

THE EFFECT OF TAX UNDERSTANDING, TAX RATES, TAX INCENTIVES AND TAX SANCTIONS ON TAX PAYERS COMPLIANCE OF MSME IN NGAWI DURING THE COVID-19 PANDEMIC

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Received : 2022 May 2

Accepted : 2022 June 10

Published: 2022 June 25

ABSTRAK

This study aims to examine the effect of tax understanding, tax rates, tax incentives, and tax sanction to the tax payers compliance of Micro Small and Medium Enterprises (MSMEs) in Ngawi, Indonesia during the Covid-19 pandemic. This study uses primary data where data collection uses a questionnaire. Data collection method is by distributing questionnaires to tax payers of Micro Small and Medium Enterprises (MSMEs) in Ngawi, Indonesia. The sample used is 84 respondent. In this study using quantitative data analysis methods by classic test consisting of the normality test, the multicollinearity assumption test, the heteroskedastisitas test, multiple linear regression analysis, hypothesis testing, and the coefficient of determination (R^2) test. The research results showed that the variables tax understanding, tax incentives, and tax sanction has an effect while tax rates hasn't effect for MSME tax payers compliance.

Kata Kunci: *Tax Understanding, Tax Rates, Tax Incentives, Tax Sanction, Tax Payers Compliance, Micro Small and Medium Enterprises (MSMEs).*

FOREWORD

The Covid19 pandemic emerged in early 2020 causing the entire country to experience an economic crisis. The existence of the Covid-19 pandemic has an impact in all countries have experienced a drastic economic decline, including in Indonesia. The impact of the Covid-19 pandemic is also felt by Micro Small and Medium Enterprises (MSMEs) as a support for the economy in Indonesia, many MSME actors in Indonesia have experienced a decrease in income turnover and even bankruptcy. Micro, Small, and Medium Enterprises (MSMEs) have an important role in increasing the country's economic growth and can avoid economic crises. Micro, Small, and Medium Enterprises (MSMEs) are one of the tax contributors to the country of Indonesia.

The phenomenon of the application of taxation in the Micro, Small and Medium Enterprises (MSME) sector is still the main problem due to the low compliance of taxpayers to fulfill their tax obligations. This taxpayer non-compliance is influenced by several factors, one of the influencing factors is tax understanding. Understanding of taxation is a process where taxpayers understand and know about tax regulations and procedures and apply them. The low understanding of tax regulations is a factor that causes weak taxpayer compliance itself. This low understanding can affect taxpayers in paying their taxes. Awareness of taxpayers owned can also be a factor that causes taxpayers to comply with their tax obligations. Because awareness is an element that exists in humans to understand the situation in reality and the attitude to act or respond to something (Fauzi & Maula, 2020). According to the Directorate General of Taxes (2019) explains that the tax rate is a value that become the basis for taxation and become the determinant the tax that must be paid by the taxpayer regarding tax object and expressed in a certain percentage. Government Regulation

PP 46/2013 was then replaced with PP 23/2018 that regarding tax rates as a benchmark based on the calculation of the amount of tax that must be paid. The decrease in the MSME tax rate from 1% to 0.5% on income turnover is one of the factors that affect MSME taxpayer compliance. Then with the Covid-19, caused the government to go through PMK 86/2020 reduce the rate from 0.5% to 0% until December 2020 for those who take advantage of tax incentives, with the intention that Taxpayers of MSME business actors can carry out tax obligations should be. But what become a problem, whether with a reduction policy the rate becomes 0% still can continue influential in the defense level of compliance MSME taxpayers.

The steps taken by the Indonesian government in dealing with the COVID-19 pandemic are one of them issuing a policy in the form of tax incentives and pouring it into several statutory instruments, which are expected to anticipate the impact of COVID-19 for economic stability and maintain MSME taxpayer compliance in the midst of the COVID-19 pandemic. . One of the tax incentives that can be utilized by business actors is through PMK No. 86 of 2020 regarding Tax Incentives for Taxpayers Affected by the Corona Virus Outbreak, and the last one was renewed in 2021, namely Regulation of the Minister of Finance of the Republic of Indonesia Number 82/PMK.03/ 2021. The forms of tax incentives provided include Article 21 PPh borne by the Government (DTP), MSME Final PPh borne by the Government, Exemption of Article 22 Import PPh, Article 25 Income Tax Installment Reduction. Even though the government during the Covid-19 pandemic has issued an economic stimulus, one of which is by tax exemption for micro, small and medium enterprises, but this can only be used for those who apply. This means that if the micro, small and medium enterprises do not apply, they will not receive the facility or stimulus, either they did not apply intentionally or because of their ignorance of the facilities provided by the government. With the development of the current tax system, there are sanctions that until now have been used to improve taxpayer compliance. Taxpayers will comply with taxation if there are sanctions or regulations regulated in it. In the provision of tax sanctions, the state should be able to apply wisely to taxpayers who have not fulfilled their tax obligations properly due to unintentional or due to taxpayer ignorance of the tax obligations that are actually attached to them. With the sanctions, it is hoped that the regulations will be more adhered to.

The results of research conducted by (Dewi Syanti, Widyasari, 2020) resulted in research that tax incentives had no effect on taxpayer compliance, and tax rates and tax sanctions could have a significant effect on compliance. Research conducted (Riyanto Wujarso & Napitupulu, 2016) shows the results that tax knowledge has an effect on taxpayer compliance, tax sanctions also have a significant effect on taxpayer compliance. Research conducted by (Fauzi & Maula, 2020) explains that tax awareness and rates affect taxpayer compliance, while tax understanding and services do not affect taxpayer obligations. In simultaneous testing, the results show that understanding, awareness, tax rates and tax services together have an effect on taxpayer compliance. Based on the background above, researchers are interested in find out more about the problem, so that in this research took the title "The affect of Tax Understanding, Tax Rates, Tax Incentives, and Tax Sanctions on MSME Taxpayer Compliance in Ngawi During the Covid-19 Pandemic Period"

LITERATURE REVIEW

Theory of Planned Behavior Behavior) is a theory that first proposed by Ajzen (1991). According to Ajzen (1991) in Nugraheni and Purwanto (2015) explain how humans behave and act. Related to tax itself, this theory will have an effect to MSME taxpayers, both individuals and bodies in carrying out their obligations taxation both when paying and reported taxes in the midst of the Covid-19 pandemic them psychologically. This theory is also an extension of the theory of Reasoned Action (TRA) which both proposed by Ajzen and Fishbein (1975), which explains about the changes the behavior of the taxpayer to become obedient that comes from of intentions, behavior and social norms Attribution theory is put forward first time by Heider (1958) and has been developed by Kelley (1972). According to Heider (1958) in Nugraheni and Purwanto (2015) explained that attribution theory is a theory that illustrates that everyone will provide interpretations of certain events, and will have a close relationship with the mind and behavior of each person.

Attribution theory will also determine what taxpayers should do taxpayers do, and can also provide an overview of how the Directorate General Taxes can give an impression to taxpayers SMEs from personal and financial factors situation in the midst of the Covid-19 pandemic. There are three stages in it, namely the first mandatory behavior What is the MSME tax in the midst of the Covid-19 Pandemic? become more obedient or not, both determine whether the taxpayer is disobedient because intentional or not, but due to compulsion unable to pay due to economic downturn or bankruptcy during the Covid-19 pandemic, and Finally, classify the necessary motivations carried out to determine the behavior of taxpayers obedient both internally (under conscious taxpayers) and external (environment around). Based on the background and problem formulation in the previous chapter, the formulation of the hypothesis in this study is as follows:

1. The Effect of Tax Understanding on Taxpayer Compliance

The understanding of the taxpayer is a process where the taxpayer knows about taxation and applies it to pay taxes. The higher the understanding of tax regulations, the higher the obedience of the taxpayer. The greater and higher the level of knowledge and understanding of taxation, the higher the level of taxpayer compliance. Research conducted by (Indrawan, 2018) resulted in research that there is an effect of tax understanding on taxpayer compliance, this research is in line with research conducted by (Khodijah et al., 2021) which shows that there is a positive influence of tax understanding variable on taxpayer compliance. Based on some of the previous researchers, the formulation of the hypothesis in this study is as follows:

H1: There is a positive and significant effect between understanding on taxpayer compliance

2. The Effect of Tax Rates on Taxpayer Compliance

High tax rates can reduce the level of tax compliance in the MSME sector, because it can disrupt cash flow from small and medium enterprises, so that this sector is given a lower rate so that capital turnover and business development can run well and smoothly so as to increase mandatory compliance. Research conducted by Zulma (2020) which shows that tax rates have no effect on taxpayer compliance. Meanwhile, according to research conducted by Syanti (2020) shows that tax rates affect taxpayer compliance. The results of the study are in line with the research of Dewi and Sumaryanto (2019) which states that tax rates have a positive effect on taxpayer compliance. Based on some of the previous researchers, the formulation of the hypothesis in this study is as follows:

H2: There is a positive and significant effect between tax rates on taxpayer compliance

3. The Effect of Tax Incentives on Taxpayer Compliance

Tax incentives in Arkansas have the potential to make the country more prosperous. This argument assumes that financial incentives are truly the determining factor for all firms. Research conducted by Salman, et al (2020) shows that tax incentives have an effect on taxpayer compliance. The results of this study are in line with research conducted by Zuli (2021) which shows that tax incentives have an effect on taxpayer compliance. Based on some of the previous researchers, the formulation of the hypothesis in this study is as follows:

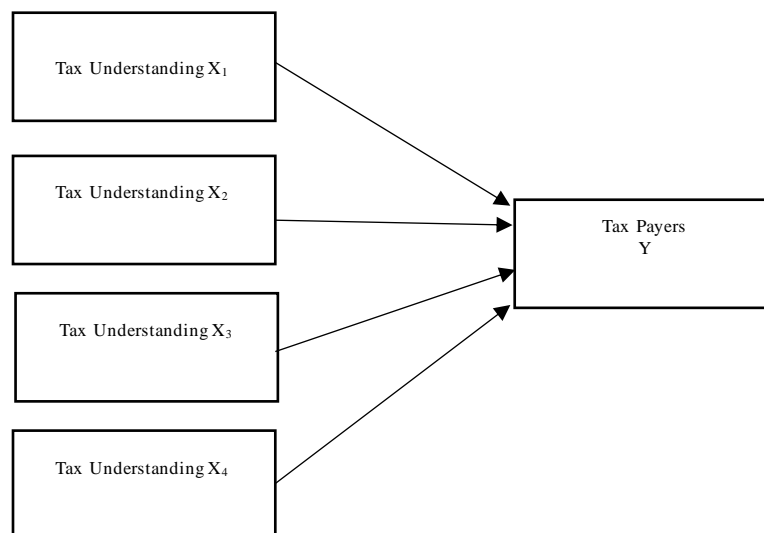
H3: There is a positive and significant effect between tax incentives on taxpayer compliance

4. The Effect of Tax Sanctions on Taxpayer Compliance

The higher the tax sanctions, the higher the level of taxpayer compliance, so that the imposition of tax sanctions can increase awareness of the rights and obligations of taxpayers in taxation. In this study, testing was carried out to what extent tax sanctions had a strong influence on taxpayer compliance during this pandemic. Research conducted by Syanti (2020) shows that tax sanctions affect taxpayer compliance. The results of this study are in line with research conducted by Zulma (2020) which states that there is a positive and significant effect on the variable of tax sanctions on taxpayer compliance. Based on some of the previous researchers, the formulation of the hypothesis in this study is as follows:

H4: There is a positive and significant effect between sanctions on taxpayer compliance

Picture 1
Framework



METHOD

Type and Design of Research

This research uses this type of quantitative research. Quantitative research is a study that will provide observations that It will be expressed in the form of numbers or numbers (Sugiyono, 2007). The relationship that used in this study was a causal relationship. According to Sugiyono (2007), said that causal relationships are relationships that are causal, which means there will be variables independent variables (variables that affect) and dependent variables (variables affected). The variables associated in this study are Tax Understanding (X1), Tax Rates (X2), Tax Incentives (X3), Tax Sanction (X4), and Tax Payers Compliance (Y).

Research Object

The object in this study is tax payers of Micro Small and Medium Enterprises (MSMEs) in Ngawi, Indonesia. The type of data used in this study is primary data that is data sourced from questionnaires. The reason the researcher uses this population is the limited time and area coverage as well as the domicile of the researcher so that it will make it easier for researchers to distribute questionnaires. The questionnaire contains a list of statements to be answered by the respondent. The measurement scale used is the Likert scale

Data Collection Techniques

The data collection method in this study uses survey methods. The survey method is a primary data collection method that uses verbal and written questions. This method requires contact or relationship between researchers and research subjects (respondents) to obtain the necessary data (Indriantoro & Supomo, 1999). The questionnaire contains a list of statements that respondents will answer. The measurement scale used is the likert scale. The Roscoe technique (1975) in Sugiyono (2015:164) is a reference in this study because the Roscoe technique is used when the total population in the study is not clear how many must be studied, and their whereabouts cannot be known with certainty. In this case the primary data, namely data obtained from the results of questionnaires circulated in a case study on MSMEs in Ngawi Regency, used non-probability sampling using a convenience sampling technique, namely sampling based on the availability of elements and the ease of obtaining them. The sample in this study obtained as many as 84 respondents.

Data Analysis Techniques

In this study using quantitative data analysis methods by classic test consisting of the normality test, the multicollonearity assumption test, the heteroskedastisitas test, multiple linear regression analysis, hypothesis testing, and the coefficient of determination (R^2) test.

RESULTS AND DISCUSSION

Instrument Test

Validity Test

The purpose of validity test is testing the level of validity of the questionnaire used in the study. Benchmark value for validity test is a correlation coefficient that gets a value greater than value r table. Table r values are viewed based on the number of samples used. The sample in this research is 84. On the test the validity of the sample $n = 84$ with a significance level of 5% or $\alpha = 0.05$ then the largest r table ($r_{count} > r_{table}$) according to table r is 0.2146. Validity test results can be viewed based on the following table :

Table 1
Validity Test

| Variables | | r_{count} | r_{table} | Description |
|---------------------------|------|-------------|-------------|-------------|
| Tax Understanding (X1) | X1.1 | 0.647 | 0,2146 | Valid |
| | X1.2 | 0.724 | 0,2146 | Valid |
| | X1.3 | 0.777 | 0,2146 | Valid |
| | X1.4 | 0.730 | 0,2146 | Valid |
| | X1.5 | 0.788 | 0,2146 | Valid |
| | X1.6 | 0.733 | 0,2146 | Valid |
| Tax Rates (X2) | X2.1 | 0.500 | 0,2146 | Valid |
| | X2.2 | 0.670 | 0,2146 | Valid |
| | X2.3 | 0.682 | 0,2146 | Valid |
| | X2.4 | 0.721 | 0,2146 | Valid |
| | X2.5 | 0.865 | 0,2146 | Valid |
| | X2.6 | 0.794 | 0,2146 | Valid |
| Tax Incentives (X3) | X3.1 | 0.626 | 0,2146 | Valid |
| | X3.2 | 0.821 | 0,2146 | Valid |
| | X3.3 | 0.739 | 0,2146 | Valid |
| | X3.4 | 0.764 | 0,2146 | Valid |
| | X3.5 | 0.732 | 0,2146 | Valid |
| | X3.6 | 0.751 | 0,2146 | Valid |
| Tax Sanctions (X4) | X4.1 | 0.637 | 0,2146 | Valid |
| | X4.2 | 0.797 | 0,2146 | Valid |
| | X4.3 | 0.790 | 0,2146 | Valid |
| | X5.4 | 0.824 | 0,2146 | Valid |
| | X6.5 | 0.778 | 0,2146 | Valid |
| | X7.6 | 0.763 | 0,2146 | Valid |
| Tax Payers Compliance (Y) | Y.1 | 0.290 | 0,2146 | Valid |
| | Y.2 | 0.309 | 0,2146 | Valid |
| | Y.3 | 0.467 | 0,2146 | Valid |
| | Y.4 | 0.530 | 0,2146 | Valid |
| | Y.5 | 0.580 | 0,2146 | Valid |
| | Y.6 | 1 | 0,2146 | Valid |

Source : Primary data processed by SPSS.

Reliability Test

Reliability is the accuracy of a measuring instrument in a measurement procedure. To test the reliability of the data in this study, it was conducted using Cronbach's Alpha method. A variable is said to be reliable if it gives a Cronbach Alpha value > 0.60. Based on the table below, each variable has Cronbach's Alpha greater than 0.60. So it can be concluded that the variables in this study are reliable.

Table 2
Reliability Test

| Variable | Cronbach's Alpha | Sig | Description |
|---------------------------|------------------|------|-------------|
| Tax Understanding (X1) | 0.825 | 0,60 | Reliability |
| Tax Rates (X2) | 0.791 | 0,60 | Reliability |
| Tax Incentives (X3) | 0.821 | 0,60 | Reliability |
| Tax Sanctions (X4) | 0.842 | 0,60 | Reliability |
| Tax Payers Compliance (Y) | 0.843 | 0,60 | Reliability |

Source: Primary data processed by SPSS.

Classic Assumptions

Table 2
Normality Test

| N | Normal Parameters | | | Asymp Sig (2-tailed) | Description |
|----|-------------------|---------------|----------------|-------------------------|-------------|
| | Mean | Std.Deviation | Test Statistic | | |
| 84 | 0.0000000 | 2.92351777 | 0.074 | .200 ^{c,d} | Normal |

Source: Primary data processed by SPSS.

From the results of the output test (K-S) Z in the table above, it can be seen that (K-S) Z is $0.074 > 0.5$ and the sig value is greater than 0.05 which means $0.05 < 0.200$, so it is evident that understanding taxes, tax rates, tax incentives, tax sanctions and taxpayer compliance residual data is normally distributed.

Multicollinearity Test

Table 2
Normality Test

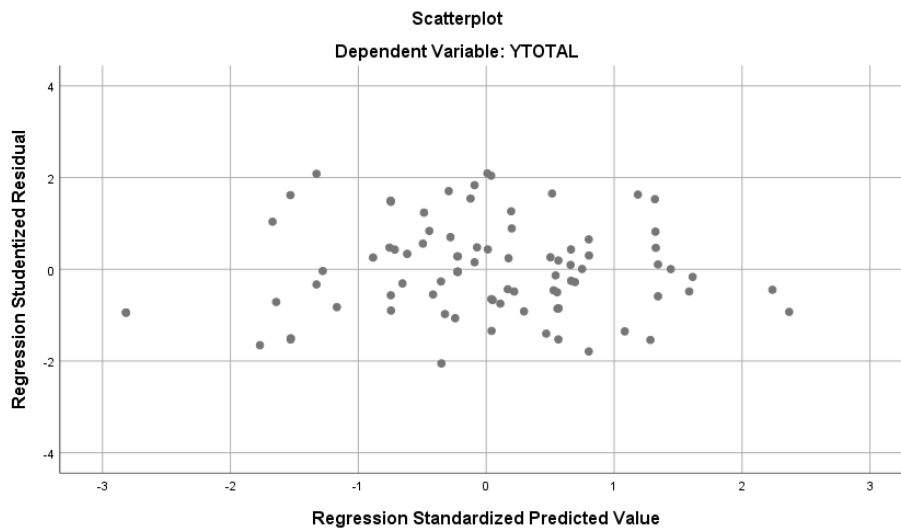
| Model | | Tolerance | VIF |
|-------|------------|-----------|-------|
| 1 | (Constant) | | |
| | X1TOTAL | .647 | 1.547 |
| | X2TOTAL | .293 | 3.412 |
| | X3TOTAL | .639 | 1.565 |
| | X4TOTAL | .339 | 2.948 |

Source: Primary data processed by SPSS.

Based on the table above, the multicollinearity test above can be seen that there is no multicollinearity between independent variables, because the calculation results of the tolerance value of each independent variable do not show results less than 0.10 and the results of the calculation of the variance inflation factor (VIF) value also show the results of each there

is no independent variable more than 10. It can be concluded that there is no multicollinearity between the independent variables in this regression model.

Heteroscedasticity Test



Based on the Figure above, it can be seen that the dots are scattered irregularly or randomly, so it can be concluded that there are no symptoms of heteroscedasticity.

The Coefficient of Determination (R2)

The coefficient of determination (R2) is a value (the value of the proportion that measures how much the ability of the independent variables used in the regression equation to explain the variation of the dependent variable. The coefficient of determination ranges between 0 and 1.

Table 3
The coefficient of determination (R2)

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .704 ^a | .495 | .470 | 2.997 |

Source : Primary data processed by SPSS.

It is known that the coefficient of determination is 0.495. This value means that all independent variables, namely tax understanding, tax rates, tax incentives, and tax sanction simultaneously affect to the tax payers compliance by 49.5%, the remaining 50.5% is influenced by other factors.

Simultaneous Significance Tet (F Test)

The purpose of F test is to test the effect of the independent variable (independent) together or simultaneously on the dependent variable.

**Table 4
F Test**

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 695.555 | 4 | 173.889 | 19.365 | .000 ^a |
| | Residual | 709.397 | 79 | 8.980 | | |
| | Total | 1404.952 | 83 | | | |

Source : Primary data processed by SPSS.

Based on Table 5, from the results of the Anova test or F test, F count 19.365 with a Significance level of 0.000 less than 0.05, it is concluded that the simultaneous influence of all independent variables, namely tax understanding, tax rates, tax incentives, and tax sanction is together have a significant effect on tax payers compliance.

Hypothesis Test

Table 5 T Test

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Description |
|------------------------|-----------------------------|------------|---------------------------|-------|------|-----------------|
| | B | Std. Error | Beta | | | |
| 1 (Constant) | 10.139 | 3.561 | | 2.847 | .006 | |
| Tax Understanding (X1) | .380 | .144 | .263 | 2.642 | .010 | Significant |
| Tax Rates (X2) | .145 | .203 | .106 | .714 | .477 | Not Significant |
| Tax Incentives (X3) | .376 | .137 | .274 | 2.737 | .008 | Significant |
| Tax Sanctions (X4) | .350 | .163 | .295 | 2.151 | .035 | Significant |

Based on the table above, the following results are obtained:

1) The constant value of the taxpayer compliance variable of 10.139 means that the variable understanding of taxes, tax rates, tax incentives, tax sanctions has changed or is equal to 0 (zero), then taxpayer compliance will be worth 10,139 units of score. This shows that the understanding of taxes, tax rates, tax incentives, tax sanctions increases, taxpayer compliance increases or vice versa.

2) Tax Understanding

The coefficient of tax understanding variable with a value of 0.380 means that if the tax understanding variable increases by one unit, taxpayer compliance increases by 0.380. The test results with SPSS are obtained for the X1 variable (tax understanding) and the value of t count = 2.642 with a significance level of 0.010. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax understanding has a significant effect on taxpayer compliance.

3) Tax Rate

The regression coefficient of the tax rate variable with a value of 0.145 means that if the tax rate variable increases by one unit, taxpayer compliance increases by 0.145. The test results with SPSS obtained for the variable X2 (tax rates) obtained the value of t count = 0.7148 with a significance level of 0.477. By using a significance limit of 0.05, the significance value is greater than the 5% level, which means that the tax rate has no significant effect on taxpayer compliance.

4) Tax Incentives

The regression coefficient of the tax incentive variable with a value of 0.376 means that if the tax incentive variable increases by one unit, the taxpayer compliance increases by 0.376. The test results with SPSS are obtained for the X3 variable (tax incentive) and the t value = 2.737 with a significance level of 0.008. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax incentives have a significant effect on taxpayer compliance.

5) Tax Sanctions

The regression coefficient of the tax sanctions variable with a value of 0.350 means that if the tax sanctions variable increases by one unit, the taxpayer compliance increases by 0.350: The test results with SPSS obtained for the X2 variable (tax sanctions) obtained the value of t count = 2.151 with a significance level of 0.035. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax sanctions have a significant effect on taxpayer compliance.

The Effect of Tax Understanding on Taxpayer Compliance

The test results with SPSS obtained for the variable X1 (tax understanding) obtained the value of t count = 2.642 with a significance level of 0.010. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax understanding has a significant effect on taxpayer compliance. The results of this study are in line with research conducted by Rizky, et al (2018) which results in research that there is an effect of tax understanding on taxpayer compliance, this study is in line with research conducted by Siti, et al (2021) which shows that there is a positive influence on the variable understanding of tax on taxpayer compliance. The understanding of the taxpayer is a process where the taxpayer knows about taxation and applies it to pay taxes. The higher the understanding of tax regulations, the higher the obedience of the taxpayer. The greater and higher the level of knowledge and understanding of taxation, the higher the level of taxpayer compliance. This means that the wider understanding of taxpayers on the provisions of tax laws and the importance of taxes for a country, it will increase taxpayer compliance and encourage an increase in state revenues, where high state revenues will have an impact on people's welfare. Attribution theory is very relevant to the understanding of taxes, this is because the understanding of taxes is an internal cause that can affect the perception of taxpayers in fulfilling their tax obligations.

The Effect of Tax Rates on Taxpayer Compliance

The tax rate is the basis of tax imposition on the tax object that is the responsibility taxpayer. Usually the tax rate is in the form of a percentage that has been determined by the government. The test results with SPSS obtained for the variable X2 (tax rates) obtained the value of t count = 0.7148 with a significance level of 0.477. By using a significance limit of 0.05, the significance value is greater than the 5% level, which means that the tax rate has no significant effect on taxpayer compliance. This result is not in line with research conducted by Zulma (2020) which shows that tax rates have no effect on taxpayer compliance. Meanwhile,

according to research conducted by Syanti (2020) shows that tax rates affect taxpayer compliance. The results of the study are in line with the research of Dewi and Sumaryanto (2019) which states that tax rates have a positive effect on taxpayer compliance. This means that the high or low tax rates set do not affect MSME tax compliance. Because during the covid-19 pandemic, revealing that the government provides quite a lot of tariff relief to taxpayers MSMEs due to abnormal conditions, so many are late to report taxes or tax arrears due to the economic impact during the pandemic covid-19. Research test results according to attribution theory has a role in determination of the tax rate that must be paid by the taxpayer the tax itself, means that the more taxpayers have rights and obligations for a country, then the greater the tax that must be paid to the government. In attribution theory too influencing external factors of mandatory compliance MSME tax in the form of the use of tax rates that are cheaper to make taxpayers more obedient. The theory of planned behavior also supports This research is carried out through the perceived intention of the taxpayer MSMEs with tariffs borne by the government, giving rise to mandatory compliance taxes, but the government has not fully provide policies to make it easier use of these rates. The government has determine the tax burden that must be paid by MSMEs in accordance with the interests of the taxpayer in protect the taxpayers themselves, besides the government also have to look at the amount of income that generated by the taxpayer (objective) and the amount material needs that must be met by the mandatory MSME tax (subjective) in the midst of the Covid-19 pandemic 19, because MSME businesses need assistance in in the middle of a pandemic and have no income to pay taxes.

The Effect of Tax Incentives on Taxpayer Compliance

An offer from the government, through tax benefits, in an activity Certain items, such as monetary contributions to quality activities, are called tax incentives. The test results with SPSS obtained for the variable X3 (tax incentives) obtained the value of t count = 2.737 with a significance level of 0.008. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax incentives have a significant effect on taxpayer compliance. This result is in line with research conducted by Salman, et al (2020) which shows that tax incentives have an effect on taxpayer compliance. The results of this study are in line with research conducted by Zuli (2021) which shows that tax incentives have an effect on taxpayer compliance. The provision of tax incentives by the government will affect the income received during the Covid-19 period, this will also ease the burden on MSME actors with their tax obligations. The theory relevant to the use of tax incentives is attribution theory, this is because the use of tax incentives is an external cause that can affect the perception of taxpayers in fulfilling their tax obligations. The Effect of Learning Behavior on Accounting Understanding

The Effect of Tax Sanctions on Taxpayer Compliance

The test results with SPSS obtained for the variable X2 (tax sanctions) obtained the value of t count = 2.151 with a significance level of 0.035. By using a significance limit of 0.05, the significance value is smaller than the 5% level, which means that tax sanctions have a significant effect on taxpayer compliance. The results of this study are in line with research conducted by research conducted by Syanti (2020) showing that tax sanctions affect taxpayer compliance. The results of this study are in line with research conducted by Zulma (2020) which states that there is a positive and significant effect on the variable of tax sanctions on taxpayer compliance. The higher the tax sanctions, the higher the level of taxpayer compliance, so that the imposition of tax sanctions can increase awareness of the rights and obligations of taxpayers in taxation. In this study, testing was carried out to what extent tax sanctions had a strong influence on taxpayer compliance during this pandemic.

So it can be concluded that the existence of tax sanctions will increase taxpayer compliance. The existence of tax sanctions can increase awareness and compliance in the field of taxation, and taxpayers can comply with their obligations. They know about the sanctions, but there are still many MSME taxpayers who don't want to fulfill obligations on the grounds that due to the Covid 19 pandemic we are unable to carry out our obligations taxation.

The government also conducts inspections taxes are not as strict as before this pandemic did not happen with the intention that it is impossible for the government to add burden for taxpayers to have to pay sanctions taxes in the midst of a pandemic. Even though Sanctions taxation as a consequence of violations compliance of taxpayers who do not comply in carry out their tax obligations but still it is necessary to apply these sanctions, so it is mandatory taxes remain compliant in reporting and paying taxes even in the midst of the Covid pandemic 19. This test is in accordance with the attribution theory where Taxpayer compliance can be successful if: procedures that have been carried out by The Directorate General of Taxes must be clear and not side with anyone, especially in terms of imposition of tax sanctions on each taxpayer MSMEs that violate the provisions of the law Taxation. These sanctions cannot be relaxed. loose right and tax audits still have to be carried out so as to create intentions and norms as well as perspective of the taxpayer as well explained in the theory of Planned behavior (TPB) and tax compliance takes place.

CONCLUSION

1. Based on the results of simultaneous tests with the F test, the simultaneous influence of all independent variables, namely tax understanding, tax rates, tax incentives, and tax sanctions together it has a significant effect on the tax payers compliance MSME.
2. The results stated that tax understanding has an effect of tax payers compliance
3. The results stated that tax rates has no effect of tax payers compliance
4. The results stated that tax incentives has an effect tax payers compliance
5. The results stated that tax sanctions has an effect tax payers compliance

Future researchers are expected to add other factors variables that affect taxpayer compliance in paying taxes, so further research is needed. The Directorate General of Taxes (DGT) should still more massive in socializing regarding the PMK 86/2020 tax incentive, still maintain and further improve services, as well as providing training regarding the implementation of bookkeeping for SMEs both during the pandemic and after This pandemic is over. Because it's still around SMEs who don't know how to take advantage of these incentives to date and they still don't know how correct bookkeeping, and not yet take advantage of the fares and conveniences government in the midst of this pandemic. It is necessary to strengthen law enforcement instruments in providing guidance to MSME taxpayers so that they can discipline MSME taxpayers in paying their business taxes proportionally and in the right amount in accordance with business income and tax percentages from existing regulations.

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