authorities.

The UMKM group in Depok City is quite large, and his efforts are even more diverse. Based on the website open data.jabarprov.go.id, the number of MSMEs in City Depok in 2022 reached 2,272. Yes, it has increased since 2018. The large number of MSME taxpayers can absorb up to 97% of the total workforce, and because of that, MSMEs become important. Determination of tax income MSMEs own potency for increased state revenue.

This study aims to obtain empirical evidence and analyze whether the implementation of e-filing, tax socialization, and taxpayer awareness positively and significantly impacts MSME taxpayer compliance in Depok City, West Java Province, with a population of 100 samples. By conducting this research, of course, the tax authorities can improve the related system to positively impact taxpayer compliance by adding tax sanctions as a moderating variable.

This study uses the theory of tax compliance as a basis because this theory helps to understand the factors that influence taxpayer compliance behavior in fulfilling their tax obligations. The application of e-filing as a modernization tool in tax reporting can affect taxpayer perceptions of the convenience and security of the tax process, which can affect compliance. Tax socialization has a vital role in shaping social norms and awareness of taxpayers regarding their responsibilities in paying taxes. This awareness reflects the taxpayer's understanding of their tax contribution in developing the country and its positive impact. By combining these factors, this research can reveal the relationship between the implementation of e-filing, tax socialization, taxpayer awareness, and the level of compliance according to the paradigm of tax compliance theory.

2 Hypothesis Development

2.1 The Effect of Implementing E-Filing on MSME Taxpayer Compliance

E-Filing is a way of electronically submitting notification letters (SPT) online and in real-time through specific designated channels (Safira Aksara, 2021). This E-Filing service website has been integrated with the online DJP service and accessed via www.pajak.go.id. E-Filing is expected to facilitate and accelerate MSME taxpayers in submitting SPT because MSME taxpayers do not need to come to the Tax Service office to send SPT data. With the convenience and more straightforward process in tax administration, there is likely to be an increase in taxpayer compliance.

Implementing E-Filing can make it easier for taxpayers to submit SPT. The easier it is to submit tax returns, the more compliant taxpayers will be in carrying out their tax obligations. (Darmayasa et al. (2020) found that E-Filing has a positive effect on taxpayer compliance. The more E-Filing is used, the more taxpayer compliance will increase. Based on the description above and previous research regarding the relationship between E-Filing and taxpayer compliance, it follows that the first hypothesis in this research is:

H1: E-Filing has a positive effect on MSME taxpayer compliance

2.2 The Influence of Tax Socialization on MSME Taxpayer Compliance

Socialization is an essential process for improving the awareness and compliance of taxpayers. Socialization of taxation gives insight and coaching to obligatory taxes to know about taxation (Tambun, 2016, p. 29). The Directorate General of Taxes is always trying to optimize the service so that Taxpayers always do their obligations. One way to optimize the service is by socializing the importance of paying taxes, which is expected to increase compliance with taxpayers to fulfill taxation obligations.

One factor that could be emphasized by the internal apparatus to increase awareness and compliance is by way of socialization of good tax regulations through counseling, appeals to good morals with media billboards, billboards, and open tax regulation sites that can be accessed at any time by taxpayers (Witono, 1997). Tax socialization influences compliance

taxpayers positively and significantly (Suderajat et al., 2015, p. 193).

Increasing activity socialization, the level of taxpayer compliance will also increase. This matter is supported by research by Rohmawati et al. (2012:11), which states that socialization positively affects Taxpayer compliance. Widowati's (2015: 11) research result states that Tax socialization influences individual taxpayer compliance. Research findings by Purba (2016:29) also state that there is a positive relationship between tax socialization and individual taxpayer compliance. So, the researcher takes a hypothesis that is:

H2 : Tax socialization has an effect positive towards MSME Taxpayer compliance.

2.3 The Effect of Taxpayer Awareness on MSME Taxpayer Compliance

Awareness, according to (Fitria, 2017), is a state of understanding or knowing. According to (Anggarini et al., 2019), taxpayer awareness is a condition where the taxpayer knows and understands tax matters. In this case, taxpayer awareness is a condition where the taxpayer understands or knows his or her tax rights and obligations.

Based on research conducted by (Brata et al., 2017) on WPOP who carry out business activities and freelance work in Samarinda. Based on the results of the analysis carried out, it is concluded that taxpayer awareness and tax sanctions have a significant and positive effect on compliance. According to (Anggarini et al., 2019), taxpayer awareness is vital. If taxpayers are aware of paying taxes, taxpayer compliance will be fulfilled. Taxpayer awareness of the importance of paying taxes for the nation's sake will help increase taxpayer compliance in paying taxes correctly, completely, and on time (Mahdi & Ardiati, 2017). This tax awareness is the taxpayer's understanding of tax regulations and laws, including tax procedures, that will help taxpayers know how to fulfill their tax obligations. By increasing taxpayer awareness of the importance of fulfilling their tax obligations, taxpayer compliance will also increase. This aligns with research conducted by Mahdi and Ardiati(2017) and Anggarini et al. (2019). Based on the results of previous research and the arguments that have been presented, the following hypothesis is formulated:

H3: Taxpayer awareness has a positive effect on MSME taxpayer compliance.

2.4 MSME Taxpayer Compliance

The implementation of e-filing, which allows MSMEs to fill out and submit taxes electronically, provides various benefits for taxpayers:

- i. E-filing can increase efficiency and accuracy in filling out and submitting taxes, reducing the possibility of errors that can result in tax violations.
- ii. E-filing can also speed up the tax payment process, reducing the risk of late payments and possible fines.
- iii. Better accessibility through electronic platforms can increase taxpayers' awareness and understanding of their tax obligations.

However, the effectiveness of e-filing in increasing MSME taxpayer compliance can be influenced by tax sanctions as a moderating variable. Tax sanctions can stimulate MSMEs to be more obedient in fulfilling tax obligations, especially if they know the risks and consequences of violations. Thus, this hypothesis states that with the implementation of e-filing, MSMEs in Depok City will tend to be more obedient in fulfilling their tax obligations. The existence of tax sanctions strengthens this influence as a moderating variable that increases the awareness and motivation of taxpayers to comply with tax regulations.

H4: Tax Sanctions strengthen the relationship between E-Filing Implementation and MSME taxpayer compliance

2.5 Tax Sanctions as a Moderator Of The Relationship Between Tax Socialization And MSME Taxpayer Compliance

Tax socialization is an effort made by the government or tax authorities to provide information, education, and counseling to taxpayers regarding tax obligations. Through tax socialization, MSMEs in Depok City can better understand the importance of complying with tax obligations, procedures for filing and paying taxes, and the benefits derived from compliance. It is assumed that with adequate tax socialization, MSME players will understand the importance of tax compliance and have better knowledge about their tax obligations. It can increase MSME taxpayer compliance in Depok City.

However, the influence of tax socialization on MSME taxpayer compliance can be influenced by tax sanctions as a moderating variable. Tax sanctions can act as an additional incentive to strengthen the socialization effect of taxation on compliance. Taxpayers who are

aware of the tax sanctions that can be applied if violations occur tend to be more motivated to comply with tax obligations after receiving socialization.

Thus, this hypothesis states that adequate tax socialization will positively influence MSME taxpayer compliance in Depok City. Tax sanctions strengthen this influence as a moderating variable, increasing taxpayers' awareness and motivation to comply with tax regulations after receiving socialization.

H5: Tax Sanctions strengthen the relationship between Tax Socialization and MSME taxpayer compliance

2.6 Tax Sanctions as a Moderator of the Relationship Between Taxpayer Awareness and MSME Taxpayer Compliance

MSMEs with high taxpayer awareness tend to understand the importance of fulfilling tax obligations as their responsibility to the state and society. They recognize that their tax contributions are essential for developing and maintaining infrastructure and providing public services. Apart from that, high taxpayer awareness can also result in a solid commitment to tax compliance.

However, the effect of taxpayer awareness on MSME taxpayer compliance can be influenced by tax sanctions as a moderating variable. Tax sanctions can act as a motivator to comply with tax obligations, especially for taxpayers who already have high taxpayer awareness. Tax sanctions can strengthen their commitment to compliance and reduce the risk of violations.

Thus, this hypothesis states that the higher the level of taxpayer awareness, the higher the level of compliance of MSME taxpayers in Depok City. Tax sanctions strengthen this influence as a moderating variable that strengthens the commitment and motivation of taxpayers to comply with tax obligations after having high awareness.

H6: Tax Sanctions strengthen the relationship between Taxpayer Awareness and MSME taxpayer Compliance.

2.7 Framework of Thinking

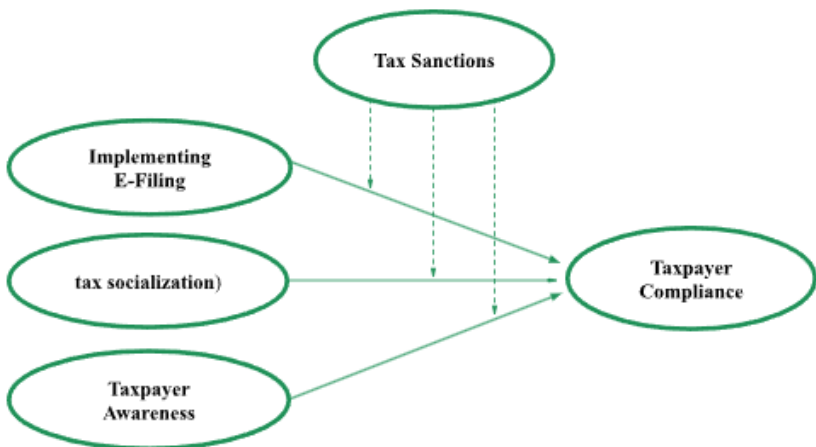


Figure 1. Thinking Framework

Source: Development from researchers

3 Methodology

3.1 Samples and Data Collection

The data sources in this study are micro, small, and medium enterprises (MSMEs) in Depok City, West Java Province, selected as the object of study (respondents). This research was conducted by going directly to the field to provide questionnaires to respondents, namely MSME taxpayers. Sampling was carried out using the Probability Sampling technique, which is a sampling technique that provides equal opportunities for each element (member) of the population to be selected as a member of the sample by using a purposive sampling method with the criteria of respondents whom the researcher has determined. Based on this method, the sample finding criteria are not limited by the existing strata in the population.

3.2 Measurement

Dependent Variable

Dependent (bound) variable or dependent variable is a variable that is influenced, because of the existence of an independent variable. The variable used is MSME Taxpayer Compliance.

Independent Variable

Independent variables are variables that influence or are the cause of changes or emergence of the dependent variable. The independent variables related to this research are the influence of implementing e-filing, tax socialization, and taxpayer awareness.

Moderating Variables

Moderating variables are types of variables that influence the relationship between the independent variable and the dependent variable. The moderating variable used in this research is tax sanctions.

3.3 Data analysis

In this study, primary data were obtained from distributing questionnaires via Google Forms to 114 Depok MSME respondents. The results of the primary data are used to answer the formulation of the problems in this study. Then, the results are presented using descriptive analysis and moderated regression analysis. The analysis technique used in this study used the SPSS version 26 data processing program.

4 Results

4.1 Respondent Characteristics

It can be seen that there are 64 male respondents, or 56% of the respondents, and 50 female respondents, or 44% of the female respondents. Most respondents' last education was SMA / SMK, which was 55%. The education of most of the two respondents is S1, with a total of 31%. Furthermore, the respondent's education is a diploma, 11%, and the most minor education of the respondent is a master's degree, 3%.

4.2 Questionnaire Testing

Data was collected in this study through a questionnaire with 20 questions. There are 3 MSME taxpayer compliance questionnaire questions (Y), four e-filing application questionnaire questions (X1), four tax socialization questionnaire questions, four taxpayer awareness questionnaire questions, and five tax sanctions questionnaire questions. All items have gone through a validation test and are declared valid and reliable.

4.3 Descriptive Analysis Test Results

The descriptive analysis shows that the average respondent's assessment answered that they agreed regarding taxpayer compliance because all average values were above 3.4 - 4.16. Question 1 scored an average of 3.78; question 2 is worth an average of 3.87, and question 3 is worth 3.79. The maximum score for all questions is 5, which means strongly agree, and the minimum is 1 for strongly disagree.

4.4 Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardiz ed Residual
N		114
Normal Parameters ^{a, b}	Mean	,0001462
	Std. Deviation	,00000831
Most Extreme Differences	Absolute	,081
	Positive	,081
	Negative	-,081
Test Statistic		,081
Asymp. Sig. (2-tailed)		,061 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: SPSS output will be processed in 2023

Based on the normality test conducted by researchers by testing and processing 114 respondents' answers, the significance value is 0.061, which means that the significance value is > 0.05 . This also proves the residual values are normally distributed.

4.5 Multicollinearity Test Results

Coefficients^a

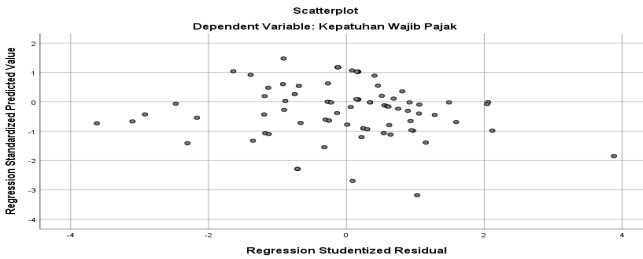
Model		Correlations			Collinearity Statistics	
		Zero-order	Partial	Part	Tolerance	VIF
1	Penerapan E-filing	,434	,246	,177	,842	1,187
	Sosialisasi Perpajakan	,426	,201	,143	,819	1,220
	Kesadaran Wajib Pajak	,671	,564	,476	,781	1,281

a. Dependent Variable: Kepatuhan Wajib Pajak

Source: SPSS output processed 202 3

Based on the information above, the Tolerance value for the E-Filing Implementation variable equals 0.842; for Tax Socialization, it is 0.819; for Tax Awareness, it equals 0,781. It explains that there are no symptoms of multicollinearity between the independent variables because each tolerance value on the independent variables is greater than 0.10. Then, the VIF value on the E-Filing Implementation variable is equal to 1.187; for Tax Socialization, it is 1.220; for Tax Awareness, it is equal to 1.281. This also explains that there are no symptoms of multicollinearity between the independent variables because each VIF value on the independent variables is less than 10.

4.6 Heteroscedasticity Test Results



Based on the heteroscedasticity test information, the residual observations' variance is constant, so it is called homoscedasticity. This results test shows that the regression model is good; homoscedasticity or heteroscedasticity does not occur. There is no clear pattern, and the points are above and below the number 0 on the Y axis, so heteroscedasticity does not occur.

4.7 Moderated Regression Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2,084	,833		-2,501	,014
	Penerapan E-filing	,364	,052	,660	6,941	,000
	Sosialisasi Perpajakan	,137	,064	,209	2,134	,035
	Kesadaran Wajib Pajak	,351	,055	,349	6,342	,000
	X1.Z	,016	,002	1,419	6,827	,000
	X2.Z	,006	,003	,579	2,030	,045
	X3.Z	-.022	,002	-2,099	-9,452	,000

a. Dependent Variable: Kepatuhan Wajib Pajak

Source: SPSS Ver 26 data processing results

Based on the moderation regression test above, the results of the regression equation in the moderation regression test can be obtained as follows:

- i. The constant (a) is -2.084. This value means that if the other assumptions are equal to 0 or no efforts are made to increase compliance, then Taxpayer Compliance will decrease by -2,084 units.
- ii. The application of E-Filing has a positive value of 0.364. This means that if the others are assumed to be the same, then if the application of e-filing increases by one unit, taxpayer compliance will increase by 0.364 units.
- iii. Tax socialization has a positive value of 0.137. This means that if the others are assumed to be the same, then if the Socialization of Taxation increases by one unit, then Taxpayer Compliance will increase by 0.137 units.
- iv. Taxpayer awareness has a positive value of 0.351. This means that if the others are assumed to be the same, then if the Socialization of Taxation increases by one unit, then Taxpayer Compliance will increase by 0.351 units.
- v. The interaction of Tax Sanctions on the Implementation of E-Filing has a positive value of 0.16. This means that if the others are assumed to be the same, then if the Tax Sanctions increase and the Application of E-Filing increases by one unit, then Taxpayer Compliance will increase by 0.16 units.
- vi. The interaction of Tax Sanctions on Tax Dissemination has a positive value of 0.006. This means that if the others are assumed to remain the same, then if the Tax Sanctions increase and Tax Socialization increases by one unit, then Taxpayer Compliance will increase by 0.006 units.
- vii. The interaction of Tax Sanctions on Taxpayer Awareness has a negative value of -

0.022. This means that if the others are assumed to be the same, then if the Tax Sanctions increase and Tax Socialization increases by one unit, then Taxpayer Compliance will decrease by -0.022 units.

4.8 Hypothesis Testing

Table t-Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2,084	,833		-2,501	,014
	Penerapan E-filing	,364	,052	,660	6,941	,000
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	X1.Z	,016	,002	1,419	6,827	,000
	X2.Z	,006	,003	,579	2,030	,045
	X3.Z	-,022	,002	-2,099	-9,452	,000

a. Dependent Variable: Kepatuhan Wajib Pajak

Source: SPSS output processed 202 3

- i. Based on the results of the t-test (partial), it shows that the results of the significance of the effect of the Application of E-Filing (X1) on Taxpayer Compliance (Y) is 0.000 < 0.05 and has a coefficient value of 0.364 so that the Application of E-Filing has a positive effect and significant to Taxpayer Compliance. Therefore, hypothesis 1 is accepted.
- ii. Based on the results of the t-test (partial), it shows that the results of the significance of the influence of Tax Socialization (X 2) on Taxpayer Compliance (Y) are 0.035 < 0.05 and have a coefficient value of 0.137 so that Tax Socialization has a positive and significant effect on Compliance Taxpayer. Therefore, hypothesis 2 is accepted.
- iii. Based on the results of the t-test (partial), it shows that the significant effect of Taxpayer Awareness (X 3) on Taxpayer Compliance (Y) is 0.000 < 0.05 and has a coefficient value of 0.351 so that Taxpayer Awareness has a positive and significant effect on taxpayer compliance. Therefore, hypothesis 3 is accepted.
- iv. Based on the results of the t-test (partial), it shows that the results of the significance of the influence of the Implementation of E-Filing (X1) on Taxpayer Compliance with Tax Sanctions as a moderator are 0.000 < 0.05 and have a coefficient value of 0.016 so that Tax Sanctions can moderate the influence Application of E-Filing to Taxpayer Compliance. Therefore, hypothesis 4 is accepted.
- v. Based on the results of the t-test (partial), it shows that the results of the significance of the effect of Tax Socialization (X 2) on Taxpayer Compliance with Tax Sanctions as moderator is 0.045 < 0.05 and has a coefficient value of 0.006 so that Tax Sanctions can moderate the influence of Socialization Taxation on Taxpayer Compliance. Therefore, hypothesis 5 is accepted.
- vi. Based on the results of the t-test (partial), it shows that the significant effect of Taxpayer Awareness (X 3) on Taxpayer Compliance with Tax Sanctions as moderator is 0.000 < 0.05 and has a coefficient value of -0.022 so that Tax Sanctions can moderate negative effect of Taxpayer Awareness on Taxpayer Compliance. Therefore, hypothesis 6 is accepted.

5 Discussion

After the researchers tested the hypothesis based on the findings of the research results, the following discussion can be drawn.

5.1 The Effect of Implementing E-Filing on Taxpayer Compliance

Based on the results of the t-test (partial) it shows that the results of the significance of the effect of the Application of E-Filing (X1) on Taxpayer Compliance (Y) is 0.000 < 0.05 and has a coefficient value of 0.364 so that the Application of E-Filing has a positive effect and

significant to Taxpayer Compliance. Therefore, hypothesis 1 is accepted. This result means that the higher the implementation of e-filing, the higher the level of taxpayer compliance.

These results are in line with research by Ainul (2021), and Nugroho (2022), which state that the implementation of e-filing has a positive and significant effect on taxpayer compliance. Meanwhile, this study's results differ from those (Handayani & Tambun, 2016), which found that the application of e-filing had no significant effect on taxpayer compliance.

The application of e-filing makes it easy and accessible for MSMEs to report and pay taxes electronically, replacing more complicated and time-consuming manual processes. This application reduces administrative burden and errors in filling out tax forms, which can improve tax reporting accuracy. In addition, e-filing also provides notifications and reminders to MSMEs regarding reporting deadlines, ensuring better time adherence. In addition to ease of administration, e-filing also increases transparency and monitoring by the tax authorities. MSME taxation data is stored digitally, making it easier for the government to conduct supervision and audits. This more effective supervision can encourage MSMEs to better comply with tax obligations because they realize that the risk of higher tax audits and sanctions can occur. Overall, e-filing helps MSMEs fulfill tax obligations more efficiently, increasing the accuracy of reporting and strengthening their compliance with tax regulations.

According to research by Delone and McLean (2016), system quality is the desired characteristic of a technology system, and system quality can affect the use of a technology system. Users will be interested in using a technology system when the user feels that the system is of good quality and meets user needs. In this study, the system technology concerned is the E-filing system. If the E-filing system is of good quality and is following what is required by taxpayers, such as ease of use, system flexibility, system availability, and ease of learning, as well as system features such as tax system features, intuitiveness, and response time, it is expected that the E-filing system will Filing can increase MSME tax compliance.

5.2 Effect of Tax Socialization on Taxpayer Compliance

Based on the results of the t-test (partial) it shows that the results of the significance of the effect of Tax Socialization (X 2) on Taxpayer Compliance (Y) is $0.035 < 0.05$ and has a coefficient value of 0.137 so that Tax Socialization has a positive and significant effect on Compliance Taxpayer. Therefore, hypothesis 2 is accepted.

This result is in line with Wati's research (2018) and Agustini & Widhiyani (2019), which state that tax socialization positively and significantly affects taxpayer compliance. Meanwhile, the results of this study differ from Ainul (2021), who found that tax socialization did not significantly affect taxpayer compliance.

Tax socialization has a close relationship with MSME taxpayer compliance. Through socialization, MSMEs can better understand the tax obligations they must fulfill. They are given clear information regarding tax reporting procedures, payment deadlines, and the types and rates of tax that apply to them. With a better understanding of tax obligations, MSMEs are more aware of complying with the rules and carrying out actions under tax regulations. Tax socialization also emphasizes the importance of tax compliance and the possible consequences of non-compliance, such as sanctions or fines. This sanction helps increase MSMEs' awareness of the risks they face if they do not comply with tax regulations, encouraging them to fulfill their tax obligations to avoid these negative consequences.

Socialization also provides information about tax services available to MSMEs. MSMEs are given explanations regarding tax services, such as using e-filing or tax applications that facilitate reporting and paying taxes. By understanding this service, MSMEs can use it to fulfill their tax obligations more efficiently. Forms of tax socialization conducted by DGT Depok or KPP Depok may include activities such as organizing taxation seminars for taxpayers, publishing educational materials on tax rules, face-to-face workshops to explain tax reporting procedures, social campaigns through social media and the official website, and collaborations with educational institutions and local communities to educate about tax obligations and the benefits to society.

5.3 Effect of Taxpayer Awareness on Taxpayer Compliance

Based on the results of the t-test (partial) it shows that the significant effect of Taxpayer Awareness (X 3) on Taxpayer Compliance (Y) is $0.000 < 0.05$ and has a coefficient value of 0.351 so that Taxpayer Awareness has a positive and significant effect on Taxpayer Compliance. Therefore, hypothesis 3 is accepted.

These results align with Nugroho's research (2022), which states that taxpayer

awareness positively and significantly affects taxpayer compliance. At the same time, this study's results differ from Aqiila et al. (2021), who found that taxpayer awareness has no significant effect on taxpayer compliance.

The relationship between taxpayer awareness and taxpayer compliance SMEs is that the higher the level of awareness of taxpayers about the obligations and consequences of non-compliance with taxation, the more likely SMEs are to comply with tax regulations properly. When MSMEs clearly understand their tax responsibilities, including tax reporting and payment obligations, they are more likely to take appropriate and timely action. Awareness of the consequences of non-compliance, such as sanctions or fines that may be imposed, can also motivate MSMEs to comply with tax regulations seriously. This awareness can also encourage MSMEs to seek further information, obtain tax guidance, and use available resources to ensure good tax compliance. Thus, taxpayer awareness is important in influencing MSME compliance with tax regulations.

5.4 Effect of E-Filing Implementation on Taxpayer Compliance with Tax Sanctions as moderator

Based on the results of the t-test (partial) it shows that the results of the significance of the effect of the Implementation of E-Filing (X1) on Taxpayer Compliance with Tax Sanctions as moderator is $0.000 < 0.05$ and has a coefficient value of 0.016 so that Tax Sanctions can moderate the effect Implementation of E-Filing on Taxpayer Compliance. Therefore, hypothesis 4 is accepted.

Implementing e-filing or submitting tax documents has the potential to increase taxpayer compliance. E-filing simplifies the tax reporting and payment process, reduces human error, and provides greater transparency. However, in the context of taxpayer compliance, tax sanctions remain an important factor. Tax sanctions are penalties or fines imposed for taxpayer violations or non-compliance with tax regulations. These sanctions may be monetary fines, interest penalties, or other legal action.

Tax sanctions can function as moderation or incentives to encourage taxpayer compliance in using e-filing. The following are several ways in which tax sanctions can affect taxpayer compliance with e-filing:

- i. **Increased Awareness:** The threat of strict tax sanctions can increase taxpayer awareness about the importance of using e-filing. They tend to pay more attention to and comply with tax obligations if they know the consequences they might face if they do not do so.
- ii. **Error Reduction:** E-filing has an automatic validation mechanism that can help taxpayers avoid mistakes in filling out forms and calculating taxes. In this case, tax sanctions can act as an additional motivation to use e-filing to avoid mistakes that may result in further sanctions.
- iii. **Law Enforcement Efficiency:** E-filing facilitates tax administration and monitoring by tax authorities. With an electronic system, the government can more effectively detect violations and take appropriate law enforcement actions

The e-filing application, which allows MSMEs to fill out and file taxes electronically, provides various benefits for taxpayers:

- i. E-filing can improve efficiency and accuracy in filing and filing taxes, reducing the possibility of errors that can result in tax violations.
- ii. E-filing can also speed up the process of paying taxes, reducing the risk of late payments and fines that may arise.
- iii. Better accessibility through electronic platforms can increase taxpayer awareness and understanding of their tax obligations.

Tax sanctions can influence the effectiveness of implementing e-filing in increasing MSME taxpayer compliance as a moderating variable. Tax sanctions can stimulate MSMEs to be more obedient in fulfilling tax obligations, especially if they know the risks and consequences of violations. Thus, this hypothesis states that with the implementation of e-filing, MSMEs in Depok City will tend to be more obedient in fulfilling their tax obligations. The existence of tax sanctions strengthens this influence as a moderating variable that increases taxpayer compliance with tax regulations.

5.5 Effect of Tax Socialization on Taxpayer Compliance with Tax Sanctions as Moderator

Based on the results of the t-test (partial) it shows that the results of the significance of the effect of Tax Socialization (X 2) on Taxpayer Compliance with Tax Sanctions as moderator is $0.045 < 0.05$, and has a coefficient value of 0.006 so that Tax Sanctions can moderate the influence of Socialization Taxation on Taxpayer Compliance. Therefore, hypothesis 5 is accepted.

Tax socialization is an effort made by the government or tax authorities to provide information, education, and counseling to taxpayers regarding tax obligations. Through tax socialization, MSMEs in Depok City can better understand the importance of complying with tax obligations, procedures for filing and paying taxes, and the benefits derived from compliance.

It is assumed that with adequate tax socialization, MSME players will understand the importance of tax compliance and have better knowledge about their tax obligations. It can increase MSME taxpayer compliance in Depok City. However, the influence of tax socialization on MSME taxpayer compliance can be strengthened by tax sanctions as a moderating variable. Tax sanctions act as an additional incentive to strengthen the socialization effect of taxation on compliance. Taxpayers who are aware of the tax sanctions that can be applied if violations occur tend to be more motivated to comply with tax obligations after receiving socialization.

Thus, adequate tax socialization will positively influence MSME taxpayer compliance in Depok City. Tax sanctions strengthen this influence as a moderating variable, increasing taxpayers' awareness and motivation to comply with tax regulations after receiving socialization.

5.6 Effect of Taxpayer Awareness on Taxpayer Compliance with Tax Sanctions as Moderator

Based on the results of the t-test (partial), it shows that the significant effect of Taxpayer Awareness (X 3) on Taxpayer Compliance with Tax Sanctions as moderator is $0.000 < 0.05$ and has a coefficient value of -0.022 so that Tax Sanctions can weaken the influence of Taxpayer Awareness on Taxpayer Compliance. Therefore, hypothesis 6 is accepted. This result has a negative coefficient of -0.022, which means that tax sanctions weaken the influence of taxpayer awareness on taxpayer compliance.

Tax sanctions have a critical role in moderating the negative impact of the lack of awareness of taxpayers on the level of tax compliance. Negative factors that may arise from this lack of awareness can be overcome by introducing sanctions to encourage taxpayers to comply more with their tax obligations. Sanctions that are strictly enforced and transparent can illustrate the real risk of non-compliance with tax regulations. Introducing measurable and proportional sanctions can address factors such as a lack of understanding of the consequences of tax violations or a lack of awareness of tax rules. Although initially, sanctions can negatively impact anxiety or worry, this can stimulate taxpayers to seek information and better understand their obligations.

However, it is essential to remember that tax sanctions must be applied wisely and not excessively. Sanctions that are too severe or do not match the level of the violation can trigger other negative impacts. For example, sanctions perceived as unfair or excessive can lead to taxpayer dissatisfaction with the taxation system and ultimately result in reduced long-term compliance. Taxpayers may feel they have been mistreated, which can damage the relationship between the taxpayer and the tax authorities. Therefore, sanctions must be balanced with solid educational efforts, provide a better understanding of tax regulations, and provide the necessary support for taxpayers to comply with tax obligations voluntarily.

6 Conclusion

This study takes an example from the MSME environment in Depok City, West Java Province. It concludes that the implementation of e-filing, tax socialization, and taxpayer awareness positively impact the level of MSME taxpayer compliance. Furthermore, this study also reveals that tax sanctions act as a moderating factor influencing the relationship between the independent variables (e-filing, tax socialization, and taxpayer awareness) and tax compliance. Although these results provide valuable insights into the factors influencing the tax compliance behavior of MSMEs, it should be noted that the main limitation of this

research is the geographical coverage, which is limited to the Depok area. It may limit the generalizability of the findings to MSMEs in other regions. In addition, this study may have yet to comprehensively consider all the variables that may affect MSME taxpayer compliance. Therefore, further research with a broader scope and inclusion of additional factors can provide a deeper understanding of the phenomenon of tax compliance among MSMEs in Indonesia.

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