

# OBLIGATION OF TAX MANDATORY DURING THE COVID-19 PANDEMIC PERIOD IN ECONOMIC DECISION FRAME

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## ABSTRACT

*This study aims to determine obligation of tax mandatory during covid-19 pandemic period in economic behavior through the effect of taxation knowledge, taxpayer understanding, and taxation socialization on tax compliance in paying and reporting tax with the elimination of tax sanctions as a moderating variable. Taxpayers are said to be obedient if they are timely in paying and reporting taxes, do not have arrears for all types of taxes.*

*Research Design & Methods: The population in this study amounted to 182,591 taxpayers registered at the Pratama Tax Service Office in Gianyar Regency. Sampling using incidental sampling method so that by using the Slovin formula obtained 100 research samples and the test instrument used is Moderate Regression Analysis.*

*Findings: The results of this study prove that during covid-19 pandemic, tax knowledge has a positive effect on taxpayer compliance in paying taxes. While the understanding of taxpayers and taxation socialization does not affect the compliance of taxpayers in paying taxes. Elimination of tax sanctions can moderate (strengthen) the influence of tax knowledge on taxpayer compliance in paying taxes, but removal of tax sanctions cannot moderate (weaken) the effect of understanding taxpayers and taxation socialization on taxpayer compliance in paying taxes.*

*Implications & Recommendations: During the Covid-19 pandemic, Gianyar Regency KPP was expected to disseminate information to the public routinely through the existing mass media in order to increase understanding in the field of taxation especially when changes in regulations and procedures made it easier for taxpayers to carry out their obligations.*

*Contribution & Value Added: During the Covid-19 pandemic, many taxpayers were indifferent to the taxation because they were not aimed at increasing tax understanding but the process of handling the Covid-19 case, carried out self-rescue both in terms of psychology and economics.*

**Keywords:** COVID-19, Knowledge, Tax Socialization, Tax Sanctions

## INTRODUCTION

The decision to pay and report taxes is an important decision related to changing economic conditions of a business or individual during covid-19 pandemic. The government is aware that the behavior of tax payments is a difficult problem for everyone during covid-19 pandemic. Paying and reporting taxes is a big decision, regarding attitudes, perceptions, abilities, and honesty. Many people dare to take risks not to pay taxes. Most people will avoid tax to keep their money at the company. There are various underlying reasons for difficulties when making a risky decision during covid-19 pandemic. This paradigm is related to economic actions and attitudes (Kirchler, 2007; James et al., 2012).

In this condition during covid-19 pandemic, does the taxpayer not know or not understand? All taxpayers must know and understand what is demanded by the government to make tax payments. Does the government not provide socialization? Does the government not provide sanctions? Of course the government has conducted socialization and the taxpayer understands. This is just avoidance. Sanctions given to taxpayers have also been understood by

taxpayers. All of this is defeated by economic reasons and perceptions that drive individuals and businesses to do it. Especially in the current condition, which is facing the co-19 pandemic which has stopped their various sources of income, closed businesses and the economy is in chaos.

Sociologically, no one has ever died because of tax sanctions (Kirchler, 2007). This means that tax sanctions are actually not cruel because they are only in the form of financial, administrative and criminal sanctions. There is no death sentence for violators of tax sanctions. Thus, even though they know, understand, and also participate in socialization, all of that is just a formality.

Tax knowledge and understanding are seen as factors that influence tax compliance (Saad, 2013). In addition it must be supported by good socialization. But what happens is that the tax authorities see that tax is a mandatory rule so that sometimes the socialization does not go well. On the other hand taxpayers often ignore or even avoid tax regulations (Yuesti et al., 2019; Yuesti et al., 2020).

The custom made by taxpayers in Indonesia is to postpone tax payments. Delaying tax payments frequently can cause taxpayers to be subject to tax sanctions. Not only sanctions for late paying taxes, taxpayers can also be penalized for late submitting Annual Notification Letter. Because, if the Annual Notification Letter (SPT) is reported not on time, the taxpayer will be subject to tax penalties in the form of fines and interest. Second, Hiding Data. This is an illegal act of a taxpayer aiming to reduce the nominal amount of tax that will be paid. You do this by hiding or falsifying some data such as income data obtained and so forth. This certainly can make taxpayers subject to tax sanctions (Yuesti et al., 2019; Yuesti et al., 2020).

Based on the background description of the problem above the problem above, the authors take the title of the study "Taxpayer Compliance During the Covid-19 Pandemic Period in Economic Decision Frame".

## LITERATURE REVIEW

Tax knowledge is one of the important factors in the taxation system, specifically related to compliance with tax payments and reporting (Palil, 2011; Saad et al., 2014). Tax knowledge is the most influential factor for determining taxpayer compliance behavior under its own valuation system (Situmorang, 2019). Taxpayers who have better tax knowledge can improve tax compliance. These studies show a positive relationship between tax knowledge and compliance behavior. Research in Indonesia has been conducted. Knowledge of taxation in attribution theory is one of the external factors that can influence the behavior of taxpayers in submitting a Notice (SPT). Knowledge of taxation is the understanding of taxpayers regarding law, laws, and correct taxation procedures. Furthermore, this understanding can be implemented towards an obedient attitude and carrying out tax obligations. Knowledge of tax regulations is very important to foster compliance. The higher the level of taxpayer knowledge, the higher the level of taxpayer compliance in delivering notification (SPT) (Paramartha & Rasmini, 2016).

Taxpayer compliance is a behavior that is based on a taxpayer's awareness of his tax obligations while still being based on established laws and regulations. Taxpayer compliance can be defined as a condition where taxpayers fulfill all their tax obligations and exercise their tax rights. Taxpayers are said to be obedient if they are on time in delivering notification, do not have arrears for all types of taxes, have never been convicted of criminal sanctions and have books and audits in the last two tax years (Cuccia et al., 1994; Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020).

The level of understanding of taxpayers regarding tax regulations becomes important in determining attitudes and behavior of taxpayers in carrying out their obligations in submitting Notification Letter (SPT). Understanding taxpayers is an intensive process of increasing knowledge carried out by taxpayers and the extent to which they can correctly understand a problem to be known. The higher the level of understanding of taxpayers to tax regulations, the less likely the taxpayers to be obedient is to submit a notification letter (SPT), because if

understanding of taxation is low, then the compliance of taxpayers in submitting a Notice (SPT) is also low (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020).

The Director General of Taxation pursues various policies to improve taxpayer compliance. The Director General of Taxes issued various regulations that could facilitate taxpayers. Tax socialization is one of the efforts of the Director General of Taxes to communicate policies to taxpayers. Tax revenue from paying taxpayers is very important for the tax office, because personal income taxpayers are a large source of tax revenue. Tax information dissemination to taxpayers will have a positive impact on tax policy knowledge by individual taxpayers, so that taxpayers are aware to comply with their tax obligations (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020). The better the taxation socialization by tax officials the more tax knowledge obtained by the taxpayer, the better the taxpayer compliance (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020).

Knowledge of taxation is an understanding of taxpayers regarding the law, the law, and the correct taxation procedures. Knowledge of tax regulations is very important to foster compliance. With the knowledge of taxpayers related to tax regulations as well as the Minister of Finance's regulation regarding the reduction or elimination of administrative sanctions for late submission of tax returns, correction of tax returns, and delays in tax payments or deposits, the level of taxpayer compliance will be even higher. Research (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020), states that the elimination of tax sanctions can moderate and strengthen the influence of tax knowledge on tax compliance in submitting notification letters (SPT).

Understanding taxpayers is an intensive process of increasing knowledge carried out by taxpayers and the extent to which they can correctly understand a problem that they want to know (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020). The elimination of tax sanctions in PMK 68 of 2017 is a government policy that provides relief for taxpayers to report their tax obligations. The level of understanding of taxpayers about the taxation system and the applicable taxation regulations is very influential on the level of taxpayer compliance in delivering notification letters (SPT). Based on the results of Hidayati's research (2014) states that the elimination of tax sanctions can moderate and strengthen the influence of the understanding of taxpayers on the level of tax compliance in submitting a notification letter (SPT).

The elimination of tax sanctions in PMK 68 of 2017 is a government policy that provides relief for taxpayers to report their tax obligations. In 2008 the government first issued a *sunset policy* with the aim that taxpayers are willing to increase compliance. Giving opportunities to taxpayers through PMK 68 of 2017 is expected to increase taxpayer compliance in the future. The PMK 68 Year 2017 policy encourages the government to conduct better tax socialization, because with better taxation socialization, government policies will be conveyed to taxpayers. Taxpayers will know that PMK 68 of 2017 has made it easier for taxpayers to make corrections on previous tax reporting. With volunteerism arising, taxpayers will be willing to pay their taxes so that the level of taxpayer compliance increases. In research Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti et al., (2020) stated that the elimination of tax sanctions can moderate and strengthen the effect of tax socialization on taxpayer compliance.

## DATA, MODEL, AND METHODOLOGY

### Data

Quantitative data in this study are in the form of annual tax return data, and the level of tax compliance at the Pratama Tax Office (KPP) of Gianyar Regency. Qualitative data in this study in the form of a list of questions contained in the questionnaire at the Gianyar Regency Tax Office. Primary data obtained from taxpayer answers that submit a Letter of Notification (SPT) at the Tax Office (KPP) Pratama Gianyar Regency is the answer to a series of questionnaire questions raised from researchers about the factors that affect tax compliance.

Secondary data in this study are data on the number of taxpayers and the level of compliance of taxpayers in submitting Notification Letter (SPT) at the Pratama Gianyar Tax Office (KPP). The data collection method uses documentation and questionnaires.

## Model

Data analysis model used in this study uses a regression test by testing the interaction between variables. Moderated Regression Analysis (MRA) is a special application of multiple linear regression where the regression equation contains elements of interaction (multiplication of two or more independent variables) (Russell & Bobko, 1992). The analysis of the interaction of the variables examined include the impact of taxpayer knowledge variable ( $X_1$ ), understanding of the taxpayer ( $X_2$ ) socialization taxation ( $X_3$ ), on tax compliance variable (Y) with the elimination of tax penalties ( $X_4$ ). Here is a regression equation to determine the type of moderating variable according to Ghozali (2016: 219).

## Methodological

This research was conducted at the Gianyar Pratama Tax Office (KPP), having its address at Jalan Dharma GiriBlahbatuh, Gianyar. The object of study in this study is taxation knowledge, understanding of taxpayers, and taxation socialization of taxpayer compliance in delivering notification letters (SPT) at the Pratama Tax Service Office in Gianyar Regency. Variables in this study include Independent Variables consisting of tax knowledge ( $X_1$ ), understanding taxpayers ( $X_2$ ), and tax socialization ( $X_3$ ). Moderation variable which includes the elimination of tax penalties. Dependent variable is the compliance of taxpayers in delivering notification (SPT).

The population in this study is the number of taxpayers who submit SPT as many as 182,591 registered in the Gianyar Pratama Tax Office (KPP) in 2020. The sampling technique used in this study is *incidental sampling*. According to Sugiyono (2016: 122) incidental sampling is a sampling technique based on coincidence, that anyone who accidentally meets a researcher can be used as a sample if the person who happened to be met is suitable as a source of data. In determining the number of samples in this study using the formula *Slovin*. The population size (N) is 182,591 with a percentage of inaccuracy due to tolerant or desirable sampling error (e) is 0.1. Through calculations using the formula *Slovin*, the number of samples to be used in this study is 100 samples of taxpayers.

## RESULTS

### Data Analysis

The results of the analysis test *moderated regression analysis* (MRA) can be seen in Table 1 as follows:

Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients		
		B	Std. Error	Beta		
1	(Constant)	-0.686	0.785		1.823	0.006
	TP	0.261	0.305	0.781	1.281	0.001
	TPU	-0.449	0.428	-0.169	-0.315	0.754
	TS	0.31	0.132	0.171	0.274	0.785

TE	0.812	0.97	0.193	1.899	0.005
TP * TE	-0.166	0.063	-0.701	1.651	0.009
TPU * TE	0.043	0.068	0.625	0.631	0.53
TS * TE	0.014	0.055	0.267	0.258	0.797
Source processed data, 2020					

Based on table 1, the results of the regression equation can be described as follows.

$$Y = -0,686 + 0,261PWP - 0,449PW + 0,310SP + 0,812PSP - 0,166PP * PSP + 0,043PW * PSP + 0,014SP * PSP$$

The regression equation above illustrates the effect of the relationship between independent variables namely tax knowledge (PWP), mandatory understanding tax (PW) taxation socialization (SP), elimination of tax sanctions (PSP), and (PWP \* PSP; PW \* PSP; SP \* PSP) with statistically dependent variable taxpayer compliance (KWP). T test results are described as follows.

1. The t-value of taxation knowledge is 1,823 with a significance of 0.001. Testing is done by comparing the significance value with  $\alpha=0.05$ , which is  $0.001 < 0.05$  then from a significance value that is smaller than the level of  $\alpha=0.05$ , the null hypothesis is rejected. This means that tax knowledge affects taxpayer compliance in delivering notification letters (SPT) at the Pratama Gianyar Tax Office (KPP).
2. The t-value of taxpayer understanding is -0.315 with a significance of 0.754. The test is carried out by comparing the significance value with  $\alpha=0.05$ , which is  $0.754 > 0.05$  then from the significance value that is smaller than the level of  $\alpha=0.05$  the decision of the null hypothesis is accepted. This means that understanding taxpayers does not affect the compliance of taxpayers in delivering notification letters (SPT) at the Pratama Gianyar Tax Office (KPP).
3. The t-value of taxation socialization was 0.274 with a significance of 0.785. Testing is done by comparing the significance value with  $\alpha=0.05$ , ie  $0.785 > 0.05$  then from a significance value that is smaller than the level of  $\alpha=0.05$  the decision is null hypothesis is accepted. This means that taxation socialization has no effect on taxpayer compliance in delivering notification letters (SPT) at the Pratama Gianyar Tax Office (KPP).
4. The value of t-count of the interaction of taxpayer knowledge with the elimination of taxation sanctions (PWP \* PSP) of -1,651 with a significance of 0.009. Tests carried out by comparing the significance value with  $\alpha=0.05$ , ie  $0.009 < 0.05$  then from a significance value that is smaller than the level of  $\alpha=0.05$  the decision of the null hypothesis is rejected. This means that the elimination of tax sanctions can moderate the effect of tax knowledge on taxpayer compliance in delivering notification letters (SPT) at the Pratama Gianyar Tax Office (KPP).
5. The t-value of the interaction of understanding the taxpayer with the elimination of tax sanctions (PW \* PSP) of 0.631 with a significance of 0.530. Tests carried out by comparing the significance value with  $\alpha=0.05$ , ie  $0.530 > 0.05$  then from a significance value that is smaller than the level of  $\alpha=0.05$  the decision is null hypothesis is accepted. This means that eliminating tax sanctions cannot moderate the effect of understanding taxpayers on taxpayer compliance in delivering notification letters (SPT) at the Pratama Gianyar Tax Office (KPP).
6. The t-value of the interaction of the taxation solution with the elimination of taxation sanctions (SP \* PSP) was 0.258 with a significance of 0.797. Tests carried out by comparing the significance value with  $\alpha=0.05$ , ie  $0.797 > 0.05$  then from a significance value that is smaller than the level of  $\alpha=0.05$  the decision is null hypothesis is accepted. This means that partially the tax penalties elimination variable cannot moderate the effect of taxation socialization knowledge on taxpayer compliance in delivering notification letters (SPT) at Pratama Gianyar's Tax Office (KPP).

## DISCUSSION

The first hypothesis states that tax knowledge has a positive effect on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test showed the significance value of tax knowledge is 0.001 which is smaller than 0.05 and it can be concluded that tax knowledge has a positive effect on taxpayer compliance in delivering notification (SPT). Tax knowledge is taxpayer knowledge of the provisions of tax regulations or policies. Taxpayers in the implementation of taxation obligations are very dependent on the level of tax knowledge they have. The better the taxpayer's tax knowledge, the more knowledge he has so that the taxpayer will be willing to comply with his tax obligations. The results showed that

most taxpayers had sufficient tax knowledge. The level of taxation knowledge possessed by taxpayers is quite good, so with the knowledge possessed by taxpayers can affect compliance, with high knowledge about taxation, of course taxpayers will have a lot of information about taxes. These results indicate that most taxpayers in the KPP Pratama of Gianyar Regency have adequate tax knowledge so that they know the importance of obeying tax compliance even during the covid-19 pandemic. The higher the level of tax knowledge, the more taxpayer compliance will be in delivering the notification letter (SPT). Economically, increasing taxpayer knowledge can increase state revenue. Conscious of the taxpayer side, economically the taxpayer thinks that reporting and paying taxes is an obligation by issuing economic sacrifices. The results of this study are in line with Pradnya (2016) and Hidayati (2014) stating that tax knowledge has a positive effect on taxpayer compliance in delivering notification letters (SPT).

The second hypothesis states that understanding taxpayers has a positive effect on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test showed the significance value of the understanding of taxpayers is equal to 0.754 which is greater than 0.05 and it can be concluded that understanding taxation does not affect the compliance of taxpayers in delivering notification (SPT). Understanding is interpreted as the process of running one's knowledge, actions, or ways of understanding. Understanding the intent and grasping the meaning is the ultimate goal of every study. Someone who understands something must go through and then have to improve the quality of his knowledge, accompanied by deepening of its meaning. Understanding has a very basic meaning that attaches parts of learning to its proportions. At present many people do not carry out their tax obligations and underestimate the tax function for the State. Many taxpayers today have a lazy attitude to take care of and comply with their tax obligations and choose to leave them alone. The more taxpayers understand the taxation system, the procedure for reporting tax which is getting more advanced every year, and the applicable tax regulations, the lower the taxpayer compliance level in delivering notification letters on the grounds of being lazy and not wanting to be difficult. The taxation system in Indonesia is not considered simple by taxpayers. On the other hand, taxpayers want an easy system. Both of these goals have not been achieved by the government. So during the covid-19 era, understanding taxpayers did not affect taxpayer compliance. The results of this study contradict the results of research Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti, et al., (2020) states that the understanding of taxpayers affects the compliance of taxpayers in delivering notification letters (SPT).

The third hypothesis states that tax socialization has a positive effect on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test shows the significance value of taxation socialization is 0.785 which is greater than 0.05 and it can be concluded that taxation socialization has no effect on taxpayer compliance in delivering notification (SPT). Tax socialization is an effort to increase public understanding and awareness of their tax obligations through various ways of socialization or counseling (Anggarini et al., 2019; Yuesti et al., 2019; Yuesti et al., 2020). Tax promotion is one of the efforts of the Director General of Taxes to communicate policies to corporate taxpayers. Tax information dissemination to corporate taxpayers will have a positive impact on tax policy knowledge by corporate taxpayers, so that corporate taxpayers are aware of compliance with their tax obligations. Tax socialization in this study is elaborated on indicators that reflect taxation socialization actions including direct and indirect socialization. The KPP Pratama of Gianyar Regency carried out taxation dissemination measures in the form of procuring *tax gatherings*, tax classes, advertising on electronic media and social media, distributing tax brochures and billboards that were expected to be effective in disseminating taxation information to taxpayers. However, there are not many taxpayers who see and pay attention to related taxation socialization so that the taxation socialization carried out is not enough to make taxpayers aware of compliance to meet their tax obligations during the co-19 pandemic. This is because taxpayers have a low sense of responsibility and tend to be ignorant with the socialization carried out by the KPP and do not understand the tax function for the State because they have another focus on facing the new life process that was implemented during the co-19 pandemic.

The results of this study indicate that the majority of taxpayers have not received well every tax socialization act carried out by the KPP Pratama Gianyar Regency. The results of this study contradict the results of research Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti, et al., (2020) stated that taxation socialization affects taxpayer compliance in delivering notification letters (SPT).

The fourth hypothesis states that the elimination of tax sanctions can moderate the influence of tax knowledge on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test analysis showed the significance of the abolition of tax sanctions in moderating taxation knowledge of 0.009 which is smaller than 0.05 and it can be concluded that the abolition of tax sanctions is able to moderate (strengthen) the effect of tax knowledge on tax compliance in submitting a notification letter (SPT). Tax knowledge is tax knowledge or information obtained or owned by taxpayers to be used as a basis for acting, making decisions and implementing tax rights. With sufficient knowledge possessed by the relevant tax payers regarding the elimination of tax sanctions. Elimination of tax sanctions related to the Minister of Finance regulation PMK No. 68/PMK.03/2017 which is a change to the regulation of the Minister of Finance PMK No. 91/PMK.03/2015 concerning the reduction or elimination of administrative sanctions for late submission of notification of rectification of notification and delay of payment or tax payment. With the abolition of tax sanctions will encourage taxpayers to know and have deeper knowledge about taxation and comply with applicable taxation provisions and carry out their tax obligations during the co-19 pandemic. The results of this study are in line with the results of research by Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti et al., (2020); Hidayati (2014) stating that the elimination of tax sanctions can moderate (strengthen) the effect of tax knowledge on taxpayer compliance in delivering notification letters (SPT).

The fifth hypothesis states that the elimination of tax sanctions can moderate the effect of understanding taxpayers on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test analysis showed the significance of the abolition of tax sanctions in moderating the understanding of taxpayers by 0.350 which is greater than 0.05 and it can be concluded that the abolition of tax sanctions is not able to moderate the effect of the understanding of taxpayers on tax compliance in submitting notification letter (SPT). Understanding taxpayers related to how far the taxpayer knows the taxation provisions as a whole, covering all aspects ranging from reporting and payment of tax payable Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti, et al., (2020). Elimination of tax sanctions in the PMK 68 Year 2017 program is the removal of administrative sanctions against taxpayers who do not yet have a TIN, submission and correction of incorrect tax returns, and the elimination of administrative sanctions for underpayment during the co-19 pandemic period. The higher the level of understanding of taxpayers to the current taxation procedures as well as the regulations governing the elimination of tax sanctions, the lower the level of taxpayer compliance during the co-19 pandemic. This is caused by the thought of taxpayers who tend to underestimate current regulations. The results of this study are not in line with the research results of Anggarini, et al., (2019); Yuesti, et al., (2019); Yuesti, et al., (2020) which states that the elimination of tax sanctions can moderate (strengthen) the effect of understanding taxpayers on tax compliance in submitting notification letters (SPT).

The sixth hypothesis states that the elimination of tax sanctions can moderate the effect of tax socialization on taxpayer compliance in delivering notification letters (SPT). Based on the results of the t test analysis, the significance of the abolition of tax sanctions in moderating tax socialization was 0.797, which is greater than 0.05 and it can be concluded that the abolition of tax sanctions is not able to moderate the effect of tax socialization on taxpayer compliance in delivering notification letters (SPT). Tax socialization is an activity of efforts to increase public understanding or awareness of tax rights and obligations through various means of outreach or outreach. Taxation socialization held by the KPP Pratama of Gianyar Regency regarding the elimination of tax sanctions related to the regulation of the Minister of Finance Number 68/PMK.03/2017 does not have a good influence and does not make taxpayers obedient in

carrying out their tax obligations. When the taxation socialization was carried out through seminar and tax classes, only some of the participants correctly followed and understood what was presented by the presenters during the co-19 pandemic. And currently taxation socialization conducted by KPP Pratama through social media has not been able to attract the attention of taxpayers who see it and the tendency of taxpayers to catch a glance and let the information pass by during the co-19 pandemic. So in this study it was concluded that the elimination of tax sanctions was not able to moderate the effect of tax socialization on taxpayer compliance in delivering notification letters (SPT). The results of this study are not in line with the results of Hidayati's research (2014) which states that the elimination of tax sanctions is able to moderate (strengthen) the effect of tax socialization on taxpayer compliance in delivering notification letters (SPT).

## CONCLUSION

During the co-19 pandemic, taxation knowledge had a positive effect on taxpayer compliance in submitting Notification Letter (SPT). Understanding taxpayers does not affect the compliance of taxpayers in submitting Notification Letter (SPT). Tax socialization has no effect on taxpayer compliance in submitting Notification Letter (SPT). Elimination of tax sanctions is able to moderate (strengthen) the effect of tax knowledge on taxpayer compliance in submitting Notification Letter (SPT). Elimination of tax sanctions cannot moderate (weaken) the effect of understanding taxpayers on taxpayer compliance in submitting Notification Letter (SPT). Elimination of tax sanctions cannot moderate (weaken) the effect of tax socialization on taxpayer compliance in submitting Notification Letter (SPT). During the Covid-19 pandemic, Gianyar Regency KPP was expected to disseminate information to the public routinely through the existing mass media in order to increase understanding in the field of taxation especially when changes in regulations and procedures made it easier for taxpayers to carry out their obligations. Especially during the Covid-19 pandemic, many taxpayers were indifferent to the taxation because they were not aimed at increasing tax understanding but the process of handling the Covid-19 case, carried out self-rescue both in terms of psychology and economics.

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