

The Role Of Prevention Efforts In Association Between Interactional Fairness And Taxpayer Compliances Intentions

Randy Fatria Pradana, Amrie Firmansyah

Abstract: This study is aimed at providing empirical evidence on the effect of interactional fairness on taxpayer compliance intentions with prevention efforts as a moderating variables. This study divides interactional fairness into interpersonal fairness and informational fairness. The type of data used in this study is primary data obtained directly from the object of research by giving questionnaires randomly to the respondents of the study, namely all MSME Taxpayers. The sampling technique used in this study was nonprobability sampling with a purposive sampling technique. After checking the questionnaires, 173 research questionnaires were considered valid. Of the 173 questionnaires that were considered valid, 159 or 91.91% came from respondents who filled out the physical questionnaire given directly, and 14 or 8.09% came from respondents who filled out the questionnaire through the google form link address. This study suggests that Interpersonal fairness and informational fairness are positively associated with taxpayer compliance intentions. However, interaction prevention efforts with interpersonal fairness suggested a negative effect on taxpayers' compliance intentions. Furthermore, prevention efforts have no role in the association of informational fairness and taxpayer compliance intentions.

Index Terms: Taxpayer Compliance Intentions, Interactional Fairness, Preventions.

1. INTRODUCTION

In the past ten years, Indonesia Tax Authority has faced severe challenges related to tax revenues. Calculated only once, namely in 2008, the target of tax receipts charged to the Authority could be fulfilled (www.bps.go.id). The issuance of Indonesia Act Number 11 of 2016 concerning Tax Amnesty has also not been able to help Indonesia Tax Authority to achieve tax revenue targets in the short term. Indonesia's revenues from the tax sector in 2016 were only around 81.60% of the 2016 tax revenue target (Indonesia Tax Authority Performance Report, 2016). The tax ratio, which only produces a figure of around 10.9%, suggests that there are still many taxpayers who have not carried out their tax obligations correctly and honestly (www.kemenkeu.go.id). To improve taxpayer compliance, Braithwaite (2003) stated that today's tax authorities are increasingly actively adopting a new approach related to taxpayer compliance by emphasizing the role of interaction between tax officers and taxpayers. According to Farrar et al. (2017), this is a reasonable approach considering the interaction between tax officers and taxpayers plays an important role in the implementation of the taxation system to improve taxpayer compliance. Colquitt et al. (2001) also stated that an individual tends to consider the perception of fairness in making a decision, and perceptions of fairness for interaction is the dominant dimension of fairness in influencing these decisions in the corridor agent-based basis.

In 2016 Indonesia Tax Authority succeeded in proving that Taxpayers well received the quality of interactions (person and information) provided by Indonesia Tax Authority officials by obtaining the 2016 Service Quality Award (www.pajak.go.id). These innovations provide a sufficiently deep space of interaction between tax employees and taxpayers in the process of fulfilling tax obligations so that

they are expected to be one of the drivers in increasing taxpayer compliance intentions. However, this has not provided significant results on taxpayer compliance, including the Micro, Small, and Medium Enterprises (MSME) taxpayer compliance, even though MSME taxpayers are potential taxpayers. MSME players who pay taxes are only around 10% of the total MSMEs, and the contribution of MSME revenues to tax revenues is only 0.5% (Adam 2016). It is contrary to the fact that MSMEs contribute around 60.34% of gross domestic income (Mutmainah, 2016). The existence of this phenomenon makes the concept of interactional fairness an interesting thing for the writer, thus encouraging the writer to know the influence on the intention of compliance of the MSME Taxpayer. Regarding the concept of interactional fairness, there were differences of opinion among researchers. Nugraheni & Purwanto (2015) and Farrar et al. (2017) stated that taxpayer interactions with tax officers significantly increase taxpayer compliance. However, Hartner et al. (2010) stated that interactional fairness is negatively associated with taxpayer compliance. Wenzel (2006) attempted to find the effect of interactional fairness through interpersonal and informational fairness, according to Colquitt (2011), who found that interpersonal fairness has a significant effect while informational fairness does not significantly influence taxpayer compliance intentions. Farrar (2015) distinguished interaction fairness from interpersonal fairness, and informational fairness found that interpersonal fairness does not affect taxpayer compliance, while informational fairness has a significant influence on the level of taxpayer compliance. Also, Farrar & Thorne (2016) found that interpersonal fairness and informational fairness have a significant influence on taxpayer compliance. In connection with the differences in the results of research on the two components of interactional fairness, in this study, interactional fairness aspects are divided into interpersonal fairness and informational fairness to see the effect of each aspect on taxpayer compliance intentions. Interpersonal fairness itself is an interactional fairness dimension that sees personal treatment, including politeness, respect, and dignified behavior given by tax officers to taxpayers, while informational fairness is the adequacy of information provided

- Randy Fatria Pradana: Department of Accounting, Polytechnic of State Finance STAN, Bintaro Main Street 5th Sector, Bintaro Jaya, South Tangerang, Banten, Indonesia, 15222. Email: pradanarandy01@gmail.com
- Amrie Firmansyah*: Department of Accounting, Polytechnic of State Finance STAN, Bintaro Main Street 5th Sector, Bintaro Jaya South Tangerang, Banten, Indonesia, 15222. Email: amrie.firmansyah@gmail.com

by tax officials to taxpayers (Colquitt, 2001; Farrar et al. 2017). In addition to having a direct influence on taxpayer compliance intentions, research by Farrar et al. (2017) found that the influence of interactional fairness dimensions on taxpayer compliance intentions was also influenced by other variables such as prevention efforts carried out by the tax authorities. Therefore, in addition to examining the direct influence of interactional fairness, researchers will also examine the combination of the effects of interactional fairness on taxpayer compliance intentions when there is a preventive effort from Indonesia Tax Authority. Prevention efforts are a strategy that cannot be separated from government policies in improving taxpayer compliance (Diamastuti, 2012). The research related to the interaction effect also supports the recommendations of the Organization for Economic Cooperation & Development (2010), which encouraged research on taxpayer compliance based on a combination of policies related to efforts to increase taxpayer trust and the use of tax authority. Based on the description of the problem above, this study will analyze the effect of interactional fairness on the intention of MSME Taxpayer compliance in DKI Jakarta Province with prevention efforts as a moderating variable. These variables are believed to be relevant to the intentions of MSME Taxpayer compliance. There are several differences between this study and previous research. In this study, the authors focused on the influence of interactional fairness dimensions on taxpayer compliance intentions. Farrar et al. (2017) stated that researchers are still lacking in focusing on the effects of interactional fairness. Most studies related to the fairness dimension focus on the dimensions of procedural and distributive fairness. Li et al. (2009) stated that procedural and distributive fairness is generally structural and is a reflection of regulatory behavior in the system, while Bies & Moag (1986) stated that interactional fairness is generally social and is a reflection of the personal relationship of an individual. Based on the results of previous research studies, the influence of interactional fairness in Indonesia has been examined by Nugraheni & Purwanto (2015) on compliance with the submission of annual taxpayer tax returns. In this study, the interaction between tax officers and MSME Taxpayers was tested in terms of interpersonal fairness and informational fairness because, according to Akinboade (2015), interpersonal interactions and information provided by tax officers to taxpayers were important issues in influencing taxpayer compliance, especially obligatory MSME Taxes. Most MSMEs who do not have special employees to deal with their taxation problems (Sawitri, 2017) lead MSMEs tend to engage in personal interactions regarding tax issues. Also, the MSME Taxpayers themselves, according to Kirchler (2007), are very synonymous with non-compliance because MSME Taxpayers tend not to have employees, consultants, or lawyers who specifically and intensively ensure that their tax obligations are carried out routinely and correctly. The Minister of Finance of the Republic of Indonesia even stated that the lowest taxpayer compliance comes from MSME Taxpayers (Rachman, 2017), even though MSME Taxpayers themselves are very potential taxpayers. This study also tries to observe the combination of perceptions of fairness when influenced by the prevention efforts of the Indonesia Tax Authority on Taxpayer compliance intentions, where most research focuses on those influences in isolation (Farrar et al. 2017). From the results of the literature study conducted,

research on the combination of the influence of perceptions of fairness and prevention efforts has been carried out in several developed countries such as in Switzerland by Feld & Frey (2002) and in America by Farrar et al. (2017). In Indonesia, this combination of research has been carried out by Ratmono & Cahyonowati (2013) and Fadilah & Panjaitan (2016). Ratmono & Cahyonowati (2013) examined the effect of prevention efforts in the form of sanctions and fines on individual taxpayer compliance with trust as a moderating variable, while Fadilah & Panjaitan (2016) examined the effect of tax fairness and prevention efforts on taxpayer compliance with service quality as moderating variables. In this study, the combination of variables used is adopted by Farrar et al. (2017). In the study, they encouraged the perception of fairness to be investigated using taxpayers in the country concerned to know the behavior of taxpayers in the country because differences in taxpayer characteristics in each country would produce different behaviors. However, interactional fairness variables in Farrar et al. (2017) will be divided into interpersonal fairness and informational fairness because both of these are believed to be important factors in supporting the compliance of MSME Taxpayers according to Akinboade (2015). The following difference is the measurement of variables in this study. Farrar et al. (2017) used a dummy variable in measuring the independent variables of the study through taxpayers' perceptions of narratives that describe a particular condition in the research questionnaire. Perceptions of the variables in this study are based on the taxpayer's perception of the real experience they feel measured using the Likert scale (metric) by adopting questionnaire items from Hartner et al. (2010), Farrar (2015), Lozza et al. (2013), and Farrar et al. (2017) adjusted to the conditions and regulations for MSME taxation in Indonesia so that it is expected to illustrate the intention of MSME Taxpayer compliance better. It causes the method used in this study to be different from Farrar et al. (2017). This study uses regression analysis while Farrar et al. (2017) using ANOVA analysis. The object of this study employs MSMEs in DKI Jakarta Province, the capital city of Indonesia. From the Indonesia Tax Authority data, tax revenues from MSMEs in DKI Jakarta Province only contributed 0.5% of the total tax revenue in DKI Jakarta Province. Then, out of 1,173,868 MSMEs in the DKI Jakarta Province, only 127,802 made tax payments, and 31,271 reported their Annual Tax Return, even though when the contribution of MSMEs reached 60.34% of National Gross Regional Domestic Product, Jakarta is the most significant contributor to that portion (Tempo, 2016). Data from the Final Report of the 2013 Indonesia Ministry of Finance's Stakeholders' Opinion Survey for 2015, suggests that the perception of Taxpayers regarding the treatment and information provided by Indonesia Tax Authority in the DKI Jakarta Province always increases, which are 3.74; 3.78; and 3.92 for treatment and 3.73; 3.86; and 3.90 for information. The highest index value for Indonesia Tax Authority interaction with Taxpayers of 3.9189, which contributed to the 2016 Service Quality Awards, also indicated that the Indonesia Tax Authority had provided quality interaction as part of interactional fairness that was good in the point of view of taxpayers.

2. HYPOTHESIS DEVELOPMENT

In attribution theory, special circumstances (distinctive) will affect an individual's decision making in behavior. An

individual will assess the situation they are in and decide to behave depending on the assessment. Research by Feld and Frey (2002) found a positive influence on the interaction of taxpayers with tax authorities through surveys in 26 regions in Switzerland, namely, the better the interaction provided, the higher the taxpayer compliance. This interaction is reflected in the fair treatment and information of the tax authorities. However, Hartner et al. (2010), through his research of 194 respondents in Austria, found the negative effect of interactional justice on the level of taxpayer compliance. Wenzel (2006), through the media notice to Taxpayers, concluded that notification letters that consider interpersonal justice affect the level of taxpayer compliance significantly. On the other hand, notification that considers interpersonal justice affects the level of taxpayer compliance that is less significant. A different research result was stated by Farrar (2015) who also conducted research related to interactional justice by dividing it into interpersonal justice and informational justice towards the Canadian Taxpayer Bill of Rights. Farrar (2015) found that taxpayers perceive informational justice as an important factor influencing taxpayer compliance, while interpersonal justice does not play an important role in the perception of taxpayers regarding taxpayer compliance. Distinctive conditions in attribution theory and previous research show that the two dimensions of interactional justice are factors that form perceptions that will influence the attitude of taxpayers in behavior. The respectful and sincere interpersonal treatment will cause a good perception in the Taxpayer because, according to Blader & Tyler (2009) and Tyler & Blader (2003), a Taxpayer wants to be treated fairly and well. Therefore, it is assumed that the intention of taxpayer compliance will increase along with the increase in interpersonal justice received by taxpayers. Therefore, the hypothesis in this study is as follows.

H₁: Interpersonal fairness is associated with taxpayer compliance intentions

In addition to good treatment, taxpayers also need interaction in the form of providing sufficient information. Sufficient information is an important indicator that is considered by taxpayers to fulfill their tax obligations (Farrar 2015). Therefore, it is assumed that the intention of taxpayer compliance will increase along with the increase in informational fairness received by taxpayers. Based on the description, the hypothesis in this research is as follows.

H₂: Informational fairness is associated with taxpayer compliance intentions.

Conditional cooperation theory explains that a taxpayer has a psychological contract with the tax authority. When other factors influence the Taxpayer's behavior, he will also influence the psychological contract. Other factors that are considered contra of psychological contracts will be considered as a non-cooperator and can cause potential irregularities that weaken existing psychological contracts. This combination of two things will later influence the Taxpayer's decision to behave. This combination can be seen in the research of Farrar et al. (2017), who found that there was a significant role from prevention efforts with the association between interactional fairness and taxpayer compliance intentions. The role has resulted in a weakening the association between interactional fairness and taxpayer compliance intentions. Alm et al. (2009) also suggested that prevention efforts be investigated further as a moderating

variable because he assumed that prevention efforts had a moderating effect on taxpayer trust. It is in line with the OECD recommendations to examine the combination of the influence of the authority held by the tax authority with the trust of the taxpayer. Based on condition cooperation theory and previous research, the prevention efforts will affect the Taxpayer's perception of the treatment and information. It will change the attitude of taxpayers in terms of carrying out their tax obligations. Prevention measures are considered as a counter to interactional fairness given by the tax authority. This condition causes prevention efforts to be considered as non-cooperators, which make the attenuation of psychological contracts in the form of interactional fairness influence on taxpayer compliance intentions. According to Kirchler et al. (2008), the use of authority, such as prevention efforts will lead to a perception of poor interaction between the tax authorities and taxpayers because taxpayers are considered fugitives. Situations where on one side of the Taxpayer are given good treatment, and on the other hand, they are given poor treatment will weaken the intention of the Taxpayer to comply. Therefore, it is assumed that prevention efforts will moderate the influence of interpersonal fairness on taxpayer compliance. Based on the description, the hypothesis in this study is as follows:

H₃: Prevention efforts have a positive role in increasing the association between interpersonal fairness and taxpayer compliance intentions.

In addition to good treatment, the provision of sufficient information will also lead to perceptions of good and fair interaction with MSME Taxpayers. This perception, based on the conditional cooperation theory, will produce a psychological contract to obey the taxpayer. However, the prevention efforts of the Indonesia Tax Authority will lead to a perception of poor interaction that will damage the psychological contract so that it will weaken the taxpayer's intention to comply. It is assumed that prevention efforts will have a role to increase the association between informational fairness and taxpayer compliance intentions. Therefore, the hypothesis in this study is as follows:

H₄: Prevention efforts have a positive role in increasing the association between informational fairness and taxpayer compliance intentions.

3. RESEARCH METHODOLOGY

The type of data used in this study is primary data obtained directly from the object of research by giving questionnaires randomly to the respondents of the study, namely all MSME Taxpayers. The sampling technique used in this study was nonprobability sampling with a purposive sampling technique. The data collection instrument used to test the intention of MSME Taxpayer compliance is a questionnaire. The questionnaires were distributed randomly to several samples of MSME owners, and the data obtained will be further analyzed. DKI Jakarta Province was chosen as the object of research because the contribution of MSMEs to GRDP reached 60.34% (Mutmainah, 2016) and MSMEs in DKI Jakarta Province are the largest contributors, followed by East Java and West Java Provinces (Tempo, 2016). However, based on data from the DGT, tax revenue from MSMEs in DKI Jakarta Province only contributed 0.5% of the total tax revenue in DKI Jakarta Province. Then, from 1,173,868 SMEs in the Province of DKI Jakarta, only 127,802 made tax payments, and 31,271 reported their annual tax

returns. In the study, this questionnaire were compiled by modifying the questionnaire from the study of Lozza et al. (2013), Farrar (2015), Hartner et al. (2010), and Farrar et al. (2017) and adopting the compliant Taxpayer criteria contained in the Indonesia Minister of Finance Decree concerning Criteria for Taxpayers that Can Be Provided with Preliminary Returns on Excess Payments of Taxes. These modifications can be in the form of replacement, reduction, and the addition of several statements to suit the situation and conditions of taxation for MSMEs in Indonesia. The dependent variable in this study is taxpayer compliance intentions, which is a situation in which taxpayers pay and report required tax according to applicable laws and regulations (Roth et al., 1989). Taxpayer compliance intentions are measured using the Taxpayer compliance component following Hartner et al. (2010) and adopted a compliant Taxpayer concept as stipulated in the Decree of the Indonesia Minister of Finance concerning the Criteria for Taxpayers that Can Be Returned for the Preliminary Returns of Excess Tax Payments. There are two statement items from the Hartner et al. (2010) questionnaire. It is not used in this study, namely, "Some operating expenses in my Annual Tax Return are not related to my business" and "It may be that I pretend to employ employees" because this is not relevant to the regulations in Indonesia. Meanwhile, the independent variables employed in this study are interpersonal fairness and informational fairness. According to Colquitt (2001), interpersonal fairness is a dimension of fairness that reflects the level of interpersonal treatment. This dimension of fairness includes respect and sensitivity provided by opponents of interaction (Greenberg, 1993; Ahmad & Ahmad, 2018). Interpersonal fairness is measured following the Farrar (2015) questionnaire and the interactional component of Hartner et al. (2010) included in the category of interpersonal fairness. Informational fairness is the adequacy of information provided for someone, according to Colquitt (2001). Shapiro et al. (1994) stated that informational fairness could be seen from two dimensions, namely relevant and specific. Informational fairness will be measured using the Farrar (2015) research questionnaire and the interactional fairness component on the Hartner et al. questionnaire. (2010) Included in the category of informational fairness. Furthermore, in this study, the moderating variable used was prevention. According to Gangl et al. (2015), prevention efforts are the efforts of a party to influence the behavior of others in making decisions that can be made with a legitimate or coercive approach. Prevention efforts will be measured using a research questionnaire Lozza et al. (2013) and modified the questionnaire Farrar et al. (2017). The summary of the operationalization of the variables in this study are as follows:

TABLE 1
The Operationalization of the Variables

Variable	Operational Definitions	Indicators	Scale	Number of The Items
Taxpayers Compliance Intentions (Y)	Situations where taxpayers pay and report required tax according to applicable laws and regulations (Roth et al., 1989).	Self-reported Tax Compliance	Ordinal	Q28 - Q34

Interpersonal Fairness (X ₁)	A dimension of fairness that reflects the level of interpersonal treatment which includes aspects of the treatment of respect and sensitivity from opponents of interaction (Greenberg, 1993).	Respect Sensitivity	Ordinal Ordinal	Q1 - Q5 Q6 - Q8
Informational Fairness (X ₂)	The adequacy of information provided to someone where the information is relevant and specific (Shapiro et al., 1994).	Relevant Specific	Ordinal Ordinal	Q9 - Q13 Q14 - Q15
Prevention Efforts (X ₃)	the effort of a party to influence the behavior of others in making decisions that can be done with a legitimate or coercive approach (Gangl et al., 2015).	Legitimate Coercive	Ordinal Ordinal	Q16 - Q21 Q22 - Q27

The questionnaire in this study employs indicators in this study using a Likert scale. The Likert scale used is a scale at 7 points because, according to Blerkom (2009), the scale at 7 points is the scale most often used. Also, according to the scale at 7 points, the selection of categories in the questionnaire will be more specific. The scale at 7 points will provide a category of choices strongly agree, agree, somewhat agree, neutral, somewhat disagree, disagree, strongly disagree. The assignment of each category of choice is value 7 for strongly agree, value 6 for agree, value 5 for somewhat agree, value 4 for neutral, value 3 for somewhat disagree, value 2 for disagree, and value 1 for strongly disagree.

4. RESULTS AND DISCUSSIONS

Results

This study conducted a preliminary study related to the instruments in the initial draft questionnaire. The preliminary study was conducted by distributing the initial design of the questionnaire to 30 respondents who were by the criteria of the respondents in this study. The distribution of the initial design of the questionnaire was carried out by giving the questionnaire the initial design directly to the respondents. From the respondents' data obtained through this preliminary study, validity tests and reliability tests were conducted, knowing the reliability and validity of the initial draft questionnaire. This research was conducted in the period from September to December 2017 using primary data through a questionnaire. Distribution of questionnaires is done by distributing directly to respondents and using internet media through the link address <https://goo.gl/fNki5C>. Questionnaires were given to MSMEs as referred to in Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises that met the criteria of Government Regulation concerning Income Tax from Businesses Received or

Obtained by Taxpayers who Have Certain Gross Circulation, having business activities in the administrative area of the DKI Jakarta Province and has interacted with the Indonesia Tax Authority both directly and indirectly. Of the 231 questionnaires distributed and distributed directly and through the internet, 204 respondents filled out and returned questionnaires to the authors. Of these, several questionnaires were declared invalid because they did not meet the checking requirements. As many as three respondents have a business circulation exceeding 400,000,000 Rupiahs in a month, so it is assumed that the three respondents have a business circulation exceeding 4,800,000,000 Rupiahs in a year. The three respondents were deemed not to be by the criteria of MSME actors by the Government concerning Income Tax from Businesses Received or Obtained by Taxpayers with Certain Gross Circulations. In addition, as many as 28 respondents answered never on the question "Have you ever interacted or communicated with tax officials either directly (for example coming to the tax office, visited by tax officials, participating in tax socialization) or indirectly (for example by mail, telephone, email, SMS, Twitter, Instagram, Facebook, leaflet or other media)?" Based on this, 28 respondents were assumed to not meet the qualifications in terms of taxpayers who had interacted with the Indonesia Tax Authority. After checking the questionnaires, 173 research questionnaires were considered valid. Questionnaires that have been considered valid are then processed and grouped by type of business, gender, age, level of education, business circulation per month, and those who handle taxation issues. Of the 173 questionnaires that were considered valid, 159 or 91.91% came from respondents who filled out the physical questionnaire given directly, and 14 or 8.09% came from respondents who filled out the questionnaire through the google form link address. The results of the validity test on the question instrument in the questionnaire in this study. Each table describes the results of the validity test for each variable used in this study, as follows:

TABLE 2

Test Results for Validity of Questionnaires for Interpersonal Fairness Variable

Code	Pearson Correlation	r_{table}	Result
Q1	0,767	0,149	Valid
Q2	0,789	0,149	Valid
Q3	0,828	0,149	Valid
Q4	0,806	0,149	Valid
Q5	0,797	0,149	Valid
Q6	0,823	0,149	Valid
Q7	0,823	0,149	Valid
Q8	0,805	0,149	Valid

TABLE 3

Test Results for Validity of Questionnaires for Informational Fairness Variable

Kode	Pearson Correlation	r_{table}	Result
Q9	0,864	0,149	Valid
Q10	0,839	0,149	Valid
Q11	0,901	0,149	Valid

Q12	0,888	0,149	Valid
Q13	0,908	0,149	Valid
Q14	0,893	0,149	Valid
Q15	0,930	0,149	Valid

TABLE 4

Test Results for Validity of Questionnaires for Prevention Efforts Variables

Kode	Pearson Correlation	r_{table}	Result
Q16	0,801	0,149	Valid
Q17	0,749	0,149	Valid
Q18	0,807	0,149	Valid
Q19	0,864	0,149	Valid
Q20	0,789	0,149	Valid
Q21	0,769	0,149	Valid
Q22	0,694	0,149	Valid
Q23	0,606	0,149	Valid
Q24	0,696	0,149	Valid
Q25	0,084	0,149	Not Valid
Q26	0,680	0,149	Valid
Q27	0,773	0,149	Valid

TABLE 5

Test Results for Validity of Questionnaires for Taxpayer Compliance Intention Variables

Kode	Pearson Correlation	r_{table}	Result
Q28	0,816	0,149	Valid
Q29	0,788	0,149	Valid
Q30	0,862	0,149	Valid
Q31	0,862	0,149	Valid
Q32	0,807	0,149	Valid
Q33	0,851	0,149	Valid
Q34	0,788	0,149	Valid

Furthermore, the reliability test concluded that all the questionnaire variables in this study are reliable, as follows.

TABLE 6

Test Results For Questionnaire Reliability

Variabel	Cronbach Alpha (α)	Result
Interpersonal Fairness	0,921	Reliable
Informational Fairness	0,955	Reliable
Prevention	0,925	Reliable
Taxpayer Compliance Intention	0,918	Reliable

While descriptive statistics for all variables in this study as follows

Table 7 Descriptive Statistics

	Mi n	M ax	Me an	Std. Dev.	Me d.
Interpersonal Fairness (X1)	1,8 8	6, 88	4,1 3	1,01	4,0 0
Informational Fairness (X2)	1,0 0	7, 00	3,5 8	1,44	3,4 3
Prevention (X3)	2,2 7	6, 91	4,7 6	1,09	4,8 2
Taxpayer Compliance Intention (Y)	2,1 4	7, 00	4,7 2	1,23	4,7 1

Equation Model Regression Test Results as follows:

Table 8 Equation Model Regression Test Results

Variabel	Coeff	t	Sig.	
(Constants)	-3,287	-3,010	0,003	***
X1	1,369	2,753	0,007	***
X2	0,719	2,438	0,016	**
X3	1,214	5,505	0,000	***
X1X3	-0,248	-2,575	0,011	**
X2X3	-0,054	-0,870	0,385	
Adj. R-Squared	0,681			
F- Stat	74,291			
Prob (F Stat)	0,000			

5. DISCUSSIONS

1. The association between Interpersonal Fairness and Taxpayer Compliance Intention

Hypothesis testing suggests that interpersonal fairness is positively associated with taxpayer compliance intentions. This result is in line with Wenzel (2006) and Farrar et al. (2017). Wenzel (2006) employed media appeals to taxpayers to examine whether an appeal letter that accommodates interpersonal fairness will affect taxpayer compliance. Research by Farrar et al. (2017), who also developed the study of Wenzel (2006), using media letters that use a narrative or story to describe interactional fairness and prevention efforts. Also, the results of similar studies are shown by the research of Nugraheni & Purwanto (2015) in Indonesia, which examined interactional fairness towards individual taxpayer compliance. According to Fortin & Fellenz (2008), interpersonal fairness itself can be seen from the dimension of respect, namely treating taxpayers respectfully, kindly, politely, seriously, and not playing games and professionals. Also, interpersonal fairness can be seen from the dimensions of sensitivity, namely in the Indonesia Tax Authority, which is always not prejudiced, gives no fear, and is more interested in helping taxation in treating taxpayers. This study is slightly different from Wenzel (2006) and Farrar et al. (2017) wherein this study, the questionnaire used to test the perceptions of taxpayers was measured based on what taxpayers perceived and experienced so far while Wenzel (2006) and Farrar et al. (2017) only divides the research variable into high and low conditions using a narrative. Also, this study focuses on the compliance of MSME Taxpayers, while the research of Nugraheni & Purwanto (2015) focused on individual taxpayers. Individual taxpayers themselves consist of employees and non-employees where employee taxpayers who have been deducted by the employer only should report the annual tax return. Although there are differences in characteristics with previous studies, this study reinforces the results of previous studies related to the positive influence of interpersonal fairness in improving taxpayer compliances. According to Blader & Tyler (2009) and Tyler & Blader (2003), taxpayers want fair and reasonable interactions from the tax authorities. Feld & Frey (2002), who examined respectful treatment given by the tax authorities to tax avoidance, also express views that are in line with this research. This tax avoidance is a reflection of tax non-compliance. This respectful treatment will reduce tax

avoidance behavior carried out by taxpayers, which means that it will increase taxpayer compliance. In line with this, the results of this study suggest that when the Indonesia Tax Authority treats respect and sincerity (interpersonal), then the taxpayer's intention to obey is also increasing. The influence of interpersonal fairness on taxpayer compliance intentions is appropriate if it is associated with the distinctiveness dimension described by Robbins & Judge (1996) in attribution theory (Kelley, 1973), namely the difference in treatment or action given by others will make a difference in how they respond to this to act. When a Taxpayer receives fair interpersonal treatment from a tax official, the Taxpayer finds a reason why he must act in compliance with his tax obligations. Therefore, this fair interpersonal treatment is the reason the Taxpayer has the intention to obey where the level of intention to obey will vary according to the perceptions of interpersonal fairness he receives. This study provides different results from the study of Hartner et al. (2010), who found that interactional fairness is negatively associated with the behavior of taxpayer compliance in Austria. The respectful, polite, and sincere treatment of the Austrian tax authorities makes taxpayers tend to be disobedient. According to Hartner et al. (2010), due to the perception of Austrian Taxpayers who consider that with fair treatment from the Austrian tax authorities, the possibility of threats in the form of penalties or penalties is very minimal so that it tends to provoke deviant behavior of taxpayers. This difference in perceptions of treatment received is thought to be the cause of differences in the results of the study in which taxpayers in Indonesia who adhere to eastern cultures tend to expect respectful and sincere behavior so that they can better accept policies from the government (Handayani, 2016). Another indication that was generated in this study was the variation in perceptions of MSME Taxpayers on interpersonal fairness, which was quite high even though the perception of interpersonal treatment was predominantly perceived as fair by MSME Taxpayers. It is indicated by the high standard deviation of interpersonal fairness in this study. These variations indicate that the Indonesia Tax Authority has not uniformly treated the MSME Taxpayers. Indonesia Tax Authority, through the Regulation concerning Service Standards at the Integrated Service Center of the Tax Service Office, has attempted to standardize the treatment that must be given to Taxpayers. To ensure that the implementation of the regulation is carried out maximally by all responsible units, there needs to be an action control carried out by the Indonesia Tax Authority. It is by Merchant & Stede (2007), namely that the existence of action control can keep employees from doing something that has been determined by the organization. Also, both dimensions of interpersonal fairness in this study have an average value that is not in line. On the one hand, the average value dimension of interpersonal fairness shows that MSME Taxpayers feel they have been treated with respect and dignity by the Indonesia Tax Authority. On the other hand, they still feel suspected or sought fault by the Indonesia Tax Authority. It is indicated by the average value of the sensitivity dimension, which is below 4. The micro-scale taxpayers indicate the lowest sensitivity. Micro, small and medium scale taxpayers do not have the financial capacity to hire employees or consultants who help deal with their taxation problems so that they tend not to be sure that their tax obligations have been properly and properly fulfilled (Kirchler, 2007). According to Yong (2011), in

addition to making MSME taxpayers reluctant to comply with taxation, the fear of MSME taxpayers also resulted in them being reluctant to deal with the tax office. It is very unfortunate because to comply with taxation; taxpayers cannot be separated from interaction with the tax office itself even more so when taxpayers encounter problems related to taxation. This feeling of reluctance, according to the conditional cooperation theory, will give taxpayers a reason to behave deviant. This deviant behavior is what they manifest through their behavior to disobey. Wenzel (2006) revealed that high interpersonal fairness in terms of sensitivity to MSMEs could be demonstrated by expressing trust in taxpayers, especially when found irregularities in fulfilling the tax obligations of MSME taxpayers and expressed sympathy for the negative consequences of such notification and the possibility of sanctions they will get. It will reduce the reluctance so that it does not provide an excuse for MSME Taxpayers not to comply.

2. The association between Informational Fairness and Taxpayer Compliance Intention

Hypothesis testing shows that informational fairness is positively associated with taxpayer compliance intentions. The result of this study is in line with the research conducted by Feld & Frey (2002), Farrar et al. (2017), Nugraheni & Purwanto (2015). As with interpersonal fairness, the author tries to measure the informational fairness variable in this study based on what MSME Taxpayers perceive regarding the interaction of information provided by the Indonesia Tax Authority. It is different from Farrar et al. (2017), which only divides research variables into high and low conditions using a narrative and Nugraheni & Purwanto (2015) who examine the compliance of individual taxpayer tax returns. This study also sought to influence the effect of informational fairness on taxpayer compliance, where Feld & Frey (2002) examined the effect of providing information on tax avoidance, which is a reflection of tax non-compliance. Interpersonal fairness itself, according to Shapiro et al. (1994), it can be seen from the relevant dimensions where Indonesia Tax Authority provides relevant information related to taxation that can make taxpayers accept their tax obligations or from specific dimensions where Indonesia Tax Authority provides information that is exactly what the taxpayer wants so that taxpayers know the information that fits their needs to fulfill their tax obligations. Like interpersonal fairness, the influence of informational fairness is also appropriate when it is associated with the distinctiveness dimension described by Robbins & Judge (1996) in attribution theory (Kelley, 1973) that is the difference in treatment or action given by others will make a difference in how we respond to this to act. When a Taxpayer receives fair (relevant and specific) information from a tax official, the Taxpayer discovers the reason why he must act in compliance with his tax obligations because with this informational fairness Taxpayers can accept why they must carry out their tax obligations and how they carry out taxation obligations. Therefore, this interaction of fair information is the reason that the Taxpayer has the intention to obey where the level of intention to comply will vary according to the perception of informational fairness that he receives. The difference in the results of the study is shown by the study of Wenzel (2006), who sought the influence of informational fairness using media appeals. This difference is thought to occur because of differences in the parties who deal with taxation issues among respondents in the Wenzel

(2006) study and this study. 85% of the respondents from the Wenzel (2006) study are known to use professional tax consultants in handling taxation issues. The tendency to use this professional tax consultant makes the information provided by the Australian tax authority a matter of little concern. The significance of the influence of tax consultants ($p = 0.025$) from the Wenzel (2006) suggested that taxpayers tend to rely on information provided by tax consultants rather than the information contained in the appeals letter. Contrary to this, the respondents in this study were dominated by taxpayers who handled their taxation issues. This condition makes taxpayers tend to rely on information provided by the Indonesia Tax Authority so that the information is considered important in determining their intention to comply or not. The result of this study also suggests that MSME Taxpayers tend to feel that Indonesia Tax Authority has not provided fair information in the form of relevant information or specific information. The lowest specific value average indicates that Indonesia Tax Authority still does not provide information that specifically can help MSMEs get the information they need to fulfill their tax obligations. Abrie & Doussy (2006) suggested that MSME Taxpayers need specific information in helping them carry out their tax obligations. The need for specific information will be higher when taxpayers face situations where they experience problems so that they require a specific direction. Schwart & Orleans (1967) stated that information that is not specifically related to the need for taxpayer fulfillment does not cause significant compliance behavior. This result, according to Abrie and Doussy (2006), would lead to a bias in providing specific information where the specific information is information needed by MSME Taxpayers in fulfilling their tax obligations. For MSMEs, taxation itself is a complicated thing to do so that the presence of specific information can help them fulfill their tax obligations. The formulation of appeal letters and methods for providing more specific information regarding tax obligations for MSMEs should be a concern when tax officials interact, such as sending letters of appeal, counseling, socialization, visits, or accepting MSME Taxpayers in the tax office. It is expected to make MSME Taxpayers more clearly receive information provided by the Indonesia Tax Authority so that they understand what their tax obligations are and know what steps they must take to carry out these tax obligations. In addition to specific information, Indonesia Tax Authority needs to pay more attention to providing relevant information that can make Taxpayers accept that paying taxes is the right thing, and the consequences they receive are due to their negligence in fulfilling their tax obligations. The result of this study indicates that MSME Taxpayers assume that Indonesia Tax Authority has not provided relevant information regarding the consequences they must receive if they do not fulfill their tax obligations. The lowest average value indicates it for the Q13 statement (I received advance notice regarding the consequences of my tax violations) between the dimensions of relevance. If we look at the material format standard for dissemination and leaflets of Government Regulation Number 46 of 2013, there is no information regarding the possible consequences of MSME Taxpayers' acceptance if they fail to fulfill their tax obligations. Abrie & Doussy (2006) stated that MSME Taxpayers consider that the availability of information related to the consequences scheme is essential to be provided by the tax authority. Having information about these consequences after the MSME Taxpayer has already made a

mistake will be considered a trap by the MSME Taxpayer. Related statements Q9 (I received honest advice from tax officers) and Q12 (I was given a complete and timely explanation), which also had the lowest average value among the relevant dimensions reinforcing this. Providing information related to the rules for these consequences is expected to provide certainty to MSME Taxpayers regarding the consequences they will receive if they commit a violation in fulfilling their tax obligations. Also, MSME Taxpayers will not feel trapped because they have been informed of the consequences before they have committed a violation. This will make MSME Taxpayers feel that they are given fair information and give them their reasons for being obedient in carrying out their tax obligations.

3. The role of prevention efforts to strengthening the association between interpersonal fairness and taxpayer compliance intentions.

Prevention efforts, by the results of the study, weaken the influence of interpersonal fairness on taxpayer compliance intentions. It is evidenced by the results of hypothesis testing that produce significant negative results from the moderating influence of prevention efforts on the influence of interpersonal fairness on taxpayer compliance intentions. Hypothesis testing H1 suggests the positive influence of interpersonal fairness on taxpayer compliance intentions. However, when there is an interaction effect of prevention efforts, it turns out that this interaction produces a negative effect, which can be interpreted that prevention efforts weaken the influence of interpersonal fairness on taxpayer compliance intentions. It is in line with research from Farrar et al. (2017), despite having differences in interactional fairness variables and prevention efforts studied. Farrar et al. (2017) examined the effect of moderating prevention efforts by focusing on the possibility of taxpayers' detection of interactional fairness. In this study, prevention efforts are not only focused on information on the existence of checks and the possibility to be examined but also consider the perceptions of taxpayers on other forms of preventive measures such as the possibility of sanctions, penalties, the ability of the tax authority tax authority in supervising, finding, and detecting violations. Preventive measures felt by taxpayers, in reality, are not limited to their perceptions regarding the information on checks. In the conditional cooperation theory, it is explained that taxpayers and tax officers have a psychological contract in which taxpayers are always compliant because of positive interactions between taxpayers and tax officers. However, when the tax officer denies the psychological contract (non-cooperative), the Taxpayer tends to deny the psychological contract. Therefore, when viewed from the perspective of a conditional cooperation theory, prevention efforts (non-cooperative or forms of psychological contract denial) will weaken the ability of taxpayers and Indonesia Tax Authority to form a good relationship of trust, even with positive personal interaction between taxpayers and Indonesia Tax Authority. The existence of this prevention effort will reduce the impression of proper treatment and trust in taxpayers arising from positive interpersonal interactions and will lead to negative interactions between taxpayers and Indonesia Tax Authority. This attempt to reduce it will be perceived as a form of mistreatment and a form of Indonesia Tax Authority distrust to taxpayers. Both interpersonal fairness and prevention efforts will be divided into two conditions, namely in conditions of

high and low interpersonal fairness and high and low prevention efforts. The condition of high interpersonal fairness is shown when respondents tend to agree that Indonesia Tax Authority provides interpersonal fairness, and vice versa for conditions of low interpersonal fairness. Furthermore, conditions for high prevention efforts are shown when respondents tend to agree that Indonesia Tax Authority provides interpersonal fairness, and vice versa for conditions of low interpersonal fairness. Although broadly speaking, MSME Taxpayers have the intention to comply, but financial compliance intentions are the lowest Taxpayer compliance intentions, among other compliance intentions. According to Yong (2011), MSME taxpayers are a category of taxpayers who have lower financial capacity compared to the category of larger-scale taxpayers. Also, MSME Taxpayers have lower financial management skills so that the financial use of their businesses is often mixed for their daily needs. This situation has resulted in the MSME Taxpayers having the perception that the more tax costs must be paid, the more their economic capacity will deteriorate, while large-scale taxpayers tend to have a perception that the more tax costs are, the lower their profits. The existence of financial sanctions in the form of fines will increase tax financial obligations that must be fulfilled by MSME Taxpayers. It will increase their reasons for denying the initial psychological contract because they will assume they are treated badly and not trusted so that they want to fulfill the additional obligations, their wishes to obey will diminish.

4. The role of prevention efforts in strengthening the association between Informational Fairness and Taxpayer Compliance Intention

The existence of prevention efforts does not seem to succeed in giving a moderating influence on the influence of informational fairness on taxpayer compliance intentions. It is indicated by the H4 hypothesis test, which produces an insignificant value between prevention efforts and the influence of informational fairness on taxpayer compliance intentions. If we look at the H2 hypothesis testing, the significant effect of informational fairness on taxpayer compliance intentions implies that the higher the level of informational fairness felt by taxpayers, the higher the taxpayer's intention to obey. However, this influence is not moderated by the prevention efforts carried out by the Indonesia Tax Authority. This result is not in line with the research of Farrar et al. (2017), which suggested that prevention efforts weaken the influence of interactional fairness on taxpayer compliance intentions. Interactional fairness itself is an embodiment of indicators of interpersonal fairness and informational fairness. This difference can be caused in previous studies that the interaction of moderating variables was carried out together for all interactional fairness indicators. In this study, testing of the interaction of moderating variables is carried out separately for each indicator of interactional fairness, namely the interaction of prevention efforts with the influence of interpersonal fairness on Taxpayer compliance intentions and the interaction of prevention efforts with the influence of informational fairness on Taxpayer compliance intentions. This is thought to be one of the causes of differences in research results, which indicate that prevention efforts will weaken the influence of interpersonal treatment carried out by the Indonesia Tax Authority but do not have an influence on the influence of informational fairness given by Indonesia Tax Authority. Also,

differences in the socio-demographic conditions of the respondents allegedly caused differences in the results of the study. In the study of Farrar et al. (2017), the average age of respondents is 41-42 years, while in this study, the majority of respondents were in the age range of 21-30 years. Prasetyo (2017) stated that the age of taxpayers would form a different mentality to make a difference in the point of view in perceiving something. However, this study also corroborates the result of research conducted by Feld & Frey (2002) on students in Switzerland regarding tax avoidance, which is a reflection of tax non-compliance. In his research, Feld & Frey (2002) found that the provision of information as part of the authorization of the tax authorities and penalties in the form of fines had a significant influence on the reduction of tax avoidance. However, the interaction between the two things did not have a significant effect on the decrease in tax avoidance. Kogler et al. (2016) suggested that unfairness to information would lead to uncertainty regarding tax obligations. It causes the perception of the examination and penalties to be higher, which will then affect the taxpayer's compliance. The results of this study also showed a similar trend in behavior shown by MSME Taxpayers in DKI Jakarta Province.

5. CONCLUSION

Interpersonal fairness is positively associated with taxpayer compliance intention. There is a unidirectional relationship between interpersonal fairness and taxpayer compliance intentions so that if there is an increase in the perception of interpersonal fairness, then there will also be an increase in taxpayer compliance intentions. Informational fairness assumed by MSME is positively associated with taxpayer compliance intention. There is a unidirectional relationship between informational fairness and taxpayer compliance intentions so that if there is an increase in perceptions of informational fairness, then there will also be an increase in taxpayer compliance intentions. However, interaction prevention efforts with interpersonal fairness suggested a negative effect on taxpayers' compliance intentions. It indicates that prevention efforts can weaken the influence of interpersonal fairness on MSME. Furthermore, prevention efforts have no role in the association of informational fairness and taxpayer compliance intentions. This study has several limitations. Respondents in this study only came from MSME taxpayers in DKI Jakarta Province. Differences in the characteristics and demographics of respondents in other regions in Indonesia might produce different research results. Criteria for selecting MSMEs are based on the Indonesia Government Regulation, while there are still MSME actors who are not included in the criteria of the Indonesia Government Regulation. It causes the results of this study cannot describe the overall intention of MSME Taxpayer compliance. Respondents involved in this study were MSME actors in the administrative area of DKI Jakarta Province so that if these are used to generalize the population throughout Indonesia would be biased. Therefore, further research is carried out by involving respondents in other regions who have different characteristics and demographics of MSME taxpayers. The data from the results of the study show a tendency that a decrease follows an increase in information fairness in the perception of MSME Taxpayers towards the prevention efforts carried out by the Indonesia Tax Authority. Further research is suggested to examine the effect of

mediation prevention efforts on the influence of informational fairness in increasing taxpayer compliance intentions. Interactional fairness can be seen through the treatment and information provided by Indonesia Tax Authority to taxpayers. This perception of interactional fairness is believed to influence the process of making Taxpayers' decisions to behave in an obedient or non-compliant manner. Increasing the quality of interaction in the form of treatment and provision of information is worthy of Indonesia Tax Authority's attention, especially in interacting with MSME Taxpayers. The low perception of MSME Taxpayers related to sincerity by not suspecting or searching for mistakes from Taxpayers also needs to be one of the Indonesia Tax Authority's concerns in conducting interactions. There needs to be direction made to tax officers and integrated service center officers, and helpdesk, always to provide treatment that takes into account the sensitivity of MSME Taxpayers that can be conducted by showing trust and sympathy to SME Taxpayers when interacting. The lack of financial capacity of MSME Taxpayers makes them less likely to have employees or consultants who handle and give confidence that their taxation has been done correctly. It resulted in the fear and reluctance of MSME Taxpayers to interact with the tax office more vulnerable than larger-scale taxpayers who tended to have the financial capacity to hire employees or consultants who helped them handle their taxation problems. Through the Indonesia Tax Authority Regulation concerning Service Standards at the Integrated Service Offices of the Tax Service Office, Indonesia Tax Authority attempts to provide fair and fair treatment for taxpayers when interacting with tax offices throughout Indonesia. The existence of this is expected to provide good and fair quality of interaction to taxpayers. Indonesia Tax Authority should focus on maintaining interpersonal treatment for all MSME Taxpayers. The existence of supervision related to the interaction process by prioritizing loyal and fair interpersonal relations is expected to provide uniform perceptions of MSME Taxpayers for the positive treatment provided by the Indonesia Tax Authority, thereby spurring compliance intentions to increase. Indonesia Tax Authority's dissemination materials and standard leaflets have also not provided information on the consequences that MSME Taxpayers will receive if they violate taxation obligations. The absence of information about these consequences can cause Taxpayers not to know the consequences of the violation and feel that Indonesia Tax Authority trapped them for not warning this before they committed a violation. It is necessary to formulate an outreach format and leaflet, which also includes the consequences of violations of the Indonesia Government Regulation. It will provide certainty to the Taxpayers regarding the consequences if Taxpayers violate their tax obligations, making them feel that doing tax obligations is the right thing for them. Components of MSME Taxpayer compliance related to financial problems suggest the lowest intention, among other compliance components. MSME Taxpayers have very limited financial and financial management capabilities. With the prevention efforts in the form of financial sanctions, the MSME Taxpayers find it more difficult to fulfill their tax obligations even though they want to fulfill these obligations. The results of this study provide input for Indonesia Tax Authority to implement alternative prevention measures that do not add to the financial burden of MSME Taxpayers. Issuance of administrative sanctions in

the form of late fines or negligence may not be the best choice to be applied to MSME Taxpayers because it adds to their burden of behaving obediently.

REFERENCES

- [1] Abrie, W., & Doussy, E. (2006). Tax compliance obstacles encountered by small and medium enterprises in South Africa. *Meditari Accountancy Research*, 14(1), 1-13.
- [2] Adam, L. (2016). Pengampunan Pajak Terhadap MSME. *Info Singkat Ekonomi dan Kebijakan Publik*, VIII(13), 13-16.
- [3] Akinboade, O. A. (2015). Correlates of tax compliance of small and medium-sized businesses in Cameroon. *Managing Global Transitions*, 13(4), 389-413.
- [4] Ahmad, I., & Ahmad, S. 2018. Multiple Skills and Medium Enterprises Performance in Punjab Pakistan: A Pilot Study. *The Journal of Social Sciences Research*: 44-49: 44.
- [5] Alm, J., Jackson, B., & McKee, M. (2009). Getting the word out: Enforcement information dissemination and compliance behavior. *Journal of Public Economics*, 93(3-4), 392-402.
- [6] Badan Pusat Statistik. 2015. Anggaran Pendapatan Negara (miliar rupiah), 2007-2015. [online]. <https://www.bps.go.id/linkTabelStatis/view/id/1179>. Accessed on September 8th, 2017
- [7] _____. 2016. Realisasi Penerimaan Negara (milyar rupiah), 2007-2017. [online]. <https://www.bps.go.id/linkTabelStatis/view/id/1286>. Accessed on September 8th, 2017.
- [8] Bies, R. J., dan Moag, J. F. (1986). Interactional fairness: communication criteria of fairness. *Research on Negotiations in Organizations*, 1, 43-55.
- [9] Blader, S. L., dan Tyler, T. R. (2009). Testing and Extending the Group Engagement Model: Linkages Between Social Identity, Procedural Fairness, Economic Outcomes, and Extrarole Behavior. *Journal of Applied Psychology*, 94(2), 445-464.
- [10] Blerkom, M. L. V. (2009). *Measurement and Statistics for Teachers*. Johnstown: University of Pittsburgh.
- [11] Braithwaite, V. (2003). A new approach to tax compliance. In V. Braithwaite (Ed.), *Taxing Democracy: Understanding tax avoidance and evasion* (1-11). Aldershot, UK: Ashgate.
- [12] Colquitt, J. A. (2001). On the dimensionality of organizational fairness: construct validation of a measure. *Journal of Applied Psychology*, 86 (3), 386-400.
- [13] Colquitt, J. A., Conlon, D., Wesson, M., Porter, C., & Ng, K. (2001). Fairness at the millennium: A meta-analytic review of 25 years of organizational fairness research. *Journal of Applied Psychology*, 86 (3), 425-445.
- [14] Diamastuti, E. (2012). Ke (tidak) patuhan wajib pajak: potret self assessment system. *Jurnal Ekonomi dan Keuangan*, 20 (3), 280-304.
- [15] Direktorat Jenderal Pajak. 2016. Service Quality Award 2016, Bukti Pelayanan Ditjen Pajak Diakui Masyarakat. [online]. [http://www.pajak.go.id/content/service-quality-award-](http://www.pajak.go.id/content/service-quality-award-2016-bukti-pelayanan-ditjen-pajak-diakui-masyarakat)
- [16] Fadilah, & Pajaitan, I. (2016). Pengaruh keadilan pajak dan sanksi perpajakan terhadap kepatuhan wajib pajak dengan kualitas pelayanan sebagai variabel moderating (survei pada Kantor Pelayanan Pajak (KPP) di Wilayah Jakarta Pusat). *Media Akuntansi Perpajakan*, 1(2), 14-28
- [17] Farrar, J. (2015). An empirical analysis of taxpayers' fairness preferences from Canada's taxpayer bill of rights. *Journal of Accounting and Taxation*, 7(5), 71-79.
- [18] Farrar, J., & Thorne, L. (2016). Written communications and taxpayers' compliance: an interactional fairness perspective. *Canadian Tax Journal*, 64 (2), 351-370.
- [19] Farrar, J., Kaplan, Steven E., & Thorne, L. (2017). The effect of interactional fairness and detection on taxpayers' compliance intentions. *Journal of Business Ethics*, 143, 1-14.
- [20] Feld, L. P., & Frey, B. S. (2002). Deterrence and Tax Morale: How Tax Administrations and Taxpayers Interact. OECD Paper [online] <http://www.oecd.org/tax/administration/2789923.pdf>.
- [21] Fortin, M., & Fellenz, M. R. (2008). Hypocrisies of fairness: towards a more reflexive ethical base in organizational fairness research and practice. *Journal of Business Ethics*, 78, 415-433.
- [22] Gangl, K., Hofmann, E. B., & Kirchler, E. (2015). Tax authorities' interaction with taxpayers: a conception of compliance in social dilemmas by power and trust. *New Ideas in Psychology*, 37, 13-23.
- [23] Greenberg, J. (1993). Stealing in the name of fairness: informational and interpersonal moderators of theft reactions to underpayment inequity. *Organizational Behavior and Human Decision Processes*. 54, 81-103.
- [24] Handayani, R. (2016). Kuncinya pada Komunikasi dan Moral Petugas Pajak. [online] <https://majalahpajak.net/kuncinya-pada-komunikasi-dan-moral-petugas-pajak/>. Accessed on December 1st, 2017.
- [25] Hartner, M., Poschalko, A., Rechberger, S., & Kirchler, E. (2010). Taxpayers' compliance by procedural and interactional fairness perceptions and social identity. *Journal of Neuroscience Psychology and Economics*, 1-18.
- [26] Kelley, H. H. (1973). The processes of causal attribution. *American Psychologist*, 28 (2), 107-128.
- [27] Kementerian Keuangan Republik Indonesia. 2016. Tingkatkan Tax Ratio Lewat Tax Amnesty, Pemerintah Tetap Jaga Pertumbuhan Ekonomi. [online]. <https://www.kemenkeu.go.id/Berita/tingkatkan-tax-ratio-lewat-tax-amnesty-pemerintah-tetap-jaga-pertumbuhan-ekonomi>. Accessed on September 8th, 2017
- [28] Kirchler, E. (2007). *The economic psychology of tax behaviour*. Cambridge: Cambridge University Press.
- [29] Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary compliance: the "slippery slope" framework. *Journal of Economic Psychology*, 29 (2), 210-225.

- [30] Kogler, C., Mittone, L., & Kirchler, E. (2016). Delayed feedback on tax audits affects compliance and fairness perceptions. *Journal of Economic Behavior & Organization*, 124, 81–87.
- [31] Li, R., Yang, J., & Diefendorff, J. M. (2009). Four-factor fairness and daily job satisfaction: a multilevel investigation. *Journal of Applied Psychology*, 94, 770-781.
- [32] Lozza, E., Kastlunger, B., Tagliabue, S., & Kirchler, E. (2013). The relationship between political ideology and attitudes toward tax compliance: the case of Italian taxpayers. *Journal of Social and Political Psychology*, 1(1), 51-73.
- [33] Merchant, K. A., & Stede, W. A. V. (2007). *Management Control Systems Second Edition*. Essex: Prentice-Hall.
- [34] Murphy, K. (2008). Enforcing tax compliance: to punish or persuade?. *Economic Analysis & Policy*. 38(1). Published online in March 2018.
- [35] Mutmainah, D. A. (2016). Kontribusi MSME Terhadap PDB Tembus Lebih Dari 60 Persen. [online]. <https://www.cnnindonesia.com/ekonomi/20161121122525-92-174080/kontribusi-MSME-terhadap-pdb-tembus-lebih-dari-60-persen/>. Accessed on September 8th, 2017.
- [36] Nugraheni, A. D., & Purwanto, A. (2015). Faktor-faktor yang wajib mempengaruhi kepatuhan wajib pajak orang pribadi. *Diponegoro Journal of Accounting*, 4(3), 1-14.
- [37] Organization for Economic Cooperation and Development. 2004. *Compliance Risk Management: Managing and Improving Tax Compliance*. Centre For Tax Policy and Administration. [online]. <https://www.oecd.org/tax/administration/33818656.pdf>.
- [38] _____. 2010. *Understanding and Influencing Taxpayers' Compliance Behavior*. Paris : Centre for Tax Policy and Administration. [online]. <http://www.oecd.org/tax/administration/46274793.pdf>.
- [39] Prasetyo, C. J. (2017). Pengaruh demografi, pengetahuan perpajakan, sanksi pajak, dan kualitas pelayanan fiskus terhadap kepatuhan wajib pajak badan di KPP Pratama Klaten. *e-Journal Universitas Muhammadiyah Yogyakarta*.
- [40] Rachman, F. F. (2017). Sri Mulyani: Setoran Pajak Rendah Sekali, Tak Bisa Diterima!. [online]. <https://finance.detik.com/berita-ekonomi-bisnis/3557665/sri-mulyani-setoran-pajak-rendah-sekali-tak-bisa-diterima>. Accessed on September 8th, 2017.
- [41] Ratmono, D., & Cahyonowati, N. (2013). Kepercayaan terhadap otoritas pajak sebagai pemoderasi pengaruh deterrence factors terhadap kepatuhan wajib pajak pribadi. *Jurnal Akuntansi Indonesia*, 2(1), 1-15.
- [42] Redae, R. B., & Sekhon, S. (2016). Taxpayers' knowledge and tax compliance behavior in Ethiopia: a study of Tigray State. *International Journal of Management and Commerce Innovations*, 3(2), 1090- 1102.
- [43] Robbins, S., & Judge, T. A. (1996). *Organizational Behaviour*. 7th edition. Upper Saddle River: New Jersey. [online]. <http://yoitect.com/18003589/organizational-behaviour-7>.
- [44] Roth, J. A., Scholz, J. T., & Witte, A. D. (1989). *taxpayer compliance: social science perspectives Vol. 2*. Philadelphia: University of Pennsylvania Press. [online]. <http://yoitect.com/18003589/taxpayer-compliance-ssp-2>.
- [45] Sawitri, A. A. (2017). Ditjen Pajak Paparkan Hambatan Kutip Pajak MSME. [online]. <https://bisnis.tempo.co/read/news/2017/08/30/087904420/ditjen-pajak-paparkan-hambatan-kutip-pajak-MSME>. Accessed on September 9th, 2017
- [46] Shapiro, D. L., Buttner, E. H., & Barry, B. (1994). Explanations: what factors enhance their perceived adequacy? *Organizational Behavior and Human Decision Processes*, 58(3), 346-368.
- [47] Schwartz, R., D., & Orleans, S. (1967). On legal sanctions. *The University of Chicago Law Review*, 34 (274), 274-300.
- [48] Tempo. 2016. *Infrastruktur Dorong Laju Perekonomian Jabar 2017*. [online] <https://nasional.tempo.co/read/824313/infrastruktur-dorong-laju-perekonomian-jabar-2017>.
- [49] Tyler, T. R., & Blader, S. L. (2003). The group engagement model: procedural fairness, social identity, and cooperative behavior. *Personality and Social Psychology Review*, 7(4), 349– 361.
- [50] Wenzel, M. (2006). A Letter from the tax office: compliance effects of informational and interpersonal fairness. *Social Fairness Research*. 19(3), 345-364.
- [51] Yong, S. (2011). *Tax compliance and small and medium enterprise operators: an intra-cultural study in New Zealand*. A thesis submitted to Auckland University of Technology for the degree of Doctor of Philosophy.