



DETERMINANTS OF TAX COMPLIANCE IN THE DIGITAL ERA: A SYSTEMATIC LITERATURE REVIEW ON TAX LITERACY, PERCEIVED TAX FAIRNESS, AND DIGITAL TAX SYSTEMS

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Abstract

Tax compliance is increasingly shaped by the transformation of tax administration into digital ecosystems. This systematic literature review examines three interconnected determinants of tax compliance: tax literacy, perceived tax fairness, and digital tax systems. The review uses a structured evidence-synthesis approach guided by PRISMA 2020 and focuses on studies addressing taxpayer knowledge and literacy, fairness, digital tax services, system quality, trust, and compliance outcomes. The synthesis indicates that tax literacy generally supports compliance by improving understanding of tax obligations, procedures, and the ability to use digital services, although the strength of the relationship depends on how literacy is defined and measured. Perceived tax fairness supports voluntary compliance through legitimacy, trust, and tax morale, particularly when taxpayers perceive tax burdens, procedures, and administrative treatment as equitable. Digital tax systems can facilitate compliance by reducing time, errors, and compliance costs, while integrated data and analytics can strengthen deterrence and detection. However, digitalization does not automatically improve compliance; usability, digital readiness, infrastructure, privacy, security, regulatory clarity, service quality, and trust condition its effects. The review identifies fragmentation between behavioral tax-compliance research and technology-adoption research. To bridge this fragmentation, the study develops a Capability–Legitimacy–Technology framework that positions tax literacy as taxpayer capability, perceived tax fairness as institutional legitimacy, and digital tax systems as administrative infrastructure. The framework suggests that sustainable compliance requires simultaneous improvement in taxpayer capability, fair administration, and user-centered digital systems.

Keywords: Digital tax systems; Perceived tax fairness; Tax compliance; Tax digitalization; Tax literacy

INTRODUCTION

Tax is a crucial source of public financing, but the government's ability to generate revenue is determined not only by tax rates, the tax base, or the intensity of law enforcement. Taxpayer compliance is a fundamental component because modern tax systems largely rely on self-assessment, self-reporting, and administrative interactions between taxpayers and tax authorities. From the perspective of behavioral tax compliance, decisions to comply are influenced not only by the probability of audits and sanctions, but also by psychological and institutional factors such as trust, fairness, and tax morale (Alexander & Balavac-Orlic, 2022; Alm, 2019).

Digital transformation is changing how these relationships take place. Tax authorities increasingly use e-filing, e-billing, e-invoicing, prefilled returns, service portals, database integration, and risk analytics. Bassey et al. (2022) in a systematic review of 96 publications showed that successful digital tax administration needs to be understood as an ecosystem encompassing context, stakeholders, technology, and outcomes, rather than technology adoption alone. The review also emphasized the importance of expanding digital taxation research to developing countries.

Recent literature indicates that digitalization can improve compliance through two mechanisms. The first mechanism is the facilitation effect, namely the simplification of processes, reduction of compliance costs, increased access, and reduction of errors. The second mechanism is



the deterrence effect, namely the increased ability of tax authorities to integrate data and detect discrepancies. Wijaya & Ulfa (2026) through a systematic literature review of 45 Scopus-indexed articles published during 2015–2025 found that the impact of digitalization on compliance is generally positive, but remains context-dependent.

Nevertheless, digitalization alone is not sufficient. Taxpayers still need the ability to understand their tax obligations and use digital services appropriately. Literature on tax literacy shows that this ability is not limited to knowledge about taxation, but also involves the ability to understand and use tax information in real-world situations (Tantriangela & Setyowati, 2023). In a digital environment, this need is increasingly complex because taxpayers are also required to use electronic tax services (Audia et al., 2026; Riswandari et al., 2026).

In addition to taxpayer capability, compliance is also related to the legitimacy of the tax system. Taxpayers may understand the rules and be able to use the system, but may not be willing to comply if the tax system is perceived as unfair (Alexander & Balavac-Orlic, 2022; Musah et al., 2026). Perceived tax fairness concerns how taxpayers assess the fairness of tax burdens, procedures, and administrative treatment. Recent empirical evidence shows that fairness may also be associated with trust in tax authorities. Musah et al. (2026), for example, analyzed 1,342 companies in Ghana and found that financial literacy and perceived tax fairness were positively associated with tax compliance behaviour, while trust in tax authorities served as a mediator.

However, the existing literature still shows fragmentation between behavioral tax compliance research and research on technology adoption and digital tax administration. Syntheses of digital taxation show the use of various technology acceptance and implementation frameworks, including the Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), and Technology–Organization–Environment (TOE) (Chairunissa & Setyowati, 2026). Bassey et al. (2022) showed that research on digital tax administration needs to move beyond the technology acceptance perspective by considering context, stakeholders, technology, and outcomes. On the other hand, behavioral tax compliance research places greater emphasis on constructs such as tax morale, fairness, trust, and norms (Alexander & Balavac-Orlic, 2022; Alm, 2019). Recent SLR evidence indicates that the Theory of Planned Behavior (TPB) is one of the most frequently used theories in digital tax compliance research (Zahrani et al., 2025). Thus, there remains a need to synthesize how taxpayer capability, tax-system legitimacy, and technological characteristics jointly explain tax compliance in the digital era.

Based on these conditions, this study aims to map the development and characteristics of research on tax compliance in the digital era; synthesize the relationships between tax literacy, perceived tax fairness, and digital tax systems and tax compliance; identify the mechanisms and factors that strengthen or weaken these relationships; and map research gaps and research agendas that can be developed. Based on this synthesis, the study also proposes an integrated conceptual framework linking capability, legitimacy, and technology in explaining tax compliance in the digital era.

Based on these research objectives, this study formulates the following research questions:

RQ1. What are the development and characteristics of research on tax compliance in the digital era?

RQ2. How does tax literacy affect tax compliance?

RQ3. How does perceived tax fairness affect tax compliance?

RQ4. Through what mechanisms do digital tax systems affect tax compliance?

RQ5. What factors strengthen or weaken the relationships between the three determinants and tax compliance?



RQ6. What research gaps and research agendas can be developed?

The contribution of this study lies in integrating three perspectives. Tax literacy is positioned as a capability that enables taxpayers to understand and fulfill their obligations; perceived tax fairness as a legitimacy mechanism related to trust and tax morale; and digital tax systems as technology infrastructure that can simplify compliance processes while increasing administrative and supervisory capacity. Thus, this study does not view technology as an independent factor, but as part of a compliance ecosystem that interacts with taxpayer capability and institutional legitimacy.

LITERATURE REVIEW

Tax Compliance

Tax compliance is the behavior of taxpayers in fulfilling their tax obligations in accordance with applicable regulations, including registration, calculation, payment, and reporting. The traditional economic perspective explains compliance through expected utility, namely a comparison between the benefits of non-compliance and the probability of detection and sanctions (Alm, 2019). The behavioral tax compliance perspective expands this approach by incorporating psychological and institutional factors such as trust, fairness, tax morale, and social norms (Alexander & Balavac-Orlic, 2022; Alm, 2019). From this perspective, compliance can be distinguished into enforced compliance, which is more strongly driven by deterrence, and voluntary compliance, which is more strongly driven by internal acceptance of tax obligations (Alm, 2019).

The Theory of Planned Behavior (TPB) also explains that compliance behavior is influenced by attitude, subjective norm, and perceived behavioral control, which form behavioral intention (Ajzen, 1991). In the tax context, tax literacy and taxpayer capability can be associated with perceived behavioral control, while factors such as fairness, trust, and tax morale provide additional perspectives for explaining voluntary compliance (Ajzen, 1991; Alexander & Balavac-Orlic, 2022; Alm, 2019).

Tax Literacy

Tax literacy is the functional ability of taxpayers to understand tax information and obligations and to use that information in decision-making. The concept of tax literacy is not limited to knowledge of tax rates and regulations, but also includes the ability to understand procedures, obtain relevant information, and apply it in tax-related situations (Tantriangela & Setyowati, 2023). Thus, tax literacy has a broader scope than tax knowledge alone because it emphasizes the functional use of tax knowledge (Kumala et al., 2024; Tantriangela & Setyowati, 2023).

In the digital context, tax literacy is also related to taxpayer's ability to use technology-based tax information and services. This ability is increasingly important as tax processes shift toward electronic systems that require both understanding and operational skills from users (Audia et al., 2026; Riswandari et al., 2026). Research on compliance in digital tax systems also shows that literacy is one of the factors that should be considered alongside digital readiness, trust, and system characteristics (Audia et al., 2026; Putri et al., 2025; Riswandari et al., 2026). From the perspective of the Theory of Planned Behavior (TPB), tax literacy can be associated with perceived behavioral control because better understanding and capability increase the perceived ability to independently fulfill tax obligations (Ajzen, 1991; Tantriangela & Setyowati, 2023).

Perceived Tax Fairness

Perceived tax fairness is the subjective evaluation by taxpayers of the fairness of the tax system and the treatment they receive during tax administration. Fairness can be viewed through



several dimensions, including distributive fairness, which concerns the fairness of tax burdens; procedural fairness, which concerns the fairness and transparency of administrative processes; and interactional fairness, which concerns the quality of treatment by tax authorities toward taxpayers (Alexander & Balavac-Orlic, 2022; Musah et al., 2026).

Fairness is related to the behavioral dimension of compliance because perceptions of the fairness of the tax system can influence tax morale, trust, and taxpayers' willingness to fulfill their obligations voluntarily (Alexander & Balavac-Orlic, 2022). Thus, compliance is determined not only by the probability of audits and sanctions, but also by the extent to which taxpayers perceive the tax system as legitimate and fair (Alexander & Balavac-Orlic, 2022; Alm, 2019).

Recent empirical evidence further strengthens this relationship. Musah et al. (2026) found that financial literacy and perceived tax fairness have a positive effect on tax compliance behaviour, while trust in tax authorities partially mediates this relationship. These findings indicate that fairness may not only function as a direct determinant of compliance, but may also shape trust in tax authorities, which subsequently supports compliance (Musah et al., 2026).

Digital Tax Systems

Digital tax systems comprise the technologies and digital processes that support tax administration, including e-filing, e-billing, e-invoicing, prefilled returns, taxpayer portals, data integration, digital identity, and risk analytics. Digital transformation in tax administration is not only related to technology adoption, but also to institutional context, users, administrative processes, and system outcomes (Bassey et al., 2022).

Literature shows that digitalization can affect compliance through at least two mechanisms. First, the facilitation effect occurs when technology simplifies tax processes, improves access to information, reduces errors, and lowers compliance costs. Second, the deterrence effect occurs when data integration and analytical capabilities increase the capacity of tax authorities to identify discrepancies and risk patterns (Bassey et al., 2022; Wijaya & Ulfa, 2026; Wulandari et al., 2026).

From the perspective of technology acceptance, digital taxation research uses various frameworks to explain system acceptance and use, including the Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), and Technology–Organization–Environment (TOE). The synthesis by Chairunissa & Setyowati (2026) shows the use of these frameworks in research on digital tax transformation, while constructs such as perceived usefulness, trust, and digital readiness also emerge as important factors in explaining the successful implementation of digital systems (Bassey et al., 2022; Chairunissa & Setyowati, 2026).

However, digitalization does not automatically result in increased compliance. System effectiveness is influenced by usability, system quality, service quality, digital readiness, infrastructure, privacy, security, and trust (Chairunissa & Setyowati, 2026; Putri et al., 2025; Wijaya & Ulfa, 2026; Wulandari et al., 2026). Therefore, the quality of digital tax systems should be assessed not only based on the existence of technology, but also on the system's ability to provide services that are easy to use and reliable and ultimately support tax compliance (Bassey et al., 2022; Wijaya & Ulfa, 2026).

Theoretical Foundation

Research on tax compliance can be explained through several complementary theoretical perspectives, namely the Theory of Planned Behavior (TPB), Slippery Slope Framework (SSF), and technology acceptance perspective. The Theory of Planned Behavior (TPB) explains that individual behavior is influenced by behavioral intention, while behavioral intention is formed by attitude, subjective norm, and perceived behavioral control (Ajzen, 1991). In the context of tax compliance, attitudes toward tax obligations, social norms, and taxpayers' perceptions of their



ability to fulfill obligations can shape compliance intentions and behavior. Tax literacy can be associated with perceived behavioral control because better knowledge and capability can increase taxpayers' confidence in understanding and fulfilling their tax obligations (Ajzen, 1991; Tantriangela & Setyowati, 2023). Meanwhile, perceptions of fairness can be related to attitudes toward the tax system and willingness to comply with tax obligations (Alexander & Balavac-Orlic, 2022). In the development of digital taxation research, the Theory of Planned Behavior (TPB) has also become one of the theories frequently used to explain the relationship between digitalization and tax compliance (Zahrani et al., 2025).

In addition to the Theory of Planned Behavior (TPB), the Slippery Slope Framework (SSF) provides a perspective on the relationship between taxpayers and tax authorities. The framework explains that compliance is influenced by two main dimensions, namely trust in tax authorities and the power of tax authorities. Trust is primarily associated with voluntary compliance, while power is associated with enforced compliance through monitoring, audits, and sanctions (Kirchler et al., 2008). This perspective expands compliance approaches that focus only on deterrence by incorporating the relationship between taxpayers and tax authorities as an important factor shaping compliance behavior. In this study, perceived tax fairness and trust are relevant to the legitimacy dimension because the perception that the tax system and authorities act fairly can increase acceptance and taxpayers' willingness to comply voluntarily (Alexander & Balavac-Orlic, 2022; Musah et al., 2026).

The third perspective is technology acceptance, which is used to explain how users accept and use technology in performing an activity. In the context of digital taxation, this perspective is relevant because the success of digitalization is determined not only by technology availability, but also by users' perceptions of usefulness, ease of use, reliability, and readiness to use the system. The synthesis of literature on digital tax transformation shows that research uses various technology acceptance and implementation frameworks, including the Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), and Technology–Organization–Environment (TOE), with constructs such as perceived usefulness, trust, and digital readiness also used to explain digital system acceptance and success (Chairunissa & Setyowati, 2026). Bassey et al. (2022) also emphasizes that digital tax administration should be understood as an ecosystem that encompasses not only technology, but also context, stakeholders, and system outcomes.

These three perspectives can subsequently be integrated to explain the determinants of tax compliance in the digital era. The Theory of Planned Behavior (TPB) provides a basis for understanding psychological and behavioral mechanisms through attitude, subjective norm, and perceived behavioral control (Ajzen, 1991). The Slippery Slope Framework (SSF) explains the role of trust and power in shaping voluntary and enforced compliance (Kirchler et al., 2008). Meanwhile, the technology acceptance perspective explains how the characteristics and acceptance of digital systems can affect taxpayer's ability to use electronic tax services (Bassey et al., 2022; Chairunissa & Setyowati, 2026). Based on this integration, this study positions tax literacy as the capability dimension, perceived tax fairness as the legitimacy dimension, and digital tax systems as the technology dimension. Tax literacy enables taxpayers to understand and fulfill their tax obligations, perceived tax fairness shapes perceptions of the fairness and legitimacy of the tax system, while digital tax systems provide infrastructure that can simplify tax processes, reduce compliance costs, and increase administrative and supervisory capacity (Alexander & Balavac-Orlic, 2022; Bassey et al., 2022; Tantriangela & Setyowati, 2023; Wijaya & Ulfa, 2026).



METHODS

Research Design

This study uses a Systematic Literature Review (SLR). The review reporting follows PRISMA 2020, which provides a 27-item checklist, an abstract checklist, and a flow diagram to support transparent and complete reporting of systematic reviews.

Search Strategy

The literature search was designed using a combination of keywords and Boolean operators: (“tax compliance” OR “taxpayer compliance” OR “voluntary compliance”) AND (“tax literacy” OR “tax knowledge” OR “financial literacy” OR “tax awareness” OR “tax fairness” OR “perceived tax fairness” OR “procedural fairness” OR “distributive fairness” OR “digital tax” OR “tax digitalization” OR “digital tax system” OR “e-filing” OR “e-invoicing” OR “tax information system”). The literature search used five databases, namely Scopus, Web of Science, ScienceDirect, Google Scholar, and Garuda/SINTA, to obtain representation of international and Indonesian literature.

Table 1. Inclusion and Exclusion Criteria

Aspect	Inclusion	Exclusion
Publication type	Peer-reviewed journal articles, systematic reviews, or relevant academic articles	News, blogs, non-academic opinions, and duplicates
Topic	Tax compliance and at least one determinant: literacy, fairness, or digital tax system	Digital economy not related to tax compliance
Period	Priority 2021–2026; foundational theories may be older	Studies outside the period without theoretical relevance
Language	Indonesian or English	Other languages without adequate translation access
Availability	Abstract/full text and bibliographic information can be verified	Metadata cannot be verified
Outcome	Tax compliance, voluntary compliance, enforced compliance, and relevant tax morale	Purely non-tax outcomes

Source: data proceed

Selection Procedure

Selection was conducted in four stages: identification, screening, eligibility, and inclusion. At the identification stage, all search results were exported and duplicates were removed. At the screening stage, titles and abstracts were assessed based on the criteria. Relevant studies were then read in full at the eligibility stage. Studies that met all criteria were included in the synthesis. PRISMA 2020 emphasizes that this process needs to be reported transparently so that the review can be assessed and replicated.

Table 2. PRISMA Flow Summary

PRISMA 2020 Stage	Number (n)	Details & Selection Rationale
Initial Identification	124	Raw search results from 5 major databases: • Scopus (n = 28) • Web of Science (n = 14) • ScienceDirect (n = 22)



PRISMA 2020 Stage	Number (n)	Details & Selection Rationale
		• Google Scholar (n = 45) • Garuda / SINTA (n = 15)
Duplicate Removal	37	Eliminated due to overlapping records (duplicate records) across databases
Abstract Screening	87	Total unique articles entering the Title & Abstract screening stage
Abstract Exclusion	61	Excluded based on the inclusion/exclusion criteria: • Focused on macro/fiscal tax incentives without a compliance variable (n = 24) • Pure digital economy without testing tax literacy/fairness (n = 22) • Non-empirical/non-review manuscripts (opinions/short proceedings) (n = 15)
Full-Text Assessment	26	Full-text articles evaluated in depth for eligibility
Full-Text Exclusion	13	Excluded from the eligibility assessment for the following reasons: • The primary outcome was not tax compliance/behavior (n = 6) • Incomplete determinants (only 1 variable without a digital context) (n = 4) • Methodological limitations or incomplete metadata (n = 3)
Final Included Studies	13	Final studies meeting all criteria and analyzed in the qualitative synthesis

Source: data proceed

The literature search procedure was conducted comprehensively across five major databases (Scopus, Web of Science, ScienceDirect, Google Scholar, and Garuda/SINTA). The initial search produced 124 raw articles. After removing 37 duplicate articles, 87 unique articles remained for title and abstract screening. The abstract screening stage excluded 61 articles that did not meet the focus on testing the three main determinants of compliance. Subsequently, 26 full-text articles were evaluated in depth, of which 13 were excluded because they did not contain relevant compliance outcomes or had methodological limitations. This process resulted in 13 final articles analyzed in the qualitative synthesis.



Data Extraction and Analysis

Data were extracted using a matrix containing author/year, country, research object, sample size, method, theory, constructs, instruments, main findings, direction of relationships, mediators/moderators, limitations, and research agendas. The synthesis was conducted using thematic synthesis through three stages: initial coding, grouping of themes, and integration of findings. Consistent, contradictory, and context-dependent results were separated to avoid overly general conclusions.

RESULTS AND DISCUSSION

Literature Characteristics

The reviewed literature shows three research clusters. The first cluster focuses on behavioral determinants, particularly tax behavior, tax literacy, fairness, trust, tax morale, and awareness. The second cluster focuses on technology adoption, with constructs such as perceived usefulness, perceived ease of use, system quality, service quality, digital readiness, and trust. The third cluster integrates digitalization with compliance through e-filing, e-invoicing, prefilled returns, tax information systems, and data integration.

Bassey et al. (2022) through a systematic review of 96 publications developed a digital tax administration framework that places context, stakeholders, technology, and demonstrated results as the main thematic groups. This finding supports the view that digital tax research needs to move beyond technology acceptance alone. Another recent SLR of 45 Scopus articles also found that the impact of digitalization tends to be positive through facilitation and deterrence effects, but remains context-dependent.

Table 3. Synthesis of Reviewed Studies

Author/Year	Focus	Method/Context	Determinants	Findings	Gap/Implications
(Alm, 2019)	Behavioral tax compliance	Review	Trust, fairness, norms, deterrence	Compliance is not determined by deterrence alone	A multidimensional model is needed
(Bassey et al., 2022)	Digital tax administration	SLR; 96 publications	Context, stakeholders, technology, results	The digital ecosystem is broader than technology acceptance	Developing-country contexts are needed
(Alexander & Balavac-Orlic, 2022)	Fairness & tax morale	Empirical	Fairness, literacy, morale	Fairness and literacy are relevant to tax morale	Trust/tax morale needs further examination
(Tantriangela & Setyowati, 2023)	Tax literacy	Literature-based	Tax literacy	Literacy is broader than tax behavior	Multidimensional measurement is needed
(Kumala et al., 2024)	Tax knowledge & tax compliance	Empirical; MSMEs in Bandung	Tax knowledge	Tax knowledge contributes to improving tax compliance	Needs to be tested together with fairness and digitalization factors
(Hesami et al., 2024)	E-invoicing/prefilled returns	SLR	Digital tools	Technology can reduce compliance costs	Contextual evaluation is needed



Author/Year	Focus	Method/Con text	Determinants	Findings	Gap/Implication s
(Putri et al., 2025)	Tax information system	SLR; 47 Scopus articles	System quality, behavioral, trust	Quality and behavioral factors are related to satisfaction/trust/co pliance	Emerging- economy contexts are limited
(Zahrani et al., 2025)	Digitalization & compliance	SLR; 25 Scopus articles	TPB, digitalization	The relationship is positive but inconsistent	Greater theoretical/cont extual consistency is needed
(Wulandari et al., 2026)	Tax digitalization	SLR	Ease, usefulness, efficiency, transparency, trust	Digitalization tends to increase compliance	Cross-context testing is needed
(Wijaya & Ulfa, 2026)	Digitalization & compliance	SLR; 45 Scopus articles	Facilitation, deterrence	The impact is predominantly positive and context-dependent	Barrier analysis is needed
(Chairunissa & Setyowati, 2026)	Digital transformation	SLR; 14 empirical articles	Usefulness, trust, readiness	Efficiency increases, but barriers remain	Longitudinal research/frontie r technologies
(Audia et al., 2026)	Digital tax compliance	Empirical	Literacy, ease, trust	Literacy, ease, and trust play a role	Further generalization is needed
(Riswandari et al., 2026)	Digital compliance	Empirical	Readiness, literacy, ethics, trust	Readiness and literacy are relevant	An integrated model is needed

Source: Author's Analysis Based on the Literature Synthesis (2026)

The Effect of Tax Literacy on Tax Compliance

The literature findings indicate that tax literacy and aspects of tax knowledge generally have a positive relationship with tax compliance. Kumala et al. (2024) found that tax knowledge plays a role in improving tax compliance among MSMEs in Bandung. In the context of digital taxation, Audia et al. (2026) also showed that literacy, ease of use, and trust are factors contributing to digital tax compliance, while Riswandari et al. (2026) demonstrated the relevance of literacy and digital readiness in explaining compliance in digital tax systems. Alexander & Balavac-Orlic (2022) also showed that literacy is one of the factors relevant to the formation of tax morale.

However, the literature also shows that this relationship depends on how tax literacy is defined and measured. Tantriangela & Setyowati (2023) emphasizes that tax literacy has a broader scope than tax knowledge alone because it includes the ability to understand information and apply it in tax contexts. These findings demonstrate the importance of measuring tax literacy not only in terms of the ability to recall tax rates or regulations, but also in terms of the ability to understand obligations, procedures, and the use of tax information (Tantriangela & Setyowati, 2023).

In the digital context, Audia et al. (2026) and Riswandari et al. (2026) show that literacy capability needs to be considered alongside the ability to use digital systems, digital readiness, and trust. Putri et al. (2025) also shows that research on tax information systems links system quality and behavioral factors with satisfaction, trust, and compliance. Thus, literacy in a digital environment is not only related to understanding tax obligations, but also to taxpayer's ability to interact with digital tax systems (Audia et al., 2026; Putri et al., 2025 ;Riswandari et al., 2026).



Theoretically, this relationship can be explained through the Theory of Planned Behavior (TPB). Tax literacy can be associated with perceived behavioral control because better understanding and capability can increase taxpayer's confidence in fulfilling their tax obligations (Ajzen, 1991; Tantriangela & Setyowati, 2023). In the digital context, this capability can also help taxpayers understand and use electronic tax services (Audia et al., 2026; Riswandari et al., 2026).

Nevertheless, the synthesis in this study indicates that increased capability is not always identical to increased willingness to comply. The relationship between literacy and compliance needs to be understood together with other factors, particularly fairness, trust, and digital system quality. Evidence on perceived tax fairness shows that fairness is associated with tax compliance behaviour and trust in tax authorities, while digital literature indicates that system quality, digital readiness, and trust also influence the success of digital tax systems (Chairunissa & Setyowati, 2026; Musah et al., 2026; Putri et al., 2025).

Therefore, based on the literature synthesis, tax literacy is more appropriately positioned as a capability within the Capability–Legitimacy–Technology framework. Tax literacy provides taxpayers with the ability to understand and fulfill their obligations, but the realization of compliance is also influenced by the legitimacy of the system through fairness and trust, as well as by the quality of the technology used to fulfill obligations (Audia et al., 2026; Musah et al., 2026; Riswandari et al., 2026; Tantriangela & Setyowati, 2023; Wijaya & Ulfa, 2026).

The Effect of Perceived Tax Fairness on Tax Compliance

Perceived tax fairness is an important behavioral determinant because it affects whether tax obligations are perceived as legitimate. Fairness can be divided into distributive fairness, procedural fairness, and interactional fairness. All three can influence trust and tax morale, which in turn encourage voluntary compliance.

Recent empirical evidence further strengthens the role of trust in explaining tax compliance. Musah et al. (2026) in a study of 1,342 companies in Ghana found that tax-specific financial literacy and perceived tax fairness had positive and significant effects on tax compliance behaviour, while trust in tax authorities partially mediated this relationship. This finding supports a perspective that not only positions fairness as a direct predictor of tax compliance, but also as a factor that can shape trust in tax authorities, which subsequently contributes to compliance.

In digital systems, fairness takes on a new dimension. Risk algorithms, automated notices, prefilled information, and data matching can increase consistency, but they also raise questions about transparency, privacy, and opportunities to correct errors. Therefore, procedural fairness in digital administration requires explainability, complaint mechanisms, and human assistance.

The Effect of Digital Tax Systems Systems on Tax Compliance

Digital tax systems affect compliance through facilitation and deterrence effects. The facilitation effect occurs when technology simplifies processes, provides information, reduces repeated data entry, and accelerates transactions. The deterrence effect occurs when data integration enables tax authorities to identify mismatches and risk patterns more quickly.

Wijaya & Ulfa (2026) found that these two mechanisms provide the main explanation for why digitalization tends to increase compliance. Meanwhile, Chairunissa & Setyowati (2026) identified perceived usefulness, trust, and digital readiness as drivers, and privacy issues, infrastructure limitations, and system complexity as barriers.

Thus, the quality of digital tax systems should not be assessed only by the presence of technology, but by the outcomes it produces. A technically sophisticated system that is difficult to



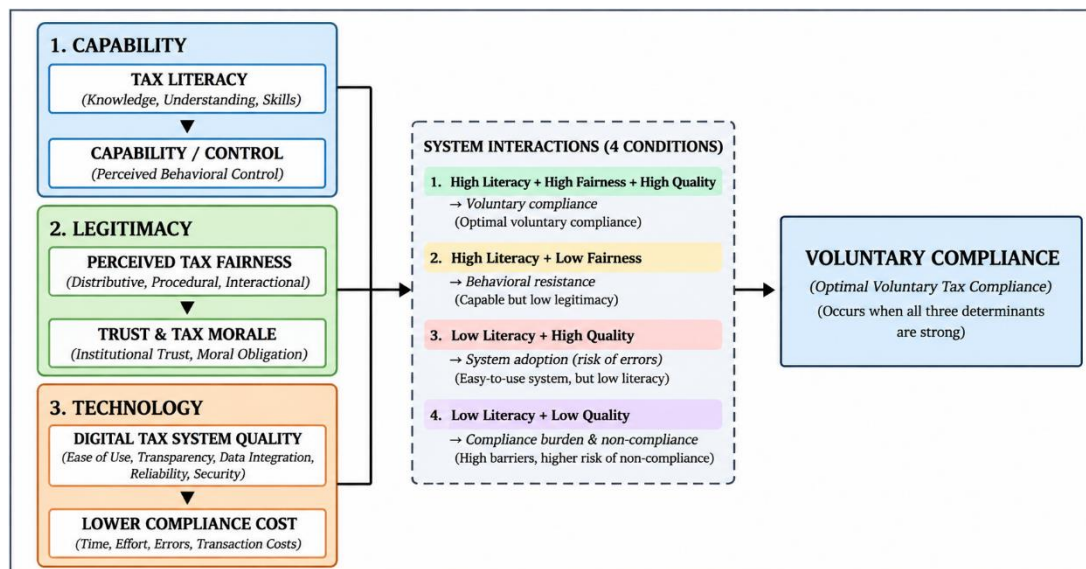
use can increase compliance costs. Conversely, a simple, reliable, accessible, secure, and integrated system can make compliance a default behavior.

Interaction of Tax Literacy, Fairness, and Digital Systems

The main synthesis of this SLR is that the three determinants are better understood as an interacting system. Tax literacy answers whether taxpayers are able to comply; fairness answers whether taxpayers consider compliance legitimate and worthwhile; while digital systems answer whether the process of complying is made easy and can be effectively monitored.

These interactions produce four conditions. First, high literacy–high fairness–high system quality produces the condition most supportive of voluntary compliance. Second, high literacy–low fairness can result in compliance behavior without willingness. Third, low literacy–high system quality can result in system adoption but still produce filing errors. Fourth, low literacy–low system quality can create a compliance burden and increase the risk of non-compliance.

Figure 1. Capability–Legitimacy–Technology Framework



Source: Author's Analysis Based on the Literature Synthesis (2026)

Research Gap

The reviewed literature shows that research on tax compliance in the digital era remains theoretically fragmented, particularly between behavioral tax compliance and technology adoption perspectives. Behavioral tax compliance research emphasizes factors such as fairness, trust, tax morale, and norms, whereas technology research focuses more on perceived usefulness, perceived ease of use, system quality, service quality, and digital readiness. This condition indicates that research integrating these two perspectives within a single analytical framework remains limited.

In addition, the concept of tax literacy in some literature is still often approached through tax knowledge or tax behavior, so functional and digital capability dimensions are not always measured consistently. Literature on perceived tax fairness also more often positions it as a behavioral determinant, while its relationship with system quality and digital readiness has not been widely integrated into a single model. On the other hand, most studies still use cross-sectional designs, so changes in compliance after the implementation of digital reforms have rarely been observed longitudinally. Representation of developing countries also remains limited in the global



literature, although studies of digital tax administration have recommended expanding the research context.

The next research gap concerns how the success of digital systems is evaluated. The literature often assesses digital systems based on adoption or intention to use, while compliance outcomes, compliance costs, error rates, and trust are not always analyzed together. This condition indicates the need for models that explain not only whether taxpayers use digital systems, but also when and through what mechanisms digitalization can strengthen voluntary compliance, including the possibility of exclusion, complexity, or distrust when taxpayer capability, system legitimacy, and technology quality are not balanced.

Future Research Agenda

Based on these research gaps, future studies should examine the mechanisms and conditions that explain the relationships among the three determinants in greater depth. One potential research agenda is to test the mediating role of trust in the relationship between perceived tax fairness and tax compliance, and to examine digital tax literacy as a mediator between tax literacy and digital system use. Future research could also test system quality, digital readiness, and regulatory complexity as factors that strengthen or weaken the relationships between the determinants and tax compliance.

In addition, longitudinal research is needed to observe changes in compliance behavior before and after the implementation of digital reforms. Future research should also expand comparisons based on taxpayer characteristics, such as individuals, MSMEs, corporations, and digital economy sectors, to determine whether compliance mechanisms differ across groups. The development of the tax literacy concept should also be directed toward more multidimensional measurement by distinguishing behavioral, comprehension, application, and digital capability aspects. Finally, future research could combine self-reported compliance data with administrative data when available so that compliance measurement does not rely solely on respondents' perceptions or reports.

Practical Implications

For tax authorities, the findings indicate that digital reform needs to be positioned as a taxpayer-centered reform. Education should not merely explain regulations; it should help taxpayers complete real processes such as creating billing records, filing returns, making corrections, and using prefilled information. Systems should also have simple interfaces, informative error messages, helpdesks, and correction mechanisms.

From a fairness perspective, authorities need to ensure that digital enforcement is accompanied by transparency and objection mechanisms. Data integration should improve accuracy while providing protection against false positives. From a technology perspective, success indicators should not be limited to the number of users, but should include compliance costs, completion rates, error rates, service quality, trust, and voluntary compliance.

Limitations

This study has several limitations. Literature search accessibility was limited to Indonesian- and English-language articles in major indexed databases, potentially excluding relevant literature from other languages or databases. Furthermore, the dominance of cross-sectional designs and self-administered surveys in previous studies limits the ability to map taxpayers' behavioral responses continuously after the implementation of digital systems. The diversity of measurement indicators and theoretical approaches in the literature also requires caution when generalizing these synthesis findings to the entire scope of tax administration.



CONCLUSION

Based on the literature synthesis, tax compliance in the digital era is a multidimensional outcome influenced by capability, legitimacy, and technology. Tax literacy improves taxpayers' ability to understand and fulfill their obligations; perceived tax fairness strengthens trust, legitimacy, and tax morale; while digital tax systems reduce compliance costs while increasing administrative and supervisory capacity.

The three determinants should not be treated as independent factors that stand alone. A high-quality digital system requires taxpayer literacy to be used correctly; literacy requires legitimate administration to translate into willingness to comply; and fairness needs to be supported by transparent and consistent systems to be trusted. Therefore, sustainable compliance improvement strategies should combine education, fairness, trust, and digital system quality.

Recommendations

Future research should empirically test the Capability–Legitimacy–Technology Framework using longitudinal or mixed-method designs. Researchers are also advised to distinguish tax literacy from digital tax literacy, include trust as a mediator, and test digital readiness, system quality, and regulatory complexity as moderators. In the Indonesian context, the implementation of digital tax administration systems can also provide a relevant setting for examining changes in compliance before and after reform.

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