Taxpayer Awareness as a Mediating Factor in Tax Socialization, Tax Sanctions, and Taxpayer Compliance (Case Study: KPP Pratama South Cikarang, Bekasi Regency)

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Abstract

This research aims to analyze the effect of tax socialization No. 44 of 2020, tax sanctions and taxpayers knowledge on Taxpayer Compliance. In addition, this study also analyzes taxpayer awareness as a variable that mediates the effect of tax socialization, tax sanctions, and taxpayer knowledge on taxpayer compliance. This research uses quantitative methods. The type of data used in this research is primary data with questionnaire method. Total The number of samples obtained as many as 310 taxpayers. Analysis and hypothesis testing using SmartPls 3.0. The results show that tax socialization No.44 of 2020 has no effect on taxpayer compliance, tax sanctions have no effect on taxpayer compliance, but taxpayer knowledge has a significant effect on taxpayers, also taxpayer awareness as a mediating variable has a significant effect on taxpayer compliance. For the results of the indirect analysis through the mediating variable, it shows that tax awareness does not mediate the effect of tax socialization on taxpayer compliance, taxpayer awareness does not mediate tax sanctions on taxpayer compliance, but taxpayer awareness significantly mediates taxpayer knowledge on taxpayer compliance.

I. Introduction

Even though Director-General of Taxes (DGT) has repeatedly disseminated tax calculation procedures and the government is also attempting to simplify tax regulations in Indonesia, even though the Director-General of Taxes (DGT) has repeatedly disseminated tax calculation procedures and the government is also attempting to simplify tax regulations in Indonesia. Indonesia's tax calculation, reporting, and depositing processes would be simplified. This, however, has not resulted in an increase in taxpayer compliance with all tax duties. As a result, the realization of state revenue generated by the tax system has never been acceptable. Based on statistics issued by the Director-General of Taxes via the Ministry of Finance's annual report on a summary of tax revenue realization on the level of national tax compliance in Indonesia over the last five years, as shown in the following table.

Table 1. Revenue Collection and National Tax Compliance

Year	Tax Revenue Estimates (Trillion Rupiah)	Tax Revenue Realization (Trillion Rupiah)	Registered WP (in thousands)	WP Mandatory SPT (in thousands)	Annual Income Tax Return	Compliance Ratio
2016	1.539	1.284	36.446	20.165	12.264	60,78%
2017	1.472	1.343	39.151	16.598	12.057	72,64%
2018	1.618	1.518	38.651	17.653	10.589	63,90%
2019	1.786	1.556	42.517	18.332	12.326	67,24%
2020	1.404	1.285	46.382	19.017	14.763	77,63%

(Source: Annual Report of the Ministry of Finance for 2016 to 2020)

Based on the data in the table above, the level of taxpayer compliance appears to continue to fluctuate countrywide, with the lowest levels of compliance indicated by the Tax Ratio occurring in 2016, 2018, and 2019, with a compliance ratio of 60. 78.4%, 63.94%, and 67.244%, respectively. By comparing registered taxpayers to taxpayers who have submitted their SPT, the tax ratio provides insight into the extent of taxpayer compliance (Sembiring, 2018).

Taxpayer compliance is a problem not only on a national scale, but also in the regions, most notably in Bekasi Regency. Based on research conducted at the KPP Pratama Cikarang Selatan Between 2016 and 2020, the degree of taxpayer compliance in Bekasi Regency is relatively low, as illustrated in the table below:

Table 2. Taxpayer Identification Numbers at KPP Pratama South Cikarang

Year	Number of Taxpayers WP Required SPT	SPT Submission in a Timely Manner		SPT Submission Is Delayed		SPT Submission is unsubmitted	
2016	108,464	33,872	31.2%	13,586	12.5%	61,006	56.2%
2017	84,876	37,362	44.0%	9,892	11.7%	37,622	44.3%
2018	94,826	38,954	41.1%	10,860	11.5%	45,012	47.5%
2019	91,885	43,353	47.2%	8,526	9.3%	40,006	43.5%
2020	68,123	50,217	73.7%	7,906	11.6%	10,000	14.7%

(Source: Cikarang KPP Pratama, Bekasi Regency)

According to the assessment in Table 2, the number of Individual Taxpayers (WPOP) necessary for SPT has decreased over the last five years. The greatest fall in the number of WPOPs happened in 2020, when 68,123 people were required to SPT, a decrease of 25.86

percent from the previous year (2019), when 91,885 people were required to SPT. According to the speed with which taxpayers file SPT, there are still a significant number of individual taxpayers (WPOP) who are late in reporting SPT by an average of 11%, indicating that taxpayers are still unaware of their tax duties. Additionally, the large percentage of taxpayers who do not submit SPT, which ranges between 40% and 60% for four years (2016 to 2020), demonstrates that many taxpayers do not adhere to tax rules and obligations.

According to compliance theory (Allingham, Sandmo, 1972), no individual is willing to pay taxes freely (voluntary compliance), and as a result, individuals will always be opposed to paying taxes (risk aversion). According to the model created by (Allingham and Sandmo, 1972), taxpayers will weigh the benefits of compliance with their tax duties against the risks/burdens associated with disobedience, particularly the danger of punishment if discovered, fraud committed during the tax audit process.

To boost economic enthusiasm in the wake of the Covid 19 pandemic, the government published Regulation of the Minister of Finance Number (PMK) 44/PMK.03/2020 regarding Tax Incentives for Taxpayers Affected by the 2019 Corona Virus Disease Pandemic. This rule provides relief in the form of tax incentives, tariff reductions, tax exemptions, and tax service relaxations in order to boost the income and economic enthusiasm of community and business actors in order to assist in mitigating the impact of Corona Virus Disease 2019. (Regulation of the Minister of Finance of the Republic of Indonesia, 2020). Through print and electronic media, the Directorate General of Taxes increases public awareness of this incentive. The Extensification and Counseling Section employees and the corresponding Taxpayer Account Representative (AR) are responsible for socializing tax advantages at KPP Pratama (Rahmawati and Apriliasari, 2021). As a result of the increased intensity of tax socialization, it is envisaged that taxpayers will have a better understanding of the need of paying taxes in order to comply with their tax obligations and rights. ". Income Tax is a type of subjective tax whose tax obligations are attached to the relevant Tax Subject (Hendayana, 2021). Tax is a requirement that has been established by the state as a civic duty (Marpaung, 2020). Tax is a compulsory levy paid by the people to the state and will be used for the benefit of the government and the general public (Siregar, 2019).

Sanctions against taxpayers who break tax regulations are another aspect that contributes to taxpayer compliance. The application of consequences in the form of minor fines for late payments and reporting causes taxpayers to disregard compliance. Small fines do not incentivize taxpayers to disclose their tax liabilities. Additionally, the degree of taxpayer compliance will not be achieved if the government is not aggressive in prosecuting tax violators, hence encouraging tax violators to become complacent in their irresponsibility. Tax sanctions, as one of the government's strategies aimed at reducing taxpayer noncompliance, ensure that the terms of tax laws and regulations (tax norms) are followed; in other words, tax sanctions act as a disincentive to taxpayers violating tax norms (Prananjaya and Narsa, 2019).

Taxpayers' lack of information is also a factor in their disobedience of tax regulations (Mardiasmo, 2016a). The primary strategy for boosting taxpayer compliance is to increase taxpayer awareness, which will provide comprehensive information about tax laws, changes to tax laws, taxpayer obligations, and how to compute and report taxes on future tax returns (Hertati, 2021). The level of knowledge held by taxpayers is critical in developing a broad grasp of taxation, particularly in relation to tax legislation.

Additionally, taxpayer awareness is a significant factor affecting compliance. Taxpayer awareness is a state of mind in which taxpayers are aware of, comprehend, and capable of calculating taxes, paying them on time and in the correct amount, and voluntarily complying with all tax regulations (Perdana and Dwirandra, 2020). Increased taxpayer awareness will result in a greater knowledge and implementation of taxpayer-responsible tax obligations,

which will ultimately result in increased taxpayer compliance in resolving all tax-related issues with the state.

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II. Review of Literature

2.1 Theory of Tax Compliance (Compliance Theory)
According to compliance theory (Allingham, Sandmo, 1972), no individual is willing to pay taxes freely (voluntary compliance), and as a result, individuals will always be opposed to paying taxes (risk aversion). The model proposed by (Allingham, Sandmo, 1972) argues that taxpayers will weigh the benefits of compliance with their tax duties against the risks / burdens associated with disobedience, most notably the danger of penalty if discovered, fraud committed during the tax audit process.

2.2 Theoretical Foundations of Planned Behavior (TPB)
The Theory of Planned Conduct is applicable from (Ajzen, 1991) in order to explain taxpayers' behavior when it comes to complying with their tax obligations. Three factors correspond to the variables in this study. Tax penalties for control beliefs are imposed to assist taxpayers in complying with tax legislation. Taxpayer's normative beliefs will be determined based on the taxpayer's knowledge, and then on the extent to which harsh tax punishments can promote taxpayers' compliance with tax laws. Taxpayer awareness is related to behavioral views, especially when an individual has confidence in the outcomes of his behavior prior to doing, allowing the individual to select whether or not to act.

2.3 Socialization of the Tax System
Minister of Finance Regulation No. 44/PMK.03/2020 Relating to Tax Incentives for Taxpayers Affected by the 2019 Corona Virus Disease Pandemic. This rule provides relief in the form of incentives to lower tax burdens, lower tariffs, tax exemptions, and relaxation of

tax services in order to boost income and economic enthusiasm among community and business actors, thereby assisting in mitigating the impact of Corona Virus Disease 2019.

2.4 Tax Penalties

Tax sanctions ensure that tax laws and regulations (tax norms) are followed; in other words, tax sanctions act as a deterrent to taxpayers who breach tax norms (Mardiasmo, 2016c). Sanctions and the prospect of tax audits have an effect on tax compliance (Allingham, Sandmo, 1972).

2.5 Taxpayers' Knowledge

Tax knowledge is critical in the voluntary compliance tax system, particularly in calculating the correct amount of tax due that must be paid (Saad, 2014). Tax Knowledge is tax information that taxpayers can use to act, make decisions, and pursue certain routes or tactics in the administration of their tax rights and obligations (Carolina, 2009: 7).

2.6 Taxpayer Awareness

Taxpayer awareness refers to a taxpayer who is willing to pay tax bills without force, is familiar with tax legislation, and uses tax provisions appropriately and voluntarily. They are concerned about their taxes and will not breach tax legislation. Additionally, they will calculate their taxes appropriately and will pay any tax debts (Abdul, Rahman, 2010).
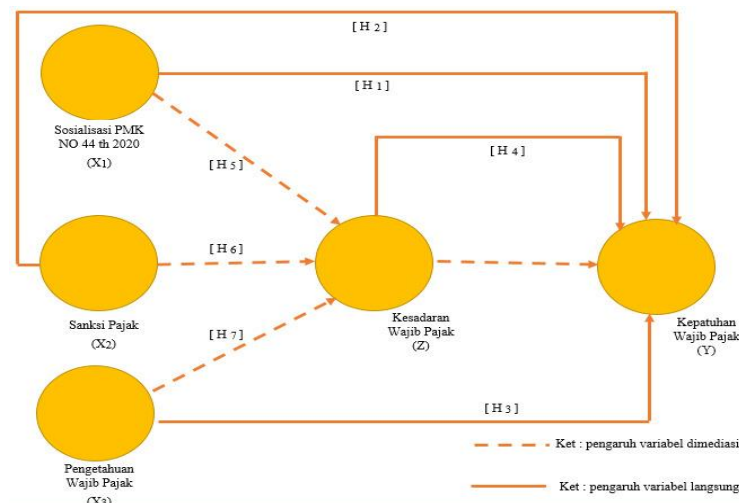
2.7 Frame of Thought

Figure 1. *Frame of Thought*

2.8 Research Hypothesis

H1 = Tax Socialization No. 44 of 2020 improves taxpayer compliance.
H2 = Tax penalties have a beneficial influence on taxpayer compliance.
H3 = Taxpayer knowledge has a beneficial effect on the level of taxpayer compliance.
H4 = Taxpayer Awareness has a beneficial effect on the level of tax compliance.
H5 = Taxpayer Awareness acts as a buffer against the effect of Tax Socialization No. 44 of 2020 on Taxpayer Compliance.
H6 = Taxpayer Awareness acts as a buffer between the effect of tax sanctions and the level of taxpayer compliance.
H7 = Taxpayer Awareness acts as a moderator between Taxpayer Knowledge and Taxpayer Compliance.

III. Research Methods

The type of research that will be used in this study is descriptive quantitative research that is confirmatory, with the objective of confirming the validity and reliability of a previously determined instrument, namely the Structural Equation Model instrument, in order to ascertain what factor influence the level of taxpayer compliance at KPP Pratama in Bekasi Regency. The purpose of this study is to determine and confirm if the PMK Tax Socialization Number 44/PMK.03/2020, Tax Sanctions, and Taxpayer Knowledge can explain and be mediated by taxpayer awareness.

3.1 Operational Definition and Measurement of Variables

The variables under examination in this study are divided into three categories: the independent variable (X), which consists of one variable, Tax Socialization Number 44 of 2020 (X1), Tax Sanctions (X2), and Taxpayer Knowledge (X3), the dependent variable (Y), which consists of one variable, Taxpayer Compliance Level (Y), and the mediation variable, which consists of one Taxpayer Awareness variable (Z). The authors describe the operationalization of the variables in this study in the following paragraphs:

Table 3. Variables Operations

Variable	Dimention	Scale	Data Sources
Socialization of PMK No. 44 2020 (X_1)	Media Information	Ordinal	Questionnaire
(Peraturan Menteri Keuangan RI, 2020)	HR Tax Apparatus	Ordinal	Questionnaire
(Mahadianto and Astuti, 2017) (Nopiana and Natalia, 2018) (Sudrajat and Parulian Ompusunggu, 2015); (Ni Komang Ayu Juliantari, I Made Sudiartana, 2021)	Counseling Material	Ordinal	Questionnaire
	Conveying way	Ordinal	Questionnaire
	Source information quality	Ordinal	Questionnaire
Tax sanctions (X_2)	Administrative sanctions	Ordinal	Questionnaire
		Ordinal	Questionnaire
		Ordinal	Questionnaire
	Criminal Fines	Ordinal	Questionnaire
(Mardiasmo, 2016c)	Imprisonment	Ordinal	Questionnaire
(Resmi, 2014),	Prison	Ordinal	Questionnaire
(Undang Undang RI, 2007)			
Taxpayer Knowledge (X_3)	Tax Return Letter (SPT)	Ordinal	Questionnaire
	Self Assesment System	Ordinal	Questionnaire
	Income tax	Ordinal	Questionnaire

(Carolina, 2009)	Fiscal report	Ordinal	Questionnaire
(Nasution *et al.*, 2020)	The truth and accuracy the data	Ordinal	Questionnaire
	Tax discipline	Ordinal	Questionnaire
		Ordinal	Questionnaire
Taxpayer Awareness (Z)	Tax Compliance	Ordinal	Questionnaire
(Irianto and Slamet Edi, 2005)	Taxpayer participation rate	Ordinal	Questionnaire
(Wardani & Rumiyatun, 2017)	Tax Function	Ordinal	Questionnaire
	Initiatives in tax	Ordinal	Questionnaire
	Tax Benefits	Ordinal	Questionnaire
Compliance by Taxpayers (Z)	Formal Compliance	Ordinal	Questionnaire
		Ordinal	Questionnaire
Allingham, M.G., & Sandmo, A. (1972)		Ordinal	Questionnaire
	Material Compliance	Ordinal	Questionnaire
		Ordinal	Questionnaire
		Ordinal	Questionnaire
		Ordinal	Questionnaire

3.2 Population and Sample

Individual taxpayers (personal WPOP) in Cikarang, Bekasi Regency registered at KPP Pratama Cikarang Selatan till 2021 are included in this study. The entire population, according to statistics gathered from KPP Pratama Cikarang Selatan, is 46,784 individual taxpayers. Sample was conducted using an ad hoc sampling technique called Accidental Sampling. The scientists obtained a random sample of 1,454 people during the observation period, including 698 males and 756 women. In Ardi, the author employs the formula Krejcie, Robert V., Morgan, Daryle W. (2016). According to Krejcie, Robert V., and Morgan, Daryle W., the following formula applies:

$$S = \frac{X \times N \times p \times q}{D^2(N-1) + X \times p \times q}$$

Description:
S = Sample Size
D = Common significance level 1%, 5%, 10%
X^2 = Chi Square value dg dk = 1 pd significance level 5% = 3,841 while for significance level 10% = 2,706 (see chi square table)
P = population proportion, while in common 0,5 or 0,6
Q = 1 - p

As can be seen from the formula above, the population sample is as follows:

$$S = \frac{3{,}841 \times 1454 \times 0{,}5 \times 0{,}5}{0{,}05^2(1.454 - 1) + 3{,}841 \times 0{,}5 \times 0{,}5}$$

$$S = \frac{1.396{,}2}{4{,}50275}$$

$$S = \frac{1396{,}2}{4{,}50275}$$

$S = 310{,}077$ 310 respondents were rounded up.

The study's major data source was taxpayers registered at KPP Pratama Cikarang Selatan during the observation period. In this study, secondary data sources include documentation, questionnaires, bulletins, journals, and information gleaned from textbooks. The study used the observation and questionnaire methods to collect data at KPP Pratama Cikarang Selatan Bekasi Regency. The assessment scale employed in this research proposal is Osgood's Semantic Differential (Sugiyono, 2017), which is designed to assess an individual's attitude toward social phenomena.

Table 4. Semantic Differential Scale

Strongly disagree	1	2	3	4	5	6	7	8	9	10	Strongly agree

(Source: Sugiyono, 2017)

IV. Discussion

4.1 Description of the Research Objects
a. Respondents' Characteristics

According to the results of the respondent data analysis, the majority of respondents in this study were female, aged 28 to 38 years, with a minimum of a bachelor's degree, a kind of business classified as an individual business, and a source of revenue from business income.

b. Perceptions of Respondents

Assessment categorization based on the score assigned to respondents' responses. Where the assessment category is determined by the number of measurement scales utilized, namely up to five, The scale can be used as a reference for assessing the findings of existing questions that are related to existing factors and presented in this study, as shown in Table 5.

Table 5. Rating Categories Classification for Descriptive Statistics

Average Score	Rating Category
1 – 2,80	Very Low
2,81 – 4,60	Low
4,61 – 6,40	Sufficient
6,41 – 8,20	Good
8,21 – 10,00	Excellent

(Source: Results of Data Processing)

4.2 Description of the Statistical Analysis

According to the results of statistical data processing, respondents' replies to PMK No. 44 of 2020 Socialization's variable (X_1) yielded an average of 7,182. This indicates that respondents thought the Socialization of PMK No. 44 of 2020, as implemented, was a good idea. According to the results of statistical data processing, the average value of respondents'

responses to the variable Tax Sanctions (X_2) is 7.625. This indicates that respondents generally view the Tax Sanctions that are currently being applied or will be enforced favorably. According to the results of statistical data processing, the average score for respondents' responses to the Taxpayer Knowledge variable (X_3) is 7.743. This suggests that respondents generally believe their understanding about taxpayers is adequate. According to the results of statistical data processing, the average value of respondents' responses to the Taxpayer Awareness variable (Z) is 8,586. This suggests that respondents generally believe that the taxpayer has a high level of awareness of the respondents. According to the results of statistical data processing, the average value of the respondent's response to the Taxpayer Compliance Level variable (Y) is 8,598. This suggests that respondents generally believe that respondents' compliance with tax laws is quite excellent.

4.3 Validation of Data/Research Instruments
a. Assessment of the Outer Model
Each will be discussed in detail as follows:
a. Convergent Validity Test
According to the results of statistical processing from SmartPLS, all indicators provide loading factors greater than 0.5. Additionally, all variables provide values of Average Variance Extracted (AVE) larger than 0.5. Thus, all of these indicators are declared valid for measuring the variables based on their convergent validity.

b. Discriminant Validity Test
Cross loading analysis reveals that, on average, the indicators for all variables create a loading value greater than the loading value for the other variables. Thus, the discriminant validity test indicates that each indicator is capable of measuring the latent variable associated with the indicator.

4.4 Hypotheses Testing
a. Internal Model Evaluation
1. Determination Coefficient (R^2)
According to SmartPLS 3.0 calculations, the R-square value of the Taxpayer Awareness variable (Z) is 0.530 or 53%. That is, the variable influence of Socialization PMK No.44 Year 2020 (X_1), Tax Sanctions (X_2), and Taxpayer Knowledge (X_3), all contribute 53.0 percent to the mediating variable Taxpayer Awareness (Z). While the remaining 47.0 percent is due to the involvement of unmentioned variables.

Meanwhile, the R-square value of the taxpayer compliance variable (Y) is 0.659 or 65.9 percent based on the calculation results. That is, the variable influence of Socialization PMK No. 44 of 2022 (X1), Tax Sanctions (X2), and Taxpayer Knowledge (X3), as well as Taxpayer Awareness (Z) of Taxpayer Compliance (Y), totaled 65.9 percent. While the remaining 34.1 percent represents the contribution of unmentioned variables in this study.

b. Testing Hypotheses
1. The Effect of Tax Socialization No. 44 of 2020 on Taxpayer Compliance
The t-statistic value is 0.648 with a p value (p value) of 0.517, indicating that the Socialization of PMK No. 44 of 2020 has no effect on taxpayer compliance. According to the author's observations, respondents generally view the Socialization of PMK No. 44 of 2020 as a success. Despite the fact that the government is aggressively disseminating information about tax incentives to taxpayers in an attempt to stimulate the economy, which is currently sluggish due to the COVID-19 pandemic, this effort has not been successful in increasing taxpayer compliance with all of their tax obligations. One of the reasons for the lack of

influence on tax compliance is the divergent attitudes on taxes held by each taxpayer. Rapid regulatory changes and intricate systems create unique perspectives for each taxpayer. The findings of this study are consistent with previous studies (Dewi et al., 2020), but contradict those of Oladipupo and Obaze (2016) and Ananda et al. (2015), implying that the findings of this study's analysis contradict the first hypothesis (H_1).

2. The Impact of Tax Sanctions on Taxpayer Compliance

According to the test findings obtained by SmartPLS 3.0, the t-statistics value is 1.680 with a p value of 0.094, indicating that tax punishments have no influence on taxpayer compliance. According to the author's observations, respondents generally believe that the tax sanctions that are currently being imposed or will be enforced are beneficial. Nevertheless, even though the government or tax authorities impose severe penalties for all tax offenses committed by taxpayers, some taxpayers violate tax rules by failing to report SPT on time, engineering fiscal financial statements, or frequently by being negligent in reporting SPT. One reason is that each taxpayer has a unique perspective on taxes. This issue causes taxpayers to consider complying with applicable punishments; nevertheless, compliance proves to be prohibitively difficult and unjustifiably expensive in comparison to the advantages or benefits obtained by the taxpayer. The findings of this study corroborate Nurfaza's (2020) research but contradict the findings of Daito, A (2021) and Ryan (2018), implying that the findings of this study's analysis contradict the Second Hypothesis (H_2).

3. How Taxpayer Knowledge Affects Taxpayer Compliance

According to the test findings obtained using SmartPLS 3.0, the t-statistics value is 1.568, with a p value (p value) of 0.000, indicating that taxpayer awareness has an effect on taxpayer compliance. Based on a review of supporting ideas about tax knowledge, (Eriksen and Fallan, 1996) examines the significance of several aspects of tax knowledge for taxpayers, demonstrating how they significantly influence tax attitudes toward a fair tax system. According to (Saad; 2014), tax knowledge is critical in the voluntary compliance tax system, particularly in establishing the exact amount of tax that must be paid. In this sense, someone with insight will have a rationale for acting and making judgments on the implementation of anything; in this case, there will be a rationale for being obedient to the state in paying taxes. Meanwhile, submitting to, obeying, or abiding by the rules reflects the behavior of those who are governed by the applicable regulations. The greater taxpayer awareness of tax rules and processes, the greater taxpayer compliance with their inherent tax obligations. This is consistent with the findings of Nurlita Rahayu (2017) and Ajat Sudrajat and Arles Parulian Ompusunggu (2015), and hence the findings of this study's analysis support the third hypothesis (H_3).

4. The Effect of Taxpayer Awareness on the Level of Taxpayer Compliance

According to the test findings obtained using SmartPLS 3.0, the t-statistics value is 5.048 with a p value of 0.000, indicating that taxpayer knowledge has an effect on taxpayer compliance. Tax awareness is the willingness to meet duties and contribute to the state that supports the country's development, which logically results in the willingness to contribute finances for the tax function's implementation by paying taxes on time and in the correct amount (Rahayu, 2010). Taxpayer compliance will inevitably grow as a result of behavior or feelings that contain information, ideas, and arguments, as well as acting based on an awareness of the importance of rights and obligations in taxes. This is consistent with (Ajzen, 1991)'s Theory of Planned Behavior, in which taxpayer awareness is related to behavior belief, which explains how individual attitudes will alter an individual's willingness to act by informing the individual of the consequences of his or her actions. This will result in

increased taxpayer knowledge, resulting in taxpayers complying with all applicable tax rules and willingly submitting all information pertaining to their tax obligations. This will have an ongoing effect on enhancing taxpayer compliance. This is consistent with the findings of Tryana A.M Tiraada (2013) and Sulistiorini, D (2019), as well as Amran, (2018), indicating that the findings of this study's analysis support the fourth hypothesis (H_4).

5. Tax Socialization No. 44 of 2020 Has an Effect on Taxpayer Compliance Levels Through Taxpayer Awareness

According to the results of the analysis presented above, the t-statistics value is 0.162 with a p value of 0.872, indicating that taxpayer knowledge is unable to mediate the socialization link between PMK No. 44 of 2020 and taxpayer compliance. Although taxpayer awareness has increased year after year, it has not been sufficient to boost taxpayer compliance, despite the government's aggressive socialization of PMK No. 44 of 2020, the tax incentive program for taxpayers affected by Covid-19. One of the reasons for the lack of influence on tax compliance is the divergent attitudes on taxes held by each taxpayer. Rapid regulatory changes and intricate systems create unique perspectives for each taxpayer. This contradicts the findings of (Boediono, Sitawati and Semarang, 2018) and (Kurniawan, Kumadji and Yaningwati, 2014), and so the findings of this study's analysis refute the fifth hypothesis (H_5).

6. The Impact of Taxpayer Sanctions on Taxpayer Compliance Levels as a Function of Taxpayer Awareness

According to the results of the research given above, the t-statistics value is 1.186 with a p value of 0.236, indicating that taxpayer knowledge is ineffective at mediating the relationship between tax sanctions and taxpayer compliance. One of the reasons for the lack of influence on tax compliance is the divergent attitudes on taxes held by each taxpayer. This issue causes taxpayers to consider complying with applicable punishments; nevertheless, compliance proves to be prohibitively difficult and unjustifiably expensive in comparison to the advantages or benefits obtained by the taxpayer. The increased number of tax regulations imposing harsh penalties on taxpayer offenders does not necessarily result in increased taxpayer compliance with tax rules, although some taxpayers have become aware of the future penalty they would face. This contradicts the findings of (Mianti and Budiwitjaksono, 2021) and Dwiyanti (2020), and hence the findings of this study's analysis contradict the sixth hypothesis (H_6).

7. Taxpayer Knowledge Has an Effect on Taxpayer Compliance Levels, Mediated by Taxpayer Awareness

According to the results of the analysis given above, the t-statistics value is 4.344 with a p value of 0.000, indicating that taxpayer awareness can mediate the relationship between taxpayer knowledge and taxpayer compliance. According to (Eriksen and Fallan, 1996), the importance of various components of tax information for taxpayers has a significant effect on their attitudes about a fair taxing system. With an improving level of knowledge, it will foster an attitude of accurately performing obligations, facilitated by the existence of a fair state tax system. Taxpayer awareness will grow if there is a positive perception of taxes in the community. Taxpayer compliance will inevitably grow as a result of behavior or feelings that contain information, ideas, and arguments, as well as acting based on an awareness of the importance of rights and obligations in taxes. Taxpayers' increased awareness of tax rules, including tax rates, tax compensation, and tax fines, will eventually result in increased taxpayer compliance in meeting all of their tax duties. This is consistent with the findings of a study done by (Setiyani, N. M., Andini, R., & Oemar, 2018). The findings of this study also

corroborate (Ameliawati, M & Setiyani, 2018), indicating that the findings of this study's analysis corroborate the seventh hypothesis (H_7).

V. Conclusion

The research concluded that the socialization of PMK No. 44 of 2020 had no beneficial effect on taxpayer compliance. Thus, even if the government aggressively provides financial incentives as indicated in the law, the better the Socialization of PMK No. 44 of 2020 does not guarantee increased taxpayer compliance.

Sanctions against taxpayers have no influence on their compliance. Although the tax penalties enforced year after year are extremely severe, there are still a significant number of taxpayers who do not comply with the tax law's regulations.

Taxpayer education has a major impact on taxpayer compliance. This means that the more familiar taxpayers are with tax rules and processes, the more they will grasp the tax regulations and the implications of future tax infractions. As a result, taxpayer education is critical for increasing taxpayer compliance.

Taxpayer knowledge has a considerable impact on compliance. Taxpayers who are aware of the risks associated with non-compliance with all tax requirements, both in terms of reporting accurate tax information, the accuracy and reliability of tax calculations, and the accuracy with which SPT reports are submitted, will be more obedient to tax rules. Taxpayers will be more compliant in meeting all of their tax requirements.

PMK No. 44 of 2020's socialization has had no influence on taxpayer compliance, which is mediated by taxpayer knowledge. Increased awareness of taxpayers as a result of the government's tax incentives, as stated in PMK no. 44 of 2020, has not resulted in increased taxpayer compliance with applicable tax rules.

Tax penalties have little impact on taxpayer compliance, which is determined by taxpayer knowledge. Tax sanctions are intended to serve as a disincentive to taxpayers who willfully break tax regulations, thereby increasing taxpayer awareness of the importance of complying with applicable tax rules. However, increasing taxpayer awareness as a result of tax penalties has not resulted in an increase in taxpayer compliance.

Taxpayer knowledge has a large impact on taxpayer compliance, and this effect is mediated by taxpayer awareness. The increased understanding of taxpayers as a result of their knowledge of tax regulations will result in their awareness of the need to comply with all tax rules. The ramifications of this high level of knowledge, which is backed up by taxpayer awareness, result in taxpayers being more compliant with applicable tax legislation.

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