



TAX REVENUE DETERMINANTS: A SYSTEMATIC ANALYSIS OF TAX REGULATION UNDERSTANDING AND SERVICE QUALITY

Suparna Wijaya¹⁾, Muhammad Sajjad²⁾, Irsyad Mufid³⁾, Julio Riones Karo Karo⁴⁾, Muhammad Saddam Alfarizi⁵⁾, Muhammad Fayaadh⁶⁾

- 1) suparnawijaya@upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta
- 2) 2210112133@mahasiswa.upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta
- 3) 2210112165@mahasiswa.upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta
- 4) 2210112172@mahasiswa.upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta
- 5) 2210112212@mahasiswa.upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta
- 6) 2210112223@mahasiswa.upnvj.ac.id, Universitas Pembangunan Nasional Veteran Jakarta

Abstract

Taxation represents a critical revenue source for nations worldwide, including Indonesia, reflecting direct societal contributions to national development. This study explores the impact of taxpayer understanding of regulations and tax service quality on compliance levels and their subsequent effect on tax revenue. Using a systematic literature review methodology, we analysed 30 articles from indexed sources including Google Scholar, Sinta, and Science Direct. Our findings reveal significant positive relationships between understanding of tax regulations, service quality, and tax revenue generation. Theoretical foundations of these relationships are examined through the lens of compliance theory, procedural justice theory, and the slippery slope framework. The study further identifies those investments in information technology, particularly machine learning analytics and digital transformation initiatives, offer promising solutions to enhance tax revenue predictions and address administrative challenges. Our analysis concludes that strengthening taxpayers' regulatory comprehension and improving service quality are not merely beneficial for increasing compliance but are essential for optimizing tax revenues to support sustainable and inclusive economic development. The study contributes to the tax policy literature by providing empirically-supported strategies for enhancing tax administration effectiveness in developing economies.

Keywords: Behavioral Economics, Service Quality, Taxpayer Compliance, Tax Knowledge, Tax Revenue, Taxation Technology

INTRODUCTION

Taxation constitutes one of the most critical fiscal instruments for governments worldwide, providing essential funding for public expenditures and development investments (Mulyanti & Sunarjo, 2019; Oz-Yalaman, 2019). In Indonesia, tax has progressively emerged as the dominant revenue source in the State Budget (APBN), with annual increases in contribution. According to the Ministry of Finance of the Republic of Indonesia (2022), the tax revenue portion in the 2022 State Budget amounted to 1,510.0 trillion rupiah, representing a 4.54% increase from the previous year's 1,444.5 trillion rupiah.

Despite its strategic role, achieving tax revenue targets faces substantial challenges, particularly concerning taxpayer compliance. According to Torgler and Murphy (2004), tax compliance refers to taxpayers' willingness to pay taxes without enforcement activities. Bertucci (2015) notes that taxpayer compliance levels in developing countries, including Indonesia, tend to be lower compared to developed nations. Data from the Directorate General of Taxes shows that the formal compliance ratio of Indonesian taxpayers over the past decade has ranged between 60% and 75%, significantly below the ideal target exceeding 85% (Ermawati, 2024).

Cross-country comparisons further illustrate this challenge. As depicted in Figure 1, Indonesia's tax compliance rates lag behind several other ASEAN countries such as Singapore, Malaysia, and Thailand, indicating structural and institutional issues in tax administration.

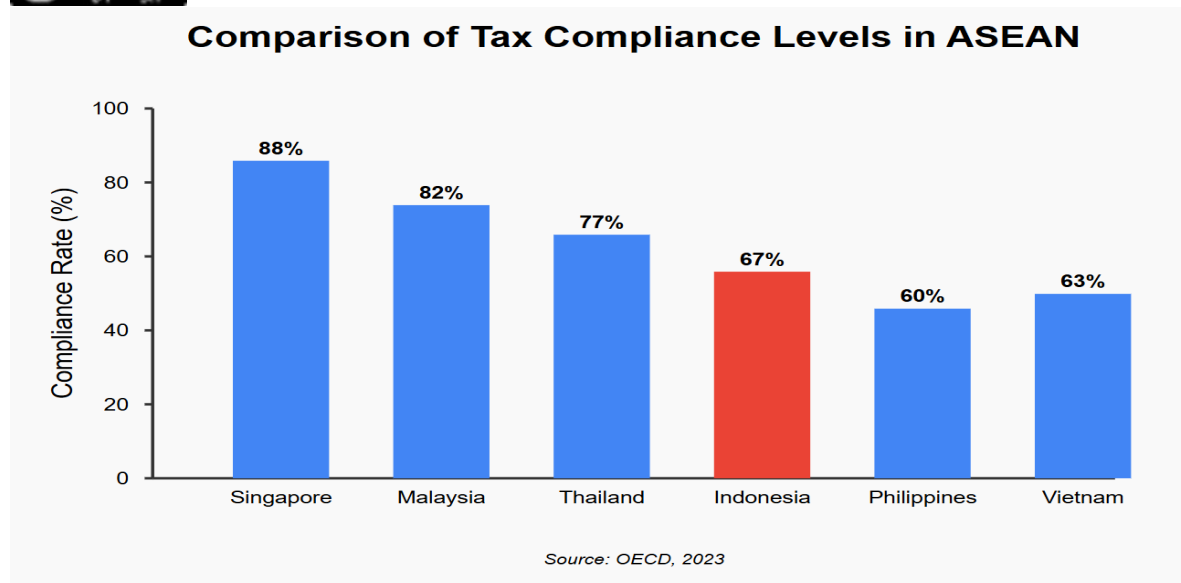


Figure 1: Comparison of Tax Compliance Levels in ASEAN Countries (Source: OECD, 2023)

Two key factors influencing taxpayer compliance are understanding of tax regulations and quality of tax services (Putri & Sudjiman, 2022; Kirchler et al., 2008). Good understanding of tax regulations encompasses knowledge about tax rights and obligations, taxation procedures, and consequences of non-compliance. On the other hand, tax service quality includes responsiveness, transparency, and accessibility of services provided by tax authorities to taxpayers (Parasuraman et al., 1988; Palil & Mustapha, 2011).

The theoretical foundation for these relationships is rooted in several established frameworks. The tax compliance theory, as initially developed by Allingham and Sandmo (1972) and later expanded by behavioral economists such as Kirchler (2007), suggests that compliance decisions are influenced by both economic and psychological factors. The procedural justice theory (Tyler, 2006) further posits that when taxpayers perceive the tax system as procedurally fair, they are more likely to comply voluntarily. Additionally, the slippery slope framework proposed by Kirchler et al. (2008) integrates these perspectives by suggesting that compliance can be achieved either through power (enforcement) or trust (voluntary cooperation).

Previous studies have examined the relationships between understanding of tax regulations, tax service quality, and taxpayer compliance separately. However, comprehensive studies analyzing the interaction between these three factors and their impact on tax revenue, especially in the Indonesian context, remain limited. This study attempts to fill this gap by conducting a systematic literature review to explore the interconnection between understanding of tax regulations, tax service quality, taxpayer compliance, and their implications for tax revenue.

LITERATURE REVIEW

Tax Compliance Theory

Tax compliance theory explains factors that influence taxpayers' decisions to comply or not comply with their tax obligations. According to the seminal work by Allingham and Sandmo (1972), tax compliance is influenced by economic factors such as tax rates, detection probability, and penalty magnitude. This model, often referred to as the economic deterrence model, assumes that taxpayers are rational utility maximizers who weigh the costs and benefits of compliance.



However, empirical evidence has consistently shown that actual compliance levels are higher than what economic deterrence models would predict (Torgler, 2007). This has led to the expansion of the model by Fischer et al. (1992), who incorporated non-economic factors such as attitudes, norms, and morals in their expanded model of tax compliance.

Kirchler (2007) further developed the "slippery slope" framework which divides tax compliance into two dimensions: voluntary compliance and enforced compliance. Voluntary compliance is influenced by trust in tax authorities, while enforced compliance is influenced by the power of tax authorities to enforce tax laws. This model has been empirically validated in multiple countries, suggesting its cross-cultural relevance (Kogler et al., 2013).

More recent extensions of compliance theory incorporate insights from behavioral economics. The OECD (2019) has synthesized these findings, suggesting that psychological factors such as social norms, perceived fairness, and procedural justice significantly influence compliance decisions. According to Luttmer and Singhal (2014), tax morale—the intrinsic motivation to pay taxes—plays a crucial role in explaining compliance beyond traditional economic deterrence.

Tax Revenue

Tax revenue refers to the income that governments collect from imposing taxes on taxpayers. According to Fretes (2019), tax revenue is not merely limited to the simple definition as state cash receipts but also encompasses the aspect of utilizing these funds for government expenditures for public welfare. This conceptualization aligns with the benefit principle of taxation, which suggests that taxes should be related to the benefits received by taxpayers (Slemrod, 2019).

Bird and Zolt (2003) classify tax revenue based on its type into: (1) direct taxes, such as income tax; and (2) indirect taxes, such as value-added tax. Another classification is based on the collecting authority, namely: (1) central taxes, collected by the central government; and (2) local taxes, collected by local governments. This classification is particularly relevant in decentralized fiscal systems like Indonesia's.

The composition of tax revenue varies significantly across countries, reflecting differences in economic structures, policy choices, and administrative capacities (Besley & Persson, 2014). In developed economies, direct taxes, particularly personal income taxes, often constitute a larger portion of tax revenue compared to developing economies where indirect taxes like value-added tax tend to dominate (OECD, 2023).

Tax-to-GDP ratio is a commonly used measure to assess a country's tax effort and capacity (Morrissey et al., 2016). Indonesia's tax-to-GDP ratio has consistently been around 10-12% over the past decade, significantly lower than the OECD average of approximately 34% and even below the average for countries at similar income levels (World Bank, 2022). This indicates substantial room for enhancing tax collection efficiency and effectiveness.

The following graph depicts the trend of tax revenue in Indonesia over the past five years:

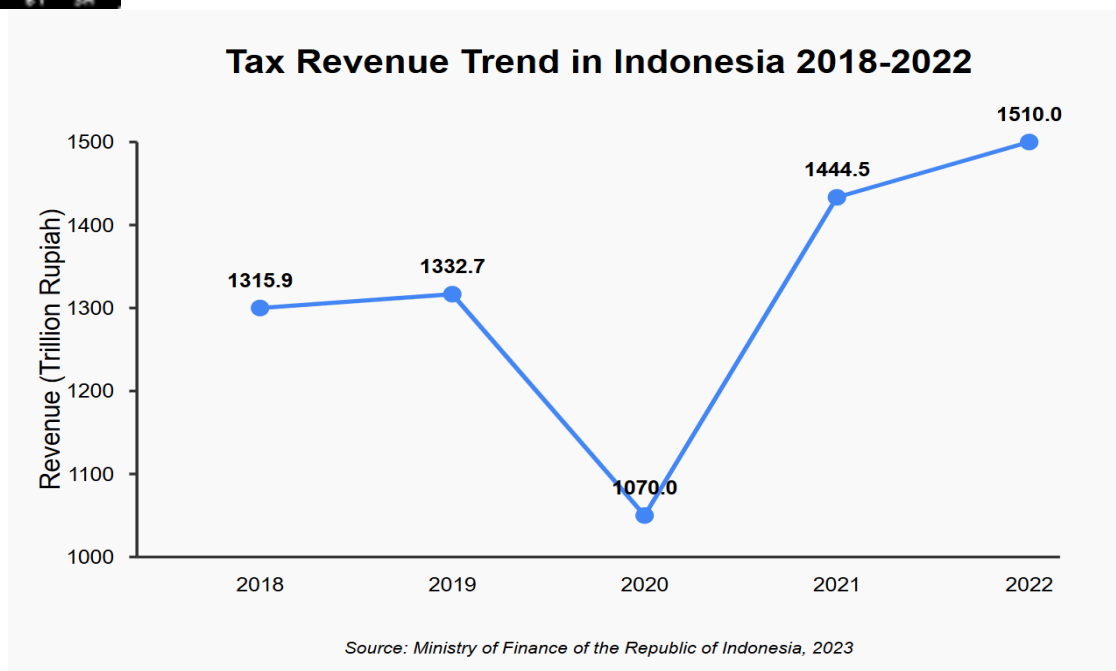


Figure 2: Tax Revenue Trend in Indonesia 2018-2022 (Source: Ministry of Finance of the Republic of Indonesia, 2023)

Understanding of Tax Regulations

Understanding of tax regulations is defined as taxpayers' ability to comprehend and apply tax regulations in fulfilling their tax obligations (Lovihan, 2014; Palil, 2010). According to Hartini and Sopian (2019), there are three indicators that can explain understanding of tax regulations, namely: (1) understanding general provisions and tax procedures; (2) understanding tax functions; and (3) compliance in calculating and paying taxes correctly.

Understanding of tax regulations encompasses various dimensions, including knowledge about tax calculation, filing procedures, payment deadlines, available deductions and credits, as well as penalties for non-compliance (Saad, 2014). Research by Eriksen and Fallan (1996) suggests that tax knowledge is an important component of a tax system based on voluntary compliance, as it helps taxpayers recognize the purpose and benefits of taxation.

Previous studies have examined the relationship between understanding of tax regulations and taxpayer compliance. Krause (2000, in Aspexia & Halim, 2019) found that taxpayers' knowledge and understanding of tax regulations have a positive influence on taxpayer compliance. Research by Sitorus and Gunarso (2023) also found a significant positive influence between tax knowledge and compliance of Small and Medium Enterprises (SME) taxpayers in Malang City, Indonesia.

The mechanisms through which tax knowledge affects compliance are multifaceted. Improved knowledge reduces compliance costs by making it easier for taxpayers to navigate complex tax systems (Eichfelder & Kegels, 2014). It also diminishes uncertainty about tax obligations, thereby reducing unintentional non-compliance (McKerchar, 2007). Furthermore, better understanding of how tax revenues are utilized can enhance perceived fairness of the tax system, which has been shown to positively influence compliance (Saad, 2014).

Tax Service Quality

Tax service quality is defined as a measure of how well services provided by tax authorities meet taxpayers' expectations (Sapriadi, 2013, in Imakulata et al., 2023). According to the seminal work by Parasuraman et al. (1988), there are five dimensions of service quality, namely: (1) tangibles; (2) reliability; (3) responsiveness; (4) assurance; and (5) empathy.

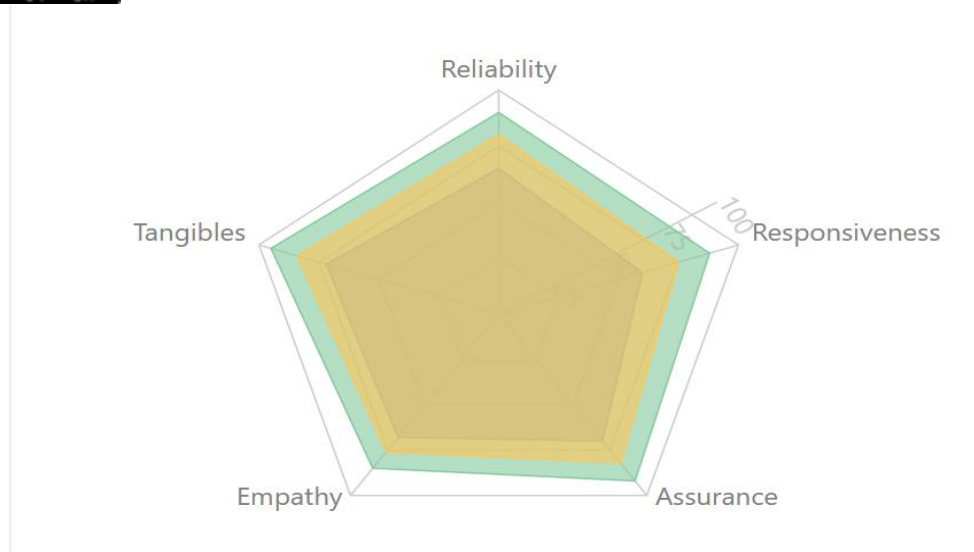


Figure 3: Service Quality Dimensions (Adapted from Parasuraman et al., 1988)

Rush et al. (1996, in Bakhtiar et al., 2019) divide customer expectations of service quality into three types: (1) will expectations; (2) should expectations; and (3) ideal expectations. The gap between customer expectations and perceptions of service quality will influence customer satisfaction levels.

In the context of taxation, service quality refers to the effectiveness and efficiency of tax administration in dealing with taxpayers (OECD, 2019). This includes ease of filing returns, clarity of instructions, accessibility of information, responsiveness to inquiries, fairness in assessments, and transparency in processes (Alm et al., 2010).

The relationship between tax service quality and compliance has been substantiated by numerous empirical studies. For instance, Muehlbacher et al. (2011) found that perceptions of good governance and efficient tax administration significantly influenced tax compliance across countries. Similarly, Alabede et al. (2011) demonstrated that the quality of tax services positively affected taxpayer compliance in Nigeria.

Digitalizing tax services has emerged as a particularly important aspect of service quality in recent years. According to the World Bank (2022), digital tax administration can reduce compliance costs, increase transparency, and improve service delivery. E-filing systems, online payment platforms, and digital communication channels have been shown to enhance taxpayer satisfaction and compliance in various countries (Santhanamery & Ramayah, 2015).

Conceptual Framework

Based on the literature review above, a conceptual model is formulated that illustrates the relationships between understanding of tax regulations, tax service quality, taxpayer compliance, and tax revenue, as shown in Figure 4.

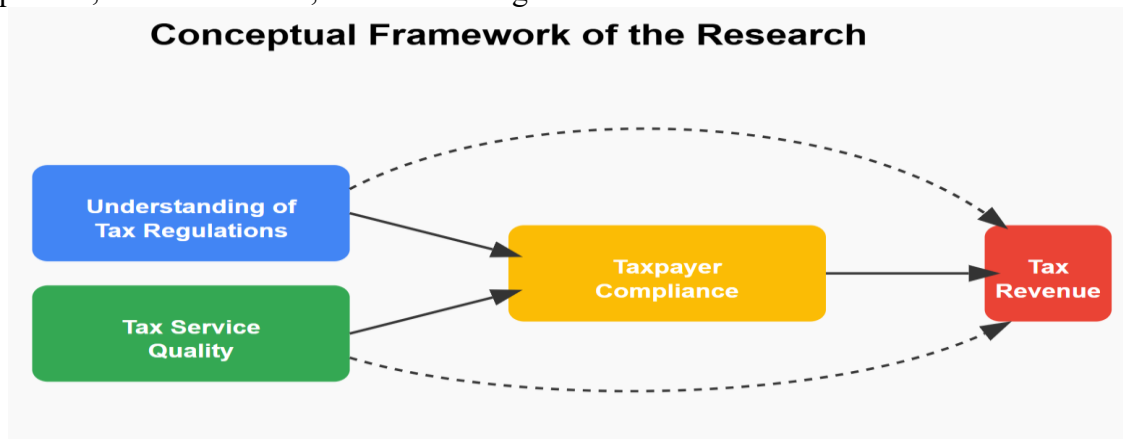




Figure 4: Conceptual Framework of the Research

This conceptual model shows that understanding of tax regulations and tax service quality have direct influences on taxpayer compliance, which in turn influences tax revenue. Additionally, understanding of tax regulations and tax service quality can also have direct influences on tax revenue. The model integrates insights from multiple theoretical frameworks, including compliance theory, procedural justice theory, and the slippery slope framework.

METHODS

Research Design

This study employs a qualitative approach with a systematic literature review method. According to Ridwan et al. (2021), a systematic literature review is a method to identify, evaluate, and interpret all research relevant to a particular research question, topic area, or phenomenon of interest. This methodology enables researchers to synthesize existing knowledge, identify patterns and gaps in the literature, and formulate evidence-based conclusions (Tranfield et al., 2003).

The systematic literature review in this study follows the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) protocol developed by Moher et al. (2009). This protocol ensures transparency, replicability, and rigor in the review process through its structured approach to literature identification, screening, eligibility assessment, and inclusion.

Data Sources and Collection Methods

Data in this study are sourced from scientific articles published in accredited journals. Article searches were conducted on electronic databases, namely Google Scholar, Sinta, and Science Direct. Keywords used in the search include: "tax revenue," "understanding of tax regulations," "tax service quality," "taxpayer compliance," and combinations of these keywords in both English and Indonesian.

Inclusion criteria for article selection are: (1) articles published in the last 10 years (2014-2024); (2) articles written in Indonesian or English; (3) articles discussing one or more variables in the conceptual model; and (4) articles being empirical research or literature reviews. Exclusion criteria include non-peer-reviewed publications, conference proceedings without full papers, and articles focusing exclusively on countries with fundamentally different tax systems than Indonesia's.

The initial search yielded 157 articles. After removing duplicates and applying the inclusion and exclusion criteria, 30 articles were selected for final analysis. The selection process is documented in a PRISMA flow diagram to ensure transparency and replicability.

Data Analysis Methods

Data analysis was conducted using content analysis and meta-synthesis methods. Content analysis is used to identify main themes in the literature, while meta-synthesis is used to integrate findings from various studies to obtain a more comprehensive understanding of the topic being studied (Noblit & Hare, 1988, in Ridwan et al., 2021).

The analytical process involved several steps: (1) preliminary analysis to identify key findings from each article; (2) coding of findings according to the research questions; (3) categorization of findings into themes and sub-themes; (4) analysis of relationships between themes; and (5) synthesis of findings to address the research questions.

To ensure the validity and reliability of the analysis, triangulation was employed by having multiple researchers independently code the articles and compare their findings. Additionally, quality assessment of the included studies was conducted using the Critical Appraisal Skills Programme (CASP) tools, which evaluate methodological quality, relevance, and credibility of research findings.



RESULTS AND DISCUSSION

Characteristics of Reviewed Studies

This literature review analyzes 30 articles published between 2014 and 2024. The distribution of articles based on publication year is shown in Figure 5.

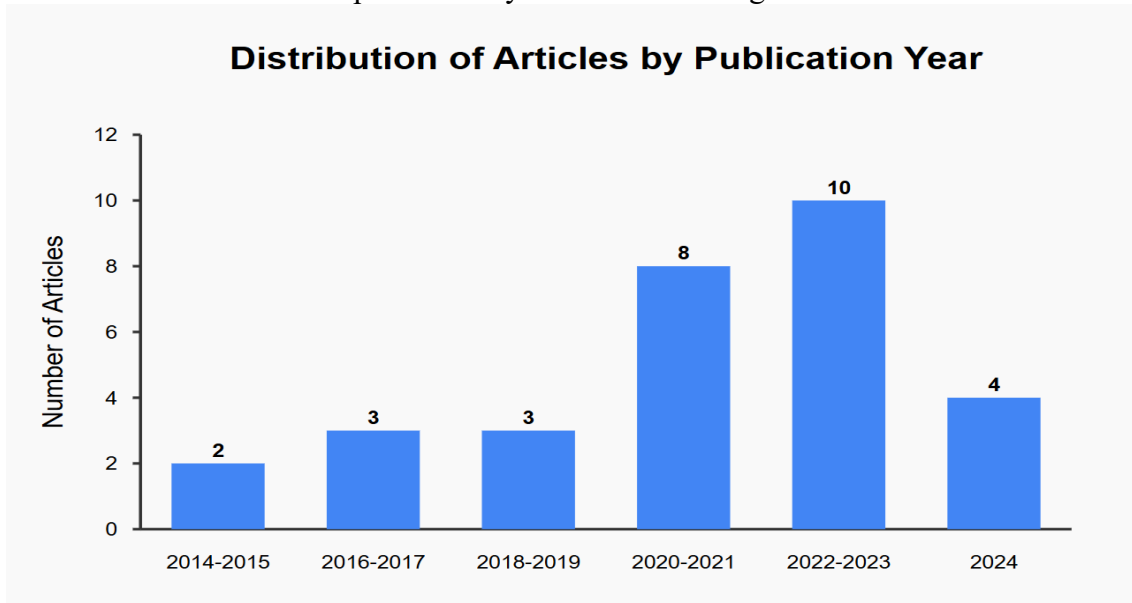


Figure 5: Distribution of Articles by Publication Year

The majority of articles (73%) were published in the last five years (2020-2024), indicating this topic has received increasing attention in recent research. Based on research methodology, the articles can be categorized as shown in Figure 6.

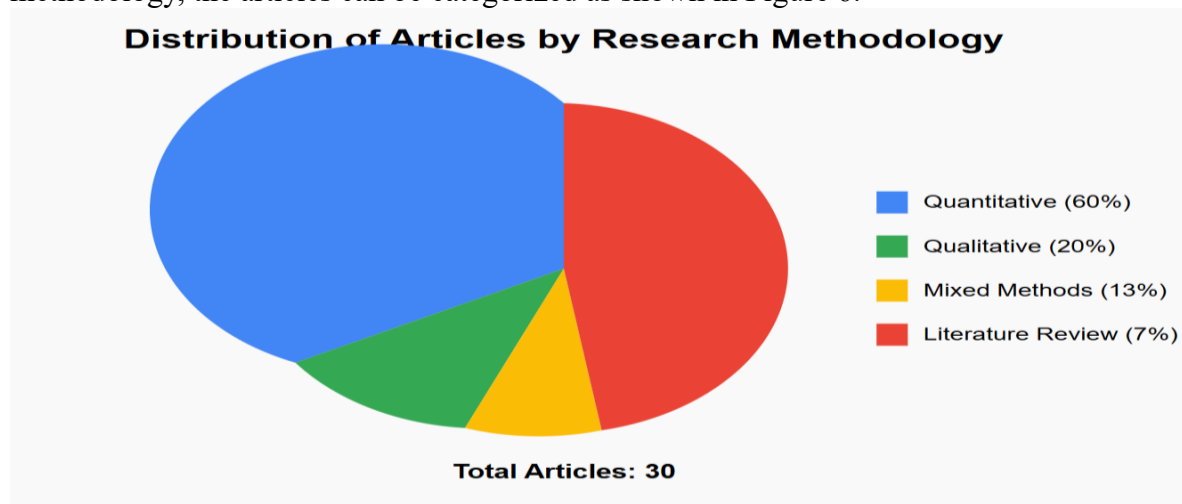


Figure 6: Distribution of Articles by Research Methodology

The predominance of quantitative studies (60%) suggests a strong emphasis on empirical testing of relationships between variables in this field. The geographic distribution of studies reveals that while 60% focused on Indonesia, 40% examined other countries or conducted cross-country analyses, providing valuable comparative insights.

Understanding of Tax Regulations and Taxpayer Compliance

Analysis of the literature indicates that understanding of tax regulations has a positive influence on taxpayer compliance. Taxpayers who have a good understanding of tax regulations tend to be more compliant in fulfilling their tax obligations.

According to Febri and Sulistyani (2018), the better taxpayers' understanding of tax regulations, the more aware they are of sanctions they will receive if they neglect their tax



obligations. Taxpayers who truly understand will know administrative sanctions and criminal sanctions related to tax returns and tax identification numbers.

Research by Sitorus and Gunarso (2023) found that tax knowledge has a significant positive influence on compliance of SME taxpayers in Malang City, Indonesia. They stated that good understanding of taxation also greatly helps tax officers in taxation activities, such as the implementation of self-assessment system can run effectively and efficiently.

Similar findings were also put forward by Pebrina and Hidayatulloh (2020) who stated that understanding of tax regulations is a process where a taxpayer understands tax regulations and applies them to carry out taxation activities. Taxpayers will have difficulty in carrying out their tax obligations if they do not have knowledge and understanding of tax regulations.

These findings align with international research. For instance, Saad (2014) conducted a study in Malaysia and found that tax knowledge significantly influenced compliance behavior. Similarly, Olaoye et al. (2017) in Nigeria confirmed that tax knowledge positively affected compliance intentions among small business owners.

The mechanisms through which tax knowledge affects compliance are theoretically grounded in several frameworks. From a psychological perspective, cognitive models suggest that understanding reduces uncertainty and anxiety associated with complex tax systems (McKerchar, 2007). From a behavioral economics standpoint, improved knowledge reduces cognitive biases that might otherwise lead to non-compliance (Kahneman, 2011). Furthermore, the theory of planned behavior suggests that knowledge influences both attitude toward behavior and perceived behavioral control, which are antecedents to compliance intention (Ajzen, 1991).

Tax Service Quality and Taxpayer Compliance

Analysis of the literature indicates that tax service quality has a positive influence on taxpayer compliance. Taxpayers who feel satisfied with services provided by tax authorities tend to be more compliant in fulfilling their tax obligations.

According to Link et al. (2024), high-quality tax services, with good transparency, accessibility, and responsiveness, can increase taxpayer satisfaction and compliance levels. Transparency ensures that taxpayers have access to relevant and accurate information about their tax obligations, while accessibility facilitates ease in interacting with tax authorities. Duriat and Vaughan (2020) state that satisfaction obtained can be measured from the service perceived. The level of customer satisfaction will be low if the service provided does not match what is expected; conversely, if the service provided meets expectations, customers will feel satisfied.

Research by Magribi and Yulianti (2022) found that tax service quality has a positive influence on taxpayer compliance. They stated that quality services can increase taxpayers' trust in tax authorities, which in turn can increase taxpayer compliance. These findings are consistent with international studies. Alm et al. (2010) used experimental methods to demonstrate that improved service quality led to increased compliance in the United States. Similarly, Gangl et al. (2013) found that service-oriented approaches by tax authorities enhanced voluntary compliance in Austria.

The theoretical underpinnings of these relationships can be found in procedural justice theory (Tyler, 2006), which suggests that fair procedures and respectful treatment increase legitimacy and compliance. Additionally, the service-dominant logic framework (Vargo & Lusch, 2008) emphasizes the importance of value co-creation in service interactions, which can be applied to taxpayer-authority relationships.

Digitalization has emerged as a particularly important aspect of tax service quality. According to Santhanamery and Ramayah (2015), e-filing systems can significantly improve taxpayer experiences and compliance by reducing time costs and simplifying procedures.



Similarly, Pippin and Tosun (2014) found that user-friendly online tax systems positively influenced taxpayer attitudes and behaviors.

Understanding of Tax Regulations, Service Quality, and Tax Revenue

Analysis of the literature indicates that understanding of tax regulations and tax service quality have positive influences on tax revenue, both directly and indirectly through mediating taxpayer compliance.

Lahiri and Yang (2022) highlight that tax regulations and service quality can increase the efficiency of state tax revenue collection in volatile economic situations like the present. Good understanding of tax regulations becomes an important element in effective tax collection strategies.

Research by Febriminanto (2022) shows that the proposed machine learning model can support tax officers in predicting potential tax revenue, finding potential tax revenue sources, and conducting tax extensification to obtain new revenue sources. This tool is used to increase work efficiency, combat tax avoidance, and provide better services to taxpayers.

Maganya (2020) argues that tax revenue effectiveness often depends on the design of tax regulations implemented by the government. For example, tax amnesty policies can increase taxpayer awareness and regional revenue, but also require careful handling of their implementation to avoid abuse. Additionally, the quality of public services is also influenced by how well tax revenue is managed and allocated.

These findings correlate with broader international research on tax policy effectiveness. Slemrod (2019) conducted a comprehensive review of tax compliance interventions and found that both enforcement and facilitation approaches could enhance revenue collection. Similarly, Besley and Persson (2014) emphasized the importance of state capacity in tax administration, noting that both regulatory frameworks and administrative efficiency determine fiscal outcomes.

The theoretical model that integrates these findings is the fiscal exchange theory, which suggests that taxpayers' willingness to comply and pay taxes is influenced by their perception of the value received from public services (Alm et al., 1992). This creates a feedback loop where improved services lead to better compliance, which in turn generates more revenue for further service improvements.

Based on the literature analysis, it can be concluded that understanding of tax regulations and tax service quality have positive influences on tax revenue, as shown in Figure 7.

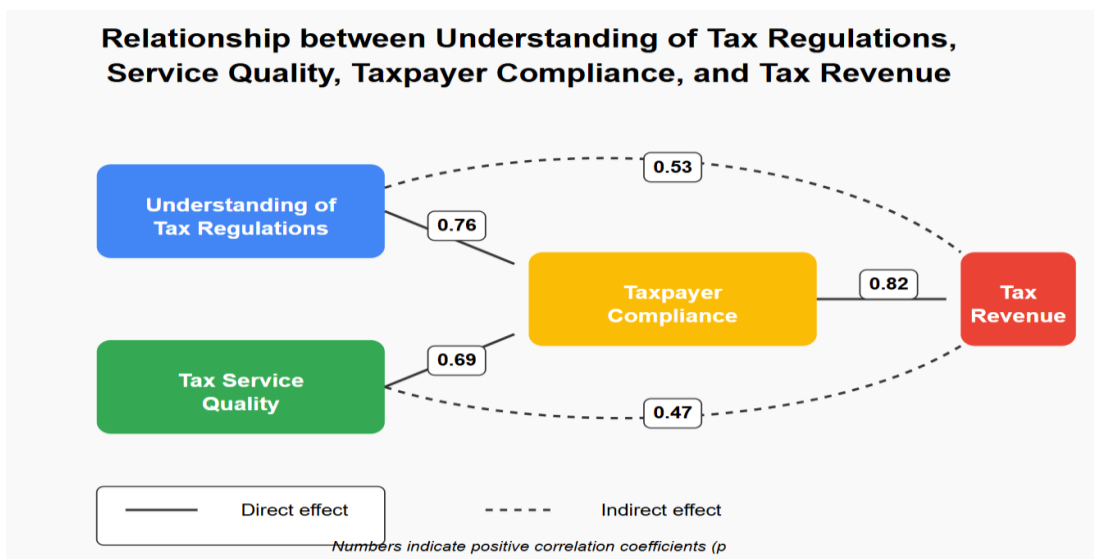




Figure 7: Relationship between Understanding of Tax Regulations, Service Quality, Taxpayer Compliance, and Tax Revenue

Strategies to Enhance Understanding of Tax Regulations and Service Quality

Based on literature analysis, several strategies can be implemented to enhance understanding of tax regulations and tax service quality:

Strategies to Enhance Understanding of Tax Regulations

Tax Socialization

According to Sitorus and Gunarso (2023), tax socialization has a significant positive influence on compliance of SME taxpayers in Malang City, Indonesia. Socialization can be conducted through various media, such as mass media, social media, and face-to-face activities. Implementation of tax socialization should be targeted and context-specific. As suggested by OECD (2019), different demographic groups may require different approaches. For example, digital campaigns might be effective for younger taxpayers, while community workshops might better reach older or rural populations.

Tax Education

Tax education can be conducted through formal and informal education programs, such as training, seminars, and workshops. According to Pebrina and Hidayatulloh (2020), tax education can enhance taxpayers' understanding of tax regulations.

Integrating tax education into school curricula has shown promising results in several countries. Cvrlje (2015) found that early tax education in Finland contributed to higher compliance rates later in life. Similarly, tax literacy programs in Mexico have been associated with improved attitudes toward taxation among young adults (OECD, 2023).

Simplification of Tax Regulations

According to Lahiri and Yang (2022), simplification of tax regulations can enhance taxpayers' understanding of tax regulations. Complex and complicated regulations can confuse taxpayers and reduce taxpayer compliance. The "tax simplification" approach has gained traction globally, with countries like New Zealand and Estonia implementing reforms to reduce complexity. According to the World Bank (2022), simplified tax regimes have been particularly effective in improving compliance among small businesses and self-employed individuals.

Strategies to Enhance Tax Service Quality

Enhancement of Tax Officers' Competence

According to Duriat and Vaughan (2020), tax officers' competence is an important factor in tax service quality. Competent tax officers can provide better services to taxpayers. Training programs for tax officials should cover not only technical knowledge but also customer service skills. Gangl et al. (2013) found that "service-oriented" training for tax officials in Austria led to improved taxpayer experiences and higher voluntary compliance.

Utilization of Information Technology

According to Febriminanto (2022), utilization of information technology, such as machine learning analytics, can enhance efficiency and effectiveness of tax services. Information technology can be used to automate taxation processes, reduce bureaucracy, and increase data accuracy. Digital transformation of tax administration has been identified as a key priority by international organizations. The IMF (2021) recommends a comprehensive approach that includes e-filing, e-payment, pre-filled tax returns, and integrated taxpayer accounts. Countries like Estonia and Singapore have demonstrated how digital tax systems can significantly reduce compliance costs and improve user experiences.

Enhancement of Transparency and Accountability

According to Link et al. (2024), transparency and accountability are important factors in tax service quality. Transparency and accountability can increase taxpayers' trust in tax authorities. Transparency in how tax revenue is spent has been shown to positively influence compliance behavior. According to Alm et al. (2010), taxpayers are more willing to comply



when they can clearly see the connection between their payments and public benefits. Norway and Sweden provide examples of how publicizing tax information and project funding sources can enhance fiscal citizenship.

CONCLUSION

Understanding of tax regulations has a positive influence on taxpayer compliance and tax revenue. Taxpayers who have a good understanding of tax regulations tend to be more compliant in fulfilling their tax obligations, which in turn can increase tax revenue. The relationship is mediated by reduced uncertainty, improved attitudes toward taxation, and enhanced ability to navigate complex tax systems.

Tax service quality has a positive influence on taxpayer compliance and tax revenue. Taxpayers who feel satisfied with services provided by tax authorities tend to be more compliant in fulfilling their tax obligations, which in turn can increase tax revenue. This relationship is supported by procedural justice theory and fiscal exchange concepts, which emphasize the importance of fair treatment and value perception in compliance decisions.

Strategies to enhance understanding of tax regulations and tax service quality can include tax socialization, tax education, simplification of tax regulations, enhancement of tax officers' competence, utilization of information technology, and enhancement of transparency and accountability. These strategies should be implemented in an integrated manner, recognizing the interconnectedness of regulatory frameworks, administrative practices, and taxpayer experiences.

Recommendations

For Policymakers

Conduct simplification of tax regulations to facilitate taxpayers in understanding their tax obligations. This should include streamlining forms, clarifying language, and eliminating unnecessary complexities in the tax code.

Enhance tax service quality through enhancement of tax officers' competence, utilization of information technology, and enhancement of transparency and accountability. Investment in digital infrastructure should be prioritized to enable seamless taxpayer experiences across multiple channels.

Develop comprehensive tax education strategies that target different demographic groups with appropriate methods and content. This should include both formal education integration and community-based approaches.

For Tax Authorities

Conduct intensive and continuous tax socialization and education to enhance taxpayers' understanding of tax regulations. These efforts should be evidence-based, with regular evaluation of their effectiveness and refinement of approaches.

Enhance tax service quality through enhancement of tax officers' competence, utilization of information technology, and enhancement of transparency and accountability. Customer service training should emphasize both technical knowledge and interpersonal skills.

Implement advanced analytics and artificial intelligence to improve tax administration efficiency and effectiveness. This includes predictive models for compliance risk, personalized taxpayer services, and automated processing for routine tasks.

For Future Researchers:

Conduct empirical research to test the conceptual model proposed in this literature review. This should include longitudinal studies to capture causal relationships and the temporal dynamics of compliance behavior.

Conduct research with focus on specific aspects of understanding of tax regulations and tax service quality, as well as their influence on taxpayer compliance and tax revenue. Particular



attention should be paid to the differential effects across taxpayer segments, including businesses of various sizes and individuals with different income levels.

Explore the role of emerging technologies, such as blockchain and artificial intelligence, in enhancing tax administration and compliance. This includes both technical feasibility and behavioral implications of technology adoption.

REFERENCES

- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179-211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Alabede, J. O., Ariffin, Z. Z., & Idris, K. M. (2011). Public governance quality and tax compliance behavior in Nigeria: The moderating role of financial condition and risk preference. *Issues in Social and Environmental Accounting*, 5(1), 3-24.
- Allingham, M. G., & Sandmo, A. (1972). Income tax evasion: A theoretical analysis. *Journal of Public Economics*, 1(3-4), 323-338. [https://doi.org/10.1016/0047-2727\(72\)90010-2](https://doi.org/10.1016/0047-2727(72)90010-2)
- Alm, J., Jackson, B. R., & McKee, M. (1992). Estimating the determinants of taxpayer compliance with experimental data. *National Tax Journal*, 45(1), 107-114.
- Alm, J., Cherry, T., Jones, M., & McKee, M. (2010). Taxpayer information assistance services and tax compliance behavior. *Journal of Economic Psychology*, 31(4), 577-586. <https://doi.org/10.1016/j.joep.2010.03.018>
- Aspexsia, A. P., & Halim, A. (2019). Pengaruh pemeriksaan pajak terhadap kepatuhan wajib pajak di Indonesia. *ABIS: Accounting and Business Information Systems Journal*, 7(1), 1-15.
- Bakhtiar, H. M., Setyorini, W., & Bilad, A. I. (2019). Analisis pengaruh kualitas pelayanan terhadap kepuasan konsumen pada PT. Pos Indonesia Cabang Pangkalan Bun. *Magenta*, 5(1), 1-10.
- Bertucci, G. (2015). Promoting a culture of integrity and compliance in tax administration. *International Journal of Public Administration*, 38(11), 758-769. <https://doi.org/10.1080/01900692.2014.952957>
- Besley, T., & Persson, T. (2014). Why do developing countries tax so little? *Journal of Economic Perspectives*, 28(4), 99-120. <https://doi.org/10.1257/jep.28.4.99>
- Bird, R. M., & Zolt, E. M. (2003). Introduction to tax policy design and development. *Practical Issues of Tax Policy in Developing Countries*, 28(1), 1-16.
- Cvrlje, D. (2015). Tax literacy as an instrument of combating and overcoming tax system complexity, low tax morale and tax non-compliance. *The MacrotHEME Review*, 4(3), 156-167.
- Duriat, A., & Vaughan, R. (2020). Pengaruh kualitas pelayanan E-KTP terhadap kepuasan masyarakat di kecamatan kramatmulya. *Kebijakan: Jurnal Ilmu Administrasi*, 11(1), 18-27.
- Eichfelder, S., & Kegels, C. (2014). Compliance costs caused by agency action? Empirical evidence and implications for tax compliance. *Journal of Economic Psychology*, 40, 200-219. <https://doi.org/10.1016/j.joep.2012.08.012>
- Eriksen, K., & Fallan, L. (1996). Tax knowledge and attitudes towards taxation; A report on a quasi-experiment. *Journal of Economic Psychology*, 17(3), 387-402. [https://doi.org/10.1016/0167-4870\(96\)00015-3](https://doi.org/10.1016/0167-4870(96)00015-3)
- Ermawati, Y. (2024). Kepatuhan membayar pajak (perspektif budaya Jawa). *Owner: Riset dan Jurnal Akuntansi*, 8(1), 960-970. <https://doi.org/10.33395/owner.v8i1.2151>
- Febri, D., & Sulistyani, T. (2018). Pengaruh pengetahuan dan pemahaman peraturan perpajakan, penghindaran pajak dan sanksi perpajakan terhadap kepatuhan wajib pajak. *Permana: Jurnal Perpajakan, Manajemen, dan Akuntansi*, 10(2), 156-167. <https://doi.org/10.24905/permana.v10i2.79>



- Febriminanto, R. D., & Wasesa, M. (2022). Machine learning analytics for predicting tax revenue potential. *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara dan Kebijakan Publik*, 7(3), 193-205. <https://doi.org/10.33105/itrev.v7i3.328>
- Fischer, C. M., Wartick, M., & Mark, M. M. (1992). Detection probability and taxpayer compliance: A review of the literature. *Journal of Accounting Literature*, 11, 1-46.
- Frete, P. N. D. (2019). Pengaruh dana perimbangan, pendapatan asli daerah, dan pertumbuhan ekonomi terhadap indeks pembangunan manusia di Kabupaten Kepulauan Yapen. *Jurnal Akuntansi & Ekonomi FE. UN PGRI Kediri*, 2(2), 1-33.
- Gangl, K., Muehlbacher, S., de Groot, M., Goslinga, S., Hofmann, E., Kogler, C., Antonides, G., & Kirchler, E. (2013). "How can I help you?" Perceived service orientation of tax authorities and tax compliance. *FinanzArchiv: Public Finance Analysis*, 69(4), 487-510. <https://doi.org/10.1628/001522113X675683>
- Hartini, O., & Sopian, D. (2019). Pengaruh pengetahuan perpajakan dan kesadaran wajib pajak terhadap kepatuhan wajib pajak orang pribadi. *JSMA (Jurnal Sains Manajemen dan Akuntansi)*, 10(2), 43-56.
- Imakulata, M., Mitan, W., & Rangga, Y. D. P. (2023). Pengaruh kualitas pelayanan pajak dan pemahaman peraturan pajak terhadap kepatuhan wajib pajak orang pribadi pada kantor pelayanan pajak pratama Maumere. *Populer: Jurnal Penelitian Mahasiswa*, 2(3), 229-246. <https://doi.org/10.58192/populer.v2i3.1241>
- International Monetary Fund. (2021). *Digitalization in tax administration: A global perspective*. IMF, Washington, DC.
- Kahneman, D. (2011). *Thinking, fast and slow*. Farrar, Straus and Giroux.
- Kementerian Keuangan RI. (2022). *Anggaran pendapatan dan belanja negara tahun anggaran 2022*. Jakarta: Kementerian Keuangan Republik Indonesia.
- Kementerian Keuangan RI. (2023). *Laporan keuangan pemerintah pusat tahun 2022 (Audited)*. Jakarta: Kementerian Keuangan Republik Indonesia.
- Kirchler, E. (2007). *The economic psychology of tax behaviour*. Cambridge University Press. <https://doi.org/10.1017/CBO9780511628238>
- Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary tax compliance: The "slippery slope" framework. *Journal of Economic Psychology*, 29(2), 210-225. <https://doi.org/10.1016/j.joep.2007.05.004>
- Kogler, C., Batrancea, L., Nichita, A., Pantya, J., Belianin, A., & Kirchler, E. (2013). Trust and power as determinants of tax compliance: Testing the assumptions of the slippery slope framework in Austria, Hungary, Romania and Russia. *Journal of Economic Psychology*, 34, 169-180. <https://doi.org/10.1016/j.joep.2012.09.010>
- Lahiri, K., & Yang, C. (2022). Boosting tax revenues with mixed-frequency data in the aftermath of COVID-19: The case of New York. *International Journal of Forecasting*, 38(2), 545-566. <https://doi.org/10.1016/j.ijforecast.2021.10.005>
- Link, N. W., Hyatt, J. M., & Powell, K. (2024). Public opinion on the expenditure of adult-use cannabis tax revenue: Evidence from New Jersey. *International Journal of Drug Policy*, 125, 104334. <https://doi.org/10.1016/j.drugpo.2023.104334>
- Lovihan, S. (2014). Pengaruh kesadaran membayar pajak, pengetahuan dan pemahaman peraturan perpajakan, dan kualitas layanan terhadap kemauan membayar pajak wajib orang pribadi di kota Tomohon. *Jurnal Riset Akuntansi dan Auditing "Goodwill"*, 5(1), 44-58.
- Luttmer, E. F. P., & Singhal, M. (2014). Tax morale. *Journal of Economic Perspectives*, 28(4), 149-168. <https://doi.org/10.1257/jep.28.4.149>
- Maganya, M. H. (2020). Tax revenue and economic growth in developing country: An autoregressive distribution lags approach. *Central European Economic Journal*, 7(54), 205-217. <https://doi.org/10.2478/ceej-2020-0021>



- Magribi, A., & Yulianti. (2022). Pengaruh tax amnesty, kualitas pelayanan fiskus, dan pengetahuan perpajakan terhadap kepatuhan wajib pajak. *Jurnal Ilmiah Akuntansi dan Keuangan*, 4(2), 456-471.
- McKerchar, M. (2007). Tax complexity and its impact on tax compliance and tax administration in Australia. *The IRS Research Bulletin*, 185, 185-205.
- Moher, D., Liberati, A., Tetzlaff, J., & Altman, D. G. (2009). Preferred reporting items for systematic reviews and meta-analyses: The PRISMA statement. *PLoS Medicine*, 6(7), e1000097. <https://doi.org/10.1371/journal.pmed.1000097>
- Morrissey, O., Von Haldenwang, C., Von Schiller, A., Ivanyna, M., & Bordon, I. (2016). Tax revenue performance and vulnerability in developing countries. *The Journal of Development Studies*, 52(12), 1689-1703. <https://doi.org/10.1080/00220388.2016.1153071>
- Muehlbacher, S., Kirchler, E., & Schwarzenberger, H. (2011). Voluntary versus enforced tax compliance: Empirical evidence for the "slippery slope" framework. *European Journal of Law and Economics*, 32(1), 89-97. <https://doi.org/10.1007/s10657-011-9236-9>
- Mulyanti, D., & Sunarjo, V. F. (2019). Implikasi tingkat kepatuhan dan penghasilan tidak kena pajak terhadap penerimaan pajak penghasilan. *Ekono Insentif*, 13(1), 16-26. <https://doi.org/10.36787/jei.v13i1.76>
- OECD. (2019). *Tax morale: What drives people and businesses to pay tax?*. OECD Publishing, Paris. <https://doi.org/10.1787/f3d8ea10-en>
- OECD. (2023). *Revenue statistics 2023: Tax revenue trends in the OECD*. OECD Publishing, Paris. https://doi.org/10.1787/rev_stats-2023-en
- Olaoye, C. O., Ayeni-Agbaje, A. R., & Alaran-Ajewole, A. P. (2017). Tax information, administration and knowledge on tax payers' compliance of block moulding firms in Ekiti State. *Journal of Finance and Accounting*, 5(4), 131-138. <https://doi.org/10.11648/j.jfa.20170504.12>
- Oz-Yalaman, G. (2019). Financial inclusion and tax revenue. *Central Bank Review*, 19(3), 107-113. <https://doi.org/10.1016/j.cbrev.2019.08.004>
- Palil, M. R. (2010). *Tax knowledge and tax compliance determinants in self assessment system in Malaysia*. [Doctoral dissertation, University of Birmingham].
- Palil, M. R., & Mustapha, A. F. (2011). Factors affecting tax compliance behaviour in self assessment system. *African Journal of Business Management*, 5(33), 12864-12872. <https://doi.org/10.5897/AJBM11.1742>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12-40.
- Pebrina, R., & Hidayatulloh, A. (2020). Pengaruh penerapan e-spt, pemahaman peraturan perpajakan, sanksi perpajakan, dan kualitas pelayanan terhadap kepatuhan wajib pajak. *Jurnal Ilmiah Ekonomi Dan Bisnis*, 17(1), 1-8. <https://doi.org/10.31849/jieb.v17i1.2520>
- Pippin, S. E., & Tosun, M. S. (2014). Electronic tax filing in the United States: An analysis of possible success factors. *Electronic Journal of e-Government*, 12(1), 22-38.
- Putri, M. K., & Sudjiman, P. E. (2022). Faktor-faktor yang mempengaruhi kepatuhan wajib pajak terhadap membayar PBB-P2 pada Kelurahan Pasir Impun Kecamatan Mandalajati Kota Bandung tahun 2021. *Jurnal Ekonomis*, 15(1b), 156-165.
- Ridwan, M., Suhar, A. M., Ulum, B., & Muhammad, F. (2021). Pentingnya penerapan literature review pada penelitian ilmiah. *Jurnal Masohi*, 2(1), 42-51. <https://doi.org/10.51916/jm.v2i1.18>



- Saad, N. (2014). Tax knowledge, tax complexity and tax compliance: Taxpayers' view. *Procedia-Social and Behavioral Sciences*, 109, 1069-1075. <https://doi.org/10.1016/j.sbspro.2013.12.590>
- Santhanamery, T., & Ramayah, T. (2015). Understanding the effect of demographic and personality traits on the e-filing continuance usage intention in Malaysia. *Global Business Review*, 16(1), 1-20. <https://doi.org/10.1177/0972150914553459>
- Sitorus, B. R., & Gunarso, P. (2023). Pengaruh pengetahuan perpajakan, sosialisasi perpajakan, dan insentif pajak UMKM di masa pandemi Covid-19 terhadap kepatuhan wajib pajak UMKM di Kota Malang. *Jurnal Ilmiah Bisnis dan Perpajakan (Bijak)*, 5(1), 48-57. <https://doi.org/10.31334/bijak.v5i1.2780>
- Slemrod, J. (2019). Tax compliance and enforcement. *Journal of Economic Literature*, 57(4), 904-954. <https://doi.org/10.1257/jel.20181437>
- Torgler, B. (2007). *Tax compliance and tax morale: A theoretical and empirical analysis*. Edward Elgar Publishing. <https://doi.org/10.4337/9781847207203>
- Torgler, B., & Murphy, K. (2004). Tax morale in Australia: What shapes it and has it changed over time? *Journal of Australian Taxation*, 7(2), 298-335.
- Tranfield, D., Denyer, D., & Smart, P. (2003). Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British Journal of Management*, 14(3), 207-222. <https://doi.org/10.1111/1467-8551.00375>
- Tyler, T. R. (2006). *Why people obey the law*. Princeton University Press.
- Vargo, S. L., & Lusch, R. F. (2008). Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science*, 36(1), 1-10. <https://doi.org/10.1007/s11747-007-0069-6>
- World Bank. (2022). *Enhancing tax compliance through behavioral insights: Evidence from randomized controlled trials*. World Bank, Washington, DC. <https://doi.org/10.1596/978-1-4648-1625-7>