THE INFLUENCE OF TAX SANCTIONS, SERVICE QUALITY AND TAXPAYER AWARENESS ON TAXPAYER COMPLIANCE WITH TAXPAYER SATISFACTION AS A MODERATING VARIABLE (SURVEY OF INDIVIDUAL TAXPAYERS, EMPLOYEES OF PRIVATE COMPANIES) IN GORONTALO PROVINCE

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Article history:		Abstract:
Received:	11th November 2023	The objectives of this research are To find out whether the tax sanctions, quality of tax services, and tax awareness have an effect on individual taxpayer compliance, and Is taxpayer satisfaction able to moderate the influence of tax sanctions, quality of tax services, and tax awareness on individual taxpayer compliance This research uses a quantitative approach, with research hypothesis testing carried out using a Structural Equation Modeling (SEM) PLS-based approach. The research results show that 1. Tax sanctions do not have a significant effect on individual taxpayer compliance . 2. Service quality does not have a significant effect on individual taxpayer compliance. 3. Taxpayer awareness does not have a significant effect on individual taxpayer compliance. 4. Taxpayer satisfaction is unable to moderate the effect of tax sanctions on individual taxpayer compliance. 5. Taxpayer satisfaction is unable to moderate the influence of service quality on individual taxpayer compliance
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INTRODUCTION

The government has implemented various efforts to increase taxpayer compliance in order to increase funding sources for implementing sustainable development as stated in the APBN. Several efforts have been made by the government, including tax intensification and extensification. Tax intensification aims to increase compliance for registered taxpayers, while tax extensification is an effort to increase those who have the potential to become taxpayers..

According to (Mardiasmo, 2018) tax sanctions are a guarantee that the provisions of tax laws and regulations (tax norms) will be obeyed, in other words tax sanctions are a deterrent tool so that taxpayers do not violate tax norms. In order for laws and regulations to be obeyed, there must be sanctions for those who violate (Suyatmin, 2004). Indicators of tax sanctions are that the sanctions given to taxpayers must be clear and firm, tax sanctions do not recognize compromise (not arbitrary), there is no tolerance, the sanctions given should be balanced and should have an immediate deterrent effect (Smith & Soemitro, 2010).

Service is a process of helping other people in certain ways that requires sensitivity and interpersonal relationships to create satisfaction and success. Service quality is convenience that provides satisfaction to taxpayers and within limits that are in accordance with accountable service standards and must be carried out continuously, so as to make taxpayers feel comfortable and behave obediently in carrying out their obligations as taxpayers.

Taxpayer compliance is defined as the behavior of a taxpayer in carrying out all the tax obligations and exercising his tax rights while still adhering to the applicable tax laws and regulations (Restu, 2014). The issue of low levels of taxpayer compliance is very important because tax non-compliance will give rise to efforts to avoid and evade taxes, this will indirectly lead to reduced tax revenues to the Indonesian state treasury (Purnamasari et al., 2017). Sadhani in Santi (2012) revealed that the low level of tax compliance in Indonesia is caused by the large number of people who do not yet have a Taxpayer Identification Number (NPWP) and submit their Tax Return.

Siat & Toly in (Darmayanti, 2020) explain that compliance is the motivation of a person, group or organization to do or not do something according to predetermined rules, while taxpayer compliance is an obedient, disciplined and loyal attitude carried out by an individual or group. against tax laws and regulations in fulfilling their tax obligations.

Rapina et al. (2011) explained that the level of tax satisfaction can be reflected in the timeliness of submitting tax return due to the ease of e-Filling. Reducing fines or penalties for late payment of tax installments due to difficulties in filling out forms and ultimately taxpayer satisfaction will have an impact on increasing compliance with paying taxes and increasing tax revenues.

In Gorontalo Province, the level of individual taxpayer compliance is still low. The following is data on individual taxpayer compliance for private company employees from 2017 to 2021.

Table 1.1 Individual Taxpayer Compliance Data for Private Company Employees 2017 − 2021 (Amount in Rupiah).

Number	Year	Amount in rupiah
1	2017	105,501,603
2	2018	107,045,736
3	2019	51,314,325
4	2020	66,787,803
5	2021	96/869,401

Ket = Data as of August 19, 2022

Source: KPP Pratama Gorontalo

Based on the data in the table above, the development of individual taxpayer compliance for employees of private companies has fluctuated. In 2017 the amount of tax revenue in this sector was IDR 105,501,603, in 2018 it increased to IDR 107,045,603, but in 2019 it fell drastically to IDR 51,314,325, in 2020 it increased again to IDR 66,787,803, in 2021 there was an increase of almost 50% to IDR 96,869,401. An increase in 2021 and a decrease in 2019, is something worthy of further research.

In terms of the number of individual taxpayers, employees of private companies who reported annual tax returns from 2017 to 2021, they also experienced an interesting phenomenon when linked to the amount of tax revenue. Data obtained from KPP Pratama Gorontalo as of August 19 2022 shows that individual taxpayer compliance of private company employees reporting tax returns has decreased from 19,166 in 2020 to 14,758 in 2021, however the amount of tax revenue has actually increased from 2020 which was amounting to IDR 66,787,903,- to IDR 96,869,401 in 2021 as seen in the table below.

Table 1.2 Number of Individual Taxpayers Employees of Private Companies Who Reported Annual Tax Returns in 2017 − 2021

Number	Year	Amount
1	2017	8,030
2	2018	8,236
3	2019	11,419
4	2020	19,116
5	2021	14,758

Note. Data as of August 19, 2022

Based on the background description above, the title formulation for this research is "The Influence of Tax Sanctions, Service Quality and Taxpayer Awareness on Taxpayer Compliance with Individual Taxpayer Satisfaction as a Moderating Variable". Survey of Individual Taxpayers (Employees of Private Companies) in Gorontalo Province.

A. THEORY

Attribution Theory

Attribution Theory views individuals as amateur psychologists trying to understand the cause of an event ongoing. Attribution theory tries to determine what which is the cause of an event or what becomes factor someone does something. The response given to an event depends on how the individual views the event. Thus, attribution theory concerns what Heider calls "naive psychology"(Kelley & Michela, 1980).

Harold Kelley developed attribution theory further, known as the Kelley covariance model. This model is an attribution theory where people make causal inferences to explain why other people and ourselves behave in certain ways. This is also related to social perception and self-perception. The principle of covariation states that an effect is attributed to one of its causes which may be exaggerated. What this means is that certain behaviors are associated with potential causes that appear at the same time. This principle is useful if individuals have the opportunity to observe the behavior several times The cause of an outcome can be attributed to a person (internal), a stimulus (external), circumstances, or some combination of these factors.

Factors that influence taxpayer compliance originate from internal taxpayers, namely taxpayer awareness and taxpayer satisfaction. Meanwhile, the external influence is the tax authorities' services and the sanctions given by the tax authorities if taxpayers do not comply.

Taxpayer Compliance

Augustine et al. (2020)Tax compliance is the taxpayer's willingness to comply with applicable tax regulations for paying taxes when they are due. James & Alley (2002) see tax compliance as a continuum that ranges from community

commitment and government objectives on the one hand to law enforcement on the other. Kirchler et al. (2008) also defines tax compliance as the taxpayer's willingness to offset tax obligations in accordance with tax law. Complying with tax laws and regulations means declaring proper taxable income, ensuring timely filing of tax returns, proper calculation of tax liabilities, and prompt payment to the relevant tax authorities.

a. Tax Compliance Theory

Oladipupo & Obazee (2016) Opinions vary about the best way to improve tax compliance. Given the opportunity, many businesses will not pay taxes unless there is a motivation to do so. Some believe that the best way is to increase tax incentives while others believe that the best way is to increase tax penalties. Thus, tax compliance theory is broadly classified into two theories. they are prevention-based theories and psychology-based theories.

b. Deterrence Theory

This theory emphasizes incentives. This theory suggests that taxpayers are amoral utility maximizers influenced by economic motives such as profit maximization and probability of detection. Therefore, taxpayers analyze alternative compliance paths, for example whether to avoid taxes or not, the possibility of detection and the impact, then choose an alternative method that maximizes the expected tax return after adjusting for risk. Therefore according to this theory, to increase the compliance, fines for non-compliance must be increased. Thus, there is a theoretical positive relationship between tax penalties and tax compliance. An increase in tax penalties will lead to an increase in tax compliance and vice versa.

c. Psychological Theory

Psychological theory argues that taxpayers are influenced to fulfill their tax obligations by psychological factors. It focuses on the morals and ethics of taxpayers. This theory suggests that taxpayers can comply even when the probability of detection is low. In contrast to deterrence theory which emphasizes increasing fines as a solution to compliance problems, psychological theory emphasizes changing individual attitudes towards the tax system. Thus, one of the instruments to change taxpayers' attitudes towards tax issues is tax education. The assumption is that increasing tax education will increase tax compliance and vice versa. Paying taxes is an obligation for citizens. The state's primary interest is that citizens follow these obligations and behave in accordance with tax rules, regardless of motives for compliance. However, the same behavior may result from different motives: (a) citizens may comply because they calculate the costs of noncompliance as too high, or (b) citing citizens may comply because they feel obliged to do so as members of society. Depending on the motive, different approaches to tax regulations will be required.

d. Framework for tax compliance

The framework suggested here starts from the idea that the tax climate in a society can vary on a continuum between antagonistic and synergistic climates. in an antagonistic climate, taxpayers and tax authorities work against each other; in a synergistic climate, they work together. The antagonistic climate can be characterized by "cops" and "robbers" - attitudes on both sides: tax authorities regard taxpayers as ''robbers'' who try to dodge whenever they can and need to be detained; taxpayers feel persecuted by the authorities (the police) and feel entitled to hide (Braithwaite, 2003a).

Tax Sanctions

In general, tax sanctions are sanctions given to taxpayers for not complying with applicable tax rules and regulations. Tax sanctions are given with the aim of making taxpayers pay for losses caused to the state because they do not comply with applicable tax provisions. According to Mardiasmo (2016:62) Tax sanctions are a form of prevention for taxpayers from violating applicable tax regulations and complying with applicable regulations. While obeyingHandoko, Toni and Simorangkir (2020)Tax sanctions are a threat to violation of a tax norm, some are threatened with administrative sanctions only, some are threatened with criminal sanctions only, and some are threatened with administrative sanctions and criminal sanctions.

Taxpayer Service Quality

The level of quality of services provided to citizens by tax authorities is critical to the revenue generation and compliance behavior of individual taxpayers. In the context of taxation, the quality of services provided by the tax authority determines the level of tax authority to achieve targets(Ogungbade et al., 2021). receipts as highlighted in the annual budget. Service quality is measured by differences in perceptions of taxpayer expectations of service and what type of service they receive. Service quality will be considered low if it does not meet customer expectations and high if it meets taxpayer expectations. In this case, quality is essentially associated with good service, namely the attitude or way employees serve customers or the public satisfactorily (Lukman, Hafni, Panjaitan, Chandra, and Sahid, 2022).

Taxpayer Satisfaction

Satisfaction according to the Indonesian dictionary is a matter of satisfaction, pleasure, relief and so on. Satisfaction is feeling happy (relieved, happy, full and so on because desires have been fulfilled. Taxpayers are individuals or bodies including taxpayers, tax withholding agents and tax collectors, who have tax rights and obligations in accordance with the provisions of the applicable laws and regulations. Factors What influences taxpayer satisfaction is the quality of tax services, good service quality is one effort to increase taxpayer satisfaction, good officer service will

provide comfort for taxpayers. One effort that can be made to improve service quality is by improving the quality and technical capabilities in the field of taxation, improvements in infrastructure such as expanding integrated services (Lukman et al. 2022).

Taxpayer Awareness

According to Handoko, Toni and Simorangkir (2020) Taxpayer awareness is a person's good faith to fulfill the obligation to pay taxes based on a sincere conscience. While according to Rahmayanti, Sutrisno, and Prihatiningtias (2020) Taxpayer awareness means that taxpayers know the procedures for implementing tax provisions correctly. Taxpayer awareness is a condition where a taxpayer knows, understands and is willing to apply tax regulations (Assegaf & Andesto, 2023). Awareness that taxes are determined by law and can be enforced. Taxpayers will pay because paying taxes is recognized as having a strong legal basis and is an absolute obligation of every citizen.

B. METHOD

The type of research used in this research is descriptive using survey methods. This research focuses on the influence of tax sanctions, service quality and taxpayer awareness on taxpayer compliance with taxpayer satisfaction as a moderating variable. (survey of taxpayer employees of private companies in Gorontalo Province).

The research was carried out on individual taxpayers who work in private companies, BUMN, not included in regional apparatus organizations located in 5 regencies and 1 municipality in Gorontalo Province. The unit of analysis is private employees, BUMN whose income exceeds PTKP. The time used to complete this research was approximately 6 months starting from July to December.

The type of data in this research is quantitative data. The data source required in this research is primary data, referring to information obtained first hand by researchers relating to the variables of interest for the specific objectives of the study. The data collection method in this research is a questionnaire. Questionnaires were distributed directly to the intended analysis units, namely private or BUMN employees who are not civil servants and recipients of fixed monthly salary income. Research hypothesis testing was carried out using a PLS-based Structural Equation Modeling (SEM) approach.

Population and Sample
Population

The population in this study are all individual taxpayers who are non-PNS private employees throughout Gorontalo Province which is divided into 5 districts, namely: Gorontalo Regency, Boalemo Regency, Pohuwato Regency, North Gorontalo Regency and Bone Bolango Regency, as well as one Municipality, namely Gorontalo City. The population in this study is the number of individual taxpayers, employees of private companies who reported their annual Tax return in 2021, amounting to 14,758.

Sample

A sample is a portion of the population. So, a sample is a subgroup or part of the population. By studying samples, researchers will be able to draw conclusions that can be generalized to the research population. The sample, namely 100 individual taxpayers who were willing to fill out the questionnaire given by the researchers, consisted of 1) employees of private companies; 2) Those who are not micro business actors; 3) Those who are not recipients of tax benefits; and 4) Recipient of a fixed monthly income.

Sampling technique

The sampling technique uses the convenience sampling method. This form of sampling is included in non-probability sampling. The respondents selected to fill out the questionnaire were respondents who were willing to fill out the questionnaire voluntarily which was divided into 5 districts and cities in Gorontalo Province.

Respondent

The data used is primary data collected by dividing questionnaires. Respondents in this research are individual taxpayers who are not civil servants, not recipients of tax benefits and not MSMEs. The questionnaire is distributed in the form of a Google form. Researchers distributed many questionnaires to taxpayers, employees of private companies who work throughout Gorontalo Province. There were many questionnaires distributed in the form of Google forms but only 59 respondents were willing to fill them out. Researchers set a target of 100 respondents to be used as samples. There are many challenges and obstacles in distributing questionnaires in the form of Google forms, due to the issue of hackers hacking personal information when opening the link. So the researcher divided the questionnaire in the form of a draft questionnaire. Researchers determined that the target respondents must be represented by companies in the districts and cities of Gorontalo Province.

C. RESULTS AND DISCUSSION
Results
Outer Model Testing

This sub-chapter will review data and discussion using calculations using partial least squares (PLS). The analysis carried out is an evaluation of the model resulting from measurements of the outer model and evaluation of the structural model (Inner model). Measuring the outer Partial Least Square (PLS) model to determine the validity and reliability of indicators that measure latent variables.

Convergent Validity Test

Convergent Validity is carried out by looking at the item reliability (validity indicator) which is shown by the loading factor value. Loading factor is a number that shows the correlation between the score of a question item and the score of the construct indicator that measures that construct. The expected value exceeds > 0.7. Or what is often used is the limit of 0.5 to 0.6 as the minimum limit for the loading factor value as long as the validity and reliability of the construct meet the requirements. After processing the data using SmartPLS 3.0, the loading factor results can be shown as in the following image.
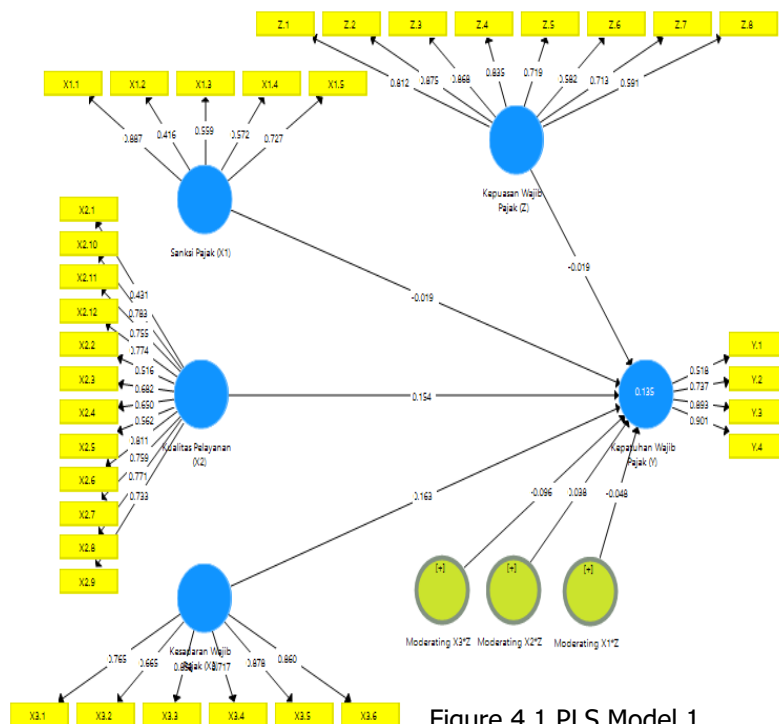

Figure 4.1 PLS Model 1

1. **Tax Sanction Variable (X1)**

    Among the five indicators in the tax sanctions variable, there is one indicator that has a loading factor value below 0.5 so this indicator is excluded and not used.

2. **Service Quality Variable (X2)**

    In the service quality variable, there is one indicator whose loading factor value is smaller than 0.50, namely the X2 indicator whose loading factor is below 0.5, namely 0.431, so this indicator must be eliminated.

3. **Taxpayer Awareness Variable (X3)**

    All indicators on the taxpayer awareness variable have loading factor values above 0.5 so all indicators can be used.

    All indicators on the taxpayer awareness variable in this study have a loading factor value greater than 0.50 so they are said to be valid.

4. **Taxpayer Satisfaction Variable (Z)**

    All indicators on the taxpayer satisfaction variable have loading factor values above 0.5 so all indicators can be used. These results can also be seen in the following table.

    Based on the results of data processing with SmartPLS, in this study, the loading factor value was greater than 0.50 with a significance value of <0.05, so it was said to be valid.

5. **Taxpayer Compliance Variable (Y)**

    All indicators on the taxpayer compliance variable in this study have a loading factor value greater than

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0.50 with a significance value of <0.05 so they are said to be valid.

After making modifications for convergent validity by eliminating invalid indicators, namely X1.2 and X2.1, the following is an image of the modified SEM PLS model calculation results.
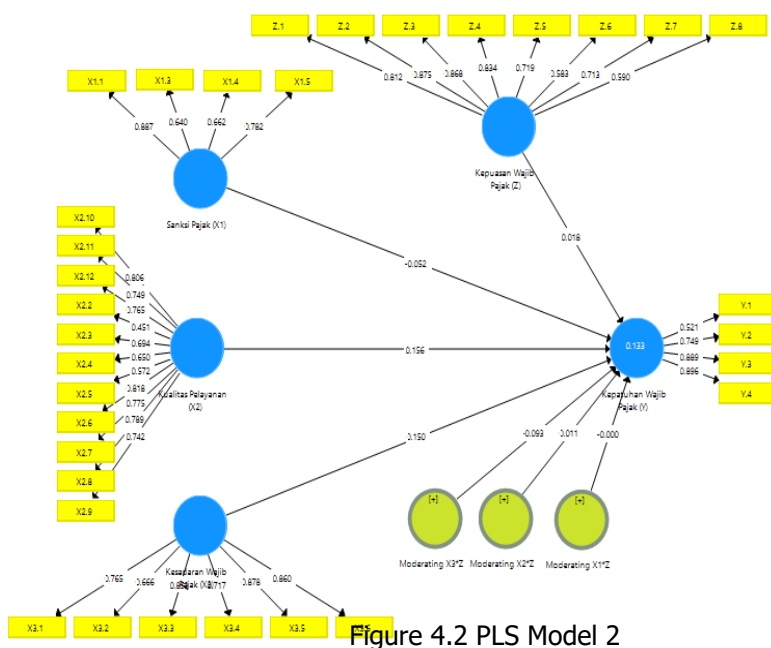

Figure 4.2 PLS Model 2

Based on the image of the SEM PLS model calculation results above, it turns out that there are still other indicators whose loading factor values are below 0.5, such as those in the service quality variable in the X2.2.

The X2.2 indicator whose loading factor is below 0.5, namely 0.451, must be eliminated again. Then further modifications were made for convergent validity. The results of the SEM PLS model calculations have been modified and can be continued in the discriminant validity test.
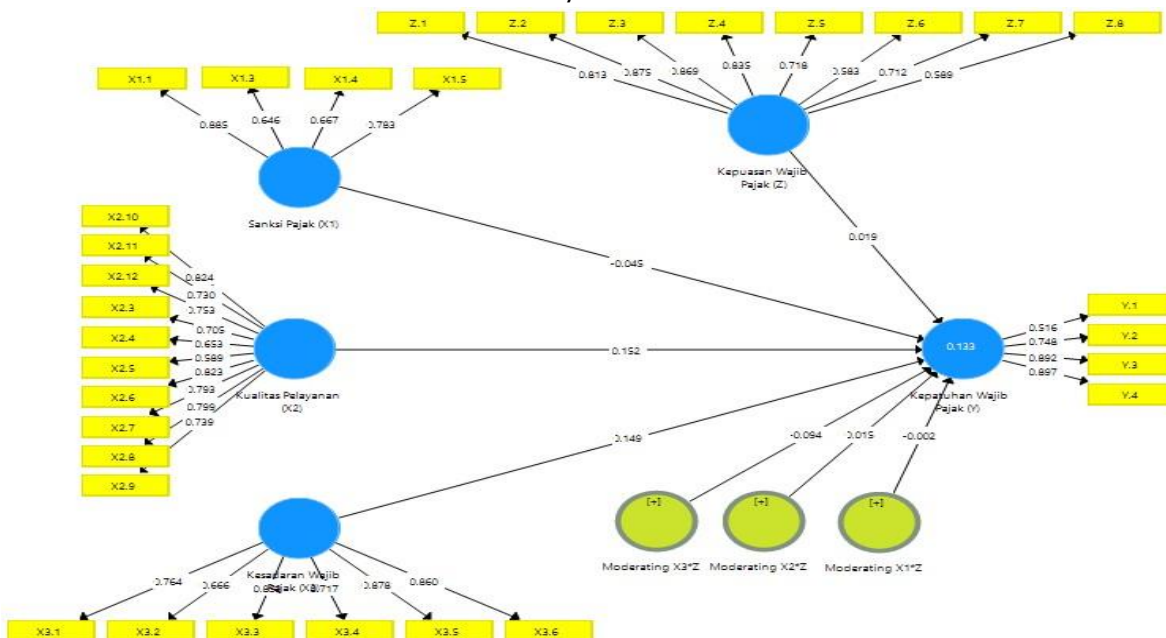
Figure 4.3 PLS Model 3

Average Variance Extracted (AVE) Test

To evaluate discriminant validity, it can be seen using the Average Variance Extracted (AVE) method for each construct or latent variable. The model has good discriminant validity if the AVE value is equal to 0.5 or more. An AVE value of 0.5 or more means that the construct can explain 50% or more of the item variance (Wong KK, 2013; Sarstedt et. al., 2017). Following are the test results for the Average Variance Extracted (AVE) for each variable.

Table 4.18 Average Variance Extracted (AVE) Value

	Average Variance Extracted (AVE)
Tax Sanctions (X1)	0.565
Service Quality (X2)	0.554
Taxpayer Awareness (X3)	0.630
Taxpayer Satisfaction (Z)	0.573
Taxpayer Compliance (Y)	0.606
Moderating X1*Z	1,000
Moderating X2*Z	1,000
Moderating X3*Z	1,000

Source: SmartPLS Data Processed Results, 2023

Based on the table above, the Average Variance Extracted (AVE) value for each construct is above 0.5 so there are no problems with the convergent validity of the model being tested.

Discriminant Validity Test

Discriminant Validity is carried out by looking at the cross loading values of construct measurements. The cross loading value shows the magnitude of the correlation between each construct and its indicators and the indicators of the other block constructs. A measurement model has good discriminant validity if the correlation between the construct and its indicators is higher than the correlation with indicators from other block constructs. After processing the data using SmartPLS 3.0, the cross loading results can be shown in the following table.

Table 4.19 Results of Discriminant Validity Values

	Tax Sanctions (X1)	Service Quality (X2)	Taxpayer Awareness (X3)	Taxpayer Satisfaction (Z)	Taxpayer Compliance (Y)
X1.1	0.885	0.376	0.206	0.380	0.067
X1.3	0.646	0.362	0.243	0.405	0.002
X1.4	0.667	0.353	0.215	0.401	0.021
X1.5	0.783	0.409	0.180	0.446	0.037
X2.3	0.210	0.705	0.288	0.596	0.110
X2.4	0.321	0.653	0.148	0.517	0.008
X2.5	0.266	0.589	0.103	0.516	0,000
X2.6	0.391	0.823	0.211	0.533	0.142
X2.7	0.359	0.793	0.296	0.598	0.111
X2.8	0.331	0.799	0.226	0.465	0.168
X2.9	0.347	0.739	0.175	0.478	0.057
X2.10	0.276	0.824	0.266	0.497	0.180
X2.11	0.450	0.730	0.361	0.504	0.167
X2.12	0.498	0.753	0.229	0.559	0.156
X3.1	0.178	0.211	0.764	0.462	0.250
X3.2	-0.004	0.141	0.666	0.376	0.263
X3.3	0.214	0.211	0.853	0.479	0.228
X3.4	0.218	0.208	0.717	0.379	0.155
X3.5	0.291	0.411	0.878	0.559	0.278
X3.6	0.283	0.386	0.860	0.546	0.257
Z.1	0.401	0.581	0.512	0.813	0.231
Z.2	0.385	0.485	0.553	0.875	0.223
Z.3	0.391	0.501	0.532	0.869	0.145
Z.4	0.409	0.538	0.605	0.835	0.201
Z.5	0.487	0.530	0.409	0.718	0.092
Z.6	0.203	0.412	0.184	0.583	0.108

Z.7	0.394	0.634	0.372	0.712	0.160
Z.8	0.381	0.475	0.249	0.589	0.087
Y.1	0.020	0.025	0.162	0.133	0.516
Y.2	-0.095	0.111	0.153	0.121	0.748
Y.3	0.079	0.151	0.309	0.176	0.892
Y.4	0.122	0.239	0.290	0.246	0.897

Source: SmartPLS Data Processed Results, 2023

Based on the cross loading results in the table above, it shows that the correlation value of each construct with its indicators is greater than the correlation value with other constructs. Thus, all constructs or latent variables have good discriminant validity, where the indicators in the construct indicator block are better than the indicators in other blocks.

The next evaluation is by comparing the AVE root value with the correlation between constructs. The recommended result is that the AVE root value must be higher than the correlation between constructs (Ghozali, 2015). The model has better Discriminant Validity if the square root of the AVE for each construct is greater than the correlation between the two constructs in the model. A good AVE value is required to have a value greater than 0.50. In this research, the AVE value and correlation value between constructs for each construct can be shown in the following table.

Table 4.20 AVE Value and Correlation Between Constructs

	AVE	AVE Square Root
Tax Sanctions (X1)	0.565	0.752
Service Quality (X2)	0.554	0.744
Taxpayer Awareness (X3)	0.630	0.794
Taxpayer Satisfaction (Z)	0.573	0.757
Taxpayer Compliance (Y)	0.606	0.779
Moderating X1*Z	1,000	1,000
Moderating X2*Z	1,000	1,000
Moderating X3*Z	1,000	1,000

Source: SmartPLS Data Processed Results, 2023

Based on the table above, all constructs for each variable show the AVE square root value of each variable construct is greater than the AVE value obtained. In this research, the results of the correlation between constructs and the square root value of AVE can be shown in the following table.

Table 4.21 Correlation Values Between Constructs with AVE Square Root Values

	Taxpayer Compliance (Y)	Taxpayer Satisfaction (Z)	Taxpayer Awareness (X3)	Service Quality (X2)	Moderating X1*Z	Moderating X2*Z	Moderating X3*Z	Tax Sanctions (X1)
Taxpayer Compliance (Y)	0.779							
Taxpayer Satisfaction (Z)	0.225	0.757						
Taxpayer Awareness (X3)	0.309	0.597	0.794					
Service Quality (X2)	0.189	0.679	0.337	0.744				
Moderating X1*Z	-0.035	-0.269	0.062	-0.244	1,000			
Moderating X2*Z	-0.061	-0.159	0.012	-0.195	0.701	1,000		
Moderating X3*Z	-0.281	-0.188	-0.527	0.008	0.121	0.292	1,000	
Tax	0.061	0.495	0.246	0.468	-0.223	-0.212	0.036	0.752

Sanctions (X1)									

Source: SmartPLS Data Processed Results, 2023

Based on the table above, it shows that the AVE square root value for each construct is greater than the correlation value, and the AVE square root value is greater than the AVE value so that the constructs in this research model can be said to have good discriminant validity.

Composite Reliability Test

Outermodel apart from being measured by assessing convergent validity and discriminant validity, it can also be done by looking at the reliability of the construct or latent variable which is measured by the Composite Reliability value. A construct is declared reliable if Composite Reliability has a value > 0.7, then the construct is declared reliable. SmartPLS output results for Composite Reliability values can be shown in the following table.

Table 4.22 Composite Reliability Values

	Composite Reliability
Tax Sanctions (X1)	0.836
Service Quality (X2)	0.925
Taxpayer Awareness (X3)	0.910
Taxpayer Satisfaction (Z)	0.913
Taxpayer Compliance (Y)	0.855
Moderating X1*Z	1,000
Moderating X2*Z	1,000
Moderating X3*Z	1,000

Source: SmartPLS Data Processed Results, 2023

Based on The Smart PLS output results in the table above show that the Composite Reliability value for all constructs is above 0.70. With the resulting values, all constructs have good reliability in accordance with the required minimum value limits.

Cronbach Alpha Test

Outer model apart from being measured by convergent validity and discriminant validity values, it can also be done by looking at the reliability of the construct or latent variable which is measured by looking at the Cronbach alpha value of the indicator block that measures the construct. A construct is declared reliable if the Cronbach alpha value is greater than 0.60. The following is a table of test results.

Table 4.23 Cronbach Alpha Value

	Cronbach's Alpha
Tax Sanctions (X1)	0.819
Service Quality (X2)	0.917
Taxpayer Awareness (X3)	0.881
Taxpayer Satisfaction (Z)	0.895
Taxpayer Compliance (Y)	0.782
Moderating X1*Z	1,000
Moderating X2*Z	1,000
Moderating X3*Z	1,000

Source: SmartPLS Data Processed Results, 2023

Based on the test results in the table above, it shows that the Chronbach alpha value for all constructs is above 0.60. Thus it can be concluded that all constructs have good reliability in accordance with the minimum value limits required.

Inner model testing (Structural Model)

After testing the outer model which is satisfactory, the next step is testing the inner model (structural model). The inner model can be evaluated by looking at the R-Square (indicator reliability) for the dependent construct and the t-statistic value from path coefficient testing. The higher the R-Square value means the better the prediction model of the proposed research model. Meanwhile, the path coefficients value shows the level of significance in hypothesis testing.

Variant analysis (R^2) or Determination Test, namely to determine the magnitude of the influence of the independent variable on the dependent variable.R Square values of 0.75, 0.50, and 0.25 indicate that the model is strong, moderate, and weak (Sarstedt et.al., 2017). The value of the coefficient of determination can be shown in the following table.

Table 4.24 R-Square Value

	R Square	R Square Adjusted
Taxpayer Compliance (Y)	0.133	0.064

Source: SmartPLS Data Processed Results, 2023

Based on the R-Square value in the table above, it shows that the variables tax sanctions, service quality, taxpayer awareness, and taxpayer satisfaction are able to explain the variability of the taxpayer compliance construct of 0.133 or 13.3%. Meanwhile, the remaining 87.7% can be explained by other variables that are not included in this research model.Because R Square is less than 33%, the influence of all exogenous constructs on Y is weak.

Bootstrapping Results

Hypothesis testing is carried out based on the results of Inner mode l (structural model) testing which includes R-Square output, parameter coefficients and t-statistics. To see whether a hypothesis can be accepted or rejected, include paying attention to the significance values between constructs, t-statistics and p-values. This research hypothesis testing was carried out with the help of SmartPLS (PartialLeast Square) 3.0 software. These values can be seen from the bootstrapping results. The rules of thumb used in this research are t-statistics >1.96 (according to general standards) with a significance level of p-value of 0.05 (5%). The test results using the bootstrapping method from SEM PLS analysis are shown as follows.
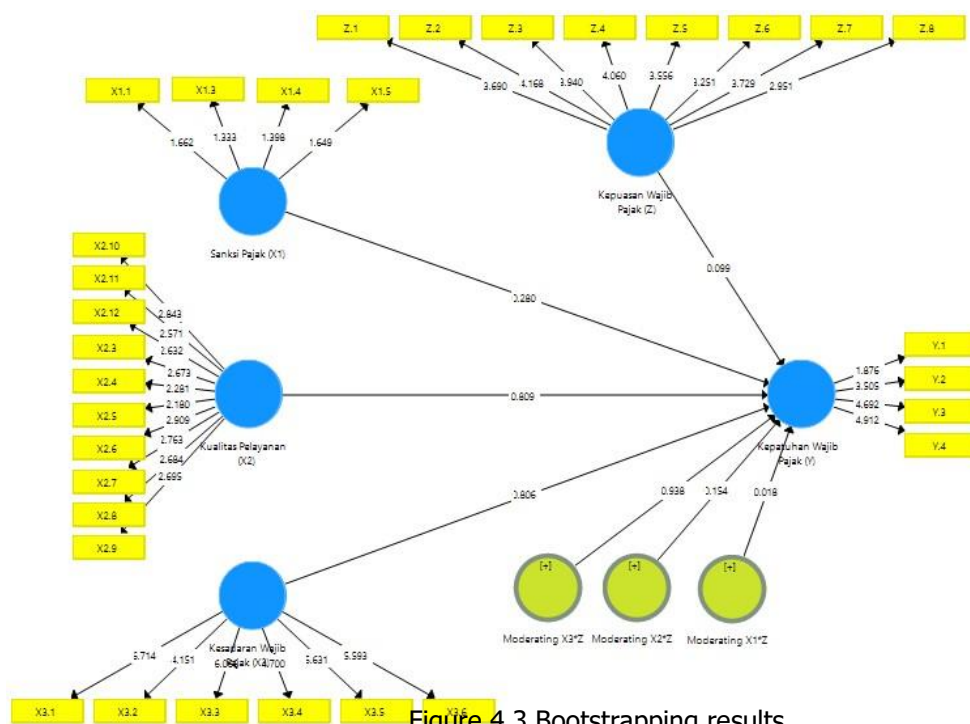
Figure 4.3 Bootstrapping results

Based on the results of the analysis above, it can be summarized in the table below.

Table 4.26 Summary of Hypothesis Results

Influence	Influence Coefficient	T-Statistics	p-value	Information
Tax Sanctions (X1) · Taxpayer Compliance (Y)	-0.045	0.280	0.779	Small/insignificant effect
Service Quality (X2) · Taxpayer Compliance (Y)	0.152	0.809	0.419	Small/insignificant effect
Taxpayer Awareness (X3) · Taxpayer Compliance (Y)	0.149	0.806	0.421	Small/insignificant effect
Interaction of Taxpayer Satisfaction*Tax Sanctions (X1) · Taxpayer Compliance (Y)	-0.002	0.018	0.985	Unable to moderate/not significant

Interaction of Taxpayer Satisfaction*Service Quality (X2) · Taxpayer Compliance (Y)	0.015	0.154	0.877	Unable to moderate/not significant
Interaction of Taxpayer Satisfaction*Taxpayer Awareness (X3) · Taxpayer Compliance (Y)	-0.094	0.100	0.349	Unable to moderate/not significant

DISCUSSION

1. The Effect of Tax Sanctions on Individual Taxpayer Compliance

Based on the research results, it was found that tax sanctions do not have a significant effect on individual taxpayer compliance for employees of private companies in Gorontalo Province. Respondents thought that the tax sanctions stipulated in Indonesia, especially sanctions for Income Tax article 21, were not too burdensome. There are even some who are negligent, whether intentionally or unintentionally, who are not dealt with directly. Darmayanti (2019) explained that this could happen due to the rise of government employees who evade taxes. Furthermore, the tax sanctions given to taxpayers who violate tax regulations do not deter taxpayers from doing it again. This happens because tax sanctions are only legal in regulations, and actions for these violations have not been dealt with firmly by government officials. This phenomenon is what makes taxpayers think that tax sanctions are only limited to regulations.

The results of this research are also supported by descriptive variable results where the tax sanctions variable only gets a mean score in the sufficient category. From several statements measuring tax sanctions, there were still many respondents who answered that they did not agree and even disagreed, such as the statement whether you agree that if a type of violation of the Annual Income Tax Return of a Corporate Taxpayer is not submitted more than 4 months after the end of the tax year, a fine of IDR 100,000 is imposed and the statement Do you think the implementation of tax sanctions in Indonesia is appropriate? This indicates that tax sanctions have not yet made taxpayers comply with their tax obligations as ordered by law. In fact, the aim of imposing burdensome sanctions on taxpayers is to provide a warning so as to create taxpayer compliance. However, what happens is that when sanctions are imposed, it does not influence taxpayers to comply with tax regulations.

Oladipupo Obase (2016) There is no effect of tax sanctions on individual taxpayer compliance, so the approach that must be used is to use psychological theory rather than prevention theory. Psychological theory argues that taxpayers are influenced to fulfill their tax obligations by psychological factors. It focuses on the morals and ethics of taxpayers. This theory suggests that taxpayers can comply even when the probability of detection is low. In contrast to deterrence theory which emphasizes increasing fines as a solution to compliance problems, psychological theory emphasizes changing individual attitudes towards the tax system. Thus, one of the instruments to change taxpayers' attitudes towards tax issues is tax education.

2. The Influence of Service Quality on Individual Taxpayer Compliance

Based on the research results, it was found that service quality does not have a significant effect on individual taxpayer compliance for employees of private companies in Gorontalo Province. This shows that the high or low quality of service does not affect taxpayer compliance in reporting and paying their tax obligations.

The descriptive variable results for the quality of tax services obtained a good mean score, however there were still many respondents who answered that they did not agree or disagree. For example, the statement "the tax authorities have provided regular guidance and the statement whether the tax officials have provided a sense of justice", there were still many respondents who answered that they disagreed as evidenced by these two statements which got the lowest score in this variable even though they were still in the good category, but had close to a pretty good score. So it is hoped that the tax authorities can further improve the quality of services provided. Because the tax authorities are tax officers, tax office services can be interpreted as a way for tax officers to help, manage or prepare all the needs needed by someone, in this case a taxpayer.

3. The Influence of Taxpayer Awareness on Individual Taxpayer Compliance

Tax awareness is the condition of having a thorough understanding of tax itself, which ultimately manifests in people fulfilling their tax responsibilities. Tax sensitivity, which is strongly influenced by the taxpayer's thoughts or views on the tax itself, is another term for tax awareness. If citizens have a good idea about taxes, their understanding of taxpayers' responsibilities in paying taxes will increase. greater understanding and application of the role of taxation in order to increase discipline so as to continue to increase understanding of how important taxpayers are.

Based on the research results, it was found that taxpayer awareness had no significant effect on individual taxpayer compliance for employees of private companies in Gorontalo Province. This can be interpreted as increasing or decreasing taxpayer awareness will not influence taxpayers to comply with paying taxes. One of the reasons for this is that taxpayers still have limited understanding of tax regulations, so taxpayer awareness will be low. The low awareness of taxpayers is thought to be caused by a lack of knowledge and understanding of tax regulations. As explained by Munari (2005), taxpayers experience awareness when they: know the existence of tax laws and provisions;

Know the function of paying taxes to the state; Understand the rights and obligations that must be implemented; Calculate, pay and report voluntarily; Calculate, pay and report taxes correctly.

The lack of significant effect of taxpayer awareness on taxpayer compliance is also reflected in the descriptive variable results where even though the taxpayer awareness variable has obtained a good score, there are still respondents who answered that they disagree. As in the statement, is every taxpayer obliged to report the tax owed every year, which received the lowest score compared to other statements with respondents who answered that they disagreed.

So that the tax authorities can continue to carry out outreach for employees of private companies, namely by maximizing tax volunteers in providing outreach by directly visiting the companies where the workers work.

4. Taxpayer Satisfaction Moderates the Effect of Tax Sanctions on Individual Taxpayer Compliance

Based on the research results, it was found that taxpayer satisfaction was unable to moderate the influence of tax sanctions on individual taxpayer compliance of employees of private companies in Gorontalo Province. According to Zain (2007:35), this is because there is actually no need for any action, if only through fear and threats of punishment (sanctions and criminal charges) taxpayers have fulfilled their tax obligations. This feeling of fear is effective enough to reduce tax evasion and tax negligence. If this has developed among taxpayers, socialization will have an impact on taxpayers' awareness and compliance in fulfilling their tax obligations.

5. Taxpayer Satisfaction Moderates the Effect of Service Quality on Individual Taxpayer Compliance

Service is a process of helping other people in certain ways that require sensitivity and interpersonal relationships to create satisfaction and success. Quality service is service that can provide satisfaction to customers and remains within the limits of meeting accountable service standards and must be carried out continuously. Based on the research results, it was found that taxpayer satisfaction was unable to moderate the influence of service quality on individual taxpayer compliance of employees of private companies in Gorontalo Province.

Taxpayer satisfaction will not be affected by the high or low quality of service so it will not affect taxpayer compliance in reporting and paying their tax obligations. The quality of services provided by tax officials does not affect taxpayer compliance, showing that the quality of tax services is not the basis or benchmark for taxpayers to be satisfied with the services provided to make non-compliant taxpayers comply with their tax obligations. This is because tax is an obligation that can be enforced according to law and is considered a debt if the taxpayer does not carry out its obligations and the quality of tax services is only felt by taxpayers who have complied so that taxpayers who do not comply cannot experience the quality of tax services and cannot have an impact on taxpayer compliance.

6. Taxpayer Satisfaction Moderates the Effect of Taxpayer Awareness on Individual Taxpayer Compliance

The results of this research indicate that taxpayer satisfaction is unable to moderate the influence of taxpayer awareness on individual taxpayer compliance of employees of private companies in Gorontalo Province. This happens because someone only knows and does not understand and does not implement the provisions (tax law) so that person's legal awareness is still low.

The public (taxpayers) must be able to recognize, appreciate and comply with applicable tax regulations to realize awareness and care about taxes. Taxpayer awareness can be seen from the taxpayer's seriousness and desire to fulfill their tax obligations which is shown in the taxpayer's understanding of the tax function and the taxpayer's seriousness in paying and reporting taxes. A form of awareness of paying taxes that encourages taxpayers to pay taxes, namely awareness that taxes are a form of participation in supporting state development (Irianto in Putra, 2016). By realizing this, taxpayers are willing to pay taxes because they feel they will not be disadvantaged by the tax collection carried out.

Novelty of Research

Based on the research results, the variables of tax sanctions, service quality and taxpayer awareness have no effect on individual taxpayer compliance of employees of private companies in Gorontalo Province. The novelty or latest in this research is (1) Taxpayer satisfaction is unable to moderate the influence of tax sanctions on individual taxpayer compliance of employees of private companies in Gorontalo Province (2) Taxpayer satisfaction is unable to moderate the influence of service quality on individual taxpayer compliance of employees private companies in Gorontalo Province, and (3) Taxpayer satisfaction is unable to moderate the influence of taxpayer awareness on individual taxpayer compliance of employees of private companies in Gorontalo Province.

D. CONCLUSIONS AND RECOMMENDATIONS
Conclusion

Based on the results of the research and discussion, the following conclusions can be drawn.

1. Tax sanctions do not have a significant effect on individual taxpayer compliance of employees of private companies in Gorontalo Province
2. Service quality does not have a significant effect on individual taxpayer compliance of employees of private

companies in Gorontalo Province.

3. Taxpayer satisfaction is unable to moderate the effect of tax sanctions on individual taxpayer compliance of employees of private companies in Gorontalo Province.
4. Taxpayer satisfaction is unable to moderate the influence of service quality on individual taxpayer compliance of employees of private companies in Gorontalo Province.
5. Taxpayer satisfaction is unable to moderate the influence of taxpayer awareness on individual taxpayer compliance of employees of private companies in Gorontalo Province.

Suggestion

Based on the research results and conclusions as explained above, the following suggestions can be given.

1. Tax sanctions have no effect on taxpayer compliance, so it is necessary to take a psychological approach from the tax authorities to taxpayers, namely increasing socialization related to taxation. A good understanding of tax regulations by staff must be disseminated intensively to taxpayers so that there is an increase in understanding of the tax regulations currently in force.
2. For the Fiscus, there is a need to increase public tax knowledge through tax education, and they must be more diligent in providing counseling to taxpayers so that taxpayers' knowledge increases and they become more aware of carrying out their rights and obligations.
3. The tax authorities as a tax collecting agency must continuously carry out outreach by training tax volunteers so they can understand the current tax regulations so they can apply and provide the latest information to taxpayers.

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