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## Determinants of Taxpayers Compliance: Evidence from Small and Medium Macro Enterprises in Indonesia

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### **Abstract:**

*The aim of this research to determine the factors that influence of taxpayers compliance. The populations for this study is corporate taxpayer registered in the Pratama tax office. Sampling technique of convenience sampling was adopted in which one hundred and fifty nine Small and Medium Macro Enterprises (SMMEs) responded to the survey questionnaire and a total of one hundred fifteen valid responses were judged to be appropriate. Analytical in this study uses multiple regression model used to test the hypotheses of the study through the statistical model. The result of this research indicates that general fairness, exchange with the government, self-interest, special provisions and tax rate structure have a significant effect on corporate taxpayer compliance behavior.*

**Keywords:** *General fairness, exchange the government, self-interest, special provisions, tax rate structure, compliance of corporate taxpayers*

### **1. Introduction**

Tax is a source of state revenue that has become an element main to help the economy as well as a developing country, move the wheels of government, and also provide public facilities for the Public. Therefore taxes that have been collected in a country must be managed as well as possible so that all development or an economy country can be realized. (Pandiangan, August 30, 2018). According to Article 1 of Law No. 28 of 2007 concerning General Provisions and Procedures Taxation Method, Tax is a mandatory contribution to the country owed by individual or entity that is enforceable under the Act; by not getting a direct reward and being used for purposes the state for the greatest prosperity of the people. Directorate General (Dirjen) Tax is a government agency under the Ministry of Finance as manager of the taxation system in Indonesia. (Mardiasmo, 2009).

The authority of the Directorate General (DG) Taxation themselves more there the order of direction and supervision so as to achieve the target of acceptance which has been declared, the Directorate General (Dirjen) of Taxes certainly cannot work alone. Pure awareness and the role of society are needed to be obedient to fulfill its tax obligations. Please note that the level of compliance Taxpayers have started to improve. This can be proven by their existence a statement by the Minister of Finance of the Republic of Indonesia, Mulyani, in Tirto.id on Juli 27, 2018, which stated that in the semester 1 of 2017 recorded tax revenues of Rp 482.7 trillion and in the semester 1 of 2018 the realization of tax revenue has reached Rp 551.5 trillion. Number This is equivalent to 38% of the target set out in the 2018 APBN and year on year an increase of 14.3%. According to Sri Mulyani, it is proof that the progress of obediently paying the tax already exists even though it must be encouraged again.

The concept of tax fairness can be defined both at the individual level as well as socially, tax fairness and tax complexity are not integral and lack of tax fairness can be perceived as a cause noncompliance taxpayer. If the taxpayer pays the tax according to ability, it can be said that fairness for taxpayers is fulfilled. If the tax is imposed without feeling something bad for the taxpayer itself, then fairness for taxpayers is fulfilled. So many thoughts are expect that the tax is fair and equitable.

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The concept of tax fairness can be defined both at the individual level as well as socially, tax fairness and tax complexity are not integral and lack of tax fairness can be perceived as a cause non-compliance of taxpayers. If the taxpayer pays the tax according to ability, it can be said that justice for taxpayers is fulfilled. If the tax is imposed without feeling something bad for the taxpayer itself, then fairness for taxpayers is fulfilled. So many thoughts are expected that the tax is fair and equitable.

There are five variables in the concept of the tax fairness dimension according to Gerbing (1988) namely, general fairness, exchange with the government, self-interest, special provisions, and tax rate structure. Then the dimensions of tax justice are developed by Gerbing (1988) were used as a reference by several studyers in conducting study on the effect of the dimensions of tax fairness on Taxpayer compliance behavior.

Based on study results conducted by Berutu, Dian A. (2013) entitled 'Perception of Tax Fairness Towards Personal Compliance Behavior (WP OP) ' shows that this study has a positive regression effect on compliant personal taxpayer behavior. A variable tax rate structure that is Preferably (preferred tax rate structure) has a positive effect on the rate Significant compliance of Individual Taxpayers because of them assume that this variable is their basis in having the principle of fairness of taxation and self-interest positive effect on the level of compliance of the Individual Taxpayer significantly. While the other three variables have no effect significantly to the submissive behavior of taxpayers.

While study conducted by wulandari & Budiaji. (2018) entitled 'The Effect of Perceptions of Tax fairness in Government Regulations Republic of Indonesia No 46 of 2013 Against Compliance in Compliance Tax Obligations 'shows that general justice and tariff structure tax affects the compliance of micro and small businesses in fulfilling taxation obligations because these two variables have influence significant positive whereas reciprocal government, provisions special provisions, and personal interests have no effect on taxation obligations because they assume these three variables do not have the slightest effect on the level of tax compliance.

## 2. Literature Review

### 2.1. Fairness Theory

Fairness comes from an English word that means fair, reasonable and honest. In this case, the word Fairness is more aimed at the definition of fair. Fair means balanced and impartial, which can also be interpreted as fair. Fair choice of words here is caused by the transition of English from words Fairness into Indonesian, where fair words cannot be understood yet by everyone, especially when it comes to taxation.

The theory of Fair in this study acts as a theory that can see whether the existing tax system in a country is running accordingly with laws and standards that have met the criteria of being fair or not. In the context of taxation, fair refers to the exchange between taxpayers with the government, that is what taxpayers receive from the government for a number of taxes that have been paid (Engel & Hines Jr., 1999). If taxpayers do not agree with government spending policies, or they are feeling not getting a fair exchange from the government for paying their taxes, then they will feel pressured and change their view of tax fairness thus results in behavior they are they will report their income less than what which should be their tax burden.

Tax Compliance Behavior is an action produced by individuals who derived from the perception or attitude of a particular object. Behavior can be based on feelings or attitudes that shape behavior patterns someone against an object encountered. Obedient or behavior not complying with a rule can be driven by perception or one's feelings towards justice or the truth of the rules. If someone feels or thinks that the rules are there does not meet the criteria of fair or truth then that person will choose to disobey.

This grouping of tax compliance behavior uses two criteria compliance, i.e. (1) never experienced late payments and reported tax in the last two years and (2) has never been charged sanctions/fines in the last two years (Andarini, 2010). Tax Compliance is a behavior of personal or corporate taxpayers who are on time and comply with tax rules and regulations set by the government, starting from the tax burden that must be paid until the date paid. The pattern of tax compliance behavior that exists in taxpayers can be seen through their enthusiasm when carrying out their duty.

### 2.2. Tax Fairness Perception

In the Big Indonesian Dictionary (2008) justice is defined as fair nature (treatment, actions, etc.). Fair itself is interpreted as (1) the same weight; not heavy-side; (2) impartial to right, hold on to the truth; (3) rightly; not arbitrary (KBBI, 2008) Whereas tax is defined as mandatory levies, usually in the form of money which must be paid by residents as a mandatory contribution to the state or the government in connection with income, ownership, purchase prices of goods, etc. (KBBI, 2008).

Although taxes are mandatory levies, because of their form is a transfer of wealth from the community to the state, then in the collection so as not to cause various obstacles and resistance from the party collected, then one of the requirements for tax collection must be meet the conditions of justice. Justice here includes justice in legislation invitation and fairness in implementation. Fair in legislation invitees including taxing in general and equitably, as well adjusted to the capabilities of each Taxpayer.

John, G. H, et al (1993), use two approaches to determine fairness in taxation, namely benefits principle and ability to pay principle. In the benefit principle approach, Tax justice is measured by each taxpayer must pay based on benefits received from the government. While based on the approachability to pay principle, what is meant is fair in taxation are each taxpayer must contribute to government spending based on their ability to pay taxes, they who have the ability to pay more, must pay more taxes big. The principle of ability to pay is usually related to the concept of justice horizontal and

vertical. The so-called horizontal justice is treated the same for taxpayers with the same income. Vertical justice means that different treatment is applied to taxpayers who earn differently.

Vertical justice is often assumed to have a progressive tax (the amount of income tax is calculated based on an increasing percentage in line with increased income). However, it is not always vertical justice is assumed to be a progressive tax, because even with proportional tax rate system (the same percentage is subject to all income level) and regressive tax rate system (decreasing percentage if the income increases), taxpayers who have income higher will pay a greater amount of tax.

Gerbing (1998) states, five basic dimensions in looking at the process of tax justice in a country that affects the behavior of corporate taxpayer compliance, namely:

#### 2.2.1. General Justice

General justice in the tax system is a condition where the whole society is consciously aware of that system. The tax that the government has done so far has been effective and efficient. The community or company can directly feel the impact positive from the tax payment they paid to the state.

#### 2.2.2. Reciprocity with the Government

This dimension relates to the benefits received from the government in return for income tax paid. As we know, that tax is a mandatory contribution to every community or company that has a TIN. Forgive up some money on the income they have earned during a year with indirect contributions that can be felt by that community. An indirect contribution, in this case, means that the amount of money paid by the WP Agency cannot be directly enjoyed the results or benefits. It cannot directly do not mean it has no benefits or contributions at all but benefits that obtained can't be directly enjoyed personally but rather to a continuous process of providing and improving needs will be a public facility that can be enjoyed by the whole community.

#### 2.2.3. Personal Interests

This dimension relates to the amount of tax paid in a manner personally too high and compared to others. Personal interests is an encouragement for a taxpayer to pay taxes to the government by comparing the amount paid with that others, this comparison is seen through the income level of each of which was obtained. Personal interest is one dimension of tax justice because this factor can make the community or company fully aware to do his job or even reluctant to do his job due to judgment and consideration when comparing with another.

#### 2.2.4. Special Provisions

This dimension of tax justice relates to taxpayers who don't pay their income taxes fairly and fairly special provisions and reductions that are only given by the group specifically those who have a very large income level. Its provisions. This special nature creates a paradigm in the eyes of the general public that the government only cares about people who have income the high and the rich that should be given high taxes on some of their wealth, but prefer to do it special reductions and conditions that only apply to layers society over.

#### 2.2.5. Tax Tariff Structure

This dimension is related to the structure of more tax rates preferably (for example a progressive tax rate structure vs. a tax rate structure flat/proportional). Indonesia itself has more progressive tariffs, where the higher the income of a person or company each year, the greater the tax that must be paid to the state. Tax system progressive seems fair where everyone and the company are having a bigger income will pay more tax also. Jawad (2019) state, some financial economists studying the relationship of corporate income tax, investment and productivity prove that excessive government regulations and policies have negative consequences for the business environment and economic development.

### *2.3. Criteria for Compliant Taxpayers*

According to article 1 Number 1 of Law Number 6 of 1983 concerning General Provisions and Tax Procedures as last amended with Law Number 16 Year 2009 (KUP Law) that taxes is a mandatory contribution to the country owed by individuals as well as bodies that are coercive based on the Act, with do not get reciprocity directly and are used for purposes the state for the greatest prosperity of the people.

Furthermore, what is meant by a Taxpayer is an individual or according to the statutory provisions, the body is determined to carry out tax obligations, including tax collectors or certain tax cut. Obedient Taxpayers are Taxpayers who are based on Regulations Minister of Finance of the Republic of Indonesia Number 74/PMK.03/2012 concerning Governance How to Determine and Revoke Determination of Taxpayers with Criteria Certain in the Framework of Returning the Overpayment Taxes that meet the following requirements:

- Be on time to deliver notifications
  - Submission of Annual Notification for three tax years the last year must be submitted by the end of the year before the year determination of taxpayers with certain criteria is carried out on time
  - Submission of Notification Period late in the year lastly before the year of determining taxpayers with certain criteria for the January-November tax period, no more than three tax periods for each tax type and not consecutively

- Do not have tax arrears for all types of taxes, i.e. conditions on December 31 of the year before the designation as a taxpayer Compliant and does not include tax debt that has not yet passed the deadline repayment, except tax arrears that have obtained permission pay in installments or delay tax payments
- Financial statements are audited by a public accountant or supervisory agency government finances with unqualified revenue for as long as three years in a row. The intended public accountant is an accountant public who are not currently in the guidance of government supervisory institutions public accountant.

#### 2.4. General Fairness of Obligatory Compliance Behavior Corporate Tax

In today's democratic society, the concept of tax is not merely the eye is seen as a method for collecting state revenue to finance governance. The tax must also be seen as a democratic goal, namely the allocation of a just tax burden to the whole community and to maintain economic stability and encourage welfare creation. The dimension of general justice is a dimension tax justice which has a significant influence on behavior The importance of taxpayers in developed countries, the level of awareness of taxpayers to pay relatively high taxes. This is because of them have confidence that the tax levied by the government has been being charged fairly and each Taxpayer pays according to its part. Based on previous study conducted by Richardson (2006), Azmi & Perumal ( 2008) Azmi and Perumal (2008) general fairness dimensions is a dimension of tax justice that has a significant influence on tax compliance behavior. Therefore, it can be concluded that by allocating a tax burden that is fair and equitable to all Mandatory Taxes are expected to increase tax compliance voluntarily. This research is not in line with Andarini (2010) which states tax justice does not actually affect the WP compliance behavior, so the hypothesis in this study becomes:

- H<sub>1</sub>: Perception of general fairness has a significant effect on the compliance behavior of corporate taxpayers

#### 2.5. Exchange with the Government (Exchange with the Government) towards the Compliance Behavior of Corporate Taxpayers

Characteristics that distinguish between taxes and other levie one of them is that taxpayers do not get benefits in a manner directly on the taxes they have paid. The indirect benefits are received by the government for tax payments is the availability of facilities- public facilities that can be enjoyed by the whole community. Even though it's mandatory Taxes don't get reciprocity directly from the government, right means that the tax they have paid can be used arbitrarily mena.

Based on study conducted by Richardson (2006) states that the dimensions of tax justice are reciprocal with the government (exchange with the government) when examining perceptions of tax justice in Hongkong Therefore, the absolute must be done by the government to create trust the taxpayer is with accountability and transparency in the use of tax revenue, ultimately, trust The taxpayer will form voluntary tax compliance. Gilligan & Richardson (2005) states that the reciprocal dimension of government significantly influences the WPOP compliance behavior in Hong Kong. On the other hand, concurrent research by (Gilligan & Richardson, 2005) in Australia showed that there was no significant effect between government reciprocity and WP OP compliance behavior in Australia. Similarly, Berutu, Dian A. (2013) states that reciprocal government (TBP) has a positive and not. Therefore, The hypothetical of this study becomes: significant effect on WP OP compliance behavior

- H<sub>2</sub>: Reciprocal perception with the government (Exchange with the Government) significant effect on compliance behavior of corporate taxpayers

#### 2.6. Self Interest in Obligatory Compliance Behavior Corporate Tax

Tax collection by the government is intended for the sake of implementation common interest, namely to collect state revenues in order to finance government and development. But in its implementation, there are differences in interests between the personal interests of the Taxpayer with the interests of the government. The personal interests of the Taxpayer are paid the smallest taxes possible because they consider taxes is a seizure of their personal ownership. When a taxpayer assume that the tax they pay is too high, then the Taxpayer tends to reduce the amount of tax payments through legal action as well as illegal actions. Thalib, et al (2019) examines the effect of corporate tax rates on the level of debt leverage) with the result that the influence of corporate tax rates significantly influences leverage. Berutu, Dian A. (2013) states personal interests (KP) have a positive and significant effect on behavior WP OP compliance.

- H<sub>3</sub>: Perception of self interest has a significant effect to the compliance behavior of corporate taxpayers

#### 2.7. Special Provisions Behavior of Corporate Taxpayer Compliance

Special provisions that apply in the field of taxation or commonly referred to as taxation facilities is an embodiment of the function regulate (Regular) taxes, i.e. taxes are used by the government a tool to achieve certain goals. The regularend element in the Act Income Tax in the form of taxation facilities for taxpayers who invest capital in certain business fields, reduction facilities or tax exemption for taxpayers engaged in the field distribution, and facilities to reduce income tax rates for the company went public the purpose of these facilities basically is to improve the fairness of the taxation that is expected to be improve compliance of corporate taxpayers in carrying out obligations taxation for the sake of optimizing state revenue. Based on previous study conducted by (Benk S. et al (2012) get results that one of the dimensions of tax justice that has significant positive effect on tax compliance behavior in Turkey is special provisions (Special Provisions). So the hypothesis in this study is:

- H<sub>4</sub>: Perception of special provisions (Special Provecions) have a significant effect on compulsory compliance behavior Corporate Tax.

### 2.8. Tax Rate Structure Compliance Behavior Corporate Taxpayer

Tax revenue policy basically must be based on the principle of fairness of taxation, the principle of simplicity and convenience tax administration, the principle of legal certainty, consistency and transparency and the principle of supporting government policy in increasing competitiveness in attracting investment is expected based on principles that, setting tax rates can increase taxpayer compliance voluntarily. Based on previous study conducted by (Azmi & Perumal, 2008) in Malaysia produced the conclusion that the dimensions of tax justice which has a significant positive relationship to taxpayer compliance one of them is the tax rate structure. Berutu, Dian A. (2013) examined the effect of perceptions of tax justice regarding the structure of more tax rates preferably (STP) shows the direction of the positive coefficient with a calculated t value of 2.011, greater from t table that is 1.661. Significance value of the preferred tax rate structure variable (STP) is 0.047 smaller than the significance level  $\alpha = 0.05$ . Thus it shows that at  $\alpha = 5\%$ , the perception of tax fairness regarding the structure of the preferred tax rate (STP) positive and significant effect on WP OP compliance behavior. Therefore The hypothesis in this study is as follows:

- H<sub>5</sub>: Perception of tax rate structure has a significant effect to the compliance of corporate taxpayers.

### 3. Research Method

This study is quantitative descriptive study type, where is data the study took the form of opinions given by respondents, then reprocessed into numbers. According to Nazir (1988), descriptive method is a method of examining the status of a group of people, an object, a set a condition, a system of thought or an event in the present. This study will examine whether perceptions of tax justice affect to the compliance of corporate taxpayers.

The target populations for this study is corporate taxpayer registered in the Pratama tax office. Samples were selected using convenience sampling method. The convenience sampling method is sampling based on the availability of elements and the ease of obtaining them. Samples are taken or selected because the samples are in the right place and time. As for the sample data used in this study amounted to 115 corporate taxpayers.

Data collection techniques used in this study are by giving out questionnaires and conducting interviews. Questionnaire is an information collection technique that allows analysts to study attitudes, beliefs, behavior, and characteristics of some Tax Identity Agency registered at the Pratama tax office. While the interview is a conversation between two or more people conducted by the interviewer and resource persons, where the intended resource persons are employees who work at Pratama tax office.

The analytical method is used to get definite results in processing data so that the information generated can be justified his fortune. The analysis in this study uses multiple linear regression, namely analysis for more than one independent variable. Regression analysis techniques Multiple choice was chosen for this study because of the linear regression technique multiple conclusions can be directly related to each other's influence independent variables that are used specifically or together. Hair et al. (1998) states that multiple linear regression is a statistical technique for explain the relationship between the dependent variable and some independent variables. The model in the study is structured using the generalized regression analysis as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

### 4. Results and Discussion

This study uses classic assumptions. The classic assumption tests used include normality test and multicollinearity test. While multiple regression analysis was used to explain the general fairness, exchange with the government, self-interest, special provisions have a significant effect on corporate taxpayer compliance behavior. The result is expected to reveal the relationship between general fairness, exchange with the government, self-interest, special provisions have a significant effect on corporate taxpayer compliance behavior.

#### 4.1. Normality Test

Normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution or not Ghazali (2006). A good regression model is to have normally distributed data. Statistical tests that can be used to test residual normality tests are non-parametric statistical tests using Kolmogorov-Smirnov (K-S) with a significance level of  $> 0.05$ .

		Observations	Unstandardized
			Residual
Normal Parameters	Mean	115	0
	Std. Deviation	115	0.07742336
	Absolute	115	0.122
Most Extreme Differences	Positive	115	0.114
	Negative	115	0.122
Kolmogorov-Smirnov Z		115	0.723
Asymp. Sig. (2-tailed)		115	0.672

Tabel 1: Result of the Normality Test  
Source: SPSS Output, 2019, Normality Test

Based on table 1, it is known that the significant value (Asymp.Sig.2-tailed) is 0.672 and the significant value > 0.05 so that the data is normally distributed.

#### 4.2. Multicollinearity Test

Multicollinearity test aims to test whether the regression model found a correlation between independent variables (independent). A good regression model should not occur correlation between independent variables. One way to detect collinear is to correlate between independent variables and if the correlation is significant between these independent variables, multicollinearity occurs by looking at the value of tolerance and variance inflation factor (VIF). The smaller the tolerance value and the greater the VIF, the closer the multicollinearity problem occurs. Most of the previous studies mentioned that if the VIF value is less than 10 and has a tolerance number of more than 0.1 then there is no multicollinearity.

Variables	Tolerance	VIF
General Fairness	.349	2.867
Exchange withThe Government	.333	2.999
Self Interest	.427	2.345
Special Provisions	.636	1.571
Tax Rate Structure	.247	4.051

*Table 2.: Result of the VIF Test  
Source: SPSS Output, 2019, VIF (Variance Inflation Factor)*

Based on the results of the multicollinearity test in Table 2, it is known that the tolerance value of the five variables is more than 0.1 and the VIF value of the five variables is less than 10, it can be concluded that there is no multicollinearity.

#### 4.3. Result of the Multiple Regression Test

Multiple Linear Regression Analysis to find out the effect of justice in general, reciprocity with the government, personal interests, special provisions, tax structure of corporate taxpayer compliance behavior.

Variables	Beta Coefficients	Standard Error	t-start	P.Value
Constant	.066	.215	.307	.761
General Fairness	.312	.066	4.716	.000
Exchange withThe Government	.137	.058	2.351	.026
Self Interest	.223	.061	3.645	.001
Special Provisions	.143	.057	2.526	.017
Tax Rate Structure	.225	.082	2.739	.010

*Table 3: Result of the Multiple Regression Test  
Source: SPSS Output, 2019*

$$Y = 0.066 + 0.312X_1 + 0.137X_2 + 0.223X_3 + 0.143X_4 + 0.225X_5 + e$$

The coefficients values show that the five dimensions of Tax Fairness Toward influenced to a large extent the variation in Compliance of Corporate Taxpayers. The Beta value for the standardized coefficients for the highest value is positive at 0.312 for General Fairness this is significant at the 0.000 trailed by Tax Rate Structure with a positive beta of 0.225 also significant at 0.010. The beta for Self Interest with a positive beta value of 0.223 is significant at 0.001 trailed by Exchange with The Government with a positive beta of 0.137 also significant at 0.026 and lastly Special Provisions with a positive beta value of 0.143, significant is 0.017 all at 5% degree of freedom. The five dimensions of Tax Fairness Toward have a positive effect on Compliance of Corporate Taxpayers (UMMs) in Indonesia. Hence, the decision rule is: Hypothesis 1, 2, 3, 4 and 5 are accepted.

#### 4.4. Result of Hypothesis Test

General justice in the tax system is a condition where the whole society is consciously aware of that system The tax that the government has done so far has been effective and efficient he community or company can directly feel the impact positive from the tax payment they paid to the state.

The general justice dimension has a significant value of  $0.00 < 0.05$   $H_a$  means that justice in general has a significant effect on compliance of corporate taxpayers Based on table 3 it is known that justice variable in general has a positive regression of 0.312. This matter in line with the study of Azmi & Perumal (2008) and Richardson (2006) which states that justice variables in general have a significant effect on taxpayer compliance behavior. This is because they have confidence that the tax collected by the government has been imposed fairly. Based on the results of the questionnaire, the average respondent felt that the system the current income tax (PPh Law) is a fair system. However it has a negative influence on tax compliance behavior they. This can be seen by the amount of annual reporting they haven't reported for the past year. This reseach are accordance with the approach used by John, G. H, namely benefits principle and ability to pay principle. In the benefit principle approach, Tax justice is measured by each taxpayer must pay based on benefits

received from the government. While based on the approachability to pay principle, what is meant is fair in taxation are each taxpayer must contribute to government spending based on their ability to pay taxes, they who have the ability to pay more, must pay more taxes big. The principle of ability to pay is usually related to the concept of justice horizontal and vertical. The so-called horizontal justice is treated the same for taxpayers with the same income. Vertical justice means that different treatment is applied to taxpayers who earn differently. Vertical justice is often assumed to have a progressive tax (the amount of income tax is calculated based on an increasing percentage in line with increased income).

This research is not in line with Andarini (2010) which states tax justice does not actually affect the WP compliance behavior. The justice dimension in general has a significant value of  $0.00 < 0.05$  Ha means that justice in general has a significant effect on compliance of corporate taxpayers Based on table 3 it is known that justice variable in general has a positive.

Characteristics that distinguish between taxes and other levie one of them is that taxpayers do not get benefits in a manner directly on the taxes they have paid. The indirect benefits are received by the government for tax payments is the availability of facilities- public facilities that can be enjoyed by the whole community. Even though it's mandatory Taxes don't get reciprocity directly from the government, right means that the tax they have paid can be used arbitrarily mena.

The reciprocal variable with the government has a significant value of  $0.026 < 0.05$  Ha means that is reciprocal with the government influential significant towards on compliance of corporate taxpayers. Based on table 3 that the justice variable in general has a positive regression of 0.137. Can concluded that this variable affects taxpayers in determining their level of compliance, because taxpayers do not receive benefits in a manner directly on the taxes they pay. Richardson (2006), Gilligan & Richardson, (2005) states that the dimensions of tax justice are reciprocal with the government (exchange with the government) when examining perceptions of tax justice. In line with Berutu, Dian A. (2013) which stated that reciprocal government (TBP) had a positive and not significant effect on WP OP compliance behavior. This is not in line with study Belay & P. Viswanadham (2016) which states that the variables are reciprocal with the government has an insignificant effect on taxpayer compliance behavior body. Because the results of statistical tests conducted on this variable have negative regression effect on the level of taxpayer compliance. Based on the results of the questionnaire distributed, the average respondent states that the reciprocal from the government for the payment of income tax has not commensurate with the value of the benefits obtained from the taxpayer. Because they are aware that the public facilities they use are their money paid all this time.

Tax collection by the government is intended for the sake of implementation common interest, namely to collect state revenues in order to finance government and development. But in its implementation, there are differences in interests between the personal interests of the Taxpayer with the interests of the government. The personal interests of the Taxpayer are paid the smallest taxes possible because they consider taxes is a seizure of their personal ownership. Based on table 3 the variable of personal interest has a significant value of  $0.01 < 0.05$  in this case means Ha, namely personal interests significantly influence on compliance of corporate taxpayers. Variable Personal interests have a positive regression of 0.223. This is in line with Belay & P. Viswanadham, (2016), Berutu, Dian A. (2013) which states that the variables of personal interest has a significant influence on corporate taxpayer compliance behavior. But in practice, there are differences between interests personal interests with government interests. Average respondentn stated that they did not agree with the obligatory PPh system them to pay less or more than is required other taxes. Because of that that's what triggers taxpayers to not obey.

Its provisions This special nature creates a paradigm in the eyes of the general public that the government only cares about people who have income the high and the rich that should be given high taxes on some of their wealth, but prefer to do it special reductions and conditions that only apply to layers society over.

Variables that apply specifically have a significant value  $0.017 < 0.05$  this means that Ha is the provisions that apply specifically significantly influence on compliance of corporate taxpayers. Based on table 3 that the variable provisions that apply specifically has a positive regression of 0.143. It can be concluded that this variable has influence because it is used by the government in achieving its goals certain, such as a reduction in tax rates. This is not in line with study Saefuddin (2013) which states that the variable provisions apply specifically has a non-significant effect on compulsory compliance behavior corporate tax. Because the results of statistical tests conducted have a significant value  $> 0.05$ . Special provisions apply as a form of facility given by the government to taxpayers with certain criteria intended to provide a sense of justice that can improve compliance taxpayers, and respondents stated that facilities in the field Such taxation is considered as a form of justice in its influence their tax compliant behavior.

This dimension is related to the structure of more tax rates preferably (for example a progressive tax rate structure vs. a tax rate structure flat/proportional). Indonesia itself has more progressive tariffs, where the higher the income of a person or company each year, the greater the tax that must be paid to the state. Tax system This progressive seems fair where everyone and the company are having a bigger income will pay more tax also.

Variable tax rate structure has a significant value of  $0.010 < 0.05$  means Ha, namely the structure of the tax rate significant effect on compliance of corporate taxpayers. Based on table 3 that variable the tax rate structure has a positive regression of 0.225. Because taxpayer think that this variable is considered not to have the slightest effect on their tax compliance. This research is in line with Berutu, Dian A. (2013) which states the preferred tax rate structure (STP) positive and significant effect on WP OP compliance behavior. Different from the results of the study of Belay & P. Viswanadham (2016), Mir'atusholihah et al. (2015) who states that the variable structure of the tax rate has no effect significant towards corporate taxpayer compliance behavior. Based on the results of the questionnaire, the average respondent stated that the rate Progressive tax currently in effect is a fair tax rate. Therefore Progressive tax rates affect the taxpayer's compliant behavior, however, contrary to the results of statistical tests which state that the tariff structure ax affects the compliance behavior of corporate taxpayers.

## 5. Conclusion and Recommendation

Based on the results of this study tax justice/variables that are representative namely justice in general, reciprocity with government, personal interests, the provisions that apply specifically, the structure of the tax rate on compliance of corporate taxpayers. In this study used 115 mandatory samples corporate tax in the form of Small and Medium Macro Enterprises registered at the Pratama tax office. With the results of testing the hypothesis shows that the five the independent variable has a significant effect on compliance of corporate taxpayers. After doing some statistical analysis and classical assumptions then summed up as follows: The General Fairness variable has a significant effect on compliance of corporate taxpayers. The results showed that  $\text{sig } t \text{ } 0.00 < 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted. The Exchange With Government variable has a significant effect on compliance of corporate taxpayers. The results showed that  $\text{sig } t \text{ } 0.026 < 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted. The Self Interest Variables have a significant effect on compliance of corporate taxpayers. The results showed that  $\text{sig } t \text{ } 0.01 < 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted. Special Provisions Variables has a significant effect on compliance of corporate taxpayers. The results showed that  $\text{sig } t \text{ } 0.017 < 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted and Tax Rate Structure variables has a significant effect on behavior corporate taxpayer compliance. The results showed that  $\text{sig } t \text{ } 0.010 < 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted. This research shows that all indicators of tax fairness have a significant effect on corporate taxpayer compliance behavior. This implies all indicators of tax fairness effective can be applied as materials consideration in making policies for Directorate General of Taxes and must be promoted.

## 6. Acknowledgments

I would like to express my gratitude to my wife, dean, structural colleagues, lecturers and students who have played an active role in this research.

Lampiran :1  
NPAR TESTS  
/K-S(NORMAL)=RES\_1  
/MISSINGANALYSIS.  
NPar Tests / Uji Normalitas

[DataSet1] C:\Dendy FW (2015220045)\Data SPSS.sav

		Unstandardized Residual
N		115
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	.07742336
Most Extreme Differences	Absolute	.122
	Positive	.114
	Negative	-.122
Kolmogorov-Smirnov Z		.723
Asymp. Sig. (2-tailed)		.672

Tabel 4: One-Sample Kolmogorov-Smirnov Test

Test distribution is Normal.

Calculated from data.

Lampiran :2

REGRESSION

/MISSING LISTWISE

/STATISTICS COEFF OUTS BCOV R ANOVA COLLIN TOL

/CRITERIA=PIN (.05) POUT (.10)

/NOORIGIN

/DEPENDENT Y

/METHOD=ENTER X1 X2 X3 X4 X5.

Uji Multicollinearities

[DataSet1] C:\Dendy FW (2015220045)\Data SPSS.sav

Coefficients <sup>a</sup>								
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
(Constant)	.066	.215		.307	.761			
1 X1 (General Fairness)	.312	.066	.348	4.716	.000	.349	2.867	
X2 (Exchange with The Government)	.137	.058	.178	2.351	.026	.333	2.999	
X3 (Self Interest)	.223	.061	.243	3.645	.001	.427	2.345	
X4 (Special Provisions)	.143	.057	.138	2.526	.017	.636	1.571	
X5 (Tax Rate Structure)	.225	.082	.240	2.739	.010	.247	4.051	

Tabel 5: Coefficients<sup>a</sup>

a. Dependent Variable: Y (Perilaku Kepatuhan Wajib Pajak)

Lampiran :3

REGRESSION

/MISSING LISTWISE

/STATISTICS COEFF OUTS R ANOVA COLLIN TOL ZPP

/CRITERIA=PIN(.05) POUT(.10)

/NOORIGIN

/DEPENDENT Y

/METHOD=ENTER X1 X2 X3 X4 X5.

Regression

[DataSet1] C:\Dendy FW (2015220045)\Data SPSS.sav

ANOVA <sup>a</sup>						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1 Regression	3.492	5	.698	99.381	.000 <sup>b</sup>	
Residual	.204	29	.007			
Total	3.696	115				

Tabel 6: ANOVA<sup>a</sup>

Dependent Variable: Y (PerilakuKepatuhanWajibPajak)

Predictors:(Constant), X5(TaxRateStructure), X4(SpecialProvisions), X3(SelfInterest), X1(General Fairness), X2 (Exchange withThe Government)

Coefficients <sup>a</sup>										
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
(Constant)	.066	.215		.307	.761					
1 X1 (General Fairness)	.312	.066	.348	4.716	.000	.857	.659	.206	.349	2.867
X2 (Exchange with The Government)	.137	.058	.178	2.351	.026	.835	.400	.103	.333	2.999
X3 (Self Interest)	.223	.061	.243	3.645	.001	.820	.561	.159	.427	2.345
X4 (Special Provisions)	.143	.057	.138	2.526	.017	.612	.425	.110	.636	1.571
X5 (Tax Rate Structure)	.225	.082	.240	2.739	.010	.891	.453	.119	.247	4.051

Tabel 7: Coefficients<sup>a</sup>

a. Dependent Variable: Y (PerilakuKepatuhanWajibPajak)

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