The Effect of iPBB Application and Taxpayer Awareness on PBB-P2 Taxpayer Compliance in Bekasi Regency

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Abstract: *This study was conducted to explore the effect of iPBB application and taxpayer awareness on taxpayer compliance. The contribution of this research is expected to be able to add information at the theoretical/scientific level regarding the use of information technology in terms of public services and have positive implications for the community satisfaction index. Referring to the results of previous studies and empirical theories related to information technology-based public services and taxpayer awareness, this study was designed to collect data using a survey method by distributing online questionnaires. Respondents in this study were selected using purposive sampling method. This research is a quantitative research with multiple linear regression method. Some of the findings in this study are that the first iPBB application has a significant positive effect on taxpayer compliance. Second, mandatory awareness has a significant positive effect on taxpayer compliance. Third, the iPBB application and taxpayer awareness simultaneously (together) have a significant effect on taxpayer compliance.*

Keywords: iPBB Application, Taxpayer Awareness, PBB-P2, Bekasi Regency

1. Introduction

Tax is defined as the participation contribution of all members of society to the state. Taxes can also be defined as people's contributions to the state treasury based on the law without receiving remuneration that can be felt directly individually and used to finance government expenditures to improve general welfare [1] [2]. Land and Building Tax is one of the central taxes whose authority will be delegated to the regions. With the enactment of Law no.28 of 2009 concerning Regional Taxes and Levies, PBB in the rural and urban sectors was transferred to local taxes [3], [4]. By making rural and urban PBB into a regional tax, the receipt of this type of tax will be calculated as regional original income (PAD) which increases the source of regional original income and increases the ability of the region to finance its own regional needs [4]. By optimizing the land and building tax revenue sector, it is hoped that local governments will be able to meet the interests of the community and make the developments listed in the RPJMD successful. Tax subjects in PBB are people or entities that actually have a right to the land, and our own, control, and or obtain benefits on buildings [5]. PBB is a potential tax, because its object includes all land and buildings in the territory of the Unitary State of the Republic of Indonesia and the taxpayer of PBB is larger than other taxes [6].

According to Sindonews.com, the Bekasi Regency Regional Revenue Agency stated that revenue from the regional tax sector is predicted to decline in the second quarter, most likely down to 30% in 2020. The reason is that many tax objects have been affected by the Covid-19 pandemic [7]. The decline in regional tax revenue can affect regional development that has been planned in the Regional RPJM, which means that there will be some developments that will be delayed or even will not be implemented [8]. In addition, the PBB-P2 sector targets every quarter are often not met, the article is that there are still many people who pay the tax at the end of the year under the pretext of the SPPT PBB which they receive towards the end of the year [9]. Therefore, one way to optimize PBB revenue is to increase PBB taxpayer compliance. Taxpayer compliance is a taxpayer who is disciplined and obedient, and has no arrears or delays in depositing taxes [10]. One of the efforts to improve taxpayer compliance is to provide good service to taxpayers. The services provided to taxpayers are public services that are more directed as a way of meeting the needs of the community in the context of implementing the applicable laws and regulations [1]. Service to taxpayer's aims to maintain taxpayer satisfaction which is later expected to increase taxpayer compliance in fulfilling their tax obligations. If the service to taxpayers is good, it will have an impact on tax revenues for the following years [6], [11], [12]. Structuring management systems and work procedures within the government in terms of public services can be realized through optimizing the use of information technology. Utilization of information technology includes interrelated activities, namely data processing, information management, management systems and work processes electronically [13], [14]. Therefore, the use of information technology in an organization is a unified whole and interconnected in its work process as a system. In local government, the information technology in question is applied in the form of electronic government or e-Gov. The e-Government superstructure contains, among others, institutional management leadership (e-leadership), human resources and regulations at the institutional level related to e-Government development (regulation) [15]. The information infrastructure includes, among others, data structures, data formats, data sharing methods, and security systems, which can be further seen in

the electronic document management system guide. Thus, administrative activities in government institutions today cannot be separated from the application of a management information system, which essentially lies in the recording and storage of various important information activities for the organization in a systematic, precise and accurate manner in computer media [14].

In research conducted by [16] shows that there is a significant influence between the independent variable, namely the Tax Object Information Management System (SISMIOP) on Land and Building Tax Revenue in Bitung City, which means that it is continuous with the dependent variable, namely Taxpayer Compliance. They argue that the increase in PBB Tax revenue in Bitung City reflects that taxpayer compliance is good; the implementation of SISMIOP in Bitung City has been adequate and well implemented and can make the completion time of several applications such as mutations, objections and deductions faster [16]. Previous research conducted by [4] shows that there is a significant positive effect between taxpayer knowledge and taxpayer awareness on taxpayer compliance in paying land and building taxes. Awareness is born naturally in humans, but human awareness can be increased by reminders made by fellow humans. It is hoped that the government can help increase taxpayer awareness by reminding them at the beginning of the fiscal year so that it can affect taxpayer compliance.

Research on taxpayer awareness and taxpayer compliance has been done a lot. This research was conducted in Bekasi district government agencies which are engaged in regional income which have tax products such as rural and urban land and building taxes, hotel taxes, entertainment taxes, restaurant taxes, billboards taxes, street lighting taxes, groundwater taxes, parking taxes, swiftlet nest tax, and BPHTB. The Bekasi district government through the Regional Revenue Agency is required to meet the target of each tax product in the current fiscal year, to be able to meet this target, Bapenda seeks to create effective and efficient services through the use of technology through the iPBB application [9]. Research linking the iPBB application with taxpayer compliance has not been conducted in the last three years. Based on this gap, the goal to be achieved from this research is to provide an explanation of the effect of the iPBB application and taxpayer awareness with PBB-P2 taxpayer compliance in Bekasi Regency which can provide positive feedback at the research site.

2. Method

The research method used in this research is quantitative method [17], directed to test the formulated hypothesis. The data analysis technique used is multiple linear regression analysis technique, with a population of 1, 000, 000 taxpayers. In determining the number of samples used, the researcher used the Slovin formula [17], so it was found that 99.9 was rounded up to 100 taxpayers. Data collection techniques using online questionnaires. For processing data from the results of the questionnaire, researchers used the Likert scale method.

3. Result

In this study, there are two independent variables, namely iPBB application and taxpayer awareness and one dependent variable, namely taxpayer compliance. Based on the results of the research that has been done, it can be concluded that 100 respondents are male and female who are registered as taxpayers in Bekasi Regency, but the male gender is the most dominating.

Validity Test and Reliability Test

In the results of the construct validity measurement, all indicators on the IPBB application variable, taxpayer awareness and IPBB taxpayer compliance can be accepted, because the factor loading value has a good match (> 0.50), and the t-value is greater than t-table (1.96) at the 5% significance level. Furthermore, the construct reliability test met the reliability requirements with CR values above 0.60 and VE values above 0.50 [18]. On the CR value, all meet reliable requirements, namely values above 0.60, IPBB application (0.96), taxpayer awareness (0.94), taxpayer compliance (0.86).

Normality test

From the results of the normality test, it can be seen that the significance value (Asymp. Sig 2-tailed) is 0.499. This value is greater than the normality significance requirement (0.499 > 0.05), so it can be said that the residual value is normal or there is no normality problem.

Hateroscedasticity Test

Based on the results of the heteroscedasticity test measurement, it can be seen that the F-Statistic (F-count) 56.745 > 0.05, it can be concluded that the data in this study did not occur heteroscedasticity.

Multicollinearity Test

In the measurement results of the multicollinearity test, the VIF value of 30.26 < 10.00, it is not with these results that it can be concluded that the data in this study does not occur multicollinearity.

Coefficient of Determination Test

Based on the measurement results of the coefficient of determination, it can be seen that the meaning of the R square value of 0.539 means that taxpayer compliance in paying Rural and Urban land and building taxes (PBB-P2) in Bekasi Regency is influenced by the IPBB application and taxpayer awareness is 53.9% and the remaining 46.1% is influenced by other factors not examined.

F Test (Simultaneous)

Based on the measurement of the F test, it is known that the significance value of 0.000 is less than 0.05 and the calculated F value of 56.746 is greater than the F table, which is 3.90. This shows that H3 is accepted, meaning that the

IPBB application (X1) and taxpayer awareness (X2) simultaneously (together) have a significant effect on taxpayer compliance (Y).

Test (Partial)

Based on the measurement results of the t test, it is known that the IPBB application variable (X1) has a significant effect on taxpayer compliance (Y). This can be seen from the significant value of 0.000 which is smaller than 0.05 and the tcount value of 9.841 which is greater than ttable which is

1.984. This shows that H1 is accepted, meaning that the IPBB application (X1) has a positive and significant effect on taxpayer compliance (Y).

Meanwhile, taxpayer awareness (X2) has a significant effect on taxpayer compliance (Y). This can be seen from the significant value of 0.000 which is smaller than 0.05 and the tcount value of 5.707 which is greater than ttable, which is 1.984. This shows that H2 is accepted; meaning that taxpayer awareness (X2) has a positive and significant effect on taxpayer compliance (Y).

Table 1: Hypothesis statement

Hypothesis	Hypothesis statement	T-Value	Description
H1	The iPBB application affects taxpayer compliance in paying the Rural and Urban Land and Building Tax (PBB-P2) in Bekasi Regency.	9, 841	Hypothesis Accepted
H2	Taxpayer awareness affects taxpayer compliance in paying the Rural and Urban Land and Building Tax (PBB-P2) in Bekasi Regency.	5, 707	Hypothesis Accepted
H3	The iPBB application and taxpayer awareness jointly affect taxpayer compliance in paying Rural and Urban Land and Building Tax (PBB-P2) in Bekasi Regency.	56, 746	Hypothesis Accepted

Source: SPSS data processing results

4. Discussion

This research intends to explore the effect of the relationship between the application of iPBB and Taxpayer Awareness on PBB-P2 Taxpayer Compliance in Bekasi Regency. In testing the first hypothesis (H1), it shows that the IPBB application has a positive influence on taxpayer compliance, it proves that the better the IPBB application, the higher the taxpayer compliance in Bekasi Regency. With the results of this study, it is necessary to periodically socialize related to the maximum use of the iPBB application so that it can make it easier for taxpayers to find out the total bill that must be paid early without having to wait for the PBB SPPT to be given by local village officials to taxpayers. The iPBB application is present in the context of implementing e-government and making effective and efficient services provided by Bekasi Regency. Because with this innovation, it is hoped that taxpayers can pay PBB-P2 taxes on time and can have an impact on increasing taxpayer compliance.

In the era of industrial globalization 4.0, the government is currently competing to utilize information technology that is applied to public services. Referring to Law Number 11 of 2008 concerning Information and Electronic Transactions, Article 4 Point C states that, "Utilization of Information Technology and Electronic Transactions is carried out with the aim of Increasing the Effectiveness and Efficiency of Public Services" making local governments aggressively innovate to create smart city, and one of the innovation products owned by Bekasi Regency is the iPBB application. Apart from being a form of innovation carried out by Bekasi Regency, the iPBB application is also one of the concrete efforts of the Bekasi Regency Government in realizing PBB-P2 services that are easy, fast and systematic and free of charge, taxpayers will easily get services online without having to come to the agency office. regional income. The usefulness of the application is to display Land and Building Tax information based on Tax Object Number (NOP) data.

The PBB-P2 information displayed on the iPBB application is as follows:

Figure 2: iPBB Application

So far, the iPBB application cannot be used by all taxpayers, considering that the socialization carried out is still limited and the transition period is considered quite difficult for taxpayers to use, and the application is not yet supported on the iOS operating system. However, this is not a big obstacle, the Bekasi Regency Government must continue to be consistent in intensifying the maximum use of the iPBB application and improving the service system that is good and can be used by taxpayers easily. In addition, considering the continuous development of current technological advances, the Bekasi Regency Government can also develop applications that can not only display PBB-P2 information, but can be completed up to the payment stage, so that the output of the successful use of the iPBB application in addition to the revenue target is achieved and compliance. Taxpayers increase, the Bekasi Regency Government is able to create good governance. This is in line with and supports the findings of previous researchers who emphasized that the

use of electronic-based systems is very beneficial for respondents because it can help complete their work more quickly, effectively and increase work productivity (Aprianty & Lambey, 2016).

This study has also proven that there is a positive effect of taxpayer awareness on taxpayer compliance (H2). Taxpayer awareness is needed to improve taxpayer compliance, taxpayers who are aware of their functions and rights and obligations will of course fulfill their obligations voluntarily and without being forced. The higher the awareness of taxpayers, the higher the contribution of taxpayers to regional development programs and the level of taxpayer compliance in Bekasi Regency. The previous research which has also proven the effect of taxpayer awareness on taxpayer compliance has been carried out by (Udayana, 2018); (Mutia, 2014); (. & Trisna, 2020).

The results of the H2 test also strengthen the attribution theory that taxpayer awareness is one of the internal factors (internal attribution) where factors from oneself affect the level of taxpayer compliance. Taxpayers who are aware of the function of taxation for state development programs, are aware that taxes are a form of participation in supporting the state, are aware of their obligations as taxpayers, then taxpayers will pay their obligations voluntarily without coercion.

Taxpayer awareness is a condition where taxpayers can fulfill all their tax obligations properly and voluntarily. In this study, the criteria for taxpayer awareness include understanding that there are laws and regulations governing taxes, knowing the function of taxes for state financing, understanding that tax obligations must be carried out in accordance with applicable regulations, and calculating, paying, and reporting taxes properly. True and voluntary. In this study, the criteria for respondents with a range of NPWP ownership in 2010-2014 are taxpayers who are more obedient than other years in this study.

Awareness of paying taxes does not only lead to an obedient attitude, but also an obedient and disciplined attitude as well as a critical attitude in addressing tax issues, especially policy material such as the application of tariffs, tax imposition mechanisms, regulations, even to the clash of existing practices in the field and the expansion of subjects and objects. Thus, the higher the level of awareness of the taxpayer, the higher the compliance of the taxpayer.

The results of this study are in line with research conducted by [11] which states that taxpayer awareness partially has a positive and significant effect on reporting compliance of individual taxpayers at the East Denpasar Pratama Tax Service Office. In addition, the results of research [19] state that taxpayer awareness simultaneously and partially affects individual taxpayer compliance at KPP Pratama Denpasar Barat. And research conducted by [20] and [21] states that taxpayer awareness has a positive effect on individual taxpayer compliance.

Thus, the iPBB application and Taxpayer Awareness also prove that there is a simultaneous influence on Taxpayer Compliance (H3). The more effective the use of the iPBB application and the high awareness of taxpayers, of course, taxpayer compliance will also improve. Studies on the effect of iPBB applications and taxpayer awareness on taxpayer compliance are in line with several opinions and research results that have been done previously [16], [19].

5. Conclusion and Recommendation for Future Research

All hypotheses built in this study have been proven that there is a relationship between iPBB application, taxpayer awareness, and taxpayer compliance in the relationship between the variables in question. The iPBB application has a positive effect on taxpayer compliance as the first hypothesis in this study, taxpayer awareness has a positive effect on taxpayer compliance as the second hypothesis in this study, and the iPBB application and taxpayer awareness have a positive influence on land and building taxpayer compliance Rural and Urban Areas (PBB-P2) in Bekasi Regency.

The application of information technology-based services and sufficient awareness can certainly increase taxpayer compliance in Bekasi Regency; in addition to the implementation of electronic-based services is advancement for local governments in carrying out their governance wheels. In this study it is proven that with the iPBB application, taxpayers are much more obedient to their obligations, as evidenced by the timely fulfillment of taxpayers' tax obligations. However, it should not stop there; the Bekasi Regency Government wants to develop the information system in a wider scope, not only for PBB-P2 services. The second finding of this study proves that the awareness of taxpayers in Bekasi Regency is very good; it's just that the delay in fulfilling tax obligations so far is constrained by the delay in the SPPT PBB received by taxpayers so that these obligations that should be paid on time are not fulfilled.

In this study, there are still some limitations or limitations that need to be improved in the future, namely first, this study only discusses the iPBB application variables, taxpayer awareness, taxpayer compliance. Second, there is a possibility that the respondents did not fill in actually or only filled in based on the expected ideal conditions and not the actual conditions that were happening.

These limitations require development in further research, namely by expanding and adding other variables outside of this variable so that it can obtain varied results and expand the scope of research on taxpayer perceptions in explaining or describing things that can affect taxpayer compliance. Further research can also expand the scope of research not only in the Bekasi area but also in other big cities.

The implication of this research is that taxpayer compliance must continue to be considered and improved because based on this research it has a positive effect on increasing potential tax revenues. To do this, the Bekasi Regency Government can maximize regular socialization related to the use of the iPBB application as a means of PBB-P2 information used in the

Bekasi Regency environment. In this activity, the Bekasi Regency Government can explain in detail about the use of the application and require taxpayers to use it. Matters that are not yet known by taxpayers can be discussed directly at the time of the activity so that there are no more reasons or obstacles in using the iPBB application.

Second, the Bekasi Regency Government is expected to be able to create an efficient program to grow and increase taxpayer awareness through counseling or other activities that are aligned. In this activity, the Bekasi district government can foster moral compliance to taxpayers which can eventually become a moral obligation owned by taxpayers. Considering that taxes have an important role for development programs and government administration, high awareness is needed so that government development programs can be realized.

Third, the use of the iPBB application cannot be used on the iOS operating system and is still difficult for some users to use. Therefore, the Bekasi Regency Government can periodically improve the information system according to the needs of taxpayers so that the application can be used optimally.

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