

Factors That Influence the Need to Pay UMKM Taxes In Surakarta City

Intan Permata Hati¹⁾, Siti Nurlaela²⁾, Suhendro³⁾

Accounting Departement, Faculty of Economics, Universitas Islam Batik Surakarta
Jl. KH. Agus Salim No. 10, Jawa Tengah 57147, Indonesia
E-mail: intanbalance@gmail.com

Abstract: The aim of this research is to analyze the influence of tax rules understanding, good perception of effectiveness from tax system as well as the level of trust to the law system and the government to UMKM's obligation in paying taxes in Surakarta city. This research used questionnaires from taxpayer population that own free business that is listed in Service Tax Office Pratama Surakarta. Research respondents are taxpayer that own free business that is listed in Service Tax Office Pratama. The sample are taxpayer private individuals that own free business that is listed in Service Tax Office Pratama Surakarta. The technique used for the samples taken are accidental sampling with research sample as much as 30 respondents. The analysis method used is double linear regression test. The result from the test showed that : the influence of knowledge and understanding to tax rules, good and effective perception about tax system, and level of trust to the law system and the government that significantly affect to UMKM obligation in paying taxes in Surakarta city. Tax office should do more intensive Government socialization rules Number 46 Year 2013 to the community, especially UMKM so that the owner manage to pay affordable taxes.

Keywords: *knowledge and understanding; good presentation; government regulation; UMKM compliance.*

1. INTRODUCTION

National development which is currently ongoing continuously and continuously has the aim of improving people's prosperity both material and spiritual. Taxes are one of the largest sources of income in the country, where almost all government activities are financed by the tax itself. The State Revenue Budget in the 2016 APBN shows that the State's revenue from the tax sector contributes 75% to the total State budget or Rp. 1,546.7 trillion, the realization of tax revenue in 2016 is experiencing good growth.

The State Budget (APBN) from year to year, always assigns duties to the Directorate General of Taxes to raise tax revenue to the state. Even on a percentage basis, at least the taxes

account for approximately 70% of revenue items in the State Budget (APBN) in recent years. This shows the role of Tax in realizing the stability of the wheels of life of this country should be further enhanced given the increasing demands of the needs and the increasingly complex challenges of the era, especially entering the Era of Globalization. It can not be denied because basically paying taxes will create an independent nation where with this tax, the pace of development can be sustained without having to rely on foreign loans.

UMKM in the city of Surakarta also experienced a pretty good increase, which is known Surakarta is one of the city tourist destination and industry. According to data from the Departement of Cooperatives and Disperindang

Surakarta the number of UMKM in the city of Surakarta in 2015 amounted to 45.054 UMKM's, while in 2016 a number of 80.331 UMKM's.

Tax revenues can be increased through improved tax compliance by socializing government tax rate rendering through Government Regulation No. 46 of 2013. The objectives of this government policy include trade and services, such as grocery stores, clothing, electronics, workshops, tailors, restaurants, salons, and other businesses. The government regulation provides ease in tax payment with the simplification of tariff of 1% from monthly turnover with turnover turnover not exceeding Rp. 4.8 billion per year.

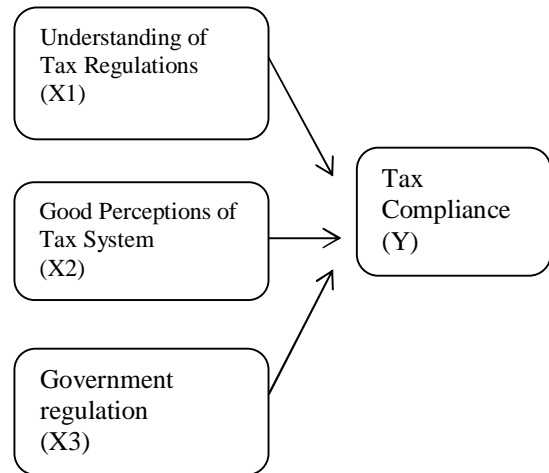
Taxpayer compliance according to Mangoting and Sadjiarto (2013), can be influenced by two factors, namely internal factors and external factors. Internal factors are factors derived from the taxpayers themselves and related to the characteristics of individuals who become triggers in carrying out its tax obligations. In contrast to internal factors, external factors are factors that come from outside the taxpayer, such as the situation and the environment around the taxpayer.

The number of small and medium-sized enterprises when carefully considered is a source of taxes that can be used to supplement state revenues. It is undeniable that recently the Directorate General of Taxation has launched an extensification action agenda and tax intensification, which is usually done by extending the subject and the object of the tax, or by collecting new taxpayers.

Research on tax compliance has been done in various cases, such as Handayani et al. (2012), Pearls et al. (2017), Septian et al. (2014), and Istiqomah et al. (2016) that examines the effect of tax-paying awareness, knowledge and understanding of tax regulations, good perceptions of

tax system effectiveness, and the level of trust in the legal and government systems of taxpayer willingness.

2. THEORITICAL FRAMEWORK



3. RESEARCH METHODS

This research is quantitative research, data source used is primary data. Data collection technique used is survey method using questionnaire media. The data analysis method used is descriptive analysis, classical assumption test and multiple regression analysis using SPSS program 17. Population in this research is all taxpayers registered in Office Tax Service Pratama Surakarta by using Accidental Sampling.

4. DATA ANALYSIS TECHNIQUE

Data analysis techniques in this study are as follows:

- a. Descriptive statistics used for research
- b. Classic Assumption Test
 - 1) Normality tests are performed to view normally distributed data.
 - 2) Multicollinearity is used to test whether in the regression model found the existence of collation between independent variables.
 - 3) The heteroscedasticity test of the objective to analyze, calculate the inequality between residuals.

c. Multiple linear regression analysis is a technique through parameters to know the independent variables to the dependent variable. Regression model in this research:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Information:

Y : Compliance to Pay SME Taxes

A : constant

β : Regression coefficient

X1 : Monitoring Tax Regulations

X2 : Good Persepi Tax System

X3 : Government Regulation

E : error

d. The F-test is performed to determine whether there are independent variables in the model together against the standard variable.

e. Test conducted to determine the dependent variable.

f. Coefficient of Determination to measure how far the model can be used in the dependent variable.

5. RESEARCH RESULT

Result of Data Collection

The object of this study is the free tax payers registered in the Tax Office Pratama Surakarta. This research use Accidental Sampling method. Obtained 30 respondents as a sample. Descriptive respondents include gender, status, age, education and employment.

Test Validity

Based on the test of validity that all items of question for each variable shows that the value of rhitung is bigger than rtabel value, hence all item of question in this research is valid.

Reability Test

The results of test reliablitas indicate that the reliability of each variable shows a number greater than 0.60 then the questionnaire declared reliable or

reliable. Based on the results of validity and reliability test, it can be concluded that the research questionnaire is feasible to be used as a tool for collecting research data.

Classic Assumption Test

Table 1. Data Normality Test Results

Variabel	Test Results	Criteria	Conclusion
X ₁	0.056	0.05	Distribusi Normal
X ₂	0.136	0.05	Distribusi Normal
X ₃	0.175	0.05	Distribusi Normal
Y	0.293	0.05	Distribusi Normal

Source: Primary Data Processed, 2017

From the test results according to the table results of normality test data above, because the value of significance of all variables greater than 0.05 it can be concluded that the data is normally distributed.

Table 2. Multicollinearity Test Results

Variable	Tolerance	Variance Inflation Factor (VIP)	Description
X1	0,818	1.223	No Problem multicollinearity
X2	0,820	1.220	No Problem multicollinearity
X3	0,996	1.004	No Problem multicollinearity

Source: Primary Data Processed, 2017

Based on table 2 it can be seen that the Tolerance value of all variables is more than 0.10 and the VIF value is less than 10. Thus, it can be concluded that there is no multicollinearity between independent variables.

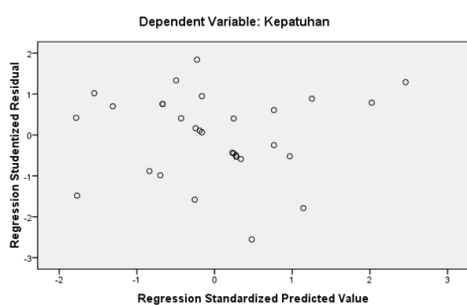


Figure 1. Heteroscedasticity Test Results

Can be seen in the image of heteroscedasticity test results done by using scatterpol, that the points spread randomly and did not form a clear pattern. As seen, the points spread above and below the number 0 on the Y axis, so it can be concluded that no heteroscedasticity occurred in the regression model under study.

Table 3. Multiple Linear Regression Model

Model	Unstandardized Coefficients	
	B	Std. Error
Constant	-1.681	0.852
X1	0.369	0.142
X2	0.394	0.119
X3	0.694	0.177

Source: Primary Data Processed, 2017

From table 3 above by taking the value in column Beta (β), multiple linear regression model in this research can be formulated with equation as follows:

$$Y = -1,681 + 0,369X_1 + 0,394X_2 + 0,694X_3$$

Information :

Y = Tax Compliance

X₁ = Understanding About Tax Regulation

X₂ = Good Perceptions of Tax System

X₃ = Government regulation

Based on these equations can be seen the relationship of each variable as follows:

- Constance value (a) is -1,681 means that if X₁, X₂, and X₃ are 0, then Y is -1,681. Shows that taxpayer compliance will be worth -1,681 if the taxpayer complies with taxes, regulations and understanding of tax laws, good perceptions of the effectiveness of the tax system, and the degree of trust in the legal and government system to the taxpayer is constant or permanent.
- Value of regression coefficient variable X₁: 0,369; meaning that if other independent variables are fixed and regulations and understanding of tax regulations increase 1%, then tax compliance (Y ') will experience an increase of 36.9%. Coefficient of positive value means there is a positive relationship between regulation and understanding of tax regulations with tax pay compliance.
- Value of regression coefficient variable X₂: 0,394; meaning that if other independent variables are fixed and good perceptions of tax system effectiveness increase 1%, then tax compliance (Y ') will increase by 39.4%. Coefficient of positive value means there is a positive relationship between good perception of tax system effectiveness with tax pay compliance.
- Value of regression coefficient of variable X₃: 0,694; meaning that if other independent variables are fixed and the level of confidence in the legal and government system increases 1%, then tax compliance (Y ') will increase by 69.4%. Coefficient of positive value means there is a positive relationship between the level of confidence in the legal system and government with tax pay compliance.

Table 4. Results Determination R2

R	R Square	Adjusted R Square
0.792	0.627	0.584

Source: Primary Data Processed, 2017

Based on the above table, the Determination Coefficient Test Result (R2) shows the coefficient of determination (R2) of 0.627 which means that 62.7% tax pay compliance is explained by regulatory variables and the understanding of taxation regulations (X1), a good perception on the effectiveness the tax system (X2), and the level of confidence in the legal and governance system (X3) while the remaining 37.3% is explained by other variables outside the model.

Table 5. Model Feasibility Results

F hitung	F tabel	Sig.	Criteria	Conclusion
14.564	2.975	0.000	0.05	Models are worth testing

Source: Primary Data Processed, 2017

Based on the results of feasibility test the above model shows that the value of Fhitung of 14.564 and Ftabel obtained value of 2.975. Because the value Fcount > Ftable (14,564 > 2,975) and significance value less than 0,05 (0,000 < 0,05) it can be concluded that the three independent variables together affect the dependent variable, so the regression model under study is feasible to be tested.

Table 6. Statistical Test Results t

Model	T Hitung	T Table	Sig.	Standar	Description
X1	2.599	2.056	0.015	0,05	Accepted
X2	3.326	2.056	0.003	0,05	Accepted
X3	3.933	2.056	0.001	0,05	Accepted

Source: Primary Data Processed, 2017

From the table above can be seen that the results of statistical tests t seen on the variables of knowledge and understanding of tax regulations obtained value of t count of 2.599. The result of ttable was obtained at 2.056. Because the value of t count > ttable (2,599 > 2,056) and significance value < 0,05 (0,015 < 0,05), h0 can be said rejected and Ha accepted, hence can be concluded that H1 accepted so knowledge and understanding about taxation regulation have significant tax pay compliance. Can be seen that the results of statistical tests t seen on the variable level of trust on the effectiveness of the pepajakan system obtained tcount of 3.326. The result of ttable was obtained at 2.056. Because the value of tcount > ttable (3,326 > 2,056) and significance value < 0,05 (0,003 < 0,05), h0 can be said rejected and Ha accepted, hence can be concluded that H2 accepted so that good perceptions of tax system effectiveness significant against tax pay compliance. And can be seen that the results of statistical tests t seen on the variable level of confidence in the legal system and government can be obtained tcount of 3.933. The result of ttable was obtained at 2.056. Because the value of tcount > ttable (3,933 > 2,056) and significance value < 0,05 (0,001 < 0,05), H0 is rejected and Ha accepted, hence can be concluded that H3 accepted so that level of trust to legal system and government have significant effect against tax pay compliance.

Discussion

- a. The Influence of Knowledge and Understanding About Taxation Regulation Against Tax Paying Will
The result of hypothesis test 1 seen in titung on variable of knowledge and understanding about taxation regulation (X1) is 2,599 with level of significance 0,015. Because the value of t count is 2.599 which is

bigger than t_{table} is 2.056 and its significance is less than 0,05 ($0,015 < 0,05$), so it can be said that knowledge and understanding about taxation regulation influence to pay tax compliance. If the knowledge and understanding of taxation regulations is higher then the higher also the unity of paying taxes. The results of this study are consistent with the research of Septian and Linda (2014) that knowledge and understanding of tax regulations affect tax paying compliance.

b. The Influence of Good Perceptions on the Effectiveness of the Tax System on Tax Compliance

The result of hypothesis test 2 seen at the t_{count} value on good perception variable on tax system effectivity (X_2) is 3,326 with significance level 0,003. Because t_{count} 3,326 is bigger than t_{table} 2.056 and its significance is less than 0,05 ($0,003 < 0,05$), so it can be said that good perception of taxation system effectiveness influence to tax pay compliance. This is supported by research conducted by Septian and Linda (2014) and research results Istiqomah, et al, (2016) which states that a good perception of the effectiveness of the tax system has a positive and significant impact on tax pay compliance.

c. The Influence of the Level of Trust Against Government and Legal System to Tax Compliance

The result of hypothesis test 3 which is seen at the t_{count} value on the confidence level variable to government and legal system (X_3) is 3,933 with significance level 0,001. Because t_{count} 3,933 is bigger than t_{table} that is 2,056 and significance value less than 0,05 ($0,001 < 0,05$), so it can be said that the level of trust toward government system

and law have an effect on tax pay compliance. If the level of confidence in the system of government and law is higher then the higher compliance also pay taxes. This means that the results of this study are inconsistent with research conducted by Septian and Linda (2014) and Istiqomah, et al (2016) which states that the level of trust in the governance and legal system has no effect on tax pay compliance.

6. CONCLUSION

This study aims to determine the factors that affect compliance to pay taxes UMKM the city of Surakarta. This research is quantitative research, population in this research is all taxpayers registered in Tax Office Pratama Surakarta. Samples in this study are taxpayers of individuals who have a free business registered in the Tax Office Pratama Surakarta. The method of data analysis used is multiple linear regression with the help of SPSS 17 program. Based on the results of analysis and discussion that has been described previously, it can be concluded about the knowledge and understanding of tax regulations, a good perception of the effectiveness of the tax system, and the level of confidence in the legal system and government significant effect on compliance pay UMKM in Surakarta. Knowledge and understanding of tax laws can encourage taxpayers' awareness to fulfill their tax obligations. With the increased knowledge and understanding of taxpayers about the tax laws it will increase taxpayer compliance to pay taxes. The high intensity of information received by the taxpayer, it can slowly change the taxpayer's thinking about the tax in a positive direction. Easily the system of taxation and improvement of quality services then a positive perception will make taxpayers more

aware in paying taxes, while increasing the trust between the government and the taxpayer community can provide a positive influence as a driver to carry out the obligation to pay taxes.

7. REFERENCES

- Agoes, Sukrisno dan Estralita Trisnawati. 2009. *Akuntansi Perpajakan Edisi 2*. Jakarta: Penerbit Salemba Empat.
- Azizah, N Istiqomah., Nurlaela, S., & Wijayanti, A. (2016). Faktor-Faktor Yang Mempengaruhi Kemauan Membayar Pajak Wajib Pajak Orang Pribadi Yang Melakukan Pekerjaan Bebas. Seminar Nasional IENACO_110 ISSN:2337-4349 Universitas Islam Batik Surakarta
- Ghozali, Imam. 2012. *Aplikasi Analisis Multivariate Dengan Program IBM SPSS 20*. Edisi 6. Semarang: Badan Penerbit Universitas Diponegoro.
- Handayani, S.W., Faturokhman, A., Pratiwi, U. 2012. Faktor-Faktor yang Mempengaruhi Kemauan Membayar Pajak Wajib Pajak Orang Pribadi Yang Melakukan Pekerjaan Bebas. *Simposium Nasional Akuntansi XIV*.
- Mardiasmo. 2011. *Perpajakan*. Edisi Revisi. Yogyakarta: Andi.
- Mangoting, Yenni Dan Arja Sadjiarto. 2013. Pengaruh Motivasi Terhadap Kepatuhan Wajib Pajak Orang Pribadi. *Jurnal Akuntansi Dan Keuangan*, Vol. 15, No. 2
- Mustofa, F. A. 2016. Pengaruh Pemahaman Peraturan Perpajakan, Tarif Pajak Dan Asas Keadilan Terhadap Kepatuhan Wajib Pajak. *Jurnal Mahasiswa Perpajakan*, 8 (1).
- Mutiara, L., Nurlaela, S., & Subroto, H. (2017). Pengaruh Pemahaman Sistem E-Billing, Kualitas Pelayanan Dan Pelaksanaan Sanksi Pajak Terhadap Kepatuhan Wajib Pajak UMKMMebel Di Kabupaten Sukoharjo, *Jurnal Ilmiah, Universitas Muhammadiyah Surakarta*. IENACO, ISSN: 2337–4349
- Nazir, M. 2010. *Metodologi Penelitian*. Edisi Revisi. Bogor: Ghalia Indonesia.
- Novliemyanti, J., Arif, F. I., Nugroho, Y. P., & Tjahjadi, B. (2017). Justice Tax Based On Msme Entrepreneur Perspective Case Study Of Atom Market Surabaya. *International Journal of Organizational Innovation (Online)*, 10(1), 260.
- Nurlaela, S. dan Fajar, S. 2015. Ipteks Effect for Export Products, Government Policy, Environmental of Religious Culture Social, Cost Efficiency of Export Performance Craft Wood Furniture in Klaten Central Java, *International Journal, People and Global Business Association, Korea*, Jilid : 1
- Nurlaela, S. dan Endang, M. 2015. Pengaruh Ekspektasi Kinerja, Ekspektasi Usaha Dan Ekspektasi Sosial Terhadap Minat Pemanfaatan Pengguna an Sistem Informasi Akuntansi, Seminar Nasional Uniba, Universitas Islam Batik Surakarta. Surakarta.
- Nurlaela, S. 2015. Strategi Pengembangan Usaha Melalui Penguatan Manajemen, Pemasaran, dan Keuangan Industri Kreatif Kerajinan Mebel Ekspor di Kabupaten Klaten, *Jurnal Ilmiah, Universitas Muhammadiyah Surakarta*. IENACO, ISSN: 2337–4349

- Nurlaela,S. 2015.Pengembangan Usaha Ekonomi Kreatif Kerajinan Tenun, Melalui Teknologi Batik, Pengelolaan Keuangan, Pemasaran dan Pembuatan Website, IENACO Universitas Muhammadiyah Surakarta.
- Nurlaela, Solichul, .2015.Ipteks Product for Export Industry Wood Crafts Furniture in the District Klaten Central Java, Indonesia, Review of Integrative Business and Economics Research 4 (1), 350
- Nurmantu, Safri. 2012. *Pengantar Ilmu Perpajakan*. Edisi Revisi. Jakarta: Granit.
- Nur Rohmawati, A., Rasmini, N. K. 2012. Pengaruh Kesadaran, Penyuluhan, Pelayanan, dan Sanksi Perpajakan Pada Kepatuhan Wajib Pajak Orang Pribadi. *E-Jurnal Akuntansi, 1* (2)
- Palil, M. R., Akir, M. R., & Ahmad, W. F. B. A. (2013). The perception of tax payers on tax knowledge and tax education with level of tax compliance: a study the influences of religiosity. *ASEAN Journal of Economics, Management and Accounting, 1*(1), 118-129.
- Priyatno, Duwi. 2008. *5 Jam Belajar Olah Data Dengan SPSS 17*. Yogyakarta: ANDI.
- Resmi, Siti. 2012. *Perpajakan: Teori dan Kasus*. Edisi Revisi. Jakarta: Salemba Empat.
- Septian, F Fahluzy dan L. Agustina.(2014). Faktor-Faktor Yang Mempengaruhi Kepatuhan Membayar Pajak UMKM Di Kabupaten Kendal .*Accounting Analysis Journal*, Vol. 3 No. 3 Tahun 2014.Universitas Negeri Semarang.
- Samrotun, Y. C., Sari, D. K., & Dewi, R. R. (2017). Analisis Faktor-Faktor yang Mempengaruhi Kepatuhan Wajib Pajak Orang Pribadi di KPP Pratama Surakarta. *Jurnal Ilmiah, Universitas Muhammadiyah Surakarta*. IENACO, ISSN: 2337-4349
- Sugiyono. 2014. *Metodologi Penelitian Kuantitatif*. Edisi Revisi.Cetakan Kedua Bandung: Alfabeta.

Undang-Undang RI:

Undang-Undang Nomor 6 Tahun 1983 Tentang Ketentuan Umum dan Tata Cara Perpajakan telah diubah terakhir dengan Undang-Undang Nomor 16 Tahun 2009 dalam pasal 1

Peraturan Pemerintah:

Peraturan Pemerintah Nomor 46 Tahun 2013 tentang Pajak Penghasilan Atas Penghasilan Dari Usaha Yang Diterima Atau Diperoleh Wajib Pajak Yang Memiliki Peredaran Bruto Tertentu.