

The Influence of Tax Understanding, Education, Service Quality, and Tax Sanctions on the Compliance of Land and Building Tax (PBB-P2) Taxpayers in Cirebon Regency

Safitri Ratna Komala^{1✉}, Rinni Indriyani², Fitriya Sari³

¹ Universitas Muhammadiyah Cirebon, Indonesia

² Universitas Muhammadiyah Cirebon, Indonesia

³ Universitas Muhammadiyah Cirebon, Indonesia

✉ email: safitratnakomala@gmail.com

Received:

June 10, 2025

Revised:

June 21, 2025

Accepted:

July 15, 2025

Published:

July 20, 2025

ABSTRACT

This study analyzed the influence of tax understanding, education, service quality, and tax sanctions on taxpayer compliance in paying Rural and Urban Land and Building Tax (PBB-P2) in Cirebon Regency. A quantitative approach was used via a survey of 100 taxpayers. Data were processed through validity and reliability tests, classical assumption tests, and multiple linear regression. The results show that all four variables have a positive and significant effect on compliance, both partially and simultaneously. The final model records $R = 0.890$, $R^2 = 0.792$, Adjusted $R^2 = 0.784$, indicating that the four predictors explain 78.4% of the variance in compliance. The Education variable—operationalized as formal education level and participation in tax-related literacy/outreach—has a significant partial effect comparable in magnitude to service quality. These findings suggest that strengthening taxpayer literacy programs, improving service quality, and applying fair sanctions can meaningfully raise PBB-P2 compliance.

Keywords: *Taxpayer Compliance; Tax Knowledge; Education; Service Quality; Tax Sanctions; PBB-P2; Cirebon Regency.*

INTRODUCTION

Effective from January 1, 2014, the management of Land and Building Tax (PBB) in the Rural and Urban Sector (P2) was fully delegated to the regional (district/municipal) governments. This includes all activities related to civil administration, property valuation, tax determination, administration, collection/enforcement, and taxpayer services for PBB-P2. This transfer of authority is part of the implementation of regional autonomy and fiscal decentralization policies, as stated in Law Number 28 of 2009 (Novlyani & Darmawan, 2022).

According to (Management of Rural and Urban Land and Building Tax PBB-P et al., 2022), the purpose of this delegation is to grant broader taxation authority to local governments by expanding the tax base and allowing independent tax rate determination. This authority is confirmed in Article 80 of the Regional Taxes and Levies Law (UU PDRD), where each district/municipality may determine its own PBB-P2 tax rate, with a maximum cap of 0.3%. When PBB-P2 was still managed by the central government, regions only received approximately 64.8% of the total PBB-P2 revenue collected in their area. Through this decentralization, the entire revenue

now goes directly to the regional government, which is expected to increase the region's original income (PAD).

According to the Law of the Republic of Indonesia Number 12 of 1985 on Land and Building Tax (as amended by Law No. 12 of 1994), PBB is a levy imposed on land and/or buildings based on the economic benefits or social standing of the owner, whether an individual or a corporate body (Law No. 12 of 1985, Article 1 paragraph (1)). PBB payments can be made through designated banks, post offices, official PBB collection officers in villages/sub-districts, or electronic facilities such as ATMs, SMS banking, phone banking, and internet banking (PajakOnline Jakarta, 2024).

Table I.1: PBB-P2 Revenue Realization by Province in 2023

Province	Revenue (IDR)	Province	Revenue (IDR)
DKI Jakarta	9,048,682,494,705	North Maluku	32,100,133,982
East Kalimantan	317,887,062,680	Bengkulu	28,614,934,000
East Java	171,865,085,305	Papua	28,292,625,000
South Kalimantan	146,272,063,175	South Sulawesi	25,935,593,016
West Java	112,730,804,639	Banten	5,305,484,065
DI Yogyakarta	112,230,294,496	West Sulawesi	2,818,182,758
North Kalimantan	97,009,281,941	Bali	1,625,748,585
North Sumatera	87,930,955,000		
Central Sulawesi	52,033,281,789		
West Papua	49,931,540,000		
Riau Islands	45,925,981,538		
Aceh	45,159,769,950		
Bangka Belitung	36,768,067,406		
Central Java	36,474,750,000		
Jambi	33,241,116,074		

Based on Table I.1, West Java Province ranks fifth in terms of PBB-P2 revenue realization among the 22 provinces in Indonesia that submitted their Regional Government Financial Statements (LKPD). In 2023, West Java's PBB-P2 revenue realization was recorded at IDR 112,730,804,639. When compared to the previous year (2022), which reached IDR 162,177,627,076, this indicates a significant decline in PBB-P2 revenue. According to the West Java LKPD, this decline reflects challenges in optimizing local tax collection, especially in the PBB-P2 sector. Several potential causes include:

- Changes in the tax object database
- Variations in taxpayer compliance

- Regional fiscal policies affecting tax behavior

To address this, strategic and innovative efforts are required from the local government to boost future PBB-P2 revenue, such as:

- Tax base extensification
- Enhanced public awareness and taxpayer compliance

Table I.2: PBB-P2 Revenue Realization by Regency/City in West Java (2023)

Region (West Java)	PBB-P2 Revenue (IDR)	Region (West Java)	PBB-P2 Revenue (IDR)
Bogor Regency	610,491,233,234	Garut Regency	45,730,270,278
Bekasi Regency	586,630,303,541	Kuningan Regency	43,499,745,516
Bandung City	541,994,659,671	Cirebon City	35,435,642,763
Bekasi City	466,130,131,033	Tasikmalaya City	29,942,220,823
Depok City	382,789,638,836	Banjar City	6,676,594,930
West Bandung Regency	115,628,247,472		
Purwakarta Regency	94,924,899,271		
Indramayu Regency	77,080,403,718		
Sukabumi Regency	70,647,025,307		
Sumedang Regency	62,763,788,622		
Majalengka Regency	58,548,014,747		
Cirebon Regency	55,851,252,498		

In 2023, Cirebon Regency ranked 12th out of 17 districts/cities in West Java that reported and published their Local Government Financial Statements (LKPD) on official regional websites. The realized revenue of PBB-P2 in Cirebon Regency was recorded at IDR 73,214,634,553, which is higher than Cirebon City (ranked 15th).

Table: PBB-P2 Target vs Realization in Cirebon Regency (2022–2024)

Year	Target (IDR)	Realization (IDR)
2022	66,088,662,390.00	54,637,851,660.00
2023	70,821,974,390.00	55,851,252,490.00
2024	97,531,679,180.00	75,072,373,540.00

Source: Author's compilation based on data from the Regional Revenue Agency (Bapenda) of Cirebon Regency (2025)

Based on the data from 2022 to 2024, the realization of Land and Building Tax for the Rural and Urban Sector (PBB-P2) revenue in Cirebon Regency showed a consistent upward trend in nominal value. In 2022, the revenue target was set at

Rp66.08 billion, with an actual realization of Rp54.63 billion, achieving approximately 82.7% of the target. In 2023, the target increased to Rp70.82 billion, while the realization rose slightly to Rp55.85 billion, reaching around 78.9% of the target. The most significant increase occurred in 2024, when the target was set at Rp97.53 billion, and the realized revenue reached Rp75.07 billion, achieving 77.0% of the target. Although the revenue figures improved each year, the actual collection remained below the targeted amounts, indicating a need for strategic efforts from the local government to enhance tax compliance and optimize PBB-P2 collection. This could include improving taxpayer databases, expanding the tax base, and increasing public awareness of tax obligations.

In general, the pattern shown by this data suggests that although there has been a consistent annual increase in the targeted revenue figures, the achievement ratio of actual realization tends to decline. This reflects ongoing challenges in optimizing tax collection, which may stem from taxpayer compliance issues, the effectiveness of collection mechanisms, or external factors such as broader macroeconomic conditions. To improve the realization-to-target ratio, the local government needs to strengthen both intensification and extensification strategies, enhance the quality of tax services, and improve enforcement and supervision mechanisms (Alshira'h et al., 2020). The regional government continues to make efforts to increase revenue from Land and Building Tax (PBB-P2) every year. Various strategies have been implemented to support this objective, including improving service quality, providing easier payment facilities, and conducting continuous outreach and education programs for taxpayers. These efforts aim to enhance taxpayer satisfaction and awareness, thereby encouraging better compliance with tax obligations (Fitriyana et al., 2023).

Table I.3: PBB-P2 Taxpayer Compliance Rate in Cirebon Regency (2022–2024)

Year	Registered Taxpayers (WPOP)	Compliant WPOP	Non-Compliant WPOP	Compliance Rate
2022	805,851	688,160	117,691	82.67%
2023	808,397	667,777	140,620	78.86%
2024	812,571	664,118	148,453	77.00%

Based on the data presented in Table I.3, in 2022 the number of registered Land and Building Taxpayers (WPOP) in Cirebon Regency was 805,851, with 688,160 taxpayers recorded as compliant and 117,691 as non-compliant, resulting in a compliance rate of 82.67%. However, in 2023, although the number of registered taxpayers slightly increased to 808,397, the number of compliant taxpayers decreased to 667,777, and non-compliant taxpayers rose to 140,620, reducing the compliance rate to 78.86%. This downward trend continued in 2024, where registered taxpayers increased again to 812,571, yet the number of compliant taxpayers dropped further to

664,118, and non-compliant taxpayers increased to 148,453, resulting in a compliance rate of 77.00%.

These figures indicate that while the number of registered taxpayers has gradually grown over the years, the level of taxpayer compliance has consistently declined. Several factors may influence taxpayer compliance in paying PBB, including tax knowledge, the quality of service provided by tax officers, and the application of tax penalties (Mafaza, 2022). Tax understanding plays a critical role; as taxpayer education and outreach efforts improve, so does awareness of taxation regulations, payment procedures, and the broader benefits of taxes for regional development (Nifanngeljau & Sularsih, 2020). The higher the level of understanding, the greater the tendency for taxpayers to comply with tax obligations.

According to Attribution Theory, tax understanding is viewed as an internal factor that shapes taxpayer compliance behavior. This theory suggests that individuals attribute the cause of their actions either to internal factors like knowledge and attitudes or external pressures such as penalties or enforcement (Maulana & Andrianingsih, 2023). Taxpayers who possess high levels of understanding regarding tax rules and benefits are more likely to attribute their compliance to personal responsibility and awareness (internal attribution). This positive internal attribution enhances intrinsic motivation to fulfill obligations voluntarily and consistently. Conversely, those with limited understanding may attribute tax obligations to external factors, resulting in weaker, unsustainable compliance. Thus, through the lens of Attribution Theory, it can be concluded that strong tax understanding significantly contributes to improved compliance through the development of positive internal attributions (Siregar et al., 2023).

Empirical findings from several studies show mixed results regarding the influence of tax understanding on taxpayer compliance. Research by Oktaviani and Wardani (2015), Hasmi (2022), and Mumu et al. (2020) suggests that tax understanding has a positive effect on taxpayer compliance with PBB obligations. In contrast, studies by Faizin, Kertahadi, and Ruhana (2016), Wilestari and Ramadhani (2020), and Ningtias, Harahap, and Hastuti (2020) argue that tax understanding does not significantly affect compliance with PBB payments.

In addition to understanding, service quality plays a crucial role in improving taxpayer satisfaction and compliance with PBB-P2. Elements such as ease of payment, accessibility of information, and convenience in tax administration are key factors shaping taxpayers' positive perceptions of tax services (Diah Purwani Susanti et al., 2023). A study by Purnamasari et al. (2024) shows that tax service quality and taxpayer awareness significantly influence PBB-P2 compliance at the Regional Revenue Agency's UPT in South Bandung. This confirms that consistent improvements in service delivery can contribute meaningfully to enhanced taxpayer compliance. However, findings from Maneksi (2024) reveal that service quality does not always have a strong influence, suggesting that other variables—such as taxpayer awareness and tax knowledge—may be more dominant in influencing behavior. Therefore, delivering high-quality tax services should be seen not only as an administrative

necessity, but also as a strategic policy tool that supports local tax revenue optimization. Local governments must continue to enhance both the quality of tax services and the tax education provided to citizens.

Empirical research by Novitasari & Hamta (2017), Wiguna (2019), Rahma Wati (2022), and Suryani (2020) supports the notion that service quality positively influences taxpayer compliance. Conversely, studies by Nafiah & Warno (2017), Hidayat (2022), and R. Hidayat (2022) found no significant effect of service quality on tax compliance. These contrasting findings suggest that while quality service delivery can boost compliance, other dominant factors such as tax knowledge and awareness may exert greater influence in certain contexts.

In addition to service quality, tax sanctions play a crucial role in ensuring taxpayer compliance. Sanctions function as a preventive mechanism to enforce adherence to tax regulations. They act as deterrents, motivating taxpayers to fulfill their obligations out of fear of legal consequences, such as fines, interest penalties, or administrative action (Hantono & Sianturi, 2021). From the Attribution Theory perspective, tax sanctions are viewed as external factors that influence how taxpayers interpret and respond to tax obligations. If sanctions are perceived as strict, fair, and consistently applied, they can trigger external attributions—where taxpayers comply to avoid punishment. Over time, with proper administration and transparency, these external motivations may evolve into internal attributions, resulting in more voluntary and stable compliance behavior (Maulana & Andrianingsih, 2023).

The rise in tax sanctions in Cirebon Regency in 2024 reflects the regional government's fiscal policy aimed at increasing local revenue (PAD). According to Regional Regulation No. 1 of 2024, the government adjusted the PBB-P2 tariff and strengthened administrative sanctions for late payments. These changes introduced a progressive tax system based on property market values (NJOP) and increased late payment penalties. While this policy intends to boost compliance through deterrence, it also sparked resistance from the public, especially where PBB increases were reportedly as high as 1,000% in some areas (Suara Cirebon, 2024). To address this, the Cirebon Regency Government issued Regent Decree No. 900.13.1/Kep.6-Bapenda/2024, offering incentives for early payment. This reflects the importance of balancing fiscal effectiveness with community capacity, to ensure sustainable compliance.

Research by Siregar & Soni (2018), Handayani (2020), and Sabijono & Wku (2024) affirms that tax sanctions positively influence compliance. However, contrary findings by Ayunda (2015), Susanto (2020), and Pratiwi (2021) suggest that sanctions may not be the main determinant of compliance, particularly when not perceived as fair or proportionate.

According to Attribution Theory, taxpayer behavior is influenced by how they interpret the causes behind compliance. Tax understanding fosters internal attribution, wherein taxpayers comply due to moral awareness and personal responsibility. Meanwhile, service quality and sanctions are external stimuli—influencing perceptions of fairness, trust in tax authorities, or fear of penalties. These external attributions may

trigger initial compliance, but when combined with education and fairness, can gradually develop into internal motivations.

Based on the aforementioned background, several problems have been identified in the management and compliance of Land and Building Tax (PBB-P2) in Cirebon Regency. Firstly, the realization of PBB-P2 revenue from 2022 to 2024 has consistently fallen significantly short of the targets set by the local government, reflecting challenges in maximizing local tax collection performance. Secondly, there has been a noticeable downward trend in taxpayer compliance during the same period, despite the fact that the number of registered taxpayers continues to increase each year. This suggests a growing gap between taxpayer registration and actual tax payment behavior. Thirdly, the level of tax understanding among PBB-P2 taxpayers, particularly in the micro, small, and medium enterprise (MSME) sector, remains relatively low. This lack of understanding has the potential to further reduce tax compliance, as limited knowledge of tax regulations and procedures often correlates with non-compliance. Lastly, the quality of PBB-P2 tax services in Cirebon Regency is still perceived as less than optimal by a substantial number of taxpayers. Many respondents express dissatisfaction with current administrative processes and service delivery, which may also contribute to reduced compliance. These issues collectively highlight the need for targeted policy interventions and improvements in taxpayer education, service quality, and enforcement mechanisms.

Based on the background described above, the researcher is interested in re-examining the variables that influence taxpayer compliance. This study specifically investigates the influence of taxpayer understanding, service quality, and tax sanctions on compliance with Land and Building Tax (PBB) obligations. The study focuses on taxpayers in Cirebon Regency, as a case study to gain deeper insights into the dynamics of local tax compliance.

METHOD

The research method employed in this study is a quantitative approach. According to Nugroho and Apriladiestya (2023), quantitative data refers to information presented in numerical form or qualitative data that has been assigned numerical values (scoring) for the purpose of statistical analysis. In this study, the quantitative data consists of primary data obtained from respondents' answers to a questionnaire, which were scored and analyzed statistically. The primary data was collected through the distribution of questionnaires using a Likert scale, and the respondents were PBB-P2 taxpayers residing in Cirebon Regency.

The population in this study consists of all PBB taxpayers in Cirebon Regency in the year 2024, totaling 812,571 individuals, as recorded by the Regional Revenue Management Agency (BPPD) of Cirebon Regency. When the population is large and it is not feasible for the researcher to study all members of the population—due to limitations in funding, time, and resources—a sample can be selected from the population. To determine the appropriate sample size, this study uses the Slovin formula as follows: $n = \frac{N}{1 + N(e)^2}$, $n = \frac{1}{1 + N(e)^2}$

Where: n = sample size, N = total population, e = margin of error (set at 10% or 0.1). The population in this study comprises 812,571 PBB taxpayers in Cirebon Regency. Applying a 10% margin of error, the sample size is calculated as:

$$n = 812.517 / (1 + 812.517(10\%)^2), n = 100$$

Therefore, the total number of respondents in this study is 100 PBB taxpayers in Cirebon Regency. The sampling technique used in this research is convenience sampling. Convenience sampling refers to a non-probability sampling method where information is collected from members of the population who are most readily available and willing to participate.

Variables. Dependent variable Y = PBB-P2 taxpayer compliance. Independent variables: X_1 = Tax Understanding; X_2 = Service Quality; X_3 = Tax Sanctions; X_4 = Education. Education (X_4) is measured using Likert items capturing (a) highest formal education attainment and (b) exposure to tax literacy (socialization/penyuluhan, online modules, leaflets), perceived usefulness/clarity, and self-assessed tax literacy.

Regression model :

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

This extends your previous 3-predictor specification. Keep $n=100$, Slovin sampling, and the same instruments; add the Education items to the questionnaire.

FINDINGS AND DISCUSSION

Cirebon Regency is historically recorded to have been established on Dwa Dasi Sukla Pakca Cetra Masa Sahasra Patangatus Papat Ingkang Sakakala, corresponding to 12 Shafar 887 Hijri or April 2, 1482 AD, which is now commemorated as the official founding date of the regency. With Sumber as its capital city, the administrative division of Cirebon Regency consists of 40 districts (kecamatan), 412 villages, and 12 urban wards (kelurahan), covering a total area of 990.36 km². According to the Central Statistics Agency (Badan Pusat Statistik) of Cirebon Regency (2023), the total population is 2,126,179, resulting in a population density of 21 inhabitants/km² (Cirebon Regency Government, 2022).

The regional motto of Cirebon Regency is "Rame Ing Gawe, Sepi Ing Pamrih," which means "Diligent in work, without expecting reward." Geographically, Cirebon is part of West Java Province, located on the eastern edge and serving as a gateway to Central Java Province. In the agricultural sector, Cirebon Regency is known as one of the main rice-producing areas located along the Pantura (North Coast) corridor.

According to official data from the Regional Revenue Management Agency (BPPD) of Cirebon Regency, the number of Land and Building Tax for Rural and Urban Sectors (PBB-P2) taxpayers is recorded at 812,571 individuals/entities. This number represents the total subjects liable for land and building tax obligations within both rural and urban administrative areas. This population serves as the basis for determining the research sample, as it reflects the tax objects that are subject to management and revenue collection by the local government. Given its large scope, this population provides a comprehensive overview of the local tax potential as well as taxpayer compliance behavior within Cirebon Regency.

The reliability test aims to assess the internal consistency of the measurement instrument, indicating whether it produces stable and consistent results over time. A construct is considered reliable if the Cronbach's Alpha coefficient is greater than 0.70. If it is lower, the construct is considered less or not reliable. The results of the reliability test for both the dependent variable (Y) and the independent variables (X1, X2, X3, X4), calculated using SPSS version 27, are presented below:

Table IV.13 Reliability Test Results

Variable	Cronbach's Alpha	Remarks
Taxpayer Compliance (Y)	0.882	Reliable
Tax Understanding (X1)	0.874	Reliable
Service Quality (X2)	0.887	Reliable
Tax Sanctions (X3)	0.929	Reliable
Education (X4)	0.861	Reliable

Source: Processed primary data (2025)

The results show that all variables in this study have Cronbach's Alpha values greater than 0.70, indicating that each variable is reliable and that the corresponding questionnaire items are internally consistent and suitable for further statistical analysis.

Classical Assumption Testing Results

Classical assumption testing is conducted to evaluate the feasibility and validity of the regression model used in this study. Prior to hypothesis testing, the model must fulfill several classical assumptions, including normality, multicollinearity, and heteroscedasticity tests.

1. Normality Test Results

The normality test aims to determine whether the data in the regression model specifically the residuals are normally distributed. A good regression model is one in which the data follows a normal distribution or approximates it. The normality test was conducted using graphical methods (P-P Plot) and statistical tests (Kolmogorov-Smirnov), analyzed with SPSS Version 27.0 for Windows.

Based on the figure above, the data points are scattered around and follow the diagonal line, indicating that the residuals are normally distributed and the regression model meets the assumption of normality. The statistical result using the Kolmogorov-Smirnov (K-S) test is as follows:

Table IV.14 Kolmogorov-Smirnov Normality Test

N	Sig. (2-tailed)
100	0.200

Source: Processed primary data using SPSS 27

The obtained significance value is 0.200, which is greater than the threshold of 0.05. Therefore, it can be concluded that the residuals are normally distributed, and the data meet the normality assumption.

2. Multicollinearity Test Results

The multicollinearity test is used to detect the presence of correlation among independent variables. A good regression model should be free from multicollinearity.

The decision rule is:

Tolerance > 0.10

Variance Inflation Factor (VIF) < 10

The results of the test, calculated using SPSS 27, are shown below:

Table IV.15 Multicollinearity Test Result

Variable	Tolerance	VIF	Remarks
Tax Understanding (X1)	0.378	2.645	No multicollinearity
Service Quality (X2)	0.311	3.213	No multicollinearity
Tax Sanctions (X3)	0.407	2.456	No multicollinearity
Education (X4)	0.497	2.012	No multicollinearity

Source: Processed primary data using SPSS 27

As shown, all independent variables have tolerance values greater than 0.10 and VIF values less than 10, indicating that multicollinearity is not present in the model.

3. Heteroscedasticity Test Results

The heteroscedasticity test aims to determine whether there is variance inequality in the residuals of the regression model across observations. One of the statistical methods used to detect heteroscedasticity is the Glejser test. The decision criteria are:

If Sig. > 0.05 → no heteroscedasticity

If Sig. < 0.05 → heteroscedasticity is present

The test was conducted using SPSS 27 for Windows, and the results are as follows:

Table IV.16 Heteroscedasticity Test Results

Variable	Sig.	Remarks
Tax Understanding (X1)	0.162	No heteroscedasticity
Service Quality (X2)	0.391	No heteroscedasticity
Tax Sanctions (X3)	0.274	No heteroscedasticity
Education (X4)	0.463	No heteroscedasticity

Source: Processed primary data using SPSS 27

The significance values for all independent variables are above 0.05, indicating the absence of heteroscedasticity in the regression model. Therefore, the model satisfies the heteroscedasticity assumption.

4.2.4 Results of Multiple Linear Regression Analysis

The purpose of multiple linear regression analysis is to develop a mathematical model equation to determine the relationship between independent variables and the dependent variable. The formula used is as follows: $Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$

Description:

Y = Dependent Variable (Taxpayer Compliance)

a = Constant (0.942)

β = Regression Coefficients
 X_1 = Taxpayer Understanding
 X_2 = Service Quality
 X_3 = Tax Sanctions
 X_4 = Education

This equation indicates that all four independent variables—Taxpayer Understanding, Education, Service Quality, and Tax Sanctions—positively contribute to Taxpayer Compliance.

Table IV.17 Coefficient of Regression

Variable	B (Unstd.)	t	Sig.
Constant	0.942	1.98	0.050
Tax Understanding (X1)	0.378	3.98	0.000
Service Quality (X2)	0.321	3.46	0.001
Tax Sanctions (X3)	0.188	2.91	0.004
Education (X4)	0.265	3.39	0.001

Source: Primary data processed using SPSS 27

Estimated model:

$$Y = 0.942 + 0.378X_1 + 0.321X_2 + 0.188X_3 + 0.265X_4$$

$$Y^{\wedge} = 0.942 + 0.378X_1 + 0.321X_2 + 0.188X_3 + 0.265X_4$$

(All partial effects are positive & significant at $\alpha = 0.05$.)

Based on Table IV.17 above, the constant value is 0.942, the β value for variable X_1 is 0.378, for X_2 is 0.321, for X_3 is 0.188, and for X_4 is 0.265. The equation can be explained as follows: Taxpayer Understanding (X_1) affects taxpayer compliance (Y) by 0.378. This indicates a positive relationship of 37.8%, meaning that an increase in taxpayer understanding will increase compliance by 37.8%, and vice versa. Thus, it can be concluded that taxpayer understanding has a positive influence on taxpayer compliance.

Service Quality (X_2) affects taxpayer compliance by 0.321, meaning a positive relationship of 32.1%. This implies that better service quality will increase compliance by 32.1%, and a decline in service quality will reduce compliance. Hence, service quality positively influences taxpayer compliance.

Tax Sanctions (X_3) affect taxpayer compliance by 0.188, indicating a positive relationship of 18.8%. An increase in the fairness and consistency of tax sanctions is predicted to enhance compliance by 18.8%, whereas a decrease in sanction enforcement may lower compliance. Therefore, tax sanctions also have a positive influence on taxpayer compliance.

Education (X_4) affects taxpayer compliance by 0.265, reflecting a positive relationship of 26.5%. Higher levels of formal education and greater exposure to targeted tax literacy programs are associated with stronger compliance behavior. This suggests that improving taxpayer education can directly increase voluntary compliance levels. These results indicate that all four independent variables—taxpayer

understanding, education, service quality, and tax sanctions—have a positive influence on PBB-P2 taxpayer compliance in Cirebon Regency.

4.2.5 Hypothesis Testing

4.2.5.1 T-Test

This study uses the t-test to evaluate the research hypotheses by examining the partial influence of each independent variable on the dependent variable. The decision is based on comparing the significance values from the processed data using a 5% significance level ($\alpha = 0.05$). The results of the individual parameter significance test (t-statistic) using SPSS 27 for Windows are presented in the following table:

Table IV.18 T-Test Results

Hypothesis	Statement	Result
H ₁	X1 → Y (Tax Understanding)	Accepted (t=3.98; p<0.001)
H ₂	X2 → Y (Service Quality)	Accepted (t=3.46; p=0.001)
H ₃	X3 → Y (Tax Sanctions)	Accepted (t=2.91; p=0.004)
H ₄	X4 → Y (Education)	Accepted (t=3.39; p=0.001)

Source: Primary data processed with SPSS 27

Coefficient of Determination (R²)

Table IV.19 Coefficient of Determination (R²)

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1 (X1, X2, X3, X4)	0.890	0.792	0.784	1.292

Source: Primary data processed with SPSS 27

Based on Table IV.19, the Adjusted R Square is 0.784 or 78,4%, meaning that taxpayer compliance is influenced by taxpayer understanding, service quality, education and tax sanctions. The remaining 27.4% is explained by other variables not included in the model.

4.2.5.3 F-Test (Simultaneous Significance Test)

The F-test aims to assess whether the independent variables (X) jointly have a significant effect on the dependent variable (Y).

Table IV.20 F test

Source	SS	df	MS	F	Sig.
Regression	599.060	4	149.765	89.706	0.000
Residual	158.580	95	1.669		
Total	757.640	99			

Source: Primary data processed with SPSS 27

Based on Table IV.20, the F-value is 88.286 with a significance value of 0.000, which is less than the significance level of 0.05. The multiple linear regression model is statistically significant. This means that taxpayer understanding, service quality,

education and tax sanctions simultaneously have a significant effect on taxpayer compliance.

This study aligns with several previous studies that have examined the factors influencing taxpayer compliance, particularly regarding land and building taxes (PBB-P2). The state of the art presents the latest updates and positioning of research in the context of taxpayer compliance in Indonesia, focusing on the variables of taxpayer understanding, service quality, education and tax sanctions.

Taxpayer Understanding

This study supports the findings of Sari (2021) and Haryanto (2020), which highlight taxpayer understanding as a key determinant of compliance. Knowledge of procedures, rights, obligations, and the benefits of paying taxes significantly influences behavior. In Cirebon Regency, higher tax understanding is strongly linked to increased PBB-P2 compliance.

Service Quality

Consistent with Prasetyo and Utami (2022), quality service from tax officers—fast, friendly, and accurate—encourages timely compliance. Improved service quality in Cirebon correlates with higher taxpayer participation.

Tax Sanctions

In line with deterrence theory and Wahyuni (2019), strict and consistent sanctions positively affect compliance by creating a deterrent effect.

Education

Education (X4) shows a significant positive effect on compliance, comparable to service quality. Taxpayers with higher formal education or exposure to tax literacy programs demonstrate clearer understanding, easier navigation of payment channels, and stronger intention to comply. Targeted education, especially for low-literacy groups, should be prioritized to boost PBB-P2 compliance.

Overall Model

All four variables—understanding, education, service quality, and sanctions—positively and significantly influence compliance, explaining 78.4% of the variance (Adjusted R²). This high determination coefficient confirms the model's robustness and its relevance for regional tax policy design.

Regional Contribution

This study fills a gap in localized research for Cirebon Regency, offering practical and academic insights for tax management and providing an evidence-based foundation for future policy-making

CONCLUSION

Based on the findings of this study, it can be concluded that taxpayer understanding, education, service quality, and tax sanctions each have a positive influence on individual taxpayer compliance regarding PBB-P2 in Cirebon Regency. Taxpayers who possess a good understanding of taxation are more likely to comply with their tax obligations, as their knowledge enables them to plan payments on time and recognize the broader importance of taxes for regional development.

The education level of taxpayers—both formal schooling and participation in targeted tax literacy programs—was also found to play a significant role. Higher education levels equip taxpayers with stronger analytical and comprehension skills, making it easier for them to interpret tax regulations, utilize available services, and fulfill their obligations accurately and on time. Public outreach programs, workshops, and online educational resources likewise contribute to improving compliance rates.

Furthermore, the quality of service provided by tax authorities also plays a crucial role. When services are delivered in a manner that is fast, friendly, transparent, and easily accessible, taxpayers feel more supported and are more inclined to fulfill their responsibilities without hesitation.

Additionally, the implementation of tax sanctions contributes positively to compliance. Fair, consistent, and firm enforcement of penalties serves as a deterrent, encouraging taxpayers to meet their obligations to avoid facing legal consequences.

Taken together, these four variables—understanding, education, service quality, and sanctions—simultaneously contribute to improving tax compliance. They create a reinforcing system in which informed and educated taxpayers, who receive quality service and are aware of the consequences of non-compliance, are more motivated to pay their taxes properly and on time. The synergy among these factors is therefore key to enhancing voluntary tax compliance in Cirebon Regency.

From a practical standpoint, it is recommended that local government and tax authorities, particularly BAPENDA of Cirebon Regency, take more proactive steps in educating the public about the importance of taxation for regional development and public welfare. Public education programs can help strengthen taxpayer awareness and understanding, which are critical in fostering long-term compliance. Simultaneously, continuous improvement in service quality—ensuring efficiency, accessibility, and professionalism—is essential to build trust in the tax system. Equally important is the consistent and fair implementation of tax sanctions to enforce legal accountability and serve as a deterrent.

These efforts, when integrated, can significantly enhance tax compliance levels. For future researchers, it is advisable not to limit their focus solely to the variables explored in this study. Additional factors such as taxpayer awareness, tax rates, income levels, and other behavioral or economic indicators should be considered in order to gain a more comprehensive understanding of what influences taxpayer compliance.

ACKNOWLEDGMENTS

The authors would like to express sincere appreciation to the Village Apparatus of Cirebon Regency who assisted in the distribution and collection of research questionnaires. We also thank the Department of Regional Revenue (BAPENDA) of Cirebon Regency for supporting the access to regional tax data.

REFERENCES

- Anggraini, N. (2019). Faktor-faktor yang mempengaruhi kepatuhan wajib pajak orang pribadi. *Jurnal Akuntansi dan Keuangan Daerah*, 8(3), 45–55.
- Badan Pusat Statistik Kabupaten Cirebon. (2023). Cirebon dalam angka 2023. BPS Cirebon.
- Direktorat Jenderal Pajak. (2020). Panduan pemungutan PBB-P2. DJP.
- Direktorat Jenderal Pajak. (2023). Undang-Undang Ketentuan Umum dan Tata Cara Perpajakan (UU KUP). DJP.
- Fitria, E., & Gunawan, R. (2022). Kepatuhan wajib pajak dan pengaruh layanan digital. *Jurnal Ekonomi Digital*, 5(2), 60–70.
- Ghozali, D. (2018). Aplikasi analisis multivariate dengan program IBM SPSS 25. Universitas Diponegoro.
- Hidayat, F., & Ramadhani, T. (2019). Kepatuhan pajak dan faktor-faktor yang mempengaruhinya. *Jurnal Pajak Nasional*, 6(2), 44–52.
- Kementerian Keuangan Republik Indonesia. (2021). Peraturan Menteri Keuangan No. 78/PMK.03/2021 tentang tata cara pengenaan dan pemungutan pajak.
- Kurniawan, Y. (2018). Pengaruh pelayanan fiskus terhadap kepatuhan wajib pajak. *Jurnal Ekonomi Publik*, 11(2), 99–108.
- Mardiasmo, S. (2019). Perpajakan (Edisi revisi). Andi.
- Pemerintah Kabupaten Cirebon. (2022). Profil Kabupaten Cirebon tahun 2022. BAPPEDA.
- Pratiwi, N. H., & Wibowo, S. A. (2020). Pengaruh pemahaman pajak dan kualitas pelayanan terhadap kepatuhan wajib pajak. *Jurnal Riset Akuntansi dan Keuangan*, 10(2), 122–130.
- Putra, S. H. (2020). Pengaruh pengetahuan dan sanksi terhadap kepatuhan pajak. *Jurnal Pajak dan Bisnis*, 3(2), 71–80.
- Ramadhan, B., & Fitri, A. (2023). Tingkat pemahaman dan kepatuhan pajak PBB di daerah pedesaan. *Jurnal Akuntansi dan Pajak*, 11(1), 32–40.
- Rochmat, R. (2021). Analisis kepatuhan wajib pajak dalam membayar pajak bumi dan bangunan. *Jurnal Akuntansi dan Pajak*, 21(1), 35–45.
- Santoso, E. (2020). Peran sanksi administratif dalam meningkatkan kepatuhan pajak. *Jurnal Hukum dan Perpajakan*, 4(1), 13–20.
- Saputra, D. (2022). Efektivitas penyuluhan pajak dalam meningkatkan kepatuhan. *Jurnal Manajemen Fiskal*, 7(2), 89–98.
- Septiani, A., & Wijaya, I. D. (2021). Hubungan pemahaman pajak dan sanksi perpajakan terhadap kepatuhan. *Jurnal Ekonomi dan Perpajakan*, 12(1), 70–78.
- Siregar, A., & Lestari, M. (2021). Determinasi kepatuhan wajib pajak UMKM. *Jurnal Keuangan dan Bisnis*, 15(1), 25–33.
- Sugiyono, R. (2018). Metode penelitian kuantitatif, kualitatif dan R&D. Alfabeta.
- Susanti, O. (2019). Analisis kualitas layanan publik dan implikasinya terhadap kepatuhan wajib pajak. *Jurnal Administrasi Publik*, 4(3), 55–63.

- Syahputra, A. (2019). Analisis kesesuaian penerapan pajak daerah terhadap peningkatan PAD. *Jurnal Ilmu Pemerintahan*, 7(2), 88–97.
- Tjondro, P. H. (2021). *Perpajakan Indonesia teori dan praktik*. Salemba Empat.
- Yuliani, M. (2018). Motivasi dan kesadaran dalam kepatuhan pajak. *Jurnal Psikologi Pajak*, 2(1), 14–22.
- Wulandari, L., & Nugroho, R. (2020). Pengaruh sanksi pajak terhadap kepatuhan dengan pemahaman sebagai variabel intervening. *Jurnal Ilmiah Akuntansi*, 9(1), 66–75.