



Understanding of Tax Regulations, Tax Administration and Taxpayer Morale towards Tax Planning

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ABSTRACT: This study aims to analyze the effect of understanding tax regulations, tax administration, and taxpayer morale on the tax planning of MSME actors in the Cikarang area. This study used a quantitative method using a Likert measuring device and the data used were primary data obtained from questionnaires filled out by 100 MSME's respondent in the Cikarang area. The data analysis technique in this study was multiple regression using the SPSS version 26 application. The results of this study indicate that: Understanding of Tax Regulations and Tax Administration has a significant effect on Tax Planning. Meanwhile, Taxpayer Morale has no significant effect on Tax Planning.

KEYWORDS: Tax Administration, Taxpayer Morale, Tax Planning, Understanding of Tax Regulations.

INTRODUCTION

Indonesia is a developing country. This development must be supported with very large funds. One of the major sources of funds in Indonesia is taxes. Taxes are obtained from contributions paid by the people to the state which are coercive and do not get direct returns. Tax revenue is also one of the largest sources of state revenue because it is used for the purpose of financing public expenditures related to the state's duties in administering government (Rezeki et al., 2021).

State revenue data in the form of tax revenue and non-tax state revenue listed in the State Revenue and Expenditure Budget (APBN) for Fiscal Year 2017 - 2021 are as follows:

Table 1. The Role of Taxes for the 2017-2021 State Budget

Year	Total (in trillion rupiah)		Percentage
	Country Income	Domestic Tax	
2017	1.343,5	1.304,3	97,08%
2018	1.518,8	1.472,9	96,98%
2019	1.546,1	1.505,1	97,35%
2020	1.865,7	1.823,1	97,72%
2021	1.444,5	1.409,6	97,58%

Source: APBN Data Portal of the Ministry of Finance of the Republic of Indonesia.

For the state, taxes are income that is used for national development. However, this is very contradictory for taxpayers, where taxpayers consider that the tax that must be remitted to the state is an expenditure that will reduce the income of the taxpayer. The implementation of the Self Assessment System which requires the active participation of taxpayers in administering their taxation requires high taxpayer compliance. If all taxpayers have high compliance, income tax revenue will be optimal and the effect on state revenue will also be greater (Dasuki, 2022).

The following is data on the development of MSMEs in Indonesia in 2017-2019:



Table 2. Development of Indonesian MSMEs in 2017 - 2019

Indicator	2017	2018	2019	Share (%)		
				2017	2018	2019
Number of MSMEs (Unit)	62.922.617	64.194.057	65.471.134	99,99	99,99	99,99
Labor (Person)	116.431.224	116.978.631	119.562.843	96,82	97,00	96,92
Constant GDP (Rp Trillion)	5.445,56	5.721,14	5.931,69	57,30	57,24	57,24
Current Price GDP (Rp Trillion)	7.820,28	8.573,89	9.580,76	60,90	61,07	60,51
Non-Oil and Gas Exports (Rp Trillion)	301,62	293,84	339,19	14,54	14,37	15,65
Current Investment Price (Rp Trillion)	2.377,41	2.564,54	2.619,38	60,08	60,42	60,03

Source: Ministry of Cooperatives and SMEs, 2017-2019.

According to 2019 data from the Ministry of Cooperatives and SMEs, MSMEs make a significant contribution to the Indonesian economy. Data shows that MSMEs are able to contribute 60.51% of the total national Gross Domestic Product (GDP), absorb 96.92% of the workforce and are able to create 99.99% of total employment. In 2021, the Indonesian state will make efforts to restore the national economy. The success of these efforts cannot be separated from the important role of MSME players. With the number continuing to increase, until 2021 the number of MSMEs has reached 64.2 million units spread across various sectors. It is recorded that 99.99% of business units in Indonesia are MSMEs.

Currently, with difficult economic conditions, it turns out that MSMEs also have an important role to support the country's economy. This research is important to do because it is to enable MSMEs in Indonesia to continue to grow and survive. In addition, MSME actors can be better in terms of tax compliance, but they also understand the tax regulations, tax administration, and their relation to the morals they have as taxpayers. The phenomenon that occurs is that taxpayers, in this case MSMEs, carry out tax planning to minimize the amount of tax owed, so that the amount of tax they have to pay is the minimum amount to the state without conflicting with applicable tax laws. From the existing business phenomena, the author wants to analyze how the implementation of tax planning for MSME actors in the Cikarang area.

There are several factors that influence tax planning, namely understanding tax regulations, tax administration, and taxpayer morale. The first factor that influences tax planning is the understanding of tax regulations. Knowledge possessed by taxpayers has an important role to find out the gaps in the tax law. The higher the understanding of taxpayers regarding tax laws, the more taxpayers are aware of loopholes in income tax laws, so that taxpayers will be more motivated to carry out tax planning (Rezeki et al., 2021). Research (Afifi, 2017) states that understanding tax regulations has a positive effect on tax planning. This is supported by research from (Rezeki et al., 2021) which states the same thing. However, there are differences with research conducted by (Hetiati et al., 2021), according to which understanding of tax laws partially influences tax planning.

The second factor is tax administration. Indonesia is a developing country that is still experiencing difficulties in implementing its tax administration sufficiently. This encourages taxpayers to carry out tax planning properly so that they are free from administrative and criminal sanctions. Taxpayers who have good knowledge of tax administration will carry out tax planning because taxpayers will avoid administrative sanctions (Afifi, 2017). The results of research on tax administration. According to research (Afifi, 2017), tax administration has a negative effect on tax planning. This is contrary to research conducted by (Sudirman & Muslim, 2018) which states that tax administration has a positive and significant effect on tax planning.

The third factor is the morale of the taxpayer. The existence of good taxpayer morals can motivate taxpayers to carry out tax planning by not violating the existing rules in the legislation. If the taxpayer has good morals, the better the taxpayer is in carrying out tax planning without violating applicable laws. The results of research on the morale of taxpayers. According to research (Afifi, 2017), taxpayer morale has a positive effect on tax planning. This is supported by research (Panca et al., 2020) which states the same thing.

This research follows up on research conducted by (Afifi, 2017). However, there are differences in the independent variables used, that is, in his research, there are loopholes as one of the independent variables, while the research conducted by the author does not contain loopholes. In addition, respondents from his research are registered taxpayers at KPP Pratama Klaten who carry out tax planning. While the respondents for the author's research were MSME actors in the Cikarang area. The conditions in



his research were also different, the conditions at the time of his research had not experienced the impact of Covid-19 while in the research that the author conducted there were impacts from the presence of Covid-19.

This research also follows up on research conducted by (Panca et al., 2020). However, there are differences from the independent variables used, namely in their research, there are variables of tax rates, loopholes, tax sanctions, and taxpayer perceptions regarding the effectiveness of the taxation system, as well as the existence of a moderating variable, namely management motivation. In addition, the respondents from their research were taxpayers who were registered at the Tampan Pratama KPP in Pekanbaru City. Their research uses two theories, namely attribution theory and needs theory. Meanwhile, the research conducted by the author uses one theory, namely the theory of attribution.

Based on the problems and research problems that have been explained, the research questions include: (1) Is there an influence of understanding the tax law on tax planning for MSMEs in the Cikarang area? (2) Is there any effect of tax administration on tax planning for MSMEs in the Cikarang area? (3) Is there any influence of taxpayer morale on tax planning in MSMEs in the Cikarang area?

REVIEW OF THE LITERATURE, FRAMEWORK OF THINKING, AND HYPOTHESIS

Attribution Theory

Attribution theory was first introduced by Frits Heider in 1958. According to Heider, a person is always trying to find reasons why someone acts in certain ways (Robbins & Judge, 2009:175). Attribution theory describes how the process for determining the causes and motives of individual behavior. This theory provides an explanation of a person's behavior that can be determined through a combination of internal aspects, namely aspects originating from within the individual, for example attitudes, character, or a person's character, and external aspects, namely aspects that originate outside the individual, for example luck, opportunity and pressure.

Tax Planning

Tax planning is the process of conducting a taxpayer's business so that the tax obligations of taxpayers, both income tax and other taxes, are minimized, as long as they do not violate the provisions of the applicable laws and regulations (Hutriani et al., 2022). Tax planning is a taxation activity carried out by business actors to make tax payments more efficient. Business actors do not violate tax regulations but try to pay taxes more efficiently. Thus, tax planning is considered successful if the tax paid is less than it should be (Erasashanti et al., 2021). According to (Veronica & Siragih, 2022), tax planning refers to steps to carry out business planning and taxable entrepreneur taxpayer transactions, especially so that the tax debt that should be paid to the state is at the minimum value, but is still within scope of tax laws and regulations. Tax planning refers to tax optimization schemes that do not require investment in cross-jurisdictional profit shifting. In essence, it belongs to a set of jurisdiction-specific tax advantage schemes that are generally available to any company operating in a certain area or to corporations that meet certain conditions (Beuselinck & Pierk, 2022).

Understanding of Tax Regulations

Understanding of tax regulations, is a process in which taxpayers understand and know about regulations and laws as well as tax procedures and apply them to carry out tax activities (Hetiaty et al., 2021). Knowledge of taxes is a capability of taxpayers in knowing tax regulations based on laws and tax benefits (Rezeki et al., 2021). Tax knowledge is an important element in voluntary compliance with tax laws. Knowledge of taxation is the most influential factor in ensuring all taxpayer compliance behavior in the self-assessment system (Jusoh et al., 2021). According to the theory of attribution, the higher the knowledge possessed by taxpayers regarding tax policies that apply in Indonesia, the higher the motivation of taxpayers in carrying out tax planning.

Tax Administration

Tax administration in a narrow sense is the administration and service of the obligations and rights of taxpayers, both administration and services are carried out at the tax office and at the taxpayer's office (Sudirman & Muslim, 2018). In essence, administration is a process or system that regulates tax issues (Hutriani et al., 2022). In its development, Indonesia is still experiencing difficulties in carrying out adequate tax administration. This is what encourages taxpayers to carry out proper tax planning in order to avoid administrative sanctions or criminal sanctions due to differences in interpretation between tax officials and taxpayers due to the breadth of applicable tax regulations and information systems that are still not effective (Pranandari, 2021).

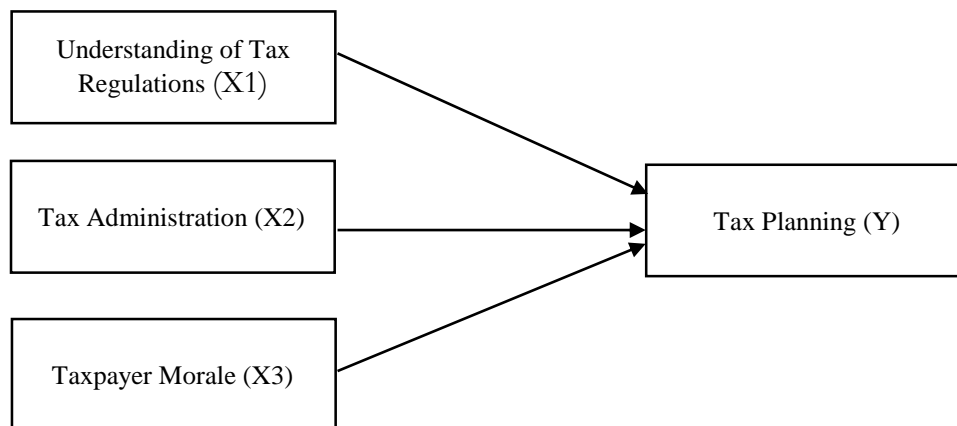


According to attribution theory, the better the tax administration of the taxpayer, the higher the motivation of the taxpayer in carrying out tax planning.

Taxpayer Morale

Taxpayer morale is a basic non-economic motivation as well as factors that work in the compliance mechanism to pay taxes through a set of basic motivations. Tax morale is a key determinant that can explain why people are honest in tax matters (Panca et al., 2020). According to Rahayu (2010: 145) in the journal (Panca et al., 2020) states that: "Societal morals will affect tax collection by the tax authorities. With high integrity, of course the fulfillment of tax obligations will be better. Taxpayer compliance will be better if the morale of the population is good. Tax compliance is defined as a situation in which a taxpayer fulfills all tax obligations and exercises his tax rights. Taxpayer morality is a form of public compliance in exercising their tax rights and obligations. If the taxpayer has high morale, then the taxpayer will not make efforts to reduce taxes in a way that is not in accordance with the applicable tax regulations (Afifi, 2017). Taxpayer morale is the intrinsic motivation of the taxpayer to fulfill his tax obligations. Taxpayers who have good morals will realize that tax is an obligation that must be fulfilled. The morale of each individual greatly influences their compliance in fulfilling their tax obligations (Maharani et al., 2021). According to attribution theory, the better the morale of the taxpayer, the higher the motivation of the taxpayer in carrying out tax planning.

Based on the theoretical studies and the results of previous research, the following is the framework of the research conducted:



HYPOTHESIS

The Influence of Understanding of Tax Regulations on Tax Planning

Understanding tax regulations, is the process of taxpayers understanding and knowing about regulations and laws and tax procedures, then applying them in a taxation activity (Hetiaty et al., 2021). According to the attribution theory, the higher the knowledge possessed by taxpayers regarding tax regulations that apply in Indonesia, the higher the motivation of taxpayers in carrying out tax planning.

Research by Tasya Hutriani, Afifudin and Hariri (2022) says that understanding tax regulations has a positive effect on encouraging taxpayers to carry out tax planning. The results of this study are in line with the research of Siti Villya Rezeki, Titin Vegirawati, Masamah (2021) stating that knowing tax regulations has a positive effect in encouraging taxpayers to carry out tax planning. Research by Hetiaty, Memen Kustiawan and Fitriana (2021) states that understanding tax regulations has a significant and positive effect on tax planning. Research by Fibria Anggraini Puji Lestari (2019) states that understanding tax regulations has a positive effect on tax planning. Research by Hafizha Jatu Nur Afifi (2017) states that understanding tax regulations has a positive effect on tax planning. Based on this description, the following hypotheses can be made:

H1: Understanding of tax regulations has a positive effect on tax planning

The Influence of Tax Administration on Tax Planning

Tax administration is the key to success in implementing tax policies. In its development, Indonesia is still inadequate in carrying out tax administration. This is what motivates taxpayers to carry out proper tax planning in order to avoid administrative



sanctions or criminal sanctions due to differences in interpretation between tax officials and taxpayers due to the breadth of applicable tax regulations and information systems that are still not effective (Pranandari, 2021). Tax administration is the management and service of the obligations and rights of taxpayers, both management and services carried out at the tax office and at the taxpayer's office (Sudirman & Muslim, 2018). According to attribution theory, the better the tax administration of the taxpayer, the higher the motivation of the taxpayer in carrying out tax planning.

Research by Sudirman, Muslim Muslim (2018) says that tax administration has a positive effect on encouraging taxpayers to carry out tax planning. Based on this description, the following hypotheses can be made:

H2: Tax administration has a positive effect on tax planning

The Influence of Taxpayer Morale on Tax Planning

Taxpayer morale is the basic motivation and various influences that work as a tax compliance process. Tax morale is an indicator that can state that someone is honest in tax matters (Panca et al., 2020). According to Rahayu (2010: 145) in the journal (Panca et al., 2020) states that: "Societal morals will affect tax collection by the tax authorities. With high integrity, of course the fulfillment of tax obligations will be better. Taxpayer compliance will be better if the morale of the population is good. Tax compliance is defined as a condition where a taxpayer fulfills all tax obligations and exercises his tax rights. According to attribution theory, the better the morale of the taxpayer, the higher the motivation of the taxpayer in carrying out tax planning.

Research by Hafizha Jatu Nur Afifi (2017) and research by Rudi Panca Putra Panggabean, Ria Nelly Sari, Vince Ratnawati (2020) state that taxpayer morale has a positive effect on tax planning. Based on this description, the following hypothesis can be made:

H3: Taxpayer morale has a positive effect on tax planning.

RESEARCH METHODOLOGY

In this study, the type of research used is quantitative research. In this study, the object of research is MSME actors in the Cikarang area. The data collection method used in this study uses field study techniques. Field study technique is a technique of collecting data directly from respondents by giving a questionnaire. This questionnaire was given directly to MSMEs in the Cikarang area, where the respondents answered their own awareness of the questionnaire questions regarding the variables of understanding tax regulations, tax administration, taxpayer morale, and tax planning. Furthermore, the data that has been obtained will use a quantitative method with statistical hypothesis testing. The population in this study are all MSME actors in the Cikarang area.

This study uses multiple linear regression tests to analyze the relationship of two or more independent variables. According to (Sugiyono, 2020) multiple linear regression analysis intends to predict how the condition of the dependent variable will be, if two or more independent variables as predictor factors increase and decrease in value (manipulate). Terms of this analysis can be done if the independent variable is at least 2. In this study aims to determine the effect of understanding tax regulations, tax administration, and taxpayer morale on tax planning. The multiple linear regression equation model is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Information:

Y = Tax Planning

a = Constant

$\beta_{1,2,3}$ = Regression Coefficients 1,2, and 3

X₁ = Understanding of Tax Regulations

X₂ = Tax Administration

X₃ = Taxpayer Morale

e = error

RESEARCH RESULTS AND DISCUSSION

Validity and Reliability

All variables in this test are said to be valid and reliable because in testing the validity of $r\text{-count} \geq r\text{-table}$ (0.361) and in testing the reliability of Cronbach's Alpha value ≥ 0.60 . Can be seen in the following table:



Table 3. Validity and Reliability Test

Variable	Validity	Cronbach's Alpha Reliability
Understanding of Tax Regulations (X ₁)	Valid	0,804
Tax Administration (X ₂)	Valid	0,905
Taxpayer Morale (X ₃)	Valid	0,787
Tax Planning (Y)	Valid	0,853

Normality test

In this study, the normality test can be carried out using the Kolmogorav-Smirnov test, the normality test is carried out using SPSS 26 for windows.

Table 4. Normality Test

		Unstandardized Residual	
N		100	
Normal Parameters ^{a,b}	Mean	,0000000	
	Std. Deviation	3,62069037	
Most Extreme Differences	Absolute	,103	
	Positive	,103	
	Negative	-,073	
Test Statistic		,103	
Asymp. Sig. (2-tailed)		,011 ^c	
Monte Carlo Sig. (2-tailed)	Sig.	,222 ^d	
	99% Confidence Interval	Lower Bound	,211
		Upper Bound	,232

Based on Table 4, the normality test results show a significant value of 0.222, which means $0.222 > 0.05$. Because the significance value is greater than 5%, the residual data is normally distributed.

Multicollinearity Test

The multicollinearity test aims to test whether there is a strong relationship between the independent variables. So, to find out whether multicollinearity occurs or not, you can look at the Tolerance or Variance Inflation Factor (VIF) values. If a low tolerance value is the same as a high VIF value (because $VIF = 1/tolerance$) and indicates high collinearity. The commonly used tolerance value is 0.10 or the same as the VIF value above 10.

Table 5. Multicollinearity Test Results

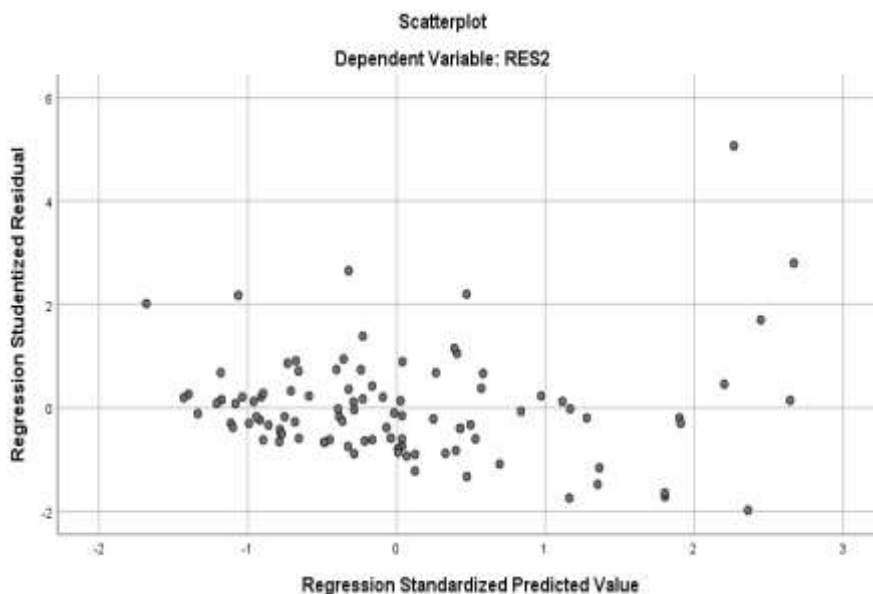
Model	Collinearity Statistic	
	Tolerance	VIF
Understanding of Tax Regulations (X ₁)	,326	3,066
Tax Administration (X ₂)	,200	4,992
Taxpayer Morale (X ₃)	,225	4,436

Based on the results of the multicollinearity test, the VIF value is < 10 and the tolerance value is > 0.01 . The VIF values for the four independent variables do not exceed 10. This indicates that the independent variables used in the study show no signs of multicollinearity.



Heteroscedasticity Test

The purpose of the heteroscedasticity test is to test whether the variance of one observation is the same as other observations and to find out whether the data is homogeneous (data distributed at the distribution center). In the following, data from the heteroscedasticity test results are presented using the Scatter Plot test method and also using the Glejser test using the SPSS 26 application.



Picture 1. Heteroscedasticity Test Results with Scatterplot

Based on the heteroscedasticity test above, it shows that the points are distributed randomly and do not form a certain pattern, the points spread below and above the zero on the Y axis. Thus it can be said that there is no heteroscedasticity in the regression model.

Autocorrelation Test

The autocorrelation test is used to analyze whether the regression equation shows autocorrelation. If there is autocorrelation, then the equation is not suitable for prediction. Conversely, if there is no autocorrelation, then the regression equation is said to be good and can be used as a prediction. To test autocorrelation using Durbin-Watson as follows:

Table 6. Autocorrelation Test Results

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	,845 ^a	,715	,706		3,677	2,518

Based on table 6, the autocorrelation test results obtained above give a Durbin-Watson value of 2.518 compared to Durbin-Watson with a significance of 0.05 and the amount of data (n) = 100 and the independent variable (k) = 3. From the processing results obtained dL (lower value limit) of 1.6131 and dU (upper value limit) of 1.7364. So it can be concluded that there is no autocorrelation.

Multiple Linear Regression Test

Multiple linear regression testing aims to measure how much influence understanding of tax regulations, tax administration, and taxpayer morale have on the tax planning of MSME actors in the Cikarang area. The following is a table of data calculated using the SPSS 26 software method:



Table 7. Multiple Linear Regression Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7,540	1,908		3,952	0,000
	Understanding of Tax Regulations	0,555	0,123	0,519	4,519	0,000
	Tax Administration	0,251	0,095	0,321	2,633	0,010
	Taxpayer Morale	0,046	0,113	0,039	0,408	0,684

a. Dependent Variable: Tax Planning

Looking at the Unstandardized Coefficients Beta value in table 1 above, it can be determined that the multiple linear regression equation resulting from this study is as follows:

$$Y = 7,540 + 0,555X_1 + 0,251X_2 + 0,046X_3$$

Which means that:

- The constant is 7.540 which means that if the variable Understanding of Tax Regulations, Tax Administration and Taxpayer Morales is considered zero, then the Tax Planning variable is only 7.540.
- The regression coefficient value of the Understanding of Tax Regulations variable (X1) obtained a value of 0.555 with a significance level of 0.000 (smaller than an alpha level of 0.05). This means that if the other independent variables are constant (0) and the variable Understanding of Tax Regulations (X1) increases only, then the dependent variable (Tax Planning (Y)) will increase by 0.555. The positive regression coefficient value of Understanding of Tax Regulations (X1) indicates that the influence of Understanding of Tax Regulations on Tax Planning is unidirectional, which means that if the Understanding of Tax Regulations is getting better, it will increase Tax Planning for MSME actors in the Cikarang area.
- The regression coefficient value of the Tax Administration variable (X2) obtained a value of 0.251 with a significance level of 0.010 (smaller than an alpha level of 0.05). This means that if the other independent variables are constant (0) and the Tax Administration variable (X2) only increases, then the dependent variable (Tax Planning (Y)) will experience an increase of 0.251. The positive value of the regression coefficient of the Tax Administration variable (X2) indicates that the influence of Tax Administration on Tax Planning is unidirectional, which means that if the Tax Administration is getting better, it will increase Tax Planning for MSME actors in the Cikarang area.
- The regression coefficient value of the Taxpayer Moral variable (X3) obtained a value of 0.046 with a significance level of 0.684 (greater than the alpha level of 0.05). This means that the Taxpayer Moral variable has no influence on the Tax Planning variable.

Of the three independent variables above, the one that has the greatest or dominant influence is the Understanding of Tax Regulations variable with a beta value of 0.555 while the Taxpayer Moral variable only has a beta value of 0.046.

Regression Model Testing (Test F)

The F test is used to test whether together all the independent variables have an influence on the dependent variable. The F statistic test is carried out using the Analysis of Variance (ANOVA), namely by comparing the Sig. from F with alpha. If it is significant $F < 0.05$, then there is a significant simultaneous effect. If it is significant $F > 0.05$, then there is no significant simultaneous effect. The following is the simultaneous test output F.

Table 8. F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3251,880	3	1083,960	80,180	,000 ^b
	Residual	1297,830	96	13,519		
	Total	4549,710	99			



The results of the F test clearly show that $F\text{-count} > F\text{-table}$, namely $80.180 > 2.47$ and the resulting significance value is smaller than α ($\alpha = 0.05$), namely $0.000 < 0.05$. Therefore, the decisions taken on the results of the F Test are all independent variables namely Understanding of Tax Regulations (X1), Tax Administration (X2), and Taxpayer Morale (X3) simultaneously and significantly influence Tax Planning for MSME actors in the Cikarang area.

Determination Coefficient Test (R^2)

The coefficient of determination test was carried out to find out how much influence the independent variables have on the dependent variable. Or it can be expressed as the ratio of the influence of all independent variables on the dependent variable. The following is the processed data for the coefficient of determination test.

Table 9. Determination Coefficient Test Results (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,845 ^a	,715	,706	3,677

The results of the analysis of the coefficient of determination calculation model can be interpreted that the Adjusted R Square value is 0.706 or equal to 70.6%, which means that 70.6% of tax planning can be explained by all independent variables, namely understanding tax regulations, tax administration, and taxpayer morale. Meanwhile, the remaining 29.4% can be explained by other causal factors not found in this study.

DISCUSSION

The Influence of Understanding of Tax Regulations on Tax Planning

The results of multiple linear regression statistical tests from this study indicate that there is a significant influence between the variable Understanding of Tax Regulations on Tax Planning for MSME actors in the Cikarang area. Understanding of tax regulations is a process in which taxpayers understand and know about regulations and laws as well as tax procedures and apply them to carry out tax activities. The higher the understanding of taxpayers regarding tax regulations, the higher the understanding of gaps in tax regulations, so that taxpayers will be more motivated to carry out tax planning. Someone carrying out tax planning must be based on tax regulations, so that the understanding possessed by taxpayers has a very important role to know the gaps that exist in tax regulations to be able to minimize the amount of tax owed.

Based on the results of respondents' answers or assessments regarding several statements given by researchers through the media of questionnaires, the highest score is the statement "I know and understand the latest information regarding taxation including sanctions when I am negligent in carrying out tax obligations" with an assessment score of 379 which belongs to in the "Good" category. That is, the Taxpayer already knows and understands the latest information regarding taxation, so that the Taxpayer will be better off in carrying out his tax obligations because the Taxpayer himself already understands the sanctions that he will get when he is negligent in carrying out his tax obligations and makes the Taxpayer more compliant. The results of this study are in line with research conducted by (Hutriani et al., 2022), research (Rezeki et al., 2021), research (Hetiaty et al., 2021), research (Jusoh et al., 2021), research (Nurlis & Ariani, 2020), research (Lestari, 2019), and research (Afifi, 2017) which says that understanding of tax regulations has a significant effect on tax planning. However, it is contrary to the results of research (Nuramal & Muzdalifah, 2021) which says that understanding of tax regulations has no significant effect on tax planning.

The Influence of Tax Administration on Tax Planning

The results of this study indicate that there is a significant influence between the Tax Administration variables on Tax Planning for MSME actors in the Cikarang area. The results of the study show that taxpayers, in this case MSME actors in the Cikarang area, have done good tax administration. The better the Taxpayer performs tax administration, the better the Taxpayer understands that administrative sanctions can be imposed if the Taxpayer does not carry out his tax obligations, so that the Taxpayer will be more motivated to carry out tax planning. In addition, if taxpayers are often late in carrying out tax administration (deposit and report), the possibility of the tax authorities conducting all taxes audits is also greater. However, if the taxpayer has carried out tax administration properly, then the taxpayer can minimize tax surprises by optimizing costs that are not related to tax objects and so on.



Based on the results of respondents' answers or assessments regarding several statements given by researchers through the media of questionnaires, the highest score is the statement "I pay income tax on time" with an assessment score of 411 which is included in the "Good" category. That is, taxpayers are good at paying their income tax on time, so taxpayers will also be better able to carry out tax planning, because the taxpayer himself already knows one of the important aspects to avoid imposing administrative sanctions by paying income tax on time. The results of this study are in line with research conducted by (Hetiaty et al., 2021) and research (Sudirman & Muslim, 2018) which says that Tax Administration has a significant effect on Tax Planning in. However, contrary to the results of research conducted by (Hutriani et al., 2022) and research (Afifi, 2017) that Tax Administration has no significant effect on Tax Planning.

The Influence of Taxpayer Moral on Tax Planning

The results of this study indicate that there is no significant effect between the Taxpayer Morale variable on Tax Planning for MSME actors in the Cikarang area. The results of this study indicate that taxpayer morale does not grow as a motivation for taxpayers to carry out tax planning because taxpayers do not have sufficient awareness and responsibility as taxpayers to pay taxes as a form of contribution to the state. That is, good or bad taxpayer morale will not influence or motivate taxpayers to carry out tax planning.

Based on the results of respondents' answers or assessments of several statements given by researchers through the media of questionnaires, the lowest score is the statement "I am influenced by family, friends, tax consultants, and tax officials in carrying out tax planning with an assessment score of 343. That is, taxpayers You can also be influenced by family, friends, tax consultants, and tax officials to do tax planning. As a result of this, taxpayers will carry out their tax obligations based on coercion from the tax authorities and the existence of tax penalties. This is also supported by the results of research conducted by (Maharani et al., 2021) which says that Taxpayer Morale has no significant effect on Tax Planning. However, contrary to the results of research conducted by (Jusoh et al., 2021), research (Panca et al., 2020), and research (Afifi, 2017) that taxpayer morale has a significant effect on tax planning.

CONCLUSION AND RECOMMENDATION

Conclusion

This research was conducted to find out whether Understanding of Tax Regulations (X1), Tax Administration (X2), and Taxpayer Morale (X3) partially and simultaneously influence tax planning for MSME actors in the Cikarang area. Based on the results of the analysis that was carried out in the previous Chapter IV, the following conclusions are obtained:

1. Understanding of Tax Regulations (X1) has a positive and significant effect on Tax Planning (Y) for MSME actors in the Cikarang area. The higher the understanding of taxpayers regarding tax regulations, the higher the understanding of gaps in tax regulations, so that taxpayers will be more motivated to carry out tax planning.
2. Tax Administration (X2) has a positive and significant effect on Tax Planning (Y) for MSME actors in the Cikarang area. The better the understanding of the Taxpayer regarding tax administration, the better the Taxpayer understands that administrative sanctions can be imposed if the Taxpayer does not carry out his tax obligations, so that the Taxpayer will be more motivated to carry out tax planning
3. Taxpayer morale (X3) has no significant effect on tax planning (Y) for MSME actors in the Cikarang area. That is, good or bad taxpayer morale will not influence or motivate taxpayers to carry out tax planning.

Research Limitations

This research certainly has some limitations in its completion, which are expected to be overcome in future research. These limitations include:

1. The effect of understanding tax regulations, tax administration, and taxpayer morale on tax planning in this study is limited only to the Cikarang area and area, so that it cannot describe more broadly the population of MSME actors, at least for the Bekasi or Jabodetabek districts.
2. This study is limited to only observing tax planning from three variables, namely understanding of tax regulations, tax administration, and taxpayer morale. While there are many other variables that can affect tax planning such as: Loopholes, Tax Rates, Tax Sanctions, Tax System, Tax Audit.



3. This research is limited by time, and this research was only conducted in one period.
4. Research with questionnaires in collecting data for processing is very limited and only describes the opinions of MSME actors in the Cikarang area.
5. The limitations of this study are also limited to the statements in the questionnaire that the researcher has made as material for data collection.

Recommendation

1. Theoretical Recommendations

In the research topic for Tax Planning, other researchers can explore more and use other independent variables that are more numerous and sharp, such as: Loopholes, Tax Rates, Tax Sanctions, Tax Systems, and Tax Audits in data collection so that what can be identified can be identified. influence, strengthen or weaken the level of tax planning.

2. Practical Recommendations

a. For MSMEs

This research can be used by MSME actors regarding the implementation of a tax plan by upgrading their knowledge and understanding of tax regulations such as the tariffs of Article 31 E which can be used as a way to carry out tax planning. In addition, MSME actors also have the right to ask tax officials regarding tax administration if indeed MSMEs do not really understand the mechanisms of tax administration that can help solve their tax problems. This research can also be used as information to become a reference for MSME actors to have the motivation to carry out tax planning on the basis of their own instincts and not being influenced by other people, but still by not violating applicable tax regulations or laws.

b. For Government

This research can be used by the government to provide information and references in formulating policies related to appropriate tax planning to increase the awareness of MSME actors in paying taxes and can encourage the government to continue to improve existing regulations regarding the application of tax planning so as to increase the protection and compliance of taxpayers. One of them is related to Article 31 E (Non-Final Income Tax) for MSMEs. In addition, it is also hoped that the government will be able to improve matters regarding the effectiveness of tax planning implementation, including: (1) For the variable understanding of tax regulations, it can be increased by a large number of socializations regarding tax regulations and laws that apply massively and comprehensively, understanding the rates used especially for MSME actors and how MSME actors apply their understanding of the tax regulations. (2) Tax administration can be improved by providing opinions from tax officers to taxpayers regarding tax issues from the taxpayers themselves. (3) Taxpayer morale, although less influential, is very important for taxpayers to have, so that the motivation of taxpayers to carry out tax planning based on compliance, voluntarism, and awareness of taxpayers regarding applicable taxation must be increased.

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Cite this Article: Annathasia Puji Erasashanti, Nuansa Aulia Nurani, Hikmah A.R. (2023). Understanding of Tax Regulations, Tax Administration and Taxpayer Morale towards Tax Planning. International Journal of Current Science Research and Review, 6(2), 1056-1067