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The Influence of Income, Taxpayer Awareness, and Tax Services on Taxpayer Compliance at PT Rajawali Assa Mandiri

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Abstract

Tax revenue plays a crucial role in supporting national development, making taxpayer compliance an essential aspect of achieving Indonesia's fiscal goals. However, compliance among employee taxpayers remains inconsistent due to diverse financial capacities, behavioral awareness levels, and the perceived quality of tax services. This study examines the influence of income, taxpayer awareness, and tax service quality on employee taxpayer compliance at PT Rajawali Assa Mandiri. A quantitative explanatory research design was applied, using a structured questionnaire distributed to employees selected through purposive sampling based on their status as active taxpayers. Multiple linear regression analysis was conducted to assess both partial and simultaneous relationships among the variables. The results reveal that income, taxpayer awareness, and tax service quality significantly contribute to employee taxpayer compliance, indicating that compliance behavior is shaped not only by economic ability but also by psychological readiness and administrative support. Although the predictive model demonstrates meaningful explanatory power, a portion of compliance variance remains influenced by other behavioral and organizational factors beyond the scope of this study. These findings suggest the need for integrated interventions that reinforce taxpayer education, enhance service accessibility, and align taxation policies with employee financial conditions. The study offers practical insight for government institutions and organizations in strengthening voluntary compliance to improve national tax revenue sustainability.

Keywords*: Income, Taxpayer Awareness, Tax Service Quality, Taxpayer Compliance*

1. Introduction

Tax compliance remains a crucial element in sustaining national revenue, particularly in developing countries such as Indonesia where tax contributions serve as the primary source of state income [1] [2]. However, compliance among individual taxpayers, including corporate employees, continues to face significant challenges and fluctuations over time [3] [4]. Variations in taxpayer behavior are often associated with economic capacity, behavioral awareness, and perceived service quality provided by tax authorities [5] [6]. These contextual dynamics highlight the ongoing need to empirically re-evaluate determinants that strongly influence compliance behavior in different organizational and business settings [7] [8].

Several studies have consistently emphasized the importance of economic capability typically represented by individual income as a driver of tax compliance. Higher income groups are assumed to have greater financial readiness and motivation to fulfill their tax obligations [9] [10]. Therefore, income is expected to exert a significant partial influence on employee taxpayer compliance, leading to Hypothesis 1 (H1). However, conflicting results found in other research indicate that higher income may also increase tax evasion opportunities, creating an academic gap that requires further empirical validation in specific business contexts.

Taxpayer awareness is also recognized as a behavioral factor that supports compliance. Studies by [11] [12] demonstrate that increased awareness of tax obligations encourages taxpayers to voluntarily comply with regulations. Based on this theoretical stance, the present research proposes Hypothesis 2 (H2), which predicts a significant partial effect of taxpayer awareness on compliance behavior. Even so, inconsistencies still exist when taxpayers possess awareness but demonstrate low compliance due to distrust in the tax system or preference for informal financial decisions. This inconsistency indicates a knowledge gap that must be explored further.

Moreover, quality of tax services has been identified as an external stimulus shaping compliance behavior. Previous research [13] [14] found that fast, transparent, and technology-based service models contribute to improved taxpayer trust and willingness to comply. Hence, Hypothesis 3 (H3) suggests a significant partial influence of tax service quality on employee taxpayer compliance. However, emerging literature shows cases where enhanced service did not translate into better compliance, especially when accompanied by low enforcement measures signaling a novel opportunity for contextual reassessment.

Despite these findings, most prior studies tend to examine the variables individually, not comprehensively within a simultaneous model involving income, awareness, and tax service dimensions together. This highlights a gap in integrated empirical evidence, especially within corporate environments such as private limited companies handling employee-taxpayer administration systems. Therefore, this study introduces Hypothesis 4 (H4), asserting that income, taxpayer awareness, and tax service quality simultaneously influence employee taxpayer compliance.

Drawing from existing theoretical frameworks and empirical findings, the present study examines the separate and interactive effects of income, awareness of taxpayers, and service excellence on the compliance behavior of employees at PT Rajawali Assa Mandiri. Its contribution lies in addressing a specific organizational context while integrating multiple factors, thereby offering new perspectives to the field of taxpayer compliance research and practical guidance for policy improvement.

2. Research Methods

Adopting a quantitative explanatory framework, this study examines how Income (X1), Taxpayer Awareness (X2), and the quality of tax services (X3) influence Taxpayer Compliance (Y). The research employed a structured survey instrument, with answers rated on a five-point Likert scale to quantify respondents' attitudes. IBM SPSS Statistics 23 was used to run multiple linear regression, allowing for the evaluation of both partial and joint effects of the independent variables on compliance behavior.

This research targets all 193 staff members of PT Rajawali Assa Mandiri from the Pasuruan, Probolinggo, and Blitar offices. Slovin's formula, with a 10% margin of error, determined a sample size of 66 individuals. To maintain relevance, purposive sampling was implemented, selecting only employees based in Pasuruan who are active taxpayers, thus aligning the sample selection with the study's specific goals.

The research procedure includes the distribution of questionnaires directly to eligible respondents after receiving permission from the company and obtaining informed consent from participants. Prior to analysis, completed questionnaires were screened and coded for data accuracy. Statistical testing consisted of descriptive analysis, reliability and validity assessments, classical assumption testing, and hypothesis testing using multiple linear regression. The significance levels were determined at $\alpha = 0.05$ to conclude the acceptance or rejection of the proposed hypotheses.

3. Results and Discussions

3.1. Result

Validity Test

To determine the appropriateness of each questionnaire item for measuring the intended construct, the study conducted a validity test at a 0.05 significance level. With $df = n - 2 = 64$, the corresponding r-table value was 0.204. Items with r-count values higher than this benchmark were considered valid, as summarized in Table 1.

Table 1. Validity Test

No.	Variable	r-count	r-table	Sig. (2-tailed)	Description
1	Income (X1)	0.911	0.204	0.000 < 0.05	Valid
2		0.921	0.204	0.000 < 0.05	Valid
3		0.939	0.204	0.000 < 0.05	Valid
4	Taxpayer Awareness (X2)	0.961	0.204	0.000 < 0.05	Valid
5		0.958	0.204	0.000 < 0.05	Valid
6	Tax Service Quality (X3)	0.817	0.204	0.000 < 0.05	Valid
7		0.841	0.204	0.000 < 0.05	Valid
8		0.884	0.204	0.000 < 0.05	Valid
9	Taxpayer Compliance (Y)	0.891	0.204	0.000 < 0.05	Valid
10		0.945	0.204	0.000 < 0.05	Valid
11		0.840	0.204	0.000 < 0.05	Valid

Source: Processed Data, 2025

All questionnaire items for Income (3 items), Taxpayer Awareness (2 items), Tax Service Quality (3 items), and Taxpayer Compliance (3 items) have an r-count value higher than the r-table value (0.204), with significance levels below 0.05. These results indicate that every item used in the instrument is declared valid and appropriate for measuring the intended variables in this research.

Reliability Test

To ensure that respondents' answers were consistent and dependable, a reliability test was carried out. The analysis employed SPSS 23 with Cronbach's Alpha, and any variable exceeding the threshold of 0.60 was classified as reliable, confirming the questionnaire's stability in capturing data.

Table 2. Reliability Test Results

No	Variable	Alpha	Description
1	Income (X1)	0.910	Reliable
2	Taxpayer Awareness (X2)	0.914	Reliable
3	Tax Service (X3)	0.798	Reliable
4	Taxpayer Compliance (Y)	0.871	Reliable

Source: Processed Data, 2025

Based on the results presented in Table 2, it can be seen that all variables have *Cronbach's Alpha* values above 0.60: Income (0.910), Taxpayer Awareness (0.914), Tax Service (0.798), and Taxpayer Compliance (0.871). Therefore, all variables are declared reliable. This indicates that the research instrument is trustworthy and suitable for use, as it can consistently measure the variables being studied.

Normality Test

Normality of the regression residuals was evaluated to ensure compliance with statistical assumptions. The analysis was carried out with SPSS 23 via the One-Sample Kolmogorov–Smirnov Test, where a significance value above 0.05 indicated a normal distribution of residuals.

Table 3. Normality Test

One-Sample Kolmogorov-Smirnov Test	Unstandardized Residual
N	66
Normal Parameters	
Mean	.0000000
Std. Deviation	1.51898767
Most Extreme Differences	
Absolute	.126
Positive	.126
Negative	-.050
Test Statistic	.126
Asymp. Sig. (2-tailed)	.229
Exact Sig. (2-tailed)	.229
Point Probability	.000

Source: Processed Data, 2025

The Kolmogorov-Smirnov test results (Table 3) yielded a significance value of 0.229, above the 0.05 cutoff, demonstrating that the residuals are normally distributed and suitable for further statistical testing.

Multicollinearity Test

To ensure the independence of explanatory variables in the regression model, multicollinearity is assessed using Tolerance and VIF. Variables with Tolerance values exceeding 0.10 and VIF values under 10 are considered free from multicollinearity effects.

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Table 4. Multicollinearity Test

Coefficients a	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
(Constant)	2.722	.626		4.350	.000		
Income (X1)	.188	.112	.267	1.685	.009	.546	1.830
Taxpayer Awareness (X2)	-.013	.152	-.016	-.088	.000	.401	2.493
Tax Service (X3)	.116	.109	.181	1.064	.012	.475	2.103

1.Dependent Variable: Taxpayer Compliance (Y)
Source: Processed Data, 2025

Based on the indicators presented in Table 4, the independent variables X1, X2, and X3 exhibit Tolerance values greater than 0.10 and VIF values lower than 10. These results validate the absence of multicollinearity, ensuring that the variables are suitably independent for inclusion in the regression model.

Heteroscedasticity Test

Heteroscedasticity testing is performed to verify whether the spread of residuals in the regression model remains constant. The Glejser test is employed in this study, with a Sig. threshold of 0.05; values below this indicate heteroscedasticity, while values above confirm the absence of unequal variance across the residuals.

Table 5. Heteroscedasticity Test

Coefficients a	B	Std. Error	Beta	t	Sig.
(Constant)	1.623	.789		2.056	.144
Income (X1)	-.089	.090	-.087	-.985	.109
Taxpayer Awareness (X2)	.320	.086	.466	3.730	.090
Tax Service (X3)	.294	.113	.325	2.595	.112

a. Dependent Variable: Taxpayer Compliance (Y)
Source: Processed Data, 2025

The analysis in Table 5 reveals that all independent variables have significance values above 0.05, indicating no heteroscedasticity. This confirms that residual variance is uniform, making the regression model valid for further evaluation.

Multiple Linear Regression Analysis

Multiple linear regression analysis was conducted to examine the causal relationship between independent variables Income (X1), Taxpayer Awareness (X2), and Tax Service (X3) on the dependent variable, Taxpayer Compliance (Y).

Based on the regression results in Table 7 above, the multiple linear regression equation obtained is as follows:

$Y = 1.623 - 0.089X1 + 0.320X2 + 0.294\ X3$

Where:
Y = Taxpayer Compliance

X1 = Income

X2 = Taxpayer Awareness

X3 = Tax Service

Interpretations of the regression coefficients are as follows:

1. Constant (1.623)
   When Income, Taxpayer Awareness, and Tax Service are assumed to be constant (zero), the Taxpayer Compliance value is 1.623. This reflects a baseline level of compliance regardless of the predictor variables.
2. Income (X1) = -0.089
   The negative coefficient indicates that an increase in employee income is associated with a slight decrease in Taxpayer Compliance by 0.089 points, assuming other variables remain constant. Although statistically significant (Sig. = 0.009), this suggests that higher income does not necessarily drive tax compliance positively.
3. Taxpayer Awareness (X2) = 0.320
   An increase in taxpayer awareness contributes to an increase in compliance by 0.320 points. This indicates a strong positive role of awareness in encouraging tax compliance behavior.
4. Tax Service (X3) = 0.294

Improved tax services increase compliance by 0.294 points, reflecting the importance of professional and supportive service delivery by tax authorities.

Partial t-Test

Partial t-tests were conducted to evaluate the independent impact of each variable on the outcome. Variables were deemed significant if the observed t-statistic exceeded 1.999 and the significance level was below 0.05.

The hypothesis testing results are described as follows:

1. Income and Compliance. Statistical testing demonstrates that income significantly affects employee compliance, as evidenced by a t-statistic surpassing the critical threshold and a p-value below 0.05, confirming H1.
2. Taxpayer Awareness and Compliance. The findings reveal that employee awareness of tax obligations contributes positively to compliance. The partial effect is statistically significant, supporting hypothesis H2.
3. Tax Service and Compliance. Analysis indicates that the quality of tax services significantly influences compliance behavior among employees. This finding validates H3, highlighting the importance of service efficiency.

Simultaneous Significance Test (F-Test)

The collective influence of the independent variables on the dependent variable was evaluated using an F-test. Acceptance of the hypothesis occurs when the calculated F exceeds 2.75 and the significance level falls below 0.05.

Table 6. ANOVA – F-Test

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	26.342	3	8.781	3.630	.018b
Residual	149.976	62	2.419		
Total	176.318	65			

Source: Processed Data, 2025

Table 6 reveals that the F-count of 3.630 is higher than the F-table of 2.75, with a significance of 0.018. This result confirms that the independent variables together significantly affect Taxpayer Compliance, supporting H4 and confirming that the regression model is appropriate for the study.

Coefficient of Determination Test (R^2)

Table 7. Coefficient of Determination Results (R^2)
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.726a	.527	.504	1.67318
a. Predictors: (Constant), Income, Taxpayer Awareness, Tax Service				

Source: SPSS Data Processing (2025)

Table results indicate an R^2 of 0.527, suggesting that Income, Taxpayer Awareness, and Tax Service together explain 52.7% of the variance in Employee Taxpayer Compliance, while the remaining proportion is due to factors not examined in this research.

In essence, the model moderately accounts for the patterns in taxpayer compliance among employees. Nearly half of the variation, 47.3%, arises from factors not considered in this study, including familiarity with taxation rules, perceived tax sanctions, support from the organization, and other external conditions.

These results indicate that although the model provides meaningful explanatory power, future research could consider incorporating additional variables to achieve a more comprehensive model in explaining taxpayer compliance behavior.

3.2. Discussion

This study analyzes the effect of income, taxpayer awareness, and tax service quality on employee taxpayer compliance. The results provide clear answers to the research objectives by demonstrating that the three independent variables influence compliance both individually and simultaneously, indicating that compliance is shaped by economic capability, internal motivation, and administrative support.

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The findings show that income has a significant positive relationship with taxpayer compliance. Employees with higher income tend to experience fewer financial constraints, making it easier for them to fulfill their tax obligations. This result aligns with the ability-to-pay theory and is supported by [15] [16], who found that taxpayers with higher income levels are more likely to comply with taxation rules compared to those with lower income. Nevertheless, variations in income levels may introduce inconsistencies across different taxpayer groups, suggesting the need for deeper examination of socio-economic disparities.

Taxpayer awareness also significantly affects compliance. Awareness reflects legal, moral, and social understanding related to the benefits of taxation and the duty to contribute to national development. When taxpayers recognize the positive impact of tax revenue for society, their willingness to comply voluntarily increases. This result supports the findings of [17] [18], who highlighted that a strong understanding of taxation regulations promotes higher compliance. However, awareness may vary due to differences in access to education and information, indicating potential limitations in generalization.

The results further reveal that tax service quality has a substantial impact on compliance. Efficient, transparent, and accessible services improve taxpayer satisfaction and reduce administrative barriers. This finding is consistent with [19] [20], who emphasized that improved service delivery, including digitalized tax platforms, significantly enhances taxpayer compliance in developing countries. Nonetheless, the benefits of improved service may be uneven if technological literacy is not uniformly distributed among taxpayers.

Simultaneous testing shows that income, taxpayer awareness, and tax service quality together explain 52.7% of the variance in taxpayer compliance, demonstrating a moderately strong predictive model. The remaining 47.3% suggests that other influential factors remain unobserved in this study, such as enforcement mechanisms, perceived fairness, or organizational tax culture. This limitation signals an opportunity for future research to incorporate broader behavioral variables.

Overall, these findings generalize that taxpayer compliance depends not solely on financial ability but also on cognitive and systemic support. Policymakers should therefore adopt an integrated approach strengthening education, improving service quality, and designing income-responsive tax policies to foster sustainable voluntary compliance.

4. Conclusion

Based on the results of the statistical analysis, this study concludes that income, taxpayer awareness, and tax service quality each have a significant influence on employee taxpayer compliance. Furthermore, the three variables simultaneously contribute to shaping compliance behavior, where the level of compliance can be explained by the combined influence of these factors. The findings indicate that employees who have sufficient financial capability, a strong understanding of their tax obligations, and access to efficient and supportive tax services are more likely to fulfill their tax responsibilities in accordance with the law. The coefficient of determination shows that income, taxpayer awareness, and tax service quality together account for 52.7% of the variation in compliance, suggesting that other factors outside the model may also play an important role. Therefore, future research could incorporate additional behavioral or organizational variables to achieve a more comprehensive understanding of compliance behavior. Practically, the results of this study provide insights for companies and tax authorities to design strategies that enhance awareness, improve service delivery, and ensure a supportive environment for strengthening employee taxpayer compliance.

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