

Automatic Exchange of Information (AEOI) and Modernization of The Tax System for Taxpayer Compliance in Indonesia

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Abstract: - The economy in Indonesia approximately 75% comes from tax. With an advanced tax system, it can support the government in optimizing tax collection, both individual taxpayers and corporate taxpayers, so that by doing so, it provides optimization of existing taxation in Indonesia, providing good and positive affirmations to the country's economy. This research was conducted to see and observe significantly and exploratively the existing tax system in Indonesia is adequate to maximize the level of optimization of tax collection in Indonesia. The data used to answer the problems and phenomena of the questionnaire premier data. The sample used was respondents of individual and corporate taxpayers randomly. The analysis method used is to analysis construct model testing to see the findings of each indicator component with Taxpayer Compliance. The test equipment used Smart PLS 3.0. Based on the analysis of existing data, it was found that the variables AEOI, E-Billing, E-Invoice and E-Filling did not have a significant influence on Taxpayer Compliance, then for the variables E-Registration and E-SPT gave a significant influence on Taxpayer Compliance.

Key-Words: - AEOI, E-Billing, Efilling, E-Registration, E-SPT, E-Faktur dan Taxpayer Compliance.

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1. Introduction

The development of industry and technology in the industrial era 4.0 and society 5.0 makes the economic and financial systems in Indonesia more advanced. As the business world becomes increasingly globalized and cross-border trade activities become the new norm, in this case tax administrations need to cooperate and collaborate to ensure that taxpayers pay the right amount of tax to an institution of the right jurisdiction as well (Subroto, 2020). To urge that tax administrations be ready to face the challenges of the fight against tax avoidance that are generally carried out by taxpayers, then facing Industry 4.0, is to provide the legal, administrative, and IT tools needed to verify the compliance of their taxpayers (Candini et al., 2022). Furthermore, increasing cooperation between tax authorities through the AEOI system is very important in shaping national tax administrations in line with the growing global economy (Krustiyati, J. A., & Hugeng, 2019). The largest source of Indonesian state revenue comes from the tax sector paid by the public to the state (Pohan et al., 2022). This tax revenue plays an important role in Indonesia's development interests. Automatic

Information Exchange (AEOI) is an opportunity for Indonesia to prevent and reduce tax avoidance and evasion practices because AEOI is Big Data in the taxation sector that offers detailed and legal financial information from several contracting countries (Febyani, Y. M., & Widodo, 2020). Another important role of AEOI is expected to be able to improve taxpayer compliance from more transparent tax reporting (Ispriyarso, 2020). However, the priority is if AEOI is able to increase the potential state revenue from the tax sector which is often overlooked, especially if the income or assets are outside the jurisdiction of Indonesia (Adegboye, et.al., 2022).

In addition to the Automatic Exchange of Information policy, taxpayer compliance also needs to be grown through improvements in the implementation of the tax administration system which includes tax service and tax enforcement (Fionasari et al., 2021). According to the Executive Director of the Center for Indonesia Taxation Analysis (CITA), the level of taxpayer compliance is still quite low. In practice, there is still an assumption that if low income has been deducted from tax, there is no need to report a Tax Return (SPT). In addition,

reporting a Tax Return (SPT) using E-Filing is not easy, making some taxpayers lazy to report their tax returns (Uly, 2019). A taxpayer can be said to be compliant in tax activities if he understands how to file a tax return online or through E-Filing. E-Filing is a solution that DGT strives for in managing annual tax returns that are getting bigger and bigger (Fionasari et al., 2021).

Indonesian Taxpayer Compliance is one of the keys to increasing tax revenue. Currently, taxpayer compliance is still very low, because many taxpayers are not aware of fulfilling their tax obligations (Dicriyani, 2016). In addition to the awareness and knowledge of each Taxpayer, taxpayer compliance is also influenced by external parties of the Taxpayer itself. The government, in this case, the Directorate General of Taxes has a very important role to "invite" taxpayers to become compliant taxpayers with various stages (Sri Mulyani, 2016). Taxpayer compliance can not only be increased by taxpayer awareness, but can also be increased by the imposition of tax sanctions (Bawazier, 2011). In order for the implementation to be orderly and in accordance with the expected target, the government has prepared regulations in the applicable tax law. The imposition of tax sanctions is imposed to create compliance of taxpayers in carrying out their tax obligations (Saragih, 2013).

Based on the phenomenon and background explanation above, therefore this study was conducted to see the extent of taxpayers' knowledge of the systems and information used by regulators in implementing tax compliance for business actors or individual taxpayers. The purpose of this study is to know and analyze the role and application of Automatic Exchange Information (AEOI) and modernization of the tax system on taxpayer compliance in making tax payments and reporting at the tax service office.

2. Literatur Review

2.1 Planned Behaviour Theory

A major factor in the theory of planned behavior is the individual's intention to do something given the behavior. Intention is assumed to capture the motivational factor that influences a behavior. It's an indication of how hard people are willing to try, how much effort they plan to put in, to perform the behavior. As a general rule, the stronger the intention to engage in a behavior, the greater the likelihood of its performance (Ajzen, 2015). Planned Behavior Theory is a factor that can influence human obedience behavior. In theory, it is stated that the compliance behavior and non-compliance of taxpayers to fulfill their tax obligations can be done

if there is an underlying will and intention (Dwi Pangestie, 2019).

2.2 Compliance Theory

Obedience is a deeply ingrained behavioral tendency, indeed an impulse that exceeds training in ethics, sympathy, and moral behavior. Compliance also follows predetermined orders. Individuals generally tend to follow the orders of authoritative figures, even to the point of killing innocent human beings. Individuals tend to obey orders because they know they are necessary, but there are also individuals who carry out orders out of compulsion or because of a belief that the person responsible for the obedience behavior is the source of authority not the individual who does it (Milgram, 1963).

2.3 Taxpayer compliance

Tax compliance is defined as a state where a taxpayer fulfills all tax obligations and exercises his rights and taxation. There are two types of compliance, namely formal compliance and material compliance. Formal compliance is a condition where taxpayers fulfill their tax obligations formally in accordance with the provisions in tax law. Taxpayers who meet material compliance are Taxpayers who fill out honest, complete, and correct tax returns in accordance with the provisions and submit them to the tax service office before the deadline ends (Safri Nurmantu, 2013).

2.4 AEOI (Automatic Exchange of Information)

AEOI (Automatic Exchange of Information) is a new global standard that will later be useful to reduce the chances of tax evaders to avoid paying taxes. AEOI is an automatic information exchange system facility used to find out and monitor potential domestic and foreign taxes. DGT (Directorate General of Taxes) began to run an automatic information exchange system facility or called AEOI (Automatic Exchange of Financial Account Information) between countries which is useful for knowing and tracking potential taxes (Ispriyarso, 2020). The crucial role of AEOI is in information disclosure, especially in the field of taxation, because the opportunity to keep the truth related to total income confidential will determine the amount of tax that must be paid by individuals and business entities. It is expected that information disclosure in the field of taxation can increase the potential for tax revenue and reduce the practice of fraudulent calculation of the amount of tax owed to taxpayers (Febyani, Y. M., & Widodo, 2020). So that the hypothesis that can be formulated. **H1: The use and application of AEOI can improve taxpayer compliance.**

2.5 E-billing

According to the Regulation of the Directorate General of Taxes Number PER- 05 / PJ / 2017, the Billing system is an electronic system managed in order to issue and manage the Billing Code which is part of the state revenue system electronically. This E-Billing is presented by the Director General of Taxes as a facility to facilitate the public in paying their responsibilities, especially taxpayers. Through e-billing, taxpayers no longer need to pay taxes manually with the media of a Tax Deposit Letter (SSP) to the Tax Service Office (PPID Kota Semarang, 2020). E-billing is a manifestation of a modern administrative system to be more efficient, economical and fast which is intended to improve compliance (Riani, R., Nuryati, T., & Ak, 2020). So that the hypothesis that can be formulated. **H2: The use and application of E-Billing in the tax modernization system can improve taxpayer compliance.**

2.6 E-filing

According to the Regulation of the Directorate General of Taxes Number PER- 02 / PJ / 2019, e-Filing is a way of submitting tax returns through certain channels determined by the Director General of Taxes. Based on the Decree of the Director General of Taxes Number Kep-88 / PJ / 2004 concerning Electronic Submission of Notification Letters in article 1, the Director General of Taxes decided that "Taxpayers can submit notification letters electronically through an application service provider company appointed by the director general of taxes" (Riani, R., Nuryati, T., & Ak, 2020). The convenience provided can increase the compliance of taxpayers to pay their taxes. So that the hypothesis that can be formulated. **H3: The use and application of E-Filing in the tax modernization system can improve taxpayer compliance.**

2.7 E-Registration

According to (Decree of the Director General of Taxes Number KEP- 173 / PJ. / 2004) the e-Registration System (e-Reg) itself is a registration system, changes in Taxpayer data and / or Confirmation and Revocation of Taxable Entrepreneur Confirmation through a system that is directly connected on-line with the Directorate General of Taxes. With the implementation of this fairly new system, it is hoped that it will make it easier for prospective taxpayers to register themselves as taxpayers, namely by not having to come personally to the Tax Service Office. The e-

Reg system is expected to increase the number of taxpayers, due to the various advantages and conveniences it offers to prospective taxpayers (Rangga, et.al., 2008) So that the hypothesis that can be formulated. **H4: The use and application of E-Registration in the tax modernization system can improve taxpayer compliance.**

2.8 E-SPT

According to KEP-05/PJ/2005, a Notification Letter is a Period notification letter or Annual Notification Letter in the form of a form in computer media (e-SPT). by using computer media, while the definition of e-SPT according to the Directorate General of Taxes is a Notification Letter and its attachments in digital form and reported electronically or using computer media used to assist taxpayers in reporting the calculation and payment of taxes owed with the provisions of applicable laws and regulations (Pandiangan, 2007). The implementation of e-SPT which is considered to be able to improve taxpayer compliance cannot be separated from the role of DGT which conducts widespread socialization about e-SPT (Zuhdi, et.al., 2015). So that the hypothesis that can be formulated. **H5: The use and application of E-SPT in the tax modernization system can improve taxpayer compliance.**

2.9 E-Faktur

E-Faktur is a tax invoice that has an electronic form created through an application or electronic system provided and/or determined by DGT. E-invoice is required to PKP which has been determined through DGT decision. The e-invoice comes with instructions for use which are part of the e-invoice application (Dwiyanti, D., & Musri, 2019). In the announcement letter issued by DGT number PER 03/PJ.02/2014 it is explained that to use electronic services, PKP must have an electronic certificate. To obtain an electronic certificate, PKP must submit a request and agree to the terms and conditions set by DGT. With the electronic tax invoice application, it is a means that can facilitate taxpayers / taxable entrepreneurs in making tax invoices and improve tax compliance (Riani, et.al., 2020). So that the hypothesis that can be formulated. **H6: The use and application of E-Invoice in the tax modernization system can improve taxpayer compliance.**

2.10 Conceptual Framework

Based on the theoretical studies above, theoretical thinking can be made in the research conducted, as follows.

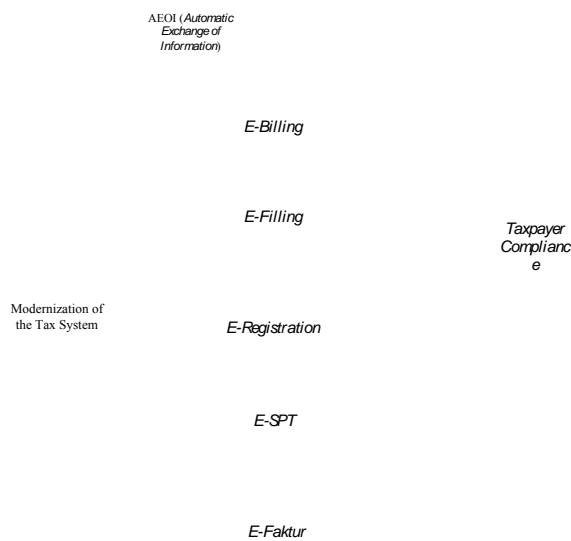


Figure 1. Research Conceptual Framework

3. Methodology

The type of research carried out is by study and direct observation to the field. Where the data obtained using the distribution of questionnaires directly with social media with google forms or paper manuals with the target is personal or corporate taxpayers. This research is quantitative, by assessing the survey results on the use and application of AEOI and modernization of the tax system in paying and reporting taxes by taxpayers. This research will be conducted to tax regional offices with several samples of primary tax service offices (KPP) in 6 (six) provinces in Indonesia, namely, Banten, DKI Jakarta, West Java, Central Java, Special Region of Yogyakarta, and East Java. The population used in this study is taxpayers, be it individuals or entities domiciled and operating in Indonesia. The sample techniques used are 2 types, namely sampling techniques that can be used in research, namely

probability sampling and nonprobability sampling. Probability sampling is a sampling technique to provide equal opportunities for each member of the population to be selected as a member of the sample, while nonprobability sampling is a sampling technique that does not provide opportunities or opportunities for every member of the population to become a member (Sugiyono, 2019). In this study, the sampling design used was a nonprobability design. This study was conducted using incidental sampling where the selected prospective respondents were those who happened to be in the research location that had been determined by the researcher and also in accordance with the criteria (Sugiyono, 2019). The total sample to be used in this study is 367 samples of respondents with the target of each tax district office taken by incidental sampling method. This study uses a descriptive quantitative data analysis method, where the data used in this study wants to prove whether there is an influence between the use and application of the AEOI system and the tax modernization system on taxpayer compliance. The data analysis method used in this study uses two approaches, namely with Partial Least Squares-Structural Equation Modeling (PLS-SEM) with Smart PLS 3.0 software.

4. Result and Discussion

4.1 Convergent Validity Test

Validity tests are carried out to ensure that the data from the questionnaires sent are really valid. If the instrument can be measured correctly, then the instrument is considered valid, according to (Ghozali, 2015), Convergent validity and discriminant are used to test validity. The fact that construct size can correlate is related to convergent validity tests. If the AVE is more than 0.5 and the loading factor for all instrumental variables is more than 0.7.

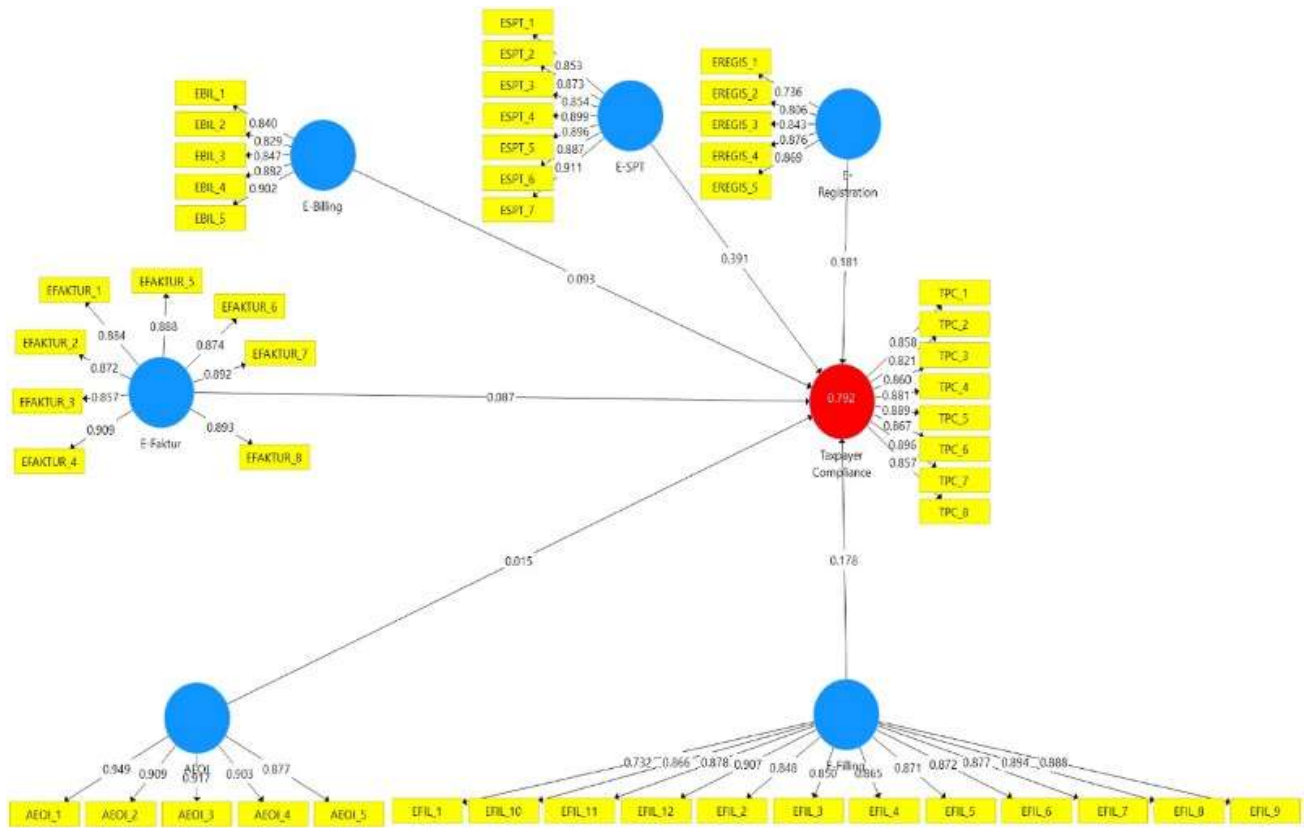


Figure 2. PLS Algorithm Construct Model

if viewed from the construct model formed in the picture above that all of these items have a loading value greater than 0.7 and an AVE value of more than 0.5 so that all question items in this study have passed the convergent validity test and are said to be valid, that the model formed is very good.

4.2 Discriminant Validity Test

The purpose of discriminant validity is to determine the relationship between certain construct indicators and other construct indicators. If there is no correlation, the study is considered to meet the criteria for discriminant validity. In addition, due to low cross-loading, the value of adding indicators to the measured structure is greater than the value of adding to other structures (I. & H. L. Ghazali, 2015)

Table 1. Cross Loading

Model	AEOI	E-Billing	E-Faktur	E-Filling	E-Registration	E-SPT	Taxpayer Compliance
AEOI_1	0,949	0,273	0,208	0,233	0,245	0,209	0,228
AEOI_2	0,909	0,172	0,135	0,144	0,178	0,114	0,138
AEOI_3	0,917	0,237	0,167	0,195	0,209	0,157	0,181
AEOI_4	0,903	0,230	0,122	0,160	0,154	0,134	0,152
AEOI_5	0,877	0,222	0,112	0,149	0,116	0,123	0,147
EBIL_1	0,167	0,840	0,741	0,757	0,715	0,747	0,672
EBIL_2	0,304	0,829	0,707	0,743	0,653	0,710	0,676
EBIL_3	0,166	0,847	0,757	0,780	0,679	0,764	0,694
EBIL_4	0,213	0,882	0,752	0,792	0,734	0,770	0,743
EBIL_5	0,242	0,902	0,764	0,816	0,723	0,767	0,744

Model	AEOI	E-Billing	E-Faktur	E-Filling	E-Registratio n	E-SPT	Taxpayer Complianc e
EFAKTUR_1	0,095	0,753	0,884	0,823	0,791	0,833	0,790
EFAKTUR_2	0,202	0,753	0,872	0,776	0,732	0,803	0,727
EFAKTUR_3	0,155	0,709	0,857	0,750	0,728	0,764	0,689
EFAKTUR_4	0,153	0,824	0,909	0,841	0,783	0,854	0,783
EFAKTUR_5	0,149	0,753	0,888	0,795	0,747	0,805	0,735
EFAKTUR_6	0,131	0,751	0,874	0,793	0,743	0,790	0,726
EFAKTUR_7	0,142	0,776	0,892	0,808	0,757	0,815	0,744
EFAKTUR_8	0,174	0,790	0,893	0,831	0,764	0,817	0,768
EFIL_1	0,085	0,618	0,648	0,732	0,624	0,669	0,604
EFIL_10	0,109	0,781	0,800	0,866	0,723	0,787	0,726
EFIL_11	0,196	0,799	0,805	0,878	0,720	0,791	0,731
EFIL_12	0,187	0,807	0,813	0,907	0,761	0,829	0,778
EFIL_2	0,188	0,741	0,746	0,848	0,691	0,750	0,706
EFIL_3	0,194	0,753	0,768	0,850	0,669	0,768	0,709
EFIL_4	0,160	0,792	0,783	0,865	0,723	0,824	0,739
EFIL_5	0,202	0,788	0,800	0,871	0,758	0,803	0,760
EFIL_6	0,192	0,816	0,793	0,872	0,720	0,812	0,748
EFIL_7	0,100	0,786	0,796	0,877	0,747	0,797	0,772
EFIL_8	0,226	0,822	0,826	0,894	0,746	0,814	0,762
EFIL_9	0,217	0,841	0,819	0,888	0,762	0,832	0,778
EREGIS_1	0,096	0,490	0,550	0,539	0,736	0,556	0,563
EREGIS_2	0,223	0,651	0,684	0,647	0,806	0,655	0,640
EREGIS_3	0,208	0,762	0,751	0,743	0,843	0,765	0,707
EREGIS_4	0,166	0,698	0,735	0,723	0,876	0,746	0,718
EREGIS_5	0,149	0,741	0,795	0,779	0,869	0,777	0,728
ESPT_1	0,095	0,714	0,770	0,768	0,737	0,853	0,734
ESPT_2	0,159	0,767	0,821	0,801	0,756	0,873	0,760
ESPT_3	0,188	0,710	0,757	0,755	0,703	0,854	0,707
ESPT_4	0,120	0,817	0,829	0,842	0,785	0,899	0,820
ESPT_5	0,155	0,793	0,848	0,835	0,758	0,896	0,774
ESPT_6	0,197	0,795	0,811	0,818	0,742	0,887	0,773
ESPT_7	0,130	0,789	0,826	0,832	0,775	0,911	0,802
TPC_1	0,170	0,740	0,734	0,734	0,716	0,761	0,858
TPC_2	0,186	0,658	0,675	0,672	0,674	0,705	0,821
TPC_3	0,169	0,681	0,699	0,716	0,703	0,737	0,860
TPC_4	0,160	0,704	0,731	0,749	0,709	0,762	0,881
TPC_5	0,148	0,698	0,726	0,736	0,694	0,735	0,889
TPC_6	0,147	0,716	0,750	0,755	0,720	0,777	0,867
TPC_7	0,150	0,754	0,753	0,766	0,711	0,768	0,896

Model	AEOI	E-Billing	E-Faktur	E-Filling	E-Registration	E-SPT	Taxpayer Compliance
TPC_8	0,199	0,734	0,777	0,775	0,720	0,786	0,857

Source: primary data processed, 2023.

The table above shows that this research instrument is valid because the relationship between items has a

greater value than the relationship between the item and other items. This shows that the model structure formed by each variable does not indicate another model with a higher value than the model structure formed by the variable itself. So the conclusion is that the model formed already meets the requirements of discriminant validity.

4.3 Composite Reliability

This study used reliability tests to evaluate questionnaires as an index of one variable. If the questionnaire responses are consistent over time, the questionnaire may be considered reliable. Therefore, it can be concluded that a research instrument is said to be reliable only if it produces the same data with different samples and at different times. To test reliability, composite confidence values and cronbach alpha can be used. According to (I. & H. L. Ghazali, 2015), The construction is valid if the composite confidence value is more than 0.7 and the Cronbach Alpha is more than 0.6

Table 2. Cronbach Alpha and Composite Reliability

Model	Cronbach's Alpha	Composite Reliability
AEOI	0,949	0,961
E-Billing	0,912	0,934
E-Faktur	0,960	0,966
E-Filling	0,969	0,972
E-Registration	0,884	0,915
E-SPT	0,952	0,961
Taxpayer Compliance	0,952	0,960

Source: primary data processed, 2023

All independent latent variables in this study have composite reliability values of more than 0.7 and Cronbach's alpha values of more than 0.6, so it can be concluded that all latent variables are feasible and can be used as test variables to determine their effect on the dependent latent variable, tax compliance.

After that, all latent variables are feasible and can be used for additional data analysis

4.4 Coefficient of Determination Test

The closer the coefficient of determination (R²) is to one, the more likely it is that the independent variable can explain the dependent variable (I. & H. L. Ghazali, 2015). In research for R² results are as follows.

Table 3. R² Square

	R Square
Taxpayer Compliance	0,792

Source: primary data processed, 2023.

In this study, the R² value of 0.792 R² number produced can be explained that the effect of implementing AEOI, E-billing, E-Invoice, E-Filling, E-Registration, E-SPT, and Taxpayer Compliance gives a value of 0.792. Therefore, it can be concluded that the dependent latent variable that can be explained by the independent latent variable is 79.2% while 20.8% is explained by variables that are not included in this study

4.5 Godness of Fit Test

Average AVE and R-Square values can be used to calculate the Goodness of Fit (GoF) test, as shown in Table 13. The average AVE and R-Square values can be used to calculate the Goodness of Fit (GoF) test, as shown in Table 13 below. The values are between 0–1 with interpretations as 0–0.25 (small GoF), 0–25–0.36 (moderate GoF), and more than 0.36 (large GoF), based on those conveyed by (I. & H. L. Ghazali, 2015).

Table 4. Adjusted R Square and AVE values

Model	R Square	AVE
AEOI		0,83
E-Billing		0,74
E-Faktur		0,781
E-Filling		0,745
E-Registration		0,685
E-SPT		0,778
Taxpayer Compliance	0,788	0,751

Source: primary data processed, 2023.

With GoF Calculation is as follows:

$$\begin{aligned}
 \text{GoF} &= \sqrt{\text{AVE} \times R^2} \\
 &= \sqrt{0.751 \times 0.788} \\
 &= 0.769
 \end{aligned}$$

Based on the calculation results, it can be concluded that the model used in this study has a high GoF value, which is 0.769. Therefore, the higher the GoF value, the more adaptive or appropriate the research data to be tested later in hypothesis testing

4.6 Hypothesis Measurement (Path Analysis)

Path analysis is a follow-up test performed after PLS has processed the data. This results in an estimate of

the latent variable, which is the linear aggregate of the indicator. This analysis will test the hypothesis using bootstrapping resampling. The test used is the statistical t-test or t-test. Significance levels of 1%, 5%, and 10% are commonly used in research (I. & H. L. Ghozali, 2015). In this study, the existing path coefficient was tested by comparing a probability value of 0.05 with a probability value of Sig. A P-Value below 0.05 indicates that the relationship between variables is significant, but a P-Value above 0.05 indicates that the relationship between variables is not significant. To understand how research variables interact with each other, estimating the significance of the parameters that have been assessed in this study is helpful. The value found in the output results for weight in is used as a basis for testing the hypothesis. Following the results of hypothesis testing after, the model is bootstrapping in SEM-PLS.

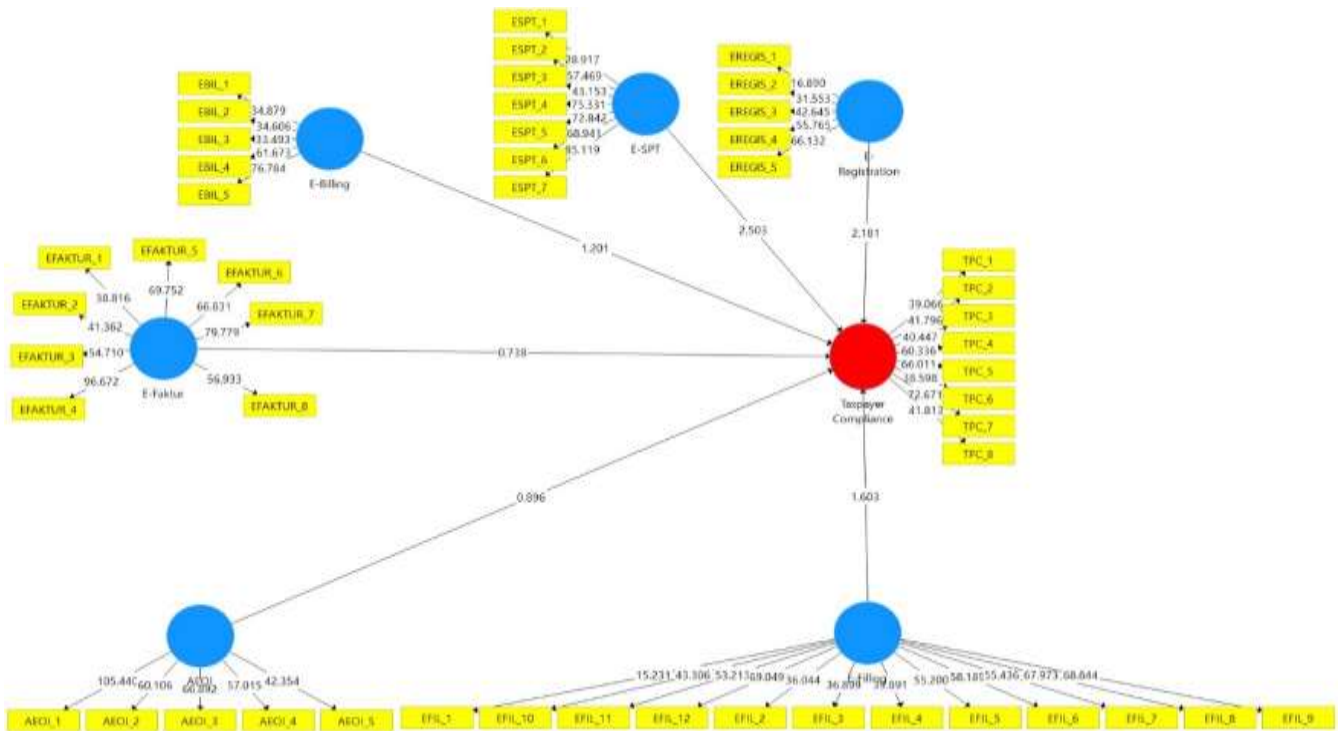


Figure 3. Bootstrapping Construct Model

Table 5. Summary of Hypothesis Test Results

Path Coefficient	Original Sample	Standard Deviation	T Statistics	P Values	Results
AEOI → Taxpayer Compliance	0,015	0,017	0,896	0,371	Rejected
E-Billing → Taxpayer Compliance	0,093	0,078	1,201	0,230	Rejected
E-Faktor → Taxpayer Compliance	0,087	0,117	0,738	0,461	Rejected

<i>Path Coefficient</i>	Original Sample	Standard Deviation	T Statistics	P Values	Results
E-Filling → Taxpayer Compliance	0,178	0,111	1,603	0,110	Rejected
E-Registration → Taxpayer Compliance	0,181	0,083	2,181	0,030	Accepted
E-SPT → Taxpayer Compliance	0,391	0,156	2,503	0,013	Accepted

The results of partial testing between Automatic Exchange of Information System variables against Taxpayer Compliance showed a value of 0.371 greater than 0.05. Statistically, this hypothesis was rejected and it was concluded that the Automatic Exchange of Information System had no influence on taxpayer compliance, so in this case the hypothesis was rejected. According to the Theory of Planned Behavior (TPB), explaining taxpayer behavior can be seen from the application of the Automatic Exchange of Information system which affects the behavior of taxpayers themselves to be obedient in paying and reporting their taxes. Based on the results of the questionnaire distributed, it can be concluded that the implementation of the Automatic Exchange of Information System has not run well. This is reinforced by respondents' answers where most agree with the statement that the Automatic Exchange of Information System has not used a robust database in accordance with international standards, then the knowledge of taxpayers with the Automatic Exchange of Information System has not been able to provide detailed and valid information on how this system can work to provide benefits to regulators and tax collectors about the existing tax system and also the respondent's answer disagrees with the statement that the taxpayer has provided financial information to the Directorate General of Taxes (DGT) completely and correctly according to evidence or information based on request from Directorate General of Taxes (DGT). So in this case because the implementation of AEOI has not been implemented properly for taxpayers related to information disclosure in various parts of the country that agreed to disclose information about their customers at the Bank and in other institutions has not been carried out perfectly by taxpayers. So that this can be utilized by financial information management systems of various countries, which are often used by taxpayers to avoid paying taxes on their assets. This is also not in line with research conducted by previous researchers that AEOI can provide space for more transparency, cooperation, and accountability in financial institutions so that taxpayers can no longer avoid paying taxes as developed and found by

(Onasis, 2019), (Supriyadi, 2019), (Fionasari et al., 2021), and (Ispriyarso, 2020).

The results of this study do not support the second hypothesis that states the implementation of the e-billing system has a positive effect on taxpayer compliance. This can be proven by a significance value of 0.230 greater than 0.05. The implementation of the e-billing system does not have a positive influence on taxpayer compliance as it is known The implementation of the e-billing system is one of several efforts made by the Directorate General of Taxes in improving Taxpayer Compliance. Tax e-billing was adopted to improve the performance of government agencies, either directly or indirectly, considering public services. The results showed that there was no significant influence of the perception of ease of use, subjective norms, perception of benefits, facilitating conditions of attitude, towards attitudes and intentions to use. Therefore, it is evident that e-billing-based services are not one way to improve services from government agencies to facilitate tax payments, the main factor that may occur is the incomprehension of technology made for its use to taxpayers, if seen by many taxpayers who have not been able to access, use, make e-billing in the tax system at the Directorate General of Taxes. In essence, e-billing provides efficiency in tax payments, but not all taxpayers or tax officers personally or in an organization understand and smoothly operate e-Billing. Taxes can be paid anywhere and anytime. so that even e-billing has not provided an increase in tax compliance of taxpayers living in remote areas, especially in this case rural areas. This is because Taxpayers still consider the E-Billing system complicated, in submitting it online so that Taxpayers still do it manually. The results of this study indicate that the implementation of the E-billing System does not affect Taxpayer Compliance, in the sense that there are still many taxpayers who are not compliant in their obligations. Based on the above study, research is in line with the results of research submitted by (Asiah & Widati, 2020). However, this is not in line with the results found by (Wayan & Yuesti, 2019), (Maulidina & Nurhayati, 2023) and (Dwitrayani, 2020) where they found a

relationship between E-Billing and Taxpayer Compliance.

The results of this study do not support the third hypothesis that states the implementation of the E-faktur system has a positive effect on taxpayer compliance. This can be proven by a significance value of 0.461 greater than 0.05. The use of E-faktur does not improve tax compliance for taxpayers in the sampling location. This is because the use of E-Invoice cannot minimize miscalculations made by tax officers so that taxpayers do not feel safe when doing taxpayers, besides that the Use of E-Faktur still confuses taxpayers in obtaining tax proof data, especially and the use of E-Faktur, although it can cut time, taxpayers are still confused in inputting numbers and operating. The manpower required in the application process to obtain tax invoice serial numbers, calculation and reporting of tax invoices also requires procedural and many taxpayers still do not know it. The lack of taxpayer knowledge about tax laws and the importance of tax revenue for national development, resulted in government policies issued by the government unable to prove the increased compliance of taxpayers and tax revenues at the Tax Service Office (KPP) location where these respondents were taken. This is not in line with research conducted by (Surya, 2018), (Wildan & Mahsuni, 2022), (Christin, 2017) and (Rosa & Idwar, 2017).

The results of this study do not support the fourth hypothesis that states the implementation of the E-Filing System has a positive effect on Taxpayer Compliance. This can be proven by a significance value of 0.110 greater than 0.05. The use of E-Filing does not increase and affect tax compliance for taxpayers in the sampling location. Thus, it means that the application of E-Filing does not have a positive effect on taxpayer compliance at this sampling location. This is because trust in the high quality of information from online sites has not provided real and good implications to affect taxpayer compliance in paying taxes. In addition, E-Filing has not provided understanding to taxpayers about providing convenience in reporting tax returns online and has not been effective and efficient in reporting tax returns so that it does not improve taxpayer compliance. In addition, the main factor is the constraints of mastering technology and the use of e-filing that not many taxpayers know, because knowledge and expertise in the field of tax do not all have made taxpayers do not understand how to operate the E-Filing application for ease in reporting their taxes. Then another major factor is also caused by the fact that many Individual Taxpayers are not yet aware of their tax obligations and lack of

socialization about the use of E-Filing. As a result, the public still feels unfamiliar and complicated with the E-Filing system besides that the process of reporting Annual Tax Returns through e-filing still has several obstacles that prevent Taxpayers from using it. Some of the obstacles faced by taxpayers include people who do not understand tax modernization, especially reporting annual tax returns through e-filing, and people who do not understand taxpayer obligations and compliance, especially for new taxpayers who are still unfamiliar with the tax system. So in this case that the modernization of the tax system in terms of the use of E-Filing within the scope of this study has not increased awareness in taxpayer compliance of taxpayers. These results are also comparable to studies conducted by (Marliana, 2021) But it is not in line with the research conducted by (Wildan & Mahsuni, 2022), (Suhadi, 2017), (Rosa & Idwar, 2017) and (Maulidina & Nurhayati, 2023) which found a significant influence between the implementation of E-Filing in terms of improving tax compliance of taxpayers.

The results of this study support the fifth hypothesis which states that the implementation of the E-Registration System has a positive effect on Taxpayer Compliance. This can be proven by a significance value of 0.030 less than 0.05. The use of E-Registration increases and affects tax compliance for taxpayers in the sampling location. One of the ways for the fiscus to assist and ease tax obligations is to improve the quality of tax electronic system services. This makes taxpayers feel paying taxes is fun and easy. Basically, the purpose of e-Registration is to make it easier for taxpayers to register as taxpayers, both for those who have registered and have an NPWP and for those who want to register and just want to have an NPWP, both before and after the existence of the electronic system. Therefore, e-Registration is very useful for Taxpayers because the impact of the system makes it easier for Taxpayers to register as their taxpayers. The results of the study show that taxpayers use e-Registration as a tool to register, change, or revoke PKP. Thus, e-Registration has a significant impact on Taxpayer compliance in this study. This research is also in line with research conducted by (Mulyani, 2021), (Ramdani, 2019), and (Sulistiyorini et al., 2017) which found a significant effect of the implementation of E-Registration on Taxpayer Compliance. However, this study is not in line with research conducted by (Amalda Putra & Marsono, 2020) which did not find a significant relationship between E-Registration and Taxpayer Compliance of taxpayers.

The results of this study support the sixth hypothesis that states the implementation of the e-SPT System has a positive effect on Taxpayer Compliance. This can be proven by a significance value of 0.013 less than 0.05. The use of E-Registration increases and affects tax compliance for taxpayers in the sampling location. In the Indonesian tax system that adheres to the self-assessment system, e-SPT requires taxpayers to fulfill their own tax obligations. The Directorate General of Taxes (DGT) created a computer application system called e-SPT to help taxpayers file tax returns. The e-SPT application is considered more efficient than manual tax returns, so taxpayers can easily carry out their tax-related obligations. Taxpayers can carry out their tax-related obligations easily because taxpayers can fulfill their tax-related obligations through the implementation of e-SPT. In addition, because computer systems can automatically carry out calculation commands quickly and accurately, reporting e-SPT using computer systems can reduce the amount of human resources (HR) needed for data calculation and recording. One of the advantages of using a computer system is that taxpayers can compile tax data systematically. It cannot be separated from the role of DGT which conducts widespread socialization regarding e-SPT, which aims to inform taxpayers about the benefits and objectives of implementing e-SPT. Widespread socialization also aims to make taxpayers tend to be more motivated to use e-SPT than manual tax returns. Therefore, it can be concluded that taxpayers' compliance with their tax obligations will increase if the E-SPT is properly implemented. So in this case it can be concluded that E-SPT provides a significant relationship to Taxpayer Compliance for taxpayers, this is also in line with the research conducted by (Zuhdi et al., 2015), (Alfarisi & Mahpudin, 2020) and (Sabil, 2018), which found a significant effect between E-SPT on taxpayers' tax compliance. But this study is also not in line with the results obtained by (Pebrina & Hidayatulloh, 2020), which found that there was no significant effect on tax compliance because it showed that taxpayers had difficulty understanding how to use the e-SPT application. In addition, limited internet access in some parts of Indonesia also contributes to this problem.

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