THE INFLUENCES OF TAX RATES AND SELF ASSESMENT SYSTEM TO TAX EVASION
(Survey On Corporate Taxpayer At Subang Tax Service Office)

By:
Muhamad Yogie Apriansyah Bukhori

Lecturer :
Inta Budi Setyanusa

Indonesia Computer University

Abstract

Tax rate is one of the components that determines how much of the tax expense to be paid the tax rate can be expressed as a percentage. While the self assessment system is a tax collection system authorizes the taxpayer to determine the amount of tax to be paid. Tax evasion is an unjustified undertaking with regard to taxpayer's activities to run or to avoid taxation. This research type is quantitative research, with descriptive and verifikatif method. Population in this research is 100 corporate taxpayer entity registered at Subang Tax Service Office, this sample using simple random sampling technique. The result of this research variable tax rate influence to variable tax evasion, and variable self assessment system influence to variable tax evasion, this research give empirical evidence tax rate and self assessment system influence to Tax evasion on corporate taxpayer at Subang Tax Service Office.

Key words : Tax rates, Self Assesment System, Tax evasion

I. PREFACE

1.1 Background of the study

"One of tax evasion caused by high tax rates. The people won't anything was got in hard work due high rates just dissapear." (Siti Kurnia Rahayu, 2010: 149).

The phenomenon related of tax rates is PP 46 2013, Included tax payer category UMKM in KPP Subang with these regulations indisposed for small profit margins, so it will be improved tax evasion (Muhammad Ajie, 2017).

In generally *Self Assesment* in tax collection prone to escape by every tax, they were corrupted. In *Self Assesment System* tax payer got heavy load, because they were reported relevan information by letter of notification, calculate tax imposition, total tax payable, through these method tax payer got chances about tax smuggling". (Siti Kurnia Rahayu, 2010: 142, M Zain, 2008: 59).

Special phenomenon *Self Assesment System* happened in KPP Subang there is tax payer not tax deposit because less tax information about tax liabilities must be paid. (Muhammad Ajie, 2017).

"In fact, *Tax evasion* was done by tax payer as effort to minimize which violates the constitution rules or *illegal*." (Siti Kurnia Rahayu, 2010: 148).

These phenomenon in KPP Subang many of tax payer unregistered, and not deliver SPT or incomplete (Muhammad Ajie, 2017).

Based on phenomenon above the researcher conduct research entitled **"The Influences Of Tax Rates And Self Assesment System To Tax Evasion (Survey On Corporate Taxpayer At Subang Tax Service Office)".**

1.2 Research Questions

Based on explanation above, the problems can be explains are:

1) How much tax rates influences to tax evasion.
2) How much *Self Assesment System* to tax evasion.

II. LITERATURE REVIEW, THEORETICAL FRAMEWORK, HYPOTHESIS

2.1 Literatue Review

2.1.1 Tax Rates

According by Rismawati Sudirman and Antong Amirudin (2012: 9), "Percentage or total rupiah must be paid by tax payer appropiate for tax base or tax object." Then according by Waluyo (2011: 17), "How much of tax burden total to be paid by virtue of percentage".

2.1.2 Self Assesment System

According by Mardiasmo (2009: 7), "Self Assesment system is a tax collection system have authority to tax payer determine paid of tax". Whereas, according by Waluyo (2011: 17), "Self Assesment system is have authority, trust and responsibility to calculate, paid, and reported how much total to be paid".

2.1.3 Tax Evasion

"Tax evasion is an illegal practice with reference to avoid tax imposition". (Mardiasmo, 2003: 9). And according by Chairil Anwar Pohan (2013: 23), "Tax evasion is someone efforts to obligation escape in illegality".

2.2 Theoretical Pramework

2.2.1 Tax rates to Tax Evasion

This study related to statement Raymond Fisman and Shang Jin Wei 2001 which was quoted Siti Kurnia Rahayu (2010: 149) that explained about *Tax rates and Tax Evasion* (intensif audit on the tax file got *true taxable income* therefore colleration both of them could be given. That study total and import China percentage from Hongkong and export Hongkong to China with the same product by *World Bank's World Integrated Trede Solution data base* was matched *product specific tax rates* in China(customs organization *value added tax rates*) revealed that evasion gap happened collerated to significance with China tax rate. The biggest of gap is the biggest evasion. The fact showed value of the missing product caused high tax rate. Whereas M. Zain (2008: 7) "if goverment apply progresive rates then the goal in one part and consideration of justice in another part. Likely cause setback in savings, investation, and economic growth. And the other hand, it was caused to administration and complex implementation, so the element of simplicity can improved to tax evasion."

2.2.2 Self Assesment System to Tax Evasion

According by Siti Kurnia(2010: 102) said: "*Self Assesment System* caused tax payer got heavy load it caused whole activity of tax do by tax payer itself. Because demanding compliance voluntarily from tax payer then this system will be gave chances to they do corruption". Siti Rahayu (2010:148) in her books explained : "In fact tax payer practically always effort to be paid which is owed as shall as possible and tent to do tax evasion is certainly breaking of constitution of the rules. This condition minimalize effort and the illegal acts do by tax payer called tax evasion".

2.3 Hypothesis

It is temporary answer related to problems of the study. The hypothesis are:

H_1 : Tax rates influences to tax evasion

H_2 : Self assesment system influences to tax evasion

III. OBJECT AND RESEARCH METHODOLOGY

3.1 Objek Methodology

Object of the study is tax rates and Self Assesment System to tax evasion.

3.2 Research Methodology

This research used in descriptive and verivicative by quantitative method.

3.3 Operational Variable

Hypothesis submitted tested through investigated variables are:

1. Independent Variable (x) as for in this study is tax rates (variable x1) and self assesment system (variable x2).
   This concept operated indicator assigned for tax rate variable (x1). According Siti Kurnia (2017: 72-76) and Y. Sri Pudyatmoko (2015: 12-13) taht is tax rate conformity, equility, benefits principal and ability to pay and for self assesment system indicator (x2). According Siti Kurnia Rahayu (2010: 101) that is registered to tax service office, tax accounted, tax payment it self, and reported by tax payer.
2. Dependent variable (Y) is tax evasion (variable Y).
   This concept operated indicator assigned for tax rate. According by M. Zain (2008: 51) taht is not deliver SPT, deliver SPT incomplete, unregistered or abusing NPWP or PKP consolidation, not tax deposit witheld, and fiskus bribe.

All variable used ordinal scale that is from variable independent (x1) and (x2) and variable dependent (Y).

3.4 Data Collection Techniques

Used in primer data through quesionaire and live interview with tax payer in KPP Pratama Subang.

3.5 Population, Sample, Place and Time

3.5.1 Population

There is tax payer registered in KPP Pratama Subang as many 100 tax payers.

3.5.2 Sample

Used in simple random sampling as part of probability sampling. That is collect sample technique was gave same chance to every population. Size sample used in Slovin formula (Umi Narimawati 2010: 38).

3.5.3 Place and Time

To get data and information according to the problem, this study take place in tax service office Pratama Subang on Jalan Mayjen Sutoyo Siswomiharjo No.52, Cigadung Subdistrict. Subang. And time of schedule start by March 2017 until August 2017.

3.6 Hypothesis Testing Method

The procedure based on sample evidence to determine that hypothesis is proper expression and its cause not rejected or vice versa (Suharyadi and Purwanto S,K, 2009: 112).

IV. FINDINGS AND DISCUSSION

4.1 Findings

Related by influences tax rates and self assesment system to tax evasion.

4.2 Discussion

4.2.1 The influences of tax rates to tax evasion

Apply of tax rates to tax evasion was gave statistic value, as big as 3. 915. It was more bigger than 1. 960 , so this case showed that if tax rates better it will be better too about tax evasion, it could be concluded more higher tax of payer diposed to do high evasion.

From coefficient analytical determination prove that tax rates influence to contribution tax evasion as big as 32, 55 percent. It's means tax rates influence of it. So tax rates and tax evasion more better. We know from this research tax rates was gave influences 32, 55 percent to tax evasion. While the rest 67, 45 percent influences by the other factor. Then the analysis descriptive was done prove that tax rates have responses percentage of respondent as big as 55, 60 percent included enough category. It means tax rates was pretty good, but is still have gap as big as 44,

40 percent as problems of tax rates. Tax evasion have responses percentage respondent as big as 70, 90 percent and included category never done, but is still have gap as big as 29, 10 percent.

4.2.2 The influences of self assesment system to tax evasion

It was gap influences statistic value as big as 4, 511. These value more bigger than 1.960. it could be concluded there were influences of them.

Based on analysis coefficient findings determine prove that self assesment system influences to tax evasion in contributed as big as 37, 47 percent. It means there were influences to tax evasion. So self assesment system more better, and also tax evasion. We know that self assesment system was gave influence 37, 47 percent to tax evasion. While the rest 62, 53 percent influence by the other factor. Then the analysis descriptive was done prove that self assesment system have responses percentage of respondent as big as 62, 27 percent included enough category. It means it was pretty good, but is still have gap as big as 37, 73 percent as problems of self assesment system. Tax evasion have responses percentage respondent as big as 70, 90 percent and included category never done, but is still have gap as big as 29, 10 percent.

V. CONCLUSION AND SUGGESTION

5.1 Conclusion

From the phenomenon, research questions, identification, theory, hypothesis, and findings about the influences of tax rates and self assesment system. The wtiter could be concluded:

1) Tax rates influences to tax evasion, more increasing tax rates it will be followed by tax evasion acts. It means if tax rates higher, tax evasion will be increase too.
2) Self assesment system influence to tax evasion. It means if self assesment system higher, tax evasion will be increase too. Tax payer which counted and reported will not spared of tax evasion acts perseption.

5.2 Suggestions

Based on the phenomenon, research questions, identification, theory, hypothesis, and findings**.** it can be concluded are:

1) In tax rates to tax evasion, we know that used benefits principle and ability to pay have weakness should be repaired. The revenue officer should be provide understanding to tax payer, when they were ability to paid and got profits. For example, an event or seminar to every businnes as register of tax payer in their KPP. Hopes these method became obediently to meet tax obligations.
2) In self assesment system to tax evasion. We know that register as tax payer is repaired indicator. It can be effort by KPP Pratama Subang in socialisasion to prospective taxpayer or new institution, for example hold a public lecturer at school or symposium so that prospective taxpayer and taxpayer understand about tax collection, hopes avoids actions of tax evasion.

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