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## **THE EFFECT OF VOLUNTARY DISCLOSURE PROGRAM, TAX SANCTIONS AND TAX AUDIT ON TAXPAYER COMPLIANCE CASE STUDY OF BATAM CITY TAXPAYER**

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### **Abstract**

Taxpayer compliance is the availability of a person to pay tax rights and obligations accompanied by established rules, which is the responsibility of every taxpayer to comply. The research was carried out with the aim of knowing taxpayer compliance with taxpayer awareness as a moderation that is influenced by the variables of tax disclosure, tax sanctions, and tax audits. The sample from this study is the obligatory tax registered at the Batam City Tax Service Office, where the sample is taken as many as 240 data with test data processed using SmartPLS 3.2.9 software.

The test data obtained in this study, namely the direct test, shows that taxpayer compliance is positively and significantly affected by tax sanctions, while tax audits and voluntary disclosure programs have no significant effect. The direct test also shows that taxpayer awareness moderates tax sanctions and tax audits on taxpayer compliance. However, taxpayer awareness does not moderate the voluntary disclosure program's relationship to taxpayer compliance.

### **Keyword:**

Voluntary Disclosure Program, Tax Sanctions, Tax Audit, Taxpayer Awareness, Taxpayer Compliance.

### **Introduction**

Developments in the country that adhere to legal regulations have resulted in very rapid national economic growth and require assistance from the community and government (Imani & Furqon, 2022). In the current era of development, taxation is the main source of national income. This source of income is used to finance state and regional budgets (Wardana & Efendi, 2020). This income and expenditure budget is obtained from various aspects, both internal and external. Internal revenue includes the APBN. The APBN is the State Revenue and Expenditure

Budget where tax collection and calculations are carried out by the government. Internal sources of income have increased in the last 2 years and this is an important role for the sustainability of the government system for a country and society (Saadah, 2021).

There are several factors in tax matters, one of which is tax compliance. The more compliant a taxpayer is, the more tax revenue a country can obtain. There are many rules regarding tax compliance, for example compliance in recording business transactions, compliance in reporting all business activities based on established regulations and all activities related to taxation. Of the three types of compliance, compliance reporting business activities are the easiest to observe, because every month or year, all taxpayers are required to submit a Notification Letter (SPT) regarding their business activity reports (Imani & Furqon, 2022). Income collected and deposited either from entrepreneurs or the community is used as a source of income for the State. This income will be used to fund national needs, for example sustainable development, education and health. Currently, the government plans to increase the amount of state revenue in the near future and discuss voluntary tax payments. Voluntary tax distribution, known as the Voluntary Disclosure Scheme, is planned to be implemented in 2022. Voluntary tax distribution means eliminating tax that is still owed but is not subject to fines or tax sanctions.

The voluntary disclosure program is an opportunity provided for taxpayers voluntarily to pay and report their tax assets and liabilities that have not yet been disclosed honestly and accurately. Usually voluntary disclosure is very useful for the public in tax amnesty (Chandra and Cintya 2021). This is because people can pay taxes without having to spend money to pay tax administration fines and tax criminal fines (Ningtyas & Aisyaturrahmi, 2022).

Voluntary disclosure program policies will be difficult to implement successfully without tax compliance contributions. The voluntary disclosure program is a preference for overall tax compliance without disclosing assets in the ongoing period to pay for the disclosure of declared assets with income tax (PPH) costs that will comply with this regulation. Create preferences according to each individual's understanding of the rules of this sincere disclosure program. Tax insight into voluntary disclosure plans is considered valuable to support the implementation of these regulations, because the holders of voluntary disclosure plans are tax officials themselves. The factors that support the formation of tax compliance awareness are very important regarding behavior, encouragement, desires, experience, circumstances and something new. (Ningtyas & Aisyaturrahmi, 2022)

### **Literature review**

A person's availability to comply with taxation rights and obligations accompanied by the established rules is the responsibility of every taxpayer to comply. Responsible taxpayers must comply with each obligation to carry out tax reporting honestly, accurately and on time (Mansur et al., 2022).

According to Darmayasa et al. (2022), the realized awareness of taxpayers often does not view taxation as a burden, but rather as an obligation that must be fulfilled. Tax awareness usually comes from the taxpayer's personal contribution to the development of the nation, so awareness and obedience to taxpayers is one of the most important things to increase tax revenue.

According to Hantono and Sianturi (2021), one of the things that has an influence on taxpayer compliance in making tax payments is tax sanctions. Halawa & Saragih (2017) stated

that tax sanctions are a facility to prevent taxpayers from committing violations of tax regulations. With the existence of tax fines, taxpayers are expected to be liable consistently. For citizens who have the obligation to comply with taxes, if they do not fulfill their tax obligations, they will be subject to tax fines based on existing regulations. So it is hoped that tax fines will increase the taxpayer's power to comply with taxes (Listyowati et al., 2018).

In implementing the tax payment system established by the state, it is known that tax audits play a useful role in increasing voluntary taxpayer compliance. If taxpayers are afraid of being audited, they will have a higher level of tax compliance. Citizens who fulfill their tax obligations will usually view the risk of audits as likely to harm taxpayers (Darmayasa et al., 2022).

The voluntary disclosure program (PPS) is a new provision introduced by the government in the field of taxation. This policy is implemented to increase compliance with taxpayers by providing opportunities for taxpayers to report assets that were previously unreported or not reported voluntarily and pay income tax based on the reporting rates for these assets.

## **Research methodology**

### **A. Research design**

This research aims to develop research conducted by Ningtyas & Aisyaturrahmi (2022). This research applies quantitative research so that the population and sample of this research can be researched and prove the hypothesis using research instruments or measuring tools.

The type of research used in this research is case study research, namely research that uses a questionnaire containing question items about the voluntary tax disclosure program, tax sanctions, tax audits, taxpayer awareness and taxpayer compliance. The data source used in this research is subject data on a person or group of people who are research subjects (respondents). Meanwhile, the type of data in this research is primary data, namely data obtained directly from the original source in the form of questionnaire results (Ningtyas & Aisyaturrahmi, 2022).

### **B. Object of research**

Through the research carried out, the population used was the people of Batam City, the subjects of this research themselves were taxpayers registered at the Batam City Tax Service Office. This subject was taken because as is known, Batam City is one of the richest cities in Indonesia with a population density of approximately 1,200 people and in 2021 it will be able to produce data on Gross Regional Domestic Product (GRDP) per capita of approximately Rp. 141,000,000.

The population in this study are taxpayers registered at the Batam City Tax Service Office who are willing to become research objects by filling out a questionnaire that has been previously prepared by the author. Because the number of taxpayers who are willing to fill out the questionnaire is not fixed, the population in this study is included in the infinite population category. The samples taken are people who live in Batam City and already have a Taxpayer Identification Number (NPWP). This is due to obtaining valid data from people who have registered as taxpayer status. There were 200 questionnaires distributed when the research began to taxpayers in Batam City where the sample size was determined using the Roscoe formula. The Roscoe formula itself uses the multiplication of the number of sample members

of at least 10 respondents from the number of dependent and independent variables studied, namely (Safaah et al., 2022):

$$n = N \times (V_d + V_i)$$

Information:

$n$  = Number of samples

$N$  = Number of population

$V_d$  = Number of dependent variables

$V_i$  = Number of independent variables

$$n = 50 \times (1 + 3)$$

$$n = 200$$

### **C. Operational Definition of Variables**

This research was carried out using variables, each of which has value because it has varying characteristics of an object and the final result will be a conclusion. Because of this, this research was formed with several variables such as taxpayer compliance as the dependent variable, and voluntary disclosure programs, tax sanctions, and tax audits as independent variables, and tax awareness as the moderator. Each variable certainly presents a statement for the purposes of this research which will be measured using a Likert scale rating category with a range of 1-4 based on (1) strongly disagree, (2) disagree, (3) agree, (4) strongly agree.

#### **1. Dependent variable**

##### **Taxpayer Compliance**

According to Mansur et al. (2022) taxpayer compliance has a strict relationship with commitment which describes that taxpayers have an obligation to pay taxes and act responsibly to fellow citizens without being forced as taxpayers to comply with taxation. Taxpayer compliance refers to the principle that all citizens have an obligation to submit payments and report annual income honestly and accurately. To research and test this variable, the author has prepared 11 statements using a Likert scale.

#### **2. Independent Variable**

##### **Voluntary Tax Disclosure Program**

According to Mansur et al. (2022) the voluntary disclosure program is a policy that has the benefit of giving taxpayers the opportunity to report their assets that were not reported in the previous year by paying taxes based on predetermined rates. All taxpayers who participate in this policy also get the benefit of avoiding tax audits and tax sanctions which have large rates. To research and test this variable, the author has prepared 4 statements using a Likert scale.

##### **Tax Sanctions**

According to Hantono & Sianturi (2021), tax sanctions are one of the factors that influence taxpayers to comply with tax payments. Tax sanctions also have the function of reducing the level of taxpayer violations of tax norms. Apart from this function, the existence of tax sanctions will ensure that taxpayers consistently carry out their tax obligations based on the provisions that have been implemented by the state. To research and test this variable, the author has prepared 9 statements using a Likert scale.

### **Tax audits**

According to Darmayasa et al. (2022) tax audits have a very important function in increasing taxpayer compliance in paying and reporting taxation honestly, accurately and voluntarily. Taxpayers who undergo a tax audit will create problems for the taxpayers themselves in preparing, completing and explaining the accuracy of the data if the data is reported honestly. In this way, taxpayers will feel worried when a tax audit is carried out, so that taxpayers will have a high level of tax compliance. Taxpayers themselves who have fulfilled their tax obligations will also see the risk of possible harm to taxpayers due to tax audits. To research and test this variable, the author has prepared 7 statements using a Likert scale.

## **3. Moderating Variables**

### **Tax Awareness**

According to Darmayasa et al. (2022) tax awareness is a condition that taxpayers know and obey the applicable tax regulations and have the desire to fulfill their responsibilities in their tax obligations. Tax awareness has logical thinking for all taxpayers to voluntarily distribute funds in the interests of citizens as an implementation of the tax function. Fulfillment of tax obligations for each taxpayer by accurately submitting the time and amount of tax that must be paid. To research and test this variable, the author has prepared 9 statements using a Likert scale.

### **Data collection technique**

The data used in this research is primary data. This data was obtained through distributing questionnaires using digital media such as Google Form, which will later be distributed online or directly or manually in the field. The questionnaire has been formed and structured in such a way as to make data processing easier.

Data collection through this questionnaire has been composed of general statements and main statements, where the general statement itself contains the identity and general characteristics of the respondent, while the main statement comes from each variable in this research.

### **Data analysis method**

In carrying out data analysis, there is a goal that the author wants to achieve, namely so that the data analyzed is able to provide the required information and make research activities easier. As for the variables in this research, there are moderating variables that link the independent and dependent variables, so that the data processing and testing used by the author is the Partial Least Squares (PLS) method. The use of the PLS method is carried out by assessing the outer model and inner model, where the outer model is intended so that the validity and reliability of the model can be assessed, while the inner model is intended so that the relationship between latent variables can be predicted. Then use SPSS to test the descriptive statistics section.

### **Descriptive Statistical Analysis**

Leni Masnidar Nasution (2017) means that descriptive statistical analysis is analysis carried out so that the existence of independent variables can be known, either only on one or more variables (stand-alone variables or independent variables) without making comparisons of the variables themselves and looking for relationships with the variables. other. Descriptive statistical analysis is a data analysis technique to explain data in general or generalization, by

calculating the minimum value, maximum value, average value (mean), and standard deviation (standard deviation).

### **Model Evaluation**

PLS model evaluation is based on prediction orientation which has non-parametric properties. The PLS evaluation model is carried out by assessing the outer model (evaluation of the measurement model) and the inner model (evaluation of the structural model) (Furadantin, 2018).

#### **Outer Model (Measurement Model Evaluation)**

The outer model is carried out to assess the validity and reliability of the model. The outer model with reflexive indicators is evaluated through convergent and discriminant validity of the indicators forming the latent construct and composite reliability as well as Cronbach's alpha for the indicator block (Furadantin, 2018).

#### **Validity test**

Validity test is a measuring tool that shows whether a questionnaire distributed is valid or not. The questionnaire will be said to be valid if the instrument used is able to measure the variable you want to measure. According to Furadantin (2018), this validity test must pass two things, namely convergent validity and discriminant validity. Convergent validity relates to the principle that each measurement (manifest variable) of a construct is highly correlated which is measured through the outer loading parameters, namely  $>0.60$  and the Average Variance Extracted (AVE), namely  $>0.50$ , while to measure discriminant validity, the value of each variable can be seen, namely  $>0.70$ .

#### **Reliability Test**

This reliability test will assess the extent to which the answers obtained from respondents can be relied upon or trusted when providing consistent answers in each questionnaire distribution. According to Furadantin (2018), this test was carried out to prove the accuracy, consistency and precision of the instrument in measuring the construct. The measurement to determine whether the instrument is reliable is Cronbach's alpha, namely  $>0.60$  and composite reliability, namely  $>0.60$ .

#### **Inner Model (Structural Model Evaluation)**

The inner model aims to ensure that the relationship between latent variables can be predicted, whether the relationship is evaluated from the direct effect test (direct influence) and the indirect effect test (indirect influence) (Furadantin, 2018).

#### **Direct Effect Test**

This test will show the level of influence between one variable and another variable. Whether the relationship is significant or not is listed in the path coefficient table in the P-Values column, which has a relationship between variables with a value  $<0.05$  so it can be said to have a significant relationship (Mertler & Vannatta Reinhart, 2020).

#### **Goodness of Fit Model**

#### **Coefficient of Determination Test (R<sup>2</sup>)**

Furadantin (2018) shows how much ability the model has in explaining endogenous (dependent) variables. If the value of R<sup>2</sup> changes, it can be used to explain the influence of certain exogenous (independent) latent variables on whether the endogenous (dependent) latent variable has a substantive influence. An R<sup>2</sup> value of  $>0.25$  means the model is weak, a

value >0.50 means the model is moderate, and a value of ≥0.75 means the research model is strong. If the R2 value is higher, the research model being tested is consistent or good.

**Test Quality Indexes**

In this test, it is an index that is able to show whether the model being tested is good or not. Furadantin (2018) stated that this test uses Goodness of Fit (GoF Index) criteria which were developed to evaluate measurement models and structural models, and will provide a simple measurement of the overall model predictions. The following is the formula for calculating the quality index:

$$GoF = \sqrt{((Comm) \bar{x} (R^2) \bar{x})}$$

Information:

GoF : Goodness of Fit for measuring quality index

(Comm)  $\bar{x}$  : Average communality (Average Variance Extracted/AVE)

(R<sup>2</sup>)  $\bar{x}$  : R squared average

A higher Goodness of Fit (GoF) value means that the resulting model is good. If the GoF value shows >0.10 it is declared small or weak, if it shows >0.25 then it can be said to be medium and if it shows a value >0.36 then it is declared large or strong.

**Results and Discussion**

**A. Outer Model Test Results**

**1. Data Validity Test Results**

So that testing can proceed to the next stage, there are two things that must be passed first, namely convergent validity (Outer Loading & Average Variance Extracted (AVE)) and discriminant validity. The validity of the data can be seen from the convergent validity with Outer Loading, namely >0.60 and AVE, namely >0.50, and discriminant validity measurements can be seen from the value of each variable, namely >0.70.

**Table 1**Outer Loading Test

<b>Correlation of Indicators with Variables</b>	<b>Outer Loading</b>	<b>Information</b>
<b>PPs1 &lt;- Voluntary Disclosure Program</b>	0.894	Valid
<b>PPs2 &lt;- Voluntary Disclosure Program</b>	0.950	Valid
<b>PPs3 &lt;- Voluntary Disclosure Program</b>	0.897	Valid
<b>PPs4 &lt;- Voluntary Disclosure Program</b>	0.931	Valid
<b>SP1 &lt;- Tax Sanctions</b>	0.887	Valid
<b>SP2 &lt;- Tax Sanctions</b>	0.894	Valid
<b>SP3 &lt;- Tax Sanctions</b>	0.814	Valid
<b>SP4 &lt;- Tax Sanctions</b>	0.840	Valid
<b>SP5 &lt;- Tax Sanctions</b>	0.864	Valid
<b>SP6 &lt;- Tax Sanctions</b>	0.879	Valid
<b>SP7 &lt;- Tax Sanctions</b>	0.909	Valid
<b>SP8 &lt;- Tax Sanctions</b>	0.891	Valid

<b>SP9 &lt;- Tax Sanctions</b>	0.906	Valid
<b>PP1 &lt;- Tax Audit</b>	0.905	Valid
<b>PP2 &lt;- Tax Audit</b>	0.912	Valid
<b>PP3 &lt;- Tax Audit</b>	0.893	Valid
<b>PP4 &lt;- Tax Audit</b>	0.727	Valid
<b>PP5 &lt;- Tax Audit</b>	0.890	Valid
<b>PP6 &lt;- Tax Audit</b>	0.886	Valid
<b>PP7 &lt;- Tax Audit</b>	0.853	Valid
<b>KsP1 &lt;- Taxpayer Awareness</b>	0.876	Valid
<b>KsP2 &lt;- Taxpayer Awareness</b>	0.888	Valid
<b>KsP3 &lt;- Taxpayer Awareness</b>	0.869	Valid
<b>KsP4 &lt;- Taxpayer Awareness</b>	0.861	Valid
<b>KsP5 &lt;- Taxpayer Awareness</b>	0.887	Valid
<b>KsP6 &lt;- Taxpayer Awareness</b>	0.904	Valid
<b>KsP7 &lt;- Taxpayer Awareness</b>	0.896	Valid
<b>KsP8 &lt;- Taxpayer Awareness</b>	0.906	Valid
<b>KsP9 &lt;- Taxpayer Awareness</b>	0.904	Valid
<b>KP1 &lt;- Taxpayer Compliance</b>	0.782	Valid
<b>KP2 &lt;- Taxpayer Compliance</b>	0.914	Valid
<b>KP3 &lt;- Taxpayer Compliance</b>	0.897	Valid
<b>KP4 &lt;- Taxpayer Compliance</b>	0.870	Valid
<b>KP5 &lt;- Taxpayer Compliance</b>	0.921	Valid
<b>KP6 &lt;- Taxpayer Compliance</b>	0.905	Valid
<b>KP7 &lt;- Taxpayer Compliance</b>	0.912	Valid
<b>KP8 &lt;- Taxpayer Compliance</b>	0.901	Valid
<b>KP9 &lt;- Taxpayer Compliance</b>	0.908	Valid
<b>KP10 &lt;- Taxpayer Compliance</b>	0.881	Valid
<b>KP11 &lt;- Taxpayer Compliance</b>	0.902	Valid

**Source:**Primary data processed (2022)

Table 1 shows that all indicator correlations with variables have met the requirement of >0.60, as a result it can be said that the questionnaire describes valid data.

**Table 2**Average Variance Extracted (AVE) Test

<b>Variable Statement</b>	<b>AVE</b>	<b>Information</b>
<b>Voluntary Disclosure Program</b>	0.843	Valid
<b>Tax Sanctions</b>	0.768	Valid
<b>Tax audits</b>	0.754	Valid
<b>Taxpayer Awareness</b>	0.788	Valid
<b>Taxpayer Compliance</b>	0.794	Valid

**Source:**Primary data processed (2022)

Table 2 shows that the AVE values of all these variable statements have met the requirements >0.50, as a result it can be said that the regulatory values are declared valid.



**Table 3**Discriminant Validity Test

<b>Variable Statement</b>	<b>Discriminant Validity</b>	<b>Information</b>
<b>Voluntary Disclosure Program</b>	0.918	Valid
<b>Tax Sanctions</b>	0.876	Valid
<b>Tax audits</b>	0.869	Valid
<b>Taxpayer Awareness</b>	0.888	Valid
<b>Taxpayer Compliance</b>	0.891	Valid

**Source:**Primary data processed (2022)

As a final test of validity, table 3 shows that the values of all statements have a value of >0.70, as a result it can be said that the value of the provisions is declared valid.

Through each stage, validity has been tested *convergent* and discriminant, it can be said that every condition has been fulfilled, as a result this data is worth passing to the next test stage.

**2. Data Reliability Test Results**

After the validity test is carried out, the reliability test is the second testing requirement before further analysis is carried out. In this case, this test is carried out so that variable measurements can be proven to be accurate. The data can be said to be reliable after passing the Cronbach's alpha test, namely >0.60 and composite reliability, namely >0.60.

**Table 4**Cronbach's Alpha and Composite Reliability Test

<b>Variable Statement</b>	<b>Cronbach's Alpha</b>	<b>Composite Reliability</b>	<b>Information</b>
<b>Voluntary Disclosure Program</b>	0.938	0.956	Reliable
<b>Tax Sanctions</b>	0.962	0.968	Reliable
<b>Tax audits</b>	0.945	0.955	Reliable
<b>Taxpayer Awareness</b>	0.966	0.971	Reliable
<b>Taxpayer Compliance</b>	0.974	0.977	Reliable

**Source:**Primary data processed (2022)

Table 4 shows that the data from all these variable statements have met the Cronbach's alpha requirements, namely >0.60 and composite reliability >0.60, as a result it can be said that the specified values are declared reliable.

This test is the last of the reliability tests, through table 4.9 it shows that the composite reliability value of all the variable statements meets the requirements >0.60, as a result it can be said that the regulatory value is declared reliable.

**B. Inner Model Test Results**

**1. Direct Effect Test Results (Direct Influence)**

As a peak test, here we will see the direct influence between latent variables which can be seen in the path coefficient via the P-Values column with a value <0.05, so that it can be proven to have a significant relationship or not.

**Table 5**Direct Effect Test Results (Direct Influence)

<b>Influence</b>	<b>Sample Mean</b>	<b>P-Values</b>	<b>Conclusion</b>
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Voluntary Disclosure Program -> Taxpayer Compliance	-0.032	0.670	Not significant
Tax Sanctions -> Taxpayer Compliance	0.395	0,000	Significant Positive
Tax Audit -> Taxpayer Compliance	0.086	0.462	Not significant
Voluntary Disclosure Program * Taxpayer Awareness -> Taxpayer Compliance	-0.018	0.920	Not significant
Tax Sanctions * Taxpayer Awareness -> Taxpayer Compliance	-0.331	0.014	Significant Positive
Tax Audit * Taxpayer Awareness -> Taxpayer Compliance	0.294	0.028	Significant Positive

**Source:**Primary data processed (2022)

**2. Coefficient of Determination Test Results (R2)**

**Table 6** Coefficient of Determination Test Results (R2)

Variable	R Square <i>Adjusted</i>	Conclusion
Taxpayer Compliance	0.923	<i>Strong</i>

**Source:**Primary data processed (2022)

Based on the data processing carried out, the results from table 6 show that the R Square value for the taxpayer compliance variable is 0.923, meaning that taxpayer compliance is very capable of being expressed by the variables of voluntary disclosure programs, tax sanctions, tax audits, and tax awareness with percentages. 92.3% and the remaining 7.7% were explained by other variables or factors outside the research model being carried out. The R Square of this research can be evaluated where taxpayer compliance is in the strong category. It is stated that if this result is higher, the model testing will be good and consistent.

**3. Quality Index Test Results**

This test was carried out to determine whether the research being tested was good or not as a whole. This test is simple to perform on the entire model prediction. This calculation comes from average communalities (AVE) data of 0.789 and an average adjusted R square of 0.923. The formula for calculating the quality index is as follows:

$$GoF = \sqrt{0.789 \times 0.923}$$

$$GoF = 0.728$$

This means that the GoF value of the data can be classified into  $GoF > 0.36$ , meaning that the research model is very good for continuing research.

**4. Discussion of Results**

Based on the output above, there are statements that can be given for the hypothesis that has been formed and will be explained as follows:

### **The Relationship of Voluntary Disclosure Programs to Taxpayer Compliance**

Through table 5, it can be seen that the test results show that the voluntary disclosure program has a direct influence on taxpayer compliance. Where it can be seen from the sample mean with the number -0.032 and the P-Values with the number 0.670, the result can be interpreted that the relationship between the voluntary disclosure program and taxpayer compliance has a positive and insignificant influence. Obtaining research results can indicate that the voluntary disclosure program for taxpayers in Batam City has no effect on increasing taxpayer compliance, because through the news conveyed by the Batam City Government, Taxpayer Appreciation (2022) and Tax Performance Until August 2022 Reached IDR 1,171.8 trillion, Growing 58.1% (2022) increase in tax revenue has increased from previous years, and taxpayer compliance every year always reaches the target. This states that there is minimal error or dishonesty by taxpayers in submitting their tax obligations, so that with the existence of a voluntary disclosure program there is no impact on Batam City taxpayers being obliged to report the previous year's annual tax return, because the data reported is mostly correct and accurate according to the factual conditions. taxpayer. The results of the study support the qualitative research of Bali (2022), Finrely and Ardiansyah (2022), Irawan and Raras (2021) showing that the voluntary disclosure program has no effect on taxpayer compliance. Researchers also concluded that the program was only useful for some taxpayers who were aware of past payment and tax reporting errors, although the voluntary disclosure program had an effect on increasing compliance for some taxpayers, but would be valid for a short period of time.

### **The Relationship between Tax Sanctions and Taxpayer Compliance**

Through table 5, the test results show that tax sanctions have an effect on taxpayer compliance, where the sample mean is 0.395 and the P-Values are 0.000. As a result, it can be interpreted that the relationship between tax sanctions and taxpayer compliance has a positive and significant influence. Obtaining these results can indicate that tax sanctions against taxpayers in Batam City have increased taxpayer compliance, because tax sanctions determined both administratively and criminally at small to large rates can be directly or indirectly imposed on taxpayers who violate tax regulations, so resulting in losses and fines imposed on taxpayers, it is possible to impose sanctions in stages, if ongoing violations are discovered by taxpayers. Similarly, Darmayasa et al. (2022), Santhi et al. (2022), Halawa and Saragih (2017), Gaol and Sarumaha (2022) who stated that tax sanctions have a positive and significant effect on taxpayer compliance. Researchers say that establishing strong and high tax penalty formulas and rates can be used to strengthen tax compliance.

### **The Relationship of Tax Audits to Taxpayer Compliance**

Through table 5, the test results can be presented which state that tax audits have a direct effect on taxpayer compliance, which involves a sample mean of 0.086 and P-Values of 0.462, as a result it can be interpreted that the relationship between tax audits and taxpayer compliance has a positive influence and not significant. Obtaining these results can be an indication that the majority of taxpayers in Batam City do not or have never known the purpose and risks of tax audits, resulting in taxpayers having the view that it is not beneficial for the taxpayers themselves, as well as the implementation of tax audit procurement which is still less consistent with the existing regulations. in force or still have exceptions that deviate from tax regulations in certain cases resulting in taxpayers feeling the freedom to make offers to avoid

the risk of a tax audit, thereby allowing for opportunities for the taxpayer's mindset to avoid compliance with taxpayers in the event of a tax audit. The results tested were not in accordance with Darmayasa et al. (2022), Gaol and Sarumaha (2022), Santhi et al. (2022); Alone.

### **The Relationship of the Voluntary Disclosure Program to Taxpayer Compliance moderated by Taxpayer Awareness**

Through table 5, the test results can be presented which state that the voluntary disclosure program does not moderate tax awareness on taxpayer compliance. Where it can be seen from the sample mean with the number -0.018 and the P-Values with the number 0.920, the result can be interpreted that the relationship between the voluntary disclosure program which is moderated by tax awareness and taxpayer compliance has a positive and insignificant effect. Obtaining these results can be indicated according to DDTCNews (2022) that taxpayer awareness of the knowledge, objectives, benefits and risks of the voluntary disclosure program is not really able to increase taxpayer compliance, because the awareness of most Batam City taxpayers has submitted tax data accurately and honestly based on real conditions, so that the program does not have too much influence on Batam City taxpayers, this statement has been conveyed by the Batam City Government Appreciation of Taxpayers (2022) and Tax Performance Until August 2022 Reaches IDR 1,171.8 trillion, Grows 58.1% (2022 ) tax revenues and the level of taxpayer compliance have increased every year and the majority are always in a safe condition.

### **The Relationship between Tax Sanctions and Taxpayer Compliance which is moderated by Taxpayer Awareness**

Through table 5, the test results can be presented which state that tax sanctions moderated by tax awareness have a direct effect on taxpayer compliance. Where it can be seen from the sample mean with the number -0.331 and the P-Values with the number 0.014, the result can be interpreted that the relationship between tax sanctions moderated by tax awareness on taxpayer compliance has a positive and significant influence. Obtaining these results can be an indication that the value received by taxpayers in Batam City is not yet overall awareness of tax fines can experience a consistent increase in tax compliance. Due to the lack of rigor in the implemented regulations and clear violations as a result of each violation, taxpayers clearly follow the applicable regulations without exception. So that taxpayers realize that knowledge of tax sanctions is not important in situations where they have not committed any violation, but if the taxpayer commits a violation and is aware of the consequences of the tax violation, then awareness of tax sanctions will increase tax compliance, because the risk received is detrimental and becomes a problem for taxpayers themselves. This supports the research results of Safiq (2020), Putu et al. (2019), and Muh. Syahru Ramadha and Samsudin (2022) stated that taxpayers are aware of the tax sanctions that will occur if taxpayers do not comply with their tax obligations.

### **The Relationship between Tax Audits and Taxpayer Compliance moderated by Taxpayer Awareness**

Through table 5, the test results can be presented which state that tax audits moderate tax awareness on taxpayer compliance, which can be seen from the sample mean with the number 0.294 and the P-Values with the number 0.028, as a result it can be interpreted that the relationship between tax audits is moderated by tax awareness on compliance. Taxpayers have

a positive and significant influence. Obtaining these results can indicate that taxpayer awareness of the knowledge, objectives, benefits and risks of tax audits can increase tax compliance. Because taxpayers are aware that the class of cases and problems that occur as a result of tax audits on taxpayers themselves, will cause large losses and gradual problems that allow taxpayers to continuously check all assets until they are clean from dishonesty and inaccurate data paid and reported. This is in accordance with research conducted by Gaol and Sarumaha (2022), Santhi et al. (2022) .

## Conclusion

As the final stage in the research, there is a conclusion that the author will convey based on the analysis of information from the previous chapters which aims to gain knowledge about things that have a direct influence on taxpayer compliance with tax awareness moderating voluntary disclosure programs, tax sanctions, and tax audits. The conclusions we wish to convey are based on the results of research and data processing, as follows:

1. The voluntary disclosure program has a positive and insignificant effect on taxpayer compliance. The same results were also revealed from qualitative research Bali (2022), Finrely and Ardiansyah (2022), Irawan and Raras (2021).
2. Tax sanctions have a positive and significant influence on tax compliance. The same results were also revealed from the research Darmayasa et al. (2022), Santhi et al. (2022), Halawa and Saragih (2017), Gaol and Sarumaha (2022).
3. Tax audits have a positive and insignificant effect on tax compliance. The same results were also revealed from the research Darmayasa et al. (2022), Gaol and Sarumaha (2022), Santhi et al. (2022), Mimi and Mulyani (2022), And Primasari and Hendrani (2022).
4. Voluntary disclosure programs do not moderate tax awareness on tax compliance. The same results were also revealed from news exposure DDTC News (2022).
5. Tax sanctions moderate tax awareness of tax compliance. The same results were also revealed from the research Safiq (2020), Putu et al. (2019), And Muh. Syahru Ramadha and Samsudin (2022)
6. Tax audits moderate tax awareness on tax compliance. The same results were also revealed from the research Gaol and Sarumaha (2022), Santhi et al. (2022), Mimi and Mulyani (2022), And Primasari and Hendrani (2022).

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