The Influence of Risk Preference, Tax Education, and Machiavellian Nature on Compliance Taxpayers with Taxpayer Motivation as A Moderating Variable

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ABSTRACT

This study was conducted to determine the influence of Risk Preference, Tax Education, and Machiavellian nature on Taxpayer Compliance with Taxpayer Motivation as a moderating variable. This study uses associative research. This research was conducted in the service area of the Pratama Ilir Barat Tax Service Office, Palembang City. Questionnaires were distributed to as many as 400 respondents. The sample is simple random sampling, and only 114 questionnaires can be used. The primary data used in this study is primary data. The data collection technique is done using a questionnaire. The results of this study indicate that Risk Preference, Tax Education, and Machiavellian affect Taxpayer Compliance. Partially, Risk Preference impacts Taxpayer Compliance, Tax Education does not affect Taxpayer Compliance, and Machiavellian does not affect Taxpayer Compliance. MRA hypothesis testing shows the results of Taxpayer Motivation is not able to moderate (predictor moderator) the impact of Risk Preference on Taxpayer Compliance; Risk Preference is not able to moderate (predictor moderator) the effect of Tax Education on Taxpayer Compliance, Risk Preference is not able to moderate (predictor moderator) the effect of Machiavellian on Taxpayer Compliance.

Keywords: Risk Preference, Tax Education, Machiavellian, Taxpayer Motivation, Taxpayer Compliance.

1. INTRODUCTION

Tax is essential for every country, and Indonesia is no exception. In Indonesia, taxes are the state budget's primary income source. Because taxes are a necessary funding source for government expenditures, both current and state development expenditures. For businesses, taxes are a burden that can reduce revenue. Taxes, either directly or indirectly, influence many business decisions. A good business decision can become destructive, and vice versa. Taxes are contributions made by the community to the state, subject to enforceable laws and regulations and rewards given by the government indirectly (usually), which primarily pay for the needs of government and the administration of state government and can be used as a means of social and economic law [1].

Once the role of taxation in the state budget has been critical or has begun to decrease, efforts to increase tax revenue continue to be made by the authorities, which, in this case, is the responsibility of the Directorate General of Taxes. The Directorate General of Taxes makes various kinds of efforts so that tax revenue can get as much income as possible, including the expansion and strength of taxation. This is done by expanding the scope of tax by bringing in new taxpayers [7].

There is a phenomenon of a former tax official named Rafael Alun Trisambodo, who is an echelon III official who occupies the position of Head of the General Section of the DGT South Jakarta Regional Office II and who does not obey paying taxes. "Rafael also did not submit the State Organiser's Wealth Report (LHKPN) correctly, did not obey when submitting and paying taxes and had a personal family lifestyle that was not in accordance with the principles of compliance and appropriateness as an ASN," said Inspector General of the Ministry of Finance (Kemenkeu) Awan Nurmawan Nuh. Because of this case, Finance Minister Sri Mulyani will dismiss RAT from ASN [6].

In another case in 2021, according to Dony Indra D.'s source, a similar phenomenon occurred in West Java, where two people who owned a corporation in Bekasi became suspects for not paying taxes for a year, costing the state up to 2.6 billion. The Regional Office of the Directorate General of Taxes (DGT) West Java II initially investigated the case with the Coordination and Supervision (Korwas) of Polda Metro Jaya. The three suspects

consisted of 2 people: YSM, AIW and a corporation, PT GF. They allegedly did not pay taxes for one year from 2018. Riyono explained the mode used by the perpetrators, namely, not reporting income tax (Pph) and value-added tax (VAT) returns.

Taxpayers must understand that taxes are a form of participation in supporting state development. They must also realise that this tax obligation is imposed by Indonesian laws and regulations that apply to all citizens [8].

Risk Preference is an opportunity that taxpayers may think about and prioritise among the available options. In addition, Risk preference is an uncertainty that can provide advantages or disadvantages. Taxpayer tax compliance will be affected if the person faces a high-risk situation [4]. Tax preferences and compliance need to be considered if there is a substantial correlation between them. For example, taxpayers will consider themselves high risk if they have low compliance [10].

Deliberate and organised educational efforts are to help others reach their full potential physically and spiritually. Articles 1 and 2 of the regulation of the director general of taxation number per-12 / PJ / 2021 explain that according to the Theory of Planned Behavior, individuals' behaviour is influenced by their attitudes, subjective norms, and perceived behavioural control. This theory suggests that structured, directed, and planned tax education programs can positively influence taxpayers' attitudes towards compliance, align with societal norms, and enhance their perceived control over fulfilling tax obligations. Therefore, tax education must be structured, directed, and planned to effectively guide the public in increasing compliance with their tax obligations according to the applicable statutory provisions.

According to [2], a person with a high Machiavellian nature makes decisions that tend to benefit their own interests. Machiavellian is a manipulative trait where someone with a goal or ambition will manipulate to get more results than others who do not manipulate[5].

According to [9], Motivation is a psychological process that arouses and directs behaviour towards achieving goals or goal-directed behaviour. Motivation is also concerned with the choices people make and the direction of their behaviour. The definition of the word "motivation" also depends on the individual's point of view. Therefore, Motivation can provide encouragement or stimulation. In other words, it can offer something that can move someone [3] Motivation is a factor that encourages an individual to do something to achieve goals and directs the individual.

[10] explains that individuals or entities that have taxation rights and obligations according to the provisions of tax legislation are commonly referred to as taxpayers. This includes taxpayers, tax diductors, and tax collectors. Tax compliance is a real-world problem that has been going on for a long time in the field of tax and has long been part of taxation.

2. RESEARCH METHOD

The method used in this research is a quantitative method that uses regression analysis. The quantitative method was chosen because the researcher wants to examine the significance of the influence of the independent variables simultaneously, partially, and moderately on the dependent variable, namely taxpayer compliance. Three independent variables, one moderation variable and one dependent variable were used in this study. The primary data used in this study was collected through questionnaires.
This study's population was 216,709 taxpayers registered at KPP Ilir Barat Palembang City. The sample was random sampling, so 400 respondents were surveyed, but only 114 questionnaires were returned and could be processed.

3. RESULT AND DISCUSSION

3.1. Descriptive Statistics Results

Table 1. Descriptive Statistics Results

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
X1	114	25	50	42,96	4,136
X2	114	9	15	13,18	1,365
X3	114	21	40	33,56	3,796
Y	114	22	35	30,14	2,304
X4	114	22	35	30,67	2,315
Valid N (listwise)	114				

Source: Data Processed, 2024

Based on the table above, the Risk Preference variable (X1) obtained a minimum value of 25, a maximum value of 50, an average value of 42.96, and a standard deviation of 4.136. The Tax Education variable (X2) obtained a minimum value of 9, a maximum value of 15, an average of 13.18, and a standard deviation of 1.365. The Machiavellian variable (X3) obtained a minimum value of 21, a maximum value of 40, an average value of 33.56, and a standard deviation of 3.796. The Taxpayer Motivation variable (X4) obtained a minimum value of 22, a maximum value of 35, an average value of 30.67, and a standard deviation of 2.315. The Taxpayer Compliance Detection variable (Y) obtained a minimum value of 22, a maximum value of 35, an average value of 30.14, and a standard deviation 2.304.

3.2. Classical Assumption Test Results

Before conducting data analysis, the classical assumption test is used to ensure normal regression values, free from heterosceasticity, and multicollinearity.

Deviations from classical assumptions are tested with the following methods:

Table 2. Normality Test Results

		Unstandardized Residual
N		114
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1,49269263
Most Extreme Differences	Absolute	.061
	Positive	.061
	Negative	-.053
Test Statistic		.061
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: Data Processed, 2024

Looking at the table, it is known that the significance value is 0.200> 0.050; the conclusion is that the residual value is usually distributed.

Table 3. Multicollinearity Test Results

Model	Collinearity Statistics

		Tolerance	VIF
1	(Constant)		
	X1	.455	2.200
	X2	.837	1,194
	X3	.487	2.054
	X4	.779	1.283

Source: Data Processed, 2024

Looking at the table above, all independent variables have a tolerance value> 0.1 and a VIF value < 10.00. Hence, the conclusion that can be drawn is that all independent variables used in this study do not occur in multicollinearity.

Table 4. Heterocesdatisity Test Results

Coefficients^a

Model		t	Sig.
1	(Constant)	2,485	,014
	X1	-,322	,748
	X2	-1,513	,133
	X3	,096	,924
	X4	-,331	,741

a. Dependent Variable: Abs_RES

Source: Data Processed, 2024

Based on the table below, after testing in the spss 25 programme, the results of the heterokesdatisity test show that the significance value of each variable is > 0.05.

3.3. Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
1 (Constant)	11,343	1,786	
X1	.400	.051	.718
X2	.121	.115	.072
X3	.000	.054	.000

Source: Data Processed, 2024

From the results of multiple linear regression studied on the variables of Risk Preference, Tax Education, and Machiavellian nature on Taxpayer Compliance. The equation used in this research is as follows:

$$Y = 11{,}343 + 0.400X_1 + 0.121X_2 + 0.000X_3 + e$$

1) Based on the equation, the constant value of 11.343 means that if all independent variables, namely Risk Preference (X1), Tax Education (X2), and Machiavellian nature (X3), are considered constant, the value of the dependent variable, namely Taxpayer Compliance (Y), is 11.343.

2) The regression coefficient value of Risk Preference is 0.259, which means that if the other independent variables are constant and Risk Preference (X1) increases by 1%, then Taxpayer Compliance (Y) will increase by 0.259.

3) The regression coefficient value of Tax Education is 0.121, which means that if the other independent variables are constant and Tax Education (X2) increases by 1%, Taxpayer Compliance (Y) will increase by 0.121..

4) The Machiavellian regression coefficient value of 0.000 means that if the other independent variables are constant and Machiavellian (X3) increases by 1%, Taxpayer Compliance (Y) will increase by 0.000.

3.4. Hypothesis Test

Table 6. **Determination Coefficient Test Results**

			Model Summary[b]		
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749[a]	.560	.548	1,548

a. Predictors: (Constant), X3, X2, X1

b. Dependent Variable: Y

Source: Data Processed, 2024

The table above states that the coefficient of multiple determination (Adjusted R^2) is 0.560. This value shows that the Taxpayer Compliance variable is influenced by 56% of the Risk Preference (X1), Tax Education (X2), and Machiavellian (X3) variables. The remaining 44% is influenced by other variables outside this study.

Table 7. Simultaneous F Test Results

Model		F	Sig.
1	Regression	46.723	.000[b]
	Residual		
	Total		

Source: Data Processed, 2024

The results of hypothesis testing state that the Fcount value is 46,723 while the Ftable for a fundamental level of 5% and numerator (k = 3), so the denominator df = n-k-1 = (114-3-1) = 110 is 2.69 so that it can be explained that Fcount is 46,723> Ftable of 2.69 with a significance level of 0.000 <0.05, so **Ho1 is rejected or Ha1 is accepted**. So, the conclusion is that Risk Preference (X1), Tax Education (X2), and Machiavellian (X3) affect Taxpayer Compliance (Y) together or simultaneously.

Table 8. Partial t Test Results

Model		t	Sig.
1	(Constant)	6,351	.000
	X1	7.808	.000
	X2	1.053	.295
	X3	.006	.996

Source: Data Processed, 2024

Based on the table above, the ttable value with a real rate of 5% (0.05) and df = n-k-1 = (114-3-1) = 110 is 1.983, while the tcount of the Risk Preference variable is 7,808. Then **Ho2a is rejected, or Ha2a is accepted** because count> ttable with a number 7.808 > 1.983, namely the partial hypothesis test results show that Risk Preference influences Taxpayer Compliance. The significance value of 0.000 < the t sig value of 0.05, so the conclusion is that Risk Preference significantly influences Taxpayer Compliance.

The results of hypothesis testing state that the tcount value of the Tax Education variable is 1.053 using the t table with a fundamental level df tcount of 1.983. Then **Ho2b is accepted, and Ha2b is rejected** because tcount < ttable with a number 1.053> 1.983, namely the partial hypothesis test results state that Tax Education does not

influence Taxpayer Compliance. The significance value is 0.295> t sig value 0.05, so the conclusion is that Tax Education does not influence Taxpayer Compliance.

The results of the hypothesis test state that the tcount value of the Machiavellian trait variable is 0.006 using the t table with a fundamental level of df tcount 1.983. Then **Ho2c is accepted, and Ha2c is rejected** because tcount < t table with a number 0.006 < 1.983, namely the partial hypothesis test results show that Machiavellian nature does not affect taxpayer compliance. The significance value is 0.996> t sig value 0.05, so the conclusion is that Machiavellian nature does not influence taxpayer compliance.

3.5. MRA Test

Table 9. MRA Test Results X1 and X4 on Y

Model		t	Sig.
1	(Constant)	4.431	.000
	X1	9.871	.000
	X4	2.406	.018

Source: Data Processed, 2024

Table 10. MRA Test Results X1 and X4 on Y

Model		t	Sig.
1	(Constant)	1.516	.132
	X1	,265	.792
	X4	-,467	.641
	X1.X4	,859	.392

Source: Data Processed, 2024

The results of this study show that Table 9 has a significant relationship, while Table 10 does not have an important relationship. Then **Ho3a is accepted or Ha3a is rejected**, namely the Taxpayer Motivation variable does not moderate the effect of Risk Preference on Taxpayer Compliance; in this case, Taxpayer Motivation is a moderating predictor (Predictor Moderator). This means that the moderating variable (Taxpayer Motivation) is a variable that does not moderate the relationship between the independent variable and the dependent variable, and this moderation is only a predictor variable.

Table 11. MRA Test Results X2 and X4 on

Model		t	Sig.
1	(Constant)	4,785	.000
	X2	2,664	.009
	X4	4.544	.000

Source: Data Processed, 2024

Table 12. MRA Test Results X2 and X4 on Y

Model		t	Sig.
1	(Constant)	-.846	.399
	X2	1.846	.068
	X4	2.208	.029
	X2.X4	-1,582	.116

Source: Data Processed, 2024

The results of this study show that Table 11 has a significant relationship, while Table 12 does not have an important relationship. So, **Ho3b is accepted, or Ha3b is rejected**. Namely, the Taxpayer Motivation variable does not moderate the effect of Tax Education on Taxpayer Compliance; in this case, Taxpayer Motivation is a moderating predictor (Predictor Moderator). This means that the moderating variable (Taxpayer Motivation) is a variable that does not moderate the relationship between the dependent variable and the independent variable, and this moderation is only a predictor variable.

Tabel 13. MRA Test Results X3 and X4 on Y

Model		t	Sig.
1	(Constant)	5,273	.000
	X3	4,992	.000
	X4	3,473	.001

Source: Data Processed, 2024

Tabel 14. MRA Test Results X3 and X4 on Y

Model		t	Sig.
1	(Constant)	1,302	.195
	X3	,177	.860
	X4	,249	.804
	X3.X4	,385	.701

Source: Data Processed, 2024

The results of this study show that Table 13 has a significant relationship, while Table 14 does not have a meaningful relationship. So, **Ho3c is accepted, or Ha3c is rejected**. Namely, the Taxpayer Motivation variable does not moderate the effect of Machiavellianism on Taxpayer Compliance; in this case, Taxpayer Motivation is a predictor moderator. This means that the moderating variable (Taxpayer Motivation) is a variable that does not moderate the relationship between the independent and dependent variables; this moderation is only a predictor variable.

The results of this study indicate that Risk Preference significantly affects Taxpayer Compliance, while Tax Education and Machiavellian nature do not have a significant impact. These findings suggest that taxpayers' willingness to take risks is crucial to their compliance behaviour. This aligns with previous research highlighting risk perception's importance in tax compliance decisions.

However, the lack of significant effects from Tax Education and Machiavellian nature suggests that these factors may not be as influential as previously thought. This could be due to the study's specific context or the sample population's characteristics. Further research is needed to explore these relationships in different settings and with larger, more diverse samples.

4. CONCLUSSION AND SUGGESTIONS

This study aims to answer the research objectives, namely to determine how risk preference, tax education, and Machiavellian nature affect taxpayer compliance with taxpayer motivation as a moderating variable for registered taxpayers at KPP Ilir Barat. Based on the results of research and discussion, it is known that Risk Preference, Tax Education, and Machiavellian nature significantly affect Taxpayer Compliance simultaneously. Risk Preference significantly affects Taxpayer Compliance, while Tax Education and Machiavellian nature have no impact on Taxpayer Compliance. Taxpayer motivation is a predictor moderator for the effect of Risk Preference, Tax Education, and Machiavellian nature on Taxpayer Compliance.

To enhance the robustness and applicability of these findings, future research should consider a larger and more diverse sample size, including taxpayers from different regions and economic backgrounds. Additionally, longitudinal studies could provide deeper insights into how these variables influence taxpayer compliance. Researchers should also explore other potential moderating variables, such as cultural factors and economic

conditions, to comprehensively understand taxpayer behaviour. Collaboration with tax authorities and policymakers can help design interventions that address the identified factors influencing taxpayer compliance.

The following suggestions are: 1. Conducting longitudinal studies could provide insights into how risk preference, tax education, and Machiavellian nature influence taxpayer compliance over time. 2. Future research should include more diverse populations to enhance the generalizability of the findings. 3. Using experimental designs could help establish causal relationships and provide more robust evidence of the factors influencing Taxpayer Compliance.

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