

Tax Payers' Perception Using E-Filing System

Latifah Hanum

Department of Business Administration
University of Brawijaya
Malang, Indonesia
hanum_cwit@yahoo.com

Abstract—This study aims to examine the perceptions of taxpayers using the e-filing system using the Decomposed Theory of Planned Behavior (DTPB). A survey of 100 individual taxpayers in Malang City who has used the e-filing system in SPT reporting (Notification) was conducted to collect the data. The results indicate that perceived usefulness, perceived benefits, and perceived of behavioral control significantly related with behavioral intention of using the e-filing system. While the perception of ease of use and perceived risk does not affect behavioral intention of using the e-filing system.

Keywords—*decomposed theory of planned behavior; tax payers perception; e-filing system*

I. INTRODUCTION

As a country that adopts self-reporting assessment, tax adherence is an important issue as it determines tax revenue. To improve tax payers' adherence, the government has implemented various innovation. Tax e-filing is a new digital application innovation purposed to increase tax adherence in Indonesia.

This study aims to examine the perception of tax payers using e-filing system. It focuses to address the following research questions. First, do perceive of e-filing usefulness relate to tax payers' interests using e-filing system? Second, do perceive of e-filing ease of use relate tax payers' interests using e-filing system? Third, do perceive of e-filing risk relates tax payers' interests using e-filing system? Fourth, do perceive of e-filing benefits relates tax payers' interests using e-filing system? Lastly, do perceive of e-filing behavior control relates tax payers' interests using e-filing system?

II. METHODS

Quantitative method was used in this study. This research used an explanatory pattern. Non random sampling was used to collect information from 100 individual tax payers at Malang municipality. OLS regression was used to analyze the data.

III. RESULTS

Table 1 describes OLS result. R score is 79 percent meaning a very strong influence of perceive usability, perceive convenience (ease of use), perceive of risk, perceive of benefit and perceive of behavior control on behavioral interest to use e-filing system. R Square is 64 percent means about 64 percent of the model is explained by all those independent

variables. F-value is 26,911 (p value < 1%) meaning that perceived usefulness, perceived ease of use, perceive of risk, perceived benefit and perceived of behavior control affect behavioral interest of tax payers to use e-filing system.

TABLE I. OLS RESULTS

	Beta	t	p-value	Tol.	VF
Perceived Usefulness	0.28	3.01	0.00	1	1.831
Perceived Ease of Use	0.14	1.60	0.11	1	1.635
Perceived Risk	0.12	1.72	0.08	1	1.127
Perceived Benefit	0.30	3.46	0.00	1	1.679
Perceived Behavior Control	0.29	3.60	0.00	1	1.376
F	26.9				
Sig.	.00 ^a				
R	.79 ^a				
R ²	.63				
Adjusted R ²	.61				

IV. DISCUSSION

Tax payers' perceived of e-filing system usability has significant effect on his/her interest to use e-filing system. This result is consistent with research from Fu, et al [1], Hung, et al [2], Azmi and Bee [3] and Jankeespasrad et al [4]. This study provides additional evidence that the condition of the people in Indonesia, especially taxpayers in Malang, tends to accept the presence of e-filing systems. Most taxpayers feel that using the e-filing system in SPT reporting is one of the easy and fast ways to complete online reporting activities that can improve the performance of taxpayers, so there is no need to come to the Tax Service Office.

However, tax payers' perception of ease of use does not influence behavioral interest to use e-filing system. The results are not consistent with the research conducted by Chau et al [5], Hung et al [2], Yaghoubi and Shakeri [6], Lee [7], Azmi and Bee [3] and Jankeespasrad et al [4]. But this research is consistent with Lawrance and Baridwan [8]. This null association may due to the SPT reporting system is currently using a computerized and automated system through the Directorate General of Tax (DGT) website, the respondents in this case are required to be able to access facilities e-filing

system if they want to report their annual SPT to the DGT. Taxpayers use e-filing system facilities not based on the ease of use of these facilities but rather due to the use and need for these facilities to report their SPT on their own without the need to come to the local tax office.

The findings confirm Belanger and Carter [9]. According to Belanger and Carter [9], that risk perception does not affect behavior interest because the risk of using technology in a government environment is very small compared to the risk of using system technology in the context of e-business or e-commerce. Based on the results of these studies, researchers can also predict that there is no significant effect between the perception of the risk of taxpayers on behavioral interests using the e-filing system in Malang city due to the small and insignificant risk.

Tax payers' perception of e-filing system benefit has a significant effect on the interest in e-filing system behavior. This confirm Azmi and Bee [3] and Lee [7]. The e-filing system services implemented by the Directorate General of Taxation are able to provide great benefits for users of e-filing systems, namely taxpayers. The e-filing system has provided solutions to system users namely taxpayers with fast service and easy without having to come and queue to the Tax Service Office when reporting SPT, so it can save costs as well as not coming to the Tax Service Office. Another reason for the benefits that can be obtained by using the e-filing system application is to provide a process of transparency or transparency in the delivery of SPT for all taxpayers.

The behavioral control perspective has a significant effect on the interest in e-filing system behavior. This result is consistent with the research conducted by Rana et al. [10], Suki and Ramayah [11] and Hastuti, et al [12]. The condition of the people in Indonesia, especially taxpayers in the city of Malang feel more satisfied with the behavior caused by using the e-filing system in SPT reporting, if the system is easy and the taxpayer will be able to do so. This illustrates that in the future, it is expected that taxpayers will voluntarily report their annual SPT using e-filing system technology by visiting the web provided by the Directorate General of Taxes.

V. CONCLUSION

This study concludes that the perceived usefulness, benefits of e-filing system and behavior control influence behavioral

interest of using e-filing system. Meanwhile, perceived of e-filing system ease of use and perceived risk does not affect the behavior interest using e-filing system.

REFERENCES

- [1] J.R. Fu, C.K. Farn, and W.P. Chao, "Acceptance of Electronic Tax Tiling: a Study of Taxpayer Intentions," *Journal of Information and Management*, vol. 43, pp. 110-126, 2006.
- [2] S.Y. Hung, C.M. Chang, and T.J. Yu, "Determinant of User Acceptance of the e-Government Services: The Case Online Tax Filing and Payment System," *Journal of Government Information Quarterly*, vol. 23, pp. 97-122, 2006.
- [3] A.C. Azmi, and N.L. Bee, "The Acceptance of the E-filing System by Malaysian Taxpayers : A Simplified Model," *Electronic Journal e-Government*, vol. 8, no. 1, pp. 13 – 22, 2010.
- [4] R.W. Jankeepasrad, "Acceptance of The Electronic Method of Filing Tax Returns By South African Taxpayers : An Exploratory Research," *Journal of Economic and Financial Sciences*, vol. 1, pp. 120 – 136, 2015.
- [5] P.Y.K. Chau, A. Lau, and J. Yen, "Adoption of on-line trading in the Hong Kong Financial Market," *Journal of Electronic Commerce Research*, vol. 2, pp. 58-65, 2001.
- [6] N.M. Yaghoubi, B. Kord, and R. Shakeri, "E-Government Services and user Acceptance: The Unified Models' Perspective," *European Journal of Economics, Finance and Administrative Sciences*, 2010.
- [7] M.C. Lee, "Predicting and Explaining the Adoption of Online Trading: An Empirical Study in Taiwan," *Decision Support System*, vol. 47, pp. 133-142, 2009.
- [8] S.M. Lawrence, and Z. Baridwan, "Determinan Sikap dan Minat Keperilakuan Individu Menggunakan Internet Stock Trading," *Jurnal Ilmiah Mahasiswa FEB*, vol. 2, no.1, 2013.
- [9] F. Belanger, and L. Carter, "Trust and Risk in e-government Adoption," *Journal of Strategic Information Systems*, vol. 17, pp. 165 – 176, 2008.
- [10] N.P. Rana, Y.K. Dwivedi, B. Lal, and M.D. Williams, "Assessing Citizen Adoption of a Transactional E-government System: Validation of the Extended Decomposed Theory of Planned Behaviour (DTPB)," *PACIS 2015 Proceedings*. pp. 217, 2015.
- [11] N.M. Suki, and T. Ramayah., "User Acceptance of the E-Government Services in Malaysia: Structural Equation Modelling Approach," *Interdisciplinary Journal of Information, Knowledge, and Management*, vol. 5, 2010.
- [12] S. Hastuti, D.H. Suryaningrum, L. Susilowati, and Muchtolifah, "Implementation of Decomposed Theory of Planned Behavior on the Adoption of E-Filing Systems Taxation Policy in Indonesia," *Expert Journal of Business and Management*, vol. 2, pp. 1-8, 2014.