



UDC 332

ANALYSIS OF FACTORS INFLUENCING TAXPAYER COMPLIANCE IN PAYING RURAL AND URBAN LAND AND BUILDING TAX IN DENPASAR CITY

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ABSTRACT

This study examines factors influencing taxpayer compliance in paying Rural and Urban Land and Building Taxes (PBB-P2) in Denpasar City. Using a quantitative approach, data were collected through questionnaires from 100 taxpayers selected via purposive sampling. Respondents' perceptions of key variables, taxpayer income, tax apparatus services, tax knowledge, and law enforcement were analyzed using a Likert scale and statistical methods. The findings reveal that higher income levels, efficient tax apparatus services, and greater tax knowledge positively influence compliance. Additionally, effective law enforcement, including penalties for non-compliance, reinforces adherence to tax regulations. The study underscores the need for improved tax education, enhanced service quality, and consistent law enforcement to boost taxpayer compliance, offering actionable insights for policymakers and local governments.

KEY WORDS

Taxpayer income, apparatus services, tax knowledge, tax law enforcement, compliance.

According to Government Regulation of the Republic of Indonesia, Number 12 of 2019 concerning Regional Financial Management, Regional Finance is all rights and obligations of the Region in the context of organizing Regional Government that can be valued in money and all forms of wealth that the Region can own in connection with the rights and obligations of the Region. The region's right is to seek sources of regional income in the form of regional tax levies and levies and other sources of income per the provisions of applicable laws and regulations. The region must carry out optional government affairs. Because of his position, the holder of the Regional Financial Management Authority is the Regional Head, who has the authority to organize the overall management of regional finances. The Regional Government certainly requires funds to carry out Development and government activities; the funds needed to finance development come from levies in the form of taxes, which are believed to be the backbone of development. The active participation of the community as Taxpayers (WP) is needed to contribute to the Region in the form of taxes so that all development activities can run smoothly. One type of tax that the community must pay as Taxpayers is the Rural and Urban Land and Building Tax (PBB-P2). High compliance from PBB-P2 Taxpayers is needed for smooth tax collection. Taxpayer compliance is a condition in which taxpayers fulfil all tax obligations and exercise their tax rights. However, local governments have difficulty collecting taxes, and the obstacles faced are low levels of taxpayer compliance and public trust in the tax administration. The Denpasar City Government, as the Regional Head, has the right to collect PBB-P2. This right is delegated to the Denpasar City Regional Revenue Agency (Bapenda) as the technical implementer in collecting taxes, levies, and other regional revenues. In the implementation of PBB-P2 collection, there are still many obstacles faced by the Denpasar City Bapenda, including the lack of public awareness in paying PBB-P2, as evidenced by the large PBB-P2 receivables in Denpasar City. It is suspected that the large PBB-P2 tax receivables are caused by Taxpayers not paying taxes or paying late, resulting in quite large PBB-P2 arrears.

The amount of PBB-P2 Receivables in Denpasar City is suspected to be influenced by the income factor of Taxpayers during the Covid-19 Pandemic, the service of tax officials handling PBB-P2 is less than satisfactory, Taxpayers' knowledge of taxation is lacking, and



tax law enforcement is not yet optimal. Devano and Rahayu (2006:120) state that the causes of taxpayers' non-compliance vary; the main reason is the nature of the income obtained by taxpayers, which is mainly intended to meet their living needs. When the obligation to pay taxes to the state arises, a conflict arises between self-interest and the interests of the state, which, in general, personal interests always win. Nor Hadi (2018) studied the effect of tax service quality on taxpayer compliance, showing that three variables do not affect taxpayer compliance: tangible, responsiveness, and assurance. At the same time, empathy and reliability are the two variables that have a significant influence. Tax payments by taxpayers to the state are transactions between the state and society. The form of transaction between the government and Taxpayers will determine Taxpayer satisfaction. This satisfaction will affect taxpayers' willingness to pay taxes. The more satisfied Taxpayers are in transacting with the government, the more loyal they will be to paying their taxes. So, there is a reciprocal relationship between tax compliance and government performance.

Table 1 – Number of PBB-P2 Taxpayers and PBB-P2 Receivables for the 2020-2022 Fiscal Year

Year	Number of Taxpayers (People)	PBB-P2 Receivables (Rp.)
2020	188.342	502.437.427.393
2021	192.297	527.390.187.192
2022	197.704	555.801.871.112

Source: Denpasar City Bapenda, 2023.

Noviani (2005), in her research, showed that tax knowledge positively influences Taxpayer compliance. The greater the tax knowledge, the greater the Taxpayer's compliance in paying taxes. This is because Tax knowledge makes Taxpayers understand and comprehend the importance of paying taxes. A fairly good level of knowledge is manifested in the form of tax awareness and willingness to fulfil their tax obligations. Siti Kurnia (2010:94) states that good tax administration also requires the availability of qualified, skilled, highly dedicated tax employees who have proven intellectual abilities and, of course, integrity; no less important is the implementation of firm and consistent tax law enforcement in the form of tax sanctions and audits. Based on this phenomenon, the researcher feels it is appropriate to research the Factors Influencing Taxpayer Compliance in Paying Rural and Urban Land and Building Taxes in Denpasar City. This study aims to obtain empirical evidence and increase scientific insight into regional taxation and regional finance, namely analyzing and formulating the influence of taxpayer income on taxpayer compliance in paying rural and urban land and building taxes in Denpasar City and analyzing and formulating the influence of income tax apparatus services on taxpayer compliance in paying rural and urban land and building taxes in Denpasar City and analyzing and formulating the influence of tax knowledge on taxpayer compliance in paying rural and urban land and building taxes in Denpasar City and analyzing and formulating the influence of tax law enforcement on taxpayer compliance in paying rural and urban land and building taxes in Denpasar City.

LITERATURE REVIEW

This study uses the Attribution Theory developed by (Heider, 1958), which studies the process of how a person interprets an event, reason, or cause of their behaviour. The same thing was stated by (Michael & Dixon, 2019), that attribution theory explains how humans judge people differently, depending on what meaning is associated with a particular behaviour. If someone behaves disobediently, there must be a reason, such as low income levels, poor service, lack of knowledge and inconsistent and indecisive law enforcement.

Legitimacy theory is one of the most widely mentioned theories in social and environmental accounting (Tilling, 2004). Naser, AlHussaini, Al-Kwari, and Nuseibeh (2006) stated that legitimacy theory has been used to develop a theory of social and environmental responsibility disclosure. Legitimacy theory is based on social contact between an institution and society, where an institutional goal is needed that is congruent with the values that exist



in a society. According to this theory, the actions of an institution must have activities and performances that are acceptable to the community. Suppose an institution wants its community to comply. In that case, it must provide good service to the community and increase public understanding by socializing regulations, and their implementation must be clear, firm, and consistent.

Taxpayers, according to the Law of the Republic of Indonesia Number 16 of 2009 concerning General Provisions and Tax Procedures, are individuals or entities, including taxpayers, tax withholdings, and tax collectors, with tax rights and obligations by the provisions of tax laws and regulations.

According to Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions, rural and urban land and Building Tax is a tax on land and/or buildings owned, controlled, and/or utilized by individuals or entities, except for areas used for plantation, forestry, and mining business activities.

Tax compliance is the behaviour of taxpayers (individuals or corporations) to fulfil all tax obligations and exercise their tax rights in accordance with applicable laws and regulations.

The framework of this study is to determine whether taxpayer income, tax services, tax knowledge, and tax law enforcement affect taxpayer compliance in paying rural and urban land and building taxes in Denpasar City.

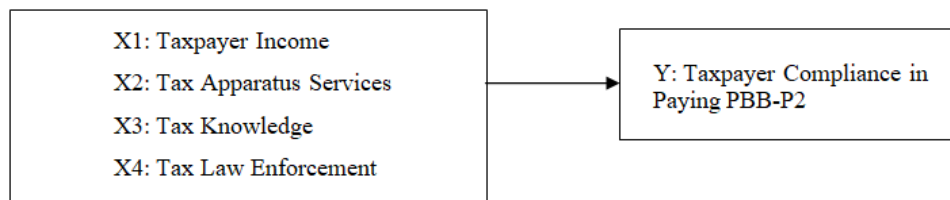


Figure 1 – Framework of Thought

This study uses two theories and previous studies to build hypotheses and discuss results. Attribution theory is used to find out what causes taxpayers to decide not to pay taxes or not to pay taxes; according to attribution theory, internal and external factors can influence it. Second, legitimacy theory states that taxpayers pay taxes based on social contact between the government and the community, so the government's goals must be congruent with society's values. According to legitimacy theory, government actions must have activities and performances acceptable to the community. Wulandari (2007) conducted previous research examining the effect of income, service quality, and law enforcement on Taxpayer compliance in paying Land and Building Taxes. The study's results showed a significant influence of income, service quality, and law enforcement on Taxpayer compliance in paying PBB. Nurrohmah (2008) examined the effect of Taxpayer income, knowledge, and tax apparatus services on Taxpayer compliance in paying land and building taxes. The study's results showed a significant influence of income, knowledge, and apparatus services on Taxpayer compliance. Siti Kurnia (2010:94), the implementation of good tax administration also requires the availability of qualified, skilled, highly dedicated tax officials who have proven intellectual abilities and, of course, have integrity; no less important is the implementation of firm and consistent tax law enforcement, in the form of enforcement of sanctions and tax audits, Based on previous theoretical and research studies, the hypotheses proposed in this study are:

- H1: Taxpayer income factors positively affect Taxpayer compliance in paying Rural and Urban Land and Building taxes in Denpasar City;
- H2: Tax apparatus service factors positively affect taxpayer compliance in paying rural and urban land and building taxes in Denpasar City;
- H3: Tax knowledge factors positively affect Taxpayer compliance in paying Rural and Urban Land and Building taxes in Denpasar City;
- H4: Tax law enforcement factors positively affect Taxpayer compliance in paying Rural and Urban Land and Building taxes in Denpasar City.



METHODS OF RESEARCH

This research is quantitative, namely, research that reveals the magnitude or smallness of the influence or relationship between variables expressed in numbers. It collects data that support factors for the influence between the variables studied and then analyzes them using analytical tools that are in accordance with the variables in the study (Sugiono, 2017). The research was conducted in Denpasar City. The location was chosen because of the large amount of PBB-P2 tax receivables, which indicate the large amount of tax arrears that have not been paid by PBB-P2 Taxpayers. The qualitative data used in this study are research instrument data, literature, journals and books.

b) Quantitative Data is data in the form of numbers or qualitative data that is quantified (Sugiyono, 2017). The quantitative data used in this study is the number of PBB-P2 Taxpayers in Denpasar City. The data sources used in this study are primary data, namely data obtained directly from the source, from individuals (Sugiyono, 2017), such as the results of filling out questionnaires by respondents, and secondary data, namely data obtained by researchers through intermediaries, such as from other people or document data (Sugiyono, 2017), in the study of the number of Taxpayers and PBB-P2 Tax Receivables in Denpasar City.

The research instrument measures the value of the variables studied, so the number of instruments used depends on the number of variables studied (Sugiyono, 2017). The measurement scale used in this study is the Likert scale. The Likert scale is a scale used to measure the attitudes, opinions, and perceptions of an individual or group of people about social phenomena (Sugiyono, 2017). The statements used are positive statements with the criteria of strongly disagree (STS), disagree (TS), agree (S) and strongly agree (SS) with a value range of 1-4 points for each research variable. Operational definitions of variables and statement indicators for measuring each variable in the study are presented as follows.

Taxpayer Income (X1): Taxpayer Income is the net income received by Taxpayers from their main job and side jobs in one month.

Tax Apparatus Services (X2): The tax services referred to in this study are PBB-P2 services, which include payment services, objection and reduction services and information delivery services provided by officers handling PBB-P2 to PBB-P2 WP.

Tax Knowledge (X3): Tax knowledge is everything that Taxpayers know and understand regarding taxes, especially Land and Building Tax.

Tax Law Enforcement (X4): Law enforcement is applying law by applicable laws and regulations, especially tax laws. As for measuring tax law enforcement, indicators of sanctions and justice are used.

The dependent variable in this study is taxpayer compliance in paying PBB-P2, which means taxpayer compliance in paying Rural and Urban Land and Building Tax, which is the attitude shown to try to fulfil the obligation to pay PBB-P2 tax.

The population in this study was 197,704 PBB-P2 Taxpayers in Denpasar City. The method for determining the number of samples using the Slovin formula.

In selecting respondents as research samples, researchers use the probability sampling method, where each individual or object in a population has an equal opportunity to be selected as a research sample (Sugiyono, 2017, p. 140). Sample selection is carried out by simple random sampling so that the existing research data can describe the actual population conditions by providing equal opportunities without regard to the level or position of society (strata) to the population to be used as samples (Sugiyono, 2017, p. 140). The research respondents were 100 PBB-P2 Individual Taxpayers in Denpasar City.

RESULTS AND DISCUSSION

Based on the questionnaire that can be processed, a respondent profile is obtained as a reference in viewing the characteristics of the research sample respondents. The characteristics of 100 respondents who participated in this study are presented in Table 2.



Table 2 – Respondent Characteristics

Information	Number of Respondents	Percentage (%)
Gender		
Female	52	52
Male	48	48
Total	100	100
Age		
<30	21	21
31-40	12	12
41-50	20	20
51-60	33	33
>60	14	14
Total	100	100
Education		
Junior High School	1	1
Senior High School/Vocational High School	7	7
Diploma 3	4	4
Bachelor's Degree	25	25
Master's Degree	46	46
Doctoral Degree	16	16
Other	1	1
Total	100	100
Occupation		
Civil Servants	71	71
Private Employees	18	18
Self-Employed	11	11
Total	100	100

Source: Processed data in 2024.

This test measures the correlation between total scores to obtain the Pearson correlation value. Items in questions or statements must have a coefficient > 0.30 and an error rate (Alpha) of 0.05 to be valid in the questionnaire (Sugiyono, 2017). The results of the validity test in this study are presented in Table 2 below.

Table 2 - Validity Test Results

No	Variable	Question Items	Pearson Correlation	Information
1	Taxpayer Income (X_1)	$X_{1,1}$	1,000	Valid
		$X_{2,1}$	0,740	Valid
		$X_{2,2}$	0,699	Valid
		$X_{2,3}$	0,750	Valid
		$X_{2,4}$	0,773	Valid
2	Tax Apparatus Services (X_2)	$X_{2,5}$	0,718	Valid
		$X_{2,6}$	0,731	Valid
		$X_{2,7}$	0,619	Valid
		$X_{3,1}$	0,566	Valid
		$X_{3,2}$	0,685	Valid
		$X_{3,3}$	0,691	Valid
		$X_{3,4}$	0,728	Valid
3	Tax Knowledge (X_3)	$X_{3,5}$	0,550	Valid
		$X_{3,6}$	0,651	Valid
		$X_{4,1}$	0,619	Valid
		$X_{4,2}$	0,590	Valid
		$X_{4,3}$	0,695	Valid
4	Tax Law Enforcement (X_4)	$X_{4,4}$	0,759	Valid
		$X_{4,5}$	0,699	Valid
		$Y_{,1}$	0,510	Valid
		$Y_{,2}$	0,651	Valid
		$Y_{,3}$	0,799	Valid
5	Taxpayer Compliance (Y)	$Y_{,4}$	0,787	Valid
		$Y_{,5}$	0,715	Valid
		$Y_{,6}$	0,748	Valid
		$Y_{,7}$	0,543	Valid
		$Y_{,8}$	0,794	Valid

Source: Data Processed in 2024.



Based on the results of the validity test in Table 2 show that each statement gets a score greater than 0.30. Thus, it can be said that the statement items in the questionnaire are research instruments to measure the variables of Taxpayer income (X1), tax apparatus services (X2), tax knowledge (X3), tax law enforcement (X4), and Taxpayer compliance (Y) are declared valid. These results indicate that the variables in this study can be analyzed further.

The instrument is said to be stable when the Cronbach's Alpha value in the test is more than 0.6. The results of the reliability test in this study are presented in Table 3. Based on Table 3, the Cronbach's alpha value of each variable is greater than 0.60. This means that all research instruments are considered reliable and suitable for data collection. Cronbach's alpha value > 0.60 means the measurement provides consistent results when re-measured on the same subject at different times. Each instrument in this study can be analyzed further.

Table 3 – Reliability Test Results

No	Variable	Cronbach's Alpha	Information
1	Taxpayer Income (X1)	1,000	Reliable
2	Tax Apparatus Services (X2)	0,837	Reliable
3	Tax Knowledge (X3)	0,707	Reliable
4	Tax Law Enforcement (X4)	0,695	Reliable
5	Taxpayer Compliance (Y)	0,845	Reliable

Source: Data processed in 2024.

Descriptive statistical tests aim to provide an overview of each variable that shows the minimum, maximum, average, and standard deviation values. The average value shows the respondent's assessment or the tendency of respondents' answers for each variable studied. Meanwhile, the standard deviation describes the difference in the value of the data studied with its average value. The standard deviation value indicates the low variation in the maximum and minimum values, which is smaller than the average value during the observation period. In other words, there is no significant gap between the highest and lowest values. This test also generalizes respondents' answers to questions or statements contained in the questionnaire and respondents' responses. The results of descriptive statistical tests of ordinal data are presented in Table 4 below.

Table 4 – Results of Descriptive Statistical Tests

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Taxpayer Income (X1)	100	2	4	3,25	0,557
Tax Apparatus Services (X2)	100	15	28	22,29	3,176
Tax Knowledge (X3)	100	15	24	19,55	2,236
Tax Law Enforcement (X4)	100	10	19	15,06	2,291
Taxpayer Compliance (Y)	100	20	32	26,48	3,233

Source: Data processed in 2024.

Table 4 presents the results of descriptive statistical tests, showing each variable's minimum value, maximum value, average, and standard deviation. If the following classical assumptions can be met, the research regression model will be more appropriate and produce more accurate calculations.

The normality of the data in the study was tested using the Kolmogorov-Smirnov test. The data is said to be normally distributed if Asymp.Sig (2-tailed) is greater than the level of significance used, which is 5% (0.05).

Table 5 – Normality Test Results

	Unstandardized Residual
N	100
Kolmogorov-Smirnov Test Z	0,064
Asymp.Sig. (2-tailed)	0,200

Source: Data processed in 2024.



In Table 5, the results of the normality test show a Kolmogorov-Smirnov value of 0.064 with an Asymp-Sig. (2-tailed) value of 0.200. These results indicate that the Asymp-Sig. (2-tailed) value of 0.200 is greater than the significance level of 5% (0.05). It can be concluded that the data used in this study are normally distributed. When the Tolerance value is more than 0.10, or the VIF value is less than 10, the regression model is said to be free from multicollinearity symptoms. The results of the multicollinearity test in this study are presented in Table 6 below.

Table 6 – Multicollinearity Test Results

No	Variable	Collinearity Statistics	
		Tolerance	VIF
1	Taxpayer Income (X1)	0,904	1,106
2	Tax Apparatus Services (X2)	0,507	1,971
3	Tax Knowledge (X3)	0,537	1,862
4	Tax Law Enforcement (X4)	0,707	1,415

Source: Data Processed in 2024.

It can be concluded that the tolerance value of the four independent variables is more than 0.10 and the VIF value is less than 10, so the independent variables in the existing regression model do not show symptoms of multicollinearity. The heteroscedasticity test uses the Glejser test. The test model will regress the absolute value of the residual with the independent variable. If the significance value is greater than 0.05, then there is no heteroscedasticity in the regression model, and vice versa.

Table 7 – Heteroscedasticity Test Results

No	Variable	Sig
1	Taxpayer Income (X1)	0,839
2	Tax Apparatus Services (X2)	0,307
3	Tax Knowledge (X3)	0,790
4	Tax Law Enforcement (X4)	0,344

Source: Data Processed in 2024.

Table 7 shows the results of the heteroscedasticity test; the significance value of each independent variable is greater than 0.05. This shows that all independent variables in the regression model do not contain heteroscedasticity. Multiple linear regression analysis aims to test whether the existing hypothesis is appropriate to see the effect of Taxpayer income (X1), tax apparatus services (X2), tax knowledge (X3), and tax law enforcement (X4) on Taxpayer compliance (Y).

Table 8 – Multiple Linear Regression Analysis Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	5,231	2,493		2,098	0,039
Taxpayer Income (X1)	1,154	0,465	0,199	2,482	0,015
Tax Apparatus Services (X2)	0,224	0,109	0,220	2,052	0,043
Tax Knowledge (X3)	0,347	0,150	0,240	2,309	0,023
Tax Law Enforcement (X4)	0,380	0,128	0,269	2,970	0,004

Dependent Variable: Taxpayer Compliance

Source: Data Processed in 2024.

Table 8 shows the results of the multiple linear regression analysis, showing the regression coefficient values of the independent variables (taxpayer income, tax apparatus services, tax knowledge, and tax law enforcement) and the constant value of the dependent variable (taxpayer compliance). Based on these results, the following multiple linear regression equation can be obtained.



$$Y = 5,231 + 1,154 X_1 + 0,224 X_2 + 0,347 X_3 + 0,380 X_4$$

The determination coefficient (R²) test aims to measure how far the model can explain the dependent variable's variation. The value of the determination coefficient is between zero and one; the value will be said to be better if it approaches one. However, there is a weakness in the R² test; namely, there is a bias towards the number of independents entered into the model, so it is recommended to use the adjusted R² value when evaluating. The results of the determination coefficient test are presented in Table 9 below.

Table 9 – Results of Determination Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,669	0,448	0,425	2,452

Source: Data processed in 2024.

In Table 9, the value of adjusted R² is 0.425. This means that 42.5 percent of the dependent variable, namely taxpayer compliance, can be explained by taxpayer income, tax apparatus services, tax knowledge, and tax law enforcement. The remaining 57.5 percent is influenced by other variables that are not included in this research model.

This test compares the significance level of each independent variable with a significance level of 5% or 0.05. If the regression model has a significance value <0.05, then the regression model is suitable for use as a research analysis tool. The test results are presented in Table 10 below.

Table 10 – Model Feasibility Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	463,619	4	115,905	19,272	0,000
	Residual	571,341	95	6,014		
	Total	1.034,960	99			

Source: Data processed in 2024.

Table 10 shows that the F count is 19.272 with the value h a sign of a finance level of 0.000, which is smaller than $\alpha = 0.05$. Based on this value, this research model is suitable for use to prove provinces, namely to explain t, explaining of Taxpayer income (X1), tax apparatus services (X2), tax knowledge (X3), tax law enforcing cement (X4) on Taxpayer compliance (Y).

A hypothesis test or t-statistic test is used to determine the effect of each independent variable on the dependent variable. This test is done by comparing each independent variable's significance level with a significance level of $\alpha = 0.05$. If the significance value of the independent variable <the significance level of 0.05, then the hypothesis is accepted, or the independent variable affects the dependent variable.

Table 11 – Hypothesis Test Results

Variable	t-test	Sig.	Information
(Constant)	2,098	0,039	
Taxpayer Income (X1)	2,482	0,015	H1 accepted
Tax Apparatus Services (X2)	2,052	0,043	H2 accepted
Tax Knowledge (X3)	2,309	0,023	H3 accepted
Tax Law Enforcement (X4)	2,970	0,004	H4 accepted

Source: Data processed in 2024

Table 11 shows that the Taxpayer income variable has a t count of 2.482 with a significance of 0.015 <0.05 (significant). This value indicates that Taxpayer income positively and significantly affects Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the greater the Taxpayer's income, the greater the amount of tax to be paid, and



the Taxpayer's compliance will also increase. The results of this study support the attribution theory, which states that a person will comply and carry out their obligations in this study to pay taxes if the person concerned has the ability, namely income. The results of the study are also in line with the results of previous studies conducted by Wulandari (2007) and Nurrohman (2008). The tax apparatus service variable has a t count of 2.052 with a significance of $0.043 < 0.05$ (significant). This value shows that the service of tax officials has a positive and significant effect on taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the better the service of tax officials, the more compliance will increase. The results of the study support the legitimacy theory which states that the better the activities and performance of the institution in this study, the tax officials, the more public trust will increase and support these activities. In line with the results of research conducted by Nurrohman (2008) and Siti Kurnia (2010).

The tax knowledge variable has a t count of 2.309 with a significance of $0.023 < 0.05$ (significant). This value shows that tax knowledge positively and significantly affects taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that taxpayer compliance will increase if taxpayer knowledge is good about taxation.

The tax law enforcement variable has a t count of 2.970 with a significance of $0.004 < 0.05$ (significant); this indicates that tax law enforcement has a positive and significant effect on Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. The results of this study mean that if tax law is enforced fairly, clearly, firmly and consistently, then Taxpayer compliance will increase in line with the results of Siti Kurnia's research (2010:94), which states that the implementation of law enforcement (tax law enforcement) firmly and consistently, in the form of enforcing sanctions and tax audits, can increase Taxpayer compliance.

CONCLUSION

The research results conclude that Taxpayer income has a positive and significant effect on Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the higher the taxpayer's income is, the higher the level of taxpayer compliance is. Tax apparatus services positively and significantly affect Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the higher the tax apparatus services, the higher the level of Taxpayer compliance. Tax knowledge positively and significantly affects Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the higher the tax knowledge of Taxpayers, the higher the level of compliance. Tax law enforcement positively and significantly affects Taxpayer compliance for PBB-P2 Taxpayers in Denpasar City. This means that the higher the tax law enforcement from the tax apparatus, the higher the level of Taxpayer compliance. Suggestions that can be given to Bapenda Denpasar City are to routinely provide socialization of Regional Regulations on PBB-P2, improve the quality of service and enforce strict and consistent laws to improve compliance for Taxpayers. For PBB-P2 Taxpayers, must always follow and understand tax regulations to avoid tax sanctions. This study has limitations, namely that it only examines PBB-P2 taxpayers in Denpasar City, so the results of the study cannot be generalized to other regions. Subsequent researchers can add other variables affecting PBB-P2 Taxpayer compliance, such as collection and payment systems, tax benefit principles, and tax e-systems.

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