

EXPLORATION OF THE INFLUENCE OF INTERNAL FACTORS OF TAXPAYERS ON TAX COMPLIANCE (CASE STUDY OF SELAYAR REGENCY)

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Abstract

This study aims to analyze the influence of taxpayer awareness, knowledge, and religiosity on taxpayer compliance in Selayar Regency. A quantitative method was used in this study, by collecting data through a questionnaire on 200 respondents who were individual taxpayers. The results of the study show that partially or simultaneously, the three independent variables have a positive and significant influence on taxpayer compliance. This research provides a practical contribution for tax authorities in designing strategic policies to improve tax compliance based on public awareness, knowledge, and religious values.

Keywords: Tax Awareness, Tax Knowledge, Religiosity, Taxpayer Compliance

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INTRODUCTION

Taxes are one of the main pillars in state development. As a strategic source of state revenue, taxes are used to finance government spending in various sectors such as education, health, infrastructure, and other public services. Therefore, the success of the tax system is highly dependent on the compliance of taxpayers. In the context of regional development, optimal tax revenue is needed to support the implementation of regional autonomy and improve community welfare.

However, the level of tax compliance in various regions in Indonesia is still relatively low. Selayar Regency is one of the areas that shows challenges in terms of taxpayer compliance. Data from the Selayar Pratama Tax Service Office shows that the percentage of taxpayers who report their Annual Tax Returns (SPT) on time is still below the national target. Various problems such as low awareness, lack of understanding of tax regulations, and low trust in the management of public funds, are the main obstacles in increasing the tax compliance ratio in this area.

Internal factors of taxpayers are an important aspect to be studied because they are directly related to the perceptions, understandings, and values embraced by individuals. Some factors that can affect taxpayer compliance include tax awareness, knowledge, and religious values embedded in taxpayers. These three factors are seen as having great potential in shaping tax-compliant behavior, both internally and externally. Awareness and knowledge function as cognitive components, while religiosity as affective and normative elements that are able to strengthen moral motivation.

Tax awareness refers to the extent to which individuals understand that taxes are moral and legal obligations that must be fulfilled as a contribution to the development of the nation. Tax knowledge, on the other hand, includes a technical and procedural understanding of the applicable tax system. Without this understanding, taxpayers risk making administrative errors that can lead to non-compliance, both intentional and unintentional.

Religiosity as a socio-psychological construct has an equally important role. In many studies, it has been found that individuals who have a high level of religiosity tend to exhibit ethical behavior and are responsible in fulfilling social obligations, including taxation. In the context of a religious Indonesian society, religious values can be a moral driver to obey the rules and contribute to collective well-being.

The study adopts the theory of tax compliance developed by James and Alley (2002) and Allingham & Sandmo (1972), which emphasizes the influence of internal and external factors on taxpayer behavior. This theory is relevant to see how consciousness and knowledge become a form of internal control that is rational, while religiosity plays the role of normative control. In addition, the concept of religiosity according to Glock and Stark (1965) provides a deeper dimension to understanding the relationship between spiritual values and social actions such as tax compliance.

By empirically examining how these three variables affect the behavior of taxpayers in Selayar Regency, this research is expected to make an academic and practical contribution. Academically, this study enriches the literature on non-economic factors in tax compliance. Practically, the results of this research can be used as a reference by tax authorities, both at the

central and regional levels, in designing compliance improvement programs that are more effective and based on cultural approaches and local values.

This research is relevant as an effort to enrich the local literature on fiscal compliance in remote areas that have unique social, economic, and cultural characteristics. Selayar as a region with a heterogeneous ethnic and cultural background, as well as a fluctuating level of fiscal participation, is an interesting location to research. By understanding the psychological and social determinants of taxpayer compliance, fiscal policies in the regions can be designed in a more contextual and equitable manner.

The findings of this study are expected to be not only theoretical foundations but also operationalized in the form of policy interventions such as religious value-based tax education, tax literacy training, and moral campaigns that emphasize the importance of individual contributions to national development through tax payments. In the long run, the establishment of a strong tax-conscious culture will be the foundation for the success of a sustainable tax system in Indonesia.

METHODOLOGY

This study uses a quantitative approach with a survey method, aiming to test the influence of awareness, knowledge, and religiosity on taxpayer compliance. The population in this study is individual taxpayers registered at KPP Pratama Selayar. The sampling technique used is purposive sampling, with the criteria of respondents who have reported their taxes for at least two consecutive years. The sample size was 200 respondents. The data collection instrument used a questionnaire with a five-point Likert scale. Before the analysis, a validity and reliability test was carried out on the research instrument.

The data that had been collected were analyzed using multiple linear regression to test the influence of independent variables partially and simultaneously on dependent variables. Classical assumption tests including normality, multicollinearity, and heteroscedasticity were also carried out to ensure the validity of the regression analysis results. The determination coefficient (R^2) is used to determine how much an independent variable contributes in explaining the variation in taxpayer compliance. The analysis process was carried out with the help of the latest version of SPSS statistical software. The design of this research is designed so that the results can be used as a basis for policy making to improve tax compliance at the local level. So the sample in this study is 68 people

RESULTS AND DISCUSSION

The results of this study include descriptive analysis, instrument validity and reliability tests, and multiple linear regression tests. The analysis was carried out on data from 200 individual taxpayer respondents in Selayar Regency. The analysis stages include classical assumption testing, determination coefficient test, simultaneous test (F-test), and partial test (t-test).

Descriptive Statistical Analysis

Descriptive statistics are used to describe the characteristics of the data. The results showed that the average tax awareness score of respondents was 4.12; tax knowledge 4.05; religiosity 4.18; and taxpayer compliance 4.22 on a scale of 1–5. This indicates that in general, respondents have a high level of awareness, knowledge, and religiosity and show good compliance with tax obligations.

Validity and Reliability Tests

All questionnaire items were tested for validity using Pearson Product Moment correlation. The results show that all items have a r -value calculated $> r$ of the table (0.138 at $\alpha = 0.05$), which means that the entire instrument is valid. Reliability tests using Cronbach's Alpha showed a $\alpha >$ value of 0.7 for the entire variable, which means the instrument is reliable.

Classic Assumption Test

- Normality Test: Using the Kolmogorov-Smirnov test with a significance value of 0.084 (> 0.05), the data is normally distributed.
- Multicollinearity test: Tolerance > 0.10 and VIF < 10 for all variables.
- Heteroscedasticity Test: The scatterplot results show a random scatterplot distribution and do not form a specific pattern.

Multiple Linear Regression Analysis

The resulting regression equation:

$$Y = 1.214 + 0.312X_1 + 0.278X_2 + 0.294X_3$$

Description: Y = Taxpayer Compliance X_1 = Taxpayer Awareness X_2 = Tax Knowledge X_3 = Religiosity

Table 1. Results of the t-test (Partial)

Variable	Beta Coefficient	t Count	Sig.
Consciousness (X1)	0,312	4,902	0,000
Knowledge (X2)	0,278	4,551	0,000
Religiosity (X3)	0,294	4,733	0,000

All independent variables have a partial significant effect on taxpayer compliance with a significant value of < 0.05 .

Table 2 F Test Results (Simultaneous)

Type	F count	Sig.
Regression	85,271	0,000

The results of the F test show that awareness, knowledge, and religiosity simultaneously have a significant effect on taxpayer compliance.

Table 3 Coefficient of Determination (R^2)

R Square	Adjusted R Square
0,678	0,672

This regression model was able to explain 67.2% of the variation in taxpayer compliance, while the rest was influenced by other variables outside the model.

INTERPRETATION RESULTS

The coefficient of the awareness variable (0.312) shows that any increase in awareness will increase tax compliance by 31.2%. Tax knowledge (0.278) contributed to an increase in compliance by 27.8%, while religiosity (0.294) strengthened compliance by 29.4%. The three variables show significant and complementary influences, reflecting that taxpayers' compliant behavior is formed from a rational understanding and motivation of moral values.

These results are in line with the research of James and Alley (2002) and Ermawati et al. (2022), which stated that internal factors such as religious awareness and values play a major role in supporting a self-assessment-based tax system. Thus, the strategy to increase compliance in Selayar needs to strengthen these three dimensions through an educational and collaborative approach with community and religious leaders.

The results of the study also show the importance of integrating tax literacy into community empowerment programs. The tax authorities are advised to organize regular training and awareness campaigns that adapt to the socio-cultural context of the local community in Selayar. This strategy not only improves formal compliance, but also builds a participatory and sustainable tax culture.

Thus, these findings emphasize that a structural approach that only emphasizes sanctions and audits needs to be balanced with a values-based, educational, and reward-based personal approach. True obedience grows from understanding and awareness, not mere legal coercion.

CONCLUSION AND SUGGESTIONS

This research provides an in-depth understanding of the importance of internal factors in shaping taxpayer compliance in Selayar Regency. Through a quantitative approach and analysis of the data of 200 respondents, evidence was obtained that awareness, knowledge, and religiosity are the main determinants that significantly influence the behavior of compliance with tax obligations. These three variables not only contribute individually, but also complement each other in influencing compliance. Taxpayer awareness creates an understanding of the importance of the role of taxes in development, tax knowledge facilitates technical skills in tax reporting and payment, while religiosity strengthens moral motivation in carrying out obligations as responsible citizens.

The regression results showed that this research model was able to explain 67.2% of the variation in taxpayer compliance, which is a high determinative value for social research. This suggests that all three variables have substantial explanatory power to taxpayer compliance, more than just sanctions or supervision. This provides a new perspective that value-based approaches and education must be a priority in designing tax compliance strategies, especially in areas with suboptimal levels of tax literacy.

The practical implications of these findings are particularly relevant for tax authorities, both at the central and local levels. Tax campaign strategies should not only emphasize administrative aspects and the threat of punishment, but rather need to elevate religious and national values as part of the educational narrative. Awareness campaigns involving religious and traditional leaders would be an effective approach in Selayar, given the power of social influence from local communities that are collective. Tax education from an early age is also important to form a strong understanding from a young age.

Academically, this study enriches the tax literature by adding empirical evidence from the context of remote areas that have distinctive social and cultural characteristics. This contribution is important to expand the generalization of tax compliance theory in the Indonesian context. This research also encourages follow-up studies that can explore the role of other variables such as perceptions of fiscal justice, government transparency, and the level of public trust in tax institutions. However, this study has limitations in the geographical scope and subject matter that only includes individual taxpayers in one region. Therefore, it is recommended that future research cover a wider population and use a mixed method approach in order to capture richer qualitative nuances in explaining the dynamics of tax compliance.

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