Determinant of Taxpayer's Behavioral Intention to Use -E-System in Taxation

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Abstract

Determinant of Taxpayer's Behavioral Intention to Use -E-System in Taxation. The purpose of this research is to examine the effect of attitude, subjective norms, perceived behavior control, perceived usefulness, perceived ease of use, self-efficacy and amount of information towards taxpayer's behavioral intention to use e-system in taxation. This research was conducted in KPP Pratama Kuala Tungkal. Data collection method used is survey method by spreading the questionnaire. The sample of research is Personal Taxpayer (WPOP) who use e-system. Data analysis using Partial Least Square (PLS) with warpPLS software version 3.0. This research found thatattitude, subjective norms and perceived behavior control does not affect the taxpayer's behavioral intention to use e-system in taxation. Perceived usefulness, perceived ease of use, self-efficacy and amount of information affects the taxpayer's behavioral intention to use e-system in taxation.

Keywords: *Behavioral intention, e-system, Personal Taxpayer (WPOP).*

INTRODUCTION

Indonesia is one of the developing countries, therefore Indonesia continues to develop in various fields. Along with the rapid movement of globalization today, it is necessary to develop various facilities and infrastructures that are used to support the increase of economic and investment activities, human resource development, and competitive technological progress. In order to finance the implementation of national development mentioned above, it takes a lot of funds. So that the necessary sources of financing that can support the national development, both in the short and long term.

Taxes are an obligation of statehood and dedication and the active role of citizens and other members of society to finance the various needs of the state in the conduct of national development whose implementation is regulated by laws and regulations for the purpose of the welfare of the nation and state (Judisseno, 2005:5). Tax is one of the most important components of state revenue. Taxes make a substantial contribution to the availability of sources of income for the country. So it gives the consequences of realization of state revenues that are highly depend on tax revenues.

From time to time the income of the State in the tax sector strongly supports the financing of national development. State revenues sourced from taxes are getting bigger. It brings the consequences of the realization of state revenues highly dependent on tax revenues. State revenues sourced from the tax sector have a much larger portion than the non-tax sector. (Supramono and Theresia, 2010:1).

A much larger percentage of tax revenues, when compared to non-tax revenues, can be seen from the State Budget (APBN) listed in Table 1:

Year	Domestic Revenue	Tax Revenue	Non Tax Revenue	Tax Contribution
2011	1,165,252	878,685	286,567	75.41%
2012	1,357,380	1,016,237	341,143	74.87%
2013	1,497,521	1,148,365	349,157	76.68%
2014	1,633,053	1,246,107	386,946	76.31%
2015	1,758,331	1,489,255	269,075	84.70%

Source: http://www.bi.go.id

The table above shows that state revenues sourced from the tax sector are the largest contributor, always more than 50% from year to year even reaching 84.70% in 2015. The large percentage of tax revenues proves that taxes have a very important role in financing State operations, especially in the implementation of development because taxes are a source of state revenue to finance all expenditures including expenditures for development (Harjanto, 2013).

The government, therefore, needs to immediately implement tax reform, both in terms of taxation policy or tax administration reform. The purpose of tax reform is to increase the tax ratio. In addition to increasing the tax ratio, other objectives of the implementation of tax reform are to provide comfort and convenience for Taxpayers so as to provide maximum service. Implications Taxpayers will not assume that meeting tax obligations is an aggravating and should be avoided.

According Rahayu and Lingga (2009), the tax administration reform program embodied in the application of modern tax administration system that has special characteristics such as organizational structure designed by function, no longer according to sections by type of tax, service improvement for each taxpayer done with Form an account representative and compliant center to accommodate Taxpayer objections.

From their opinion shows that the use of information technology is inseparable from the needs of the users (users), if the use of information technology is able to meet their needs, the attitude of users tend to accept the technology or can be said also that the fulfillment of these needs can raise interest to use information technology. Factors that can influence it are perceived usefulness, perceived ease of use, attitude and also user interest in using technology (Muntianah *et al.*, 2012).

Currently, the government needs to hold socialization and convince the public that the use of electronic systems in the tax service will facilitate the Taxpayer to meet tax obligations. This is supported by research conducted by Noviandini (2012) who said that the perception of ease of use and ease of use of the e-filling system has a significant effect on taxpayer behavior interest.

This research refers to several studies, namely Hung *et al.* (2006) who examines about the Determinant User Acceptance e-Government services, research Anuar and Othman (2010) who examined the Determinants of Online Tax Payment System in Malaysia, as well as Pikkarainen *et al.* (2004) who studied Consumer Acceptance of Online Banking: Development of Technology Acceptance Model.

The difference with that research is that in previous studies only examined part of e-system. While in this study not only examine one but examine e-system as a whole. In addition, the theory used in this study combines the Technology Acceptance Model (TAM) and Theory Of Planned Behavior (TPB), then added two constructs contained in Anuar and Othman (2010) research and Pikkarainen *et al.* (2004), the constructs of self-efficacy and amount of information. Because these two constructs proved to be a determinant of taxpayer'sbehavioral intention in using e-system.

METHODS

The research was conducted in KPP Pratama Kuala Tungkal. Population in this research is Individual Taxpayer registered in KPP Pratama Kuala Tungkal.

The researcher determines the sample using convenience sampling technique. This research is a quantitative research by testing hypotheses using statistical techniques, the purpose is to identify the variables used in the research then determine how the variable will be measured and observed. The data used in this study is the perception of Individual Taxpayer which is a type of primary data. Individual Taxpayers will provide their opinions through a questionnaire containing indicators of each construct used in this study.

Data collection method used is survey method. Survey is a method of collecting primary data by giving questions to individual respondents (Hartono dan Abdillah, 2014:43). Primary data obtained is information obtained from the first source associated with predefined variables. Data collection was done by distributing questionnaires. In the opinion of Sugiyono (2013:199), the questionnaire is a technique of data collection conducted by giving a set of questions or statements in writing to the respondent to be answered. Before distributing questionnaires to respondents in KPP Pratama Kuala Tungkal, researchers tested the validity of the questionnaire items by doing a pilot test first. Researchers conduct a pilot test, the goal is to know the validity and reliability of the instrument.

Data analysis method used in this research is Partial Least Square (PLS) by using WarpPLS ver program. 3.0. The reason researchers use PLS, in general, is this statistical method can be used to test the effect of prediction relationship between latent variables in a model. PLS does not require the normal distribution of data and can test research models that use the basic theory of weak (Hartono and Abdillah, 2009:21-22). In addition, according to Hair *et al.* (2014), the use of PLS-SEM is more suitable for research that explains and predicts constructs in research. So PLS-SEM is more suitable as a tool for statistical analysis in this research.

The use of PLS as a method of analysis requires several steps of structural equation modeling. The steps of PLS-based structural equation modeling are as follows:

a) Designing a structural model (inner model) is designing relationships between latent variables based on research hypothesis. The design of structural model aims to predict the causality relationship between latent variables.

b) Designing a model of measurement (outer model) is designing the relationship between latent variables with indicators for the purpose of validity and reliability assessment model. The explanation of the construct to its measurement variant is indicated by the causality direction from the construct to the measurement indicator. In the reflective model, any change of one indicator will cause a change in another indicator or each indicator has a correlation with other indicators.

c) Create a path diagram construct that describes the relationship between latent variables both exogenous and endogenous. The path diagram is presented in the following figure:
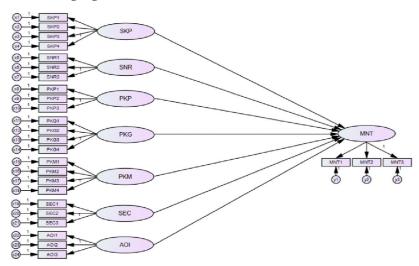

Figure 1:
Path Diagram

The structural model relationship pattern shown in Figure 1 has the following structural equation model:

$$\eta=\beta_1\xi_1+\beta_2\xi_2+\beta_3\xi_3+\beta_4\xi_4+\beta_5\xi_5+\beta_6\xi_6+\beta_7\xi_7+\zeta$$

Symbol Description:

η : Latent variable Y (endogen)

$\hat{\imath}$: Latent variable X (eksogen)

β_1 : Attitude coefficient

β_2 : Subjective norm coefficient

β_3 : Perceived behavior control coefficient

β_4 : Perceived usefulness coefficient

β_5 : Perceived ease of use coefficient

β_6 : Self-efficacy coefficient

β_7 : Amount of information coefficient

ζ : Measurement error

RESULTS AND DISCUSSIONS

The questionnaires were distributed as many as 237, there were 15 non-return questionnaires and 3 non-acceptable questionnaires. So that the questionnaire that can be processed in this research is as much as 219. Hypothesis testing is done by evaluating the coefficient value of path and p value. The path coefficient indicates the direction of the relationship between the two constructs, while the p value indicates the level of significance. This study uses a significance level of 5%. All hypotheses in this study do not use the direction of the relationship. So the hypothesis is accepted if the p value is less than 0.05.

Hypothesis	Path Coefficient	p Value	Interpretation	Decision
H1	-0.023	0.368	Does not affect	Rejected
H2	-0.028	0.337	Does not affect	Rejected
H3	-0.014	0.417	Does not affect	Rejected
H4	0.377	<0.001	Affected <0.05	Accepted
H5	0.149	0.012	Affected <0.05	Accepted
H6	0.257	<0.001	Affected <0.05	Accepted
H7	0.185	0.003	Affected <0.05	Accepted

Table 2
Hypothesis Test
Result

Based on Table 2 this study shows that H1, H2, H3 are rejected. While H4, H5, H6, H7 are accepted. This study examines the factors that influence the intention of individual taxpayers on the use of electronic taxation system using attitude constructs, subjective norms, perceived behavior control, perceived usefulness, perceived ease of use, self-efficacy, and amount of information. The influence of the construct is contained in the seven hypotheses tested.

Hypothesis 1 (H1)attitude affect the taxpayer'sbehavioral intention to use e-system in taxation. The results of testing in this study obtained empirical evidence that the attitude does not affect the taxpayer's behavioral intention to use e-system in taxation. This means that the attitude does not affect the taxpayer's behavioral intention to use e-system in taxation. This study is consistent with Hardanti *et al.* (2014) stating that attitudes have no effect on the behavioral intention. This is presumably because respondents choose to use a system by not fully involving feelings of likes or dislikes, but there are other factors that cause someone to use a

system. The results of this study show different results with previous studies conducted by Hung *et al.* (2006), which states that attitudes affect the behavioral intention to use the online tax system and payment systems.

Hypothesis 2 (H2) subjective norms affect the taxpayer's behavioral intention to use e-system in taxation. The results of this study indicate that there is no subjective norm influence on taxpayer's intention to use electronic taxation system. This means that the subjective norm does not affect the taxpayer's behavioral intention to use e-system in taxation. The results of this study support the research of Ndubisi dan Sinti (2006) which shows TPB predicts that interest to implement e-learning, although the impact of TAM is stronger than TPB. While subjective variable is not a significant predictor in determining one's intention to use e-learning.

Ndubisi dan Sinti (2006) stated that subjective norms are not important factors in determining interest in using e-learning. In addition, this study is also in line with research conducted by Hardanti, *et al.* (2014), and Al-Ajam and Nor (2013) indicating that subjective norms have no effect on behavioral intention. This is presumably because respondents prefer to fulfill their tax obligations manually compared to using e-system taxation, thereby reducing the influence of others on the use of electronic systems. This study proves that the relationship between subjective norms on taxpayer behavioral intention in Theory of Planned Behavior (TPB) is less able to explain the phenomenon why taxpayer's accept or refuse to use e-system in fulfilling its tax obligation.

Hypothesis 3 (H3) perceived behavioral controlaffect the taxpayer's behavioral intention to use e-system in taxation. The results of the analysis in this study indicate that there is no influence of perceived behavioral control of taxpayer's intention to use electronic taxation system. This means that the perceived behavior control does not affect the taxpayer's behavioral intention to use e-system in taxation. This is assumed because the respondent assumes that the taxpayer has not been able to use the taxation system properly and using e-system is not fully under their control, and they do not have the knowledge or ability to use e-system in fulfilling their tax obligation.

The results of this study are consistent with research by Suki and Ramayah (2010) study which found that the perceived behavioral control has no effect on behavioral intention. The results of this study show different results with previous studies conducted by Safeena *et al.* (2013) and Hardanti *et al.* (2014), which shows that the perceived behavioral control affects behavioral intention in the acceptance of Point-of-Sale (POS) information systems.

Hypothesis 4 (H4) perceived usefulness affect the taxpayer's behavioral intention to use e-system in taxation. The results of the analysis conducted in this study indicate that there is influence perceived usefulness of taxpayer's intention to use the electronic system taxation. The test results show empirical evidence that perceived usefulnessaffect the taxpayer's behavioral intention to use e-system in taxation. That is, the more taxpayers are convinced that by using electronic taxation system than in fulfilling their tax obligations will become easier and will improve performance.

The results of this study show results that are in line with research conducted by Anuar and Othman (2010) showed that perceived usefulness has a significant relationship with intention. This means when the system is considered useful, the interest to use it will increase. Also with research conducted by Hardanti *et al.* (2014), and Singh and Devendra (2011).

Hypothesis 5 (H5) perceived ease of use affect the taxpayer's behavioral intention to use e-system in taxation. The results of the analysis conducted in this study indicate that there is influence perceived ease of use to taxpayer's intention to use e-system in taxation. Taxpayer means that the tax system is easy to use and does not require hard work for them. So they want to use electronic systems in fulfilling its tax obligations.

The results of this study show results in line with the study of Safeena *et al.* (2013). Wang (2002) argues that perceived ease of use, perceived usefulness and perceptions of credibility found significant signs of intent to use e-filing systems. The results of this study provide empirical evidence that individual taxpayers believe that the use of tax e-system can facilitate them in fulfilling the tax obligations because it is considered easy to learn, easy to prepare tax obligations, easy to understand and e-system easy to use.

Hypothesis 6 (H6) self-efficacy affect the taxpayer's behavioral intention to use e-system in taxation. The results of this research analysis indicate that there is an influence of self-efficacy to taxpayer's behavioral intention to use an electronic system in taxation. Taxpayers mean that they have the ability to use electronic systems in fulfilling their tax obligations. Self-efficacy refers to the belief that one has the ability to perform certain behaviors (Ramayah and Aafaqi, 2004).

The results of this study support research conducted by Hung *et al.* (2006), Ramayah and Aafaqi (2004). The results of this study provide empirical evidence that the construct of self-efficacy is determinant of taxpayer's behavioral intention to use e-system in meeting their tax obligations.

Hypothesis 7 (H7) amount of information affect the taxpayer's behavioral intention to use e-system in taxation. The results of this research analysis indicate that there is an influence of amount of information on taxpayer's behavioral intention to use an electronic system in taxation. Taxpayers mean that if they have sufficient and accurate information about the electronic system of taxation, then they will use the system. In addition, the more information they have on the use of this taxation electronic system, then it will affect them to use electronic systems in taxation.

The results of this study support research conducted by Anuar and Othman (2010), Amin (2008) and Pikkarainen *et al.* (2004). Pikkarainen *et al*, (2004)'s research shows that the amount of information individuals have about the technology or the system concerned has been identified as a major factor influencing the use of technology. In the opinion of Amin (2008), if a potential user has adequate and accurate information about the information system concerned, it is likely that he or she will accept the system.

CONCLUSION

Empirical evidence of this study shows only four hypotheses received from the seven proposed hypotheses. Perceived usefulness, perceived ease of use, self-efficacy, and amount of information affect the taxpayer's behavioral intention to use e-system in taxation. While attitudes, subjective norms and perceived behavior control do not affect the taxpayer's behavioral intention to use e-system in taxation.

The results of this study prove that the individual taxpayer's behavioral intention to use the electronic system of taxation is determined by the perceived usefulness, perceived ease of use, self-efficacy, and amount of information. This means that taxpayers who benefit from using electronic taxation systems will tend to use electronic systems in meeting their tax obligations. Because it is considered easy and does not require a hard effort, so by using the electronic system of taxation will improve their performance. In addition, taxpayers who believe in the capabilities and information they have will also prefer to use electronic systems in meeting their tax obligations rather than manually.

This study was unable to provide evidence on the influence of attitudes, subjective norms and perceived behavior control on taxpayer's behavioral intention to use e-system in taxation.

This research has two implications: theoretical implications and practical implications. The theoretical implication of this research is to find support for Tech-

nology Acceptance Model (TAM) which is the perceived usefulness and perception ease of use. In addition, this study also supports two additional constructs of self-efficacy and amount of information and supports some previous research that assumes that the intention of one's behavior can be influenced by perceived usefulness, perceived ease of use, self-efficacy and amount of information.

Practical implications regarding the results of this study to be used as a reference in considering the implementation and development of information systems in general as well as electronic systems taxation in particular. The results of this study provide input that taxpayers have an interest in using electronic taxation system in fulfilling its tax obligations so it is important to create perceived usefulness, perceived ease of use, self-efficacy and amount of informations.

Researchers realize there are limitations in this study. This study only examines the taxpayer's behavioral intention, while the actual behavior of the taxpayer is not researched. This is because researchers only focus on the taxpayer's behavioral intention in using electronic taxation system only. There are other factors that influence the taxpayer's behavioral intention acceptance to use the taxation electronic system that has not been found in this research. This study can not prove Theory of Planned Behavior (TPB). Subsequent research in order to change the statement in the research instrument becomes simpler.

The researcher's suggestion for subsequent research is that the next research not only examines the taxpayer's behavioral intention to use the taxation electronic system but also examines the actual taxpayer's behavioral intention in using the electronic system of taxation.

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