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Taxpayers' Perception Of E-Filing System In Increasing Behavior Of Annual Reporting Of Tax Return (Indonesian Evidence)

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Abstract
The number of e-filing users, especially individual taxpayers has steadily been increasing, but this system has not been implemented by all registered taxpayers. This aims of this study are to examine the effect of attitude towards behavior, subjective norms, and perceived behavior control on intent to use e-filing by using the Theory of Planned Behavior. Furthermore, the effect of the intent to use e-filing on the behavior of individual taxpayer in reporting Annual Tax Return was included in the analysis. This research was conducted on 243 respondents who validly filled out the questionnaires within the period of May-June 2018 at the Primary Tax Office of Palembang Ilir Barat area. The collected data were analyzed by using Partial Least Square. The findings of the study reveal that the attitude towards behavior, subjective norms, and perceived behavior control have a positive and significant effect on the individual taxpayer's intent to use the e-filing system. In addition, the intent to use e-filing system has a positive and significant effect on the behavior of the individual taxpayers in reporting the annual tax return.

1. Introduction

Indonesia is classified as one of the developing countries in the Asian region with increasing economic growth. So it needs good sources of state revenue to finance the growth. The main source is the tax sector which is used to finance government expenditures and development. Based on the data on the realization of Indonesian state revenue in 2013-2017 presented on their website (www.bps.go.id), it is revealed that the proportion of the revenue from the tax sector is the largest domestic revenue of all state revenues, namely 86% on the average. Therefore, the state revenue from the tax sector should always be improved so that it can continue to finance the expenditures and the development of the country.

The Directorate General of Taxes has made various efforts to maximize tax revenues, among others, by conducting the tax revolution from the official assessment system to the self-assessment system, in which Indonesian citizens as taxpayers are given the trust to calculate, to assess and pay their own indebted taxes in the hope of facilitating the public to carry out their tax obligations, whereas in the official assessment system, levy responsibility lies entirely on the government as the ruler (Direktorat Jenderal Pajak, 2013).

To increase voluntary tax compliance, the taxpayers need to understand the main reason why they should pay and report taxes (Karanja, 2016). In addition, the taxpayers' motivation is very influential in improving tax compliance (Supriyati, 2012). The factors that affect the motivation of the taxpayers, among others, are external factors originating from all businesses and regulations issued by the Directorate General of Taxes to improve taxpayer's compliance. Whereas, the internal factors come from within the taxpayers themselves, namely how the taxpayers see how important it is to fulfil tax obligations (Budiarti & Sukartha, 2015).

The online system for tax filing (e-filing) and tax payments (e-billing) is launched by the Director General of Taxes with the purpose of facilitating the taxpayers to carry out their obligations. The data obtained from Primary Tax Office of Palembang Ilir Barat area. Ilir Barat area is one of the area in the city of Palembang that is located in South Sumatera, Indonesia. The data indicate that the number of e-filing users, especially individual

taxpayers continues to increase since 2013-2017, although this system has not been applied by all registered taxpayers. For example in 2017, individual taxpayers who used e-filing consisted of 37% of the total number of individual taxpayers registered in the Primary Tax Office of Palembang Ilir Barat area. This mentioned ratio is lower than expected due to the fact that there were still many taxpayers who did not understand the e-filing system, so they still hesitated to use it in reporting tax liability. Based on the aforementioned finding, it is interesting to examine the perception of the individual taxpayers on the e-filing system in improving the behavior of reporting Annual Tax Return (SPT).

According to Susmita & Supadmi (2016) dan Tumuli et al. (2016), the implementation of e-filing system has a positive effect on the taxpayers' compliance. This proves that the better the quality of services provided with the application of the e-filing, the higher the compliance of the taxpayers will be. It means that the system will be able to improve the taxpayers' compliance. In addition, e-filing system will save taxpayers' time, especially for the taxpayers who already have a lot of experience in using it, whereas the taxpayers who are new to the e-filing system will require more time (Ibrahim, 2014).

The studies that have been done to analyze the individual acceptance of online tax filing services were done by Gupta et al., (2015); Sichone et al., (2017); Shao et al., (2015); Mustapha & Obid, (2015). The results of those studies show that the perceived ease of use has a significant mediation effect on the relationship between the quality of tax services and the online tax system, and the quality of tax services has a significant positive relationship with the online tax system.

The Theory of Planned Behavior used in the studies conducted by Aziz & Bani, (2017), Sichone et al., (2017), Soulange et al., (2017), and Gupta et al., (2015) revealed that the subjective norms, the perceived behavior control, and the taxpayers' attitudes over ease of use of e-filing affected the intention to use the e-filing system. Similarly, studies conducted by Karanja, (2016) and Saad, (2012) show that the attitudes of the taxpayers, the influence of co-workers, and the control of perceived behavior are the factors that are most influential in the behavior of non-compliance of the taxpayers.

Several studies have been undertaken with the aim at analyzing the taxpayers' intentions to comply with the tax regulations which become tax compliance behavior are the studies undertaken by Yusdita et al., (2017) and Damayanti et al., (2015). The results of the studies provide empirical evidence that the intention to obey has a positive effect on the tax compliance behavior. The study by Marthadinasyah et al.(2014), in addition to analyzing the effect of the attitudes, the subjective norms, and the control of perceived behavior, shows an empirical evidence that moral obligation has a positive influence on the intention to comply with the annual filing of tax return.

Learning from the previous studies mentioned above, this study uses the Theory of Planned Behavior (TPB) to explain the factors that affect the perception of individual taxpayers to use of e-filing system. These factors include the tax reporting attitude, the subjective norms, the control of perceived behavior of the individual taxpayers' intent to use e-filing system. And it is also intended to know the influence of the individual taxpayers' intention to use e-filing system on the individual taxpayers' behavior in reporting Annual Tax Return.

Section 2 of this study presents a literature review of the factors affecting the perception of the individual taxpayers in the use of e-filing systems and the hypothesis development. Section 3 presents the methodology used in this study. Besides Section 4 presents the results and discussion. Finally section 5 of this study presents the conclusions, the limitations of this study, and the recommendation for further studies.

1. Literature Review And Hypothesis Development

1.1. Theory of Planned Behavior

The Theory of Planned Behavior (Ajzen, 1991) is one of the basic theories in psychology that has been used extensively to predict behavior. In the theory of planned behavior there are three main determinants of behavioral intention, namely attitude towards behavior, which is a reflection of a person's positive or negative feelings toward a predetermined behavior (Jogiyanto, 2007). According to Zikmund et al (2010) attitudes consist of three components: firstly emotion or feelings involved, secondly consciousness or knowledge, and thirdly behavior or tendency to act. An individual who has a positive belief will decide to accept a prescribed behavior (Ajzen, 1991).

Secondly, the subjective norm is the perception or an individual's views on the beliefs of others who will give effect to the intention to perform or not to do the behavior specified (Jogiyanto, 2007). The assessment of others which has significant influence is that which comes from the people such as parents, spouses, friends, and teachers. The subjective norm can be divided into two influences: interpersonal and external influences. Interpersonal influence is the influence of friends, family members, co-workers, bosses and experienced individuals known as potential adopters. While the external influence is the influence of external parties such as external reports of mass media, reports and expert opinions, and other non-personal information considered by individuals in conducting their behavior (Jogiyanto, 2007).

Thirdly, the control of perceived behavioral is the perception of an individual about his ability to perform certain behaviors (Ajzen, 1991). The perceived behavior control reflects the past experience and also anticipates the existing constraints. The greater the belief in the attitudes toward behavior, the subjective norms, and the greater perceived behavior control, the stronger the intention of an individual to perform a predetermined behavior (Jogiyanto, 2007).

The three aforementioned main determinants simultaneously will result in behavioral intention and which will lead to the behavior. Behavioral intention is an indication of an individual's desire to perform certain behaviors and is assumed to be a precursor to behavior. While the behavior is the actions or real activities undertaken by an individual (Jogiyanto, 2007). The decision of an individual to behave occurs on the will / control of the will of the individual. But not all behaviors are done in situations where an individual has full control over his behavior. A situation of loss of self-control occurs when the individual faces the limitations of the lack of resources used to carry out the behavior.

1.2. Previous Studies

Several previous researches have used the theory of planned behavior (TPB) in their studies, among others, Sichone et al. (2017) who conducted a study on the effects of perceived risk (security and information confidentiality), perceived benefits (cost savings and rate of return), and supporting condition (support and access to computers) of intent

to adopt e-filing in Tanzania. The results of the study show that the risk of perception and supporting condition are negatively correlated and not significant with intent to adopt e-filing. While the benefits of perceptions are positively and significantly related to the intention to adopt e-filing.

The study conducted by Soulange et al. (2017) found that the use of perceived perceptions and perceived convenience influenced the intentions to adopt e-filing and the behaviors of the Mauritian taxpayers. However, the perceived security and perceived service do not affect the intentions of their e-filing adoption. In addition, according to Aziz et al. (2017) the use of perception is the most significant determinant of behavior for using e-LEJAR tax services. Perceived ease of use, although does not directly affect the behavior intention to use but it is the most significant variable that affects the attitude of the taxpayers to use e-LEJAR tax.

Many studies have been done about evaluating electronic taxation systems from the point of view of the taxpayers. On the contrary, Hammouri & Shanab (2017) evaluated the electronic taxation system in Jordan from an employee's perspective. Because the main factor affecting the success of the system is the level of employees' satisfaction with the use of electronic tax system. The study found that the ease of use of perceptions, the background of information technology, incentives, and social influences are key predictors of employees' satisfaction. While the use of perception is not significant in this relationship.

Then Olushola & Abiola (2017) conducted a study by reviewing the most recent theoretical model used in the study on information technology adoption. Using a literature review approach of more than 25 studies reviewed in the field of information adoption over the last 30 years and identifying the strengths and weaknesses of each theory used. The finding is that the technology acceptance model is so far the most widely used to support the study in this field followed by the theory of behavioral planning.

Karanja (2016) examined the factors affecting voluntary tax compliance in Kenya using the TPB. The result of this study is that the attitudes and perceptions of tax misuse, of politicians, co-workers and financial obligations and families have a positive influence on tax non-compliance. Likewise with the social norms and the income levels of respondents

are the factors that most influential in affecting the non-compliance of tax payments. In addition, Damayanti et al. (2015a) examined the perception of trust in the government against taxpayers' intentions to behave obediently. The result of this study is that trust in government give positive influence to the taxpayers' intention to behave obediently, which is in accordance with the results of the study by Damayanti et al.,(2015b).

2.3. Hypothesis Formulation

2.3.1. The Effect of Attitude Towards Behavior on the Intent of Using an E-filing System

The attitudes towards tax reports are obtained from the belief / trust of the taxpayers on everything that is known, understood and experienced by the taxpayers regarding the implementation of tax laws. The taxpayers' beliefs about the behavior of online tax returns will result in a positive or negative attitude towards tax compliance that will ultimately shape taxpayer intentions to use or not to use e-filing systems.

Saad (2014) states that taxpayers with inadequate technical knowledge will regard the tax system as a complex and therefore the cause of non-compliance. The studies by Marthadinasyah et al.(2014) and Gupta et al.(2015) have found that attitudes toward behavior have a positive effect on trust or intention toward the behavior. The study undertaken by Aziz et al. (2017) states that the attitude of the taxpayer is one of the variables that has the most significant positive influence on the behavior of e-LEJAR tax usage. Saad (2012) also believes that the attitudes of the taxpayers have a positive effect on taxpayers' non-compliance behavior. Therefore, taxpayers who believe that doing obedient behavior in reporting the tax return will have a positive attitude so as to generate a positive intention toward the behavior. Therefore H_1 is formed as the folowing.

H_1: Attitude towards behavior has a positive effect on individual taxpayers' intentions to use e-filing system.

2.3.2. The Effect of Subjective Norms on the Intent of Using E-filing System

The subjective norm is the perception or the individual's view of the beliefs of others that will affect the intention to perform or not to do the behavior under consideration. Other people's judgments which have significant effect among others are those of the parents, the

spouses, the friends, and the teachers. When a person believes in a reference that motivates him to obey and thinks he should behave in a manner, it is said to have accepted social pressure to do that behavior. And conversely, someone who believes that the references that motivate them to obey but do not agree to conduct a behavior will have subjective norms that put pressure on them to avoid doing such behavior.

[1] In accordance with Chaouali et al. (2016) who states that the aspects of social influence, except descriptive norms, and multi-dimensional beliefs have a significant effect on the behavior of e-filing in Tunisia. In addition, the social norms pressure is also one of the variables that positively affect employees' satisfaction behavior (Hammouri & Shanab, 2017). According to Lu et.all (2010) the taxpayer's perception of online tax reporting will be influenced by a stronger external environment. For example, governments are forcing taxpayers to use tax reporting online, or taxpayers want to adjust to the surrounding environment like family, friends, and neighbors. The above perceptions can be classified as social norms, since the intention to behave in an individual is influenced by the pressure of society (Ajzen, 1991).

In addition, the intention to behave in an individual is influenced by moral norms, in which an individual who decides to engage in a behavior will be affected by internal (Randall & Gibson, 1991). The more an individual has a positive internal moral norm, such as reporting the actual tax, approving government policy, the more that trust directly affects the subjective norm of the individual towards taxation. Hence H2 is formed as follows.

H$_2$: The subjective norm positively affects the intent of individual taxpayers to use e-filing system.

2.3.3. The Effect of Perceived Behavioral Control on Intent of Using an E-filing System

Perceived Behavioral Control is an individual's perception of his ability or level of perceived control to engage in certain behaviors (Ajzen, 1991). This belief is gained not only by past experience with behavior, but it is also influenced by information from the experiences of friends and other factors that enhance and reduce perceptions of behavioral difficulties. The more resources and opportunities the individual has and the fewer

obstacles that must be anticipated the greater the trust of control over behavior. In accordance with Gupta et al. (2015) higher perceived behavior and perception controls are associated with higher intentions in the behavior of adopting online tax filing.

When taxpayers have a positive perception of online tax reporting, it means that they have enough understanding and can operate the system and have confidence that the system is profitable such as being fast, accurate, easy service without having to queue. So that the perceived behavior is positively influenced and behavioral intentions will also increase. Taxpayers will be able to know that there is a positive behavior intent behind the advantages and benefits of the online tax reporting system provided by governments (Lu et al., 2010). So H_3 is formed as the folowing.

H_3: Perceptive behavior control positively affects individual taxpayers' intent to use e-filing system

2.3.4. Effect of Intent to Use an E-filing System on Individual Taxpayers' Behavior Report of Annual Income Tax Through E-filing

Intention is a desire to do a behavior according to the will of the individual. Intentions can be related to behavior or actions and can be predicted with high level of accuracy (Jogiyanto, 2007). If a taxpayer has the perception that his tax obligations will have many advantages, he will have a positive intention to tax liabilities and will affect his taxpayer behavior (Juniati et al., 2014). Behavior is a real and observed response in certain situations with respect to the given target (Ajzen, 1991). A person's behavior is determined by his intention to engage in a behavior and is a function of his attitude toward his subjective behavior and norm. Therefore H_4 is formed as the following.

H_4: The intentions of the individual taxpayers to use e-filing system have a positive effect on the individual taxpayers' behavior in reporting Annual Tax Return through e-filing
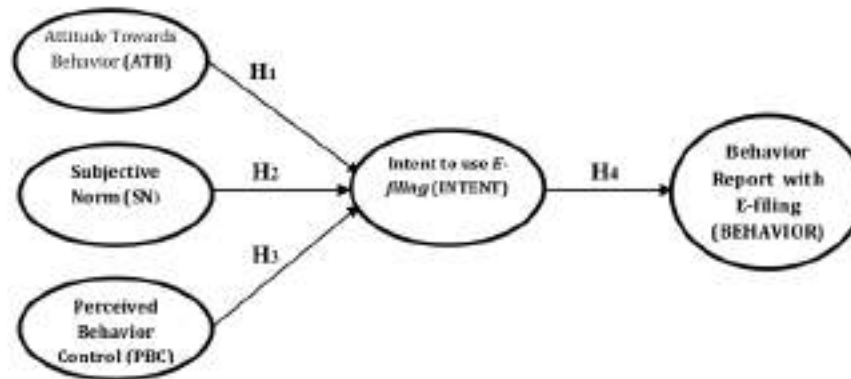
Figure 1: Conceptual Framework

3. Research Methods

This study uses descriptive method by using cross sectional data. This study is conducted at Primary Tax Office of Palembang Ilir Barat area. The data used are primary data of the year 2018. The subjects of the study are the individual taxpayers, entrepreneurs and professional people registered at the Primary Tax Office of Palembang Ilir Barat area. The data were gathered by means of a series of questionnaires submitted by the author which were then filled out by the respondents. The population of this study is all taxpayers, entrepreneurs and professional people registered at the Primary Tax of Palembang Ilir Barat area. The sample size of the population was determined by Slovin's formula. The formula of Slovin is given as follows.

$$n = \frac{N}{1 + Ne^2}$$

Where:

n   = a sample size

N   = population size

e   = desired margin of error (percent allowance for non-precision)

In this research, the total number of samples required with 5% *allowance* for non-precision is 392 respondents.

This study uses the technique of data analysis of Partial Least Square (PLS) which is one of the statistical methods of Structural Equation Modeling (SEM). The structural equation in this study is as follows:

Model I:

$$INTENT = \gamma_1 ATB + \gamma_2 SN + \gamma_3 PBC + \varepsilon_1 \ldots\ldots I$$

Model II:

$$BEHAVIOR = \gamma_1 ATB + \gamma_2 SN + \gamma_3 PBC + \gamma_4 INTENT + \varepsilon_2 \ldots\ldots II$$

4. Results and Discussion

4.1. Distribution of Research Questionnaires

Data collection in this study was conducted through the distribution of questionnaires directly to the respondents in this case, the taxpayers of private entrepreneurs and professionals. The questionnaires were distributed throughout May-June 2018 and 263 answered questionnaires were returned, 129 were not returned, 20 were invalid, so the number of valid questionnaires was 243, with the level of response of 62%.

The questionnaire was divided into 5 sections consist of 3 independent variables and 2 dependent variables, which are attitude towards behavior (ATB), subjective norms (SN), perceived behavior control (PBC), individual taxpayers' intent to use an e-filing system (INTENT), and individual taxpayers' behavior in reporting tax return through e-filing (BEHAVIOR). Indicators that were used to measure the variables taken from previous study (See Appendix 9).

4.2. The Results of Evaluation of Measurement Model (Outer Model)

4.2.1. Measurement Model (Outer Model) with Convergent Validity

The value of factor loadings is presented in Table 1. Most indicators have values above 0.7. However there are 3 indicators that have a value below 0.7, namely ATB2 of 0.001; SN4 of 0.622; and PBC2 of -0.223. According to Abdillah & Jogiyanto (2015), if the value of factor loadings is below 0.5 then this indicator can be removed from the variable because this indicator is not loaded to the variable that represents it. But if the value of factor loadings is

between 0.5 - 0.7, it should not be removed if the AVE value is greater than 0.5. The AVE (Average Variance Extracted) value is presented in Table 2.

Table 1: Factor Loadings Value of Each Indicator before Estimating

No	Variables	Indicator	
		Symbol	Value of *Factor Loadings*
1	Attitude towards behavior (ATB)	ATB1	0.795
		ATB2	*0.001*
		ATB3	0.866
		ATB4	0.755
		ATB5	0.885
		ATB6	0.884
2	Subjective norm (SN)	SN1	0.842
		SN2	0.840
		SN3	0.862
		SN4	*0.622*
3	Perceived behavior control (PBC)	PBC1	0.878
		PBC2	*-0.223*
		PBC3	0.877
		PBC4	0.881
4	The intent of individual taxpayers to use e-filing (INTENT)	INTENT1	0.869
		INTENT2	0.916
		INTENT3	0.939
		INTENT4	0.937
		INTENT5	0.897
5	Individual Taxpayers' Behavior in Reporting Annual Tax Return through e-filing (BEHAVIOR)	BEHAVIOR1	0.901
		BEHAVIOR2	0.894
		BEHAVIOR3	0.914
		BEHAVIOR4	0.907

Table 2: AVE (Average Variance Extracted) Value before Estimation

No	Variables	AVE	Result
1	Attitude towards behavior (ATB)	0.586	Valid
2	Subjective norm (SN)	0.636	Valid
3	Perceived behavior control (PBC)	0.592	Valid
4	The intent of individual taxpayers to use e-filing (INTENT)	0.832	Valid
5	Individual Taxpayers' Behavior in Reporting Annual Tax Return through e-filing (BEHAVIOR)	0.817	Valid

The subjective norm variable (SN) shows a value above 0.5, so the SN4 indicator with the factor loadings value of 0.622 should not be removed. As for the indicator ATB2 and PBC2 which have the value of factor loadings below 0.5 will be re-estimated by removing the indicator. The small value of factor loadings is likely due to the bias on the questionnaire's question given to the respondents.

After the indicator ATB2 and PBC2 are excluded then the result of factor loadings and AVE values after re-estimation can be seen in Table 3 and Table 4 below. The value of AVE after estimation on the variable Attitude report of individual taxpayers (ATB) and perceived behavior control (PBC) has increased. While the AVE values for other variables remain.

Table 3: Factor Loadings Value of Each Indicator after Estimation

No	Variables	Indicator	
		Symbol	Value of *Factor Loadings*
1	Attitude towards behavior (ATB)	ATB1	0.795
		ATB3	0.866
		ATB4	0.755
		ATB5	0.885
		ATB6	0.885
2	Subjective norm (SN)	SN1	0.842
		SN2	0.840
		SN3	0.862
		SN4	0.622
3	Perceived behavior control (PBC)	PBC1	0.878
		PBC3	0.880
		PBC4	0.880
4	Individual taxpayers' intent to use e-filling (INTENT)	INTENT1	0.869
		INTENT2	0.916
		INTENT3	0.939
		INTENT4	0.937
		INTENT5	0.897
5	Individual taxpayers' behavior in Reporting Annual Tax Return through e-filling (BEHAVIOR)	BEHAVIOR1	0.901
		BEHAVIOR2	0.894
		BEHAVIOR3	0.914
		BEHAVIOR4	0.907

The value of factor loadings as presented in Table 3 show a positive result. All the variables have values above 0.7 except for SN4 that is between 0.5 - 0.7. This value is acceptable considering the AVE value on Table 4 below.

Table 4: AVE (Average Variance Extracted) Value after Estimation

No	Variables	AVE	Result
1	Attitude towards behavior (ATB)	0.704	Valid
2	Subjective norm (SN)	0.636	Valid
3	Perceived behavior control (PBC)	0.773	Valid
4	Individual taxpayers' intent to use e-filling (INTENT)	0.832	Valid
5	Individual taxpayers' behavior in Reporting Annual Tax Return through e-filling (BEHAVIOR)	0.817	Valid

Based on the results above, it is shown in Table 4 that all variables have AVE value above 0.5. Therefore, it is concluded that all variables fulfill the rule of thumb in terms of the convergent validity test.

4.2.2. Measurement Model (Outer Model) with Discriminant Validity

Cross loading values after re-estimation are presented in Table 5. cross loading values of each indicator in a variable will be different from indicators in other variables and accumulates on the variables in question. So it can be concluded that all variables meet the requirements of discriminant validity test.

Table 5: Cross Value Loading after Estimation

	ATB	SN	PBC	INTENT E-FILING	REPORT BEHAVIOR
ATB1	0.795	0.579	0.607	0.562	0.548
ATB3	0.866	0.576	0.626	0.669	0.609
ATB4	0.755	0.526	0.536	0.538	0.442
ATB5	0.885	0.628	0.587	0.684	0.604
ATB6	0.885	0.556	0.546	0.625	0.603
SN1	0.725	0.842	0.560	0.674	0.644
SN2	0.441	0.840	0.478	0.422	0.495
SN3	0.532	0.862	0.474	0.502	0.505
SN4	0.384	0.622	0.560	0.393	0.448
PBC1	0.658	0.625	0.878	0.700	0.707
PBC3	0.512	0.531	0.880	0.662	0.633
PBC4	0.652	0.551	0.880	0.644	0.600
INTENT1	0.752	0.636	0.688	0.869	0.798
INTENT2	0.634	0.611	0.763	0.916	0.731
INTENT3	0.677	0.563	0.702	0.939	0.721
INTENT4	0.662	0.565	0.658	0.937	0.733
INTENT5	0.630	0.582	0.653	0.897	0.702
BEHAVIOR1	0.589	0.665	0.683	0.714	0.901
BEHAVIOR2	0.605	0.570	0.588	0.682	0.894
BEHAVIOR3	0.570	0.572	0.735	0.777	0.914
BEHAVIOR4	0.670	0.621	0.652	0.750	0.907

4.2.3. Measurement Model (Outer Model) with Reliability Test

Reliability test shown uses two methods, namely Cronbach's alpha and composite reliability. In this study the values of Cronbach's alpha and composite reliability are presented in Table 6.

Table 6: Cronbach's Alpha and Composite Reliability Value after Estimation

No	Variabel	Cronbach's alpha	Composite reliability	Information
1	Attitude towards behavior (ATB)	0.894	0.922	Reliable
2	Subjective norm (SN)	0.806	0.873	Reliable
3	Perceived behavior control (PBC)	0.853	0.911	Reliable
4	Individual taxpayers' intent to use e-filling (INTENT)	0.949	0.961	Reliable
5	Individual taxpayers' behavior in Reporting Annual Tax Return through e-filling (BEHAVIOR)	0.925	0.947	Reliable

Figure 2: Path Diagram Model of Individual Taxpayers' Behavior in Tax Return Reporting with E-filing after Estimation
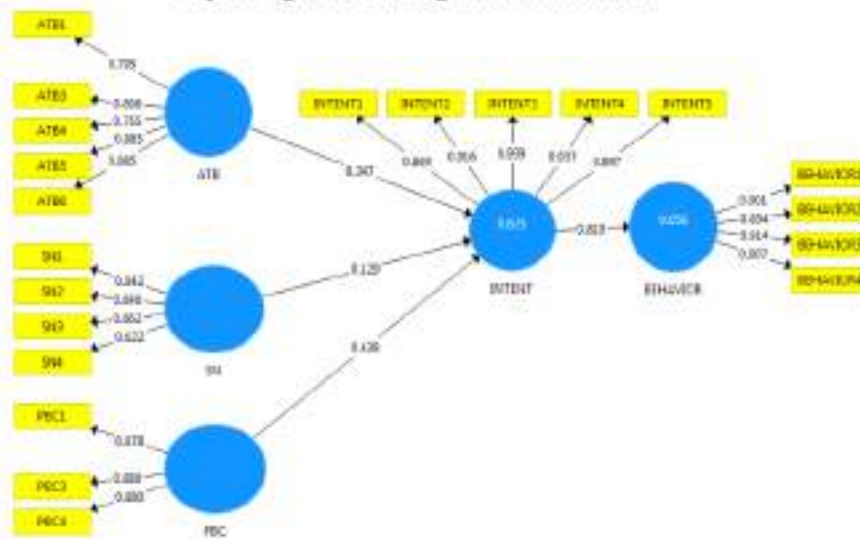
4.3. Evaluation of Structural Model (Inner Model)

The structural model is made to ensure that the constructed structural model is well constructed and accurate. Inner model evaluations are viewed in several ways, namely by using the coefficient of determination (R Square), prediction relevance (Q^2) and Goodness of Fit (GoF).

4.3.1. Inner Model Evaluation with R² (R-Square)

The value of R² is used to measure the level of variation of the independent variable changes against the dependent variable. The higher the value of R², the better the prediction model of the proposed research model (Abdillah & Jogiyanto, 2015) The value of R² (R-Square) can be seen in table 7 below.

Table 7: R-Square Value after Estimation

No	Dependent Variables	R-Square
1	Individual Taxpayers' intent to use e-filling (INTENT)	0.673
2	Individual Taxpayers' Behavior in Reporting Annual Tax Return through E-filling (BEHAVIOR)	0.656

The variable of individual taxpayers' intent to use e-filling (INTENT) has variance which can be explained by three independent variables, namely taxpayers' report attitude of individual person (ATB), subjective norm (SN) and perceived behavior control (PBC) of 67.3 %, while the remaining 32.7% is explained by other factors.

The variable of individual taxpayers' behavior in reporting the Annual Tax Return through e-filing has the variance that can be explained by the three independent variables, namely the report attitude of individual taxpayers (ATB), subjective norm (SN), perceived behavior control (PBC) and Individual taxpayers' Intent variable to use e-filling (INTENT) of 65.6%, while the remaining 34.4% is explained by other factors.

4.3.2. Inner Model Evaluation with Q² (Prediction relevance)

The value of Q² is used to measure how good is the value of observation generated by the model and also the parameter estimation. The model is said to be feasible and has a relevant predictive value if it has a value of Q² greater than zero (Q²> 0). To calculate Q² we can use the following formula:

$$Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) \ldots \ldots (1 - R_p^2)$$
$$Q^2 = 1 - (1 - 0.671)(1 - 0.656)$$
$$Q^2 = 0.887$$

Based on the above calculation, it can be concluded that the value of $Q^2>0$, namely 0.887, it can be said that the proposed structural model is relevant.

4.3.3. Inner Model Evaluation with GoF (Goodness of Fit)

To obtain the GoF value of the model, calculation is done manually because the PLS does not provide special menu to calculate GoF (Abdillah & Jogiyanto, 2015). According to Tenenhaus et al. (2004), GoF PLS can be measured using the following formula:

$$GoF = 0.707$$
$$GoF = \sqrt{\overline{AVE} \times \overline{R^2}}$$
$$GoF = \sqrt{0.752 \times 0.665}$$

According to to Tenenhaus et al. (2004), small GoF value = 0.1, medium GoF value = 0.35, and large GoF value = 0.38. Based on results of the testing of R Square, Q^2 and GoF, it can be concluded that the model formed in this study is good and accurate.

4.4. Hypothesis Testing

Hypothesis testing proposed can be seen on t-statistics after data processing. Statistical estimation results are presented in Table 8.

Table 8: Estimation of Parameters and Significance of Path Test

	Original Sample	Sample Mean	Standard Deviation	t-Statistics	P Values
ATB -> INTENT	0.347	0.342	0.079	4.412	0.000
SN -> INTENT	0.129	0.134	0.061	2.118	0.035
PBC -> INTENT	0.438	0.436	0.075	5.808	0.000
INTENT -> BEHAVIOR	0.810	0.807	0.045	17.821	0.000

4.4.1. The Effect of Tax Report Attitudes on Intent to Use an E-filing System

The first hypothesis states that the tax report attitude has a positive effect on the intention of individual taxpayers to use e-filing system. It can be seen in the original value of the sample which shows that there is a positive effect of 0.347, in which each addition of 1 point of tax report attitude will increase an intention of e-filing of 0.347 point. While the level of significance is seen at the value of t-statistics which is greater than 1.96 (>1.96) of

4.412 and the value of the p-value is smaller than 0.05, namely 0.000, so that the results of this study accept the first hypothesis (H_1). So that it can be concluded that the report attitude of the individual taxpayers has a positive and significant impact on the individual taxpayers' intent to use e-filing system. The higher the taxpayers' trust about reporting the annual tax return by e-filing, the more positive the attitude of the taxpayers that will ultimately shape the taxpayers' intent to use the e-filing system. Conversely, the lower the trust/attitudes of the taxpayers to use e-filing, the lower the intention to use it.

Therefore, the Directorate General of Taxation should continue to conduct activities/socialization to increase the taxpayers' belief / trust in tax compliance. The results of this study are consistent with the results of the studies conducted by Gopi & Ramayah, (2007), Lu et al. (2010), Saad (2012), Saad (2014), Moorthy et.al (2014), Marthadinasyah et al.(2014), Gupta et al.(2015), Damayanti et.al (2015b), Karanja (2016), Soulange et al. (2017) dan Aziz et al. (2017).

4.4.2. The Effect of Subjective Norms on Intent to Use E-filing System

The second hypothesis states that the subjective norm positively affect the intention of individual taxpayers to use e-filling system. It can be seen in the original value of the sample that shows that there is a positive influence of 0.129, in which each addition of 1 point of subjective norms will increase e-filing intention of 0.129 points. While the level of significance is seen at the value of t-statistics which is greater than 1.96 (>1.96) of 2.118 and the value of p-value which is smaller than 0.05, namely 0.035, so that the results of this study accepted the second hypothesis (H_2). So it can be concluded that the subjective norm has a positive and significant effect on the intention of individual taxpayers to use e-filing system. The higher the taxpayers' trust in others who motivate them (e.g parents, spouses, friends, government) to use e-filing, the higher their intention to use e-filing system. On the contrary, the lower the taxpayers' trust in others around him to use e-filling, the lower their intention to use it. The result of this study is consistent with the results of the studies conducted by Randall & Gibson (1991), Gopi & Ramayah, (2007), Lu et.al (2010), Damayanti, et.al (2015), Gupta et al.(2015), Shao et.al (2015), Chaouali et al. (2016), Karanja (2016) dan Hammouri & Shanab (2017).

4.4.3. The Effect of Perceived Behavior Control on the Intent to Use E-filing System

The third hypothesis states that the control of perceived behavior has a positive effect on the intention of individual taxpayers' intent to use e-filing system. It can be seen that in the original value of the sample there is a positive effect of 0.438, in which each addition of 1 point of the control of the perceived behavior will increase the e-filling intention of 0.438 points. While the level of significance is seen at the t-statistic value which is greater than 1.96 (>1.96) namely 5.808 and the p-value is less than 0.05, namely 0.000. So that the results of this study accept the third hypothesis (H3). So that, it can be concluded that perceived behavior control has a positive and significant effect on the individual taxpayers' intention to use e-filling system. The higher the ability and the opportunity owned by the taxpayers, the higher the trust of the individual taxpayers' intent to use e-filling system. On the contrary, the lower the ability and the opportunity owned by the individual taxpayers, the lower the intention of the individual taxpayers to use e-filling system. The result of this study is consistent with the results of the studies done by Gopi & Ramayah, (2007), Lu et al., (2010), Gupta et al. (2015), dan Chaouali et al. (2016).

4.4.4. The Effect of the Intent to Use E-filing System on the Individual Taxpayers' Behavior Reports of Annual Tax Return Through E-filing

The fourth hypothesis states that the intention of the individual taxpayers to use e-filing system has a positive effect on the behavior of the individual taxpayers in reporting Annual Tax Return through e-filing. It can be seen at the value of the original sample which shows that there is a positive effect of 0.810, in which each addition of 1 point of intent for e-filing will increase the behavior of individual taxpayers' behavior in reporting the annual tax return of 0.810 points. Whereas the significance level is seen at the t-statistic value which is greater than 1.96 (>1.96), namely 17.821 and the p-value is less than 0.05, namely 0.000. So, the results of this study accept the fourth hypothesis (H4). So it can be concluded that the intention of using e-filing system has a positive and significant effect on the behavior of individual taxpayers' behavior in reporting annual tax return through e-filing. The higher the taxpayers' intent to use the e-filing, the higher the individual taxpayers' behavior to report the annual tax return through e-filing. Conversely, the lower the intention of the individual taxpayers to use e-filing the lower the taxpayers' behavior to report the annual

tax return through e-filing. The results of this study are consistent with the results of the studies conducted by Gopi & Ramayah, (2007), Lu et al. (2010), Juniati et al.,(2014), Damayanti, et.al (2015), dan Damayanti et.al (2015b).

5. Conclusion

The results of this study revealed that there is a positive effect of the tax reporting attitude, the subjective norm, the perceived behavior control on the personal taxpayers' intention to use e-filings system. And the independent variables can explain the intention of using e-filing system as much as 67.3% while the remaining 32.7% is explained by other factors. In addition, there is also a positive effect of the individual taxpayers' intention to use e-filing system on the behavior of the individual taxpayers in reporting the annual tax return. And the behavior of the individual taxpayers in reporting the annual tax return can be explained by the attitude of tax reports, the subjective norms, the control the perceived behavior, and intent of using the e-filing system as much as 65.6%, while the remaining 34.4% is explained by other factors. So all the hypotheses formed within the study are accepted.

This study has some limitations, among others, are as follows: Firstly, the independent variables used in this study are limited to three variables based on the Theory of Planned Behavior, namely the tax reporting behavior, the subjective norms and the perceived behavior control. Secondly, the sample collection period for this study was conducted for 2 months only, from May to June 2018. To improve these limitations, the author suggests that for further studies, the researcher can extend the period of sample gathering to obtain maximum results. In addition, the researcher is suggested to add independent variable, so that he can do more in-depth examination about taxpayers' behavior.

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Appendix

Table 9: Operational Definition and Measurement of Variables

No	Variable	Measurement	Scale
Independent Variables			
1	Attitude toward behavior (ATB): positive or negative feelings/ belief of a taxpayer when having to conduct the behavior of reporting the annual tax return through e-filing	Measured by using criteria developed in the studies by Taylor & Todd (1995), Agarwal & Karahanna (2000), Chin et al (2003), Lu et al., (2010) ,and Sentosa & Mat (2012)namely: - ATB1 = using e-filing of 2017 - ATB2 = confusing e-filing system - ATB3 = improved performance - ATB4 = reduces errors - ATB5 = simplify the tax report - ATB6 = more flexible time	Ordinal
2	**Subjective norm (SN):** a person's belief to approve or disapprove of performing an act of reporting the Annual Tax Return through e-filing, which is influenced by assessment of others who are significant	Measured by using the criteria developed in the studies by Taylor & Todd (1995), Lu et al., (2010), and Sentosa & Mat (2012) namely: - SN1 = the Director General of Taxation suggests the use of e-filing system - SN2 = the family expect the use of e-filing system - SN3 = friends expect to use e-filling system - SN4 = tax officer helps in using e-filling system	Ordinal
3	**Perceived** behavior control **(PBC):** the beliefs a person has about his or her ability and opportunities to anticipate the barriers he faces in performing the behavior of reporting the annual tax return through e-filing.	Measured by using the criteria developed in the studies conducted by Taylor & Todd (1995), Lu et al., (2010) ,and Sentosa & Mat (2012) namely: - PBC1 = able to use e-filing system - PBC2 = cannot report with e-filing - PBC3 = share expertise and knowledge of e-filing system - PBC4 = taxpayer can control data to e-filing system	Ordinal

No	Variable	Measurement	Scale
Dependent Variables			
4	Individual taxpayers' intent to use an e-filing (INTENT) system: a taxpayer's desire to perform the behavior of reporting the Annual Tax Return through e-filing.	Measured by using the criteria developed in the studies by Agarwal & Karahanna (2000), Chin et al., (2003), Lu et al., (2010) , and Moorthy et al., (2014) namely: - INTENT1 = intend to use e-filing system - INTENT2 = trying to share expertise and knowledge about e-filing - INTENT3 = advise and invite other taxpayers to use e-filing - INTENT4 = recommend e-filling system to family members - INTENT5 = recommend e-filling system to friends	Ordinal
5	Individual taxpayers' behavior in reporting tax return through e-filing (BEHAVIOR): action or concrete activities undertaken by the taxpayers to report the Annual Tax Return using e-filing.	Measured by using the criteria developed in the studies conducted by Lu et al., (2010) ,Sentosa & Mat (2012), and Moorthy et al., (2014) namely: - BEHAVIOR1 = service and quality of e-filing system information is good - BEHAVIOR2 = tax report is faster by using e-filing system - BEHAVIOR3 = share your expertise and knowledge about e-filling - BEHAVIOR4 = Being secure to use e-filling system	Ordinal

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