

## MOTIVATIONAL POSTURES IN TAX COMPLIANCE DECISIONS: AN EXPERIMENTAL STUDIES

Elen Puspitasari

Faculty of Economics and Business  
University of Stikubank, Semarang, Indonesia  
Email: elenmeiranto@yahoo.com

Wahyu Meiranto

Faculty of Economics and Business  
University of Diponegoro, Semarang, Indonesia  
Email: genthonk\_cakep2000@yahoo.com

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### ABSTRACT

*Studies on tax compliance decision will have widespread development using a variety of approaches in terms of theory, variables, and research methods. This study examines and investigates the influence of postures motivation, strategy of tax audits, and peer reporting behavior in experimental studies. Posture motivation is internal factors of individual taxpayers, which is placed as a covariate on the dependent variable of tax compliance decisions. Tax audit strategy and peer reporting behavior is experimental variables. Each of the experimental variables, divided into two treatment levels. Therefore, this design of experimental research is experimental design with covariates. Based on the number of independent variables and treatment as well as treatment of the participants, the design used in this study was Quasi Experimental Design Between-Subject 2X2 with Covariate with random assignment method. The subject in the experiment is the taxpayers who has a tax ID and have experience in reporting their tax revenue. The most important is that they earn income from their own business. The analysis technique used was Analysis of Covariate (ANCOVA). The results showed that the posture of motivation as concomitant factors (covariates) does not affect tax compliance decisions. This study proves that the strategy of tax audits and peer reporting behavior affect tax compliance decisions. Taxpayer who's given fixed audit strategy information more obedient than the taxpayers who obtained information random audit strategy. Peer reporting behavior will determine the decisions of tax compliance. The findings in this study are intended to provide some practical implications for improving tax compliance. That is for the tax authorities in establishing tax policies are based on the self-assessment system.*

Keywords: Motivational postures, tax compliance decisions, strategy of tax audits, peer reporting behavior.

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### Introduction

Research on tax compliance is the study came from a universal phenomenon that takes place in all societies and economic systems, including both of developing and developed countries (Chau and Leung, 2009). Organization for Economic and Co-operation Development (OECD) found that tax compliance is an important issue. According to Palil (2005), taxation is one of the important elements in managing national income, especially in developed countries. Most of the countries around the world develop their nation primarily from income tax sources, either direct taxes or indirect taxes. Hence, compliance in paying taxes is an important factor to increase state revenue because taxes an important role as a source of state revenue. The phenomenon of the country's revenue which is dominated by revenues derived from the tax is also applicable in Indonesia, amounting to 78.89 percent of total state revenues will be derived from tax revenue ([www.fiskal.depkeu.go.id](http://www.fiskal.depkeu.go.id)).

Countries in Southeast Asia are incorporated in the ASEAN organization will soon be implementing the ASEAN Economic Community (AEC) by 2015. AEC in economics is intended to boost the economy in the region by increasing competitiveness in the international arena. It is intended that the economy can grow evenly, rising standards of living, and the main thing is to reduce poverty. There are six core elements under the competitive economic region: (i) competition policy; (ii) consumer protection; (iii) intellectual property rights (IPR); (iv) infrastructure development; (v) taxation; and (vi) e-commerce (The ASEAN Secretariat, 2011).

This study examines the fifth core elements of the AEC is the taxation elements with regard to tax compliance decisions through experimental research methods. Participants in this study is the taxpayer who has their own business or as an entrepreneur. They are required to be able to show the Taxpayer Identification Number (Tax ID) that they have, and had experience in making tax reporting. Selection of participants in this study supports the discourse of the AEC forums which stated that the Small and Medium Enterprises (SME's) are the backbone of the economy of the ASEAN countries. The development of SME's makes a significant contribution to the sustainable economic growth.

Tax compliance according to OECD (2010) is a problem associated with how to enter and report all information timely, filling in the correct amount of taxes owed and taxes paid on time without any coercive action. Alm (1991) defined tax compliance as the

reporting of all incomes and paying of all taxes by fulfilling the provisions of laws, regulations and court judgements. Tax compliance is the result of a psychological contract. Tax compliance is an implication of the existence of a contractual relationship between duties and rights of each of the parties to a contract consisting of taxpayers and states.

Tax compliance will always be interesting to study, although some previous researchers have tried to develop a model of tax compliance (Alabede et al., 2011). According Torgler (2002), a study on tax compliance decisions will continue to grow extensively using a variety of theoretical approaches, variables, and other research methods. Test results empirically and theoretically prove that tax compliance is influenced by various factors (Alm et al., 2012).

Tax compliance decisions in the experimental research of Alm and McKee (1998) classified into two categories taxpayers individual behavior, which is based approach to internal (moral behavior) and external (government decision). Their results proved that moral behavior (internal) derived from the individual Taxpayers can not be ignored in the tax compliance decisions. Taxpayers who have a strong commitment to social norms tend to behave more obedient (Hanno and Violette, 1996). The internal approach is related to functional factors that are personal (intrinsic) such as moral considerations (Bobek and Hatfield, 2003; Torgler, 2002; Alm and McKee, 1998; Reckers et al., 1994) and motivational postures (Braithwaite, 2003). Extrinsic factors such as the attitude of the taxpayer on government decisions (Alm and McKee, 1998), and the rules are related to the taxation system. Tax rules include provisions to tax rates, taxable income (non-taxable income), penalties and tax audits (Efebera et al., 2004).

The most basic difficulty in the study of tax compliance decisions empirically is the availability of detailed information, and reliable decisions regarding the options of individual taxpayer compliance. Compliance measurement in the OECD Tax Guidance Series (2001) recommends to use experimental designs are considered as the ideal method of data collection in the study of tax compliance (Togler, 2002; Fallan, 1999; Ghosh and Crain, 1995). Experimental design will lead the researcher to find a causality relationship that influences the behavior of taxpayers in tax compliance decisions.

These study of tax compliance decisions using a new approach as internal factors in determining tax compliance items, namely motivational postures theory (Braithwaite, 2003). This theory is a new approach in order to improve tax compliance by individual psychological method taxpayer, which was developed by Valerie Braithwaite in 1995. Posture motivation is a mental attitude (stances) that taxpayers openly express in their relationships with the tax authority. These postures were identified in earlier regulatory work (Braithwaite, 2003) to describe the way in which taxpayers controlled the amount of social distance they placed between themselves and the tax office.

Five motivational postures have been identified as important in the context of taxation compliance: (i) commitment, (ii) capitulation, (iii) resistance, (iv) disengagement, and (v) game playing. The two postures that reflect an overall positive orientation to authority are commitment and capitulation. In contrast to these postures of deference, are three postures of defiance, namely resistance, disengagement, and game playing. Posture of the last three described taxpayers' defiance oriented or inclined to fight against the policies regulated by the tax authorities.

The external factors in these studies of tax compliance are an extrinsic factor pertaining with the tax regulations (Alm and McKee, 1998) and situational factors (Trivedi et al., 2003). The external factor in this experimental research strategy consists of a variable tax audits and peer reporting behavior. Tax audit strategy in this experimental study were divided into two treatment levels, ie random and fixed audit strategy. Random audit strategy is a strategy audit where the level of uncertainty is random audits higher, because each taxpayer is equally likely to be inspected, when compared with the audit strategy is fixed. Information regarding tax audit strategies is a key factor in conducting experimental research study of tax compliance decisions (Alm et al., 1993).

Random audit strategy will improve tax compliance (Alm and Mc Kee, 2006). This is due the probability of the uncertainty will be high inspection lead to caution in reporting income taxpayers (Reinganum and Louis, 1985). However, Alm et al. (1993) stated that the fixed audit strategy will be more effective in improving tax compliance. This can be happening, if when setting of criteria specified inspection before taxpayers report their income contains the information which appropriate.

Peer reporting behavior is part of the attitudes and perceptions of the Fischer Model. Some of the tax compliance literature suggests that peer reporting behavior is one of the variables that determine tax compliance decisions derived from situational factors (Alm et al., 2012; Palil, 2010; Trivedi et al., 2003; Kaplan and Reckers, 1988; Hite, 1988). Tax compliance is influenced by the peer, such as friends, family, and the people are around him (Chau and Leung, 2009). Chan et al (2000) states that the taxpayer will decide not to obey for a consistent environment to not obey. However, the findings of Hite (1988) demonstrate empirically that the reporting behavior of peer variables were used as experimental variables in an experiment that did not affect the participants' tax compliance reporting decisions.

Tax compliance decision as the dependent variable is a complicated decision, so that the existence of the independent variables such as a tax audit strategy, and peer reporting behavior suspected as factors that influence the decision of tax compliance was a possibility there are other factors that also influence, namely posture motivation is inside the individual taxpayer. Therefore, this experimental study puts the posture of motivation as a covariate in the model of tax compliance decisions.

### Motivational Postures Theory

Posture motivation used in the research of tax compliance behavior with the aim to capture the attitude which is reflected from the taxpayer on the regulations have been established by tax authorities. Braithwaite (2003) stated that the Authorities may have legal legitimacy, but this does not guarantee them psychological legitimacy. Individuals and groups evaluate authorities in terms of what they stand for and how they perform. As evaluations are made, revised, shared and accumulated over time, individuals and groups develop positions in relation to the authority. A psychological concept that is central to positioning is social distance (Bogardus, 1928 in Braithwaite, 2003). Furthermore, they will determine their position on the policy stance. The situation in the psychology concept called social distance (Bogardus, 1928 in Braithwaite, 2003: 18). Social distance will determine the level of acceptance and rejection of the taxpayer through the tax system which in turn will affect their compliance behavior.

Posture motivation is formed from the position (distance) between taxpayers with regulators and regulations that lead to beliefs, feelings and attitude interconnected. Five motivational postures that have been identified by Braithwaite (2003) are an important component in the tax compliance orientation is divided into two parts. Two of the first postures reflect a positive orientation toward authority, namely motivations posture commitment and capitulation. While the three postures of the second part describes the resistance (defiance) of the tax system that motivation posture of resistance, disengagement and game playing.

Commitment reflects beliefs about the desirability of tax systems and feelings of moral obligation to act in the interest of the collective and pay one's tax with good will. Capitulation reflects acceptance of the tax office as the legitimate authority and the feeling that the tax office is a benign power as long as one acts properly and defers to its authority. Resistance reflects doubts about the intentions of the tax office to behave cooperatively and benignly towards those it dominates and provides the rhetoric for calling on taxpayers to be watchful, to fight for their rights, and to curb tax office power. Disengagement is also a motivational posture that communicates resistance, but here the disenchantment is more widespread, and individuals and groups have moved beyond seeing any point in challenging the authorities. The tax office and the tax system are beyond redemption for the disengaged citizen, the main objective being to keep both socially distant and blocked from view. The fifth posture is game playing. Game playing is a tax behavior which relates to the taxpayer's view on tax regulations to seek opportunities (loopholes) that can be used in order to find the weakness of the rule.

### Tax Compliance Decisions

Compliance is defined as a compliance that is based on the expectation of a reward. Compliance is an attempt to avoid potential penalties. Compliance will appear, if there is strict control over the implementation of applicable laws. Likely to be inspected and given a sanctions are part of the factors that affect tax compliance. Some tax authorities, such as IRS (Internal Revenue Service), ATO (Australian Taxation Office) and IRB (Inland Revenue Board) to define tax compliance as ability or willingness of taxpayers to comply with tax regulations, disclose the amount and source of real income every year, and pay taxes in number of correct and timely. Organization for Economic Co-operation and Development (OECD, 2001) stated that the problems regarding tax compliance with regard to how to enter and report all the information on time, filling in the correct amount of taxes owed and taxes paid on time without any coercive action.

### Strategy Of Tax Audits

Alm et al. (1993) suggested that there are several ways or strategies to conduct examinations (audits) tax, namely the selection of audit strategies Random and Fixed. Fixed audit strategy, consisting of a Cutoff, Future Conditional Audit and Audit Back Conditional strategy. Implementation of the random audit strategy has a level of uncertainty is higher examination, because each taxpayer equally likely to be examined, when compared with the audit strategy is fixed. Random audit requires that the tax authorities using information from reporting income that have been submitted by the taxpayer in determining who will be selected for audit.

Cutoff audit strategy (CoF) is the strategy chosen by the tax authorities to make an announcement that every taxpayers who reported less than or equal to the amount of taxable income as the cutoff level will be audited with a high degree of certainty. Conditional Future Audit strategy (CFA) is a strategy in which the tax authorities take advantage of past information (historical) taxpayers in determining the target or set taxpayers who will be audited. Conditional Back Audit strategy (CBA) determines taxpayers will be audited based on audit performed at this time.

### Peer Reporting Behavior

Behavioral research states that peer groups have a strong impact on behavior, preferences and personal values of the individual person. The concept of the reference group was introduced by Merton (1957) in Hite (1988). Reference group is a unit used individually as a comparative framework that is intended to make an assessment in determining attitudes and decisions. Wenzel (2004) stated that the reference group is closely associated with the decision, in addition to behavioral factors, attitudes and social norms. This indicates that when a person is an individual's perception is influenced by the behavior of other people (referents), it will encourage a behavior that deviate decision (Efebera et al., 2004).

A peer influence factor has been reflected in the model of tax compliance by Fischer et al. (1992). Peer (referent) relating to the taxpayers are members of families, couples, friends and colleagues (Jackson and Milliron, 1986). If the people who are around

taxpayers' and those considered important to have a positive attitude towards taxes, then the taxpayers will tend to behave obediently against tax decisions and otherwise.

### **Posture Motivation Taxpayers On Tax Compliance Decisions**

Several empirical studies on motivational postures in particular has published by Braithwaite (2003) to the book: *taxing democracy*. The results showed that the posture (the mental attitude of individual taxpayers) are different can affect tax compliance decisions. Motivational posture changes according to the circumstances of the relationship that is created between the taxpayer and the tax authority. Braithwaite (2003) suggests that there two postures that reflect an overall positive orientation to authority are commitment and capitulation. Commitment reflects beliefs about the desirability of tax systems and feelings of moral obligation to act in the interest of the collective and pay one's tax with good will. Capitulation reflects acceptance of the tax office as the legitimate authority and the feeling that the tax office is a benign power as long as one acts properly and defers to its authority.

Further, Braithwaite (2003) states that there are contrasts to these postures of deference, are three postures of defiance. The first is the familiar posture of resistance. Resistance reflects doubts about the intentions of the tax office to behave cooperatively and benignly towards those it dominates and provides the rhetoric for calling on taxpayers to be watchful, to fight for their rights, and to curb tax office power. Disengagement is also a motivational posture that communicates resistance, but here the disenchantment is more widespread, and individuals and groups have moved beyond seeing any point in challenging the authorities. The tax office and the tax system are beyond redemption for the disengaged citizen, the main objective being to keep both socially distant and blocked from view. The fifth posture is game playing. Game playing was included as a motivational posture for the purposes of testing whether or not players consciously adopted this style of engagement with the tax system and the tax office (Braithwaite, 2003). Therefore, it is necessary to use a study to test whether the posture of commitment and capitulation that has a positive orientation, and posture of resistance, disengagement and game playing that has a defiance orientation will affect the level of tax compliance decisions.

Hypothesis 1:

Tax Compliance Decisions will be higher in the taxpayer has a positive oriented motivation posture, when compared with the taxpayer who has a defiance oriented motivation posture.

### **Tax Audit Strategy On Tax Compliance Decisions**

Tax audit strategy is external factors faced by the taxpayer. Tax audit strategy reflects one of the deterrent effects, which the taxpayer will tend to avoid tax audit. Alm et al. (1993) suggested that the information relating to the ways or strategies to make the proper selection of tax audits will affect tax compliance decisions. Determination of tax audit strategy is done by selecting a random audit strategy or fixed audit strategy.

According to Alm et al. (1993), random auditing strategy is the simplest audit strategy and frequently used. Ghosh and Crain (1996), Beck, et al. (1991) stated that taxpayers who are on the random auditing strategy feel uncertainty and tend to avoid the risk of penalties. However, Alm et al. (1993) stated that the information conveyed by the tax authorities relating to the fixed audit strategy will have more influence on tax compliance decisions. Therefore, the fixed audit strategy is considered the most effective in improving tax compliance.

Hypothesis 2:

Tax Compliance Decisions will be higher to the taxpayer who obtained fixed audit strategy, when compared with the taxpayer who obtained a random audit strategy.

### **Peer Reporting Behavior On Tax Compliance Decisions**

Factor of peer influences or referents groups can be obtained from family, friends and colleagues (friendly persuasion). Peer influences thought to play a role in the decision of a taxpayers' for tax evasion (Allingham and Sandmo, 1972). Hite (1988) and Trivedi et al., (2003) stated that a taxpayers commitment in terms of social norms on tax compliance becomes weak, when someone who has significance (peer or referent) to the taxpayers tax evasion behaviors. The exposure has been supported by the following exposure. Peer (referents) has a strong influence, when peer (referent) that plays an important role and be a valid reason for someone to obey (John and Bertram, 1959 in Kreitner and Kinicki, 1992 and Palil, 2010). The behavior and attitude of the people who were around the taxpayer and considered important (referent) by the taxpayer, such as family, spouse, peers, and colleagues (peer) is thought to have a strong influence on tax compliance decisions (Palil, 2010).

Hypothesis 3:

Tax Compliance Decisions will be higher on the taxpayer to obtain the influence of peer reporting behavior obedient (compliers), when compared with the taxpayer to obtain the influence of peer reporting behavior of non-compliance.

**Research Setting**

This experiment is a research study using laboratory experiments settings. These experimental researches was conducted under the circumstances arranged and direct manipulation on taxpayer external factors, namely the independent variable tax audit strategy and peer reporting behavior, so it can be determined causality effect of the independent variable on the dependent. Internal factors taxpayer in this study is a motivational posture variable which is as concomitant factors (covariates) which has the possibility of affecting (confounding effect) dependent variable tax compliance decisions. Therefore, the concomitant factors are not able to be controlled by the experimenter. Thus, this experimental study is methodologically called a quasi-experimental design.

**Participants**

Experimental subjects or participants were used in this study is 96 individual taxpayer’s who has income derived from the conduct of business itself. They have a Taxpayer Identification Number and have experience in reporting his tax liability. This is done in order to eliminate the weakness of experimental research in terms of external validity is low. Selection of research participants in this experiment was in accordance with the basic principles of search participants. After the measurement of motivational posture of each participant, it can be seen that 71 participants had a positive oriented motivation posture. While the 25 participants who have the motivation posture defiance orientation.

**Design Of Experiments**

The design used in this study was Quasi Experimental Design Between-Subject 2X2 with covariate with random assignment method. Variable posture motivation is the covariate variables, ie variables which can not be controlled in a research experiment, but these variables are likely to affect the outcome of the dependent variable. Independent variables (experimental variables) who obtained in this experimental research is the strategy of tax audits and peer reporting behavior, in which each of these variables will be divided into two treatment levels. Each participant will receive only one treatment level of each of the experimental variables.

Table 1: 2X2 Between Subject Experimental Design

AUDIT STR	RAS	RAS	FAS	FAS
PEER	PEC	PEN	PEC	PEN
Σ Partisipant (96)	23	23	24	26

**Research Variables**

The dependent variable in this study is the decision of Tax Compliance, which is an ethical decision made by the taxpayer to declare the amount of income to be taxed. Measurement of tax compliance decisions in this experimental research was obtained from participants in the decision or response reported total income of the level of treatment or manipulation is given by the percentage units.

The independent variable in this study is the external and internal factors taxpayer. External factors are the independent variables are getting treatment, or named as an experimental variable, ie the variable tax audit strategy and peer reporting behavior. While internal factor taxpayers’ is variable posture motivation, where this variable is not carried out the level of treatment by the experimenter (covariate variable).

Tax audit strategy, defined as strategies or ways in which the tax authorities to check the truth of every statement of taxable income reported by individual taxpayers. Audit strategy in this study consists of two strategies, namely random audit strategy and fixed audit strategy. Manipulation conducted by providing information on strategies that are applicable audit. Variable audit strategy is a non-metric variables were measured using two categories, namely category 1 for random audit strategy (RAS); and category 2 for fixed audit strategy (FAS).

Peer reporting behavior is defined as external influences acquired by the taxpayer from income reporting decisions are derived from a friend or colleague or people nearby (referent group) that may affect tax compliance decisions. Manipulation conducted by providing information to participants about the situation overview of peer behavior on experimental media. Variable peer reporting behavior is non-metric variables were measured using two categories, namely category 1 (PEC) for reporting peer obedient behavior (compliers), and category 2 (PEN) for peer reporting behavior that is not compliant (noncompliers).

Statement on posture commitment and capitulation, reflect positively oriented taxpayer. While the statement on the posture of resistance, disengagement and game playing illustrates the attitude of taxpayers who have orientation defiance on the tax authorities. Measurement of motivational postures conducted in the early stages of the experiment using the instrument

motivational postures in the form of a questionnaire with 29 statements; with answers in a Likert scale of 1 (strongly disagree) to 5 (strongly agree) developed by Braithwaite (2003).

### Experimental Procedure

Beginning of the experiment according to the place and time specified. The first stage is to establish internal validity environment, where the convenience of the participants in the following stages of the experiment is preferred. Introductory phase, the experimenter begins with an introduction to the participants, including the presentation of research objectives, and a statement as independent researchers rather than as part of the tax authorities. Experimenter gives an explanation of the experimental procedure to be run.

Submission stage is the stage at which distribute a questionnaire consisting of demographic data and a list of motivational posture statement. Experimenter said that the list of statements contained in the questionnaire is not an exam, so participants need not worry on the resulting score. Participants require a period of sixty minutes to complete this phase.

Phase manipulation experiments, in which each participant will receive one treatment levels for the experimental variables (between subjects). Participants at this stage of the experimental media was asked to take form of experimental stimulus in the form of case or scenario tax audit strategy and peer reporting behavior of box experiment, randomly. The time given to the participants to make decisions based on the amount of income reported treatment (manipulation) audit strategy and peer reporting behavior that is received each a maximum of ten minutes.

### Data Analysis Techniques

The descriptive statistics in this study is intended to provide an overview of the participants in terms of demographics. Participants aged between 25 years to 48 years. Education consists of those participants who were graduates of diploma, bachelor, and master. Participants who follow the research of tax compliance decision is in accordance with ecological validity, ie participants as experimental subjects in this study population was representative of the phenomenon of actual conditions. Manipulation checks carried out on the data obtained from the participants, whether participants know and understand the correct treatment is given to the participants during the experiment.

Hypothesis testing is conducted by using ANCOVA (Analysis of Covariance). The model equations are used to test the hypothesis first and second with Between-Subject design with covariates are as follows:

$$DECISSION_{ijk} = \mu + \alpha STRA_i + \alpha PEER_j + \beta POSTMOTIV_k + \varepsilon_{ijk}$$

where:

DECISSION <sub>ijk</sub>	: Tax Compliance Decisions
$\mu$	: Mean general
$\alpha STRA_i$	: The effect of level i of factor tax audit strategy (Random audits and fixed audits)
$\alpha PEER_j$	: The effect of level j of factor peer reporting behavior (Compliers' and non compliers')
$\beta POSTMOTIV_k$	: Regression coefficient (effect) of the value of the covariate Posture Motivation
$\varepsilon_{ijk}$	: random error

Analysis of the effect of each independent variable on the dependent variable tax compliance decision is a step deeper proof of the hypothesis that has been proposed, so it needs to be followed by an analysis of the Pairwise Comparisons, which is the result of the Estimated Marginal Means. However, the placement of variable posture motivation in step of ANCOVA giving the consequence that the output of SPSS does not produce Pairwise Comparisons of Estimated Marginal Means for the covariate variables, so that further testing of the hypothesis using the Independent-Samples t Test.

### Results And Discussion

Assumptions that must be fulfilled for the Analysis of Covariance (ANCOVA) in this study include the homogeneity of variance; linearity; normality of the data; lack of fit test was conducted, with the result in appropriate with the terms of the required testing. Corrected models in **Table 2** were obtained from Tests of Between-Subjects Effects showed the significance of 0.000 is far below 0.05, then at the 95 percent confidence level can be concluded that the posture of motivation, strategies of tax audits, and peer behavior reoporting effect on tax compliance decisions simultaneously.

Hypothesis test results, obtained from the ANCOVA in **Table 2** shows that the main effect of variable posture motivation (POSTUR) with F value of 0.202 and p = 0.654 statistically is not significant at the 0.05 level. Meanwhile, variable of Tax Audit

Strategy (STRA) significantly influence the decision of Tax Compliance with F value of 13.462 and a probability of 0.000, it was under 0.05. Likewise with variable Peer Reporting Behavior (PEER) significantly influence the decision of Tax Compliance with F value of 14.931 and a probability of 0.000. The results of these tests indicate a difference significant tax compliance decisions at the level (treatment) of strategies of tax audits and peer reporting behavior, but there were no differences in significant tax compliance decisions on differences in motivational postures taxpayers.

Table 2: Results of ANCOVA

Tests of Between-Subjects Effects

Dependent Variable:DECISSION

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	2468.904 <sup>a</sup>	3	822.968	9.605	.000
Intercept	86249.098	1	86249.098	1.007E3	.000
STRA	1153.426	1	1153.426	13.462	.000
PEER	1279.311	1	1279.311	14.931	.000
POSTUR	17.350	1	17.350	.202	.654
Error	7882.594	92	85.680		
Total	803781.250	96			
Corrected Total	10351.497	95			

a. R Squared = .239 (Adjusted R Squared = .214)

**Table 3** on the statistics panel shows the average (mean) tax compliance decisions for participants with positive oriented motivation posture at 91.40 percent, while participants with a posture motivational of defiance orientations has an average tax compliance decisions at 89.50 percent. If seen from the mean values, it appears that there are differences in the level of tax compliance among taxpayers who have a motivational posture with a positive orientation to the taxpayer that has a motivational posture with a defiance orientation. If seen from the mean values, it appears that there are differences in the level of tax compliance among taxpayers who have a motivational posture with a positive orientation to the taxpayer that has the posture of defiance oriented motivation. However, when seen in Table 2 shows that the postures motivation not significant to tax compliance decisions. It showed does not appear to difference in the average tax compliance decisions among participants who had positive oriented motivation posture and defiance, in absolute terms.

Table 3: Tax Compliance Decisions  
Viewed from Taxpayer Motivation Posture

Statistics					
	POSTUR	N	Mean	Std. Deviation	Std. Error Mean
DECISSION	Positif	71	91.4085	9.67999	1.14880
	Defiance	25	89.5000	12.45826	2.49165

  

Independent Samples Test						
		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
DECISSION	Equal variances assumed	.667	.416	.785	94	.435
	Equal variances not assumed			.696	34.750	.491

In **Table 3**, t-values are shown in equal variance assumed is 0.785 with a probability of 0.435 (two-tailed). Test the hypothesis in this study was conducted with a one-tailed H1:  $\mu_1 > \mu_2$ , with a p-value to 0.2175 which is greater than  $\alpha = 0.05$  level is not significant. It can be concluded that the decision of tax compliance among taxpayers who have a positive oriented motivation

posture are no different from taxpayer who has the posture of defiance oriented motivation. Thus there is no statistical support for the **Hypothesis1 (H1)**.

The results were not significant at the posture variables motivation, the decision of tax compliance in this study due to personal characteristics of the participants owned by a taxpayer who participated in this experimental research was dominated by the participants with positive oriented motivation posture.

The results of this study indicate that the approach motivational postures theory which states that the taxpayer who has the posture of motivation with a positive orientation (commitment and capitulation) illustrates that taxpayers tend to be more compliant are not proven in this study. Therefore, this study does not support the statement Braithwaite (2003) which states that the taxpayer who has the posture motivation of defiance oriented (resistance, disengagement, and playing games) tend to behave disobedient.

**Table 4** is the result of Pairwise Comparison of Tax Compliance Decisions resulting from the Estimated Marginal Means on Strategy of Tax Audit. The results of difference test average Tax Compliance Decisions obtained from the Estimated Marginal Means on taxpayers who obtained at the level of the fixed audit strategy has a mean of tax compliance decisions ( $\mu$ ) of 94.317 percent higher than the taxpayer who obtained the level random audit strategy with  $\mu = 87.370$  percent and significant at  $p = 0.000 > 0.05$ . This suggests that there are significant differences between the tax compliance decisions on taxpayers, which are given information about the treatment: Fixed Audit Strategy or Random Audit Strategy.

Table 4: Tax Compliance Decisions  
Viewed from Strategy of Tax Audit

Estimate Marginal				
Dependent Variable:DECISSION				
STRA	Mean	Std. Error	95% Confidence Interval	
			Lower Bound	Upper Bound
random audit	87.370 <sup>a</sup>	1.366	84.658	90.083
fixed audit	94.317 <sup>a</sup>	1.310	91.715	96.919

  

Pairwise Comparisons						
Dependent Variable:DECISSION						
(I) STRA	(J) STRA	Mean Difference (I-J)	Std. Error	Sig. <sup>a</sup>	95% Confidence Interval for Difference <sup>a</sup>	
					Lower Bound	Upper Bound
random audit	fixed audit	-6.947 <sup>*</sup>	1.893	.000	-10.707	-3.186
fixed audit	random audit	6.947 <sup>*</sup>	1.893	.000	3.186	10.707

The results of this analysis support the Hypothesis2 (H2) which states that there are differences in tax compliance decisions based on information about the tax audit strategy, which is received by the taxpayer. Differences in information of the audit strategy received by the taxpayer will produce different tax compliance decisions. Taxpayer were given an information fixed audit strategy will have a tax compliance decision is more obedient than the taxpayer is given a random audit strategy information.

Stimulation experiments were given to the participants on a random audit strategy in this experimental media expressed that every taxpayer has the same probability of being audited. Random audit strategy in this experimental study requires that a condition in the experimental media, which states that the tax authorities will use the information from the reporting of the amount of income submitted by the taxpayer in accordance with the scenario to determine the criteria for the taxpayer to be audited.

Audit strategy fixed in this experimental research provide stimulation that the tax authorities are committed to delivering informative announcements regarding inspection criteria (audit rule) before taxpayers submit their income tax returns. Stimulation experiments audit strategy fixed in this study are given in the experimental media in the form of information to taxpayers regarding tax audit criteria. The information consists of (1) a cut-off level of magnitude of the reported income; (2) information about audited of the taxpayer's past (conditional back audit); and (3) information on the results of an audited conduct at this time will affect the status of the audited in the future (future conditional audit).

The central role in the selection strategy of tax audits by tax authorities contained in the information provided to taxpayers regarding tax audit criteria can be proven in this study. The more tight and clear criteria required as stated in the stimulus experiment, then the decision to report the amount of income tax payers will be higher.

The results of testing this second hypothesis supports the statement of Andreoni et al. (1998) and Alm et al. (1993) who argued that the information relating to the selection of a strategy to make the appropriate tax audits will affect tax compliance decisions. The findings of this study are not in line with the research Beck et al. (1991) in Alm (1991) which states that the random audit strategy more involved in tax compliance decisions than the audit strategy fixed.

Estimated Marginal Means in Table 5 shows the average tax compliance decisions based on the influence of peer reporting behavior. A taxpayer who obtained the influence of peer reporting behavior obedient (compliers) has an average value (mean) of the decision is higher ( $\mu = 94.539^a$ ), compared to the taxpayer that is on the influence of peer reporting behavior of non-compliance (noncompliers) with an average value (mean) tax compliance decisions by 87.148 percent and significant at  $p = 0.000$ .

The results of this statistical analysis supports Hipotesis3 (H3) which states that there are differences in tax compliance decision to the taxpayer is given the influence of peer reporting behavior that is compliant with the taxpayer to obtain the influence of peer reporting behavior of non-compliance. Thus, it can be concluded that a peer who obey will affect tax compliance decisions of participants to be more obedient, when compared to participants who influenced peers that do not comply.

Table 5: Tax Compliance Decisions  
Viewed from Peer Reporting Behavior

Estimate Marginal				
Dependent Variable: DECISSION				
PEER	Mean	Std. Error	95% Confidence Interval	
			Lower Bound	Upper Bound
COMPLY	94.539 <sup>a</sup>	1.359	91.841	97.238
NONCOMPLY	87.148 <sup>a</sup>	1.331	84.504	89.792

  

Pairwise Comparisons						
Dependent Variable: DECISSION						
(I) PEER	(J) PEER	Mean Difference (I-J)	Std. Error	Sig. <sup>a</sup>	95% Confidence Interval for Difference <sup>a</sup>	
					Lower Bound	Upper Bound
COMPLY	NONCOMPLY	7.391 <sup>*</sup>	1.913	.000	3.592	11.190
NONCOMPLY	COMPLY	-7.391 <sup>*</sup>	1.913	.000	-11.190	-3.592

The influence of the reference group in this experiment manipulated the media to influence the participants' tax compliance decisions. It is intended to prove that when a person is an individual's perception is influenced by the behavior of other people that are considered important (referents), it will encourage a behavior that deviating decision (Efebera et al., 2004). This means an obedient taxpayer behavior will result in decisions that deviate, if the taxpayer is in the disobedient group referents, and otherwise.

## **Conclusions And Suggestions**

Motivational postures which were developed by Braithwaite (2003) are proving to be useful markers of degree of consent, cooperation and commitment that underlies the human system as it comes into contact with the administrative/technical tax system. When commitment and capitulation are high, the conditions for introducing measures to improve compliance are optimal. These measures may involve setting up social contexts where tax issues can be contested in a constructive and dialogic fashion, and where tax administrators and citizens can co-design tax systems to make them work better for everyone. When the defiant postures of resistance, disengagement and game playing are high, however, a truce will need to be negotiated in all likelihood before any meaningful attempts at the co-design of the tax system can proceed.

Posture motivation of participants in this research does not affect tax compliance decisions. Decision tax compliance among taxpayers who have a positive oriented motivation posture is not different from compliance decision of the taxpayer who has the posture motivation of defiance oriented. This indicates that the participants in this research consciously committed to be part of the mission of the regulator to collect the tax from the taxpayer.

Strategies of tax audits have an effect on tax compliance decisions. Taxpayer given treatment strategies have random audits of tax compliance decisions lower than the taxpayer given treatment: fixed audit strategy. Therefore, the taxpayer is given a fixed information audit strategy decisions have higher tax compliance (more compliant). This is due to the stimulation experiments audit strategy fixed in this research provide information regarding tax audit criteria to submit a report before the taxpayer's taxable income.

Taxpayers who obtain treatment an obedient peer reporting behavior (compliers) has a tax compliance decision higher than the taxpayer, given peer reporting behavior treatment non-compliance (noncompliers). Therefore, peer reporting behavior also determine the behavior of the taxpayer's reporting decision.

Research tax compliance will always be interesting to continue to be in a research study. Posture motivation as a new approach in the study of tax compliance in Indonesia still needs further research. Results from testing the hypothesis that no significant effect on the motivation of posture needs to be reviewed further with regard to the possibility of antecedent variables posture on motivation towards tax compliance decisions. Suggestions for further research is the use of the other covariates variables in experimental research still needs to be considered, such as variable risk preferences, knowledge, and religiosity. Development of experimental designs for research tax compliance still draws attention to continue to be developed.

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