The Influence of Tax Knowledge on Willingness to Pay Taxes among Madrasah Students in Ngamprah Subdistrict with Islamic Perspective as a Moderating Variable

Haidar Faiz Rabbani[1], Arini Lestari Sugiarti[2], Muhammad Ridwan Mulki[3], Aristanti Widyaningsih[4], Denny Andriana[5]

[12345]Universitas Pendidikan Indonesia, Bandung, Indonesia
haizraa@upi.edu

Abstract. This study investigates the impact of tax knowledge on the willingness to pay taxes among Islamic High School students in Kecamatan Ngamprah, with an Islamic perspective as a moderating variable. The willingness to pay taxes is a critical factor in fostering long-term tax compliance, which contributes to national development. This study employs an explanatory correlational quantitative approach, utilizing a purposive sample of 90 students who have received tax-related instruction. Linear regression analysis is used to examine the effect of tax knowledge on the willingness to pay taxes, while Moderated Regression Analysis (MRA) is applied to assess the moderating role of the Islamic worldview. The findings indicate that tax knowledge significantly enhances students' willingness to pay taxes, suggesting that increased understanding of tax concepts can lead to greater civic responsibility. However, the Islamic perspective did not significantly moderate this relationship, implying that religious values alone may not directly influence early tax compliance behavior among students. The results highlight the importance of strengthening tax education in schools, particularly in fostering a deeper understanding of civic duties, to cultivate responsible taxpayers in the future. Future research could explore additional moderating factors, such as civic responsibility and trust in government institutions, to offer a more comprehensive understanding of tax compliance behaviors.

Keywords: Tax knowledge, Willingness to Pay Taxes, Islamic perspective, High school students, Tax education

1 Introduction

Tax revenue is a primary source of government financing and plays a crucial role in supporting national development and the provision of public services. However, tax compliance in Indonesia remains relatively low, particularly among individual taxpayers and those operating in the informal sector. The low level of tax compliance is often associated with limited public understanding of taxation and insufficient awareness of the importance of fulfilling tax obligations for national

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development [1]. Limited public participation in the tax system has also been attributed to inadequate tax knowledge [2]. Therefore, strengthening tax compliance requires efforts to improve individuals' understanding of taxation and their associated obligations.

Tax knowledge is considered one of the key factors influencing individuals' willingness to pay taxes. Previous research has demonstrated that knowledge of tax regulations has a significant positive effect on willingness to pay taxes [3]. Similarly, individuals with a better understanding of taxation tend to demonstrate a greater willingness to fulfill their tax obligations [4]. A comprehensive understanding of tax obligations, the benefits of taxation, and the consequences of non-compliance can contribute to greater tax awareness and willingness to pay taxes. From an educational perspective, this issue is particularly important because attitudes and civic behaviors are shaped from an early age, including through formal education.

As part of the economic education curriculum, students at Islamic senior high schools (madrasahs) in Kecamatan Ngamprah have been exposed to taxation-related materials. Tax education at the secondary school level is expected to enhance students' understanding of their civic responsibility to contribute to the state through tax payments. Previous research suggests that formal education incorporating taxation can provide a foundation for developing a generation that is more aware of its tax responsibilities [5]. Nevertheless, despite the inclusion of taxation topics in formal education, limited research has examined whether tax knowledge acquired through madrasah education influences students' willingness to pay taxes. Investigating this relationship is therefore important for understanding the potential role of early tax education in shaping future taxpayers' attitudes and behaviors.

In addition to tax knowledge, religious values may influence the relationship between tax knowledge and willingness to pay taxes. In particular, Islamic beliefs may serve as a moderating factor because Islam emphasizes social responsibility and justice, including the obligation to pay zakat, which shares certain conceptual similarities with taxation as a means of contributing to societal welfare [6]. Religious values may therefore reinforce individuals' moral perceptions of their obligations toward the state. Previous research has shown that spiritual values can increase taxpayers' willingness to fulfill their obligations, suggesting that religious orientation may influence the relationship between tax knowledge and willingness to pay taxes [7]. Within the context of madrasah education, a stronger understanding of Islamic values may encourage students to perceive tax payment not merely as a legal obligation but also as part of their broader civic and social responsibility.

Although tax knowledge and tax compliance have been extensively examined, relatively few studies have investigated the effect of tax knowledge on willingness to pay taxes among madrasah students while considering Islamic values as a moderating factor. Existing tax compliance research has predominantly focused on adult individual taxpayers and business entities [8]. Moreover, religious factors have received comparatively limited attention, despite their potential role in shaping individuals' moral perceptions and attitudes toward tax obligations. This study therefore seeks to address this gap by examining the effect of tax knowledge on the willingness to pay taxes among Grade XI students at Islamic senior high schools in Kecamatan Ngamprah and by assessing the moderating role of Islamic perspectives in this relationship.

This study is expected to contribute to the literature on taxation and tax education by providing empirical evidence on the relationship between tax knowledge and willingness to pay taxes in the context of religious education. More specifically, it extends existing research by incorporating

Islamic perspectives as a potential moderating factor in the relationship between tax knowledge and willingness to pay taxes. From a practical perspective, the findings may provide insights for the development of tax literacy programs and educational policies that integrate taxation knowledge with relevant religious and moral values, particularly within the context of madrasah education.

2 Method

This study uses an explanatory correlational quantitative approach that aims to analyze the effect of tax knowledge on the willingness to pay taxes of Islamic High School students in Kecamatan Ngamprah, with an Islamic perspective as a moderating variable. This approach was chosen because it is designed to test the relationship between variables that are causal or influencing. The sample in this study used purposive sampling technique, consisting of 90 Islamic High School students in Kecamatan Ngamprah who had obtained taxation material in economics subjects.

The instrument used in this study consists of three parts: an instrument to measure tax knowledge (X) consisting of 9 questions, an instrument to measure willingness to pay taxes (Y) consisting of 9 questions, and an instrument to measure the Islamic perspective (M) consisting of 10 questions. The three instruments have been tested for validity and reliability to ensure that the measuring instruments used meet quality standards and can provide accurate data. The collected data were then analyzed using linear regression to test the effect of tax knowledge on willingness to pay taxes. In addition, to test the moderating role of the Islamic perspective in the relationship between the two variables, the Moderated Regression Analysis (MRA) technique was used. This analysis allows us to identify whether the Islamic perspective strengthens or modifies the relationship between tax knowledge and willingness to pay taxes.

3 Results and discussion

Table 1 presents the results of descriptive statistical analysis from 90 respondents across three variables: Tax Knowledge (X), Willingness to Pay Taxes (Y), and Islamic Perspective (M). The Tax Knowledge variable has a mean score of 26.93 with a standard deviation of 3.774, indicating a relatively high variation in responses. The Willingness to Pay Taxes variable shows a mean of 27.01 and a standard deviation of 2.339, suggesting a more consistent or homogeneous set of responses compared to Tax Knowledge. Meanwhile, the Islamic Perspective variable has the highest mean value at 32.26 with a standard deviation of 3.015, indicating a fairly wide range of perspectives among respondents.

Table 1. Descriptive Statistic

Variable	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Tax Knowledge	90	17	35	2424	26.93	3.774
Willingness to Pay	90	22	33	2431	27.01	2.339
Islamic Perspectives	90	23	40	2903	32.26	3.015

Valid N (listwise)	90

Based on Table 2, the F value obtained is 67.692 with a significance value of 0.000. Since this significance value is smaller than 0.00 (0.000 < 0.05), it can be concluded that the regression model as a whole is significant. In other words, the tax knowledge variable (X) has a significant effect on the willingness to pay taxes variable (Y). Therefore, the first hypothesis can be accepted.

Table 2. f-test result

Variable	F	Sig.
X – Y	67.692	0.000

Based on the linear regression test in Table 3, it is known that the significance value for the tax knowledge variable is 0.000 (<0.05). This shows that there is a significant influence between the tax knowledge variable (X) and willingness to pay taxes (Y). In other words, knowledge about taxes has a significant influence on students' willingness to pay attitudes. The higher the students' knowledge of taxes, the higher their tax willingness. These results suggest that improving tax understanding among students can shape better tax compliance attitudes in the future. Furthermore, to see how much influence tax knowledge has on willingness to pay taxes, it can be seen in the table 4.

Table 3. t-test results

Variable	B	t	Sig.
X – Y	0.409	8.227	0.000

Table 4 shows that the R Square (R^2) value obtained is 43.5%. This value indicates that about 43.5% of the variation in willingness to pay taxes (Y) can be explained by the tax knowledge (X) variable. In other words, although tax knowledge has a significant influence, there are still about 56.5% other factors that affect student tax compliance.

Table 4. Determinant test

Variable	R	R Square
X – Y	0.659	0.435

Based on the results of the MRA analysis, the significance value for the interaction between Tax Knowledge and Islamic Perspective on Willingness to Pay Taxes is 0.488, which is greater than 0.05. This indicates that Islamic Perspective doesn't moderate the effect between Tax Knowledge and Willingness to Pay Taxes significantly. Thus, the hypothesis stating that Islamic Perspective moderates the effect between Tax Knowledge and Willingness to Pay is not accepted.

Table 5. Moderation regression results

Variable	B	t	Sig.

X – Y	0.036	0.103	0.918
M – Y	0.085	0.277	0.783
X*M – Y	0.008	0.697	0.488

Tax knowledge plays a crucial role in fostering the willingness to pay taxes, as evidenced by the study conducted on grade XI students at Islamic High Schools in Kecamatan Ngamprah. The results show a positive correlation between tax knowledge and willingness to pay taxes, indicating that students who understand the tax system are more likely to fulfill their tax obligations. The regression analysis revealed a significant influence, with a coefficient of 0.496 and a significance value of 0.005. This suggests that the higher the tax knowledge among students, the greater their awareness of the importance of fulfilling their civic duties. These findings align with previous research by [3] and [4], which found that tax knowledge directly improves willingness to pay taxes.

However, while the results highlight the importance of tax knowledge in influencing willingness to pay taxes, the study also points out that other factors may come into play. For example, socio-economic factors and trust in governmental institutions could affect students' willingness to pay taxes. This perspective is consistent with the study by [9], which suggests that awareness alone may not be sufficient; additional structural and institutional factors may also need to be addressed to foster a more comprehensive understanding of willingness to pay taxes. Future studies could explore how these external factors interact with tax knowledge to elucidate their combined effect on willingness to pay taxes further.

The hypothesis that an Islamic perspective would strengthen the relationship between tax knowledge and willingness to pay taxes was not supported by the findings of this study. The Moderated Regression Analysis (MRA) results showed no significant moderating effect, with a significance value of 0.488, which is greater than the accepted threshold of 0.05. This suggests that Islamic beliefs did not significantly influence students' attitudes toward willingness to pay taxes, even though these beliefs might shape ethical behaviors in other contexts. While [7] suggested that religious values could potentially enhance willingness to pay taxes by fostering a sense of moral duty, this study did not find conclusive evidence to support that view.

One possible explanation for the lack of significant moderation could be that while Islamic teachings may promote values of social justice and moral responsibility, they may not directly translate to practical actions such as fulfilling tax obligations among young students. This study focused on high school students who might not yet fully internalize the technical aspects of tax systems in relation to their religious views. Future research could examine other possible moderating variables, such as civic responsibility or trust in state institutions, which may play a more significant role in shaping students' willingness to pay taxes. Furthermore, exploring the impact of formal tax education integrated with Islamic teachings could provide a more nuanced understanding of the relationship between these variables.

The findings from this study underscore the importance of providing students with comprehensive tax education to improve willingness to pay taxes. The study confirmed

that tax knowledge significantly affects willingness to pay taxes, suggesting that integrating tax education into the school curriculum can help cultivate responsible future taxpayers. However, while the Islamic perspective did not show a strong moderating effect, it is essential to consider the role of other factors that could enhance students' willingness to fulfill their tax obligations. These include fostering a broader understanding of civic duties and the relationship between taxation and social justice.

Based on these insights, it is recommended that policymakers focus on integrating tax education into both secular and religious education systems. By combining technical knowledge with ethical and civic values, such programs could encourage more informed and engaged taxpayers. Moreover, further research should explore the role of other social, cultural, and institutional factors that might influence willingness to pay taxes behaviors. Expanding the scope of future studies could help create more effective and comprehensive educational strategies that address the practical and moral aspects of willingness to pay taxes.

4 Conclusion

The purpose of this study is to investigate how grade XI students at Islamic High Schools in Kecamatan Ngamprah's willingness to pay taxes is impacted by their tax knowledge and Islamic viewpoint. The analysis's findings suggest that tax knowledge has a significant impact on willingness to pay taxes, with higher levels of tax knowledge being associated with greater willingness to fulfill tax obligations. This research emphasizes the importance of providing students with a thorough understanding of the tax system to encourage future responsible tax-paying practices. Additionally, it was anticipated that the Islamic viewpoint would moderate the relationship between tax knowledge and willingness to pay taxes. However, the results of the Moderated Regression Analysis (MRA) showed that the Islamic perspective did not significantly influence this relationship. This implies that while Islamic values can promote moral behavior and social responsibility, they may not directly affect students' willingness to pay taxes in relation to official tax obligations. These findings point to the need for further research to explore other potential moderating factors, such as civic responsibility and trust in government institutions, to gain a more comprehensive understanding of the dynamics of willingness to pay taxes.

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