

TAXPAYER AWARENESS, APPLICATION OF ELECTRONIC SYSTEMS, AND UNDERSTANDING OF TAXPAYERS' COMPLIANCE WITH TAX LAWS AND REGULATIONS REGARDING THEIR RISK APPETITE LEVEL AS MODERATING VARIABLES

Kasim Sinen¹⁾

Email: acimchio@yahoo.co.id

Universitas Khairun, Ternate, Indonesia

Zainuddin²⁾

Email: zainudin@unkhair.ac.id

Universitas Khairun, Ternate, Indonesia

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Abstract: This research is a quantitative study which aims to examine the effect of taxpayer awareness, e-system application and understanding of tax regulations on the level of taxpayer compliance with risk preference as the moderating variable. The number of samples studied in this study were 115 samples. The data in this study are primary data in the form of respondents' answers distributed to individual taxpayers who are registered at (KPP) Pratama Ternate who make payments at KPP Pratama Ternate. All data obtained were processed using SPSS 16 for windows with multiple linear regression analysis. Based on the research results, the application of e-systems and understanding of tax regulations affects the level of taxpayer compliance. Meanwhile, taxpayer awareness has no effect on the level of taxpayer compliance. Risk preference is able to moderate the effect of understanding tax regulations on the level of taxpayer compliance. Risk preference is not able to moderate the effect of taxpayer awareness and the application of e-system on the level of taxpayer compliance.

Keywords: Taxpayer Awareness, Application of E-System, Understanding of Tax Regulations, Taxpayer Compliance Level and Risk Preference.

INTRODUCTION

The extent of taxpayers' compliance can be interpreted as obedience, obedience and obedience to the taxpayers' performance of their tax rights and obligations in accordance with applicable tax laws (Rahayu, 2010). If a taxpayer understands the laws and regulations of taxation, understands the role of taxation on national finances, and understands, pays, and reports tax, then the compliance of the taxpayer is related to the taxpayer's awareness. Taxpayer compliance is also related to the implementation of the electronic electronic system that provides information. Therefore, the definition in the electronic system application is that every taxpayer registered in the tax service office can achieve taxpayer compliance more efficiently, economically, and quickly. regulation. Tax management modernization plan. Understand tax regulations, because if the public understands and understands regulations and laws and taxation procedures, and applies them to taxation activities such as tax payment and tax declaration, and taxpayers face risks that must be considered when paying taxes, they are related to the taxpayer's risk appetite. Namely health risks, financial risks, social risks and safety risks. Kurnia (2010)'s research results show that tax compliance can be said to be a condition for taxpayers to fulfill all tax obligations and exercise tax rights.

LITERATURE REVIEW

1. Prospect Theory

Prospect theory is a theory developed by Daniel Kahneman and Amos Tversky. The theory originated from Kahneman and Tversky's (1979) study of human behavior that was considered strange and contradictory when making a decision. The same research topic, some of the same choices, but different expressions, a person's decision will be different. Kahneman and Tversky (1979) named this person's behavior as risk aversion behavior and risk seeking behavior. For example: In the capital market, if the stock price rises, people tend to sell the stock to make a profit (sell fast), and if the stock price falls, people tend to hold the stock, hoping that the stock will rise again instead of losing money (not selling). This behavior can also be classified as risk aversion and risk seeking.

2. Social Learning Theory

Social learning theory believes that one can learn through direct observation and experience (Badura, 1977, Jatmiko, 2006). This theory is an extension of Skinner's (1971) role conditioning theory, which presupposes behavior as a function of its consequences. There are four processes in social learning, namely: (1) attention process, (2) maintenance process, (3) movement regeneration process and (4) reinforcement process. The attention process is a process in which a person learns from another person/model only if they already know and pay attention to that person/model. The containment process is the process of remembering the model's actions after the model is no longer available.

3. Theory of Perceived Behavior (TPB)

Perceived Behavior Theory (TPB) points out that in addition to attitudes and subjective norms of behavior, individuals also consider the control of their perceived behavior, that is, their ability to perform these behaviors. The theory states that the decision to make a certain behavior is a rational process that targets a certain goal and follows a series of thoughts. Consider behavior options, evaluate the consequences and results of each behavior, and decide whether to take action. The decision is then reflected in the behavioral goal. According to Fishbein, Ajzen, and many other researchers, this can often be a powerful predictor of how we behave in the Ajzen (1980) situation that occurred in Anangga (2012).

4. Taxpayer Compliance

According to the Great Indonesian Dictionary (quoted by Kiryanto, 2000), to obey means to obey or obey a doctrine or rule. At the same time, the compliance of Gibson (1991) in Agus Nugroho Jatmiko (2006) is the motivation of individuals, groups or organizations to act or not to act according to established rules. A person's obedience behavior is the interaction between individual, group, and organizational behaviors.

According to Decree No. 235/KMK.03/2003 of the Minister of Finance of June 3, 2003, a taxpayer can be determined as a compliant taxpayer. If all of the following conditions are met, the overpayment can be initially refunded:

Submit the annual SPT in time in the past 2 (two) years, and in the last year of the regular SPT submission, the delay for each subsequent tax category shall not exceed 3 (three) tax periods, and the delayed submission of the SPT shall not be later than the deadline for submitting the SPT A tax period, all types of taxes are not owed, unless you have obtained permission to install or postpone taxes, excluding tax owed related to the STP issued in the last 2 (two) tax periods, within 10 (ten) years He has never been sentenced for crimes in the tax field.

5. Taxpayer Awareness

Tax awareness is a condition for a person to know, recognize, respect and abide by applicable tax regulations, and have sincerity and desire to fulfill their tax obligations, Muliari (2011). The level of tax awareness reflects a person's understanding of the meaning, function and role of taxation. The higher the taxpayer's level of awareness, the better the understanding and fulfillment of tax obligations can improve compliance. The empirical evidence also proves that the higher the taxpayer's tax

awareness, the higher the taxpayer's compliance level. Suyatmin (2004) believes that the higher the taxpayer's tax awareness, the higher the taxpayer's compliance level (Santi, 2012).

If taxpayers proceed according to the following matters, they are said to be conscious (Asri, 2009).

1. Understand current tax laws and regulations.
2. The taxpayer's willingness to pay taxes and declare SPT.
3. Realize that paying taxes is an obligation

6. Application of E-system

The electronic taxation system is the use of information technology to modernize taxation and is expected to make it easier for taxpayers to report taxes. The electronic tax system is divided into e-registration, e-filing, e-SPT, e-NJOP, e-NPWP, and the latest is E-Faktur. This electronic tax system was created to make it easier for taxpayers to fulfill their tax obligations. For example, electronic registration facilitates the registration of NPWP and the start of taxable entrepreneurs through online consultation of taxes. The electronic tax system is the use of information technology to modernize taxation, which is expected to make it easier for taxpayers to report their tax obligations.

7. Understanding of Tax Regulations

The taxpayer's understanding of taxation regulations is the way the taxpayer understands the current taxation regulations. Taxpayers who do not understand tax laws are obviously disobedient taxpayers. Obviously, the more taxpayers know about tax laws and regulations, the more taxpayers will understand the sanctions they will face if they ignore their tax obligations. Where taxpayers really know, they will know the administrative penalties and criminal penalties related to SPT and NPWP. (Siska Lovihan, 1988).

According to Law No. 16 of 2009 on General Regulations and Taxation Procedures (KUP), taxation is a mandatory contribution that an individual or entity owes to the country in accordance with the law, without direct compensation, and is used for the following purposes: established for the greatest prosperity of the people nation. Taxpayers' understanding of applicable tax laws and regulations will also affect taxpayers' compliance. Tax knowledge can foster the enthusiasm of taxpayers if they have a good understanding of the content of the frequently changing tax laws. According to Nur (2012), people cannot pay taxes in good faith if they do not understand taxes and their benefits. To enable the government to hold tax materials in the form of tax socialization in formal and non-formal education, and provide the best steps for increasing taxpayers' knowledge. From school to university, they received formal tax education in their materials. At the same time, mainly through the official tax website (www.pajak.go.id) to visit consultations, seminars and other electronic mass media banner forms of tax socialization. If these measures have a good impact on taxpayers' understanding of laws and regulations, and will improve taxpayers' conscious performance of their voluntary compliance obligations, then these measures can play a role. Supriyati (2011) pointed out that tax knowledge will affect taxpayers' compliance level.

8. Preferensi Risiko

Risk appetite is one of the characteristics of a person, and it affects his behavior (Sitkin and Pablo, 1992). In the concept of risk appetite, there are three scopes: avoiding risk, facing risk neutral, and liking to seek risk. A study showed that the compliance of taxpayers' behavior at risk should not be underestimated (Alm and Torgler, 2006). Torgler (2003) pointed out that the taxpayer's decision will be influenced by his behavior towards risks.

A person's risk appetite is a component of several theories related to decision-making, including tax compliance, such as satisfaction expectation theory and prospect theory. The correct theoretical basis for adjusting risk preference in the relationship between tax compliance and tax service quality is prospect theory. The theory explains that when a taxpayer has a high risk, it will be able to affect the taxpayer's compliance. Therefore, when there is a strong correlation between tax compliance and risk appetite, the taxpayer's compliance level will be lower, which means that taxpayers have various high risks, which will reduce the taxpayer's compliance level.

HYPOTHESIS DEVELOPMENT

H1 = Taxpayer awareness has a significant impact on taxpayer compliance

H2 = The implementation of the electronic system has an impact and significant on the taxpayer's compliance level

H3 = The understanding of tax regulations has a significant and significant impact on the taxpayer's compliance level

H4 = The impact of taxpayer awareness with moderate risk appetite on taxpayer compliance

H5 = The impact of the implementation of electronic systems with moderate risk appetite on taxpayer compliance

H6 = Understand the impact of tax regulations on taxpayer compliance by adjusting risk appetite

METHOD

Methods of collecting data

The data collection technique used by the researcher is a questionnaire survey, that is, the method of data collection is by distributing questions to the interviewees, hoping that the interviewees can answer these questions.

Data type and source

The types and sources of data used in this research are in the form of quantitative data, obtained from the value or score of the respondent's answers to the questions contained in the questionnaire. The data source in this study is the main data in the form of individual taxpayer questionnaires from Ternate Tax Service Office.

Population and sample

The population in this study are all corporate taxpayers in Ternate. The number of individual taxpayers registered with KPP Pratama Kota Ternate is 140,241 individual taxpayers. To determine the sample size in this study, the researchers used the Slovin formula.

$$N = N/(1+Ne^2)$$

Note:

n = sample

N = population

e = error rate

Based on the above Slovin method, the number of samples in this study can be calculated as follows:

$$N = 140,241/(1+140,241(0,5)^2) = 399 \text{ respondents}$$

Data analysis method

Modified regression analysis (MRA) is a data analysis technique used to determine the influence of independent variables on the dependent variable and the ability of the adjusted variable to adjust the influence of the independent variable on the dependent variable. Based on the obtained regression results, it will be analyzed whether the previously proposed hypothesis is accepted or rejected.

Regulated regression analysis (MRA) is used to examine the impact of taxpayer awareness, electronic system application, and tax law understanding on taxpayers' compliance with risk appetite as a moderating variable. The regression equation model used in this study is as follows:

$$TCL = \alpha + \beta_1TA + \beta_2PE + \beta_3UTR + \varepsilon$$

$$TCL = \alpha + \beta_4RP.TA + \beta_5RP.AE + \beta_6RP.UTR + \varepsilon$$

Description :

TCL = Taxpayer Complianc Level

TA = Taxpayer Awareness

AE = Aplication of E-System

UTR = Understanding of Tax Regulations

- RP = Risk Preference
 α = constant of the regression equation
 ε = error

RESULT AND DISCUSSION

Result

It was learned that out of the 399 questionnaires issued, 115 were received completely and 284 were not received. The unreturned questionnaire was caused by scattered other documents, and some interviewees refused to fill in because they were busy. There are 115 questionnaires that can be processed in this way.

According to the data obtained, according to gender, male respondents accounted for 57.39% and female respondents accounted for 42.61%. In terms of age, 20.87% were 23-29 years old, 23.48% were 30-39 years old, 37.39% were 40-49 years old, and 18.26% were over 50 years old. Respondents' educational characteristics show that 28.70% have a high school diploma, 20.00% for D3, 33.91% for S1, 09.57% for a master's degree, and 07.83% for a doctoral degree.

From the characteristics of the respondents, there are more male respondents than females. In addition, the number of educational levels and years of service the respondents have is sufficient to provide information in this study.

Validity Test

Table 4.1 Taxpayer compliance level validity

Item	<i>Pearson Correlation</i>	<i>Sig.</i>	description
(Y)			
Y.1	0,654	0,000	Valid
Y.2	0,618	0,000	Valid
Y.3	0,704	0,000	Valid
Y.4	0,658	0,000	Valid
Y.5	0,515	0,000	Valid
Y.6	0,476	0,000	Valid

Source: Primary data processed by SPSS (2020)

It can be seen from Table 4.1 that the taxpayer compliance level (Y) of this test meets the requirements, the r-count value is greater than 0.3, and the significant value is <0.05. Therefore, it can be concluded that the item is declared valid.

Table 4.2 Taxpayer awareness validity

Item	<i>Pearson Correlation</i>	<i>Sig.</i>	description
(X1)			
X1.1	0,606	0,000	Valid
X1.2	0,603	0,000	Valid
X1.3	0,662	0,000	Valid
X1.4	0,689	0,000	Valid
X1.5	0,574	0,000	Valid

Source: Primary data processed by SPSS (2020)

It can be seen from Table 4.2 that the taxpayer's consciousness (X1) in this test meets the requirements, the r-count value is greater than 0.3, and the significant value is <0.05. Therefore, it can be concluded that the item is declared valid.

Table 4.3 Validity of E-system application

Item	<i>Pearson Correlation</i>	<i>Sig.</i>	description
(X2)			
X2.1	0,544	0,000	Valid
X2.2	0,601	0,000	Valid

X2.3	0,585	0,000	Valid
X2.4	0,567	0,000	Valid
X2.5	0,472	0,000	Valid
X2.6	0,504	0,000	Valid
X2.7	0,532	0,000	Valid
X2.8	0,593	0,000	Valid
X2.9	0,551	0,000	Valid
X2.10	0,437	0,000	Valid
X2.11	0,339	0,000	Valid

Source: Primary data processed by SPSS (2020)

It can be seen from Table 4.3 that the realization variable (X2) of the electronic system in this test meets the requirements, the calculated r value is greater than 0.3, and the significance value is <0.05. Therefore, it can be concluded that the item is declared valid.

Table 4.4 Validity of understanding tax regulations

Item	<i>Pearson Correlation</i>	<i>Sig.</i>	description
(X3)			
X3.1	0,622	0,000	Valid
X3.2	0,673	0,000	Valid
X3.3	0,733	0,000	Valid
X3.4	0,692	0,000	Valid
X3.5	0,651	0,000	Valid

Source: Primary data processed by SPSS (2020)

It can be seen from Table 4.4 that the tax law variable understanding (X3) in this test meets the requirements, the r-count value is greater than 0.3, and the significant value is <0.05. Therefore, it can be concluded that the item is declared valid.

Table 4.5 Risk preference validity

Item	<i>Pearson Correlation</i>	<i>Sig.</i>	discription
(Z)			
Z.1	0,561	0,000	Valid
Z.2	0,617	0,000	Valid
Z.3	0,563	0,000	Valid
Z.4	0,530	0,000	Valid
Z.5	0,439	0,000	Valid
Z.6	0,483	0,000	Valid
Z.7	0,554	0,000	Valid
Z.8	0,574	0,000	Valid
Z.9	0,523	0,000	Valid
Z.10	0,374	0,000	Valid
Z.11	0,352	0,000	Valid

Source: Primary data processed by SPSS (2020)

It can be seen from Table 4.5 that the risk preference variable (Z) of this test meets the requirements, the calculated r value is greater than 0.3, and the significance value is <0.05. Therefore, it can be concluded that the item is declared valid.

Reliability Test

Table 4.6 Value recapitulation Cronbach's Alpha

Variabel	Cronbach's Alpha	discription
Dependen		
Taxpayer compliance level (Y)	0,651	Reliabel

Independen		
Taxpayer awareness (X1)	0,615	Reliabel
Application of –system (X2)	0,723	Reliabel
Understanding of tax regulations(X3)	0,697	Reliabel
Risk prefernce (Z)	0,706	Reliabel

Source: Primary data processed by SPSS (2020)

According to the instrument reliability test results in Table 4.6, it can be concluded that the above instruments are reliable, because the Cronbach's Alpha value of each instrument is greater than the r table (0.60), so it can be used to conduct research or test research hypotheses.

Normality Test

Equation II Table 4.7 Normality test result

Model	Kolmogorov-Smirnov Z	Asymp. Sig
Persamaan Regresi	0,738	0,647

Source: Secondary data processed by SPSS (2020)

According to the normality test results in Table 4.7, the significance value of Kolmogorov Smirnov above 0.05 is 0.647. This shows that the regression model data satisfies the normality assumption. The data of normality test and statistical test can conclude that the regression models in this study are feasible because they satisfy the normality assumption.

Equation II Table 4.8 Normality test result

Model	Kolmogorov-Smirnov Z	Asymp. Sig
Persamaan Regresi	0,779	0,579

Source: Secondary data processed by SPSS (2020)

According to the normality test results in Table 4.8, the significance value of Kolmogorov Smirnov above 0.05 is 0.579. This shows that the regression model data satisfies the normality assumption. The data of normality test and statistical test can conclude that the regression models in this study are feasible because they satisfy the normality assumption.

Multicollinerity Test

Table 4.9 Equation I Multicollinerity test result

Model	Collinearity Statistics	
	Tolerance	VIF
Taxpayer awareness (X1)	0.898	1.114
Application of –system (X2)	0.908	1.102
Understanding of tax regulations(X3)	0.980	1.020

Source: Primary data processed by SPSS (2020)

According to the results of the multicollinerity test shown in Table 4.9, the VIF value of taxpayer awareness (X1) is 1.114 less than 10, and the Tolerance is 0.898 greater than 0.10. The VIF value (X2) implemented by the electronic system is 1.102, which is less than 10, the Tolerance 0.908

is greater than 0.10, the VIF value of the understanding tax law (X3) is 1.020, which is less than 10, and the Tolerance 0.980 is greater than 0.10. Therefore, it can be concluded that there will be no multicollinearity in all variables.

Table 4.10 Equation II multicollinearity test result

Model	Collinearity Statistics	
	Tolerance	VIF
Risk Preference (Z) ₋ (X1)	0.436	2.292
Risk Preference (Z) ₋ (X2)	0.387	2.585
Risk Preference (Z) ₋ (X3)	0.598	1.673

Sumber: data primer yang diolah spss (2020)

According to the multicollinearity test results shown in Table 4.10, it can be seen that the VIF value of risk preference adjusts taxpayer awareness (X1) to 2.292, which is less than 10, and the tolerance is 0.436, which is greater than 0.10. The VIF value of risk preference regulates the implementation of E-system (X2), the value is less than 10, and the Tolerance of 0.387 is greater than 0.10. The VIF value of risk appetite adjusts the tolerance of tax regulations (X3) to 1.673 which is less than 10 and 0.598 which is greater than 0.10. Therefore, it can be concluded that there will be no multicollinearity in all variables.

Heteroscedasticity test

Table 4.11 Equation I Heteroscedasticity test result (Glesjer)

Model	Sig
Taxpayer awareness (X1)	0.098
Application of -system (X2)	0.701
Understanding of tax regulations(X3)	0.318

Source: Primary data processed by SPSS (2020)

According to the results of the Glesjer test in Table 4.11, the significance value of the taxpayer awareness variable (X1) is 0.098 greater than 0.05, and the significance value of the electronic system implementation variable (X2) is greater than 0.701 greater than 0.05, which is 0.318 of the supervisory understanding variable Tax (X3) is greater than 0.05. Therefore, it can be concluded that the regression model in this study does not have heteroscedasticity.

Table 4.12 Equation II Heteroscedasticity test result (Glesjer)

Model	Sig
Risk Preference (Z) ₋ (X1)	0.109
Risk Preference (Z) ₋ (X2)	0.765
Risk Preference (Z) ₋ (X3)	0.261

Sumber : Data Pengolahan SPSS (2020)

According to the results of the Glesjer test in Table 4.12, it can be seen that the significance value of the risk preference variable (Z) adjusting taxpayer awareness (X1) is 0.101, which is greater than 0.05, and the risk preference (Z) adjusting taxpayer awareness implements the electronic system (X2).) Has a significance value of 0.765, which is greater than 0.05, and risk preference (Z) eases the understanding of tax regulations (X3) by 0.261, which is greater than 0.05. Therefore, it can be concluded that the regression model in this study does not have heteroscedasticity.

.Moderating Regression Analysis (MRA)

Tabel 4.13 Hasil Analisis Regresi Linier Berganda

Variabel Penelitian	Koefisien Regresi	t _{hitung}	Sig
Konstanta	21.193	6.099	0.000
Taxpayer awareness (X1)	0.179	1.696	0.093
Application of – system (X2)	0.125	2.091	0.039
Understanding of tax regulations(X3)	-0.222	-2.315	0.022
R = 0.331 R Square = 0.111 Adjusted R Square = 0.087 F hitung = 4.623 Sig = 0.004			

Sumber : Data Pengolahan SPSS (2020)

According to Table 4.13, the regression equation can be obtained as follows:

$$TKWP = 21.193 + 0.179 KWP + 0.125 PE - 0.222PPP$$

According to the regression equation in Table 4.13, several things can be explained, including:

1. The obtained constant value is 21.193, that is, if the taxpayer's awareness, the application of the electronic system and the understanding of tax laws and regulations are 0, the taxpayer's compliance level is 21.293.
2. The positive regression coefficient of taxpayer consciousness variable is 0.179. This shows that if the taxpayer awareness variable increases, assuming other independent variables remain the same, the taxpayer compliance level will increase by 0.179.
3. The positive regression coefficient of the implementation variables of the electronic system is 0.125. This shows that if the variables implemented by the electronic system increase, assuming other independent variables remain the same, the taxpayer's compliance level will increase by 0.125.
4. The variable understanding of tax laws and regulations has a negative directional regression coefficient, which is -0.222. This shows that if the understanding of the variables of tax regulations increases, assuming other independent variables remain the same, the taxpayer's compliance level will decrease by 0.222.

Tabel 4.14 Hasil Moderating Regression Analysis (MRA)

Variabel Penelitian	Koefisien Regresi	t _{hitung}	Sig
Konstanta	23.183	13.511	0.000
Taxpayer awareness (X1)	0.004	1.794	0.076
Application of – system (X2)	0.002	1.599	0.113
Understanding of tax regulations(X3)	-0.005	-2.323	0.022
R = 0.343 R Square = 0.118 Adjusted R Square = 0.094 F hitung = 4.933 Sig = 0.003			

Sumber : Data Pengolahan SPSS (2020)

According to Table 4.14, the regression equation can be obtained as follows:

$$TKWP = 23,183 + 0.004PR_KWP + 0.002PR_PE - 0.005PR_PPP$$

According to the regression equation table 4.14, several things can be explained, including:

1. The obtained constant value is 23,183, that is, if the risk preference variable adjusts the taxpayer's awareness, the implementation of the risk preference adjustment electronic system, and the understanding of the risk preference adjustment tax regulation is 0, the taxpayer's compliance level value is 23,183.
2. The positive regression coefficient of the risk preference variable that regulates taxpayer awareness is 0.004. This shows that if the risk preference variable that regulates taxpayer awareness increases, assuming other independent variables remain unchanged, the taxpayer's compliance level will increase by 0.004.
3. The positive regression coefficient of the risk preference variable for adjusting the implementation of the electronic system is 0.002. This shows that if the risk preference variable increases the implementation of the electronic system, assuming other independent variables remain the same, the taxpayer's compliance level will increase by 0.002.
4. The negative regression coefficient of the risk preference variable that adjusts the understanding of tax laws and regulations is -0.005. This shows that if the increase in risk preference variables eases the understanding of tax laws and regulations, assuming other independent variables remain the same, the taxpayer's compliance level will decrease by 0.005.

Discussion

1. The impact of taxpayer awareness on taxpayer compliance

The results of this study provide empirical evidence that taxpayer awareness has no effect on taxpayer compliance. It can be seen that the amount of tax that must be paid is determined by the amount of income, so awareness is not the main factor that affects personal income tax payment obligations. In addition, the reasons that can be explained are related to meeting high life needs. The satisfaction of such high living needs will further reduce their tax awareness. In addition, this is closely related to the general pessimism of taxpayers on the effectiveness of tax distribution. If the government and policy makers can impress the public that paying taxes is not a burden, let alone seen as a burden, then more people will fulfill their obligation to pay taxes to the state.

In the social learning theory proposed by Paulov (2000), the theory states that individuals can learn and understand by observing what happens to other people or directly experiencing it. Based on the above theory, it can be concluded that the awareness of taxpayers depends on everyone, whether it is from other people's observations or personal experience.

The results of studies conducted by Nugroho et al. (2016), Lydiana (2018) and Prakoso et al. (2019) show that taxpayer awareness has no effect on taxpayer compliance.

2. The impact of the implementation of electronic systems on taxpayers' compliance

The results of this study show that the implementation of electronic systems has an impact on taxpayers' compliance level. This shows that the use of information technology in taxation can improve the service to taxpayers in terms of quality and time, so as to more effectively determine the effectiveness of the use of taxation electronic systems in the form of electronic registration, e-SPT, e-filing, e-tax . Billing affects the performance of individual taxpayers' tax obligations.

Prospect Theory and Social Learning Theory (TPS) explain that the application of electronic systems is to support smooth administrative management through Internet technology, so that all taxation workflows and services are expected to run smoothly, quickly and accurately. The existence of electronic systems will encourage taxpayers to comply.

The results of this study are consistent with studies conducted by Agustningsih (2016), Putra (2015), Muturi and Kieri (2015), which show that the application of electronic systems has an impact on tax compliance. With the application of information technology in taxation, it is expected that the service to taxpayers can be improved in terms of quality and time, making it more effective, and determining the effectiveness of the use of electronic taxation systems in electronic form-registration, electronic SPT, electronic filing, electronic bill. Fulfill the tax obligations of individual taxpayers.

3. Understand the impact of taxation regulations on taxpayer compliance

The results of this study show that the understanding of taxation regulations has a negative impact on taxpayers' compliance level. Prospect theory's understanding of taxation laws and regulations is related to determining the taxpayer's willingness to pay taxes (prospect theory). The higher the taxpayer's understanding of tax laws and regulations, the taxpayer will use this knowledge to pay taxes. On the other hand, taxpayers' low awareness of tax declaration obligations is due to insufficient understanding of taxation.

The understanding of tax regulations is used to understand and try to understand tax laws, understand and understand the rights and obligations of taxpayers, understand and understand tax sanctions, understand and understand PTKP, PKP, and tax rates. Taxpayers conduct society through understanding and understanding tax laws and KPP change. Understanding is defined as understanding the process or method of the taxation mechanism in question, that is, how taxpayers calculate, deposit and report the amount of tax owed (Jatmiko, 2006).

The results of research conducted by Utari and Setiawan (2018) and Saputri and Sulistia (2019) show that the understanding of tax regulations has a negative impact on taxpayers' compliance level.

4. Understand the impact of tax regulations on taxpayer compliance

The results of this study indicate that risk preference cannot adjust the impact of taxpayer awareness on taxpayer compliance. This is because most individual taxpayers still lack the awareness of recognition, respect and compliance with applicable tax regulations, as well as the sincerity and desire to fulfill their tax obligations. Taxpayer awareness is the behavior of taxpayers in the form of opinions or perceptions, including beliefs, knowledge and reasoning, and the tendency to act in accordance with the incentives provided by applicable tax systems and regulations (Ritonga, 2011).

A person's risk appetite is a component of several theories related to decision makers, including tax compliance theories such as rational theory and prospect theory. The theoretical basis for risk appetite to affect taxpayer compliance is prospect theory. Taxation aims to improve taxation knowledge and skills, as well as change the behavior of taxpayers, so that they can better understand, understand and care about exercising their rights and fulfilling their tax obligations.

The results of this study are consistent with those of A'sri and Erawati (2018) and Prakoso et al. (2019), who found that taxpayer awareness has no effect on taxpayer compliance.

5. Risk appetite mitigates the impact of electronic system implementation on taxpayers' compliance

The results of this study show that risk appetite cannot mitigate the impact of the implementation of electronic systems on taxpayers' compliance level. The electronic taxation system is the use of Internet technology to realize taxation modernization. It aims to improve services to taxpayers. The purpose of all this is to enable the services provided by tax authorities to run smoothly, smoothly and efficiently (Ulyani, 2016). The implementation of the Indonesian tax management electronic system is an electronic registration system that taxpayers can use for online registration, or tax officials can use it to process taxpayer registration. e-Filing: A way to submit an online tax return (SPT) or annual SPT update notice. e-Billing, an online tax payment system by first creating a billing code or billing ID, e-SPT, an online system used by taxpayers to submit notification letters (SPT).

A person's risk appetite is a component of several theories related to decision makers, including tax compliance theories such as rational theory and prospect theory. Prospect theory explains the high risk of taxpayers in fulfilling their obligations. The reverse is also true. When the taxpayer's risk is high, the taxpayer is usually unwilling to pay taxes.

The results of this research support the research conducted by Lusiana Jayanti (2012), which pointed out that the implementation of electronic systems has a significant impact on taxpayer compliance. This is also consistent with the survey results proposed by Linda Fatmala (2013), which pointed out that the implementation of the electronic tax system has a significant impact on taxpayers' compliance.

6. Risk appetite adjustment to understand the impact of tax laws and regulations on taxpayers' compliance

The results of this research show that risk appetite can adjust and understand the impact of tax laws and regulations on taxpayers' compliance. This shows that the higher the taxpayer's

understanding of tax laws and regulations, the taxpayer will not use this knowledge to pay taxes. To understand the tax regulations on risk appetite using the concepts of Supadmi and Andryani (2012), taxpayers understand the obligation to calculate their own tax payable in accordance with applicable tax regulations. Taxpayers can calculate the amount of income tax that must be paid and installment payments after knowing the amount of tax payable. Taxpayers shall pay taxes owed in accordance with applicable laws and regulations. Taxpayers must report the notification letter (SPT) to the local KPP on time.

The understanding and knowledge of tax laws and regulations in the prospect theory are related to determining the taxpayer's tax willingness behavior (prospect theory). The higher the taxpayer's understanding of tax laws and regulations, the taxpayer will use this knowledge to pay taxes. The results of the research conducted by Fajriana (2013) explained that the knowledge of tax laws when taxpayers understand the tax will increase their knowledge of tax laws and the impact of understanding on the willingness of WPOP to pay taxes for freelance work.

The results of research conducted by Aziz et al. (2018) and Putra et al. (2020) show that risk appetite can negatively adjust the understanding of the impact of tax regulations on taxpayer compliance. This means that the higher the degree of understanding of tax laws and regulations, the existence of risk appetite will not lead to increased willingness of taxpayers to fulfill their tax obligations.

CONCLUSSIONS AND SUGGESTIONS

A. Conclusions

Based on the research results and the formulation of the assumptions described in the previous chapter, the following conclusions can be drawn:

1. Taxpayer awareness has no effect on the taxpayer's compliance level. This means that the increasing satisfaction of high living needs will further reduce taxpayers' taxation awareness.
2. The implementation of the electronic system affects the compliance level of taxpayers. This means that the increasing use of information technology in taxation can facilitate services, thereby improving taxpayer compliance.
3. The understanding of tax regulations will affect the taxpayer's compliance level. This means that the higher the level of understanding of taxpayers' tax laws and regulations, the higher the taxpayers' ability to fulfill their tax obligations.
4. Risk appetite cannot alleviate the impact of taxpayer awareness on taxpayer compliance. This means that the higher awareness of taxpayers and their risk appetite will not lead to increased willingness of taxpayers to fulfill their tax obligations.
5. The risk appetite cannot mitigate the impact of the implementation of the electronic system on the taxpayer's compliance level. This means that higher electronic system applications and the existence of risk appetite will not cause taxpayers to increase their willingness to fulfill their tax obligations.
6. Risk appetite can adjust and understand the impact of tax laws and regulations on taxpayers' compliance. This means that the higher the level of understanding of tax regulations, the more risk appetite exists to increase their willingness to fulfill their tax obligations.

B. Suggestions

For further researchers in this study, the following suggestions can be considered:

1. Further researchers can focus on the knowledge related to the respondent's understanding of the taxpayer's compliance level, so that the answer can provide clear and interpretable information.
2. Further researchers can add other variables that may affect the taxpayer's compliance level

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