

**THE EFFECT OF SIMPLIFICATIONS ON TAX COMPLIANCE AND  
RELIGIOSITY AS MODERATING VARIABLE**



**Script by :**

**MUHAMMAD ZUHDI**

**01031381722163**

**ACCOUNTING**

It was proposed as one of the requirements to get a Bachelor of Economic degree

**MINISTRY OF EDUCATION, CULTURE, RESEARCH, AND**

**TECHNOLOGY**

**FACULTY OF ECONOMICS**

**UNIVERSITAS SRIWIJAYA**

**2021**

**LEMBAR PERSETUJUAN UJIAN KOMPREHENSIF**  
**THE EFFECT OF SIMPLIFICATIONS ON TAX COMPLIANCE AND**  
**RELIGIOSITY AS MODERATING VARIABLE**

Disusun Oleh:

Nama : Muhammad Zuhdi  
Nomor Induk Mahasiswa : 01031381722163  
Fakultas : Ekonomi  
Jurusan : Akuntansi  
Bidang Kajian/ Konsentrasi : Perpajakan

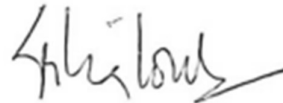
Disetujui untuk digunakan dalam ujian komprehensif.

Tanggal Persetujuan

Dosen Pembimbing

Tanggal : 02 Desember 2021

Ketua



Dr. Tertiarto Wahyudi, S.E., MAFIS., Ak., CPA  
NIP. 196310041990031002

Tanggal : 15 November 2021

Anggota



Muhammad Hidayat, S.E., M.Si., Ak., CA  
NIP. 199802092018031001

**LEMBAR PERSETUJUAN SKRIPSI**

**THE EFFECT OF SIMPLIFICATIONS ON TAX COMPLIANCE AND  
RELIGIOSITY AS MODERATING VARIABLE**

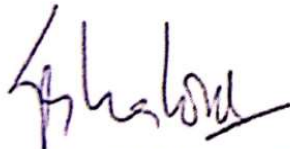
Disusun Oleh:

Nama : Muhammad Zuhdi  
NIM : 01031381722163  
Fakultas : Ekonomi  
Jurusan : Akuntansi  
Bidang Kajian : Perpajakan

Telah diuji dalam ujian komprehensif pada tanggal 28 Desember 2021 dan telah memenuhi syarat untuk diterima.

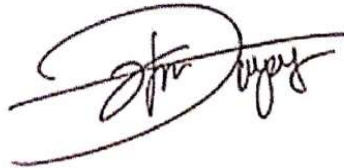
Panitia Ujian Komprehensif,  
Palembang, 28 Desember 2021

Ketua



Dr. Tertanto Wahyudi, S.E., MAFIS., Ak., CPA  
NIP. 196310041990031002

Anggota



Muhammad Hidayat, S.E., M.Si., Ak., CA  
NIP. 198802092018031001

Anggota



Dr. Luk Luk Firdah, S.E., M.B.A., Ak.  
NIP. 197405111999032001

**ASLI**

Mengetahui,  
Ketua Jurusan Akuntansi

JURUSAN AKUTANSI  
FAKULTAS EKONOMI UNSRI

24/2022  
101



Arista Hakiki, S.E., M. Acc., Ak., CA  
NIP. 19730317107031002

## STATEMENT OF RESEARCH INTEGRITY

Yang bertanda tangan di bawah ini:

Nama : Muhammad Zuhdi  
NIM : 01031381722163  
Fakultas : Ekonomi  
Jurusan : Akuntansi  
Bidang Kajian : Perpajakan

Menyatakan dengan sesungguhnya bahwa skripsi yang berjudul:

### **THE EFFECT OF SIMPLIFICATIONS ON TAX COMPLIANCE AND RELIGIOSITY AS MODERATING VARIABLE**

Pembimbing:

Ketua : Dr. Tertiarto Wahyudi, S.E., MAFIS., Ak., CPA  
Anggota : Muhammad Hidayat, S.E., M.Si., Ak., CA  
Tanggal Ujian : 28 Desember 2021

Adalah benar hasil karya saya sendiri. Dalam skripsi ini tidak ada kutipan hasil karya orang lain yang tidak disebutkan sumbernya.

Demikianlah pernyataan ini saya buat dengan sebenarnya, dan apabila pernyataan saya ini tidak benar di kemudian hari, saya bersedia dicabut predikat kelulusan dan gelar kesarjanaannya.

Palembang, 28 Desember 2021  
Pembuat Pernyataan,



Muhammad Zuhdi  
NIM. 01031381722163

## **MOTTO**

**“I’m not perfect. But I am trying everyday to concentrate on being better”**

**– Allen Iverson**

**“If you don't wake up and have your own thing, whether it's writing or reading or traveling or acting or dancing or singing or being a mother or a father, something that drives you, then it's all worth nothing. One of the key elements in happiness is purpose.”**

**– Logic**

## PREFACE

Alhamdulillahirabbil 'alamin, all praise be to Allah SWT, Lord of the worlds, who has given His mercy and guidance so that the writer can complete this script entitled “The Effect of Simplifications on Tax Compliance and Religiosity as Moderating Variable” This Script was prepared to fulfill one of the graduation requirements in obtaining a Bachelor of Economics degree in the Bachelor (S-1) Accounting Program, Faculty of Economics, Sriwijaya University.

Despite the many obstacles faced, the writing of this script was finally able to run smoothly and was completed well thanks to the guidance of Mr. Dr. Tertiaro Wahyudi, S.E., MAFIS., Ak., CPA and Mr. Muhammad Hidayat, S.E., M.Si., Ak., CA as the author's supervisor. This script is expected to provide benefits for all circles, both theoretically and practically.

The author realizes that there are many shortcomings in the preparation and presentation of this thesis. The author apologizes if there are errors either intentionally or unintentionally. The author hopes that the research conducted can be useful for various parties.

Palembang, 28th December 2021

Author,



Muhammad Zuhdi

NIM. 01031381722163

## THANK-YOU NOTE

The author realizes that the writing of this Script could not be separated from the help and support from various parties. On this occasion, the writer would like to express his deepest gratitude to all those who have given their time and thoughts to help the writer finish this Script. The writer expresses his deepest gratitude to:

1. Allah SWT, Rabb of the universe. Thank you for all the abundance of grace, favors and gifts so that this thesis can be completed on time
2. **Mr. Prof. Dr. Ir. H. Anis Saggaff, MSCE** as Rector of Sriwijaya University.
3. **Mr. Dr. Mohammad Adam, S.E., M.E** as Dean of the Faculty of Economics, Sriwijaya University
4. **Mr. Arista Hakiki, S.E., M.Acc., Ak., CA** as the Head of the Accounting Department, Faculty of Economics, Sriwijaya University.
5. **Mrs. Hj. Rina Tjandrakirana DP, S.E., M.M Ak** as the Academic Manager of the Accounting Department, Palembang Campus.
6. **Mr. Dr. Tertiaro Wahyudi, S.E., MAFIS., Ak., CPA** and **Mr. Muhammad Hidayat, S.E., M.Si., Ak., CA** as supervisors I and II. Thank you for the time you have spent, all the motivation and advice that you have given, the extraordinary patience, and the new knowledge and prayers that have been given to the author in completing this thesis.
7. Thank you for the author's academic supervisor, **Mrs. Dr. Luk Luk Fuadah, S.E., M.B.A., Ak.** who has guided throughout this course.
8. **Mrs. Dr. Luk Luk Fuadah, S.E., M.B.A., Ak** as the examiner lecturer who has provided criticism and suggestions to improve this script

9. All Lecturers of the Faculty of Economics, Sriwijaya University who have provided very useful knowledge to the author during lectures.
10. All Administrative and Library Staff of Sriwijaya University who helped a lot in academic and student affairs during lectures.
11. My beloved father Tarmizi S.Pi and my beloved mother Dra. Maita who always gives support, both morally and materially, and prays to the writer so that the writer can finish this thesis. As well as being a strong reason for the author to never give up and always give the best.
12. My beloved brother M. Taufiqur Rahman who always entertains, and gives encouragement and motivation to the author.
13. Uncle, Aunt, and my cousins who have helped the writer a lot while I was in college. Thank you, I wish you good health always.
14. My Best Friend 5 Beradik (Cogan”) Irsyad Aditya Arman, Mochamad Raihan Fatiha, Wahyu Saputra, and Mochamad Pratama, who have provided motivation, advice, and information for writers. Thank you to all of you.
15. My Best Friend : Soeltan Mufhti Rahmadansyah Az-Zuhri, Kelvin Wiranata, Fetra Ardianto, Thesa Frovela, Mochamad Raihan Fatiha, Gretasya Sachio Risha, Tria Patrisya, Hanni Aisyah Kusumarani, Peka Falinov, Irshal Ramadhiansyah, Ivan Deri Wardana, Khalid Al-Zaki, Anggara Anugrah Putra, who has always supported the writer and made the writer feel happy in their own way.
16. One of the best lecturers for the author, Mrs. Nur Khamisah, who always helps the author both in terms of thesis or other knowledge.



17. My best friend LOS illuminaDOL by : ardi, which consists of Ahmad Ihsan Saputra, Mochamad Raihan Fatiha, Faqih Kumarudin, Rizky Ardiansyah, Muhammad Azzizurahman, Dendy Andhika Virgiawan and Arya Putra Hermando who always make me laugh with their jokes. Thank you all for the best and best of luck in the future.
18. My Best Friend. the Lab Hosts and the lecturers who used to be together in the Lab.: kak Zaimah, Kak Rakas, Rey, Cindy, Vivi, Bu Nur, Bu Asfeni, Bu Nilam, and Mba Ria, who have given new enthusiasm, experience, and knowledge to writers. Thank you, success and good health to all of you
19. Friends who used to hang out together: Fahri Jihaditama, Agus Setiawan, Tasya Alfitri, Annisah Destiana, Della Resti, Fatthya Afifah, Doni, Muhammad Wilman who were always with the writer for a moment to joke, to refresh themselves for a moment to relieve stress during college.
20. Thank you my comrades who are in the international class (IC Class) who have helped me both in groups and individually in going through difficult and happy times together.
21. PERBAFE (Economics Faculty Basketball Association.), as a place for writers to forget about the thesis for a moment and refresh themselves for a moment to play basketball. UNSRIII ECONOMY
22. Accounting friends from the Palembang Campus 2017 class, who have become comrades in arms during lectures.
23. Prim Chanikarn, Ansellma Putri, Baifern Phimcanok & Savira Alifa shajril, who have accompanied the author while working on this thesis with your Instagram stories to encourage the author.

24. Allen Iverson, Kobe Bryant, LeBron James, Stephen Curry, who became a figure who inspired the author to achieve success.

25. All parties who have helped and provided support either directly or indirectly that the author cannot mention one by one during the lectures and preparation of this thesis.

26. Finally, I would like to thank myself for being able to endure and struggle to complete this thesis.

May Allah SWT repay all the kindness that you have given to the author in completing this Script.

Palembang, 28th December 2021

Author,

A handwritten signature in black ink, appearing to be 'MZ' with a long horizontal stroke underneath.

Muhammad Zuhdi

NIM. 01031381722163

## SURAT PERNYATAAN ABSTRAK

Kami dosen pembimbing skripsi menyatakan bahwa abstrak skripsi dalam bahasa inggris dari mahasiswa :

Nama : Muhammad Zuhdi  
NIM : 01031381722163  
Fakultas : Ekonomi  
Jurusan : Akuntansi  
Bidang Kajian : Perpajakan  
Judul Skripsi : The Effect of Simplifications on Tax Compliance and Religiosity as Moderating Variable

Telah kami periksa cara penulisan, *grammar*, maupun susunan *tenses* nya dan kami setuju untuk ditempatkan pada lembar abstrak.

Palembang, 17 Januari 2022

Ketua



Dr. Tertiarto Wahyudi, S.E., MAFIS., Ak., CPA  
NIP. 196310041990031002

Anggota



Muhammad Hidayat, S.E., M.Si., Ak., CA  
NIP. 198802092018031001

Mengetahui,  
Ketua Jurusan Akuntansi



Arista Hakiki, S.E., M. Acc., Ak., CA  
NIP. 197303171997031002

## ABSTRACT

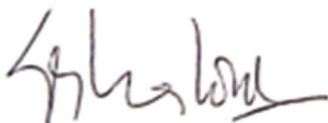
### THE EFFECT OF SIMPLIFICATIONS ON TAX COMPLIANCE AND RELIGIOSITY AS MODERATING VARIABLE

By:  
Muhammad Zuhdi

Tax compliance is one of the reasons that affect the amount of state revenue sourced from taxes. Tax simplification is an important thing that can improve taxpayer compliance behavior in carrying out their tax obligations. religious level can also affect the effect of tax simplification on tax compliance. The primary objective of this study was to investigate the effect of tax simplification and religiosity on compliance behavior. This study was conducted in Palembang, South Sumatera. Survey questionnaires were sent to 107 taxpayers that is the owner or manager of angkringan and cafe and only 75 responded. Consistent with previous research, this study shows that the effect of religious belief on obedience behavior is positive and significant. Religious beliefs moderate the relationship between tax simplification and compliant behavior. This study also has practical implications, as the empirical results provide information on compliance behavior to help governments develop strategies to increase voluntary compliance.

**Keyword:** Tax Compliance, Religiosity, Taxation, Tax Simplification.

Advisor,



Dr. Tertiarto Wahyudi, S.E., MAFIS., Ak., CPA  
NIP. 196310041990031002

Vice Advisor,



Muhammad Hidayat, S.E., M.Si., Ak., CA  
NIP. 198802092018031001

Acknowledge,  
Head of Accounting Program



Arista Hakiki, S.E., M. Acc., Ak., CA  
NIP. 197303171997031002

## ABSTRAK

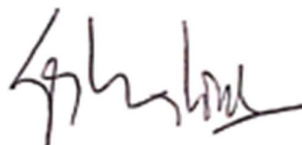
### PENGARUH PENYEDERHANAAN PAJAK TERHADAP KEPATUHAN PAJAK DAN RELIGIUSITAS SEBAGAI VARIABEL PEMODERASI

Oleh:  
**Muhammad Zuhdi**

Kepatuhan pajak adalah satu alasan yang mempengaruhi besaran penerimaan negara yang bersumber dari pajak. Penyederhanaan pajak merupakan hal yang penting yang dapat meningkatkan perilaku kepatuhan wajib pajak dalam melakukan kewajiban perpajakannya. tingkat keagamaan juga dapat mempengaruhi pengaruh penyederhanaan pajak terhadap kepatuhan pajak. Tujuan utama dari penelitian ini adalah untuk menyelidiki pengaruh penyederhanaan pajak dan religiusitas pada perilaku kepatuhan. Studi ini dilakukan di Palembang, Sumatera Selatan. Kuesioner survei dikirim ke 107 wajib pajak pemilik atau pengelola angkringan dan cafe dan hanya 75 yang menjawab. Konsisten dengan penelitian sebelumnya, penelitian ini menunjukkan bahwa pengaruh keyakinan beragama terhadap perilaku kepatuhan adalah positif dan signifikan. Keyakinan agama memoderasi hubungan antara penyederhanaan pajak dan perilaku kepatuhan. Studi ini juga memberikan implikasi praktis, karena hasil empiris memberikan informasi tentang perilaku kepatuhan untuk membantu pemerintah mengembangkan strategi untuk meningkatkan kepatuhan sukarela.

**Kata Kunci:** Kepatuhan Pajak, Religiusitas, Perpajakan, Penyederhanaan Pajak.

**Ketua**



Dr. Tertiarto Wahyudi, S.E., MAFIS., Ak., CPA  
NIP. 196310041990031002

**Anggota**



Muhammad Hidayat, S.E., M.Si., Ak., CA  
NIP. 198802092018031001

**Mengetahui,  
Ketua Jurusan Akuntansi**



Arista Hakiki, S.E., M. Acc., Ak., CA  
NIP. 197303171997031002

## RESEARCHER RESUME

Name : Muhammad Zuhdi  
Gender : Male  
Place, Date of Birth : Curup, 19 february 2000  
Religion : Islam  
Status : Single  
Address : Kel. Durian Depun RT. XI RW.03 Kec. Merigi,  
Kab. Kepahiang, Provinsi Bengkulu  
Email Address : Muhammadzuhdy76@gmail.com



### **Formal Education :**

1. Academic Year 2005-2011 : SD Negeri 1 Curup
2. Academic Year 2011-2014 : SMP Negeri 1 Curup
3. Academic Year 2014-2017 : SMA Negeri 1 Rejang Lebong
4. Academic Year 2017-2021 : Accounting Department, Faculty of Economics, Sriwijaya University

### **Non-Formal Education :**

1. Brevet A and B Course IAI
2. MEC English Course
3. Accurate Course Palcomtech

### **Organizational Experience :**

1. Chairman of PERBAFE UNSRI

## TABLE OF CONTENT

<b>COMPREHENSIVE EXAM APPROVAL LETTER</b> .....	ii
<b>SCRIPT APPROVAL LETTER</b> .....	iii
<b>STATEMENT OF RESEARCH INTEGRITY</b> .....	iv
<b>MOTTO</b> .....	v
<b>PREFACE</b> .....	vi
<b>THANK-YOU NOTE</b> .....	vii
<b>LETTER OF STATEMENT</b> .....	xi
<b>ABSTRACT</b> .....	xii
<b>ABSTRAK</b> .....	xiii
<b>RESEARCHER RESUME</b> .....	xiv
<b>TABLE OF CONTENT</b> .....	xv
<b>LIST OF TABLE</b> .....	xvii
<b>CHAPTER I</b> .....	1
1.1. Background .....	1
1.2. Statement of Problem .....	7
1.3. Research purposes .....	7
1.4. Benefit of research .....	8
<b>CHAPTER II LITERATURE REVIEW</b> .....	9
2.1. Theoretical Basis .....	9
2.1.1. Theory of Planned Behaviour .....	9
2.1.2. Taxation .....	10
2.1.3. Compliance Behavior .....	14
2.1.4. Religiosity .....	17
2.1.5. Tax simplification .....	19
2.2. Empirical findings .....	23
2.3. Research framework .....	25
2.4. Hypothesis Development .....	25
2.4.1. The effect of tax simplification on tax compliance .....	25
2.4.2. The effect of tax simplification on tax compliance with religiosity as moderating variable .....	26
<b>CHAPTER III Research Methodology</b> .....	29
3.1. Scope of research .....	29

3.2.	Research design .....	29
3.3.	Types and Sources of data .....	30
3.4.	Data Collection Techniques .....	30
3.5.	Population and Sample .....	32
3.6.	Descriptive Statistics .....	33
3.7.	Data quality Test.....	33
3.8.	Hypothesis Test .....	37
<b>CHAPTER IV</b>	.....	<b>40</b>
4.1.	Research Sample .....	40
4.2.	Description of Questionnaire Distribution.....	40
4.3.	Descriptive Statistic .....	45
4.4.	Data quality test.....	46
4.5.	Classic Assumptions Testing .....	48
4.6.	Hypothesis Test .....	52
4.7.	Discussion of research results .....	55
<b>CHAPTER V</b>	<b>Conclusion and remarks</b> .....	<b>58</b>
5.1.	Conclusion.....	58
5.2.	Limitations and Suggestions .....	59
<b>References</b>	.....	<b>61</b>
<b>Appendix</b>	.....	<b>65</b>



## LIST OF TABLE

Table 1.1 Taxpayers Obedience Rate .....	2
Table 4.1 Questionnaires collection results .....	41
Table 4.2.1 Respondent Demographics by Area of business.....	41
Table 4.2.2 Respondent's type of Business .....	42
Table 4.2.3 Description of the gender .....	43
Table 4.2.4 Ages description.....	43
Table 4.2.5 Respondent's Last education .....	45
Table 4.3 Descriptive Statistic analysis .....	45
Table 4.4. Reliability Test.....	46
Table 4.5 Validity Test .....	47
Table 4.6 Normallity Test .....	49
Table 4.7 Heteroscedasticity Test.....	50
Table 4.8 Multicollinearity Test.....	51
Table 4.9 Partial Test Result .....	52
Table 4.10 Adjusted R2 Result.....	53
Table 4.11 MRA (before testing) .....	54
Table 4.12 MRA (after testing) .....	54

## INTRODUCTION

### 1.1 Background

Tax is a source of government revenue to maintain welfare. Attempts to increase the state revenues from taxes are not an easy task. Various efforts have been taken by the government to increase state revenue from taxes (kementerian keuangan, 2011). However, the amount of state revenue from taxes taken is not in accordance with the APBN or state budget target. One of the causes of low tax revenue in Indonesia is due to the low level of taxpayer compliance in delivering and paying the taxes. (Nurkhin et al., 2018) Rahayu (2013) explain that tax compliance constitutes obedience, submission, and agreement to taxation provisions. Education efforts, counseling, and many others will not necessarily influence motivation of the taxpayers in fulfilling the taxation obligations because they do not feel the benefits of paying the taxes. This is due to the lack of their motivation in paying taxes and there are still many other things that make them less aware of paying taxes. The manipulation or corruption issue is an illustration of the situation that is currently happening a lot committed by the tax authorities. With the fraud cases in the field of taxation, the taxpayers will worried and cannot acquiesce on taxes they pay. Such cases can make the taxpayer compliance or motivation to pay taxes decreases (Rengki, Herawati, and Putri, 2014).

The Annual Report of the Directorate General of Taxes (DGT) in The Table 1.1 shows the ratio index of taxpayer compliance having fluctuated changes since 2012. In 2013 the person's taxpayer compliance ratio significantly increased by 7.16 percent. In 2014 the taxpayer compliance ratio of individuals decreased by

1.99 percent to 58.87 percent. By 2015 the personal taxpayer compliance rate has increased by 1.55 percent. The increase of the taxpayer compliance ratio occurs in N2016, at 2.7 percent. This indicates that the taxpayer compliance is highly sensitive and volatile.

**Table 1.1** Taxpayers Obedience Rate and Realization of Income Tax Revenue

<b>Year</b>	<b>Taxpayer Compliance Ratio (%)</b>
2012	53.70
2013	60.86
2014	58.87
2015	60.42
2016	63.15

Source: DGT (Directorate General of Taxes) Annual Report

One of the factors affecting taxpayer compliance level is tax simplification. The compliance behavior will be influenced by simplification of the tax laws in some number of ways that are different. Simplification encourages tax compliance by providing the lower opportunity for it. Simplification can also reduce the uncertainty of tax laws and by encouraging greater compliance among risky taxpayers or, conversely, complexity makes taxpayers frustrated or confused and thereby reduce their willingness to comply. For the tax laws which are considered simple, tax professionals must be relatively more confident that they have made accurate tax reporting. On the other hand, for the tax laws that are considered difficult (complicated), tax professionals must lack confidence that they have made the accurate tax reporting. This is because tax professionals want to make correct tax decisions for simple tax laws.

Apart from tax simplification, the other variable that can affect compliance behavior is religious beliefs. (Muslichah, 2015) (Pope & Mohdali, 2010) Religiosity affect the lifestyle of people, their choices, and the people they associate with. It requires a deep understanding of the dominant religion and its impact on taxpayer behavior, which is essential for an in-depth understanding of busyness.

Research by Delener (1994), Ger (2005) and Mokhlis (2006) defines that religious beliefs can influence behavior. Research conducted by Richardson (2008) and Palil et al. (2013) found that there is a certain relationship between religious beliefs and tax compliance, which shows that when one's religious beliefs are at a high level, tax compliance is expected to be at a high level.

According to Mokhlis (2008), religion specifically associated with the ones' relationship with God and how they express it in their life among the society. Religiosity will affect someone individually in choosing life goal and what they consider as their responsibility to themselves, others and God. Furthermore, Mokhlis (2008) categorized religiosity into two dimensions, i.e. internal (intrapersonal) and external (interpersonal) religiosity. Internal or intrapersonal religiosity explains about religious identity, religious goal, attitude toward religion, about values and beliefs. While external or interpersonal religiosity explain about religious affiliation, ritual practice, membership in religious community and attendance in religious occasions (Thesis et al., 2017). It seems that the influence of general religious beliefs on voluntary compliance with tax policies is hardly influenced by the taxpayer's personal internal religious beliefs, but is often influenced by the taxpayer's interpersonal religious beliefs. These findings support

research on religious beliefs on tax ethics conducted by Togler and other researchers. In other words, the findings of this study provide important evidence that the definition of moral taxation and voluntary compliance with taxation can be considered the same because it can only be influenced by intrinsic values formed by religious customs or moral obligations. For example the Islamic and Christian teaching, The shadaqah or contributions or tithing is highly recommended in maintaining the value of giving to the needy and these values may only be applied in contributing to nation building by paying taxes. In another words, deterrence may not be effective for Turks because they already have a strong will to fulfill their tax obligations to the country. Therefore, it is the order of the tax authorities to ensure that all actions taken by the tax authorities must not undermine the strong morale of taxpayers, who largely depend on their religious beliefs.

The article is not one of the religious attitudes of moral value when measuring the intrinsic value of the taxpayer; the interviewee's intrinsic value can come from both of these sources. Therefore, based on the request for the influence of religious beliefs with personal moral values (not derived from the existence of religion) for further research on taxpayers based and obligatory. (Muslichah, 2015) this study is the first attempt to relate the tax simplification and the compliance behavior with religiosity as the moderating variable. This study suggests that religiosity can strengthen and weaken the relationship between awareness and purchase decision. It is claimed in some of the literature that religion is the key of cultural element that determines behavior (Babakus et al., 2004 and Cornwell et al., 2005).

In his research, (Saad, 2015) found that the simplified tax rate for compliance behavior was lower. The tax authorities' attempts to simplify tax laws failed. In his research, the authors used the Flesch Reading Ease Index to measure the readability of New Zealand's taxation regulations, tax information bulletin (TIB) and tax filing guidelines. The Flesch Easy Reading Index ranges from zero (hardest) to 100 (hardest) difficulty levels. Their findings suggest that, with the exception of the Tax Declaration Guidelines, there has been no progress in simplification at that time. In addition, Tan and Tower (1992) suggest that shorter sentences and an active writing style will help increase the legibility of tax laws, thereby reducing the complexity of tax laws. Recent research by Pau et al (2007). However, this provides conflicting evidence of tax simplification in New Zealand. Researchers have used readability indicators (i.e., Flesch Easy Reading Index, Flesch-Kincaid Level Index, Average Sentence Length, and Percentage of Passive Sentences) to test the effectiveness of the 2004 Income Tax Law, TIBS and the newly formulated regulations. The researchers found that these steps could greatly simplify taxation.

Sawyer (2007) agrees that measures to simplify taxation have improved, but constant regulatory changes have reworked to some extent (as well as benefits). In addition to previous research, Saw and Sawyer (2010) used the same method as Pau et al. To study sample legibility on selected sections of the 2007 Income Tax Law, TIB and binding decrees. (2007). Overall, the results suggested further significant success to the review project, undertaken by the New Zealand government in its tax simplicity goals in the context of improved readability. Following this rewrite project, the results of this study also indicated that the

percentage of people with an education level of Years 11-13 to understand the Income Tax Act 2007 has significantly increased.

A study on taxpayer's perceptions of the production system itself (due for release at that time) reveals the complexities of taxation in Malaysia, particularly in terms of record keeping, tax laws and unclear details. This finding is consistent with the six possible reasons for complexity pointed out by Long and Swingen, who are labeled: ambiguity, computation, change, detail, form, and commentary. McKerchar (2003) further identifies the most common problems that taxpayers understand when understanding the latest. Second, there are problems understanding the rules, soliciting taxes, and other related written information provided by the tax authorities.

Richardson's (2006) study involved 45 countries / territories and found that apart from education, income sources, judicial taxes and ethics, complexity is a major determinant of crime. His findings are in line with Cox and Eger (2006) who focused on State Road Funds in Kentucky, USA. The authors found that the complexity of procedural taxation led to an increase in illegal taxes.

## **1.2 Statement Of Problem**

1. Is there any gap in the tax simplification that will affect tax compliance ?
2. Does tax simplifications affect taxpayer compliance in paying taxes?
3. Have the tax laws currently being used have reached simplicity?
4. Does religiosity affect taxpayer compliance in paying taxes?

## **1.3 Research Purposes**

Based on the statement of problem above, the purpose of this study is to obtain information about Tax Simplifications that Affect Tax Compliance and Religiosity as The Moderating Variables, as for the details:

- a. To find out information about the gap in the relationship between tax simplification and compliance behavior.
- b. To find out the information about whether tax simplifications affect taxpayer compliance in paying taxes.
- c. To find out information about whether the tax law has reached simplicity.
- d. To find out information about wheter the religiosity affect taxpayer compliance in paying taxes.



#### **1.4 Benefits Of Research**

This study intends to have several advantages, both theoretically and practically, depending on the purpose of the study to be achieved. The advantages of the study are:

1) Theoretical benefits

Theoretically it is expected that the results of this study can provide information to people who want to develop this research or want to use information in new research that is in line and it is also hoped that the information contained in this study can be evidence of the importance of simplification in taxation that will affect payer compliance tax.

2) Practical benefits

Practically, the results of this study are expected to open up the government's thinking about the importance of simplification in taxation so as to reduce ambiguity and improve tax compliance. The result of this research are expected to provide information for micro, small and medium enterprises (MSMEs) regarding the ease in carrying out the taxation process so that their financial plans become more clearly organized, increase business credibility and business professionalism.

## REFERENCES

- Benk, S., Budak, T., Yüzba, B., & Mohdali, R. (2016). The Impact of Religiosity on Tax Compliance among Turkish Self-Employed Taxpayers. *Religions*, 7(4), 1–10. <https://doi.org/10.3390/rel7040037>
- Budak, T., & James, S. (2018). *The level of tax complexity: A comparative analysis between the UK and Turkey based on the OTS Index*. 1–20.
- Daryanto, W. M., & Surjadi, C. (2020). Indonesia Tax Simplification: Indonesia Micro-Small-Medium Enterprise Takes on Government Regulation No. 23 Year 2018 and Government Regulation No. 46 Year 2013 Versus Norms Calculation and Government Tax Audits. *South East Asia Journal of Contemporary Business, Economics and Law*, 21(1), 1. [https://seajbel.com/wp-content/uploads/2020/05/SEAJBEL21\\_045.pdf](https://seajbel.com/wp-content/uploads/2020/05/SEAJBEL21_045.pdf)
- Eiyya, O., Ilaboya, O. J., & Okoye, A. F. (2016). Religiosity and Tax Compliance: Empirical Evidence From Nigeria. *Igbinedion University Journal of Accounting*, 1, 27–41.
- El-Maude Jibreel Gambo, Abdulasalam Mas'ud, Mustapha Nasidi, O. S. O. (2014). *Tax Complexity And Tax Compliance In African Self-Assessment*. January 2017.
- Ghozali. (2018a). Pengaruh Current Ratio (CR), Earning Per Share (EPS), Dan Ukuran Perusahaan (Size) Terhadap Harga Saham Pada Perusahaan Indeks LQ45 Yang Terdaftar di Bursa Efek Indonesia Tahun 2013 - 2017. *Bryan Andoyo*, 37–53.
- Ghozali, I. (2016). Aplikasi analisis multivariate dengan Program IBM SPSS 23 . Edisi 8. Cetakan ke-8. Semarang : Badan Penerbit Universitas Diponegoro. 2011, 8.
- Ghozali, I. (2018b). *Aplikasi Analisis Multivariate Dengan Program IBM SPSS25*. Badan Penerbit Universitas Diponegoro.

- James, Si. (2007). *Tax Simplification Is Not A Simple Issue : The Reasons For Difficulty And A Possible Strategy* I Simon James Reader In Economics , University Of Exeter , Uk Fellow Of The Chartered Institute Of Taxation University Of Exeter Discussion Papers In Management. March, 1–18.
- John, P., & Blume, T. (2018). The impact of message simplification and descriptive social norms on payment rates in a central London local authority. *Journal of Behavioral Public Administration*, 1 (1).  
<https://doi.org/10.30636/jbpa.11.10>
- Johnson, S. R. (2003). *The 1998 Act and the Resources Link Between Tax Compliance and Tax Simplification* Steve. 1013.
- kementerian keuangan, D. J. P. (2011). *Undang-Undang Perpajakan*. 1–508.
- Liana, L. (2009). *Penggunaan MRA dengan Spss untuk Menguji Pengaruh Variabel Moderating terhadap Hubungan antara Variabel Independen dan Variabel Dependen*. XIV(2), 90–97.
- Musimenta, D., & Naigaga, S. (2017). *Tax compliance of financial services firms : a developing economy perspective*. 14. <https://doi.org/10.1108/JMLC-01-2018-0007>
- Muslichah. (2015). The effect of tax simplification on taxpayers' compliance behavior: religiosity as moderating variable. *Keuangan Dan Perbankan*, 19(2), 98–108.
- Nazaruddin, I. (2019). *The Role of Religiosity and Patriotism in Improving Taxpayer Compliance*. 20(1). <https://doi.org/10.18196/jai.2001111>
- Neve, J. De, Imbert, C., Spinnewijn, J., Tsankova, T., & Luts, M. (2019). *CEP Discussion Paper No 1621 May 2019 How to Improve Tax Compliance ? Evidence from Population-wide Experiments in Belgium* Maarten Luts. 1621.
- Nkundabanyanga, S. K., Mvura, P., Nyamuyonjo, D., Opiso, J., & Nakabuye, Z. (2017). Tax compliance in a developing country: Understanding taxpayers'

compliance decision by their perceptions. *Journal of Economic Studies*, 44(6), 931–957. <https://doi.org/10.1108/JES-03-2016-0061>

Nurani, M., & Islami, I. N. (2020). the Role of Tax Morale As Mediator in the Relationship Between Religiosity and Tax Compliance in South Sumatra. *ACCRUALS (Accounting Research Journal of Sutaatmadja)*, 4(01), 120–134.

Nurkhin, A., Novanty, I., Muhsin, M., & Sumiadji, S. (2018). *The Influence of Tax Understanding , Tax Awareness and Tax Amnesty toward Taxpayer Compliance*. 22(2), 240–255.

Palil, M. R., Fadillah, W., & Wan, B. (2013). *The Perception of Tax Payers on Tax Knowledge and Tax Education with Level of Tax Compliance : A Study the Influences of Religiosity*. 1(June), 118–129.

Pandey, A. R. (2020). *PERSONAL INCOME TAX COMPLIANCE IN KATHMANDU*.

Saad, N. (2015). Tax Knowledge , Tax Complexity and Tax Compliance : Taxpayers ' View Tax Knowledge , Tax Complexity and Tax Compliance : Taxpayers ' View. *Procedia - Social and Behavioral Sciences*, 109(December), 1069–1075. <https://doi.org/10.1016/j.sbspro.2013.12.590>

Shuweikha S Khalfan<sup>1</sup>, E. G. K. and H. C. (2020). *Income tax law simplification and tax compliance: a case of medium taxpayers in Zanzibar Shuweikha S Khalfan 1 , Ernest G. Kitindi 2 and Henry Chalu 3*. 23(1), 1–18.

Thesis, A., Pratama, A. D. I., Hidayat, N. U. R., Program, I., & Economics, F. O. F. (2017). *THE INFLUENCE OF RELIGIOSITY ON TAXPAYERS ' COMPLIANCE ( Empirical Study on Personal Taxpayer Registered in Tax Service Office ( KPP ) Pratama Wonogiri ) Empirical Study on Personal Taxpayer Registered*.

Tran-nam, B. (2016). *Tax Reform and Tax Simplification: Conceptual and Measurement Issues and Australian Experiences*. 11–12.

Wilberforce Serem, Dr. Kinanga Robert, M. O. P. (2017). THE EFFECT OF TAX SYSTEM SIMPLICITY ON TAX COMPLIANCE AMONG THE RENTAL INCOME EARNERS IN KENYA. A CASE OF ELDORET CENTRAL BUSINESS DISTRICT. *European Journal of Business and Innovation Research*, 5(8.5.2017), 13–22.