

The Effect of Tax Incentives, Trust in Tax Authorities, And Fiscus Services Quality on Msme Taxpayer Compliance During Covid- 19 Pandemic

Ayu Khairunnisa¹, Lilis Maryasih², Nuraini A³

^{1,2,3}Master of Accounting Study Program, Faculty of Economics and Business, Universitas Syiah Kuala, Indonesia

ayu.khairunnisa@gmail.com, lilis.maryasih@gmail.com, nurainianzib@gmail.com

Abstract

This study aimed at testing the influence of tax incentive, trust on tax authority, and fiscus service quality on micro, small, and medium enterprises (MSME) tax payer compliance during the covid-19 pandemic. This study also examined the differences in the compliance of MSME taxpayers who take advantage of incentives with MSME taxpayers who do not take advantage of tax incentives. By using the probability sampling technique, 394 MSME were selected from 26,019 population of MSME registered in Aceh Regional Office of Directorate General of Taxation as the sample of this study. The results revealed that tax incentives, trust on tax authority, and fiscus service quality have positive and significant influence on SMSE tax payer compliance during the covid-19 pandemic. The result also imply that 71.2% MSME tax payer compliance covid-19 pandemic in Aceh Province was influenced by tax incentives, trust on tax authority, and fiscus service quality. While 28.8% SMSE tax payer compliance with the covid-19 pandemic in Aceh Province was determined by other factors out of this study.

Keywords

tax compliance; covid-19 pandemic; tax incentive; trust; service quality; MSME



I. Introduction

Coronavirus disease-19 (-19) has affected various aspects of human life and resulted in a health crisis and an unprecedented decline in economic activity in history (OECD: 2020). The World Health Organization, WHO, has declared Covid-19 a pandemic, even Yonah and Reuven (2020) stated that the Covid-19 already feels like a historical turning point similar to World Wars I and II and the Great Depression.

Various policies have been issued by governments from various countries to deal with Covid-19, restore the economy, and still receive revenue to cover state spending (Kemenkeu:2021). In Indonesia, the Government has issued PMK Number 23/PMK.03/2020 concerning tax incentives for taxpayers affected Covid-. Types of tax incentives include Income Tax (PPH) incentives Article 21, Income Tax incentives Article 22 Imports, Installment Reduction incentives Income Tax Article 25, and Incentives for Accelerating Value Added Tax Restitution (VAT) for Taxpayers with certain criteria. The government also provides incentives for Micro, Small and Medium Enterprises (MSMEs) through Regulation of the Minister of Finance of the Republic of Indonesia Number 44/PMK.03/2020.

Although the provision of tax incentives has many pros and cons from various parties, in general one of the basic needs for using tax incentive instruments is to subsidize companies during a decline in their business (United Nation: 2018). Providing incentives

can have both positive and negative impacts. For the state, the provision of incentives can eliminate the potential for state revenue (revenue forgone) and increase state expenditures/burden (McDonald, Decker, & Johnson: 2020). But keep in mind that taxes not only have a function as a source of state finance, but also have a regular end function, namely to regulate the economy (Official: 2017). This is in line with the Government of Indonesia's objective with this tax incentive program which is to restore the economy (MoF:2021), with the focus of economic policy measures on providing liquidity support to businesses to help them survive and providing income support to vulnerable households (OECD: 2020).

According to Endrianto (2015) several causes of the low compliance of MSME taxpayers, among others, first, MSME actors are dominated by household business actors. Second, MSME actors are generally self-employed individuals (employment) who tend to be less compliant than employees whose income has been deducted by tax when paid by the employer. The last reason is that most MSME actors are informal business actors who do not record transactions related properly. This makes it difficult for the tax authorities to oversee the tax compliance of MSME actors. The provision of incentives for Final Income Tax borne by the Government is expected to boost MSME taxpayer compliance.

MSME taxpayer compliance has also become one of the Main Performance Indicators (KPI) of the Directorate General of Taxes. This shows the seriousness of the Government's efforts to improve MSME taxpayer compliance. Based on the Performance Report of the Directorate General of Taxes (LAKIN DJP) in 2020, the achievement of the percentage of MSME taxpayer compliance that makes payments and/or uses incentives for Final Income Tax Borne by the Government nationally is 97.36%. In percentage terms, this figure looks relatively high even though it does not reach 100% of the set target. However, it turns out that the DGT itself has made several adjustments to the MSME taxpayer compliance KPI, which was originally the growth achievement level of MSME taxpayers who made payments, to the percentage of MSME taxpayers who made payments and/or utilized the Final PPh incentives that were not collected.

The phenomenon of MSME taxpayer compliance which is still low also occurs in Aceh Province as presented in Table 1 below:

Table 1. MSME taxpayer compliance with the Aceh Regional Tax Office in 2019 and 2020

No.	KPP Pratama/K anwil	2019	2020						
		Number	taxpayers Total MSME taxpayers	Total MSME WP Target Pays and Reports	Total WP Pays Final PPh	Number of MSME taxpayers who use incentives	Percentage of MSME taxpayers who use incentives to Total MSME taxpayers	Realized Compliance with MSME taxpayers against the target (%)	Compliance Realization of MSME taxpayers to registered MSMEs (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(7)/(5)	((9)=[(6)+(7)]/(5)	(10)=[(6)+(7)]/(4)
1	Banda Aceh	1,654	1,595	415	245	171	10.72	100.24	26.08
2	Lhokseum	3,283	2,988	223	92	112	3.75	91.48	6.83

	awe								
3	Meulaboh	3,548	3,437	194	124	54	1.57	91.75	5.18
4	Bireuen	5.026	4.653	202	154	32	0.69	92.08	4.00
5	Langsa	6.128	5.832	430	293	88	1.51	88.60	6.53
6	Tapaktuan	2,214	1,935	112	36	35	1,81	63.39	3.67
7	Subulussalam	4.189	3.921	88	13	99	2.52	127.27	2.86
8	Aceh Besar	1.785	1.658	149	89	42	2.53	87.92	7.90
	Aceh DGT Regional Office	27,827	26,019	1,813	1,046	633	2.43	92.56	6.45

Based on Table 1. above, there is a decrease in MSME taxpayers who pay PPh The final is in 2020 compared to 2019. In addition, the achievement of the MSME compliance target at the Aceh Regional Tax Office is also not optimal. This can be seen when compared to the number of registered MSME taxpayers in 2020, MSME taxpayer compliance in Aceh Province does not even reach 10%. This means that of the 26,019 MSME taxpayers registered up to 2020, only 1.679 (6.45%) MSME taxpayers are obedient in making tax payments or taking advantage of Government-borne Final Income Tax incentives. Table 1. above also shows that there are still very few MSME taxpayers in Aceh Province who take advantage of the Government-borne Final Income Tax incentives in 2020. This shows that MSME taxpayer compliance in Aceh Province is still low.

Research from Saputra, et al. (2014) and Faizal, Palil, Maelah, and Ramli (2017) found that trust has a positive and significant effect on taxpayer compliance. Likewise, Batrancea, et.al (2019) found that trust in tax authorities and the power of tax authorities, as described in the slippery slope, increases tax compliance intentions and mitigates tax evasion intentions in 44 countries on five continents. However, Taing and Chang (2020) state that trust in government does not have a significant effect on taxpayer compliance intentions.

The next factor that affects taxpayer compliance is the service of the tax authorities or tax officers. Fiscal services can be interpreted as a way for tax officers to help manage or prepare all the needs needed by taxpayers (Jatmiko, 2006). Many scientific studies have shown that the services provided by tax officials have a significant role in taxpayer compliance. Al-Traffic and Abdul-Jabbar (2016) mention that one way to overcome taxpayer non-compliance is the superior quality of tax services provided by tax officials. Increasing the quality and quantity of services will increase taxpayer satisfaction so that taxpayers will be more obedient (Hidayat, et al: 2014) in carrying out their tax obligations. Research by Wisudawaty, Rura, and Kusumawati (2018) found that tax services have an effect on taxpayer compliance. Susuawu, Boateng, and Amoh (2020) in their research on Does Service Quality Influence Tax Compliance Behavior of SMEs? A New Perspective from Ghana states that the service quality of tax officers has an influence on MSME taxpayer compliance in Ghana. Unfortunately, most of this research was carried out before the Covid-19

During the Covid-19 period, there was a change in the procedure for providing services to taxpayers. During the pandemic that demands restrictions on human mobility, the DGT responded by limiting direct interaction with taxpayers to prevent the spread of Covid-19. The DGT closed most tax offices nationwide. All tax service activities that were previously carried out face-to-face were shifted to non-face-to-face services. In situations

like this, the implementation of online services is a must to support effective and efficient non-face-to-face services.

Even though before the pandemic period, DGT had introduced several digital-based services such as e-registration, e-billing, e-filing, e-SPT, eFaktur, e-reporting, and eKSWP (Confirmation of Taxpayer Status), DGT still opens consulting services. face-to-face for taxpayers who have difficulty accessing DGT's digital services. However, since the pandemic period, this direct consultation service has been abolished and replaced with consulting services via social media such as WhatsApp, Instagram, and email. In addition to consulting services, taxpayers can also access online that can be used to assist in filling out annual tax returns as well as socializing other tax regulations and provisions using the Zoom cloud meetings application. DGT continues to innovate and improve to ensure that taxpayers receive optimal service even during the pandemic. The availability of tax services that can be accessed anywhere and anytime is expected to increase awareness and compliance of taxpayers in fulfilling their tax obligations (DGT: 2020).

In Andrew and Sari's (2020) research conducted during the pandemic, it was stated that the service of the tax officer had an effect on the compliance of MSME taxpayers in Surabaya. This is due to the fact that the tax officer maintains the highest quality service performance, so that taxpayers do not need to come to the tax service office to obtain tax information and services. On the other hand, research by Listyowati, Indarti, Wijayanti, and Setiawan (2021) actually shows that tax services have no significant effect on MSME taxpayer compliance in Semarang during the pandemic.

Based on the phenomena and research gaps described above, the researcher is interested in conducting research with the title "The Effect of Tax Incentives, Trust in Tax Authorities, and Fiscal Services on MSME Taxpayer Compliance in the Covid-19 Pandemic Period in Aceh Province".

This research is a verification research, namely research that aims to examine the effect of the independent variable (Tax Incentives, Trust in Tax Authorities, and Fiscal Services) on the dependent variable (Taxpayer Compliance).

II. Research Method

This research is a type of causal study research. The level of researcher intervention in this study is minimal, meaning that the researcher does not manipulate any variables at all. Researchers also do not intervene MSME taxpayers in answering questions in the questionnaire. Researchers used questionnaires that were distributed to MSME taxpayers in the Aceh Regional Tax Office. The time horizon used in this research is a cross-sectional study, where data is collected at once at a time limit.

Descriptive statistics are used to analyze and present quantitative data with the aim of knowing the description of the data sampled in this study. By using descriptive statistics, it can be known the average value (mean), standard deviation, variance, maximum, minimum, sum, range, kurtosis and skewness (Ghozali, 2013:163). The number of population and samples that will be used are 394 respondents. This study uses the Probability Sampling method cluster sampling. The population of this study is MSME taxpayers registered in Aceh Province who are registered in the Regional Office of the DJP Aceh as many as 26,019 MSME taxpayers in 2020.

III. Result and Discussion

3.1 Descriptive Statistics

The unit of analysis in this study is MSME taxpayers registered in eight KPP Pratama in the Regional Office of DJP Aceh, namely KPP Pratama Banda Aceh, KPP Pratama Lhokseumawe, KPP Pratama Meulaboh, KPP Pratama Bireuen, KPP Pratama Langsa, KPP Pratama Tapak Tuan, and KPP Pratama Subulussalam. Characteristics of respondents are classified based on gender, business circulation, type of business, and utilization of government incentives as described below.

3.2 Description of Research Respondents

Characteristics of respondents based on categories of gender, type of business, number of business turnover, and utilization of incentives can be seen in Table 5. below.

Table 2. Characteristics of Respondents

Number	Description	Frequency	%
Gender Category Respondents			
1	Male	247	62.7
2	Female	147	37.3
Total		394	100.0
Category Type of Business			
1	Trading	290	73.60
2	Services	90	22.85
3	Others	14	3.55
Total			
Category Total Business Circulation			
1	< Rp. 4.8 billion/year	389	98.7
2	= Rp. 4.8 billion/year	5	1.3
Total		394	100.0
Incentive Utilization Category			
1	Yes	246	62.4
2	No	148	37.6
Total		394	100.0

Source: Primary Data 2022 (processed)

In addition, 148 respondents who answered that they did not use tax incentives give reasons that taxpayers do not take advantage of tax incentives, namely they do not know about tax incentives as many as 110 respondents (74.32%), do not know how to take advantage of tax incentives as many as 36 respondents (24.32%), and other reasons in the form of impractical tax incentives as many as 2 respondents (1.35%).

3.3 Descriptive Statistical Analysis Descriptive

Statistics provide an overview of the number of samples (N), minimum value, maximum value, average value (*mean*) and standard deviation (σ) for each variable. The description in this study includes four variables which are presented in Table 6 below.

Table 3. Descriptive Statistical Results of

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Taxpayer Compliance	394	1.80	5.00	3.98	0.60
Tax Incentives	394	1.50	5.00	3.98	0.59
Trust in Tax Authorities	394	1.00	5.00	3.83	0.58
Services Fiskus	394	1.90	5.00	3.82	0.55

Source: Output SPSS 22 (2022)

Based on the table above, it can be explained that:

- Taxpayer compliance has an average value (*mean*) of 3.98. This shows that respondents tend to agree with the statement proposed by the researcher. The *standard deviation* is 0.60 with the assumption that the deviation from Taxpayer Compliance in fulfilling their tax obligations and reporting in accordance with applicable regulations is very small because it is below the average value.
- Tax incentives have an average value (*mean*) of 3.98. This shows that respondents tend to agree to the statements in the questionnaire of this study. The *standard deviation* is 0.59 which means that the deviation from the tax incentives is very small because it is below the average value.
- Trust in tax authorities has an average value (*mean*) of 3.83. This shows that respondents tend to agree with the statement put forward by the researcher in the research questionnaire. The *standard deviation* is 0.58, which means that the deviation from trust in the tax authorities is very small because it is below the average value;
- Fiscal Service with an average value (*mean*) of 3.82. This shows that respondents tend to answer agree based on the statement submitted by the researcher. The *standard deviation* is 0.55 with the assumption that the deviation from the tax service service is very small because it is below the average value.

Based on the average value (*mean*) of the answers of 394 respondents to 30 statements in the research questionnaire, the class length can be interpreted as stated (Sudjana, 2005:47).

3.4 Descriptive Analysis of Taxpayer Compliance Descriptive

Analysis of taxpayer compliance consists of 10 statement items. Respondents' perceptions of each statement were given alternative answer choices ranging from strongly disagree (with a score of 1) to strongly agree (with a score of 5). Respondents' answers to statement items related to taxpayer compliance are presented in Table 7 below.

Table 4. Descriptive Analysis of Respondents' Perceptions of Taxpayer Compliance

No	Statement	STS 1	TS 2	KS 3	S 4	SS 5	Average
1.	I know when reporting SPT	1	2	67	159	165	4.23
2.	I report all SPT on time	0	54	31	152	157	4.04
3.	I know when I pay taxes	0	3	58	212	121	4.14
4.	I pay taxes on time	0	49	33	186	126	3.98
5.	I understand the income that must be reported in my tax return	0	3	72	210	109	4.07
6.	I have reported all my income is in my tax return that I report	0	33	39	195	127	4.05

No	Statement	STS 1	TS 2	KS 3	S 4	SS 5	Average
7.	I am willing to pay tax arrears	3	8	69	290	24	3.82
8.	I have no tax arrears	1	2	61	193	137	4.17
9.	I calculate the tax owed correctly	1	27	77	265	24	3.72
10.	I report the tax payable correctly	0	73	38	264	19	3.58
Average							3.98

Source: Primary data processed, 2022

Overall Table 4 shows the average value of taxpayer compliance scores for each indicator. The overall average value obtained is 3.98 with good respondents' responses because they are in the range of scores from 3.40 to 4.19.

3.5 Analysis Tax Incentives Descriptive

Tax Incentives consist of 4 statement items. Respondents' perceptions of Tax Incentives can be seen from the answers of each respondent which are presented in Table 5 below.

Table 5. Descriptive Analysis of Respondents' Perceptions of Tax Incentives

No	Statement	STS 1	TS 2	KS 3	S 4	SS 5	Average
1	Every MSME taxpayer can take advantage of tax incentives for Government-borne Final Income Tax	1	5	56	252	80	4.02
2	Tax incentives are a form of government attention to MSMEs	1	74	55	239	95	4.07
3	Taxpayers are satisfied with the incentives provided by the Government, because they can ease the burden of taxes owed	0	35	68	222	69	3.82
4	Giving tax incentives makes taxpayers more obedient	0	15	69	213	97	3.99
Average							3.98

Source: Primary data processed, 2022

Table 5 shows the average value of the Tax Incentive score for each indicator. The overall average value obtained is 3.98 with good respondents' responses because the average value is in the range of scores from 3.40 to 4.19.

3.6 Analysis Descriptive of Trust in Tax Authorities

Descriptive analysis of Trust in Tax Authorities consists of 6 statement items. Respondents' perceptions of trust in tax authorities can be seen from the answers of each respondent which are presented in Table 6 below.

Table 6. Descriptive Analysis of Respondents' Perceptions of Trust in Tax Authorities

No	Statement	STS 1	TS 2	KS 3	S 4	SS 5	Average
1	The tax system in Indonesia is trustworthy	12	6	51	254	71	3.92
2	Paying taxes does not harm taxpayers	9	17	55	217	96	3.94
3	The legal system in Indonesia can be trusted	6	14	87	198	89	3.88
4	Tax officials have high integrity	2	19	85	254	34	3.75
5	Taxes paid by taxpayers will be used as much as possible for the development of the nation and used for the welfare of society	1	16	89	250	38	3.78
6	Taxes paid by taxpayers are not corrupted by tax officials	3	17	111	228	35	3.69
Average							3.83

Source: Processed primary data, 2022

Table 6 shows the average value of trust scores to tax authorities for each indicator. The overall average value obtained is 3.83 with good respondents' responses because the average value is in the range of scores from 3.40 to 4.19.

3.7 Descriptive Analysis of Fiscal Services Descriptive analysis of Fiscal Services

Consists of 10 statement items. Respondents' perceptions of tax service services can be seen from the answers of each respondent which are presented in Table 7 below.

Table 7. Descriptive Analysis of Respondents' Perceptions of Fiscal Services

No	Statement	STS 1	TS 2	KS 3	S 4	SS 5	Average
1	During the pandemic, the service facilities provided by the tax office were adequate.	0	10	50	223	111	4.10
2	During the pandemic period, taxpayers can easily use the service facilities provided by the tax office.	1	9	80	229	75	4.04
3	Tax officers have good knowledge of tax regulations	0	12	79	218	85	3.93
4	Tax officers can explain tax regulations well even though services are provided online.	0	12	79	218	85	3.95
5	In providing services, tax officials pay attention to the speed of the service process even though it is done <i>online</i> .	0	16	205	156	17	3.44
6	In providing services, the tax officer always pays attention to the suitability of the applicable tax regulations.	0	10	77	233	74	3.94
7	During the pandemic, tax officers continue to provide the best service to taxpayers	0	12	70	236	76	3.95
8	During the pandemic, tax officers serve taxpayers' complaints well	0	12	67	229	86	3.98

9	During the pandemic, although the service is provided online, the tax officer still pays attention to the taxpayer	0	24	200	145	25	3.43
10	The tax officer understands well the needs of the taxpayer even though the service is provided <i>online</i> .	0	24	201	144	25	3.43
Average							3.82

Source: Primary data processed, 2022

Table 7 shows the average value of the fiscal service score for each indicator. The overall average value obtained is 3.82 with good respondents' responses because the average value is in the range of scores from 3.40 to 4.19.

3.8 Discussion of the Effect of Tax Incentives, Trust in Tax Authorities, and Fiscal Services on Taxpayer Compliance

Based on the results of the study, it can be seen that the calculated F value is 321,886 with a significance value of 0.000 or less than 0.05. Thus H_a is accepted and H_0 is rejected. This shows that there is a simultaneous effect of tax incentives, trust in tax authorities, and tax service services on taxpayer compliance.

Based on the results of the coefficient of determination above, the R value of 0.844 was obtained. This shows that there is a relationship between Tax Incentives, Trust in Tax Authorities, Fiscal Services, and Taxpayer Compliance of 0.844 or 84.4%. The value of R Square (R^2) is 0.712, which indicates that 71.2% of taxpayer compliance is influenced by tax incentives, trust in tax authorities, and tax services. The remaining 28.8% is influenced by other variables outside the study.

3.9 The Effect of Tax Incentives on Taxpayer Compliance

Based on the results of the study, there is an influence between tax incentives and MSME taxpayer compliance in Aceh Province. This is evidenced by a significance value of 0.000 which is smaller than the specified significance level of 0.05. The regression coefficient value of the tax incentive variable is 0.352, so it can be concluded that there is a positive effect of tax incentives on taxpayer compliance. Thus, it can be interpreted that the provision of tax incentives will increase taxpayer compliance in carrying out their tax obligations.

The results of the study are in line with the research conducted by Latief, et al. (2020) who found that tax incentives had a positive and significant effect on taxpayer compliance. This study also supports the research of Zhi-Yuan Leong, et al., (2020) which states that overall research respondents in Malaysia are satisfied with the tax incentives provided by the Government during the *Covid*-.

Among the 394 respondents in this study, 246 respondents (62.4%) claimed to have used tax incentives. Meanwhile, 148 respondents (37.6%) admitted that they did not take advantage of tax incentives on the grounds that they did not know about tax incentives, as many as 110 respondents (74.32%) did not know how to take advantage of tax incentives, as many as 36 respondents (24.32%), and other reasons. in the form of impractical tax incentives as many as 2 respondents (1.35%). Although there are relatively few taxpayers who use tax incentives in Aceh Province, overall taxpayer respondents in this study agree that the provision of tax incentives will have a positive effect on taxpayer compliance.

3.10 The Effect of Trust in Tax Authorities on Taxpayer Compliance

The test results show that trust in tax authorities affects MSME taxpayer compliance in Aceh Province. This is evidenced by a significance value of 0.000 which is smaller than the specified significance level of 0.05. The regression coefficient value of the trust variable to the tax authorities is 0.477, so it can be concluded that there is a positive effect of this variable on taxpayer compliance. Thus, it can be translated that the higher the level of trust in the tax authorities, the higher the taxpayer compliance.

The results of this study support the results of research by Saputra and Andi (2014), Faizal, et al. (2017), and Batrancea, et al. (2019) which was carried out before the *covid-19 pandemic*. This study also strengthens the research of Mangoting, et al. (2021), Latif, et al. (2021) conducted during the *covid-19 pandemic*, which stated that trust in tax authorities had a positive influence on taxpayer compliance.

Trust emphasizes the relationship between the taxpayer and the tax authority resulting from the taxpayer's trust in the actions of the tax authority (Faizal, et al.: 2017). The compliance of taxpayers who have high trust in tax authorities is also felt to increase compared to taxpayers who have low trust in tax authorities (Kastlunger et.al, 2013). Trust in tax authorities can also foster voluntary taxpayer compliance. During the *Covid-19 pandemic*, maintaining the trust of taxpayers who are experiencing an economic downturn due to the fact that it is not easy (Mangoting et al, 2021).

3.11 The Effect of Fiscal Services on Taxpayer Compliance

Based on the results of the study, there is an influence between Fiscal Services and MSME taxpayer compliance in Aceh Province. This is evidenced by a significance value of 0.004 which is smaller than the specified significance level of 0.05. The regression coefficient value of the service variable is 0.131, so it can be concluded that there is a positive effect of the tax service variable on taxpayer compliance. Thus, it can be interpreted that the higher and better the quality of tax services provided to taxpayers, the higher taxpayer compliance.

Most of the taxpayers who were respondents in this study agreed that the DGT provided good service quality during the *Covid-19 pandemic*, and this good service quality would have a positive effect on taxpayer compliance. This study supports the research of Andrew and Sari (2020) which found that tax services provided by online tax officers during the *Covid-19* had a positive effect on MSME taxpayer compliance. This study strengthens previous research, including Andreas and Savitri (2015), Febriani et al. (2015), Wisudawaty et al. (2018), and Susuawu et al. (2020) which states that the quality of tax service services has an influence on taxpayer compliance.

3.12 Differences in the compliance of taxpayers who utilize tax incentives and non

Provision of tax incentives including tax incentives borne by the government to MSMEs has been implemented from April 2020 to December 2021. This of course has an effect on decreasing state revenues. During this *covid-19*, the State Budget has worked hard to support the national economic recovery which caused the realization of the budget deficit in 2020 to reach Rp. 956.3 trillion (Kemenkeu:2021). Of course, this cannot be allowed to continue. The state budget must be restored immediately. One of the efforts to restore the state budget is to increase state revenues from the tax sector. For this reason, the tax sector must be strengthened again.

Based on Table 1, not all MSMEs registered at the Aceh Regional Tax Office take advantage of the Government borne Final PPh incentives. For this reason, the study conducted a different test of compliance between MSME taxpayers who took advantage of

incentives and taxpayers who did not take advantage of incentives. T test *independent sample* in Table 16, there are differences in taxpayer compliance between taxpayers who take advantage of incentives and taxpayers who do not take advantage of incentives. The compliance of MSME taxpayers who take advantage of incentives is higher than that of MSME taxpayers who do not take advantage of incentives. If it is associated with *The Attribution Theory*, the provision of tax incentives which is an external factor for taxpayers can be said to have succeeded in influencing the behavior of taxpayers to become more obedient. Likewise, in the context of *The theory of Planned Behavior*, for MSME taxpayers who have utilized tax incentives, it can be said that taxpayers have realized that the provision of tax incentives is one of the factors that support taxpayers to be obedient in carrying out their tax obligations.

IV. Conclusion

Based on the results of research and discussions that have been carried out, it is concluded that there is a positive effect of tax incentives, trust in tax authorities, and tax service services on MSME taxpayer compliance during the COVID-19 pandemic in Aceh Province. There are differences in taxpayer compliance between MSMEs who take advantage of incentives and MSME taxpayers who do not take advantage of incentives. The compliance of MSME taxpayers who take advantage of tax incentives is higher than that of MSME taxpayers who do not take advantage of tax incentives. There are relatively few MSME taxpayers in Aceh Province who take advantage of tax incentives in 2020. This is due to several things, namely, firstly, the taxpayer is not aware of the existence of a tax incentive policy. The second reason is that taxpayers do not know how to take advantage of tax incentives, and the last reason is that the tax incentives provided by the government are considered by taxpayers to be impractical.

References

- Ali, Sutrisno., Sanim, Bunasor., Harianto, H., dan Djohar, Setiadi. (2011). Analisis Manfaat Insentif Pajak Penghasilan dan Pengaruhnya Pada Kepatuhan Wajib Pajak. *Jurnal Telaah & Riset Akuntansi* Vol. 4. No. 1 Januari 2011 Hal. 21 – 32.
- Andreas, A., Savitri, Enni., (2015), The Effect of Tax Socialization, Tax Knowledge, Expediency of Tax ID Number and Service Quality on Taxpayers Compliance With Taxpayers Awareness as Mediating Variables, *Procedia - Social and Behavioral Sciences* 211(2015) 163 – 169.
- Andrew, Richard., Sari, Dian Purnama., (2020), Insentif PMK 86/2020 Di Tengah Pandemi Covid 19: Apakah Mempengaruhi Kepatuhan Wajib Pajak UMKM Di Surabaya?, *Jurnal Akuntansi dan Pajak*, 21 (2), 2021, 349-366.
- Avi-Yonah, Reuven S., *Taxation and Business: The Human Rights Dimension of Corporate Tax Practices* (2020). U of Michigan Public Law Research Paper No. 678, U of Michigan Law & Econ Research Paper No. 20-014.
- Batrancea, Larissa., Nichita, Anca., Olsen, Jerome., Kogler, Christoph., Kirchler, Erich., Hoelzl, Erik., Zukauskas, Sarunas., (2019), Trust and power as determinants of tax compliance across 44 nations, *Journal of Economic Psychology* 74 (2019) 102191.
- Dewi, Syanti., Widyasari, W., Nataherwin, N., (2020), Pengaruh Insentif Pajak, Tarif Pajak, Sanksi Pajak dan Pelayanan Pajak Terhadap Kepatuhan Wajib Pajak Selama Masa Pandemi covid-19. *Jurnal Ekonomika dan Manajemen* 9(2020), 108-124.
- Direktorat Jenderal Pajak. (2021). Laporan Kinerja Direktorat Jenderal Pajak 2020.

- Endrianto, W. (2015). Prinsip Keadilan dalam Pajak atas UMKM. *Binus business review*, 6(2), 298-308
- Faizal, Sellywati Mohd., Palil, Mohd Rizal., Maelah, Ruhanita., Ramli, Rosiati., (2017), Perception on justice, trust and tax compliance behavior in Malaysia, *Kasetsart Journal of Social Sciences* 38 (2017) 226-232.
- Febriani, Yani., Kusmuriyanto, K., (2015). Analisis Faktor-Faktor Yang Mempengaruhi Kepatuhan Wajib Pajak. *Accounting Analysis Journal*. AAJ 4 (4) (2015).
- Ghozali, Imam. (2013). *Aplikasi Analisis Multivariate dengan Program SPSS*. Semarang : BP UNDIP.
- Hidayat, N. Rusdi., Suhadak, Suhadak, Darminta, Darminto, Handayani, Siti Ragil., Otok, Bambang Widjanarko, (2014), *World Applied Sciences Journal* 29 (1): 56-61.
- Jatmiko, Agus Nugroho., (2006), Pengaruh Sikap Wajib Pajak Pada Pelaksanaan Sanksi Denda, Pelayanan Fiskus dan Kesadaran Perpajakan Terhadap Kepatuhan Wajib Pajak (Studi Empiris Terhadap Wajib Pajak Orang Pribadi di Kota Semarang). Thesis.
- Kastlunger, Barbara., Lozza, Edoardo., Kirchler, Erich., Schabmann, Alfred., (2013), Powerful authorities and trusting citizens: The Slippery Slope Framework and tax compliance in Italy, *Journal of Economic Psychology* 34(2013) 34-45.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 23/PMK.03/2020 tentang Insentif Untuk Wajib Pajak Terdampak Wabah Virus Corona.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 44/PMK.03/2020 tentang Insentif Pajak Untuk Wajib Pajak Terdampak Pandemi Corona Virus Disease 2019.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 86/PMK.03/2020 tentang Insentif Pajak Untuk Wajib Pajak Terdampak Pandemi Corona Virus Disease 2019.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 110/PMK.03/2020 tentang Perubahan Atas Peraturan Menteri Keuangan Nomor 86/PMK.03/2020 Tentang Insentif Pajak Untuk Wajib Pajak Terdampak Pandemi Corona Virus Disease 2019.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 9/PMK.03/2021 tentang Insentif Pajak Untuk Wajib Pajak Terdampak Pandemi Corona Virus Disease 2019.
- Kementerian Keuangan. (2020). Peraturan Menteri Keuangan nomor 82/PMK.03/2021 tentang Perubahan Atas Peraturan Menteri Keuangan Nomor 9/PMK.03/2021 Tentang Insentif Pajak Untuk Wajib Pajak Terdampak Pandemi Corona Virus Disease 2019.
- Kementerian Keuangan. (2021). APBN Kita Kinerja dan Fakta. Edisi Januari 2021.
- Kementerian Keuangan. (2021). APBN Kita Kinerja dan Fakta. Edisi Juni 2021.
- Kiconco, Rebecca Isabella., Gwokyalya, Waliya., Sserwanga, Arthur., dan Balunywa, Waswa., (2020), Tax compliance behaviour of small business enterprises in Uganda, *Journal of Financial Crime* Vol. 26 No. 4, 2019 pp. 1117-1132 © Emerald Publishing Limited 1359-0790.
- Kirchler, E. (2007). *The economic psychology of tax behavior*. Cambridge, UK: Cambridge University Press.
- Kirchler E, Hoelzl E, & Wahl I, (2008), Enforced versus voluntary tax compliance: the “slippery slope” framework. *J Econ Psychol* 29(2):210–225.
- Kuncoro, Mudrajad. (2013). *Metode Riset Untuk Bisnis dan Ekonomi*. Edisi 3. Jakarta: Erlangga.
- Latief, Salman., Zakaria, Junaidin., dan Mapparenta, (2020), Pengaruh Kepercayaan Kepada Pemerintah, Kebijakan Insentif Pajak dan Manfaat Pajak Terhadap Kepatuhan Wajib Pajak. *Center of Economic Student Journal* 3(3).

- Listiyowati, L., Indarti, Iin., Wijayanti, Fitri., Setiawan, Freddy Aldo., (2021), Kepatuhan Wajib Pajak UMKM Di Masa Pandemi COVID-19, *Jurnal Akuntansi Indonesia*, 10(1), 41-59.
- Malhotra, Naresh K. 2015. *Essentials of Marketing Research*. Harlow: Pearson Education Limited
- Mangoting, Yenni, Junfandi, Jessica, Junfandi, and Vania, V., (2021), Relationship between Taxpayers and Authorities against Tax Compliance during the Covid'19 Pandemi, 3(1), 10-24.
- Marandu, Edward E., Mbekomize, Christian J., & Ifezue, Alexander N., (2015), Determinants of Tax Compliance: A Review of Factors and Conceptualizations, *International Journal of Economics and Finance*. 7. 10.5539/ijef.v7n9p207
- Mohammad, Ryan., Rizal, Helmi Zus, PG, Gede Satria Pujanggo., (2021), Efek Insentif Perpajakan Berdasarkan Dasar Pengenaan Pajak dan Tarif Pajak Terhadap Ekonomi Secara Makro: Studi Kasus Indonesia, *Jurnal Kajian Ilmiah Perpajakan Indonesia*, 2(2).
- Mudrajad, Kuncoro. (2013), *Metode Riset untuk Bisnis dan Ekonomi*” Edisi 4. Jakarta: Erlangga.
- Munandar, Hamdalah, Mutiara., (2020). Analysis The Effectiveness Of Tax Relaxation Due To Covid-19 Pandemy On Indonesian Economic Defense. *Lex Scientia Law Review* 4(1), 133- 142.
- OECD, (2020), *Tax and Fiscal Policy in Response to the Coronavirus Crisis: Strengthening Confidence and Resilience*
- Resmi, Siti., (2017), *Perpajakan Teori dan Kasus*, Salemba Empat, Jakarta.
- Rosita, R. (2020). Pengaruh pandemi Covid-19 terhadap UMKM di Indonesia. *Jurnal Lentera Bisnis*, 9(2), 109–120.
- Saputra, Wisnu, Andi, A., (2014), Pengaruh Kepercayaan, Moral dan Kekuasaan Pemerintah Terhadap Tingkat Kepatuhan Pajak dan Penggelapan Pajak pada KPP Pratama Kebon Jeruk Dua, *Jurnal Ilmiah Niagara Vol. VIII No. 1, Juni 2014*.
- Sudjana. (2005). *Metode Statistika*. Bandung: Tarsito.
- Sugiyono. (2014). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta
- Susuawu, Daniel & Kenneth, Ofori-Boateng & Amoh, John. (2020). Does Service Quality Influence Tax Compliance Behaviour of SMEs? A New Perspective from Ghana. *International Journal of Economics and Financial Issues*. 10. 50-56. 10.32479/ijefi.10554.
- Swistak, Artur. (2015). Tax penalties in SME tax compliance, *Financial Theory and Practice*. 40(1) 129-147.
- Uma Sekaran, RB (2017). *Metode Penelitian untuk Bisnis*. Jakarta: Salemba Empat.
- Undang-Undang nomor 6 tahun 1983 tentang Ketentuan Umum dan Tata Cara Perpajakan sebagaimana telah diubah terakhir dengan Undang-Undang Nomor 11 Tahun 2020 tentang Cipta Kerja
- United Nations, (2018), *Design And Assessment of Tax Incentives in Developing Countries*.
- Wisudawaty, Dewi Arvini., Rura, Yohanes., Kusumawati, Andi., (2018), Influence of System Quality, Information Quality, and Tax Service Quality to Taxpayer Compliance and Risk as a Moderating Variable, *Journal of Research in Business and Management* 6(2018), 01-09.
- Zhi-Yuan Leong, Teck-Heang Lee, Melissa Teng-Tenk Teoh, (2020), Tax Compliance and Tax Incentive: An Investigation of SMEs During the Covid-19 Period. . *International Journal of Academic Research in Accounting Finance and Management Sciences*, 10(3), 451–474.