ABSTRACT

The evolution of information technology requires the government to always find innovation in order to accommodate the interests of its citizens by developing e-government to facilitate community connections with the government. In taxation field, the government through the DGT developed an e-filing system to facilitate taxpayers in reporting their annual tax return. With this convenience, it is expected that taxpayer compliance in Indonesia will continue to increase in accordance with the set targets, but the fact is that there are still taxpayers who are reluctant to use the e-filing system to report their annual tax return. This study aims to determine the extent of the intention of individual taxpayers to use e-filing software using the UTAUT model. This study uses the structural equation modeling method with partial least square analysis technique. The results found that the intention to use e-filing was influenced by performance expectation, effort expectation, and social influence.

Keywords: UTAUT, Performance Expectation, Effort Expectation, Social Influence, Intention to Use

INTRODUCTION

To improve government services in the field of taxation is through modernization in tax administration, one of which is by building an e-filing system to facilitate taxpayers to report their annual tax returns. e-filing is implemented with the aim of reducing taxpayer difficulties and increasing taxpayer compliance through innovation from using technology (Fu, Fam, & Chao, 2006).

In Indonesia, the e-filing reporting system was introduced since 2007 which is intended provide convenience to taxpayers in submitting tax returns, this is a government policy regarding annual tax returns. Therefore, the more users of e-filing can be a benchmark of how many taxpayers reporting tax return on time in accordance with the provisions. This awareness is related to voluntary compliance of taxpayers.

E-filing provides many aspects of ‘convenience’ to taxpayers (that is time to file, place to conduct the filing, ease of use, information searching and online transactions) at a degree that is not available through traditional channels. E-filing also offers flexibility of time and reduces calculation error on the tax return form to the taxpayers (Azmi & Kamarulzaman, 2010). However, with the facilities offered, taxpayers are not necessarily interested and intend to use e-filing because it is suspected that lack of information on rules and socialization regarding the procedure for filling the annual tax return in e-filing system still does not reach taxpayers. Whilst Indonesian citizens are proficient in using the internet, there are still many taxpayers who find it difficult to access e-filing and it affects their intention to use e-filing.

Intention is often regarded as part of the concept of attitude. If someone think positive about something, then he tends to behave positively (Fishbein & Ajzen, 1975), and behavioral intention is a construct used to measure the taxpayer's intention to use software as a means to fill and report tax returns (McLeod, Pippin, & Mason, 2008). Meanwhile, an indication that the taxpayer's viewpoint for using e-filing was characterized by the desire to use e-filing as a means to report annual tax return in the future (Carter, Schaupp, & McBride, 2011).

Based on the research background exposure, this study intends to find out the factors that influence the taxpayer's intention to use e-filing based on taxpayer acceptance of new technology by using Unified Theory of Acceptance and Use of Technology (UTAUT) model and behavioural theory.

LITERATUR REVIEW

Taxpayers’ motivation to file tax return on time and correctly highly depends on their willingness to cooperate (Kirchler, Niemirowski, & Wearing, 2006). Refers to the theory of behavior, Intention is the cognitive representation of a person's readiness to perform a given behavior and is considered to be the immediate antecedent of behavior (Marandu, Mbekomize, & Ifezue, 2015).

A behavioral intention measure will predict the performance of any voluntary act, unless intent changes prior to performance or unless the intention measure does not correspond to the behavioral criterion in terms of action, target, context, time-frame and/or specificity (Fishbein & Ajzen, 1975). Meanwhile, Intentions to perform behaviors of different kinds can be predicted with high accuracy from attitudes toward the behavior, subjective norms, and perceived behavioral control; and these intentions, together with perceptions of behavioral control, account for considerable variance in actual behaviour (Ajzen, 1991).

This study uses the UTAUT model approach which is combines several technology acceptance models and other theories. There are four primary components of the UTAUT model: performance expectancy, effort expectancy, social influence, and facilitating...
conditions (Venkatesh, Morris, Davis, & Davis, 2003), but we exclude the construction of Facilitating conditions because this construct is not relevant to someone's intention to use e-filing software.

Performance expectancy is defined as the degree to which an individual believes that using the system will help him or her to attain gains in job performance. The five constructs from the different models that pertain to performance expectancy are perceived usefulness, extrinsic motivation, job-fit relative, and outcome expectations (Venkatesh, Morris, Davis, & Davis, 2003), nevertheless, individuals making the choice to use tax preparation software do not focus on job performance but rather on individual personal performance (McLeod, Pippin, & Mason, 2008).

Effort expectancy is defined as the degree of ease associated with the use of the system. Three constructs from the existing models capture the concept of effort expectancy: perceived ease of use, complexity, and ease of use (Venkatesh, Morris, Davis, & Davis, 2003). Effort expectancy measures how easy it is for an individual to use the technology. In this particular case, the individual will compare how much effort it takes to complete a tax return with or without tax software (McLeod, Pippin, & Mason, 2008). Previous research propose that the effort expectancy is the weak determinant in UTAUT model because individual expect the technology introduced should be free of effort (Aziz & Idris, 2012).

Social influence is defined as the degree to which an individual perceives that important others believe he or she should use the new system. Social influence as a direct determinant of behavioral intention is represented as subjective norm, social factors, and image (Venkatesh, Morris, Davis, & Davis, 2003). Social influence is less important in measuring technology acceptance in this setting because of the lack of an organizational context. The relationship between social influence and behavioral intention is likely moderated by some demographic variables, in particular by age (McLeod, Pippin, & Mason, 2008).

Such effects could be attributed to compliance in mandatory contexts that causes social influences to have a direct effect on intention; in contrast, social influence in voluntary contexts operates by influencing perceptions about the technology--the mechanisms at play here are internalization and identification (Venkatesh, Morris, Davis, & Davis, 2003).

Another research also propose that under a mandatory condition, the element of social influence is seemed to be significant only on early stage and turn to be non-significant as experience increased. It means that as individual become familiar with the technology, influence from others has no effect on their behavior intention (Aziz & Idris, 2012).

Behavioral Intention measures individual intention to use tax software for preparing and filing a tax return. Performance expectancy, effort expectancy, and social influence can affect behavioral intention to use e-filing. Behavioral intention is presumed to have a direct effect on actual usage (McLeod et al, 2008).

RESEARCH METHODS

A. Population, Sample, and Sampling Methode
The population of this study was 69,075 individual taxpayers registered at KPP Pratama Subang, referring to Lampiran Nota Dinas Direktur Potensi Kepatuhan dan Penerimaan No. ND-735/PJ.08/2018. This study consisted of three independent variables and one dependent variable with a significance level determined by 1%, therefore the sample used was 124 respondents (Hair, Hult, Ringle, & Sarsted, 2014).

B. Method of data analysis
Data was analyzed using Structural Equation Modeling (SEM) based on variance. Variance based SEM is used for two reasons. Firstly, construct unobservable latent variables, it means variables can not be directly measured so that to get a realistic measurement must be through items. Secondly, this study statistically test a priori substantive theoretical and measurement assumptions against empirical data (i.e., confirmatory analysis) (Chin, 1998).
When applying PLS-SEM, researchers also benefit from high efficiency in parameter estimation, which is manifested in the method's greater statistical power than that of CB-SEM. Greater statistical power means that PLS-SEM is more likely to render a specific relationship significant when it is in fact significant in the population (Hair, Hult, Ringle, & Sarsted, 2014).

In PLS-SEM, Validity and reliability tests are needed to test whether items in questionnaire can be used as a tool to measure latent variables and to test the consistency of indicators in a latent variable. Validity can be known by through the value of AVE and loading factors, while reliability can be known through the value of cronbach's alpha and composite reliability (Ghozali & Latan, 2015).

RESULT & DISCUSSION

A. Validity & Reliability Test Result

This study uses confirmatory analysis to test valid items from each latent variable. To detect the validity of each item can be seen from the value of AVE and loading factor as seen in table 1.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>AVE</th>
<th>Loading Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Expectancy</td>
<td>PE1</td>
<td>0,8679</td>
<td>0,9359</td>
</tr>
<tr>
<td></td>
<td>PE2</td>
<td></td>
<td>0,9003</td>
</tr>
<tr>
<td></td>
<td>PE3</td>
<td></td>
<td>0,9577</td>
</tr>
<tr>
<td>Effort Expectancy</td>
<td>EE1</td>
<td>0,7500</td>
<td>0,8921</td>
</tr>
<tr>
<td></td>
<td>EE2</td>
<td></td>
<td>0,8369</td>
</tr>
<tr>
<td></td>
<td>EE3</td>
<td></td>
<td>0,8683</td>
</tr>
<tr>
<td>Social Influence</td>
<td>SI1</td>
<td>0,7728</td>
<td>0,9275</td>
</tr>
<tr>
<td></td>
<td>SI2</td>
<td></td>
<td>0,9035</td>
</tr>
<tr>
<td></td>
<td>SI3</td>
<td></td>
<td>0,8012</td>
</tr>
<tr>
<td>Intention to Use</td>
<td>IU1</td>
<td>0,7093</td>
<td>0,8759</td>
</tr>
<tr>
<td></td>
<td>IU2</td>
<td></td>
<td>0,7957</td>
</tr>
<tr>
<td></td>
<td>IU3</td>
<td></td>
<td>0,8529</td>
</tr>
</tbody>
</table>

Source: Modified Output of Smart PLS

From table 1, the AVE values of each latent variable and loading factor from statement items are above 0.7. According to Ghozali & Latan (2015), all variables and questionnaire statement items are valid.

To test the consistency of indicators in a latent variable can use reliability testing. The construct reliability of the measurement model with reflective indicators can be measured by looking at the cronbach alpha value and composite reliability of the indicator block that measures the construct. The items are reliable if Cronbach’s alpha and composite reliability is higher than 0.7 (Ghozali & Latan, 2015).

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item</th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Expectancy</td>
<td>PE1, PE2, PE3</td>
<td>0,9236</td>
<td>0,9517</td>
</tr>
<tr>
<td>Effort Expectancy</td>
<td>EE1, EE2, EE3</td>
<td>0,8336</td>
<td>0,9000</td>
</tr>
<tr>
<td>Social Influence</td>
<td>SI1, SI2, SI3</td>
<td>0,8515</td>
<td>0,9104</td>
</tr>
<tr>
<td>Intention to Use</td>
<td>IU1, IU2, IU3</td>
<td>0,7952</td>
<td>0,8796</td>
</tr>
</tbody>
</table>

Source: Modified Output of Smart PLS

From table 2, it can be seen that the cronbach's alpha and composite reliability values of all variables are above 0.7. Based on these results, it can be concluded that all items are reliable.

B. Estimation Result

After analyzing validity and reliability, the next step is estimating variance-based SEM. The results of these estimates can be seen in table 3.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics [O/STDEV]</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>PE -&gt; Intention</td>
<td>0,4633</td>
<td>0,4634</td>
<td>0,0820</td>
<td>5,6485</td>
<td>0,0000</td>
</tr>
<tr>
<td>EE -&gt; Intention</td>
<td>0,2402</td>
<td>0,2387</td>
<td>0,0685</td>
<td>3,5048</td>
<td>0,0005</td>
</tr>
<tr>
<td>SI -&gt; Intention</td>
<td>0,3118</td>
<td>0,3140</td>
<td>0,0664</td>
<td>4,6987</td>
<td>0,0000</td>
</tr>
</tbody>
</table>
Based on the conclusion and interview with the respondents, several recommendations can be given by the researcher as follows:

1. Performance expectations can affect the taxpayer's intention to use e-filing. This can be seen from the path coefficient of performance expectancy of 46,33% with P-Value 0,0000 at the 1% significance level.

2. Effort expectancy for e-filing software can also influence taxpayer's intention to use the software, seen from the path coefficient of 24,02% with P-Values 0,0005 at the 1% significance level.

3. The intention of taxpayers to use e-filing is also influenced by social influence. Seen from the results of data processing, there are 31,18% of taxpayer intentions are influenced by social factors with P-Values 0,0000 at the 1% significance level.

C. Discussion

1. The result of first hypotheses is performance expectancy has significant effect on intention of using e-filing. The result of this study also support previous research such as the result of research by Venkatesh, Morris, Davis, & Davis (2003), McLeod, Pippin, & Mason (2008), Schaupp, Carter, & McBride (2010), which prove that performance expectancy had significant effect on intention of using e-filing. The recognition that performance expectation can affect taxpayers to use e-filing means that to encourage taxpayers to use the system, the system must be able to provide tangible benefits that can be felt by its users, or have better benefits than systems that were previously available (Moore & Benbasat, 1991). This study found that individual taxpayers consider whether e-filing software can improve their performance to complete their tasks before intending to use it, so that they can work more effective, such as the time needed to fill and report annual tax reports becomes shorter so that taxpayers can be more efficient in using time to do other work, and calculating the amount of tax payable becomes more accurate, thus avoiding mistakes in filling tax return.

2. The result of second hypotheses is effort expectancy has significant effect on intention of using e-filing. The effect of effort expectancy on the intention to use e-filing means that to attract taxpayers, the e-filing system must have a slightly even free of effort, so that taxpayers can benefit from the system such as saving time compared to directly submitting an annual tax report through the tax office. The result of this study support the previous research such as Agarwal & Prasad, (1999); Thompson, Higgins, & Howell (1994), however the results of this study also contradictory with the result of research by Schaupp, Carter, & McBride (2010) who found that there was no effect of effort expectation on the intention to use e-filing, and Aziz & Idris (2012) who suggested that when a technology is perceived to require more effort to use, then the tendency to intend to use the technology would be decrease and vice versa.

3. The result of third hypotheses is social influence has significant effect on intention of using e-filing. The result of this study support previous research by McLeod, Pippin, & Mason (2008); and Schaupp, Carter, & McBride (2010). In terms of social influence, this study found that in deciding to use e-filing, most respondents were still influenced by social influence factors, such as the influence of the people around them, for example, advice on using e-filing from tax employees, supervisor, or their colleagues. However, social influence does not affect taxpayers who have high knowledge and skills and have experience in taxation. It support the research by Aziz & Idris (2012) that stated under a mandatory condition, the element of social influence is seemed to be significant only on early stage and turn to be non-significant as experience increased. Meaning that as individual become familiar with the technology, influence from others has no effect on behavior intention.

CONCLUSION AND RECOMMENDATION

A. Conclusion

The purpose of this study is to test and confirms the effects of taxpayer acceptance on new technologies towards the intention to use e-filing software. Based on the results obtained, this study confirms that:

1. There is a significant effect between performance expectancy on the intention to use e-filing.

2. There is a significant effect between effort expectancy on the intention to use e-filing.

3. There is a significant effect between social influence on the intention to use e-filing.

B. Recommendation

Based on the conclusion and interview with the respondents, several recommendations that can be given by the researcher as follows:

1. Theoretical recommendations are given to the next researcher who is interested in the topic of this research. This study only focuses on taxpayer acceptance of new technologies related to e-filing systems and does not add other variables such as risk perception, Trusts, knowledge, and compliance. The next researcher are suggested to use these factors as additional that can affect the taxpayer's intention to use e-filing.

2. Practical recommendations are given to the DGT. Some suggestions that can be given are: the taxpayer's intention to use e-filing can increase if the system have a little effort and the system can support the performance of its users. Therefore, DGT is expected to always improve system performance so that it can operate better, for example by expanding bandwidth and simplifying how to fill the tax return so that taxpayers can understand the instructions easily and reduce the time to fill and report the tax return.
REFERENCES

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