

## The Effect of Final PPH Rate Reduction on Taxpayer Compliance of Micro, Small and Medium Enterprises (MSMEs) with Tax Sanctions as a Mediation Variable (Case Study on Batik MSME in Jambi Province)

Wisnami Syakhira Thamrin<sup>1\*</sup>, Wiwik Tiswiyanti<sup>2</sup>, and Rita Friyani<sup>3</sup>  
Jambi University

**Corresponding Author:** Wisnami Syakhira Thamrin [syakhirajbi@gmail.com](mailto:syakhirajbi@gmail.com)

---

### ARTICLE INFO

*Keywords:* Final Income Tax Reduction, Taxpayer, Compliance, Tax Sanctions.

*Received :* 14, September

*Revised :* 27, September

*Accepted:* 28, October

©2024 Thamrin, Tiswiyanti, Friyani :  
This is an open-access article distributed under the terms of the [Creative Commons Atribusi 4.0 Internasional](https://creativecommons.org/licenses/by/4.0/).



### ABSTRACT

The aim of this research is to ascertain, as an intervening variable, how the decrease in PPH rates affects MSMEs' compliance with tax sanctions. MSME batik actors in the Jambi Region constituted the study's sample. The research sample was 97 MSME batik taken using the purposive sampling method. Data were collected through questionnaires and observations. The mentioned study is a quantitative study using primary data, to test the relationship between factors through the SmartPLS 4.1.0.6 application. The results showed that the reduction in UMP rates had a significant effect on the relationship between MSME compliance, the reduction in UMP rates had a significant negative effect on the relationship between tax sanctions. Tax sanctions had no appreciable beneficial impact on MSME compliance. Tax sanctions did not affect the correlation between the reduction in UMP rates and MSME compliance.

---

## INTRODUCTION

Indonesia has a high potential to attract many business entities to establish their companies in Indonesia. From the running of the business entity's operations, it can provide benefits to the country, namely through the taxation sector, which means it can increase state revenue. One major factor in the improvement of Indonesia's economy is the MSMEs' explosive rise there. The Ministry of Cooperatives and MSMEs in 2023 noted that there were around 66 million MSME business actors in Indonesia. The following is data regarding the number of MSMEs registered with the Jambi Provincial Cooperatives and MSMEs Service in 2021-2024.

Final Income Tax according to the 2021 Republic of Indonesia Law means that Final Income Tax is a type of tax that is directly imposed on individuals and/or companies related to income earned in one period. The income earned by individuals and/or companies can be in the form of basic salary or other types of income. The government issued a tax policy for MSMEs through Government Regulation Number 46 of 2013 addresses income tax on business income that taxpayers with a specific gross turnover threshold receive or get.

(PP No. 46 of 2013). Where PP No. 46 of 2013 applies a 1% tax for MSMEs. Reported from pajak.go.id From January to March 2024, the majority of all types of taxes experienced positive growth, but not with Final Income Tax which grew negatively due to a decrease in deposits in the manufacturing and construction sectors. The steps taken by the government in order to increase taxpayer compliance for batik MSME actors are to provide tax incentives to MSME taxpayers with a program that lowers the final income tax (PPH) rate for micro, small, and medium-sized businesses to 0.5% (formerly 1%)(MSMEs). This regulation is regulated in Government Regulation (PP) Number 55 of 2022. As a refinement of Government Regulation (PP) Number 23 of 2018 which has been running for 4 years. The following is the data on the realization of final income tax receipts for Jambi Province in 2020-2023.

**Table 1 Realization of Final Income Tax Revenue for Jambi Province in 2020-2023**

Year	2020	2021	2022	2023
Target (billion rupiah)	Rp2.001,27	Rp2.297,72	Rp3.535.21	Rp3.107,35

Source: Regional Office of the Directorate General of Treasury of Jambi Province 2020-2023

From table 1 above, it can be seen that the realization of Final Income Tax revenue from the MSME sector has fluctuated from year to year. In 2023, Final Income Tax was realized at 3,107.35 billion, a decrease compared to 2022. This shows that MSME taxpayers have not fully carried out their tax obligations in accordance with applicable tax provisions. Researchers are interested in undertaking additional study to ascertain the impact of lowering the final PPF rate regarding taxpayer adherence to tax penalties as a mediating variable as taxpayer compliance has been the subject of much prior research with varying conclusions. Taxpayer compliance is an interesting research topic considering the many cases of taxpayers not complying with their tax obligations.

## **THEORETICAL REVIEW**

### ***Attribution Theory***

Attribution theory (Fritz Heider, 1958) argues that the causes of a person's behavior or others are influenced by internal and external factors. Researchers use attribution theory because researchers will conduct behavioral studies caused by inherent elements that may have an impact on taxpayer compliance, namely tax sanctions, while external factors that can affect taxpayer compliance are a decrease in the final income tax rate. (Aninda et al., 2023) stated that the imposition of tax sanctions is applied to create taxpayer compliance in carrying out their tax obligations. (Tiswiyanti et al., 2022) stated that tax sanctions are applied in order to increase taxpayer compliance with fulfilling their tax obligations. Research conducted by (Senusi et al., 2024) The use of tax sanctions ensures that tax laws and regulations or tax standards will be obeyed, respected, and complied with. The harder it is to pay, the higher the tax fine. The threat of negative tax consequences motivates people to pay taxes in accordance with laws and regulations. Tax sanctions are imposed on taxpayers based on the severity of the violation; If taxpayers fail to fulfill their tax obligations, they will face consequences.

### ***Theory of Planned Behavior***

The Hypothesis of Arranged Behavior was found by Icek Ajzen and Martin Fishbein in 1980. This hypothesis considers human behavior and clarifies the factors that impact an individual's behavior, whereby a person will participate in an activity based on the factors that impact it, including The third calculation states that control convictions are related to the existence of elements that either encourage or inhibit the planned conduct. Specifically, MSME residents' compliance increases since control convictions are supported by sanctions imposed by the Chief Common of Charges. With the existence of tax sanctions, MSME taxpayers will be more obedient regarding the reduction in the Income Tax Rate and can increase the compliance of MSME taxpayers (Aninda et al., 2023). The tax system desperately needs tax punishments to ensure that taxpayers fulfill their tax payment responsibilities. (Tiswiyanti et al. 2022) in their research stated that tax sanctions aim to ensure that taxpayers can comply and carry out their tax obligations correctly. (Senusi et al., 2024) stated that taxpayers may be motivated to pay their taxes if they are aware of the penalties and impacts they may face for violating tax laws. In addition, the application of severe tax sanctions can be a catalyst for taxpayers to file returns because of their fear of the sanctions and their perception that it will be more detrimental to them.

### ***Taxpayer Compliance***

Taxpayer compliance is regulated in Government Regulation Number 7 of 2021 concerning the harmonization of tax regulations. The regulation is predicated on the notion that fiscal consolidation – a strategy that emphasizes raising the tax ratio and decreasing the budget deficit – is necessary to promote

economic recovery and sustainable growth, among other things by enacting policies to improve tax revenue performance.

### ***Final Income Tax Rate Reduction***

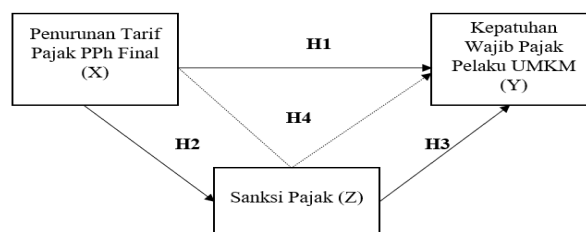
Income tax is a type of tax imposed directly on individuals and/or companies related to income earned in a period. The income earned by individuals and/or companies can be in the form of basic salary or other types of income (Law of the Republic of Indonesia, 2021).

### ***Tax Sanctions***

According to Astrina and Septiani (2019), the imposition of tax sanctions ensures that the terms of the tax laws (tax standards) would be followed. Simply put, the purpose of tax sanctions is to provide a deterrent effect on taxpayers who violate the law.

### ***MSME***

MSME is regulated in Government Regulation of the Republic of Indonesia Number 7 of 2021. According to the government regulation, micro, small, and medium-sized enterprises (MSEs) are profitable companies owned by private individuals or business entities that meet the criteria for micro enterprises as specified in the MSE regulations. A small business is any profitable, self-sustaining enterprise run by individuals or organizations that do not belong to or are governed by larger corporations and that meets the requirements set forth by the government for small businesses, with the exception of those that are owned or managed by medium-sized businesses. Medium enterprises are financially successful, independent businesses managed by individuals or entities that are neither part of, controlled by, nor associated with small or large enterprises and comply with the government's definition of medium businesses.



**Figure 1. Research Model**

Using the theoretical framework mentioned, the researcher aims to evaluate the extent to which the above variables influence with the following hypothesis

H1 - The reduction in the final income tax rate has an impact on taxpayer compliance among MSME.

H2 - The reduction in the final income tax rate has an impact on tax sanctions.

H3 - Tax sanctions have an effect on taxpayer compliance of MSME.

H4: Tax sanctions are able to mediate the relationship between the reduction in final income tax rates and taxpayer compliance of MSME.

## METHODOLOGY

This study uses quantitative research that aims to test the relationship between variables. The study population includes all taxpayers of batik MSME actors in Jambi Province. The sampling technique is based on certain criteria. First-class batik MSMEs with NPWP, followed by second-class batik MSMEs with a yearly revenue of less than ~4.8 billion, and third-class batik MSMEs operating for more than a year are the criteria. The selection of these criteria is based on several considerations. First, taxpayers who have met the subjective and objective requirements are required to register to be given a NPWP, and NPWP for batik MSME actors is useful for disbursing funds from the sale of their batik. Second, based on Government Regulation (PP) 55 of 2022, the requirements for being subject to final income tax are individual and corporate taxpayers who have a turnover of below 4.8 billion in a year. Third, because the final income tax payment period is per year, the MSMEs that are running must be over 1 year. Therefore, by determining these criteria, it is hoped that this study will obtain in-depth questionnaire answers from taxpayers of batik MSME actors.

Primary data is used in the data source of this study, which is obtained from the distribution of questionnaires to respondents and the unit of analysis is individuals. This research instrument uses a Likert scale questionnaire 1-5, where a score of 1 indicates "Strongly Disagree", score 2 "Disagree", score 3 "Less Agree", score 4 "Strongly Agree", and score 5 "Strongly Agree".

*Modeling-Partial Least Square (SEM-PLS)*. The selection of SEM-PLS is based on several advantages, such as a high level of flexibility, analytical power even though there are not many assumptions, data does not have to be normally distributed, and avoids multicollinearity problems between exogenous variables. The steps in data analysis include outer model tests, inner model tests. Reliability, discriminant validity, and convergent validity tests make up the outer model test. Meanwhile, the inner model test consists of determination coefficient tests, path coefficient tests, and hypothesis tests.

## RESULTS

### *Respondent Characteristics*

The amount of surveys circulated to respondents was 138 questionnaires. The number of questionnaires returned and processed was 97 questionnaires (70%).

**Table 3 Respondent Characteristics**

Keterangan	Jenis Kelamin	Jumlah	Jumlah (dalam persen)
Jenis Kelamin	Laki-Laki	15	15.5%
	Wanita	82	84.5%
Usia Responden	20-30 tahun	0	0%
	30-40 tahun	3	3.1%
	40-50 tahun	13	13.4%
	>50 tahun	81	83.5%
Umur Usaha	1-2 tahun	0	0%
	2-3 tahun	0	0%
	3-4 tahun	3	3.1%
	>5 tahun	94	96.9%
Omset per Tahun	<300.000.000	26	26.8%
	300.000.000-2,5 miliar	18	18.6%
	>2,5 miliar<4,8 miliar	53	54.6%

Source: Primary Data Processing Results, 2024

**Descriptive Statistical Analysis**

Descriptive statistics according to Sugiyono (2017) are statistics employed in data analysis to describe or illustrate the gathered data in its original form without aiming to make generalizable conclusions about a particular population or generation.

**Table 4 Descriptive Statistics**

Name	Mean	Median	Scale min	Scale max	Standard deviation	Excess kurtosis	Skewness
Y1.1	4.39	4.00	2.00	5.00	0,46	2.90	-1.29
Y1.2	4.43	4.00	2.00	5.00	0,42	3.00	-1.13
Y1.3	4.50	5.00	3.00	5.00	0,36	-1.44	-0.24
Y1.4	4.51	5.00	4.00	5.00	0,34	-2.03	-0.06
Y1.5	4.43	4.00	2.00	5.00	0,40	1.36	-0.80
X1.1	4.44	4.00	2.00	5.00	0,41	1.39	-0.83
X1.2	4.57	5.00	2.00	5.00	0,42	2.38	-1.43
X1.3	4.55	5.00	2.00	5.00	0,39	2.35	-1.22
X1.4	4.35	4.00	1.00	5.00	0,57	6.75	-2.19
Z1.1	4.44	5.00	1.00	5.00	0,48	5.60	-1.78
Z1.2	4.35	4.00	1.00	5.00	0,55	3.89	-1.70
Z1.3	4.52	5.00	1.00	5.00	0,44	7.73	-1.98
Z1.4	4.57	5.00	1.00	5.00	0,44	8.70	-2.21

Source: Data processed with SmartPLS 4.1.0.6, 2024

Based on table 4 shows that based on the interpretation of the average score, between 4.2 - 5.0 then the perception is very good. This study as a whole has indicators above 4.2 and is considered to have good perception. Based on the maximum scale describing the respondents' attitudes vary, while on the maximum scale describing a score close to 5 then respondents tend to strongly agree with the indicator questions from this study.

**Convergent Validity**

This test is used to determine the suitability of each indicator relationship. The measurement is considered valid if the loading factor value is above 0.7. The results of the convergent validity test can be seen in the table below:

Table 5 Convergent Validity

Konstruk	Item	Loading Factor	Keterangan
X1 (pnrm trf pph final UMKM)	X1.1	0.76	Valid
	X1.2	0.71	Valid
	X1.3	0.76	Valid
	X1.4	0.73	Valid
Y1 (kpth wjb pjg)	Y1.1	0.80	Valid
	Y1.2	0.86	Valid
	Y1.3	0.76	Valid
	Y1.4	0.75	Valid
Z1 (snksi pjg)	Z1.1	0.90	Valid
	Z1.2	0.82	Valid
	Z1.3	0.85	Valid
	Z1.4	0.89	Valid

Source: Data processed with SmartPls 4.1.0.6, 2024

According to Table 5. It demonstrates that the item values produced by the lower ultimate income tax rates, taxpayer compliance, and tax sanctions have met the convergent validity standard value because the loading factor value is greater than 0.7. Thus it can be concluded that the entire construct can be said to be valid.

Discriminant Validity

Table 6 Discriminant Validity

	Tax Compliance of Batik MSME	Reduction of Final Income Tax Rates for MSME	Tax Penalties
X1.1	0.76	0.33	0.11
X1.2	0.71	0.29	0.05
X1.3	0.76	0.22	0.52
X1.4	0.73	0.23	0.14
Y1.1	0.31	0.80	0.11
Y1.2	0.33	0.86	0.17
Y1.3	0.25	0.76	0.15
Y1.4	0.18	0.75	0.12
Z1.1	0.35	0.20	0.90
Z1.2	0.27	0.15	0.82
Z1.3	0.23	0.09	0.85
Z1.4	0.36	0.15	0.89

Source: Data processed with SmartPls 4.1.0.6, 2024

Based on table 6. The cross loading value on each item has the largest value when connected to its endogenous construct. This shows that each indicator is appropriate to explain its respective endogenous construct and proves that each item's discriminant validity is legitimate.

Composite Reability  
Table 7 Composite Reability

Construk	Composite Reability	Cronbach Alpha	AVE	Information
X1 (PNRN TRF PPH FINAL UMKM)	0.83	0.75	0.55	Reliabel
Y1 (KPTH WJB PJK UMKM)	0.87	0.81	0.63	Reliabel
Z1 (SANKSI PAJAK)	0.92	0.89	0.75	Reliabel

Source: Data processed with SmartPls 4.1.0.6, 2024

According to table 6's reliability test findings, every variable has a composite reliability value of greater than 0.70 and a cronbach alpha of greater than 0.70. From these findings, a conclusion can be drawn. This research instrument has good reliability and is consistent in measuring the construct.

Hypothesis Testing  
Table 8 Hypothesis Testing

Konstruk	T statistics	P values	Kesimpulan
X -> Y	3.04	0.00	Influential
X -> Z	3.04	0.00	Influential
Z -> Y	0.48	0.63	no effect
X -> Z -> Y	0.39	0.69	no effect

Source: Data processed with SmartPls 4.1.0.6, 2024

The effect of the Drop in Final Income Tax Rates on Tax Compliance of Batik MSMEs is the first hypothesis put out in this study. Table 8 presents the test findings. It indicates that H0 is rejected and Ha is accepted with a t-statistic value of  $3.04 > t\text{-table } 1.96$  and a P Value  $0.00 < 0.00$ . This implies that the decrease in the Final Income Tax rate has an effect on taxpayer compliance of batik MSMEs (H1 is accepted).

The second hypothesis proposed in this study is the Effect of the Decrease in Final Income Tax Rates on Tax Sanctions. From the test results presented in table 8, it shows a t-statistic value of  $3.04 > t\text{-table } 1.96$  and P Value  $0.00 < 0.005$ , so H0 is rejected and Ha is accepted. This means that the decrease in the Final Income Tax rate has an effect on tax sanctions (H2 is accepted).

The third hypothesis proposed in this study is the Effect of Tax Sanctions on Tax Compliance of Batik MSMEs. From the test results presented in table 8, it shows a t-statistic value of  $0.48 < t\text{-table } 1.96$  and P Value  $0.63 > 0.005$ , so H0 is rejected and Ha is accepted. This implies that the tax sanctions do not impact the conformity of batik MSME taxpayers (H3 is rejected).

The fourth hypothesis proposed in this study is the effect of tax sanctions mediating the relationship between the reduction in final income tax rates on taxpayer compliance of batik MSME actors. From the test results presented in table 8, it shows a t-statistic value of  $0.39 < t\text{-table } 1.96$  and P Value  $0.69 > 0.005$ , so H0 is rejected and Ha is accepted. This implies that the tax sanctions do not mediate the relationship between the reduction in final income tax rates on taxpayer compliance of batik MSME actors (H4 is rejected).

## **DISCUSSION**

### ***The impact of the reduction in final income tax rates on taxpayer compliance for batik MSME***

The test results show that, when considering the side of the final income tax rate reduction that the government set in an attempt to try and make MSME batik actors in Jambi Province more compliant, MSME batik business actors in Jambi Province comply with their obligations as taxpayers. In fact, the reduction in the rate makes it easier for MSME batik actors in Jambi Province to fulfill their obligations.

Based on the attribution theory in this study, attribution theory functions to explain the phenomenon of human behavior that experiences various stimuli so that they are able to adjust their viewpoints and habits, observations of this phenomenon. Based on the attribution theory above, it is conveyed that the reduction in the final income tax rate for MSMEs will affect the behavior of MSME batik taxpayers who will be more compliant if the rate is small. then the results of this study are proven.

The mentioned study is not in line with the study conducted by (Mahindra 2020) that the impact of alterations in tax rates on MSME taxpayer compliance does not show a favorable effect. The results obtained from this analysis are consistent with the study (Widodo 2019) that MSME taxpayer compliance is greatly impacted by the final income tax rate reduction. This is also in line with research (Yusrizal 2023) which states a significant influence between the variable of lowering the ultimate income tax rate for MSME taxpayers who comply.

### ***The impact of reducing the final income tax rate on tax sanctions***

The reduction in the Final Income Tax rate was implemented to ease the burden on batik MSMEs in their tax obligations. Tax sanctions were imposed so that batik MSME taxpayers would comply with tax regulations. In reality, it was declared that the variable of lowering the final income tax rate was based on the findings of testing hypothesis 2. had an effect on the compliance of batik MSME taxpayers. This indicates that the decline in the final income tax rate for MSMEs can make batik MSMEs obedient in paying their tax obligations and subject to tax sanctions. With the reduction, it is hoped that batik MSME taxpayers will pay their tax obligations so that batik MSMEs can avoid tax sanctions. The study's conclusions are in line with research (Widodo 2019) that the reduction in the final income tax rate has a noteworthy impact on tax penalties.

### ***The influence of tax sanctions on taxpayer compliance of batik UMKM actors***

The results of testing hypothesis 3 state that the tax sanction variable does not affect the compliance of batik UMKM taxpayers. This indicates that the threat of sanctions is not one of the reasons for batik UMKM taxpayers in Jambi Province to comply with their tax obligations. This also depends on the perception of batik UMKM taxpayers regarding the fairness of the sanctions given to batik UMKM taxpayers. The lighter the threat of sanctions given, the lower the compliance of batik UMKM taxpayers in Jambi Province.

The government must formulate a form of sanction for violations of tax obligations that can provide education that changes the behavior of batik UMKM taxpayers who had not filed their returns in the past to comply with the taxes they are obligated to pay. This is in line with research conducted by (Amalia 2022) that tax sanctions are positively insignificant on taxpayer compliance. Study carried out by (Ramadhani 2023) is also in line with this study, which states that the application of tax sanctions has no effect on taxpayer compliance. This study is also in line with the study conducted by (Lazuardini et al. 2018) that tax sanctions have a negative and insignificant effect on the compliance of MSME taxpayers registered at the South Malang Pratama Tax Office. This study indicates that there is a strong and positive association between taxpayer compliance and tax sanctions. Research by Siamena et al. (2017) and Senusi et al. (2024) is not consistent with this finding.

The Theory of Planned Behavior is a theory about a person's behavior. A person's behavior to be motivated to do something. Here the motivation possessed by MSME taxpayers in fulfilling their obligations in terms of taxation. Since tax penalties are implemented by the government and the Director General of Taxation, MSME taxpayer compliance increases in keeping with the third component, control beliefs. The Theory of Planned Behavior was unable to account for the impact of tax penalties on MSME business taxpayers' compliance in this study. The findings in this study indicate that tax sanctions do not have a major impact on MSME business taxpayers' compliance.

***The influence of tax sanctions mediates the relationship between the reduction in final income tax rates and taxpayer compliance of batik MSME actors.***

The results of the study indicate that tax sanctions do not necessarily affect the reduction in Final Income Tax rates on taxpayer compliance, which means that the high and low tax sanctions that apply do not necessarily affect taxpayers to comply with their obligations. Where when Taxpayers are aware of a reduction in Final Income Tax rates, the reduction is attempted to be able to fulfill their obligations and increase compliance, but if taxpayers are not compliant in carrying out tax obligations, they will be subject to tax sanctions according to the provisions. So that taxpayers are required to participate in contributing to paying taxes.

The results of the evaluation of the influence of the reduction in Final Income Tax rates on taxpayer compliance of batik UMKM actors through tax sanctions are contrary to attribution theory. Attribution theory explains how people view the causes of their behavior and others. Individual behavior can be attributed to two different sources: internal and external factors. Internally, it implies that the person exhibiting the behavior is in charge of his own actions. On the other hand, external behavior is that which is imposed from without, meaning that the person must act in a certain way due to external circumstances. In this study, the reduction in Final Income Tax rates cannot affect taxpayer compliance even though tax sanctions are used as a mediating variable. The decreasing final income tax rate should increase taxpayer compliance, and the existence of criminal sanctions and administrative sanctions has an influence in

fostering an attitude within a taxpayer, the growing attitude makes taxpayers who are batik UMKM actors obedient in their obligations to pay taxes.

## CONCLUSIONS AND RECOMMENDATIONS

According to the findings of the discussion that has been done as derived from the earlier chapter, the following can be concluded: The decrease in the final income tax rate significantly governs the compliance of batik UMKM taxpayers. The decrease in the final income tax rate affects tax sanctions. Tax penalties have no impact on compliance of batik UMKM taxpayers. Tax sanctions are not able to mediate the relationship between the decrease in the final income tax rate and the compliance of batik UMKM taxpayers. Provide some conclusions and the implementation of the research results.

From the study's findings and conclusions, several suggestions can be recommended as follows;

1. Tax officers need to pay attention to the quality of service provided to taxpayers who are batik UMKM actors. So that it will increase the final income tax revenue of UMKM.
2. The government must play a dynamic role in spreading control and legal levy sanctions and strengthening levy sanctions. If the government offers an explanation of control and sanctions in tax provisions and can provide stricter sanctions for citizens who disregard the directions, the community will pay with more obedience levies and levy revenues can be brought to full potential. Each year.

## FURTHER STUDY

Further research can use other variables to find new variables that influence taxpayer compliance of batik MSMEs, for example variables such as the quality of tax services.

## ACKNOWLEDGMENT

In completing this proposal, the author received a lot of direction, inspiration and input from various parties. Furthermore, the writer wishes to convey the highest gratitude to everyone who has contributed both directly and indirectly until finally this proposal can be completed properly.

## REFERENCES

- Amalia, H. (2022). The Influence of Tax Knowledge, Taxpayer Awareness and Tax Sanctions on Compliance of PBB-P2 Taxpayers at Bapenda East Jakarta in 2020. *Akrual*, 4(1), 48-56.
- Aninda, N. P., Safelia, N. ., & Tiswiyanti, W. . (2023). The Influence of Tax Knowledge, Service Quality and Tax Sanctions on Compliance of Individual Taxpayers Case Study at Consultant Office X, Jambi City: . *Journal of Applied Management and Finance*, 12(2), 507-515. <https://doi.org/10.22437/jmk.v12i2.24114>

- Astrina, Fenty, and Chessy Septiani. 2019. "The Influence of Understanding Tax Regulations, Sanctions, Tax Audits on Individual Tax Compliance (WPOP)" 4.
- Asyhari, Fauziah, and Aryati Ttitik. 2023. "The Influence of Tax Knowledge, Tax Sanctions, Tariff Reduction, Financial Condition, Quality of Tax Officer Service on MSME Taxpayer Compliance in Jakarta." *Trisakti Journal of Economics* 3 (1): 1715–24. <https://doi.org/10.25105/jet.v3i1.16263>.
- Belqis, D. C. 2019. *The Influence of Tax Understanding, Tax Rate Reduction, Tax Sanctions, Tax Socialization and Quality of Tax Service on MSME Taxpayer Compliance*. Thesis. Sultan Agung Islamic University.
- Cahyani, Luh Putu Gita, and Naniek Noviyari. 2019. "The Effect of Tax Rates, Tax Understanding, and Tax Sanctions on MSME Taxpayer Compliance." *E-Journal of Accounting*, March, 1885. <https://doi.org/10.24843/eja.2019.v26.i03.p08>.
- Caroline, Evline, Idel Eprianto, Cris Kuntadi, and Rachmat Pramukty. 2023. "The Effect of Tax Sanctions, Tax Rates and Tax Understanding on Taxpayer Compliance." *ECONOMIC JOURNAL* 2 (8): 2114–21. <https://doi.org/10.55681/economina.v2i8.722>.
- Caroline, Evline, Idel Eprianto, Cris Kuntadi, and Rachmat Pramukty. 2023. "The Effect of Tax Sanctions, Tax Rates and Tax Understanding on Taxpayer Compliance." *ECONOMINA JOURNAL* 2 (8): 2114–21. <https://doi.org/10.55681/economina.v2i8.722>.
- Damayanti, Mustika, and Icha Fajriana. n.d. "The Influence of Morals, Tax Sanction Firmness and Opportunities to Avoid Taxes on the Level of Individual Taxpayer Compliance (Study at the Lahat Pratama Tax Service Office)."
- Dwitrayani, Made Christin. 2020. "The Effect of the Implementation of the E-Billing System, E-Filling System and the Decrease in Final Income Tax Rates on Taxpayer Compliance of MSME Actors in Denpasar City." *Journal of Accounting Research* 10 No. 2.
- Gaol, Romasi Lumban, and Frederika Heleniawati Sarumaha. 2022. "The Influence of Taxpayer Awareness, Tax Service, Taxpayer Counseling, Tax Audit and Sanctions on Individual Taxpayer Compliance at Medan Petisah Pratama Tax Service." *JRAK* 8.
- Harisman, Jasri. 2023. "The Influence of Tax Knowledge and Tax Sanctions of Government Regulation Number 23 of 2018 on Compliance of MSME Taxpayers in Medan Market Center." *Economics, Business, Management and Accounting (EBMA)* 4.
- Hermawan, and Ramadhan. 2020. "The Influence of Changes in MSME Income Tax Rates on Tax Payment Compliance at Boyolali Pratama Tax Office." *National Symposium on State Finance*. <https://jurnal.bppk.kemenkeu.go.id/snkn/article/view/521/276>.
- Juliandi, Azuar. 2018. "Structural Equation Model Based Partial Least Square (Sem-Pls) Training Module Using SmartPLS," 16–17. <https://doi.org/10.5281/zenodo.2532119>.

- Lazuardini, E. R., Susyanti, J., & Priyono, A. A. (2018). The influence of understanding tax regulations, tax rates and tax sanctions on taxpayer compliance of MSMEs (study on individual taxpayers registered at KPP Pratama South Malang). *E-JRM: Electronic Journal of Management Research*, 7(01).
- Mardiana. 2021. "Analysis of Tax Rate Changes, Tax Amnesty, E-Billing System, and Taxpayer Supervision on Taxpayer Compliance in Serang City." *Jurnal Digital Akuntansi (JUDIKA)* 1 (1): 46-58.
- Musyaffi, A. M., Khairunnisa, H., & Respati, D. K. 2022. Basic concept of structural equation model-partial least square (sem-pls) using smartpls. Pascal Books. Yogyakarta.
- Natascha, Carisa, and Estralita Trisnawati. 2023. "The Effect of Income Tax Rate Reduction, Tax Sanctions and Tax Modernization on Taxpayer Compliance of Western MSMEs During the Covid-19 Pandemic." *Jurnal Multiparadigma Akuntansi V*.
- Ramadhani, D. D., & Umaimah, U. (2023). The Influence of Tax Service and Tax Sanction Implementation on Taxpayer Compliance with Taxpayer Awareness as an Intervening Variable. *Journal of Culture Accounting and Auditing*, 2(1), 147-161.
- Risma Swari, Dinda. 2021. "The Influence of Changes in Tax Rates and Sanctions on the Level of Tax Compliance of Micro, Small and Medium Enterprises (MSMEs) (Case Study in Percut Sei Tuan District)." North Sumatra: Muhammadiyah University of North Sumatra.
- Sandyputra, Christian, and Muh Nurkhamid. 2017. "Factors Affecting Tax Compliance of Non-Employee Personal Taxpayers in the Fisheries Sector." *BPPK Journal* 10:24-42. <http://statistik.kkp.go.id/>.
- Septyani, Ayu Eka, I made Sudiartana, and I Nyoman Kusuma Adnyana Mahaputra. 2020. "The Influence of Service Quality, Taxpayer Understanding, Reduction of Final Income Tax Rates, Tax Payment Compliance of Small and Medium Enterprises (MSMEs) in Denpasar City." *Kharisma Journal* Vol. 2 No. 2.
- Siamena, E., Sabijono, H., & Warongan, J. D. (2017). The influence of tax sanctions and taxpayer awareness on individual taxpayer compliance in Manado. *Going Concern: Journal of Accounting Research*, 12(2).
- Sinta Wijaya, Verlin, and Lia Dama Yanti. 2023. "The Influence of Tax Knowledge, Tax Rates, Tax Payment Mechanisms and Tax Sanctions on MSME Taxpayer Compliance." *ECo-Buss* 6.
- Suci, Tiara. 2023. "The Influence of Tax Understanding, Modernization of Tax Administration, and Tax Sanctions on Individual Taxpayer Compliance."
- Tiswiyanti, W., Safelia, N., Putra, W., & Olimsar, F. (2022). Determinants of taxpayer compliance in Islamic micro small medium enterprises. *Journal of Islamic Accounting and Finance Research*, 4(2), 261-282. doi:<https://doi.org/10.21580/jiafr.2022.4.2.13290>
- widodo, agus. 2019. "The Effect of Decreasing Final Income Tax Rates and Tax Sanctions on MSME Taxpayers in Rembang Regency." *Journal of Accounting and Business* Vol.5 No.01.

- Wulandari, Noor Amelina. 2021. "The Effect of Changes in Tariffs, Tax Sanctions, Administration, and Tax Ease on Tax Compliance After the Issuance of PP Number 23 of 2018." *Journal of Accounting Science and Research* 10, Number 3.
- Yusrizal, Verina Firdaus, Amries Tanjung Rusli, Yenny Wati, and Sudarno. 2023. "LUCRUM: Jurnal Bisnis Terapan The Effect of Reduction in Final Income Tax Rates and Final Income Tax Borne by the Government on MSME Taxpayer Compliance at KPP Pratama Pekanbaru Senapelan." *Lucrum: Jurnal Bisnis Terapan* 3 (1): 94-107. <http://www.ejournal.pelitaindonesia.ac.id/ojs32/index.php/lucrum/index>.