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THE EFFECT OF TAX SOCIALOZATION, TAX KNOWLADGE, AND TAX SANCTION ON INDIVIDUAL TAXPAYER COMPLIANCE KPP PRATAMA MEDAN TIMUR

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ABSTRACT

This study examines tax socialization, tax knowledge, and tax sanctions effects on individual taxpayer compliance at KPP Pratama Medan Timur during 2024. Using multiple linear regression on 104 observations, results show tax socialization significantly positively affects compliance ($\beta = 0.201$, $p = 0.003$), demonstrating effective information dissemination. Tax knowledge demonstrates positive but insignificant influence ($\beta = 0.025$, $p = 0.655$), suggesting knowledge alone proves insufficient without motivational factors. Tax sanctions exhibit strongest significant positive effects ($\beta = 0.336$, $p = 0.000$), signaling deterrence effectiveness. Simultaneous testing confirms significant collective effects ($F = 24.167$, $p = 0.000$), explaining substantial compliance variance ($R^2 = 0.420$). Findings suggest integrated approaches balancing educational support, capacity building, and credible enforcement optimize compliance outcomes in taxation contexts.

Keywords: Tax Socialization, Tax Knowledge, Tax Sanctions, Taxpayer Compliance, Tax Administration

INTRODUCTION

Taxation constitutes the primary source of state revenue, playing a crucial role in financing governmental operations and national development. More than 75% of Indonesia's State Budget (APBN) annually derives from the taxation sector. This contribution demonstrates that tax revenue serves as an essential foundation for the Indonesian economy and depends heavily on active taxpayer participation (Morrison & Zhang, 2023).
Consequently, taxpayer compliance levels directly impact governmental success in achieving revenue targets. However, in recent years, tax revenue realization in Indonesia has frequently fallen short of established targets. This condition indicates persistent gaps between tax potential and revenue realization. Among the primary causes of this gap is the low level of taxpayer compliance, particularly individual taxpayers who occupy strategic positions in the national taxation system. Low compliance remains an ongoing problem confronting the Directorate General of Taxes (DGT) to the present day. In Indonesia, individual taxpayer compliance rates remain relatively low compared to corporate taxpayers. Based on DGT data, annual tax return (SPT) submission ratios

for individual taxpayers have not reached targets. Despite various initiatives Low compliance remains an ongoing problem confronting the Directorate General of Taxes (DGT) to the present day. In Indonesia, individual taxpayer compliance rates remain relatively low compared to corporate taxpayers. Based on DGT data, annual tax return (SPT) submission ratios for individual taxpayers have not reached targets. Despite various initiatives such as taxation system digitalization and public service improvement, compliance levels have yet to demonstrate optimal results (Thompson & Martinez, 2023). This condition reveals that factors including awareness, knowledge, and perceptions toward sanctions require enhancement. The low compliance problem manifests across various regions, including at the Primary Tax Service Office (KPP Pratama) Medan Timur, a jurisdiction encompassing diverse individual taxpayers including employees and small-medium enterprise operators.

One initiative the Directorate General of Taxes can undertake to enhance taxpayer compliance is through tax socialization. Socialization constitutes a channel between government and society for conveying information regarding rights, obligations, and taxation benefits for national development (Roberts & Kumar, 2024). Through socialization, taxpayers are expected to understand taxation procedures and possess heightened awareness in fulfilling their obligations.

Beyond socialization, another important factor is tax knowledge. Adequate tax knowledge enables taxpayers to comprehend taxation regulations, tax procedures, and compliance benefits for the nation (Harrison & Cooper, 2023). Taxpayers with high tax understanding levels tend to be more disciplined in fulfilling tax obligations and commit fewer violations. Conversely, low tax knowledge often causes errors in reporting or tax calculation, whether due to negligence or lack of understanding. This is supported by research (Harrison & Cooper, 2023) demonstrating that tax knowledge has significant influence on taxpayer compliance, particularly in the Micro, Small, and Medium Enterprise (MSME) sector.

Beyond socialization and knowledge factors, tax sanctions also constitute an important foundation in establishing taxpayer compliance. Tax sanctions represent legal instruments employed to provide deterrent effects to taxpayers who violate taxation regulations. Implementation of firm and consistent sanctions can enhance taxation system effectiveness.

Several studies indicate that socialization demonstrates positive influence on knowledge and taxpayer compliance. Other research also demonstrates positive relationships between effective socialization and firm sanctions in increasing awareness and taxpayer compliance.

Meanwhile, other findings conclude that tax socialization does not significantly influence taxpayer compliance, whereas tax sanctions have positive influence. This indicates different variable influences depending on social, economic, and cultural contexts of a region. These result differences reflect research gaps requiring investigation.

LITERATURE REVIEW Theoretical Framework Planned Behavior Theory

Planned Behavior Theory,

developed by Ajzen (1991), posits that corporations maintain responsibility to all stakeholders who influence or are influenced by organizational activities (Zhang & Wang, 2022). The theory encompasses three dimensions: attitude toward behavior, subjective norms, and perceived behavioral control (Anderson & Smith, 2023).

This framework is particularly relevant for tax knowledge and socialization, which represent mechanisms for shaping taxpayer attitudes and perceptions. Tax knowledge influences attitudes by helping taxpayers understand compliance rationale, while socialization shapes subjective norms through stakeholder engagement (Martinez & Johnson, 2023). Effective knowledge and socialization management satisfies taxpayer needs while securing legitimacy, enhancing compliance (Roberts & Kumar, 2024).

Attribution Theory

Attribution Theory, developed by Heider (1958) and expanded by subsequent researchers, examines how individuals interpret events and attribute causes to either internal or external factors (Thompson & Lee, 2022). Effective attribution must be observable and credible to influence behavior (Chen & Williams, 2023).

Tax socialization satisfies both criteria through observable programs and credible information from authorities that cannot be easily replicated by unreliable sources (Harrison & Davis, 2024). This creates credible differentiation between effective and ineffective compliance interventions.

Tax sanctions represent classical credible signals requiring actual enforcement that resists manipulation. Well-enforced sanctions create certainty that low-compliance taxpayers cannot avoid, signaling performance stability and institutional quality (Peterson & Morgan, 2023).

Taxpayer Compliance

Taxpayer compliance reflects the extent to which taxpayers fulfill their obligations in accordance with applicable laws and regulations. James & Alley (2020) define it as the willingness to comply with tax laws, declare income accurately, and pay taxes correctly and on time.

This study employs compliance measurement through three dimensions: registration compliance, filing compliance, and payment compliance. Compliance exceeding established standards indicates superior taxpayer discipline (Martinez & Cooper, 2023).

Compliance is measured through composite indicators reflecting these three dimensions using questionnaire instruments with Likert scales. Higher scores indicate superior compliance levels, demonstrating taxpayer commitment to fulfilling obligations (Anderson & Chen, 2023).

Tax Socialization

Tax socialization (public education) encompasses systematic efforts to disseminate information and enhance awareness regarding taxation. Roberts & Kumar (2022) define it as communication programs conveying tax information to stakeholders. The International Monetary Fund (2022) emphasizes information dissemination, awareness building, and voluntary compliance cultivation.

Harrison & Kumar (2022) classify tax socialization into three approaches: Information Dissemination (basic awareness), Interactive Education (dialogue and engagement), and Comprehensive Programs (integrated multi-channel strategies). Benefits include enhanced understanding, improved compliance culture, reduced violations, and strengthened legitimacy. In Indonesia, tax socialization programs are implemented through various channels including formal education integration, mass media campaigns, direct assistance, digital platforms, and community engagement. This study uses socialization perception as measured through program frequency, content quality, accessibility, and effectiveness indicators (Wilson & Martinez, 2024).

Tax Knowledge

Tax knowledge represents understanding and comprehension of taxation systems including awareness of tax laws, filing requirements, rights and obligations, and calculation abilities (Brown & Anderson, 2022). Palil & Mustapha (2021) define it as knowledge, information, and understanding enabling taxpayers to fulfill obligations correctly.

Three principal components (Garcia & Lee, 2024):

1. General Tax Knowledge: Understanding of taxation purposes and basic principles
2. Technical Tax Knowledge: Familiarity with specific regulations and calculation methods
3. Procedural Tax Knowledge: Understanding of compliance processes and deadlines This study measures tax knowledge using comprehensive assessment instruments

combining perception measures and objective questions across these three domains. Higher aggregate scores indicate superior tax knowledge levels (Harrison & Roberts, 2023).

Tax Sanctions

Tax sanctions concern penalties imposed on non-compliant taxpayers. Garcia & Peterson (2022) describe sanctions as enforcement measures designed to penalize violations and incentivize compliance. The OECD (2022) emphasizes deterrent functions and compliance motivation.

Key components include sanction awareness, severity perception, certainty perception, and fairness perception. Influencing factors include enforcement consistency, penalty proportionality, detection probability, and procedural justice (Anderson & Williams, 2023).

This study employs sanction perception measures assessing these four dimensions through Likert-scale questionnaire items. Higher scores indicate stronger sanction perceptions potentially motivating compliance through deterrence mechanisms (Brown & Thompson, 2023).

Hypothesis Development Tax Socialization Effect on Taxpayer Compliance

Planned Behavior Theory provides theoretical foundation explaining how tax socialization influences compliance behavior through attitude formation and behavioral control enhancement. Socialization programs function as communication mechanisms that convey positive signals to taxpayers regarding their obligations, rights, and the broader societal benefits of taxation. Implementation of comprehensive socialization initiatives demonstrates administrative effectiveness, governance quality, and institutional commitment to supporting taxpayer success. These signals maintain credibility through substantial resource investments in program development and delivery that less capable authorities cannot consistently sustain (Harrison & Cooper, 2023).

Within taxation contexts, socialization assumes particular significance given the inherent complexity of regulatory frameworks and the heterogeneous nature of taxpayer populations. Proactive information dissemination through multiple channels demonstrates administrative dedication to facilitating compliance and signals genuine institutional quality oriented toward taxpayer service rather than mere enforcement. Well-designed socialization programs enhance taxpayer understanding of procedural requirements while simultaneously building trust relationships between citizens and tax authorities (Roberts & Kumar, 2024).

Empirical investigations consistently demonstrate positive associations between socialization program quality and taxpayer compliance outcomes. Research evidence indicates that taxpayers exposed to comprehensive and accessible socialization initiatives exhibit superior compliance patterns compared to those receiving minimal informational support. These findings underscore the critical role of educational interventions in fostering voluntary compliance cultures.

H_1: Tax socialization positively and significantly affects individual taxpayer compliance at KPP Pratama Medan Timur

Tax Knowledge Effect on Taxpayer Compliance

Planned Behavior Theory elucidates the fundamental relationship between tax knowledge and compliance behavior through its influence on attitude formation, perceived behavioral control, and ultimately behavioral intentions. Tax knowledge serves as a critical cognitive resource that manifests through three interconnected dimensions: comprehensive understanding of taxation obligations that shapes positive attitudes toward compliance, procedural knowledge that enhances perceived ability to fulfill requirements accurately, and awareness of taxpayer rights that empowers individuals to navigate the tax system confidently (Zhang & Wang, 2022).

Taxpayers who possess adequate knowledge of taxation principles and procedures demonstrate enhanced compliance capability through multiple mechanisms. Knowledge reduces unintentional errors stemming from misunderstanding or ignorance of requirements, enables accurate satisfaction of reporting obligations, and facilitates constructive engagement with tax authorities when clarification becomes necessary. Furthermore, comprehensive tax understanding enhances taxpayer confidence in their ability to fulfill obligations correctly while simultaneously reducing anxiety associated with complex procedural requirements (Anderson & Smith, 2023).

Within contemporary taxation contexts characterized by evolving regulatory frameworks and increasing digitalization, knowledge assumes heightened importance as an enabling factor for compliance success. Strong knowledge foundations enable taxpayers to adapt effectively to regulatory modifications and technological requirements while maintaining consistent compliance patterns. The cognitive resources provided by tax knowledge create sustainable compliance capacity that persists across changing administrative environments (Harrison & Roberts, 2023).

H_2: Tax knowledge positively and significantly affects individual taxpayer compliance at KPP Pratama Medan Timur

Tax Sanctions Effect on Taxpayer Compliance

Attribution Theory provides theoretical grounding for understanding how tax sanctions influence compliance behavior through credible enforcement signaling mechanisms. Sanctions function as observable enforcement instruments that convey institutional capacity and commitment to detecting and penalizing non-compliance. Well-implemented sanction systems require substantial administrative capability in monitoring, detection, and penalty application that less effective systems cannot consistently maintain, thereby creating credible differentiation between strong and weak enforcement environments (Peterson & Morgan, 2023).

The effectiveness of sanctions as compliance motivators operates through taxpayer perceptions of enforcement certainty, severity, and fairness. When taxpayers perceive that sanctions will be applied consistently and proportionately to violations, deterrence mechanisms function optimally by increasing the perceived costs associated with non-compliance. This perception formation process depends critically on observable enforcement actions that demonstrate institutional follow-through rather than mere policy statements. Consistent application of sanctions signals administrative efficiency and governance quality that reinforces compliance norms (Thompson & Lee, 2022).

Within taxation systems that traditionally integrate both service and enforcement functions, sanctions serve complementary roles alongside educational and supportive initiatives. Maintaining credible sanction threats even amid resource constraints demonstrates institutional prioritization of compliance enforcement and signals administrative commitment to equitable treatment of all taxpayers. The deterrent effect of sanctions becomes particularly salient when combined with transparent communication regarding violation consequences and fair procedures for sanction application (Chen & Williams, 2023).

H_3: Tax sanctions positively and significantly affect individual taxpayer compliance at KPP Pratama Medan Timur

Simultaneous Effects of Tax Socialization, Tax Knowledge, and Tax Sanctions on Taxpayer Compliance

The integration of Planned Behavior Theory and Attribution Theory provides comprehensive theoretical foundation explaining how compliance emerges from complex interactions among multiple influencing factors rather than isolated determinants. Knowledge and socialization function as complementary mechanisms that shape taxpayer attitudes, enhance perceived behavioral control, and build compliance capability, while sanctions provide credible enforcement signals that reinforce compliance motivations and communicate institutional quality (Martinez & Johnson, 2023).

These three factors operate synergistically to create holistic compliance environments. Socialization initiatives establish supportive informational contexts that facilitate knowledge acquisition and communicate enforcement certainty. Tax knowledge enables taxpayers to translate socialization messages into effective compliance behaviors while accurately interpreting sanction implications for their specific circumstances. Sanctions provide credible consequence structures that reinforce lessons conveyed through socialization and motivate practical application of acquired knowledge. This integration generates comprehensive compliance support wherein educational, cognitive, and deterrent elements reinforce one another (Wilson & Martinez, 2024).

Contemporary taxation administration facing transformation through digitalization and evolving regulatory requirements increasingly adopts holistic approaches that balance educational support, capacity building, and credible enforcement. Systems that excel across these multiple dimensions rather than emphasizing single factors in isolation achieve superior

compliance outcomes by addressing the multifaceted nature of compliance decisions. Taxpayers respond most effectively when they possess adequate knowledge to comply accurately, receive ongoing informational support through socialization, and perceive credible enforcement of requirements through consistent sanction application (Harrison & Cooper, 2023).

H_4: Tax socialization, tax knowledge, and tax sanctions simultaneously and significantly affect individual taxpayer compliance at KPP Pratama Medan Timur

RESEARCH METHODOLOGY

Research Design, Location, and Data

This study employs quantitative causal research methodology examining the influence of Tax Socialization (X_1), Tax Knowledge (X_2), and Tax Sanctions (X_3) on Individual Taxpayer Compliance (Y) using primary data from individual taxpayers at KPP Pratama Medan Timur during 2025. Data were obtained through structured questionnaires distributed to selected respondents, providing reliable primary data for comprehensive statistical analysis through survey methodology and quantitative measurement techniques.

Population and Sample The research population comprises all active individual taxpayers registered at KPP Pratama Medan Timur during 2025, totaling approximately 45,000 registered taxpayers. Using purposive sampling, respondents meeting selection criteria were selected: (1) active taxpayer status with current tax identification numbers, (2) minimum two years of tax obligation history, and (3) willingness to participate voluntarily in the research. Sample size determination employed the Slovin formula with 10% margin of error, yielding 120 respondents (Anderson & Roberts, 2023).

Variable Measurement

Individual Taxpayer Compliance (Y) was measured using composite indicators encompassing registration compliance, filing compliance, and payment compliance, reflecting taxpayer discipline in fulfilling obligations (James & Alley, 2020).

Tax Socialization (X_1) employed perception measures of socialization program frequency, content quality, accessibility, and effectiveness representing information dissemination quality (Roberts & Kumar, 2022).

Tax Knowledge (X_2) utilized comprehensive assessment instruments measuring general tax knowledge, technical tax knowledge, and procedural tax knowledge across these three domains

(Palil & Mustapha, 2021).

Tax Sanctions (X_3) was measured using perception indicators assessing sanction awareness, severity perception, certainty perception, and fairness perception depicting enforcement credibility (Garcia & Peterson, 2022).

Data Analysis Technique

Multiple linear regression analysis was employed using IBM SPSS 27 to measure relationship strength and directional influences between variables, with the regression equation: $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$, where α represents intercept constant, β_1-β_3 represent regression coefficients, and ε represents standard error. Hypothesis testing comprised partial tests (t-test) examining individual independent variable effects with significance criteria $Sig < 0.05$ indicating significant influence, simultaneous tests (F-test) determining collective independent variable effects using the same significance threshold, and coefficient of determination (Adjusted R^2) measuring model capability in explaining dependent variable variation, with values ranging from 0 to 1 where higher values indicate stronger explanatory power of independent variables on dependent variables.

RESULTS AND DISCUSSION

Multiple Linear Regression Analysis Multiple linear regression analysis was employed to examine the relationships between independent variables (Tax Socialization, Tax Knowledge, Tax Sanctions) and the dependent variable (Individual Taxpayer Compliance) using the linear equation model. Analysis was processed using IBM SPSS 27 software with results presented below.

Table 1 Multiple Linear Regression Results

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	Std. Error	Beta		
(Constant)	3.813	1.429		2.668	0.009
Tax Socialization (X_1)	0.201	0.066	0.279	3.053	0.003
Tax Knowledge (X_2)	0.025	0.056	0.034	0.449	0.655
Tax Sanctions (X_3)	0.336	0.068	0.451	4.931	0.000

Source: Primary Data Processed by SPSS, 2025

Regression equation: $Y = 3.813 + 0.201X_1 + 0.025X_2 + 0.336X_3 + \varepsilon$

Interpretation: The constant value of 3.813 represents baseline individual taxpayer compliance when all independent variables equal zero. The Tax Socialization coefficient (0.201) indicates that one-unit increases in tax socialization enhance taxpayer compliance by

0.201 units, with other variables held constant. Conversely, one-unit decreases in tax socialization reduce compliance by 0.201 units. The Tax Knowledge coefficient (0.025) demonstrates that one-unit increases in tax knowledge raise compliance by 0.025 units, while decreases produce equivalent reductions, assuming other variables remain constant. The Tax

Sanctions coefficient (0.336) shows that one-unit increases in tax sanctions elevate compliance by 0.336 units, with corresponding decreases reducing compliance by 0.336 units, other variables held constant.

Among the three independent variables, Tax Sanctions (X_3) exerts the strongest influence on Individual Taxpayer Compliance with a coefficient of 0.336, followed by Tax Socialization (X_1) at 0.201, and Tax Knowledge (X_2) at 0.025.

Hypothesis Testing Partial Test (t-test)

The t-test statistical procedure was employed to examine the extent to which each independent variable individually influences the dependent variable. Hypothesis testing criteria include:

- If significance value < 0.05, then H_a is accepted (H_0 is rejected), indicating the independent variable significantly affects the dependent variable
- If significance value > 0.05, then H_0 is accepted (H_a is rejected), indicating the independent variable does not significantly affect the dependent variable

Hypothesis testing results from partial statistical procedures (t-test) are presented in the following table :

Table 2 Statistical t-test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.813	1.429		2.668	0.009
Tax Socialization (X_1)	0.201	0.066	0.279	3.053	0.003
Tax Knowledge (X_2)	0.025	0.056	0.034	0.449	0.655
Tax Sanctions (X_3)	0.336	0.068	0.451	4.931	0.000

Source: Primary Data Processed by SPSS, 2025

Based on Table 2, partial hypothesis testing conclusions for each independent variable are as follows:

1. Tax Socialization (X_1) Effect on Individual Taxpayer Compliance (Y)
   The calculated t-value for Tax Socialization obtained was 3.053 with a significance value of 0.003. The significance value for the t-test obtained (0.003) is smaller than the established alpha significance level of 0.05, indicating that H_a is accepted (H_0 is rejected). This demonstrates that Tax Socialization exerts positive and statistically significant partial effects on Individual Taxpayer Compliance
2. Tax Knowledge (X_2) Effect on Individual Taxpayer Compliance (Y)
   The calculated tvalue for Tax Knowledge obtained was 0.449 with a significance value of 0.655. The

significance value for the t-test obtained (0.655) exceeds the established alpha significance level of 0.05, indicating that H_0 is accepted (H_a is rejected). This demonstrates that Tax Knowledge does not exert statistically significant partial effects on Individual Taxpayer Compliance.

3. Tax Sanctions (X_3) Effect on Individual Taxpayer Compliance (Y) The calculated tvalue for Tax Sanctions obtained was 4.931 with a significance value of 0.000. The significance value for the t-test obtained (0.000) is smaller than the established alpha significance level of 0.05, indicating that H_a is accepted (H_0 is rejected). This demonstrates that Tax Sanctions exerts positive and statistically significant partial effects on Individual Taxpayer Compliance.

Simultaneous Test (F-test)

The F-test was conducted to determine whether independent variables collectively or simultaneously exert influence on the dependent variable, with significant relationships indicated when obtained significance values are less than 0.05.

Table 3 ANOVA Test Results

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	124.601	3	41.534	24.167	.000[b]
	Residual	171.861	100	1.719		
	Total	296.462	103			

Source: Primary Data Processed by SPSS, 2025

Based on Table 3, simultaneous significance testing conclusions indicate an obtained significance value of 0.000, which is smaller than the 0.05 threshold. Therefore, it can be concluded that Tax Socialization (X_1), Tax Knowledge (X_2), and Tax Sanctions (X_3) collectively exert statistically significant effects on Individual Taxpayer Compliance (Y).

Coefficient of Determination (R^2)

Table 4 Model Summary

Model	R	R Square	Adjusted Square	Std. Error Estimate Of the	Durbin-Watson
1	0.648[a]	0.420	0.403	1.31096	1.423

Source: Primary Data Processed by SPSS, 2025

Based on Table 4 above, the coefficient of determination (R Square) obtained was 0.420. This indicates that independent variables comprising Tax Socialization (X_1), Tax Knowledge (X_2), and Tax Sanctions (X_3) collectively explain variation in the dependent variable Individual Taxpayer Compliance (Y). The remaining variance is attributable to other variables not examined in this research.

The Adjusted R Square value of 0.403 demonstrates that after adjustment for the number of variables and sample size, the independent variables' capacity to explain the dependent variable amounts to a substantial proportion, indicating meaningful explanatory power of the model.

DISCUSSION OF RESEARCH FINDINGS Tax Socialization (X_1) Effect on Individual Taxpayer Compliance (Y)

Tax socialization constitutes systematic efforts undertaken by the Directorate General of Taxes to provide understanding, information, and guidance to society, particularly taxpayers, regarding all matters related to taxation and tax legislation. Enhanced quality and intensity of tax socialization correlates with increased taxpayer compliance in fulfilling taxation obligations.

In this research, tax socialization exerts positive and statistically significant effects on individual taxpayer compliance. This relationship stems from active initiatives by the Directorate General of Taxes in conducting taxation socialization to society through various media channels and activities, enabling taxpayers to develop superior understanding regarding their taxation rights and obligations.

This finding is substantiated by research results demonstrating a calculated t-value of 3.053 with a significance value of 0.003. The obtained significance value of 0.003 falls below the established alpha significance threshold of 0.05, confirming that Tax Socialization exerts positive and statistically significant partial effects on Individual Taxpayer Compliance.

This research aligns with theoretical frameworks suggesting that effective taxation socialization enhances taxpayer awareness and comprehension, ultimately elevating taxation compliance levels. Through intensive socialization initiatives, taxpayers develop improved understanding regarding the importance of tax payment as contributions toward national development. Well-designed socialization programs function as communication mechanisms between tax authorities and citizens, building trust relationships and facilitating voluntary compliance cultures rather than mere enforcement-driven compliance patterns.

Tax Knowledge (X_2) Effect on Individual Taxpayer Compliance (Y)

In this research, tax knowledge does not exert statistically significant partial effects on individual taxpayer compliance. This finding may be attributed to the reality that although taxpayers possess taxation knowledge, such knowledge is not necessarily implemented in their actual compliance behaviors. Other factors including motivation, awareness, enforcement certainty, and sanction perceptions may play more substantial roles in determining compliance levels.

Additionally, tax knowledge possessed by respondents may remain general in nature rather than specific to their obligations as individual taxpayers. Knowledge that lacks comprehensiveness or fails to remain current with recent taxation regulation developments may also cause tax knowledge to demonstrate insignificant effects on compliance behavior. Furthermore, the translation of knowledge into actual compliance action requires additional motivational and situational factors beyond mere cognitive understanding of requirements.

This conclusion derives from obtained t-value of 0.449 with significance value of 0.655. The obtained significance value of 0.655 exceeds the established alpha significance threshold of 0.05, confirming that Tax Knowledge does not exert statistically significant partial effects on Individual Taxpayer Compliance.

Research findings indicate that tax knowledge alone proves insufficient to drive taxpayer compliance. Supporting factors including tax awareness, quality service delivery by tax officials, transparent administrative procedures, and consistent sanction enforcement are required to enhance individual taxpayer compliance. The knowledge-compliance relationship appears mediated by attitudinal and motivational factors that determine whether cognitive understanding translates into behavioral compliance.

Tax Sanctions (X_3) Effect on Individual Taxpayer Compliance (Y)

Research findings demonstrate positive and statistically significant relationships between tax sanctions and individual taxpayer compliance. This indicates that taxation sanctions implemented by government authorities prove sufficiently effective in enhancing taxpayer compliance. Clear and consistently enforced tax sanctions provide deterrent effects for non-compliant taxpayers while simultaneously providing motivation for taxpayers to fulfill their taxation obligations appropriately.

Tax sanctions implemented through both administrative penalties and criminal sanctions constitute strong driving factors encouraging taxpayers to comply in executing their taxation obligations. Taxpayers demonstrate tendencies toward compliance with taxation regulations when they understand consequences resulting from taxation regulation violations. The certainty of sanction application, rather than merely severity of penalties, emerges as the critical determinant of deterrent effectiveness.

The Tax Sanctions variable demonstrates a calculated t-value of 4.931 with significance value of 0.000. The obtained significance value of 0.000 falls below the established alpha significance threshold of 0.05, confirming that Tax Sanctions exerts positive and statistically significant partial effects on Individual Taxpayer Compliance.

From regression coefficient results, Tax Sanctions exerts the strongest influence (0.336) compared to other variables, indicating that sanctions constitute the dominant factor in enhancing individual taxpayer compliance. This finding underscores that consistent and equitable tax law enforcement proves critically important for improving taxpayer compliance. However, sanction effectiveness depends not merely on penalty severity but equally on perceived enforcement certainty, procedural fairness, and integration with supportive educational initiatives that help taxpayers understand and fulfill their obligations.

Simultaneous Effects of Tax Socialization (X_1), Tax Knowledge (X_2), and Tax Sanctions (X_3) on Individual Taxpayer Compliance (Y)

Individual taxpayer compliance emerges as the outcome of various interacting factors, including tax socialization, tax knowledge, and tax sanctions. Effective tax socialization provides information and understanding to taxpayers regarding taxation importance and proper procedures for fulfilling taxation obligations. Tax knowledge provides cognitive foundations enabling taxpayers to comprehend taxation systems. Meanwhile, tax sanctions provide deterrence effects encouraging taxpayers toward compliance.

These three elements interconnect and collectively contribute toward enhanced taxpayer compliance outcomes. Based on F-test results (Table 3), simultaneous significance testing conclusions indicate an F-value of 24.167 with significance value of 0.000, which falls below the 0.05 threshold. Therefore, it can be concluded that Tax Socialization, Tax Knowledge, and Tax Sanctions collectively exert statistically significant effects on Individual Taxpayer Compliance.

The coefficient of determination (R^2) value indicates that the three independent variables collectively explain substantial variance in taxpayer compliance, while remaining variance is influenced by other factors not examined in this research, including tax authority service quality, taxpayer financial conditions, taxation awareness, trust in government institutions, ease of compliance procedures, digital system quality, peer compliance behavior, and various other contextual factors.

This finding underscores the importance of integrated tax administration approaches that balance educational support, capacity building, and credible enforcement mechanisms. Optimal compliance outcomes require simultaneous attention to multiple dimensions rather than isolated emphasis on single factors, with synergistic effects emerging when socialization enhances knowledge acquisition, knowledge enables effective response to socialization messages, and sanctions provide credible consequence structures reinforcing compliance motivations derived from education and understanding.

CONCLUSIONS AND RECOMMENDATIONS Conclusions

This research was conducted to examine the magnitude of influence exerted by tax socialization, tax knowledge, and tax sanctions variables, both partially and simultaneously, on individual taxpayer compliance.

Based on research findings, several conclusions can be drawn as follows:

1. Tax Socialization exerts positive and statistically significant partial effects on Individual Taxpayer Compliance as demonstrated by a significance value of $0.003 < 0.05$ and positive regression coefficient of 0.201.
2. Tax Knowledge does not exert statistically significant partial effects on Individual Taxpayer Compliance as demonstrated by a significance value of $0.655 > 0.05$.
3. Tax Sanctions exerts positive and statistically significant partial effects on Individual Taxpayer Compliance as demonstrated by a significance value of $0.000 < 0.05$ and positive regression coefficient of 0.336.
4. Tax Socialization, Tax Knowledge, and Tax Sanctions collectively exert statistically significant effects on Individual Taxpayer Compliance with an F-value of 24.167 and significance of $0.000 < 0.05$.
5. The predictive capacity of the three independent variables on Individual Taxpayer Compliance amounts to substantial explanatory power ($R^2 = 0.420$), while remaining variance is explained by other variables not examined in this research.
6. Tax Sanctions constitutes the most dominant variable influencing Individual Taxpayer Compliance with

a regression coefficient of 0.336, followed by Tax Socialization at 0.201.

Recommendations

Based on research findings and conclusions, recommendations for future research include:

1. Extend sample sizes and geographical coverage to enhance result generalizability across diverse Indonesian regional contexts.
2. Incorporate additional variables potentially influencing taxpayer compliance including tax awareness, service quality, financial conditions, government trust, e-Filing system understanding, and perceived tax system fairness, enhancing model explanatory power.
3. Employ alternative research methodologies including longitudinal panel data designs examining causal mechanisms more rigorously, mixed-methods approaches combining quantitative analysis with qualitative case studies for contextual depth, and comparative studies across different taxpayer segments to identify differential compliance patterns.

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