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THE EFFECT OF THE COMPLEXITY OF TAX REGULATIONS AND PRINCIPLES OF JUSTICE TO TAXPAYER COMPLIANCE

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Abstract:

Taxes are an obligation for every citizen and are a source of income for the state to finance development. This research aims to find the effect of the complexity of tax regulations and the principles of justice on taxpayer compliance. Respondents' research included 148 individual taxpayers who own businesses. The research results show that the complexity of tax regulations has a significant negative effect of -0.253 on taxpayer compliance, and 0,501, the principles of justice, have a significant positive effect on taxpayer compliance. An R square shows that independent variables will influence 45.5% on increasing taxpayer compliance. The correlation coefficient (R) is 0.674, and the degree of the relationship between all independent variables means that the correlation between the independent and dependent variables is 0.674. Based on the correlation coefficient interpretation guidelines, the relationship between the complexity of tax regulations and the principle of justice on taxpayer compliance is strong. Empirically, this research shows that the principle of justice influences taxpayer compliance, but the low complexity of tax regulations can increase taxpayer compliance. Therefore, this research implies that the government must further simplify tax regulations to encourage taxpayers to comply.

Keywords: Taxpayers, Regulations, Tax, Justice, Compliance, Business, Complexity, Government

INTRODUCTION

Taxes have always been a priority for the government. The higher the tax revenue to finance operations and development, the greater the dependence on financing from other countries will decrease. The government took various policies to encourage increased tax revenues and, most importantly, taxpayer compliance. The Indonesian government is aggressively trying to increase the tax ratio of its tax revenues. Knowing the tax ratio is essential for assessing tax performance. The tax ratio is one way to measure a country's tax revenue performance. When the tax ratio is high, the State Revenue and Expenditure Budget (Anggaran et al., abbreviated APBN) can finance development with funds sourced from within the country. Tax as supported by APBN.

In the year 2000, the tax ratio was 8.33%. This figure will increase to 9.11% in 2021. Therefore, in the 2022 year, Indonesia managed to record a tax revenue ratio from the taxation sector that reached double digits at 10.39%, and this value seen of the government's successes in generating tax revenues of IDR 2,034.5 trillion with a GDP of IDR 19,588.4 trillion. In 2024, the government is targeting a tax-to-GDP ratio of 10.1%, which means there will be an increase of 1% from the tax ratio in 2023, but the actual tax ratio will show an increase.

Even though income from the tax aspect has increased, the tax ratio of 10.39% is still far below the standard set by the International Monetary Fund (IMF) of 15%. Achieving this tax ratio is also



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one of the goals needed in the Sustainable Development Goals (SDGs). As we know, the IMF assessment will majorly influence a country's financial credibility. The Indonesian government must always try to increase the tax ratio yearly.

If a country's tax ratio is high, it is almost certain that its government will rely on its APBN to encourage and carry out development. The better and higher the country's tax ratio will be, the more the country can reduce dependence on development financing through debt. A country's economic foundation will be stronger if its spending sources come from taxes. Therefore, a more substantial reliance on taxes to finance the country's economy means it will be less dependent on external parties and can reduce debt by utilizing its domestic tax potential. In Indonesia, the institution that collects tax revenues and carries out tax administration functions is the Directorate General of Taxes (DJP) with the Self-Assessment System (SAS).

Indonesia, carrying out its tax obligations for taxpayers, applies the SAS. This system requires taxpayers to be active in calculating, paying, and reporting their taxes. Tax officials will carry out the role of an official system to verify reports submitted by taxpayers. The DJP's active role in exploring tax potential and implementing the principles of justice can be seen in the presence of various tax regulations. For example, in 2018, the government issued Government Regulation Number 23 of 2018 regarding the imposition of a tariff of 0.5% of small business turnover, which is final. The Harmonization of Tax Regulations and Voluntary Disclosure was launched in 2022.

The various regulations and policies always reap various public responses. Complexity tax regulations can confuse taxpayers, and efforts to avoid taxes will arise. Due to the complexity of tax procedures, it is not making it easier to fulfill tax obligations. It states that increasingly complex tax regulations also have risks that can threaten a country's tax revenues. Apart from the complexity aspect, various responses to tax policies always question the principle of justice. All aspects of income tax fairness always seem to be put aside with the emergence of various tax regulations. The government and micro, small, and medium-sized enterprises (MSMEs) contribute more to paying taxes. The problem is that the concepts and principles of justice are abstract and subjective, making them difficult to measure.

Injustice can occur when MSME businesses and entities are at a loss but still have to pay taxes and are final. Several studies have revealed that implementing modern tax administration systems, organizational procedures and strategies, and organizational structure dimensions do not influence taxpayer compliance (Suasa et al., 2021). According to the dimensions of organizational culture, it has a negative and significant influence on taxpayer compliance (Parwati et al., 2021). The principles of justice and legal certainty regarding final income tax for small businesses found that income tax for MSMEs does not meet the principles of justice because carrying capacity needs to be considered. On the other side, (Christian et al., 2019) found the principle of justice fulfilled for MSMEs through final tax because it is more practical and provides flexibility to use the gross method or through bookkeeping.

The urgency of this research is to provide an overview and evaluation of changes to tax regulations that the government has issued to make them easier for taxpayers to understand and find empirical evidence of their complexity and the principles of justice. The specific urgency of this research can contribute to government policy and regulation and the development of tax, regulation, and accounting knowledge.

Literature Review. The source of tax that is expected to be a source of state revenue is income tax. (Darussalam, Danny Septriadi, 2020) Said that one type of tax applied by many countries is income tax (in Indonesia, named Pajak Penghasilan or PPh). Individual taxpayers, corporate



subjects, undivided inheritance tax subjects, and Permanent Establishment in Indonesia (also known as Bentuk Usaha Tetap in Indonesia) tax subjects can contribute as sources of income tax. (Frey & Feld, 2002). (Official, 2019) defines income tax (PPh) as a tax imposed on tax subjects or imposed on income received and earned in one tax year.

In Indonesia, laws and regulations governing income tax, both as laws and government regulations, have been issued several times. Law Number 36 of 2008 is the last law issued. It is legislation then applied through various policies to encourage increased revenue from the tax sector, including increasing taxpayer compliance. One truly phenomenal policy is tax amnesty, voluntary disclosure, and harmonizing tax regulations (Budak & James, 2018).

Three indicators measure taxpayer compliance. Namely, calculating the tax owed, paying or depositing the tax owed, and submitting an annual report on their tax obligations (Assiddiq, 2023; Palilu & NN, 2022; Parwati et al., 2021; Pusparini, 2022). Frequent changes in tax regulations can make it difficult for taxpayers to understand them. However, the aim of issuing tax regulations to the government is to provide convenience and relief in fulfilling tax obligations for taxpayers. According to (Hoppe et al., 2017; and Primasari & Hendrani, 2022), tax complexity is a complexity in the tax system that results in and leads to difficulties for taxpayers in reading, understanding and complying with tax regulations. It aligns with the opinion (OECD, 2018) that complex and frequently changing tax policies can make it challenging to achieve taxpayer compliance.

Tax complexity can be caused by seven factors (Hoppe et al., 2017; Noreen & Kristanto, 2021):

1. Frequent changes in tax regulations;
 2. Complex calculations are required;
 3. Detailed regulations;
 4. Documentation is complete and must be prepared;
 5. Complicated and long tax forms;
 6. Incomprehensive regulations;
 7. Tax regulations cannot be predicted to be implemented correctly.
- Based on the description above, variable complexity and intricacy of tax regulations affect determining taxpayer compliance. Therefore, the first hypothesis as
- H1: The complexity of tax regulations influences taxpayer compliance.

Fairness means not taking sides with one party or standing above all interests. In this case, it is in the interests of all Indonesian people. The principle of justice is essential when designing taxation systems and policies. The principle of justice will primarily consider the carrying capacity of taxpayers and the potential income they will receive through their income, whether through work or business. Tax equity means that taxpayers practice subsidies and contribute (fair share) to finance government expenditures (cost of government).

The principle of justice (equity) means that the state or government will not discriminate in collecting taxes. The state acts equally towards all taxpayers. There is equality in implementing tax obligations (equality) (Anggoro & Aprilian, 2020). Research (Suasa et al., 2021) found that the principle of justice is mainly determined by the legal certainty of taxes (certainty). It shows that fairness is not only because of the taxpayer's ability to bear taxes but also requires attention from a legal perspective.

According to Mangoting (2001), the principle of tax justice can be observed from two perspectives, namely, vertical justice (vertical equity) and horizontal justice (horizontal equity). Vertical justice connotes that whoever receives more must give more, and vice versa. Meanwhile, horizontal justice means that the same income will pay the same amount of tax. The difference between the two principles of justice is from the subject or taxpayer aspect and the object aspect, namely income. Several measures to determine the ability to pay are (a) income, (b) consumption, and (c) wealth (Kemenkeu, 2019; Resmi, 2019; Setiadi, 2022).



Two approaches can be used to measure tax fairness. First, through the benefit principle, and second, through the ability to pay principle. From the tax fairness perspective, progressive tax rates are the best because they are based on the principle of ownership and enjoyment of wealth and income. However, implementing taxes directly tied to specific benefits may increase costs (Halim et al., 2020; Rahayu, 2013). Examples include land and building tax, luxury goods tax, toll road, and motor vehicle tax. These taxes provide enjoyment but do not directly correlate with the infrastructure because those who pay a lot and those who pay a little will enjoy the same facilities, for example, roads, city parks, bridges and other public facilities.

Once the measure for determining the ability to pay can be determined, another problem that needs to be resolved is how to link this ability to pay with the taxes that must be paid. The principle of justice determines that a person's ability to generate a significant income must also result in paying more outstanding taxes. On the relative side, someone will only accept to pay taxes if they get commensurate returns, such as restaurant and hotel taxes and import taxes.

The principle of justice is reflected in determining the minimum living costs taxpayers bear through determining Non-Taxable Income (PTKP). In PTKP, dependents are defined by marital status, number of dependents, and income of the wife or husband. It means that the principle of justice for a taxpayer is vertical. Namely, the tax burden under the object, or the same income level, will pay the same tax. Horizontally, the amount of tax to be paid is equivalent to the income received; the same tax is subject to the same tax rate. Such an imposition would be considered fair tax.

There are three dimensions of vertical and horizontal justice principles: 1) Vertical equality, namely the relationship between tax impositions on different incomes. 2) Horizontal justice, namely the relationship between tax charges and sources of income. 3) Geographical justice, namely tax charges, must be fair between residents in various regions. So, income, source of income and geography are the basis for establishing the principle of fairness in taxes. These three factors will influence the value of assets, wealth transfer, and asset value increase. Therefore, the second hypothesis proposed is:

H2: The principle of justice influences taxpayer compliance.

Taxpayer compliance is defined as the taxpayer's willingness to comply with tax regulations issued by the government (Andreoni et al., 1998; Basri, 2016; Christian et al., 2019; Wardani et al., 2015). Implementing SAS and expecting taxpayer compliance is a genuine dilemma for tax institutions. Because of this system, the tax authorities give complete confidence to taxpayers in fulfilling their tax rights and obligations.

Noreen and Kristanto (2021) stated that the process is where taxpayers can report the tax owed with a nominal amount that corresponds to their tax obligations according to applicable regulations. So, tax compliance is interpreted as a situation where taxpayers fulfill all their tax rights and obligations (Sudjana, 2020). All taxpayers must have an Identification Number (Nomor et al., abbreviated NPWP). Citizens who already have an NPWP automatically have the right to calculate the tax owed to them. Taxpayers report tax obligations in the Annual Publication Letter (SPT). Taxpayer compliance can be seen from procedural, administrative, formal, and material aspects (Darmayasa & Setiawan, 2016; OECD, 2018). Based on all the descriptions above, this research aims to find the effect of the complexity of tax regulations and the principles of justice on taxpayer compliance.

METHODS



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This research is a survey. The survey research data was collected by questions and analyzed using statistics, namely multiple linear regression analysis (Ghozali, 2016; Sugiyono, 2018), because there are two independent variables. The object of this research includes the complexity of tax regulations, the principles of justice, and taxpayer compliance. The research concept flow looks like in Figure 1 below:

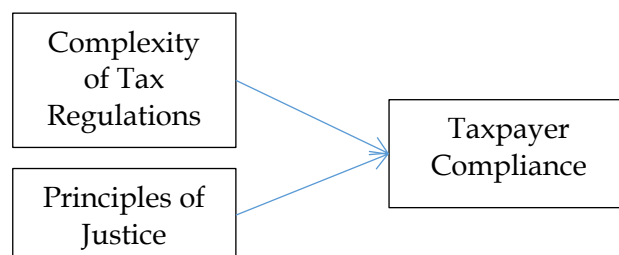


Figure 1. Research Flow Concept

The model of this research is one in which taxpayer compliance, as the dependent variable based on the hypothesis, is an effect of two independent variables. The population in this study is individual taxpayers registered at all Pratama Tax Service Offices (called KPP Pratama) in Central Sulawesi Province. According to (Sugiyono, 2012), these are samples withdrawn based on the specified population area. Therefore, the districts/cities used as samples were Palu City, Toli-Toli Regency, and the Morowali Regency. Data was collected online using WhatsApp and Google Forms and offline methods. Meanwhile, the offline method is carried out by directly meeting taxpayers willing to fill out the questionnaire provided.

This multiple linear regression predicts the increase or decrease in an independent variable's influence or determinant on the dependent variable's predicted value. The regression equation in this research is as follows:

$$Y_i = a + b_1.X_{1i} + b_2.X_{2i} + \epsilon_i$$

Information:

Y_i = Taxpayer Compliance

a = Constant

$b_1, b_2,$ = Regression Coefficient

X_{1i} = Complexity of Tax Regulations

X_{2i} = Principle of Justice

ϵ_i = Epsilon or nuisance variable, meaning the values of the variable others that are not included in this research equation.

Result of calculating multiple regression values with the symbol (R^2). The determinant function R^2 measures the ability to explain the independent variable simultaneously with the dependent variable. The average R^2 value is between $0 < R^2 > 1$. The determinant coefficient value R^2 is used to see the percentage level of influence of the independent variable (X) included in the regression equation model on the dependent variable (Y). There is a good value of R^2 if the value is equal to or close to 1.

Table 1 assessed the correlation between the frequency of respondents' answers and the research variables.

Table 1. Interpretation of Research Variable, Item Scores Interpretation Score Value

Score Value	Interpretation
1.0 - 1.8	Very Low
>1.8 - 2.6	Low
>2.6 - 3.4	Sufficient
>3.4 - 4.2	High
>4.2 -5.0	Very High

Source: (Sugiyono, 2018)

RESULT AND DISCUSSION

The indicator complexity of tax regulations has 21 statement items. Table 2 shows the tabulation results of respondents' answers to determine the value of each respondent's answer score through frequency tabulation.

Table 2. Frequency of Tax Regulatory Complexity Variables

No	Strongly Agree			Agree			Undecided			Disagree			Strongly Disagree			Mean
	N	Score	%	N	Score	%	N	Score	%	N	Score	%	N	Score	%	
1	0	0	0	2	8	1	12	36	8	84	168	57	50	50	34	1.79
2	0	0	0	4	16	3	36	108	24	60	120	41	48	48	32	1.97
3	2	10	1	9	36	6	20	60	14	81	162	55	36	36	24	2.05
4	0	0	0	6	132	4	44	156	30	78	156	53	20	20	14	2.24
5	0	0	0	9	36	6	47	141	32	68	136	46	24	24	16	2.28
6	0	0	0	7	28	5	46	138	31	73	146	49	22	22	15	2.26
7	3	15	2	4	16	3	30	90	20	84	168	57	27	27	18	2.14
8	24	120	16	94	376	64	26	78	18	4	8	3	0	0	0	3.93
9	0	0	0	7	28	5	19	57	13	86	172	58	36	36	24	1.98
10	0	0	0	0	0	0	15	45	10	90	180	61	43	43	29	1.81
11	0	0	0	5	20	3	21	63	14	86	172	58	36	36	24	1.97
12	0	0	0	10	40	7	22	66	15	77	154	52	39	39	26	2.03
13	0	0	0	5	20	3	25	75	17	85	170	57	33	33	22	2.01
14	2	10	1	5	20	3	22	66	15	87	174	59	32	32	22	2.07
15	0	0	0	2	8	1	22	66	15	93	186	63	31	31	21	1.97
16	0	0	0	5	20	3	32	96	22	83	166	56	28	28	19	2.09
17	0	0	0	0	0	0	27	81	18	94	188	64	27	27	18	2.00
18	0	0	0	5	20	3	22	66	15	84	168	57	37	37	25	1.97
19	0	0	0	6	24	4	16	48	11	82	164	55	44	44	30	1.89
20	0	0	0	4	16	3	15	45	10	78	156	53	51	51	34	1.81
21	0	0	0	7	28	5	16	48	11	70	140	34	55	55	37	1.83
Average																2.10



Source: Data processed 2023

The statement with the highest average value for the principle of justice variable is a statement no. 7: The tax you pay is according to your wealth level, correctly with a value of 4.0 or the high category. This shows that taxpayers pay taxes according to the income they receive or the wealth they have. The average value for the principle of justice variable is 3.79. It shows that the principle of justice for taxpayers' perceptions is already at a reasonable level.

Taxpayer Compliance is a measure with nine statement items, which will provide overviews of the variable of taxpayer compliance in Central Sulawesi Province with the influence of the complexity of tax regulations and the principles of justice. The tabulation results of respondents' answers to determine the value of each respondent's answer score through frequency tabulation can be seen in Table 4 below:

Table 4. Frequency of Taxpayer Compliance Variables

No	Strongly Agree			Agree			Undecided			Disagree			Strongly Disagree			Mean
	N	Score	%	N	Score	%	N	Score	%	N	Score	%	N	Score	%	
1	24	120	16	64	526	43	56	168	38	4	8	3	0	0	0	3.73
2	24	120	16	72	288	49	48	144	32	4	8	3	0	0	0	3.78
3	28	140	19	84	336	57	32	96	22	4	8	3	0	0	0	3.92
4	52	260	35	80	320	54	16	48	11	0	0	0	0	0	0	4.24
5	52	260	35	76	304	51	20	60	14	0	0	0	0	0	0	4.22
6	56	280	38	68	272	46	20	60	14	4	8	3	0	0	0	4.19
7	44	220	30	68	272	46	28	84	19	8	16	5	0	0	0	4.00
8	44	220	30	84	336	57	12	36	8	8	16	5	0	0	0	4.11
9	40	200	27	80	360	54	20	60	14	8	16	5	0	0	0	4.03
Average															4.02	

Source: Data processed in 2023

The statement with the highest average value for the taxpayer compliance variable is statement no. 4: You know where you pay your taxes, with a value of 4.24. It shows that taxpayers know where to deposit or pay taxes. The average value for this variable is 4.02, which is in the excellent category. It shows that taxpayers have a high level of compliance.

Validity Test Results for Tax Regulation Complexity Variables are in Table 5.

Table 5. Validity Test of the Tax Regulation Complexity Variable

No.	Statement Item	Pearson Correlation	No.	Statement Item	Pearson Correlation
1	X _{1,1}	0.666	12	X _{1,12}	0.650
2	X _{1,2}	0.683	13	X _{1,13}	0.699
3	X _{1,3}	0.613	14	X _{1,14}	0.743
4	X _{1,4}	0.522	15	X _{1,15}	0.766
5	X _{1,5}	0.627	16	X _{1,16}	0.686
6	X _{1,6}	0.607	17	X _{1,17}	0.708
7	X _{1,7}	0.793	18	X _{1,18}	0.890



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8	X _{1,8}	-0.433	19	X _{1,19}	0.780
9	X _{1,9}	0.812	20	X _{1,20}	0.724
10	X _{1,10}	0.567	21	X _{1,21}	0.721
11	X _{1,11}	0.671			

Source: Data processed in 2023

Based on Table 5, one statement item is invalid, statement no. 8, so this statement is excluded for the following multiple regression testing process. The statement was eliminated because its calculated value, 0.433, was less than 0.1348. Table 6 shows that all statements of the principle of justice variable obtained an r-calculated value (Pearson Correlation) more significant than the r-table of 0.1348.

Table 6. Validity Test of the Principle of Justice Variable

No.	Statement Items	Pearson Correlation
1	X _{2,1}	0.804
2	X _{2,2}	0.839
3	X _{2,3}	0.879
4	X _{2,4}	0.830
5	X _{2,5}	0.851
6	X _{2,6}	0.834
7	X _{2,7}	0.812

Source: Data processed in 2023

For taxpayer compliance, the Validity Test results are in Table 7.

Table 9. Calculation Results of Multiple Linear Regression Analysis

No.	Statement Items	Pearson Correlation
1	Y _{1,1}	0.798
2	Y _{1,2}	0.815
3	Y _{1,3}	0.759
4	Y _{1,4}	0.621
5	Y _{1,5}	0.703
6	Y _{1,6}	0.840
7	Y _{1,7}	0.820
8	Y _{1,8}	0.840
9	Y _{1,9}	0.825

Source: Processed data, 2023

The result of the multiple linear regression analysis above, so the regression model equation of this research is the below:

$$Y = 2.635 - 0.253X_1 + 0.501X_2 + e$$

The regression model equation above is the magnitude of the influence of the independent variable on the dependent variable. Negative signs of the regression coefficient for the complexity



of tax regulations indicate an influence in the opposite direction. The value -0.253 means that when the complexity of tax regulations decreases by one unit, taxpayer compliance will increase by 0.253. Meanwhile, the principle of justice (X2), which has a positive sign, shows a unidirectional influence. It is an equation that can explained below:

1. The constant value (α) of 2.635 indicated that if the variables of complexity of tax regulations and principles of justice.
2. The regression coefficient for the complexity of tax regulations (X1) is -0.253 and has a negative sign. It means that for every change in the value of one unit in the tax regulation complexity variable, assuming the other variables remain constant, taxpayer compliance (Y) will decrease by 0.253. Conversely, if the complexity of tax regulations decreases by one unit, taxpayer compliance will increase by 0.253.
3. The regression coefficient for the principle of justice (X2) is 0.501 and has a positive sign. It means that for every unit change in the principle of justice variable, assuming the other variables are constant, taxpayer compliance (Y) will increase by 0.501. The principle of justice has a significant favorable influence on taxpayer compliance.

An R square value of 0.455 means that changes in the two independent variables will influence 45.5% on increasing taxpayer compliance. In contrast, the remaining 54.5% is affected by the other variables not included in this research model. The correlation coefficient (R) indicates the degree of closeness of the relationship between all independent variables. This study's correlation coefficient (R) value is 0.674, which means the correlation relationship between the independent and dependent variables is 0.674. Based on the correlation coefficient interpretation guidelines (Sugiyono, 2016), the research results can conclude that the relationship between the complexity of tax regulations and the principle of justice on taxpayer compliance is strong.

The complexity value of tax regulations, with an average of 2.10 based on Table 1 interpretation at a low level. This means that even though the complexity of tax regulations is low when they change, taxpayers can remain compliant in fulfilling their tax obligations. All the changes in tax regulations are towards making things simpler and more accessible for taxpayers. This means that even though the complexity of tax regulations is low. This means that when tax regulations change, taxpayers can remain compliant in fulfilling their tax obligations. All the changes in tax regulations are towards making things simpler and more accessible for taxpayers.

Simplification and ease in regulations, tax calculations, more detailed regulations, clarity of documents that must be prepared, filling in formulas, comprehensive regulations, and the tax authorities' ability to explain to taxpayers. This research aligns with the research conducted by Andreoni et al. (1998; NN et al., 2018), which states that taxpayer compliance can be achieved from various perspectives. It could be from a regulatory perspective, an ethical and employment aspect, and the tax organization itself.

Based on the respondents' answers in this research, a high value of the principle of justice was obtained. It means taxpayers still think their taxes provide benefits based on their abilities. (Mangoting, 2001) said that justice in the taxation system in Indonesia is that whoever has a sizeable economic capacity must also pay significant taxes. This system is referred to as the theory of bearing force. Likewise, the opinion of (Suasa et al., 2021) is that the principle of equality in paying taxes indicates the application of the principle of justice.

The government with the authority to use taxes as a source of income and development must use them as well as possible. All parties must feel the government is used. The results of multiple regression show that the influences of the complexity of tax regulations and the principles of justice



simultaneously have a significant effect. It shows that to increase taxpayer compliance, the government issuing tax regulations becomes more straightforward and more accessible, and there is a principle of justice that taxpayers feel.

If tax regulations are less complex, taxpayer compliance will increase. The government should inform taxpayers of every change in tax regulations, regardless of complexity. This socialization becomes a bridge for taxpayers to understand better regulation changes (Safrina et al., 2018). It can incentivize taxpayers to be more compliant with tax regulations. The tax authorities provide opportunities for taxpayers to follow changes in tax regulations so that taxpayers continue to find it easy to fulfill their tax obligations even though changes in tax regulations occur.

Changes in tax regulations should make it easier for taxpayers to calculate, pay, and report their taxes. By understanding clear and detailed regulations, taxpayers will find it easy to prepare all tax documents for reporting and filling in tax forms, as well as the ability of tax authorities to explain to taxpayers. This research aligns with research (Wulandari & Budiaji, 2017) that shows that fairness and tax structure influence taxpayer compliance in fulfilling their tax obligations. The tax structure is based on the subject and object of the tax, while direct reciprocity and personal interests do not affect tax obligations.

The Influence of the Principles of Justice on Taxpayer Compliance, based on the value of the principle of justice derived from the respondents' answers, obtained a high score. This principle of justice does not significantly influence taxpayer compliance. Taxpayers have not experienced the benefits of paying taxes, but the taxes paid are not by their contribution (NN et al., 2018).

In utilizing taxes as a source of income, the government must be able to provide benefits to the community, use them as well as possible, and improve facilities and infrastructure. In terms of tax payments, the tax paid by the taxpayer must be based on the income received, the minimum level covered, and the wealth owned.

In this research, the principle of justice measures two indicators: the benefits of paying taxes and the ability to pay taxes. In utilizing taxes as a source of income, the government must be able to provide benefits to society, use them as well as possible, and use taxes to improve facilities and infrastructure. Respondents' answers were concluded to have a high average value. In terms of the ability to pay taxes, taxpayers feel fair when the taxes paid are based on the income received, according to the minimum level covered, and with the wealth owned.

Applying the principle of justice in tax collection is by the theory of carrying force, which is measured based on the amount of income by taking into account the expenditure or expenses of the taxpayer. Respondent's answers to the research concluded that having paid taxes according to the income received and by the minimum level covered with high value. Taxpayers who receive the same income may pay different taxes according to different independents. Taxpayers who have more significant expenses or dependents will pay lower taxes. It fits with the implementation of Non-Taxable Income (in Indonesia, said *Pendapatan Tidak Kena Pajak* abbreviation PTKP).

The results align with research by (Suasa et al., 2021), who researched the principles of justice in tax collection in Government Regulation No. 23 of 2018 concerning Income Tax. His research findings are that implementing these regulations has fulfilled the principle of justice because there is legal certainty for implementing taxes for every taxpayer and reducing rates from 1% to 0.5%. Suasa et al. (2021) found that tax fairness influences taxpayer compliance. Here, the principle of justice in taxation is from the perspective of the law or tax subject and tax object. Tax authorities levy taxes on the same subjects and determine the tax burden based on the tax object.



CONCLUSION

Based on the aim of the research to find the influence of the complexity of tax regulations and the principles of justice on taxpayer compliance, conclusions from the results of the analysis and discussion can be as follows:

1. The complexity of tax regulations and the principles of justice influence taxpayer compliance. The low complexity of tax regulations and the high principle of justice perceived by taxpayers will increase taxpayer compliance. A strong policy implication from this is the conclusion of supporting the government in creating low-complexity tax regulations.
2. The complexity of tax regulations hurts taxpayer compliance. Reducing the complexity of tax regulations for taxpayers will increase compliance. In Indonesia, regulation is produced by consensus between the executive and legislative branches. So, both must be combined to produce a low complexity of tax regulation. The consensus of the executive and legislative branches must arrange for less complexity in regulation.
3. The principle of justice has a significant positive effect on taxpayer compliance. Increasing the principles of justice perceived by taxpayers can increase their compliance. In this point of variable, the justice principle positively affects taxpayer compliance with policy implications and theory. The principle of justice is not a primary factor for taxpayers, but for theory, the philosophy of justice based on taxes is not a primary variable.

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