THE INFLUENCE OF THE TAX SYSTEM AND TAX AUDITS ON TAX EVASION BY CORPORATE TAXPAYER
(Case Study On The Tax Service Office Pratama Majalaya Bandung and Tax Services Office Madya Bandung)

Hikmawati Rahim – 21113088
e-mail: hikmawatirahim@gmail.com

Supervisor
Dr. Sri Dewi Anggadini, SE., M. Si., Ak., CA

ACCOUNTING STUDY PROGRAM
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS KOMPUTER INDONESIA
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ABSTRACT

Tax revenue is essential to u.s. national development let us and public expenditure in the country and reflected in the state budget. Therefore, the government continues to boost sources of revenue from § taxes. However, in reality there are many taxpayers who do not comply with the tax laws by tax evasion. The research method used in this thesis is verification method with the quantitative approach. The primary data collection was obtained from questionnaires and interviews. The resulting data were analysed descriptively and statistically with Structural Equation Modelling (SEM) analysis method using Partial Least Square (PLS) 2.0. The result shows that a tax system and tax auditing variable have significant negative effect on tax evasion.

Keywords: Tax System, Tax audits, and Tax Evasion.

I. Introduction

1.1 Background

Tax planning aims to implement the obligation properly and minimize tax burden tax payments to maximize profits (Chairil Anwar, 2013:7). In tax planning there are several ways that can be done to reduce the number of taxpayers the burden of taxes, tax evasion (tax avoidance) and tax evasion (tax evasion) (Chairil Anwar, 2013:14). Tax avoidance is usually done by temperance, which reduces or suppresses konsumsinya in goods that can be taxed (Siti Rahayu, the gift of 2013:146). Citizens can avoid tax, tax evasion is justifiable, because it is not a thing that can harm the country (Siti Rahayu, the gift of 2013:146).

In fact, in practice the taxpayer always trying to pay taxes owed as little as possible, and tend to do tax evasion, which is certainly violating regulations (Siti Rahayu, Gifts 2013:148). According to Siti Rahayu (2013:147) Gift tax evasion is an active business taxpayer in terms of reducing, eliminating, manipulate illegally against the tax debt or escape for not paying taxes as payable according to statutory rules. Tax evasion cases overwrite the PT the NKC does not deliver SPT time VAT and distorting tax funds in 2005-2010. Because of his actions, state income harmed at least Rp 6.7 billion (Bachtiar Bambang, 2016).

The tax system is one of the most important elements that support the success of the poll tax of a country (Ardian and Pratomo, 2014). According to Siti Rahayu (2013:95) How the tax system can be referred to as a method of management of taxes owed by taxpayers to be able to flow into the coffers of the State based on laws and regulations that bind taxpayers or fiskus, with a wide range of government policies for a specific purpose, as a framework for building an effective tax administration as technical

executor of the tax system is selected. The phenomenon of the tax system is taxpayers who feel unfairly upon the Ministry of tax officers, tax officers are not granted due to the filing of the taxpayer's objections (Daeng Nazier, 2016 M).

Prevention efforts are tax evasion, namely with using any one pillar of the rule of law, namely the tax inspection (Siti Rahayu, the gift of 2013:245). The tax inspection was a series of events looking for, collect, process data and/or other information to test compliance with tax obligations fulfillment and other purposes in order to carry out the provisions of the legislation taxation (Mardiasmo, 2011:52). The tax inspection aims to test the compliance with tax obligations fulfillment in order to provide legal certainty, justice and coaching to taxpayers and other purposes in order to carry out the provisions of the legislation taxation (Siti Rahayu, the gift of 2013:245). In fact phenomena that occur in the KPP Pratama Majalaya, expressed by Ayi Miraj (2017) as an Account Representative about the examination of taxes, namely the presence of obstacles in the tax review process where the Taxpayer does not cooperative, did not provide documents, data-data (evidence) as well as the oral information, the taxpayer did not attend the examination discussion of the call.

1.2 Problem Identification

1. PT NKC does not deliver SPT time VAT and distorting the tax funds in 2005-2010.
2. Tax payers feel unfairly over the Ministry of tax officers, because the officer did not grant the objection filing tax taxpayers.
3. There are still tax payers who do not want to provide the data or documents.

1.3 Outline of the Problem

1. How big is the influence of tax system against tax evasion (tax evasion).
2. How big is the influence of the tax inspection against tax evasion (tax evasion).

1.4 Purpose and Research Purposes

1.4.1 Research

The intent of this research is to know and test the influence of the tax system and tax inspection against tax evasion (tax evasion).

1.4.2 Research Objectives

1. To know the magnitude of the influence of tax system against tax evasion (tax evasion).
2. To know the magnitude of the influence of the tax inspection against tax evasion (tax evasion).

1.5 Usability Research

1.5.1 The practical Usability

1. **For other researchers**
   Research results can be a means to increase knowledge, insight and understanding for authors regarding the description of the factors that affect tax evasion (tax evasion).
2. **For Agencies**
   The results of this research are expected to be used as a reference for the company, so it can help companies to minimize tax evasion (tax evasion).

1.5.2 Academic Uses.

1. **For The Development of Science**
   This research is expected to benefit the development of science and can contribute thought and expand knowledge especially concerning tax evasion (tax evasion).
2. **For The Next Researcher**
   Can be used as a basis for research in the study of its kind and can be used as a source of reading that adds a new discourse as references.

II. Literature Review, A Framework of Thought and Hypothesis

2.1 Literature Review

2.1.1 Definition The Tax System

According to Nurmantu (2005:106) is the tax system as a method or way how to manage tax debt owed by taxpayers which can flow into the State Treasury.

2.1.1.1 Indicators The Tax System

According to Siti Rahayu Gifts (2013:75), is a unified tax system that consists of the elements of Tax Policy, Tax Law, and Tax Administration, which are related to one another, work together, working together in harmony to achieve a target State in obtaining tax revenue optimally.

Based on the concept above, indicators for the tax system are as follows:

"**1. Tax Law**

Tax law is the overall regulations governing the legal relationship between the Government as a tax collector with the people as taxpayers. Tax law is distinguished be Material Tax Law and Formal Tax Law.

2. Tax Policy

Tax Policy is a policy of the State or Government in order to improve the country's acceptance of the tax were used to complete the need for State funding. This policy was taken out of the Government, in order to support the acceptance of the State and creating a conducive economic conditions. Tax Policy with regard to legislation.

3. Tax Administration

Tax Administration can be defined as procedures include, among others, the stages of registration of taxpayers, the determination of taxes, payment of taxes, tax reporting and tax billing ".

2.1.2 The definition Tax Audits

According to Siti Rahayu Gifts (2013:245) tax audits is terms of supervision of the implementation of the self just my assesment system undertaken by the taxpayer and should hold fast to the tax legislation and influenced by factors and constraints.

2.1.2.1 Indicators Tax Audits

According to Soemarso (2007:60) tax audits are as follows:

"A series of activities carried out by the tax office against the taxpayer for finding and collecting the data or other information to the determination of the magnitude of the tax owed and or other purposes in the framework of the implementation of the provisions of the regulation legislation ".

Based on the above concept, then the indicator for inspection of tax are:

"1. The search for data.
2. Collect data ".

2.1.3 Definition Tax Evasion (Tax Evasion)

According to Siti Rahayu (2013:147) Gift tax evasion (tax evasion) are active business taxpayers in terms of reducing, eliminating, manipulate illegally against the tax debt or escape to not pay taxes as payable according to statutory rules.

2.1.3.1 Indicators Tax Evasion (Tax Evasion)

According to m. Zain (2008:51) indicators for tax evasion (tax evasion) are as follows:

"1. Don't convey the SPT.
2. Deliver SPT incorrectly.
3. Do not enroll or abusing NPWP the inaugural or PKP.
4. Do not make the tax that has been withheld or deducted.
5. Tried to bribing officers tax".

2.2 Framework for Thinking

2.2.1 Influence Tax System Against Tax Evasion (Tax Evasion)

According to Liberti Pandiangan (2007:34) revealed that:

> " The tax system can work well when supported by the technology. The existence of a good tax system will reduce the taxpayer's action in doing Tax Evasion".

Based on testing performed by the tax system Permatasari and Laksito (2013) showed a negative value indication. This means that if the tax system is clear, transparent, basic taxation in accordance with the capabilities of the taxpayers and the provisions of the legislation would make Taxpayers know the tax benefits, so the likelihood of tax evasion levels is done small, if the tax system is getting better compliance rate Taxpayers will be getting better.

2.2.2. The influence of the Tax Audits on Tax Evasion

According to Siti Rahayu Gifts (2013:245), revealed that:

> "One of the preventive efforts of Tax Evasion is using tax inspection (tax auditing), tax audit done professionally by the tax authorities in the framework of the self assessment system is a form of enforcement the law. Examination of the supervisory system of Self Assessment undertaken by the taxpayer and should hold fast to the tax laws ".

Earlier research conducted by Eriska Wulansari (2012) said that examination of the negative effect of the tax against tax evasion. That means the better tax inspection is able to lower the tax evasion. But the lack of education and technical training of the examiner as well as the ratio of the examiner against taxpayers who are too little to make the number of taxpayers who do not submit SUCH AS just in time/before the last time limit high enough.

2.3 The Hypothesis

According to Sugiyono (2015:114) research hypotheses are:

> "While the Answer against the formulation of research problem, where the outline of the research problem has been stated in the statement".

Based on the background and Foundation of the theory has been presented then hypotheses can be formulated there are two, namely:

a. Hi = tax system to tax evasion (tax evasion).
b. Hi = examination of Tax effect on tax evasion (tax evasion).

III. Research Methods

3.1 Research Methods

Method Research according Sugiyono (2013:2) is:

> " The research method is essentially a scientific way to get the data with a specific purpose and usefulness. Based on this there are four key words to note that is the scientific method, the data, the purpose and usability".

While m according Darmadi (2013:153) definition of research methods is:

> "A way of scientific to get the data with the aim of certain uses. The scientific method means that research activities are based on the characteristics of scientific knowledge that is empirical, rational, and systematic".

Verifikatif method according to Sugiyono (2012:8) is defined as follows:

> "Research conducted against specific populations or samples in order to test the hypothesis that has been established".

Sugiyono (20-10), define quantitative research method as follows:

> "Quantitative Method is a scientific approach that looked at a reality that can be classified, concrete, observable and measurable, the nature of the causal

relationships from where his research data in the form of figures and its analysis using Statistics ".

Based on the definitions in the above method mentioned above have to be used in this research is quantitative approach with verifikatif method i.e. methods which not only give you an idea against the phenomena, but also explain the connection, test the hypothesis-hypotheses, making predictions and get the meaning and implications of a problem that wants to solve.

3.2 Operasionalisasi Variables

According to Sugiyono (2015:58) Operational Variables is:

" Everything that shaped what are defined by the researchers to be studied so that the retrieved information about it, then pulled his conclusion ".

Operasionalisasi is required to determine the type of indicator, as well as the scale of the bound variables in the study. As for the bound variables used in this study are:

a. Free Variables or Independent (the variables X_1 and X_2)

Understanding the free variables according to Sugiyono (2015: 61) is as follows:

"Variables that affect a be the cause of change in the dependent variable or incidence (tied) ".

So the free variables can be inferred or independent variable is the variable that affects something in this case is another variable and because the dependent variable. Free variables in this study is tax system (X_1) and tax audits (X_2).

b. Variables bound to or Dependent (variable Y)

Variable dependent or variable according to Sugiyono (2015: 61) is as follows:

"The variables that are affected or which become due to the independent variable (non)".

As for the variable bound or variable dependent on research conducted by the author of the dependent variable (Y) is tax evasion.

3.3 Data sources and Engineering Data Collection

According to Umi Narimawati dkk. (2010:37) is the primary data is as follows:

"The source of data immediately gave the data to the data Gatherer".

Based on the above understanding of primary data is data that is retrieved directly from the object from both the information and the other party, then the author of doing this type of research is the primary data used is using the questionnaire. Where is this a questionnaire distributed to respondents to know responses regarding the research that will be thorough.

The result of the questionnaire disseminated the questionnaire level as seen from the back and can be used. The percentage of filling a questionnaires filled out compared with allegedly distributed as response rate (response rate of respondents).

3.4 The population, as well as time and place of Sample Research

3.4.1 The population

Population is an important factor supporting the research. According to Sugiyono (2015: 11. 7) understanding population is:

"The population is the generalization of the object/subject who has certain qualities and characteristics set by the researchers to learn and then pulled his conclusion".

Based on the above definition, the population is the object or subject in a region and certain qualified with regard to problems in research. The population in this research is 41 respondents who worked as an employee Account Representative who is in charge of the supervision on Tax Service Office (KPP) Pratama Majalaya, Bandung and Tax Service Office (KPP)-Bandung.

3.4.2 Withdrawal of Samples

The sample is a portion of that population. The population was for example the population in certain regions, the number of employees in a particular organization, the number of teachers and students in the school certain, etc. (Sugiyono, 2015:118).

Technical sampling used in this research is the author of engineering sampling of saturated. According to Sugiyono (2015: 1,18), Sampling of saturated is as follows:

"Sampling of saturated or the census is the technique of determination of the sample when all members of the population used as sample".

As for the sample in this research is 41 employees Account Representative who is in charge of the supervision on Tax Service Office (KPP) Pratama Majalaya, Bandung and Tax Service Office (KPP) Madya Bandung.

3.4.3 Research On Place and Time

3.4.3.1 The Place of Research

To obtain data and information related to issues that are examined, then the author's research in the Tax Service Office (KPP) Pratama Majalaya in Road Map No. 7, Like Compassion, Bojongloa Kaler Bandung 40231 and Tax Service Office (KPP) Madya Bandung GKN Building G Jalan Asia Afrika No. 114 Bandung 40116 Tel. (022) 4230920 or (022) 4233516.

3.4.3.2 The Study Time

As for the timing of the implementation of the research was begun in February 2017 until July 2017.

3.5 Testing Methods of Data

3.5.1 Test Validity

According to Cooper cited Umi Narimawati, et al. (2010:42), validity is defined as follows:

> "The last American is a Validity of measurement concerned with the extents that a test measures what the researcher actually wishes to measure".

According to Sugiyono (2010:2) defines the valid is as follows:

> "Valid is showing the degree of accuracy between the data that in truth occurred on objects with data that can be collected by researchers".

Based on the above understanding-understanding, the validity of the test is done to find out whether a measuring instrument that has been designed in the form of a questionnaire that can really run the function. All of the items in the questionnaire questions its validity must be tested to determine whether or not a valid item. Validity can be defined as a characteristic of the size associated with the measurement of the rate of a test tool (questionnaire) in measuring correctly what it wants researchers to quantify.

3.5.2 Test Reliability

After a test of the validity of the question used in the study, then do a test of reliability. Reliability test aims to find out whether the data collection tool basically indicates the level of precision, accuracy, stability or consistency of the research instrument.

According to Priyono (2016:92) reliability is as follows:

> "The degree of correctness, thoroughness or accuracy is addressed by a reliable instrument means the instrument when used several times for the same object, the measure will generate the same data."

A questionnaire is said to be reliable (reliable) if someone answers to the questions are consistent. There are several methods that can be used to view reliability an instrument of research. One of them is the most widely used method developed by

known as Cronbach 's Alpha Cronbach's or Cronbach's Alpha. Cronbach Alpha coefficient is calculated by using the formula as suggested Sugiyono (2013:365) as follows:

$$r_i = \frac{k}{(k-1)}\{1 - \frac{\sum {s_i}^2}{{s_i}^2}\}$$

Source: Sugiyono (2013: 365)

Description:
r_i = Instrument Reliability
k = Mean nature between the subject
ΣS_i^2 = quadratic Mean errors
S_i^2 = variance of the total

The formula for the variance and the variance items:

$${s_t}^2 = \frac{\sum {X_t}^2}{n} - \frac{(\sum {X_t}^2)^2}{n^2}$$

$${s_i}^2 = \frac{JKi}{n} - \frac{JKs}{n^2}$$

Source: Sugiyono (2013: 365)

Description:
Jki = the number of squares the entire score items
JKS = number of squares a subject

3.6 Testing Methods of Data

3.6.1 The Draft Analysis

According to Umi Narimawati (2010:41), the draft analysis can be defined as follows:

> "The draft of the analysis is the process of finding and compiling systematic data have been obtained from the results of the observation field, and documentation by way of organizing the data into categories, lays out into units, doing the synthesis, compiled into a pattern, choose which is more important and that will be studied, and make conclusions so that it is easy to understand. "

After the data is collected the author does an analysis of the data which has been described by using descriptive method and verifikatif.

A. Descriptive Analysis

According to Sugiyono (2010:44) explains that the descriptive (qualitative) analysis is as follows:

> "Research methods a descriptive (qualitative) was carried out intensively, researchers participating in the long field, noted carefully what happens, do a reflective analysis against various documents found in field, and make a detailed research report. "

A descriptive Study is used to illustrate how The Influence of the Tax System and Tax Inspection Against tax evasion (Tax Evasion) by the Taxpayer until the Agency's conclusion. According to Umi Narimawati, et al. (2010:41) the measures undertaken are as follows:

1) Each indicator is rated by respondents, are classified in five alternative answers using the ranking of answers.
2) The calculated total score each variable/sub variable = total score from all the indicator variables for all respondents.
3) The calculated total score each variable/ sub variable = the average of the total score.
4) To describe the answers of the respondents, also used descriptive statistics such as the distribution of frequencies and the display in the form of tables or graphs.
5) To answer the description of each study variable, use the range of research criteria as follows:

$$\%\text{Skor Aktual} = \frac{Skor\ Aktual}{Skor\ Ideal}\ x\ 100\%$$

Source: Umi Narimawati (2010:45)

The actual score is the answer the rest of respondents over a questionnaire that has been filed. The ideal score is the score or the highest weights or all of the respondents assumed chose an answer with the highest score.

B. Varifikatif Analysis

According to Sugiyono (2010:8) explains that the verifikatif analysis (quantitative) is as follows:

> "Research methods based on the philosophy of positivism, used for researching on population or a particular sample, data collection using the instruments of research, data analysis/statistics quantitative in nature, with the aim to test a hypothesis that has been established ".

Analysis of verifikatif in this study by using statistical tests i.e. test equation with structural-based variance or better known by the name of Partial Least Square (PLS) using software SmartPLS 2.0. According to Ghozali Priest (2006:1), the method of Partial Least Square (PLS) is explained as follows: "the Model of equation-based structural variance (PLS) was able to describe the latent variable (not measurable) and measured using indicators (the manifest variables) ".

Authors using Partial Least Square (PLS) on the grounds that the variables used in this study is the latent variable (not measured directly) that can be measured based on the indicator-variable (charge indicators will the manifest), as well as jointly involving the measurement of the level of confusion (error). So the writers can analyze in further detail indicators of latent variables which reflect the strongest and weakest latent variables included level of his wrongdoing.

3.6.2 Hypothesis Testing

According to Anthony and S.K. Suharyadi (2009:112), hypothesis testing defined as follows:

> "Hypothesis testing is a procedure based on sample evidence used to determine whether a hypothesis is a statement that is reasonable and therefore not rejected, the hypothesis or unnatural and therefore should be rejected".

Step-step hypothesis testing according to Surhayadi and Anthony S.K. (2009:112) is as follows:

"a) formulated the hypothesis of zero (H0) and an alternative hypothesis (H1). H0 (zero hypothesis) is a statement about the value of a parameter of the population. H1 (alternative hypothesis) is a statement that earned if the data sample provide enough evidence that zero hypothesis is wrong. H0 = equation mark, ≤, ≥, ≠, while the H1 had a sign of equation ≠, <, and >.

b) Determine the extent of real, i.e. the probability of rejecting the null hypothesis is true. The smaller the better. Large extent real can 0.1; 0.05; and 0.01.
c) Statistical tests using t-test for small samples.
d) Determine the area of the decision, namely the value of the real extent of the critical Z. Regional decisions using two-way test.

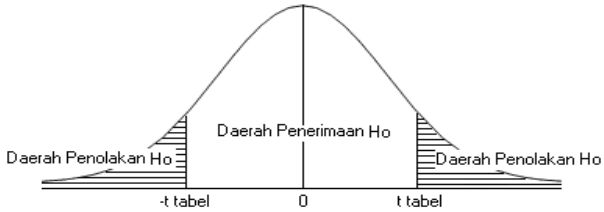


Figure 3.2 Regional Decision Hypothesis

e) Determine decisions, namely to determine the value of the test decision with statistics".

IV The Results of Research and Discussion

4.1 Research Results

In this section, the researcher will elaborate research results related to the influence of the tax system and Tax Inspection against tax evasion. The main source of data used in this research in the form of a questionnaire which was distributed to the 23 employees at the tax service Office (KPP) Pratama Majalaya, Bandung and 18 employees at the tax service Office (KPP) Madya Bandung part Account Representative. In a variable tax system consists of 6 item statement, variable Tax Audits consists of 3 items of statements and tax evasion consisting of 8 items statement.

4.1.1 Descriptive Analysis

Based on the recapitulation of the responses of respondents in table 4.12 can note that the the tax system has a variable percentage of 60.81% these are categorized pretty well on interval 54.01%-68.00%, so it can be noted that the tax system is quite good, but there is still a gap of 36.10%, this indicates that there are still shortcomings.

Based on the recapitulation of the responses of respondents in table 4.15 can note that the variable inspection tax has a percentage of 61.30% categorized quite well at intervals of 52.01%-68.00%, so it can be noted that the tax inspection is good enough, but there is still a gap of 42.95%, it This shows that there are still shortcomings.

Based on the recapitulation of the responses of respondents in table 4.21 can note that the variable tax evasion (tax evasion) has a percentage of 60.00% categorized quite well at intervals of 52.01%-68.00%, so it can be known that tax evasion (tax evasion) are quite good, but There is still a gap of 40.00%, this indicates that there are still shortcomings.

4.1.2 Analysis Verifikatif

A. Measurement Model (Outer Model)

The measurement Model is a model that connects between the latent variables with the manifest variable. In this study, there are 10 manifest variables are latent variables and 3 i.e. the tax system (X_1) that the manifest variables measured with 3, the Tax Inspection (X_2) and 2 the manifest variables and tax evasion (Y) the manifest variables with 5.

1) Test Validity

a. Convergent Validity

Based on Table 4.22, can be explained about the value of outer loading for each indicator of the tax system, Tax Inspection and tax evasion (Tax Evasion) has a value of ≥ 0.6 meaning that all indicators It has good validity stated in explaining the variable laten. As for the value of the Average Variance Extracted (AVE) and communality values presented in table 4.23 and if viewed from the value of the AVE and communality value over each latent variable exceeds the limits specified i.e., ≥ 0.5 Priest Ghozali (2013:110) which means all the latent variables have validity.

b. Discriminant Validity

Based on Table 4.24, seen the value of cross loading correlation any invalid constructs latent for a corresponding indicator is higher than other invalid constructs, so that it can be concluded that the indicators used to measure the variables latent have been eligible. Comparison the value root AVE with correlation latent variables are presented at each Table 4.25 looks that the value of the root of the AVE each variable higher than the correlation between latent variables values.

2) Test Reliability

Reliability test in Partial Least Square (PLS) can use the Composite Reliability (CR), which is served on the table 4.26. Based on Table 4.26, the value of the Composite Reliability (CR) any latent variables exceed 0.7 Priest Ghozali (2013:212) so that the model is revealed to have a high reliability.

3) Evaluation of The Fit Test of Combination Model (The Entire Model)

Test the fit of the entire model of combined (combination of model fit test) is a test match is to validate the model in its entirety, using the value of Goodness of Fit (GoF). GOF is a single size that is used to validate the performance of the joint between the structural model and measurement model, derived from the root of the average value of communality multiplied with the root of the average value of R-square (Vinzi, et al, 2010 in Uce Indahyanti, 2013). GoF values lying between 0-1 with interpretations of 0.1 (GoF); 0.25 (GoF moderate); and 0.36 (GoF substantially) (Uce Indahyanti: 2013). Based on Table 4.28, note that the value of Goodness of Fit (GoF) obtained from the results of the multiplication of the values of communality and R-square of 0.401. GoF values of 0,505 according to Uce Indahyanti (2013) are categorized as strong or tall, so it can be concluded that the test results match the model goodness of fit is already classified as high.

B. Structural Model (Inner Models)

The structural Model is a model that links the latent variables are exogenous or endogenous latent variables with the relationship of endogenous variables with other endogenous variables. The following summary of the values used in structural models. Between the two independent variables, the tax inspection gave greater influence against tax evasion (tax evasion) in KPP Pratama Majalaya, Bandung and KPP Madya Bandung compared the tax system. This is caused because the tax audits are a series of activities undertaken by the tax office against the taxpayer for finding and collecting the data or other information in order to establish the magnitude of the tax owed, can the officer concluded that the tax inspectors directly meet with taxpayers who will be checked both in Office environments or not. If the examination outside the Office or outside business hours there will be the possibility of Taxpayers who are trying to give you money/items/any form to the State tax officials and embezzlement actions will occur tax (tax evasion).

4.2 Discussion

4.2.1 The influence of tax system against tax evasion (Tax Evasion)

In hypothesis testing can be seen that the value $t_{calculate}$ of 3.794 greater than t_{table} (2.000) which shows that the model set up by hypothesis 1. This means that the influential tax system significantly to tax evasion in Tax Service Office (KPP) Pratama Majalaya Bandung and Tax Service Office (KPP) Madya Bandung.

This research fits with the theory advanced by Liberti Pandiangan (2007:34) stating that the tax system can work well when supported by the technology. The existence of a good tax system will reduce the taxpayer's action in doing Tax Evasion.

Then a descriptive analysis of the results has been done proving that the tax system percentage of respondent's responses 60.81% and including quite well meaning the tax system still not good. It was proved by indicators of the lowest response respondent is a Tax Policy of 58.05%, Tax Administration of 60.49%, further indicators of Tax Law 63.90%. Further tax evasion percentage of respondent's responses 60.00% and fall into the category quite nicely which means tax evasion have not been good and there is a gap of 40.00%. It was proved by indicators of the lowest response respondent are indicators convey SPT with no right of 53.41%, and there is still a gap of 46.59%.

4.2.2 The influence of Tax Inspection against tax evasion (Tax Evasion)

In hypothesis testing can be seen that the value $t_{calculate}$ amounted to 4.290 greater than t_{table} (2.000) which shows that the model set up by hypothesis 2. This means that the examination of the influential tax significantly to tax evasion in Tax Service Office (KPP) Pratama Majalaya, Bandung and Tax Service Office (KPP)-Bandung.

This research fits with the theory advanced by Siti Rahayu Gifts (2013:245) stating that one of the efforts the prevention of Tax Evasion is using tax inspection (tax auditing), tax audits are done on a professional by tax authorities within the framework of the self assessment system is a form of law enforcement. Examination of the supervisory system of Self Assessment undertaken by the taxpayer and should hold fast to the tax laws.

Then a descriptive analysis of the results has been done proving that tax inspection percentage of respondent's responses 60.00% and including quite well meaning tax inspection still not good. It was proved by indicators of the lowest response respondent is looking for a record with a percentage of 60.98%, further indicators collect data 61.46%. There is a gap of 38.54% which is a problem in the tax inspection. Further tax evasion percentage of respondent's responses 60.00% and fall into the category quite nicely which means tax evasion have not been good and there is a gap of 40.00%. It was proved by indicators of the lowest response respondent are indicators convey SPT with no right of 53.41%, and there is still a gap of 46.59%.

V. Conclusions and Suggestions

5.1 Conclusions

1. The tax system to tax evasion at Tax Service Office (KPP) Pratama Majalaya, Bandung and Tax Service Office (KPP) Madya Bandung. With strong correlation and negative category, meaning that if the tax system is getting better than the behavior of tax evasion will decrease.
2. Tax Inspection effect on tax evasion on Tax Services Office (KPP) Pratama Majalaya Bandung city and Tax Services Office (KPP) Madya Bandung. With category a strong correlation and negative, meaning that If tax audits the better it will give an impact on the reduced tax evasion, likewise instead.

5.2 Suggestions

5.2.1 Operational Advice

1. Should the parties Tax Services Office (KPP) to tighten the supervision to tax officer in order to be assured the officers perform the function of tax and duty are transparent to Taxpayers related to the basis of taxation provided and also multiply the number of accounts representative in the KPP Pratama area of Bandung city.
2. Should the officer state tax should be more resolute in providing rebuke and sanctions against Taxpayers who do not or difficult data/documents, give a reprimand or a reprimand and sanctions. such sanctions also apply to taxpayers who do not meet the call checks which have been determined by tax inspectors.
3. Should the parties Tax Services Office (KPP) could give relief to taxpayers who have difficulty in filling his SPT, so Taxpayers find it helpful at the time of charging the SPT.

5.2.2 Academic Advice

1. **For the development of Science in accounting**
   The results of this research are expected to add to the insights of science and an understanding of related Influence the Tax System and Tax Audits on Tax Evasion, as well as additional input and a reference for readers.
2. **For Other Researchers**
   For the next researcher, since there are still many other factors that influence outside the research model, expected to be examined by using other variables outside of this variable, and can add variable other independent, suggested using a different sample of the population and so obtained the conclusions support the theory and concepts that are generally accepted.

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ATTACHMENT

Table 4.12
Percentage Score Answers of Respondents Regarding the Variable Tax System

No.	Indicator	The Actual Score	The Ideal Score	The Actual Score%	Criteria
1	Tax Law	262	410	63.90%	Enough
2	Tax Policy	238	410	58.05%	Enough
3	Tax Administration	248	410	60.49%	Enough
	Total	**748**	**1230**	**60.81%**	**Enough**

Table 4.15
Percentage Score Answers of Respondents Regarding the Variable Tax Audits

No.	Indicator	The Actual Score	The Ideal Score	The Actual Score%	Criteria
1	Searching For Data	125	205	60.98%	Enough
2	Collect The Data	252	410	61.46%	Enough
	Total	**377**	**615**	**61.30%**	**Enough**

Table 4. 21
Percentage Score Answers of Respondents Regarding the Variable Tax Evasion

No.	Indicator	The Actual Score	The Ideal Score	The Actual Score%	Criteria
1	Not Convey The SPT	254	410	61.95%	Enough
2	Deliver SPT incorrectly	219	410	53.41%	Enough
3	Not Enrolled or Abusing NPWP or reinforcement of the PKP	261	410	63.66%	Enough
4	Do not Deposit the tax that has been Withheld or Deducted	123	205	60.00%	Enough
5	Attempt Bribing Officers Tax	127	205	61.95%	Enough
	Total	**984**	**1640**	**60.00%**	**Enough**

Table 4.22
Loading Factor

	Tax System X_1	Tax Audits X_2	Tax Evasion Y
Tax Law X 1.1	0.946298		
Tax Policy X 1.2	0.848606		
Tax Administration X 1.3	0.926259		
Looking for Data X 2.1		0.85832	
Collect Data X 2.2		0.923468	

Do Not Deliver SPT Y1			0.658486
Deliver SPT incorrectly Y2			0.781989
Not Enrolled or Abusing NPWP or Inaugural PKP Y3			0.822942
Do not Deposit the taxes have been Cut or levied Y4			0.87679
Attempt Bribing officers tax Y5			0.826597

Table 4.23
The Average Variance Extracted (AVE)

	AVE	Communality
Tax System (X_2)	0825	0825
Tax Inspection (X_2)	0795	0795
Tax Evasion (Tax Evasion) (Y)	0.638519	0.638519

Table 4.24
Cross Loading Factor

	Tax System X_1	Tax Audits X_2	Tax Evasion Y
X 1.1	0.946298	0.44561	-0.59133
X 1.2	0.848606	0.193758	-0.303445
X 1.3	0.926259	0.530325	-0.486078
X 2.1	0.404339	0.85832	-0.409561
X 2.2	0.414116	0.923468	-0.547744
X 2.3	-0.590756	-0.397263	0.658486
Y. 1	-0.317525	-0.415838	0.781989
Y. 2	-0.330674	-0.481024	0.833942
Y3	-0.34581	-0.447257	0.87679
Y4	-0.47798	-0.422177	0.826597
Y5	0.946298	0.44561	-0.59133

Table 4.25
Comparison of the root Variable Correlation with Latent AVE

Latent Variables	Root AVE
Tax System (X 1)	0.908
Tax Audits (X 2)	0.891
Tax Evasion (Y)	0.799

Correlation Between Latent Variables			
	X 1	X 2	Y
X_1	1		
X_2	0.457721	1	
Y	-0.535007	-0.545586	1

Table 4.26
Composite Reliability

Latent Variables	Composite Reability
Tax System (X_1)	0.933625
Tax Audits (X_2)	0.885505
Tax Evasion (Y)	0.897483

Table 4.28
Coefficients of structural Lines and test Hypothesis Significance
(The Path Coefficients)

	Original Sample (O)	Statistics (T | O/STERR |)
Tax system (X_1)-> tax evasion (Y)	-0.36089	3.793769
Tax Audits (X_2) -> tax evasion (Y)	-0.3804	4.290316