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Exploring of Tax Compliance: Tax Practitioners Interpretation

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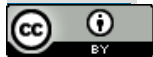
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ABSTRACT

This research aims to find the meaning of tax compliance from the point of view of tax practitioners. The research uses qualitative research with a phenomenological methodology, and informants are taken from tax consultants with fifteen years of experience, and They are partners. The research results on the meaning of tax compliance consist of three: compliance is a risk mitigation. Compliance is obeying the law and obedience. The results of this study have the consequence that compliance does not apply to taxpayers only but also to tax authorities who enforce tax rules, judges who decide tax disputes, and tax consultants themselves

INTRODUCTION

Many researchers have been interested in tax compliance over the last three decades from various disciplines including accounting, economics, history, law, psychology, political science, and sociology (Togler, 2016). Many studies have contributed to the tax compliance literature, which found the factors that shape taxpayer compliance behavior. However, most focus on the relationship between taxpayer behavior, the tax system, and fiscal policy (Kang, 2018).

One of the actors in the taxation ecosystem is Tax Practitioners. Frecknall Hughes & Moizer (2015) divides the work of tax consultants into the tax compliance and tax planning/avoidance advice. Tax compliance work typically involves preparing calculated tax returns to be reported on behalf of the taxpayer to the tax authorities and dealing with and resolving ensuing questions and uncertainties. Tax planning/avoidance work occurs when tax practitioners try to find ways to reduce the taxpayer's liability.

The role of tax consultants in encouraging tax compliance is enormous. The study by Kaplan et al. (1988) shows that approximately 50% of 1986 Tax practitioners prepare income tax returns in the United States. Taxpayers use the services of a tax consultant because the consultant is considered competent in their expertise. Consultants have a significant influence on improving tax compliance or reducing aggressiveness. In Australia, the study by Tomasic & Pentony (1991) found that consultants play an essential role in the Australian tax system. The tax consultant plays a significant role in increasing the compliance rate of his clients. Not only do they act as intermediaries between the Australian Taxation Office (ATO) and the majority of taxpayers (especially business taxpayers), but they also influence the ethical climate and levels of compliance with tax laws.

Erard (1993) argues that consultants have better technical capabilities, broader knowledge related to taxation, and administrative experience on implementation in the field than other taxpayers, so there is a tendency for taxpayers to transfer the

burden of preparing SPT to consultant's tax. As a result, tax consultants have a strong and direct influence on compliance and the tax administration process.

The second role of the tax consultant is as a tax planner. The core function of tax planning is to help clients achieve economic goals by minimizing the client tax burden. Klepper et al. (1991) study found that tax consultants encourage their clients to comply with taxes when the tax laws are unambiguous but exploit ambiguous areas by making decisions that benefit their clients in gray areas. Erard (1993) also found that consultants who prepared tax returns showed more significant non-compliance than prepared themselves. Similar findings have been reported in many other studies [(Ayres et al., 1989)] [(Kaplan et al., 1988)]. Although the ultimate responsibility for the tax return lies with the taxpayer and not with the tax consultant, most people who use a tax consultant's services follow the tax professional's recommendations.

The importance of the role of tax consultants in a country's tax system has prompted the OECD (Organization for Economic Cooperation and Development), an international organization engaged in the field of economics and development, to study the role and behavior of tax intermediaries. OECD (2008) places the tax consultant as a middle party in a three-party relationship between the taxpayer and the tax authority. OECD study concluded that although tax consultants can provide aggressive advice, their behavior is limited and influenced by various factors, as follows: client and legal responsibility; personal responsibility to the regulation of the tax profession; financial and reputation risks; professional fee structure; legal professional rights and auditing standards.

Tax consultants face a unique dilemma in carrying out their role, where client pressure creates incentives to exploit ambiguous reporting situations for personal gain (i.e., maintaining a positive relationship with clients), including personal financial interests. At the same time, tax consultants must maintain the tax system's integrity. (Blanthorne et al., 2014) (Mangoting, Widuri, & Eoh, 2019). Finn,

Chonko, & Hunt (1988) study found that the most common ethical dilemma found by accountants is requesting to reduce the tax owed by clients (see also: Yustina & Hertiningtyas, 2021)

Attitudes and actions of tax consultants towards tax compliance are interesting to study in more depth because of the dilemmatic role of tax consultants; clients require one side to assist in tax compliance, and the other hand sometimes helps clients in aggressive tax planning. How do these conflicting roles fit together? Even more complex, tax consultants are considered representatives of the government and taxpayers. In addition, studies that investigate tax consultants in the compliance process and the factors that influence it have yet to be widely studied. The purpose of this study is to gain an understanding and meaning of consultants' tax

compliance. Understanding and meaning tax compliance is expected to provide an overview of tax compliance behavior among practitioners.

METHODS

Understanding tax consultants' attitudes, motives, and behavior and how they interpret experiences and events can only be done with holistic and natural research. The naturalistic approach allows researchers to explore things that are sensitive and taboo in the environment as they are. The holistic approach allows researchers to understand phenomena that occur from various perspectives. The methods used were in-depth interviews and direct observations in the field to allow researchers to broaden their understanding of what happened or the informants' experiences (Silverman, 2017). Interviews were conducted with tax practitioners with 15 years of experience who serve as partners in their offices

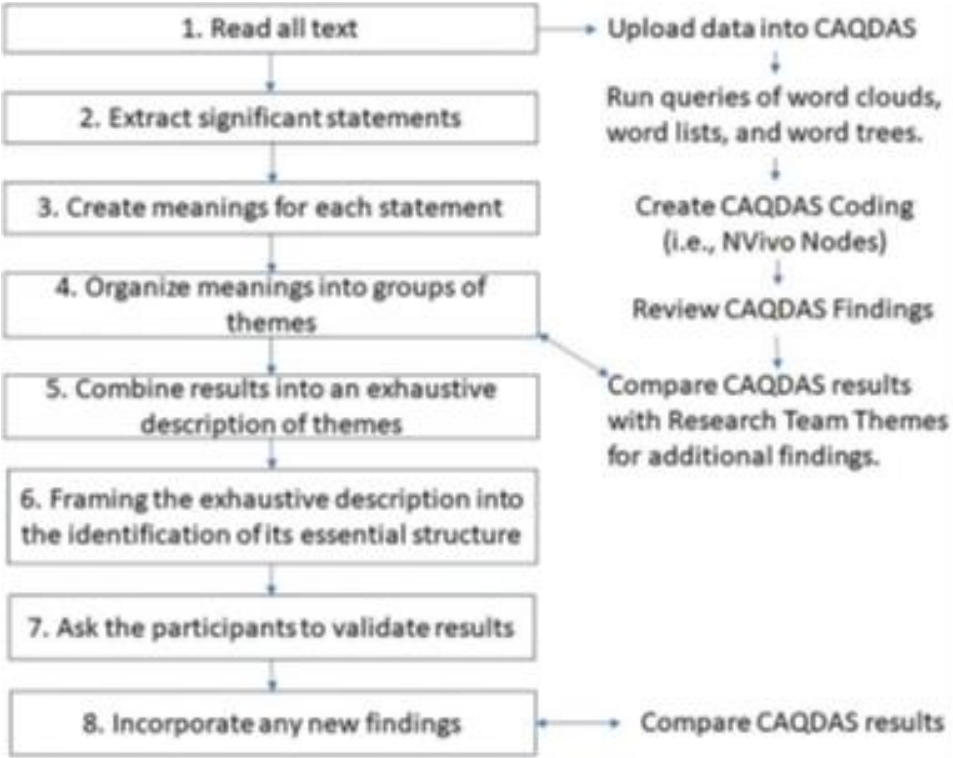


Figure 1. Interviews

Source: (Vignato, Inman, Patsais, & Conley, 2022)

Vignato et al. (2022) try to combine the steps of the phenomenological method (Colaizzi, 1978) with the help of CAQDAS.

Figure 1 above explain to us a combination of Colaizzi and CAQDAS methods. After the interviews, significant statements were collected, defining the meaning of these statements and categorizing them. CAQDAS can help this process, making it easier to document and see the results.

RESULTS AND DISCUSSION

Tax compliance is a familiar term for Tax Consultants, tax officers, and academics. Tax compliance is defined according to Roth, J.A., Scholz, J.T., and Witte (1989 p.2) in Mohdali & Pope (2014) as "the proper time and the returns accurately report tax liability by the rules, regulations and court decisions applicable at the time the return is filed." Alm(1991) defines tax compliance as "the accurate reporting of income and claiming expenses by stipulated tax laws ." According to Andreoni, Erard, & Feinstein(1998), tax compliance is "the taxpayers' willingness to obey tax laws for the economic equilibrium of a country ." Meanwhile, Kirchler(2008) defines "tax compliance as the most neutral term for describing a taxpayer's willingness to pay taxes." We can see another definition of tax compliance from Allingham & Sandmo (1972), describing tax compliance as "reporting actual income. Inasius (2019) defines tax compliance as taxpayers' willingness to comply with tax laws, declare correct income, file a return, and pay all taxes on time. (OECD 2016) defines tax compliance in its glossary, explaining the meaning of tax compliance is "the degree to which a taxpayer complies (or fails to comply) with the tax rules of his country, for example, by declaring income, filing a return, and paying the tax on time." From the definition above, there are several keywords in defining tax compliance, including: "Obey," "ability," and "willingness" (Andreoni et al., 1998; Kirchler, 2007; Inasius, 2019). There are also other keywords, namely "reporting all income" and "filling a return" (Alm, 1991; OECD, 2016).

Two approaches define tax compliance, the first defines tax compliance as a concept, and the second defines tax compliance from an operational approach (Rosid, 2017). The conceptual approach looks at tax compliance from the ex-ante perspective, namely,

the intention to pay taxes. The words "obey," "ability," and "willingness" imply that tax compliance does not require law enforcement efforts, so it seems that law enforcement officers are not needed. This approach is also a voluntary willingness approach. The second approach can be called an operational approach because it prioritizes the importance of administratively fulfilling tax obligations, which include: registration, filing, reporting, and payment—this approach focuses more on ex-post or forced willingness. Tax authorities and international organizations more often adopt this second approach (e.g., OECD). The ex-post approach will be tested after an examination of the tax returns that the taxpayer has submitted. In Indonesia, a tax audit is the authority of DGT. Tax audits that are overpaid or the company loses will get top priority. The authorities will also check and confirm data obtained from third parties.

After understanding the definition map of tax compliance in the literature, the following will discuss the meaning of tax compliance from the point of view of tax practitioners. The discussion will include the meanings obtained from in-depth interviews with informants. The meaning of compliance for tax consultants that will be discussed is tax compliance as risk mitigation, tax compliance as obedience to the law, and tax compliance as coercion, and there is no other choice.

A. Tax Compliance As Risk Mitigation

A tax consultant complying with taxes is one of his professional duties. The meaning of tax compliance as risk mitigation is revealed from informant 10's statement, as follows:

"So far, the tendency is that if there are sanctions that are threatening, then they will obey; the point is to avoid risks that might be seen."

"... the potential is detected or not, but the principle is, if there is a potential for sanctions, there are sanctions, and the sanctions are applied, then they tend to comply (obey)."

From the statement above, mitigating the risks that will occur is the concern of the tax consultant. Two possible risks will occur the risk to the client and the risk to the work itself. Client risk can be in the form of tax obligations that still need to be paid so that they are subject to sanctions or overpayment of taxes than they should so that the company spends

more money and waste occurs. As disclosed by informant 13 as follows:

"They do not have a definition of tax planning, right...because they are afraid that tax planning will be mocked to try to reduce taxes... in the right way and not in the right way... they do not, they want to pay the tax that should be like that... How much do I have to pay, 100 or 100, do not make me pay 80 or 120... that's all... why doesn't he pay 80? Then he's considered poor... he doesn't pay 120 it's not efficient... I want to pay as is, so they use a consultant..."

Another goal of taxpayers using tax consultant services is to transfer existing tax risks to tax consultants (OECD, 2008). Tax risk is all the tax-related uncertainties surrounding a company's transactions, operations, financial reporting decisions, and reputation (Hutchens & Rego, 2013). These tax-related uncertainties include uncertainties in applying tax laws to company facts, possible audits by tax authorities, uncertainties in the financial accounting for income taxes, and the quality of the accounting information on which tax decisions are based.

On the other hand, tax consultants also have risks for their work. The main risk that threatens a tax consultant is negligence claims. A secondary risk is an allegation that a criminal act has been committed. That tax consultant risk has been involved or has aided or abetted in committing a violation. Next, identify the risks of the tax consultant's work in more detail according to Athanasiou & Lawyers (2008), including the following:

- The risk of legal errors in the preparation of tax return income taxes resulting in non-payment of taxes, fines, and interest;
- The risk of having a client sue the tax consultant to "set the books" to minimize the taxes owed or of forcing the tax consultant to engage in unethical, or even illegal, behavior;
- Normal business risks of unpaid debtors and creditors;

- Risk of competing with supervision from tax consultant associations;
- Uninsured or underinsured risks in respect of professional damage claims;
- Risk of loss of personal assets due to professional compensation claims;
- Risk of accusations and claims by former clients concerning wrong, substandard, or negligent advice; and
- Risk of failing to meet filing deadlines set by tax authorities.

Has the risk above ever occurred in the practice of tax consultants? In interviews with informant 14, he shared the ups and downs of being a tax consultant. One of the sad stories is that there was an error in inputting the value of the input tax, which should have been Rp. 20,000.00, which was inputted to Rp. 20,000,000,000. This incident resulted in taxpayers paying a fine of approximately 19 billion rupiahs. As explained below:

"If our subordinates make a mistake, we have to face it... I once wanted to refund a tax invoice, and it should have been 20 thousand, written down 20 billion... so I was fined 19 billion... wow... my house could be lost... I admit I was wrong... this was because of the team's work; I could not check everything... there are so many documents... in my office. There is a system... surveillance has been done... this is fate... I can't write letters. This is what makes me stressed... for an auditor, at least his license is revoked, in case of taxes like the one above, you have to pay it."

The meaning of risk mitigation was also revealed in a study of tax consultants in the UK and Ireland Doyle, Hughes, & Glaister (2009) conducted a study of tax consultant partners by interviewing them regarding ethical perceptions in consultant work considered risk management. The conclusion leads that, in many cases, risk management has replaced the role of ethics in consulting practice. The main principle of the interviewees in risk management is to avoid costly litigation and maintain their reputation and the company's reputation.

Almost all interviewed felt that personal reputation with clients and tax authorities was significant. There are two reasons for that, and they

want to "sleep well" and not be bothered with anxiety because everything complies with the law, so there are no problems in the future. The second reason is that if the reputation is terrible in the eyes of the tax authorities, their clients become the target of a tax audit which will create stress for the client and the consultant. Hence, the consultant partner emphasizes that business ultimately depends on a person's good reputation.

B. Tax Compliance As Compliance With The Law

DGT defines compliant taxpayers as listed in the Decree of the Minister of Finance Number 544/KMK.04/2000. they concern Criteria for Taxpayers Who Can Be Provided Preliminary Refunds for Overpayment of Taxes and Decree of the DGT Number: KEP-550/PJ/2000 concerning Procedures for Determining Taxpayers Who Meet Certain Criteria and Completion of Requests for Refund of Tax Overpayments in the Context of Preliminary Refunds of Tax Overpayments. Compliant taxpayers are as follows: timely tax returns for all types of taxes in the last two years; have no tax arrears; never been sentenced for a tax crime; keep bookkeeping and if all types of taxes have been audited, then the final audit correction is not more than five percent of the tax payable. One of the main criteria for tax compliance from the DGT's point of view is timeliness in submitting monthly and yearly tax returns. Monthly tax returns include tax returns for income tax article 21/26, tax returns for income tax article 23/26, tax returns article 25, and value-added tax returns. Compliance with submitting tax returns on time is usually called formal taxpayer compliance. In a self-assessment system, the correctness of reporting depends on the taxpayer himself. The tax authorities will know the truth of the tax return after an inspection or commonly referred to as material taxpayer compliance. In principle, the tax audit matches the evidence and facts with the tax reports that have been made. Almost every year, the Indonesian tax authority announces the percentage of formal taxpayer compliance. For example, the 2021 Annual tax return announced the realization of tax compliance of 84% (pajakku, 2022), with details: The annual Tax Return of corporate taxpayers is reported at 1.01 million tax returns, and The reported

annual tax return of individual taxpayers is 14.77 million. The ratio of formal taxpayer compliance from year to year has increased. The data shows as follows: in the fiscal year 2016, Annual tax returns reported by taxpayers were 12.2 million reports or a compliance ratio of 60.75% of 20.1 million taxpayers' tax; in the fiscal year 2017, the annual tax return reported by taxpayers who are required to report tax returns is 12.5 million, the compliance ratio is 72.58% of 17.6 million taxpayers; the fiscal year 2018 Annual tax returns reported by taxpayers were 13.3 million, the compliance ratio was 71.10% of 16.6 million taxpayers; the fiscal year 2019 of 73.06% and fiscal year 2020 of 77.63%.

Tax compliance behavior is very diverse. For example, the Canadian tax authority divides taxpayer compliance into six groups (Kristiajiet al., 2013): compliance taxpayers (compliers) consisting of altruistic compliers and deferent compliers.); at any time non-compliant (contingent non-compliers) consisting of pseudo-compliant (pseudo compliers), compliance or situational compliance (situational compliers), potentially non-compliant (potential non-compliers); and tax opponents (rebels). The above classification shows that tax compliance is a complex issue, and various factors can influence it. How is tax compliance from the perspective of a tax consultant, meaning that tax compliance complies with applicable laws? Obeying the law means trying all his actions according to the law. As we know, by article 12 of the KUP Law (General Taxation Provisions), the tax authority has the authority to issue a complete SKP (tax assessment letter). The article reads as follows:

1. Every Taxpayer is obliged to pay the tax owed following the provisions of the tax laws and regulations without relying on the existence of a tax assessment letter.
2. The amount of tax payable according to the notification letter submitted by the taxpayer is the amount of tax payable by the provisions of the tax laws and regulations.
3. If the Director General of Taxes obtains proof that the amount of tax payable according to the Tax Return, as referred to in paragraph (2) needs

to be corrected, the Director General of Taxes determines the amount of tax payable.

According to the article above, taxpayers must pay taxes following statutory regulations without waiting for a tax assessment letter (SKP). The DGT will issue the SKP if it gets evidence that the tax return is incorrect. Proof of incorrect tax returns is usually through tax audits. In short, an SKP will be issued if a tax audit is carried out first. Following Article 25 of the KUP Law, taxpayers can object to the SKP. If they feel unfair about the objection decision, taxpayers can still appeal at the tax court level.

Obedying the law is obeying the rules at every level. As we all know, the levels of tax administration include tax returns, audit assistance, objections, and appeals to the Tax Court. Tax consultants will comply with the rules at each level of management. Informant 11's comments about filling out a tax return: the consultant will comply with the rules because it is considered easy.

"...with a consultant, compliance should increase.... There is no consultant to try. It is fine,... so the consultant does not only take care of trivial matters, such as SPT. If tax compliance increases, it will be better for the economy. As a consultant for me, I educate my client. If he is wrong, he has to pay taxes."

Informant 13 commented that submitting a tax return must be done, starting from registering, paying, and reporting as for reports that are not appropriate, as long as they are paid, the sanctions are not a problem because they are still within the corridors of the rules.

"...the important thing is to obey. It fulfills the elements that he has registered, paid, and reported. For me, obedience...that's all..., is there a debate, but when I was at the campus about sanctions...did the person who was subjected to the sanction obey? How many tax directors say obey...as long as he pays the penalty...and if it has linked to tax planning, right sir, it is better for people to delay paying their taxes than to delay paying their salaries... Meanwhile, informant 3 said that the preparation of tax returns must be compliant but take advantage of the gray area, as conveyed as follows:

"I can say that we are not disobedient, sir. We still obey if we do not comply. It is on purpose, sir, but what we do is according to the rules, but there is

a small space that we create, or in other words, a gray area that we direct to correct. But still obedient, sir. There is no disobedience."

At the tax audit level, informant 13 explained what he was doing: helping his client and the tax examiner as a communication bridge.

The tax consultant equates the language... the language of the taxpayer is the same as the language of the examiner... it is like if we do it every day... we tell our clients to do the equalization, try to tell our clients to make the equalization a mess, right... it is weird with us... we tidy it up... so the language of the tax office is like that... ooo the examiner understands... and vice versa... the examiner...asks something.. his language, he does not understand that... ask what document he gives... what are we in the middle of...

It is interesting to note the statement made by informant 7, that the perception of compliance by tax people and the perception of compliance by taxpayers is different, as follows:

"... comply even because the perception of the tax person and the taxpayer is different, the perception of the examiner or the tax authorities thinks that what we provide is not appropriate, there must be something to hide."

The point of view of complying with the rule of law turns out to be different in practice between perceptions according to the tax authorities and perceptions according to the taxpayer. The consultant, in this case, is in the middle between the taxpayer and the tax authorities. One of the reasons for this difference in perception is the different interpretations of the rules or the existence of ambiguous rules. As stated by informant 13, as follows:

"Comparing between taxpayers and DGT... or examiners like that... what is the answer talking about AR, what is the answer talking about Kring taxes, talking to the examiner what is the answer... that's what we meet every day... we ask Kring tax...the answer is okay, AR, the answers are different, the examiners are different, okay, make it written... which one is correct, and we will follow... no one dares... it's always like that. Nothing.. It's just written like that, you know.. so we also follow it.."

Obedying the legal rules of the tax consultant version is following every decision at various legal levels starting from preparing tax returns, during tax

audits, filing objections, and filing appeals to the Tax Court. The highest level of tax law is at the Tax Court. Statistical data (Pajak, 2022), in 2019, out of 10,166 cases rejected by the panel of judges were only 2,388 cases (23.49%). While in 2020, out of 10,128 cases rejected by the panel of judges, there were 2,507 cases (24.75%). In 2021 12,959 cases were rejected by judges in 3,297 cases (25.44%). While other conditions there are granting in part and granting the whole. Meanwhile, the data granted in total from 2019: 4,937 cases (48.56%), 2020: 4,598 cases (45.39%), and 2021: 5,338 cases (41.19%)

From the above data, the SKP decisions issued by the DGT are still not fully following the applicable regulations. DGT's data wins absolutely in the tax court. On average, it is still around 25%. At the same time, taxpayers win absolutely in the Tax Court by an average of 40%. Even though they do not have to use a tax consultant in appealing, many taxpayers use a consultant's services as the taxpayer's legal representative. From the description of the data above, we can conclude that tax consultants interpret tax compliance as complying with applicable laws. Problems may arise when the law is obeyed, ambiguous, and multi-perception, so many lawsuits against DGT as the authority that enforces the law are even canceled by judges. Decision at the appeal level in the Tax Court proves that the meaning of compliance that compliance, according to the taxpayer (tax consultant), differs from compliance, according to tax authorities.

The tax consultant's view of tax compliance differs from the general definition in the research literature. Tax compliance in previous studies only looked at tax compliance in terms of the obligation to report tax returns (see: Pope & Mohdali, (2011); Alm, (1991); Andreoni, Erard, and Feinstein (1998); and Kirchler, (2007)). The tax consultant views tax compliance as comprehensive law enforcement. Tax consultants must comply with the law during interactions between taxpayers and tax authorities when submitting tax returns, tax audits, and filing objections and appeals to the Tax Court. The meaning of compliance is that complying with the law means that all stakeholders must comply with the applicable tax rules.

C. Compliance With Taxes As Collection And No Option

The current tax compliance approach is divided into three groups of compliance theory models,

namely: (i) economic deterrence models (EDM), (ii) social psychology models (SPM), and (iii) fiscal psychology models (FPM). EDM theory was developed by Allingham and Sandmo (1972). The essence of EDM is the assumption that taxpayers are very rational economic beings and, therefore, will always act purely based on the principle of economic utility (expected utility theory). This theory focuses on audit probability variables and the magnitude of audit sanctions. EDM theory is contradictory to current actual conditions. This theory significantly contributes to understanding tax compliance (Rosid, 2017). Suppose this theory is used to predict the level of tax compliance by looking at the reality of the slight possibility that taxpayers are examined and sanctioned. In that case, this theory will conclude that almost all taxpayers will not comply with taxes. There are still many compliant taxpayers, even though the audit probability is small.

To overcome the weaknesses in EDM, tax scholars have developed a new approach in the form of non-expected utility theory by incorporating psychological elements that influence humans in making decisions. For example, the attribution theory has been used by Kaplan et al. (1988) to see whether taxpayers are tax compliant/non-compliant. One's behavioral intention to avoid is directly related to one's perception of the morality of the avoidance and one's causal explanations (attributions) for other people's behavior. The study of Kaplan et al. (1988) proves that tax avoidance intentions are indirectly related to environmental need factors and the extent of avoidance. And with the dispositional aspect of specificity. That is, avoidance becomes more likely to the extent that the individual does not perceive tax compliance as a significant moral issue and to the extent that he can rationalize that it is okay because "everyone else is doing it" (high consensus), "I need the money right now" (high need), and "I do not cheat all the time" (high specificity),

Furthermore, although both focus on the importance of psychological elements, what distinguishes FPM from SPM is that FPM focuses more on understanding the dynamics of the quality of the dialectical relationship between the tax authority (or the state) and the taxpayer. In this case, besides the theory of 'tax morale,' which has become popular in the last two decades, one of the theories that emerged from this model is the 'slippery slope framework' (SSF) initiated by (Kirchler et al., 2008).

The SSF is a conceptual tool for understanding tax compliance in which the strength of the tax authorities and trust in the tax authorities are the relevant dimensions. To understand forced and voluntary obedience can be seen from the dynamic interaction between power and trust. Factors studied in previous research, such as fines, audit probability, tax rates, knowledge, attitudes, norms, and fairness, are reviewed and discussed concerning the dimensions of power and trust. Aside from being a conceptual tool, SSF is also an operational tool for the tax authorities which emphasizes the importance of an effective and synergistic combination between law enforcement activities (power) and the level of trust (trust) of taxpayers in the tax authorities.

Returning to the meaning of tax compliance for tax consultants as forced and having no choice, the authors consider that not only tax law imposes coercion, but all laws are coercive. From this context, it is only natural that tax coercion also occurs. The informant implied the meaning of coercion. The results of the interview with informant 2, who stated that during the tax audit process, he sometimes felt pressured and forced, stated as follows:

Most of them are still coercing. Yes, we have answered all the examination results. In closing, they did not accommodate that and did special lobbying to the client's superiors. However, input is forced by the examiner to be accepted.

"The point is that the consultant is obedient, sir. It is just that there is a power that puts pressure on us, so we also develop a strategy to deal with that pressure."

Informant 8 states as follows:

If you want compliance to increase, there is a special appreciation for those who are diligent in paying taxes so that it motivates people to pay taxes as well. If now nothing has been felt from people who pay taxes."

"Yes, it should be able to support that. Support voluntary compliance. If what is happening now is not like there is coercion."

From the statements of the two informants above, it is felt that the tax atmosphere in Indonesia is felt as an atmosphere of coercion (enforced compliance) compared to an atmosphere of motivation with an appreciation for obedient taxpayers (voluntary compliance).

The meaning of tax consultants related to tax compliance is derived from their experience interacting with various actors in taxation, such as tax authorities, who are usually represented by tax examiners, taxpayers, and judges at the Tax Court. The impression of coercion arises when it occurs in tax audits, and this is due to the attitude of tax examiners who sometimes force audit findings on taxpayers. This coercion can be given a limited time to answer/refute audit results or differing opinions in terms of interpretation of a rule.

The findings of Stalans & Allan Lind (1997) reveal that the taxpayer's view of the procedural fairness of the tax examiner is worse than that of the tax consultant. According to (Tyler, 2003), procedural justice shows the existence of fairness regarding the perception of the procedures used in making decisions. In the case of tax audits, the procedure is fair or just if the tax authorities can provide equal opportunities for taxpayers to express their opinions during the decision-making process, and the tax authorities must consistently be able to make decisions accurately. From a conceptual perspective, the differences between laypeople and professionals can yield important information about how roles and perspectives shape perceptions of encounters with authorities and the importance of establishing different criteria in shaping evaluations of procedural fairness. For Lawyers or representatives, influence over the outcome is more important due to their job approach to negotiating the best settlement for their clients. In contrast, many laypeople may view the work of tax courts and audits as telling the truth about the matter (Stalans & Allan Lind, 1997).

Judging from the concept of phenomenology, which deepens the concepts of noema and noesis, where noema is the objective side of phenomena that we can see, hear, taste, think, and smell. In contrast, noesis is the subjective side of phenomena which is the basis for human thought in perceiving, remembering, judging, feeling, and thinking. Compliance with tax laws is the noema side, while the noesis side is forced to comply with tax rules.

Kirchler's (2008) opinion that tax compliance is divided into two parts: voluntary and enforced compliance. Voluntary compliance is driven by trust in the government (trust in the tax authorities), while forced compliance depends on the power of the government (the power of tax authorities). This

study's results indicate that enforced compliance is felt to be more dominant among Indonesian tax consultants.

CONCLUSION

The meaning of tax compliance is to mitigate risk. The risk of giving taxpayers bad advice on applying the rule This tax risk exists because of ambiguous and complex tax laws. The meaning of tax compliance by tax consultants is different from the meaning of tax compliance by taxpayers in general. The task of a tax consultant is to mediate between the authorities and the taxpayer. The consultant views that the meaning of tax compliance is not only when submitting tax returns but also when objecting and appealing to the Tax Court. These different meanings imply that tax compliance must be implemented for all stakeholders. The third meaning that can be concluded is obedience as a compulsion. This meaning shows that tax consultants in Indonesia tend to carry out their tax obligations due to coercion.

Limitations and Recommendations

Limitations in this study include the limited research time for researchers. This time limit of the informant will result in the possibility that there is still data that has yet to be captured. The number of informants interviewed this limitation has the consequence that only some of the characteristics of tax consultants are represented in elaborating their attitudes and behavior. This research was conducted in the DKI Jakarta area, where it was conducted on tax consultants who mainly handle taxpayers and are associated with tax offices in the DKI Jakarta area. Different regions will have different perceptions received by each informant, and this is due to cultural, environmental, and other differences.

This tax compliance research takes the point of view of a tax consultant as a research subject. For further research, it can be developed by looking at different perspectives, for example, tax examiners and or taxpayers. Understanding the meaning of tax compliance in Indonesia can be a reference for the input of all parties in improving and increasing tax compliance. The rule of law that is clear and firm in

its implementation will encourage the actors involved to be more orderly and disciplined in implementing it, both from tax officials who work to carry out enforcement, as well as taxpayers and their tax consultants.

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