Analysis the Effectiveness of Tax Reporting Using E-System Administration and its Impact on Tax Revenue (Case Study in the Tax Service Office Jakarta)

Devi Nur Anggraeni

Devi Nur Anggraeni. Faculty of Economics and Business in University of Mercu Buana, Indonesia
Apollo. Lecturer in University of Mercu Buana, Indonesia

Abstract: *This research is to know the influence of taxpayer perceptions on the effectiveness of tax reporting using e-system and its impact on tax revenue. The object of this research is personal taxpayer registered in KPP Cengkareng West Jakarta in 2018. This research was conducted on 100 respondents by using quantitative methode. Therefore, the data analysis used is partial least square PLS model using SmartPLS version 3.0. The results of this research shows that the perception of ease variables and perception of taxpayer satisfaction influence the effectiveness of tax reporting using e-system, the perception of taxpayer benefits does not affect the effectiveness of tax reporting using e-system. Variable effectiveness of tax reporting using e-system influence on tax revenue.*

Keywords: Taxpayer Perceptions, Effectiveness of Tax Reporting, E-System Tax, Tax Revenue

1. Introduction

Tax is one of Indonesia's state revenues which is the foundation of the government. Indonesian State Revenues come from various sectors, where all proceeds of the revenue are used by the government in the framework of administering the government and implementing equitable and sustainable national development. To finance the implementation of government and national development, there are 2 (two) main sources of revenue, namely tax revenues and non-tax state revenues (PNBP). About 70% of state revenues come from tax revenues.

The dominance of taxes as a source of state revenue is one thing that is very reasonable, especially when natural resources, especially petroleum, can no longer be relied upon. Tax receipts have been stipulated in the RAPBN, in order to achieve tax receipts set out in the RAPBN, awareness of taxpayers is needed in order to fulfill their tax obligations by reporting their income honestly and transparently.

The Directorate General of Taxes (DGT) has launched a modern tax-based change or administrative reform program called the e-system currently available such as e-SPT, e-Filling, e-Billing, e-Registration by issuing a Decree of the Directorate General Tax No. KEP-88 / PJ / 2004 concerning the submission of electronic notification letters and PER-39 / PJ / 2011 concerning the procedure for submitting annual notification letters to individual taxpayers using e-filling form 1770S and 1770SS through the DGT website as already amended several times the latest by DGT regulation number PER-02 / PJ / 2019 concerning procedures for submitting, receiving and processing notification letters where the regulation contains the obligation to submit SPT in electronic form which is expected to improve the more effective control mechanism. All of these facilities are provided to provide convenience for corporate taxpayers and individuals in carrying out their tax obligations on a self-assessment basis, namely a system that gives full trust to taxpayers to calculate, deposit and report their own tax burden or obligations.

Table 1.2: Ratio Effectiveness of Tax Reports Using Tax E-Systems through E-Filling

NO	URAIAN	TAHUN			
		2014	2015	2016	2017
1	Jumlah Wajib Pajak	30.574.428	33.336.122	34.446.616	35.151.603
2	Jumlah WP Orang Pribadi	27.688.202	30.202.527	31.229.302	31.910.625
3	Jumlah WP melaporkan SPT Melalui *E-Filling*	1.081.492	2.686.469	8.954.122	8.816.346
4	Rasio Efektivitas Penerimaan laporan SPT (*E-Filling*) (3 : 2)	4%	9%	29%	28%

Source: www.pajak.go.id,2018

Table 1.2 shows the development of the effectiveness ratio of SPT reports through e-filling from 2014 to 2017. It can be seen that the effectiveness of each year increases and there is a significant increase in 2016 but a decrease of 1% in 2017 which previously reached 29% to 28%. However, the effectiveness of SPT receipts through electronic filling since 2014 until 2017 does not touch the number above 50% or half of the total tax registered and with the increase in the number of taxpayers who are increasing not proportional to the number of users reporting their tax through e- filling. So that it can be assumed that most taxpayers still do not use e-system facilities provided by the DGT to report their taxes so that the effectiveness of tax reporting using e-systems is still less effective.

Digital information technology is advancing and developing rapidly in Indonesia and abroad today. Realizing the advances in information technology has changed the behavior of many modern people, DGT has modernized taxation policies as a form of increased tax service factors. In

the book, Rahayu (2017) explains the background of the implementation of tax modernization in Indonesia, namely to build the image of the DGT that must be repaired and improved, increasing trust in tax administration, integrity and productivity of some employees who still need to be improved.

Taxpayer's perception is one of the factors in increasing the effectiveness of tax reporting and tax receipts, this perception can be in the form of perceived ease, usefulness perception and satisfaction perception. Positive perceptions of taxpayers will have an impact on the effectiveness of tax reporting using an electronic administration system.

2. Literature Review

2.1 Attribution Theory, Attribution theory explains the understanding of one's reaction to events around them. In this theory, it is explained that there are behaviors related to individual attitudes and characteristics, it can be said that only looking at their behavior will be able to know the attitude or characteristics of the person and can also predict a person's behavior in dealing with certain situations. Someone will form ideas about other people and the situation around it that causes a person's behavior in social perception called dispositional attributions and situational attribution.

Dispositional attributions or internal causes that refer to aspects of individual behavior that exist in a person such as personality, self-perception, ability, motivation. Whereas situational attributions or external causes that refer to the surrounding environment can influence behavior, such as social conditions, social values, and community views. Robbins (2013) explains that:

"Attribution theory tries to explain the ways in which we judge people differently, depending on the meaning we attribute to a given behavior. It suggests that when we observe an individual's behavior, we determine whether it is internally or externally caused. That determination, however, depends largely on three factors: (1) distinctiveness, (2) consensus, and (3) consistency. "

Taxpayer perceptions in accordance with attribution theory can be determined from internal strength in the form of understanding of existing tax regulations in Indonesia and understanding of technology in conducting tax administration and external forces which can be seen from the quality of tax services provided by tax employees and the quality of information technology developed by DGT in the modernization of electronic tax-based administration

2.2 Theory Technology Acceptance Model (TAM), Technology Acceptance Model was first introduced by Davis in 1989. TAM is an adaptation of the TRA model which is a basic approach that is widely used for user acceptance research in information technology. The purpose of this model is to explain the factors of user behavior towards acceptance of technology use. This model places the attitude factors of each user behavior with two variables, namely:

1) Ease of use (ease of use);
2) Usefulness.

Perceived usefulness (perceived usefulness) is defined as the level of trust of users that by using the system, it will be able to improve the user's performance. Whereas perceived ease of use is defined as the level of user confidence that the system can be used easily and can be learned on its own. The TAM model comes from psychological theory to explain the behavior of information technology users based on beliefs, attitudes, interests and user behavior behavior. The purpose of this Technology Acceptance Model (TAM) is to explain individual attitudes towards the use of a technology (Nurjannah, 2017).

2.3 Tax Revenue, Tax revenue according to Suharno (2012) is: "Income earned by the government comes from public taxes. It does not only come to the brief definition above that the funds received in the state treasury will be used for government expenditures for the maximum interest of the state ". According to Law Article 1 number 3 Law No. 4/2012 concerning the Third Amendment to Law No. 22/2011 concerning the State Budget (APBN) for the 2012 Budget year, tax revenues are all state revenues consisting of domestic taxes and international trade taxes. The theory that underlies tax acceptance is the tax collection theory. All taxes collected by the central government and the regional government output are tax revenues. According to Slamet Irianto in Fazlurahman (2016: 152) said that tax revenue is the most potential income for the country because the amount of tax is in line with the rate of population growth, the economy, and political stability. Definition of Income Tax according to Pohan (2014: 148) is an official levy based on tax legislation imposed on taxpayers on global income received or obtained in a tax year, in order to finance state expenditures in administering the government, with no return of achievement which can be directly appointed.

2.4 The Effectiveness of Using Technology, Effectiveness comes from effective basic words, according to the large Indonesian dictionary effective is the effect, efficacious or efficacious, can bring results, be effective and come into force. Meanwhile, the effectiveness of understanding effectiveness is the state of influence, efficacy, success, and things come into force. Some experts suggest an understanding of effectiveness, including, according to James L. Gibson Effectiveness is the achievement of targets showing the degree of effectiveness (Herbani Pasolong, 2010: 4). Effectiveness can also be interpreted as a measure of success in achieving predetermined goals. The purpose of using Information technology in taxation is time-saving, easy, accurate, and paperless. With the use of information technology in taxation, it is expected to improve service to taxpayers in terms of quality. Effectiveness in this study is about the effectiveness of tax reporting using e-system which concluded that the success or achievement of the goals of using electronic information technology in tax reporting.

2.5 Definition of Perception, Perception is very subjective and site-based because it depends on a framework of space and time. Factors that influence perceptions include personal factors (attitudes, motivation, trust, experience and

expectations) and situational factors (time, social conditions and workplace). In the Big Dictionary of Indonesian Language perception is the response or direct acceptance of a process or someone knows some things through the five senses. Based on these definitions, it can be concluded that perception is the process of individual activities in giving responses, judgments and responses to an object based on information received by the individual. And the perception intended in this study is a process of assessing and responding to taxpayers on e-System tax administration in reporting e-SPT.

3. Design Research

The research design is causal research intended to reveal the problems in the form of cause and effect. Causal research is a study to determine the effect of one or more independent variables (X), in this study is the Ease of Perception (X1), Perception of Benefit (X2), and Taxpayer Satisfaction (X3) on the dependent variable (Y) The Effectiveness of Tax Reporting Using e-System Administration and its impact on variable (Z) Tax Revenue.

Population and Sample Research, According to Sugiyono (2010: 117) the population is a generalization area consisting of objects / subjects that have certain qualities and characteristics set by researchers to be studied and then conclusions drawn. The population in this study is an individual taxpayer registered at the Pratama Cengkareng Tax Service Office, which amounts to 177,520 individual taxpayers. The sample technique used in this study uses accidental sampling, which is a technique of determining samples based on chance, that is, who accidentally meets with the researcher, it can be used as a sample, if it is seen the person who happened to be found is suitable as a data source. Determination of the number of samples used in this study using Structural Equation Model (SEM) Analysis. The minimum number of samples in the Structural Equation Model (SEM) Analysis is 100 samples or refers to the calculation of Hair et al, namely the number of research indicators multiplied by 5 (Wati Lela 2017: 96).

Analysis Method, The data analysis method used to test this research is to use the Partial Least Square (PLS) method which in its processing uses the version 3.0 SmartPLS program. Partial Least Square (PLS) is a variant-based structural equation (SEM) analysis that can simultaneously test measurement models while testing structural models. The purpose of PLS is to find the optimal predictive linear relationship that exists in the data. As stated by Ghozali (2014) PLS (Partial Least Square) is a powerful analytical method because it is not based on many assumptions, data does not have to be normally distributed, and samples do not have to be large.

4. Results

Testing of Structural Models or Hypothesis Tests (Inner Model)
Testing the inner model is the development of models based on concepts and theories in order to analyze the relationship between exogenous and endogenous variables that have been described in the conceptual framework. The testing steps for the structural model (inner model) are as follows:

a) R-Square Value Test Results

Table 4.4: Result of R-Square

|	R Square	R Square Adjusted
EFPP	0,464	0,448
PNPJ	0,345	0,338

Source: Output SmartPls 3.0

The structural model indicates that the model on the effectiveness of tax reporting variables uses e-system and tax revenue can be said to be moderate because it has a value above 0.33. The model of the effect of independent latent variables on the effectiveness of tax reporting using e-system provides an R-square value of 0.464 which can be interpreted that construct variability in tax reporting using e-system can be explained by variability in ease of perception, perceived benefit, satisfaction perception of 46.4 % while 53.6% is explained by other variables outside of those studied. Then the model of the effect of independent latent variables on tax revenue gives an R-square value of 0.345 which can be interpreted that construct variability in tax receipts which can be explained by the variability of perceptions of ease, perceived benefit, perceived satisfaction of 34.5% while 65.5% is explained by variables other than those studied.

b) Hypothesis Testing Results (Estimated Path Coefficient)
To analyze data, researchers used the SmartPLS program. PLS does not assume a certain distribution for parameter estimation, so parametric techniques to test the significance of parameters are not needed, as Chin (1998) revealed in Ghozali (2014). The measurement model or outer model evaluates validity and reliability. The hypothesis testing criteria in this study are the significance level (α) of 5% and are determined by the following criteria:
1) If T count > T table (1.96) then the hypothesis is accepted.
2) If T count < Ttabel (1.96), the hypothesis is rejected.
   Testing the full hypothesis can be explained as follows:
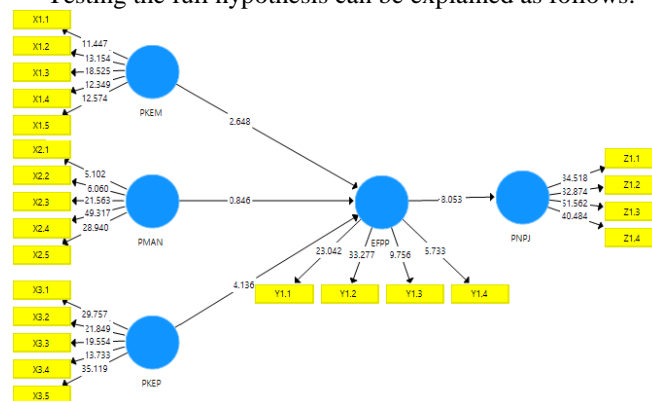
Figure 4.2: Results of Boostrapping Test
Source: Output SmartPls 3.0

Table 4.5: Result of Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Explanation
PKEM -> EFPP	0,286	0,303	0,108	2,648	0,008	Significant
PMAN -> EFPP	-0,103	-0,090	0,122	0,846	0,398	Not Significant
PKEP -> EFPP	0,539	0,525	0,130	4,136	0,000	Significant
EFPP -> PNPJ	0,587	0,599	0,073	8,053	0,000	Significant

Source: Output SmartPls 3.0

Based on Figure 4.2 the results of the bootstrapping test and table 4.5 the results of testing the hypothesis can be seen that:

1. Testing the First Hypothesis: The Effect of Ease Perception on the Effectiveness of Tax Reporting Using E-System Based on the results of the test it can be seen that the value of Tcount is 2.648 the value of Tcount> Ttable (2.648> 1.96) with the P value of 0.008 Then the first hypothesis (Ha1) is accepted, which means that the perception of the ease of taxpayers has a significant effect on the effectiveness of tax reporting using e-system;

2. Testing of the Second Hypothesis: Effect of Perception of Benefits on the Effectiveness of Tax Reporting Using the E-System, Based on the test results, it can be seen that the value of Tcount is 0.846, the value of Tcount <Ttable (0.846 <1.96) with the value of P Values of 0.398. Then the second hypothesis (Ha2) is rejected, which means that the perception of taxpayer benefits does not significantly influence the effectiveness of tax reporting using e-system;

3. Testing of the Third Hypothesis: Effect of Satisfaction Perceptions on the Effectiveness of Tax Reporting Using the E-System, Based on the hypothesis test in this study the results of the Tcount were 4.136, the value of Tcount > Ttable (4.136> 1.96), with the value of P Values 0.000. Then the third hypothesis (Ha3) is accepted, which means the perception of taxpayer satisfaction has a significant effect on the effectiveness of tax reporting using e-system.;

4. Testing of the Fourth Hypothesis: The Effect of the Effectiveness of Tax Reporting Using E-Systems on Tax Revenue, Based on the hypothesis test in this study the results of the Tcount were 3.120, the value of Tcount> Ttable (3.120> 1.96), with the value of P Values 0.000. Then the fourth hypothesis (Ha4) is accepted, which means that the effectiveness of tax reporting using e-system has a significant effect on tax revenue.

5. Discussion

This research was conducted to examine the effect of taxpayer perceptions on the effectiveness of tax reporting using e-system and its impact on tax revenues, then the results are as follows:

1. Perception of Taxpayer's Ease on the Effectiveness of Tax Reporting Using E-systems, Based on the hypothesis test in this study the results of the Tcount were 2.648, the value of Tcount> Ttable (2.648> 1.96), thus because of Tcount> Ttable then H1 is accepted. These results indicate that the perception of the ease of taxpayers influences the effectiveness of tax reporting using e-system. Perception of ease is a level where one believes that technology is easy to use and understand. The ease of the user can reduce one's efforts both time and energy to study systems or technology because users believe that the system or technology is easy to use and understand. The results of this study support previous research conducted by Siti Sajaah (2017) that the perception of the ease of taxpayers influences the effectiveness of tax reporting using e-SPT and is in line with research conducted by Ermawati Nanik & Delima Zamrud (2016) that perceptions of ease of using e- filling greatly influences the interest of taxpayers in using e-filling, Nurjannah (2017) that there is an influence between perceived ease of use of e-filling facilities.

2. Perception of the Benefits of Taxpayers on the Effectiveness of Tax Reporting Using E-systems, Based on the hypothesis test in this study the results of the value of Tcount were 0.846, the value of Tcount <Ttable (0.846 <1.96), thus because of the Tcount <Ttable then H2 is rejected. These results indicate that the perception of taxpayer benefits does not affect the effectiveness of tax reporting using e-system. The e-system facility in tax reporting by taxpayers in KPP Cengkareng is still in the process of socialization, especially to new taxpayers who have an NPWP so that taxpayers have not been able to feel the significant benefits in using e-system facilities. The results of this study are in line with the research conducted by Nurjanah (2017) that there is no influence between the perceived usefulness of the use of e-filling facilities.

3. Perception of Taxpayer Satisfaction on the Effectiveness of Tax Reporting Using E-systems, Based on the hypothesis test in this study the results of the value of Tcount were 4.136, the value of Tcount > Ttable (4.136> 1.96), thus because of Tcount > Ttable then H3 is accepted. These results indicate that the perception of taxpayer satisfaction influences the effectiveness of tax reporting using e-system. User satisfaction is the overall evaluation of user experience in using information systems and the potential impact of information systems. User satisfaction can be associated with the perception of usefulness and user attitudes towards information systems that are influenced by personal characteristics. Satisfaction is often used as a proxy for the success of an information system, when users feel that using e-system facilities can meet their needs and expectations, users will be satisfied, and if e-system services exceed expectations, users will be very satisfied. The results of this study are in line with the research conducted by Nurjanah (2017) that there is an influence between perceived ease of use of e-filling facilities and Situmorang Romartha (2016) that satisfaction perceptions have a strong and positive relationship with the use of e-filling.

4. Effectiveness of Tax Revenues Against Tax Revenue, Based on the hypothesis test in this study the results of the value of Tcount of 3.120 are obtained by the value of Tcount> Ttable (3.120> 1.96), thus because of Tcount> Ttable then H4 is accepted. These results indicate that the effectiveness of tax reporting using e-system has an effect

on tax revenue. Effectiveness is the relationship between output and clarity of objectives to be achieved, where effectiveness is measured based on the absence of obstacles or pressures so that satisfaction can be achieved. Logically, the higher the level of effectiveness of tax reporting using e-system, the tax revenue on KPP will increase. The results of this study are in line with the research conducted by Fathimah Jawas & Putu Gede Diatmika (2017) that the use of online taxation systems at Singaraja KPP Pratama remains influential in optimizing Singaraja KPP Pratama tax revenue but not too significant and research by Wiki Darmawan (2018) that e -filling through taxpayer compliance has a positive effect but did not have a significant effect on tax revenue.

6. Conclusion

Based on the results of data analysis and testing of hypotheses about "The Influence of Taxpayer Perceptions on the Effectiveness of Tax Reporting Using the Administration of E-System and Its Impact on Tax Revenue" (Survey on KPP Pratama Cengkareng Jakarta). Respondents in this study amounted to 100 individual taxpayers who use e-system (e-filling, e-spt, e-billing) in tax reporting. Then conclusions can be drawn as follows:

1) Perception of the convenience of taxpayers influences the effectiveness of tax reporting using e-system. This means that the perception of ease affects the level of effectiveness of tax reporting using e-system. The higher the level of perceptions of the convenience of taxpayers, the effectiveness of tax reporting using e-systems is increasing;

2) Perception of taxpayer benefits does not affect the effectiveness of tax reporting using e-system. This means that the perception of benefits does not affect the level of effectiveness of tax reporting using e-system;

3) Perceptions of taxpayer satisfaction affect the effectiveness of tax reporting using e-system. This means that taxpayer satisfaction affects the level of effectiveness of tax reporting using e-system. The higher the level of satisfaction of taxpayers, the effectiveness of tax reporting using e-system is increasing;

4) Effectiveness of tax reporting using e-system has an effect on tax revenue. This means that the effectiveness of tax reporting using e-system affects the level of tax revenue. The higher the effectiveness of tax reporting using e-system, the tax revenue increases.

References

[1] Azmi Anna. (2015). Trust, justice and continued use of e-filling. Journal International,11, 3

[2] Cahyono Yuli. (2017). Analysis of Factors Affecting Tax Revenue. Indonesian Accounting and Finance Research, 2 2017

[3] Davis Fred. (1989) Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology

[4] Directorate General of Taxation. (2016). Lakin DGT 2016. Taken from https://www.pajak.go.id/

[5] Directorate General of Taxation. (2016). DGT Annual Report 2016. Taken from https://www.pajak.go.id/

[6] Ermawati Nanik & Pomegranate Emerald. (2016). Effect of Perception of Ease of Use, Perception of Use, and Experience of Interest of Taxpayers Using e-Filling System. Indonesian Accounting Journal, 5 No.2 July 2016, 163-174.

[7] Ministry of Finance of the Republic of Indonesia. (2017). Our State Budget (Performance and Facts)2017 Edition Taken from https://www.kemenkeu.go.id/

[8] Director General of Tax Decree. (2005). About the Procedure for Submitting Electronic Notification (E-Filing) through Application Service Provider Companies (Asp) (No. Kep-05 / PJ / 2015). Jakarta: Directorate General of Taxes

[9] Lismawati Mona. (2014). The Influence of Taxation e-System Implementation on Taxpayer Satisfaction Level Tax e-System Users at East Pratama Ilir KPP Palembang. Essay. Faculty of Economics. University of IBA. Palembang

[10] Ndawu Karlen. (2017). Perception Analysis of Ease of Use, Perception of Effectiveness, and Perception of Tax Administration E-System Efficiency. Essay. Sanata Dharma University

[11] Nurjannah. (2017). The Effect of Perception of Utilization, Perception of Ease, Satisfaction, Speed, Security and Confidentiality on the Use of E-Filing Facilities as a Means of Submitting Spt like Online and Realtime to Corporate Taxpayers in Dumai. JOM Fekon, 4 No.1 February 2017.

[12] Director General of Tax Regulations. (2004). About the Third Amendment to the Director General of Taxes Decree Number Kep - 383 / Pj / 2002 concerning Procedures for Payment of Tax Payments Through On-Line Payment Systems and Submission of Notification in Digital Form (No. PER-184 / PJ / 2004). Jakarta: Directorate General of Taxes

[13] Director General of Tax Regulations. (2015). Regarding the Procedure for Receiving and Processing Annual Notices (No. PER-19 / PJ / 2009). Jakarta: Directorate General of Taxes

[14] Ramadan Rona. (2015). Effect of Application of Self-Assessment System on Optimizing Tax Revenue [Abstract]. Widyatama Respository

[15] Rahayu Siti. (2017). Taxation (Concepts and Formal Aspects). Bandung: Science Engineering

[16] Robbins,Stephen,. & Judge, Timothy. (2013). Organizational Behavior Edition 15. Retrieved from *http://bba12.weebly.com/uploads/9/4/2/8/9428277/* organizational_behavior_15e__stephen_p_robbins__timothy_a_judge_pdf_qwerty.pdf

[17] Only Siti. (2016). The Effect of Perception of Use and Perception of E-Spt Ease on the Effectiveness of E-Spt Reporting. Faculty of Economics and Business. Indonesian Computer University.

[18] Smith, Adam. (1776). *An Inquiry Into The Nature And Causes Of The Wealth Of Nations* Sommerfeld,Ray M., Anderson, Hershel., Brock, Horace., Boyd, James., Madeo, Silvia., & Streuling, G. (1987). *An Introduction To Taxation*. California, USA:Harcourt Brace Jovanovich.Inc

[19] Sugiyono. (2009). Business Research Methods. Bandung: Alfabeta

[20] Laws of the republic Indonesia. (2000). About the Second Amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation (No. 16 of 2000). Jakarta: Republic of Indonesia

[21] Laws of the republic Indonesia. (2007). About Changes to the Third Amendment to Law Number 6 of 1983 concerning General Provisions and Procedures for Taxation (No. 28 of 2007). Jakarta: Republic of Indonesia

[22] Laws of the republic Indonesia. (2012). About Amendments to Law Number 22 Year 2011 concerning the State Budget for Revenue and Expenditures for Budget Year 2012 (No. 4 of 2012). Jakarta: Republic of Indonesia

[23] Wardoyo Teguh, Subiyakto Amin, Argo Sapto. (2015). Applied Tax Brevet A & B. Tangerang: TaxSys

[24] Wati Lela. (2017). Applied Research Methodology. Bandung: CV Mujahid Press

[25] Willy Abdillah & Hartono Jogiyanto (2015). Partial Least Square (PLS) Alternative Structural Equation Modeling (SEM) in Business Research. Yogyakarta: AN