The Determinant of Tax Awareness in Higher Education and its Impact on Compliance

Ikhwanudin[1*], Budi Hermana[2], Emmy Indrayani[3]
[1,2,3]Gunadarma University, Jakarta, Indonesia

Sections Info	ABSTRACT
	Objective: This study aims to analyze the elements affecting the compliance of individual taxpayers in Indonesia. This study will focus on the role of taxpayer awareness and tax center activities in affecting compliance. **Method:** In this research, the author intends to examine the variables in question, in which a quantitative approach will be used. In this case, the author used a structured questionnaire to collect the primary data, which was distributed to 285 respondents who were selected using the purposive sampling method. This research is based on a taxonomy of three exogenous variables: tax knowledge, ease of administration, and law enforcement, which is in turn is impacted by a mediating variable, taxpayer awareness, a moderating variable of tax center activity, and an endogenous variable of taxpayer compliance. The data collected will be processed using descriptive statistics and analyzed using Structural Equation Modeling (SEM-PLS). **Results:** Law enforcement, tax knowledge, and ease of administration increases taxpayer awareness and compliance. It has been shown that taxpayer awareness mediates the relationship between these three variables and compliance. Tax center activities moderate the relationship between tax knowledge and awareness, but do not moderate the relationship of ease of administration and law enforcement on tax awareness. **Novelty:** This research is innovative because it incorporates tax center activity both as a moderating variable and taxpayer awareness as a mediating variable within a single structural model. More specifically, this study aids in the empirical understanding of the tax center's limitations, which seem to be more effective in reinforcing the educative (knowledge) dimension rather than the administrative/law enforcement dimension.

INTRODUCTION

The government has a responsibility to enhance the welfare of the citizenry through initiatives such as the provision of equitable economic growth, the infrastructure which is development of educational programs which raises capacity, productivity, and competence of the people of Indonesia on a global scale, and provision of affordable healthcare to all Indonesians (Rozenkowska, 2023). The resultant effect of such government initiatives is the need for increasing State Budget (APBN) financing every year. As with other governments, taxes represent a reliable means of funding routine financing of the APBN. The tax sector continues to provide the country with a means of foreign exchange and is the primary source for increasing state fees to cover general government expenditure (Atito & Masripah, 2024).

The realization of revenue collection in 2024 surpassed Indonesia's initial state budget target of IDR 1,932.4 trillion. As mentioned by the Ministry of Finance, the state budget revenue in 2024 grew by 3.5 percent to IDR 193.4 trillion, compared to IDR 1,869.2 trillion in 2023. The performance of tax collection was driven by the three tax groups. Non-Oil and Gas Income Tax (IT) collection grew by 0.5 percent to IDR 997.6 trillion, achieving 100.5 percent of the target. Value Added Tax (VAT) and Sales Tax on Luxury Goods (STnLG) also reached 100.5 percent of the target, with collection growing

by 8.6 percent to IDR 828.5 trillion. Land and Building Tax (PBB) and other taxes grew to approximately IDR 41.2 trillion (Direktorat Jenderal Pajak Republik Indonesia, 2024).

The self-assessment scheme enables taxpayers to calculate their tax liabilities each year, in line with the relevant provisions of the tax law (Irnawati *et al*., 2023). This system was introduced by the Indonesian government to attain tax revenue objectives. Several countries, both developed and developing, within the Asian continent have successfully demonstrated the tax revenue potential of this system, as well as the democratic contribution of the populace in support of the revenue of the state. However, there should be high levels of public and taxpayer educational attainment concerning their tax obligations and public revenue in order to maximize the success of the system. A taxpayer must have at least two skills: the ability to "compute" his tax liabilities and familiarity with the tax system administrative processes (Firdaus et al., 2023). In addition, taxpayers must declare their compliance with tax obligations by submitting an Annual Tax Return (ATR) (Meidiyustiani *et al*., 2022).

Tax revenue supports economic growth, social programs, and infrastructure, while also funding government salaries. Hence, the importance of tax administration concerning tax compliance is significant (Kumi *et al*., 2023). Due to the rapid decline of the global economy and the accompanying sovereign debt crisis, the Organization for Economic Co-operation and Development (OECD) stated that the need for tax compliance is greater than ever, and revenue authorities are focusing on achieving optimal levels of compliance with tax provisions (Dumiter, 2023).

Tax collection must always have a solid and formal underpinning. The 1945 Constitution of Indonesia maintains that tax collections happen within the bounds of the Constitution. Article 23 paragraph 2 states the fundamental principles of tax collection to be fairness, legal certainty, efficiency, simplicity, and no disturbance to the economy. Law No. 16 of 20009 more technically states that a person or legal entity, and, as such, must contribute tax, which serves the state to the community with no expectation of reciprocity. Based on such premise, taxes are beneficial in all spheres of the functioning of state life: revenue, regulation, democracy, and redistribution.

A low tax ratio means that Indonesian citizens are avoiding their tax duties. The challenge is particularly pronounced in a self-assessment tax collection system. Self-assessment has been in place since the reforms of 1984 and, in essence, provides taxpayers the ability to manage their tax obligations, including computation and declaration. As pointed out by (Adi *et al*., 2022), the success of this system is based on the trust and sincerity of taxpayers, in this case, honestly completing their obligations.

Taxpayer compliance has always been the backbone of a nation's tax revenue maximization. Furthermore, knowing one's tax obligation is a factor, too. The objective of moving from formal assessment to self-assessment is to empower taxpayers to self-assess, with integrity, the extent of their obligations. Tax compliance is the extent to which taxpayers exercise their rights and obligations (Ridwan *et al*., 2024).

Norm compliance is the payment of taxes owed. A taxpayer is said to be compliant with a tax law if they have done all of their tax obligations and have exercised their rights under the law (Laurence & Santoso, 2024). Taxes are the remittance from the public which are the sources of revenue for the state. Thus, the state holds the right to tax the people; this is to improve their standards of living. Thus, the extent of taxpayer compliance determines the revenue that a state generates from taxes. The following is a

presentation of Taxpayer Compliance Issues in Indonesia from 2018 to 2023 (first semester) (Kementerian Keuangan Republik Indonesia, 2024).

From 2019 to 2023, compliance by taxpayers increased along with the WP (Wajib Pajak) registered taxpayers who needed to submit the SPT (Surat Pemberitahuan Tahunan or tax return). In 2019, there were 18.33 million WP tax registrants, and in 2023, there were 19.18 million. This increase benefitted individual taxpayers (OP) and employees, peaking at 14.17 million in 2020. In tandem with the rise in registered individuals, there was growth in the submission of annual SPT PPh (Surat Pemberitahuan Tahunan Pajak Penghasilan) growing from 13.39 million in 2019 to 16.68 million in 2023. Individual taxpayers (OP) and employees were the highest contributors with 13.09 million SPTs in the previous year.

In the last five years, there have been notable improvements in the aggregate compliance ratio. The national compliance ratio is recorded at 86.97% in 2023, an increase from the 2019 record of 73.06%. Employee taxpayers were the highest contributors to the compliance ratio at 98.73% in 2021 and remained consistent at 94.07% in 2023. The other segments, corporate taxpayers and non-employee taxpayers, experienced considerable changes. Corporate taxpayers attained a ratio of 69.78% in 2023, while non-employee taxpayers recorded a notable increase from 45.53% in 2021 to 67.41% in 2023 during the pandemic.

Despite the fact most taxpayers are individuals, there is fluctuation in ATR reporting. The ATR reporting ratio is significant enough, as seen in Table 1, to justify treating individual taxpayers as the focus of this study. The table also illustrates the different levels of individual tax compliance and the growing trend in the last six years. This trend is indicative of a positive trajectory for state revenues, as it provides a strategic basis for fiscal consolidation goals.

While attending an OECD meeting, member countries focused their dialogues on the tax revenue levels of Indonesia, and after some assessment, it was concluded that revenue levels were indeed poor, and the country was located at position 22, which was the third worst after Laos and Bhutan. Between the years of 2020 and 2021, the country's tax revenue increased by a meager 0.8%. Furthermore, when assessing the period from 2007 to 2021, there was a decrease of 1.4% in revenue, resulting in a 10.9% tax revenue standing (Trzcinski, 2025).

According to data that has been compiled for the revenue ratio on a yearly basis, the data for 2019 showed a revenue ratio of 9.76%. There was a major drop in the revenue ratio for 2020 that stood at 8.83%. However, in the year 2021, the ratio increased to 9.12%, indicating that the revenue ratio was recovering after the drop the previous year. Following that, the ratio continued to increase, and by the year 2022, the revenue ratio reached 10.39%. In the year 2023, there was a slight decrease, and the revenue ratio was 10.31%.The DGT (Directorate General of Taxes) approaches the institution of tax closely and uses a variety of methods to increase tax revenue and increase the public's adherence to taxes. Like the DGT, tax institutions in other countries have aimed to make progress in the same three areas: the application of tax laws through audits conducted by tax inspectors, the tax services that provide administrative assistance to the taxpayer, and the tax education that gives guidance and information on how to properly fulfill one's tax obligations.

Tax education is recognized as part of a strategy to improve long-term compliance. Other studies conducted in other countries show that tax education can start while the

taxpayer is still a student in the formal education system. Thus tax education is aimed at not only those who have become registered taxpayers, but at current and future potential taxpayers (Circular Letter SE-05/PJ/2013 Concerning Procedures for Implementing Counseling Activities, 2013). Therefore, it is expected that once people enter the workforce and earn an income, they can fulfill their obligations to pay taxes.

The public still doesn't completely understand their obligations as taxpayers, which is why the DGT has tried to implement a variety of methods to help the public understand their tax obligations, such as the introduction of self-assessment systems for tax obligations, which has been implemented in order to understand and know tax procedures and obligations.

Positive changes in taxation require support and commitment from different societal layers. Universities, without any doubt, are very important in taxation because they help the DGT in tax compliance. Universities have tax service centers where they conduct training, outreach, and research. The DGT can collaborate with universities to establish tax centers under the Circular Letter of the Director General of Taxes Number SE-28/PJ/2014. As of February 13, 2023, 439 tax centers in universities across Indonesia have partnered with and collaborated with the DGT. Numerous unaddressed obstacles in optimizing tax center functionality in Indonesia triggered researchers to study tax center problems in the context of taxpayer behavior. The low number and activity of university tax centers is a classic problem that is interesting to explore.Researchers have tried to analyze taxpayer compliance focusing on tax center activities, tax knowledge, tax administration, law enforcement, and other activities. Studies related to this might exist, and they have some claims. For instance, Sihite *et al.* (2022) conducted a qualitative study to analyze the role of tax centers in individual taxpayer compliance during tax harmonization, and in this study, he also claims to have some evidence to prove that the tax center also affects compliance. Concerning tax administration, Afrida & Kusuma (2022); Amrullah *et al.* (2022); Karo & Herawati (2024); and *Purwaningsih et al.* (2022) have conducted research, and they have established that there are some positive relations between tax administration and tax compliance. In addition, tax knowledge is one of the factors that has been studied by many researchers. Mansur *et al.* (2023); Putri & Taun (2023); Perveen *et al.* (2024); Franata & Khairudin (2025); and Naape (2023) have conducted research, and in all these studies knowledge has been one of the factors that has affected tax compliance. Joel *et al.* (2023) established that tax compliance is positively affected by law enforcement. Other researchers are also analyzing these researchers, and for example in Belahouaoui & Attak (2025), they analyze that taxpayer awareness is one of the factors that affects individual taxpayer compliance.

RESEARCH METHOD

This study focuses on primary data, collected from respondents through the survey questionnaire. Data collection and analysis were performed using the survey method in a quantitative manner through descriptive research, data collection and analysis. The object of this study is a model of determinants of individual taxpayer compliance (WPOP). The research unit is individual taxpayers who are served by the Tax Center. The analysis unit is WPOP who has taxable income (PKP) in the tiered income tax rates of a minimum tax rate layer of level 2. This research is conducted across 439 Tax Centers located in the territory of Indonesia. The research population consists of

students/academics/taxpayers who have engaged with and received service from tax centers of universities in Indonesia. A total of 285 respondents formed the sample. The data were analyzed, and the hypothesis tested using the Structural Equation Model (SEM) methodology, with the use of SmartPLS 3.2.9. This model was applied to the sample obtained through purposive sampling. The research model is presented as below:
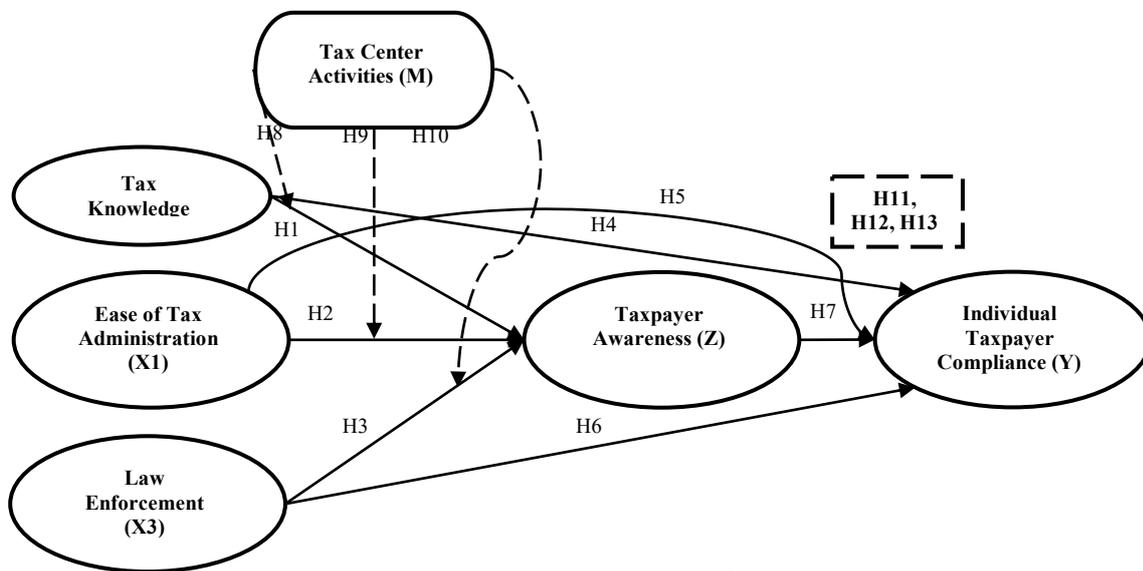

Figure 1. Framework of Thought

Figure 1 this study tests thirteen hypotheses focusing on the determinants of individual taxpayer compliance. The first to seventh hypotheses (H1–H7) predict a direct influence of tax knowledge, ease of administration, and law enforcement on taxpayer awareness and compliance, including the influence of awareness on compliance itself. Furthermore, the eighth to tenth hypotheses (H8–H10) position tax center activity as a moderating variable that strengthens or weakens the influence of knowledge, ease of administration, and law enforcement on compliance. Finally, the eleventh to thirteenth hypotheses (H11–H13) examine the role of taxpayer awareness as a mediator that bridges the relationship between the three main factors (knowledge, ease of administration, and law enforcement) on taxpayer compliance levels.

RESULTS AND DISCUSSION

Results

The PLS algorithm outputs were analyzed to assess the data analysis requirements of this study. Convergent validity was tested using the loadings of composite factors (outer loadings), while the reliability of the research model was confirmed using composite reliability, Cronbach's alpha, and Average Variance Extracted (AVE).

The analysis findings regarding the convergent validity test using the Partial Least Square (PLS) method indicate that all research indicators possess loading factor values greater than the threshold of 0.7. This confirms that every indicator meets the validity requirements to measure the respective latent variables. The Tax Knowledge variable is measured with ten indicators (IA1–IA10) ranging from factor loading values of 0.715 to 0.772 almost at the top of the range. The Ease of Tax Administration variable is also

measured with six indicators (AZ1–AZ6) and is declared valid with the lowest value of 0.721 and the highest value of 0.760. The Law Enforcement variable has a measurement strength with ten indicators (IAI1–IAI10) where the IAI2 indicator has the highest value of 0.789. The Taxpayer Awareness variable is measured with eight indicators (IIAS1–IIAS8) which all represent taxpayer awareness and exceed the standard criteria with a value range of 0.714 to 0.783. The Tax Center Activities variable is measured with valid seven indicators (AATI1–AATI7) that are within the loading factor values of 0.701 and 0.751. Finally, the variable of the mandatory compliance of individuals showed the strongest results where all ten of its indicators (ACII1–ACII10) had significant factor loading values with the highest value of indicator ACII3 at 0.873.

All items of the statements in this research instrument were recognized as valid in regard to the further analysis since the items explained the construct under study exceptionally well.

Table 1. Average Variance Extraction

Variables	AVE Value
Tax Knowledge	0,552
Ease of Tax Administration	0,553
Law Enforcement	0,554
Taxpayer Awareness	0,555
Tax Center Activities	0,527
Individual Taxpayer Compliance	0,662

Table 1 shows that all items that achieved average variance extracted (AVE) met the criteria for discriminant validity and convergent validity. This indicates that all test items represent a valid model for further testing.

Table 2. Composite Reliability Results

Variables	Composite Reliabity	Condition	Information
Tax Knowledge	0,921	> 0.7	Reliable
Ease of Tax Administration	0,881	> 0.7	Reliable
Law Enforcement	0,925	> 0.7	Reliable
Taxpayer Awareness	0,907	> 0.7	Reliable
Tax Center Activities	0,884	> 0.7	Reliable
Individual Taxpayer Compliance	0,953	> 0.7	Reliable

Tabel 2 shows the composite reliability outcomes. Composite reliability values exceed the threshold value required for a test variable to be considered reliable. Since all test variables in this data have passed the test, they are proven to be reliable.

Table 3. Cronbach's Alpha Results

Variables	Cronbach Alpha	Condition	Information
Tax Knowledge	0,909	> 0.6	Reliable
Ease of Tax Administration	0,839	> 0.6	Reliable
Law Enforcement	0,911	> 0.6	Reliable
Taxpayer Awareness	0,885	> 0.6	Reliable
Aktivitas Tax Center	0,852	> 0.6	Reliable
Individual Taxpayer Compliance	0,943	> 0.6	Reliable

Table 3 shows that Cronbach's alpha values are greater than 0.6, and so is its reliability, which means, based on existing metrics, it can and is deemed to be reliable and dependable. Evaluations on the R^2 metric also showed adequate results. Given that

the metric was nearly 1, it showed the strength of the data was able to explain the model, in this case, the model used the variation of the dependent variable in question. Results from the structural model test showed the Adjusted R-Square value for the Individual Taxpayer Compliance variable to be 0.756. This implies the model is able to explain 75.6% of the variations in compliance of the taxpayers, dependent on the variables: tax knowledge, ease of administration, law enforcement, awareness of the taxpayer, and activity of the tax center. The remaining 24.4% is due to factors not accounted for in the research model. On the contrary, the Taxpayer Awareness variable had an Adjusted R-Square value of 0.695. This means 69.5% of the variations in levels of awareness of the taxpayers are accounted for by the independent variables in the model, and the remaining 30.5% are due to other variables outside the scope of the research.

In general, both metrics fall under the strong category, meaning that the structural model is both highly accurate and highly pertinent in forecasting the tax behavior of respondents.

Table 4. Results of Path Coefficient, T-Statistics, and P-Values

	Original Sample (O)	T Statistics ($\lvert$O/STDEV$\rvert$)	P Values	Conclusion
Tax Knowledge → Taxpayer Awareness	0,369	5,395	0,000	H1 Accepted
Ease of Tax Administration → Taxpayer Awareness	0,260	3,627	0,000	H2 Accepted
Law Enforcement → Taxpayer Awareness	0,215	3,720	0,000	H3 Accepted
Tax Knowledge → Mandatory Compliance of Individuals	0,141	2,418	0,016	H4 Accepted
Ease of Tax Administration → Mandatory Compliance of Individuals	0,241	3,767	0,000	H5 Accepted
Law Enforcement → Mandatory Compliance of Individuals	0,363	6,669	0,000	H6 Accepted
Taxpayer Awareness → Mandatory Compliance of Individuals	0,221	3,528	0,000	H7 Accepted
Moderating Effect 1 → Taxpayer Awareness	0,169	2,500	0,013	H8 Accepted
Moderating Effect 2 → Taxpayer Awareness	-0,090	1,278	0,202	H9 Rejected
Moderating Effect 3 → Taxpayer Awareness	-0,002	0,031	0,975	H10 Rejected
Tax Knowledge → Taxpayer Awareness → Mandatory Compliance of Individuals	0,082	2,816	0,005	H11 Accepted
Ease of Tax Administration → Taxpayer Awareness → Mandatory Compliance of Individuals	0,058	2,816	0,005	H12 Accepted
Law Enforcement → Taxpayer Awareness → Mandatory Compliance of Individuals	0,048	2,496	0,013	H13 Accepted

Table 4 based on the significance test results for this structural model, two hypotheses were rejected. The reason for the rejection is that the p-value is greater than 0.05. This shows that the relationship between the variables is insufficiently supported empirically and cannot be considered statistically significant. Hence, the relevant variables in both hypotheses do not impact the relationship within the context of the sample used.

Discussion

Knowledge, as an important element of a strong cognitive foundation, is consistent with the theory of planned behavior (Rozenkowska, 2023). Acting to fulfill tax obligations is a rational and positive act, and is based on one's own knowledge (Franata & Khairudin, 2025; Perveen et al., 2024). This study also shows that taxpayers who are served by university tax centers affect tax compliance. The more tax knowledge a taxpayer possesses, the greater the tax compliance.

The simplification of tax processes has been identified as a critical component in increasing the awareness of taxpayers. This was the case in the validation of the second hypothesis concerning academics and students who have worked with tax centers in universities. Simply put, the participants who engaged in more hands-on tax administration systems were more aware of and more willing to perform their tax obligations. This corresponds to a number of studies. For instance, Purwaningsih *et al*. (2022) associated administrative simplicity with compliance, albeit indirectly through awareness. According to Naape, (2023), this simplicity fosters compliance of individual taxpayers, as this, most of the time, is mediated by awareness. Magribi & Yulianti (2022) were more specific in their studies, proving the positive effects of Government Regulation No. 23 of 2018. They noted that the simplification of post-regulation processes resulted in less tax administration responsibility, which encouraged awareness and participation. All of the studies point to the need for simplification of tax processes and the use of technology that is easy to navigate in order to create and sustain tax awareness.

The study confirms the third hypothesis; tax compliance is affected by the level of regulation. When there is little regulation, there is little compliance. Conversely, when there is strict regulation, there is greater self-discipline in fulfilling tax responsibilities. Subagyo *et al*. (2022) pointed out that the introduction of tax penalties as a form of legal enforcement resulted in a heightened awareness of tax responsibilities. However, they pointed out that enforcement of this type would be more effective if it were combined with an educational component and prompt service. In addition, Irawan (2022) strengthened this view by stating that enforcement of the law works primarily by informing the public and, in turn, motivates them to comply. In this case, enforcement of the law should not only be to deter legal violations, but also to promote a positive behavioral culture of compliance and awareness over an extended period.

The basis for the compliance of tax obligations is the awareness of the due date for payment of tax obligations. This principle was clearly confirmed in the fourth hypothesis test conducted among academics and university students. A strong positive correlation was established; an individual's level of understanding of the value of taxes directly affects tax compliance. This is consistent with previous studies.

Both Afrida & Kusuma (2022) and Amrullah *et al*. (2022) agree on the same thing – tax knowledge increases compliance. The more someone knows about the rules, about

the processes, and about their responsibilities, the more they will be motivated to comply, and comply correctly. Strategies to enhance tax compliance should focus on providing tax education, reinforcing the role of tax centers as educational and information disseminating centers, and using technology to streamline the process.

This study's findings align with Karo & Herawati (2024) who said that the simplicity of administration is a major factor of compliance, irrespective of the taxpayers' understanding. This is also true for Truong *et al*. (2023) where the findings were similar and confirmed the direct relationship between simplicity of administration and compliance. Hence, simplicity of administration can be regarded as an effective strategy to foster voluntary compliance. This study successfully answered the fifth hypothesis and based on the findings, tax administration has a positive effect on individual compliance.

Tax scholars recognize the role of rigor in the enforcement of laws in bolstering the compliance of individual taxpayers. The sixth hypothesis test demonstrates an effect in the enforcement of rules. The more rules are enforced, the more compliance in payment of taxes. This is in line with Rosid & Romadhaniah (2023) and Irawan (2022), where it was noted that enforcing laws could improve tax reporting and decrease non-compliance. The role of equity and confidence in tax enforcement authorities is equally important in fostering compliance beyond the penalties. The Slippery Slope Framework establishes that if there is a significant relationship of trust between the taxpayer and the tax authorities, there will be sustained compliance in the payment of individual taxes.

The seventh hypothesis changes as taxpayer awareness affects taxpayer compliance. This is because adherence is driven by awareness, and taxpayers experience services from the Tax Center. This finding is consistent with Tawfik & Elmaasrawy (2024) who argues that awareness drives individual taxpayer compliance. Trifan *et al*. (2023) also found a similar result in that awareness positively drives compliance. Also, Akims *et al*. (2023) positively correlates awareness and tax compliance behavior. This shows that taxpayer awareness is a major driver of compliance, formal and voluntary.

Tax centers assist students in developing an understanding of tax centers, rather than simply providing information. This role of "reinforcer" was evidenced in the eighth hypothesis test. It was discovered that tax center functions strongly reinforce the relationship between knowledge and awareness of tax center functions. It means that knowledge is more likely to promote awareness after interacting with the tax center. This is consistent with the findings of Christian *et al*. (2022) which noted that tax centers, in addition to helping sharpen knowledge, also help in the active encouragement of compliance. Tax centers create lively discussions, in-depth question and answer sessions, and relevant case studies to help students transform tax theory into practical use.

The results from the ninth hypothesis test reveal that tax center activity cannot moderate the relationship between the ease of tax administration and taxpayer awareness for students/academics/taxpayers who have interacted with and received services from tax centers in Indonesian universities. Tax center activity does not moderate the influence of administrative ease on individual taxpayer awareness. This indicates that individual tax administrators have more readily experienced tax administration facilitated by the DGT (Directorate General of Taxes) through tax services such as online registration, reporting, payment, and consultation. This indicates

that tax administrators enjoy these services without having to go to the tax centers. In other words, the or ease of tax administration is further caused by the DGT's technological policies and infrastructure, not by the educational or assistive activities from the tax centers. In addition, tax centers tend to concentrate on education, outreach, and basic assistance to the students or the general public. On the other hand, individual taxpayers who have been used to the online tax administration systems are the ones who benefit the most from the digitization of administrative processes. This shows that the tax center's role or purpose is not to enhance taxpayer awareness.

This supports the study of Mansur *et al.* (2023). According to Putri & Taun (2023) socialization of tax, which is an activity of tax centers, is not significantly related to tax payers awareness. Positive tax center performance cannot moderate the relationship between individual taxpayers and law enforcement. The reason tax center performance cannot moderate law enforcement is due to varying approaches and tasks. The DGT law enforcement investigates civil administrative sanctions, and fines, and takes legal action. This is a repressive process based on a set of rules with coercive power. In contrast, tax centers take a more gentle approach through education, counseling, and assistance. Taxpayers face the direct impact of law enforcement through a notice of violations, fines for being late, or audits, not because of tax center activities. Law awareness, in this case, is a direct relation to the law, not tax center activities. There is a tendency for the awareness arising from law enforcement to be of the compliance-by-enforcement variety, while tax center activities encourage compliance through education. The nature of these activities is so different that it is not possible for tax center activities to reinforce or moderate law enforcement's influence on taxpayer awareness. In addition, many tax centers do not have the power to take action against taxpayers or to supervise them, so the information or education they give is not enough to impact taxpayer perceptions of the legal risks involved.

Additionally, tax center activities are often restricted to single instances, such as tax volunteering at tax return time, so their activities are unlikely to have any meaningful effect on law enforcement concerning taxpayer awareness. This goes to support the findings of Putri & Taun (2023), Ardika *et al.* (2023), where it was the case that tax center activities of tax outreach, did not significantly contribute to taxpayer awareness.

As for the eleventh hypothesis test, it shows that taxpayer awareness is able to mediate the relationship between tax knowledge and individual taxpayer compliance among students/academics/taxpayers who have encountered and received services from university tax centers in Indonesia. This shows that taxpayers' tax knowledge directly, as well as, indirectly affect compliance by promoting awareness. Tax awareness and tax knowledge certainly trump compliance to tax obligations in the taxpayers' case. Lr & Janrosl (2026) states that the relationship is such that the greater the knowledge, the greater the awareness, the better the compliance. This is in alignment with what was established in the study of Soetjahyo *et al.* (2025) where it was established that tax knowledge affects compliance through tax awareness, acting as a mediating variable, in the case of taxpayers in Jember.

Considering the impact of the administration of tax and the tax-payers' awareness of their compliance and the administration during the tax services at the University Tax Centers in Indonesia, the 12th hypothesis test shows the influence of tax administration's ease on the individual taxpayer compliance via the tax-payer awareness variable. This confirms the perception of the ease of administration by tax-

payers as an antecedent of compliance, via the awareness variable, which increases compliance. If an individual tax administrator possesses a high awareness level, the individual's compliance is likely to be high, especially when the individual is supported by an effective and straightforward tax administration process. According to Franata & Khairudin (2025), when tax-payers have a high level of tax administration, tax-payer awareness is also at a high level. Belahouaoui & Attak (2025) states that the findings coincide in that digitalized tax systems are only fully utilized by tax-payers with high awareness, more so in the MSME category.

The test was performed on individuals (students/academics/taxpayers) who interacted with and obtained services from university tax centers in Indonesia. In this case, we refer to as the subjects of the thirteenth hypothesis test. The results indicate that the tax level of law enforcement does not just directly affect tax compliance. There is an indirect effect that increases tax compliance, which is the increase of tax compliance awareness. This means that tax law enforcement, to build tax compliance, must also build or increase awareness of tax compliance among taxpayers. The study by Herlina & Rodiah (2024) shows that the greater the law enforcement, the greater the tax compliance that is levied. The research of Putra *et al*. (2023) supports this, which explains that tax penalties will have more significant results when the awareness is high, as awareness is the means through which taxpayers figure out the legal effect of tax payment, ethically and rationally, not merely through fear of punishment.

CONCLUSION

Fundamental Finding : The main points of the findings from the research after data analysis stated: (1) Law enforcement, ease of application of the law, and understanding of the tax system significantly influence tax awareness and compliance among tax center users and academics. In addition, tax awareness directly influences compliance. (2) Tax awareness is an active construct that mediates tax law knowledge, ease of application, and law enforcement, as well as compliance levels. (3) Tax center users and academics have tax knowledge awareness due to tax center activities, on the other hand, these activities have not been proven to change awareness of ease of application and law enforcement. More activities are needed to stimulate tax center users. **Implication :** The contribution of this research extends the theory of planned behavior to the field of taxation, where system knowledge and the system's understanding (ease and enforcement) influence attitudes (awareness) that elicit behavioral compliance. It also confirms empirically that the Tax Center serves to reinforce knowledge to educate, although that role is still primarily in the cognitive domain. The findings of this study present a case to the Directorate General of Taxes and the tax education sector to continue to further enhance the collaborative role of the Tax Center. Considering tax center processes have proven highly successful in transforming knowledge into awareness, it stands to reason that tax educational programs focus on the complex regulations. In addition, it must be understood that tax compliance as a goal cannot be attained solely as a result of the enforcement of the law and that a more prominent role for law should be in creating and sustaining awareness of taxpayers. **Limitation :** (1) The respondents of this study are still confined to regions with sufficient tax center and digital access (particularly the Greater Jakarta region). Consequently, it could be said that the results of this study could not be generalized to areas with less supportive infrastructure, and to regions with varying degrees of tax literacy. (2) The model of this

study has concentrated on the technical and administrative dimensions such as tax knowledge, and the enforcement of law, and has not addressed the layers of psychological, sociological and individual value dimensions such as religious motivation, justice, and the social media environment. (3) This study is entirely quantitative and relies on surveys, which has the limitations of not providing as much insight into the rationale for taxpayer behavior as other methods. The psychological aspects of complex social phenomena such as awareness and compliance are not easy to quantify; they often require qualitative data (in-depth interviews). (4) The sample focuses on individuals who have already encountered tax centers at universities. This could lead to potential bias, as the respondents may be more educated than the average tax payer in Indonesia. **Future Research :** With regard to the above limitations of the study, it is advisable for future researchers to: (1) Broaden the research target to areas with varying infrastructure and tax literacy levels for a more comprehensive understanding. (2) Combine additional variables such as religious motivation, fairness perception, and social media impact on tax awareness and compliance. (3) Employ a mixed methods design to analyze data more comprehensively through interviews or Focus Group Discussions (FGD) to capture the psychological and social dimensions more qualitatively.

REFERENCES

Adi, S. W., Sanyika, A. W., & Purbasari, H. (2022). Analysis of the Effect of Taxation Knowledge, Taxpayer Awareness, Taxation Socialization, Tax Sanctions, and E-Filling on Taxpayer Compliance (Empirical Study at the Primary Tax Office in Jepara Regency, Central Java). *Riset Akuntansi Dan Keuangan Indonesia*, 376–385. https://doi.org/10.23917/reaksi.v7i3.22160

Afrida, A., & Kusuma, G. S. M. (2022). Pengaruh Pemahaman dan Kesadaran Terhadap Kepatuhan Wajib Pajak Orang Pribadi Dengan Sosialisasi Perpajakan Sebagai Variabel Moderasi. *Balance : Jurnal Akuntansi dan Bisnis*, *7*(1), 1–10. https://doi.org/10.32502/jab.v7i1.4564

Akims, M. A., Pyoko, O. M., Akims, K. A., Motende, W. N., Odwa, B., & Toyiring, D. B. (2023). Tax Education and Tax Compliance: A Review of Literature. *Journal of Economics*, *7*(1), 51–63. https://doi.org/10.53819/81018102t4235

Amrullah, M. A., Syahdan, S. A., Ruwanti, G., & Mulianata, L. (2022). Pengaruh Pemahaman Perpajakan, Pemahaman Akuntansi, dan Pemanfaatan Teknologi Terhadap Kepatuhan Wajib Pajak (Studi Empiris Pada UMKM Kabupaten Kotabaru). *Jurnal Manajemen Dan Akuntansi*, *22*(2). http://journal.stiei-kayutangi-bjm.ac.id/index.php/jma/article/view/777

Ardika, M. I., Hardika, N. S., & Suardani, A. A. P. (2023). The role of tax socialization in tax digitalization and taxpayer awareness on individual taxpayer compliance. *Journal of Applied Sciences in Accounting, Finance, and Tax*, *6*(2), 61–68. https://doi.org/10.31940/jasafint.v6i2.61-68

Atito, M., & Masripah, M. (2024). Pengaruh Penerapan Sistem E-Filing, Sosialisasi Perpajakan, dan Tingkat Kepercayaan Pada Pemerintah Terhadap Kepatuhan Wajib Pajak Orang Pribadi di KPP Pratama Jakarta Setiabudi Dua. *Jurnal Akuntansi*, *13*(2), 135–146. https://doi.org/10.46806/ja.v13i2.1141

Belahouaoui, R., & Attak, E. H. (2025). Exploring the relationship between taxpayers and tax authorities in the digital era: Evidence on tax compliance behavior in

emerging economies. *International Journal of Law and Management*, *67*(6), 632–653. https://doi.org/10.1108/IJLMA-02-2024-0064

Christian, T., Kalangi, L., & Wangkar, A. (2022). Effect of Self Assessment System and Tax Collection on Value Added Tax Revenue (Case Study of Manado Primary Tax Service Office from 2019-2021). *Journal of Governance, Taxation and Auditing*, *1*(2), 178–183. (Taxation). https://doi.org/10.38142/jogta.v1i2.477

Direktorat Jenderal Pajak Republik Indonesia. (2024). *Laporan tahunan DJP 2023: Strengthening strategy, boosting performance*. Direktorat Jenderal Pajak Republik Indonesia. https://www.pajak.go.id/sites/default/files/2024-12/Laporan%20Tahunan%20DJP%202023%20-%20Indonesia.pdf

Dumiter, F. C. (2023). The correlation between double taxation conventions, tax compliance, and tax evasion. Empirical evidence from OECD countries. *Technological and Economic Development of Economy*, *29*(3), 902–948. https://doi.org/10.3846/tede.2023.18260

Franata, M. S., & Khairudin, K. (2025). The Effect of Taxation Socialization, Taxpayer Awareness, Tax Sanctions and Tax Service Quality on Motor Vehicle Taxpayer Compliance. *International Journal Of Education, Social Studies, And Management (IJESSM)*, *5*(1), 262–278. https://doi.org/10.52121/ijessm.v5i1.627

Herlina, S., & Rodiah, S. (2024). Persepsi Wajib Pajak Mengenai Korupsi, Penegakan Hukum dan Sikap Rasional Terhadap Tingkat Kepatuhan Wajib Pajak. *Jurnal Akuntansi Dan Keuangan*, *12*(2), 250–261. https://doi.org/10.29103/jak.v12i2.17887

Irawan, D. (2022). Restorative Justice Aspect in Strengthening Preliminary Evidence Audit in Indonesian Taxation. *Journal of Tax Law and Policy*, *1*(2), 1–15. https://doi.org/10.56282/jtlp.v1i2.78

Irnawati, N., Hamida, S., & Firmansyah, R. (2023). Strategi Tax Center Fisip dalam Meningkatkan Kepatuhan Perpajakan di Lingkungan UIN Sunan Gunung Djati Bandung. *Gunung Djati Conference Series*, *27*, 1–10. https://conferences.uinsgd.ac.id/index.php/gdcs/article/view/1900

Joel, I. C., Wisdom, E., & Bolouimbelemoere, K. P. (2023). Influence of Tax Morality and Tax Culture on Tax Compliance. *International Journal of Accounting, Management, Economics and Social Sciences (IJAMESC)*, *1*(5), 500–509. https://doi.org/10.61990/ijamesc.v1i5.92

Karo, R. B., & Herawati, V. (2024). The Effect of Tax Knowledge and Tax Sanctions on Taxpayer Compliance in The Millennial Generation in Karawang with Tax Awareness as Moderation Variable. *Golden Ratio of Finance Management*, *4*(2), 175–183. https://doi.org/10.52970/grfm.v4i2.495

Kementerian Keuangan Republik Indonesia. (2024). *Penerimaan pajak 2023 lampaui target, Menkeu: Hattrick, tiga kali berturut-turut*. Kementerian Keuangan Republik Indonesia. https://www.kemenkeu.go.id/informasi-publik/publikasi/berita-utama/Penerimaan-Pajak-2023-Lampaui-Target

Kumi, R., Bannor, R. K., Oppong-Kyeremeh, H., & Adaletey, J. E. (2023). Voluntary and enforced tax compliance determinants and impact among agrochemical businesses in Ghana. *Arab Gulf Journal of Scientific Research*, *42*(3), 991–1011. https://doi.org/10.1108/AGJSR-03-2023-0133

Laurence, G. T., & Santoso, H. (2024). Dampak Pemahaman Pajak Terhadap Kepatuhan Pelaporan Pajak: (Studi Kasus PT. XYZ PUBLISHER). *Jurnal Bisnis dan Ekonomi*, *2*(2), 193–211. https://doi.org/10.61597/jbe-ogzrp.v2i2.31

Lr, N. A. P., & Janrosl, V. S. E. (2026). Tax Compliance Drivers In Indonesian SMEs Based On Knowledge Awareness And Religious Commitment. *International Journal of Education Management and Religion*, *3*(1), 233–242. https://doi.org/10.71305/ijemr.v3i1.1122

Magribi, R. M., & Yulianti, D. (2022). Pengaruh Pemanfaatan Teknologi dan Modernisasi Sistem Administrasi Perpajakan Terhadap Kepatuhan Wajib Pajak Orang Pribadi (Studi Kasus Pada WPOP yang Terdaftar di KPP Mikro Piloting Majalengka). *Jurnal Akuntansi Kompetif*, *5*(3), 358–367. https://doi.org/10.35446/akuntansikompetif.v5i3.1137

Mansur, F., Hernando, R., & Prasetyo, E. (2023). Factors Affecting MSME Taxpayer Compliance: Tax Sanctions As Moderation: English. *Jurnal Akuntansi*, *27*(1), 136–156. https://doi.org/10.24912/ja.v27i1.1152

Meidiyustiani, R., Qodariah, Q., & Sari, S. (2022). Pengaruh Pemahaman Wajib Pajak, Pelayanan Petugas Pajak, Kesadaran Wajib Pajak, dan Tingkat Pendidikan Terhadap Kepatuhan Wajib Pajak UMKM. *Jurnal Bina Akuntansi*, *9*(2), 184–197. https://doi.org/10.52859/jba.v9i2.215

Naape, B. (2023). Tax Knowledge, Tax Complexity and Tax Compliance in South Africa. *Finance, Accounting and Business Analysis*, *5*(1), 14–27.

Perveen, N., Farooq, S., Akram, M., & Ullah, H. A. (2024). Impact of Tax Knowledge and Tax System Complexity on Compliance Behavior of Salaried Taxpayers: The Mediating Role of Fairness Perception. *Contemporary Journal of Social Science Review*, *2*(04), 1053–1065.

Purwaningsih, N., Iswanaji, C., & Bharata, R. W. (2022). Pengaruh Kesadaran Pajak, Pemahaman Pajak, Pendapatan, dan Sanksi Pajak Terhadap Kepatuhan Wajib Pajak Bumi dan Bangunan Orang Pribadi di Kabupaten Magelang. *Jurnal Ilmiah Akuntansi Kesatuan*, *10*(3), 455–466. https://doi.org/10.37641/jiakes.v10i3.1425

Putra, L. A., Loist, C., Butarbutar, N., Efendi, E., & Sudirman, A. (2023). The Influence of Service Quality and Tax Sanctions on Taxpayer Compliance. *International Journal of Business, Law, and Education*, *4*(2), 952–959. https://doi.org/10.56442/ijble.v4i2.268

Putri, A. K., & Taun, T. (2023). Peranan Hukum Pajak Dalam Pembangunan Ekonomi Nasional Guna Mencapai Tujuan Negara. *Jurnal Ilmiah Wahana Pendidikan*, *9*(1), 198–209. https://doi.org/10.5281/10.5281/zenodo.7519838

Ridwan, R., Modding, B., & Tenriwaru, T. (2024). The Role of Modern Tax Administration on Tax Services Quality. *International Journal of Business, Law, and Education*, *5*(1), 1078–1086. https://doi.org/10.56442/ijble.v5i1.519

Rosid, A. & Romadhaniah. (2023). Assessing the Effectiveness of Law Enforcement on Improving Tax Compliance in Indonesia: An Empirical Investigation. *Bulletin of Indonesian Economic Studies*, *59*(2), 243–267. https://doi.org/10.1080/00074918.2021.1970110

Rozenkowska, K. (2023). Theory of planned behavior in consumer behavior research: A systematic literature review. *International Journal of Consumer Studies*, *47*(6), 2670–2700. https://doi.org/10.1111/ijcs.12970

Sihite, I. L., Puspitasari, D. H., & Arsopi, A. (2022). Implementasi Kebijakan Pengembangan Inklusi Kesadaran Pajak Melalui Tax Center di Kantor Wilayah DJP Jakarta Selatan I. *Journal of Public Policy and Applied Administration*. https://doi.org/10.32834/jplan.v4i1.564

Soetjahyo, S., Cahyono, D., & Sanosra, A. (2025). Taxpayer Knowledge, Service Quality, Tax Sanctions, and Awareness in Enhancing Property Tax Compliance in Jember Regency. *SENTRALISASI*, *14*(1), 220–236. https://doi.org/10.33506/sl.v14i1.3840

Subagyo, A., Abdullah, S., & Saleh, M. (2022). Legal Protection for Taxpayers Participants of Voluntary Disclosure Program in the Law on Harmonization of Tax Regulations. *IUS POSITUM: Journal of Law Theory and Law Enforcement*, 1–16. https://doi.org/10.56943/jlte.v1i4.169

Tawfik, O. I., & Elmaasrawy, H. E. (2024). Determinants of the Quality of Tax Audits for Content Creation Tax and Tax Compliance: Evidence From Egypt. *Sage Open*, *14*(1), 21582440241227755. https://doi.org/10.1177/21582440241227755

Trifan, V. A., Szentesi, S. G., Cuc, L. D., & Pantea, M. F. (2023). Assessing Tax Compliance Behavior Among Romanian Taxpayers: An Empirical Case Study. *Sage Open*, *13*(3), 21582440231195676. https://doi.org/10.1177/21582440231195676

Truong, B. T. T., Nguyen, P. V., Vrontis, D., & Ahmed, Z. U. (2023). Unleashing corporate potential: The interplay of intellectual capital, knowledge management, and environmental compliance in enhancing innovation and performance. *Journal of Knowledge Management*, *28*(4), 1054–1073. https://doi.org/10.1108/JKM-05-2023-0389

Trzcinski, K. (2025). *Fiscal Policy in Times of Growth, Crisis, and Recovery: Microsimulation Methods for Equitable Tax and Benefit Design*. https://epub.ub.uni-greifswald.de/frontdoor/index/index/docId/13326

* Ikhwanudin (Corresponding Author)

Universitas Gunadarma, Depok, Indonesia

Jl. Margonda Raya 100, Depok, Jawa Barat 16424, Indonesia

Email: ikhwanudins3ugd@gmail.com

Budi Hermana

Universitas Gunadarma, Depok, Indonesia

Jl. Margonda Raya 100, Depok, Jawa Barat 16424, Indonesia

Email: bhermana@staff.gunadarma.ac.id

Emmy Indrayani

Universitas Gunadarma, Depok, Indonesia

Jl. Margonda Raya 100, Depok, Jawa Barat 16424, Indonesia

Email: emmy@staff.gunadarma.ac.id