Ilomata International Journal of Tax and Accounting

Check for updates

OPEN ACCESS

RECEIVED 04 May 2026
ACCEPTED 14 July 2026
PUBLISHED 31 July 2026

CITATION
Fitriandi P, Supriyadi, Liyana NF, Priyono AP, (2026). Understanding Individual Tax Compliance in Indonesia: Evidence from a Qualitative Survey Using Thematic Analysis of Taxpayer Perceptions. Ilomata International Journal of Tax and Accounting. 7 (3), 1-9.
doi: 10.61194/ijtc.v7i3.2441

TYPE Original Research
PUBLISHED 31 July 2026
DOI 10.61194/ijtc.v7i3.2441
VOL 7 Issue 3 July 2026

Understanding Individual Tax Compliance in Indonesia: Evidence from a Qualitative Survey Using Thematic Analysis of Taxpayer Perceptions

Primandita Fitriandi[1], Supriyadi[2], Nur Farida Liyana[3], Agus Puji Priyono[4]
[123]Polytechnic of State Finance STAN, Banten, Indonesia, [4]Padjadjaran University, West Java, Indonesia
Correspondence: primandita@pknstan.ac.id[1]

Abstract

This study examines individual taxpayer compliance within the context of Indonesia's heterogeneous tax system, where low compliance remains a persistent challenge in optimizing state revenue. Addressing the limited use of qualitative, perception-based approaches in prior tax compliance research, this study extends existing multi-factor frameworks by offering a qualitative and integrative perspective on how cognitive, administrative, and psychological factors interact in shaping taxpayer behavior. A qualitative survey design was employed using a single open-ended question asking respondents to explain the main factors influencing individual tax compliance. Data were collected through an online questionnaire distributed to individual taxpayers from diverse professional backgrounds using purposive sampling. A total of 304 responses were obtained, of which 284 valid responses were analyzed. The data were processed using thematic analysis supported by NVivo to identify key patterns and themes derived from respondents' narratives. The findings indicate that tax awareness and tax knowledge emerge as the most prominent themes associated with compliance behavior, followed by administrative factors, perceived benefits, and trust in government, while social influence and sanctions appear less significant. These results suggest that taxpayer compliance is more closely associated with internal motivations and system-related experiences than with external pressures. The relatively open-ended nature of responses provides contextual insights into how taxpayers interpret their obligations and the tax system. This study highlights the importance of strengthening targeted tax education, simplifying digital tax services, enhancing transparent communication of tax benefits, and reinforcing trust in government as key strategies to improve taxpayer compliance in Indonesia.

KEYWORDS

Tax Compliance; Tax Awareness; Tax Knowledge; Administrative Factors; Trust in Government.

Introduction

Tax revenue plays a key role in supporting national development financing. The Indonesian government prioritizes taxes as the largest source of revenue in the State Budget (APBN). Data from the Indonesian Ministry of Finance show that tax revenue contributed approximately 70% of total state revenue in 2023 (Ministry of Finance, 2024). These funds are allocated to finance key public sectors such as education, health, infrastructure, and social protection programs that directly impact society. In the Indonesian tax literature, tax revenue is also closely associated with the level of taxpayer compliance because the effectiveness of tax collection depends not only on tax policy design but also on taxpayers' willingness and ability to fulfill their obligations (Hardiningsih et al., 2020; Suhendar & Hakim, 2021).

The country's fiscal dependence on taxes is also evident in the revenue structure of developing countries. The Organisation for Economic Co-operation and Development explains that taxes are a key instrument in maintaining fiscal stability and sustainable economic development (OECD, 2022). Taxes function as a means of income redistribution and a source of funding for public services. This situation indicates that the sustainability of national development is highly dependent on taxpayer compliance in fulfilling tax obligations. Tax compliance should therefore be understood not only as formal obedience to tax rules, but also as a behavioral response shaped by awareness, perceived policy quality, trust, legitimacy, tax system complexity, and taxpayers' interaction with tax authorities (Kirchler et al., 2008; Alm, 2019; Mangoting et al., 2020; Muflihani et al., 2021; Suhendar & Hakim, 2021; Slemrod, 2019).

Globally, tax compliance continues to face significant challenges in the form of a significant tax gap. The Directorate General of Taxation reports that the tax gap in various countries can reach billions of dollars annually due to non-compliance with tax reporting and payments (Suryantara, 2024). Developing countries tend to face lower compliance levels than developed countries due to administrative limitations, taxpayer heterogeneity, and low awareness. Studies in the Indonesian context also show that tax compliance remains a complex issue because it is influenced by a combination of policy, administrative, behavioral, and psychological factors rather than by regulation alone (Cahyonowati et al., 2023; Hardiningsih et al., 2020; Muflihani et al., 2021). International studies similarly emphasize that tax compliance problems are linked to enforcement capacity, tax morale, informality, and taxpayer behavior, particularly in developing and emerging economies (Joshi et al., 2014; Alm, 2019; Slemrod, 2019). This suggests that tax compliance remains a challenge in the global and national tax systems.

Indonesia also faces similar challenges in tax compliance. Ministry of Finance data show that Indonesia's tax ratio has been around 8–10 percent of Gross Domestic Product (GDP) in recent years (Baihaqi, 2025). This figure is lower than the OECD average of 20–34 percent (Ikatan Konsultan Pajak Indonesia, 2025). This situation indicates that Indonesia's tax revenue potential has not been optimally tapped. In the Indonesian research context, low tax compliance has been associated with taxpayers' awareness, understanding of tax rules, service quality, sanctions, motivation, and perceived complexity of the tax system (Hardiningsih et al., 2020; Muflihani et al., 2021; Suhendar & Hakim, 2021). Inasius et al. (2020) also show that tax compliance in Indonesia remains a relevant issue even after major tax policy intervention, indicating that compliance improvement requires more than short-term administrative measures.

In addition to the tax ratio, the level of compliance in Annual Tax Return (SPT) reporting also shows a significant gap. The Directorate General of Taxes recorded that the number of registered taxpayers reached over 86.7 million by the end of 2024 (Kurniati, 2025). However, the annual tax return filing rate was only 12.34 million, consisting of 12 million individual taxpayers and 338,200 corporate taxpayers (Directorate General of Taxes, 2025). This implies a significant gap between registered taxpayers and those who comply with their reporting obligations, with an estimated compliance rate of approximately 14.23%. This gap is consistent with studies showing that reporting compliance is influenced by taxpayers' awareness, tax knowledge, socialization, and ability to understand reporting procedures (Appiah et al., 2024; Saad, 2014; Styaningrum et al., 2025; Suhendar & Hakim, 2021).

The tax compliance phenomenon in Indonesia is also characterized by a predominance of formal compliance compared to material compliance, where taxpayers fulfill administrative obligations such as reporting Annual Tax Returns (SPT), but may not fully reflect the accuracy or completeness of tax payments in accordance with substantive tax liabilities (OECD, 2022). In the Indonesian context, this condition is often reflected in the relatively high number of registered taxpayers compared to the lower level of effective tax contributions, indicating that compliance is still largely procedural rather than substantive (Directorate General of Taxes, 2025). Previous studies suggest that taxpayer compliance is shaped by the interaction between coercive power, legitimacy, trust, commitment, policy quality, service quality, awareness, and perceived tax system complexity (Mangoting et al., 2020; Muflihani et al., 2021; Suhendar & Hakim, 2021). This demonstrates that tax compliance is not only related to the administrative system but also to individual awareness, tax morale, institutional quality, and behavioral factors (Joshi et al., 2014; Mangoting et al., 2020; Muflihani et al., 2021; Torgler & Schneider, 2009).

The modernization of the tax system has been implemented through the implementation of e-filing, e-billing, and e-forms by the Directorate General of Taxes. These systems aim to improve administrative convenience and efficiency of tax reporting. However, the implementation of the digital system still faces obstacles in the form of differing digital literacy levels among taxpayers. Some taxpayers still struggle to optimally access and understand the digital tax system. Recent Indonesian studies show that government digital content, taxpayer awareness, mastery of information technology, and knowledge of reporting procedures are relevant factors in explaining taxpayer compliance in a digital tax environment (Gunaasih & Ningsih, 2024; Night & Bananuka, 2020; Okunogbe & Santoro, 2023; Styaningrum et al., 2025).

Taxpayers' perceptions of the tax system are a crucial factor in shaping compliance. Taxpayers assess the tax system based on fairness, transparency, trust, administrative experience, and the benefits received from their taxes. Studies using the slippery slope framework and voluntary compliance approach show that trust in tax authorities, tax fairness, procedural fairness, distributive fairness, and tax morale are relevant in explaining voluntary taxpayer compliance (Appiah et al., 2024; Ardhianto et al., 2022; Batrancea et al., 2019; Cahyonowati et al., 2023; Gobena & Van Dijke, 2016; Wahyuni et al., 2022). This situation suggests that psychological factors play a significant role in individual tax compliance behavior.

Previous research has predominantly used a quantitative approach to analyzing tax compliance. This approach does not fully reflect taxpayers' subjective experiences in shaping their perceptions of the tax system. In particular, prior studies tend to treat key determinants such as tax awareness, knowledge, trust, and administrative convenience as independent and static variables, thereby overlooking how these factors are experienced, interpreted, and interconnected in real-life contexts. Several recent Indonesian studies have examined tax compliance through survey-based models involving awareness, socialization, trust, tax authority power, tax complexity, service quality, and digital content (Ardhianto et al., 2022; Cahyonowati et al., 2023; Hardiningsih et al., 2020; Styaningrum et al., 2025). However, limited attention has been given to how taxpayers construct meaning from their interactions with tax authorities, digital systems, and perceived public benefits, especially in Indonesia with heterogeneous taxpayer characteristics. As a result, the dynamic interplay between cognitive, administrative, and psychological dimensions remains underexplored, particularly in studies that rely mainly on variable-based quantitative models rather than taxpayers' subjective interpretations and lived administrative experiences (Nkundabanyanga et al., 2017; Saad, 2014).

This study addresses the limited qualitative understanding of how individual taxpayers in Indonesia construct their perceptions of the tax system and interpret the cognitive, administrative, and psychological factors associated with compliance behavior. The central research question is: How do individual taxpayers in Indonesia perceive the main factors associated with tax compliance? By answering this question, the study contributes to tax compliance literature by offering a contextual and perception-based explanation of how tax awareness, tax knowledge, administrative experience, perceived benefits, and trust in government are interpreted by taxpayers in a heterogeneous developing-country tax environment.

Methods

Research Type

This study uses a descriptive qualitative survey design to understand individual taxpayers' perceptions of tax compliance within the Indonesian tax system. The study explores meanings and interpretations formed by taxpayers in relation to their tax obligations in real contexts. Creswell & Creswell (2018) explain that qualitative research is appropriate for understanding social phenomena from participants' perspectives and interpreting meanings constructed in specific social contexts. This design is suitable for capturing a broad range of perceptions through an online questionnaire, although it provides limited depth compared to interviews because responses cannot be further probed. The instrument was developed based on a literature review of tax compliance, particularly cognitive, administrative, and psychological dimensions. The main open-ended question asked: "*What do you think are the main factors in individual tax compliance?*" Closed-ended questions were used to describe respondent characteristics. The questionnaire was reviewed through expert judgment to ensure content validity and was tested in a small pilot study to ensure clarity before distribution.

Population and Sample

The population in this study consists of individual taxpayers in Indonesia from various professional backgrounds, including private employees, local government staff, tax-related workers, and members of professional communities. A purposive sampling technique was used to select respondents with experience and understanding of tax compliance. The questionnaire was distributed online and returned by 304 respondents. All responses were screened based on completeness of all items, adequacy of answers in the open-ended question, and consistency between closed- and open-ended responses. A total of 20 responses were excluded due to incomplete data, irrelevant or unclear open-ended responses, and inconsistent answers. Finally, 284 valid responses were analyzed in this study.

Research Location

This research was conducted in Indonesia, with respondents spread across various regions without specific geographic boundaries. The researchers chose an online data collection approach to reach individual taxpayers from various occupational backgrounds and domiciles. The survey was conducted using the Google Forms platform, allowing for the participation of respondents from tax officials, private sector training participants, local government employees, and members of professional communities related to taxation. The use of a non-centralized research location provides a broader scope for describing taxpayer perceptions of tax compliance within the context of Indonesia's heterogeneous tax system.

Instrumentation or Tools

This study used a structured questionnaire developed by the researchers to explore individual taxpayers' perceptions of tax compliance. The questionnaire consisted of closed-ended and open-ended questions designed to capture respondents' views, experiences, and understanding of the tax system. Closed-ended questions were used to obtain targeted data, while the open-ended question allowed respondents to provide more in-depth insights. The instrument was developed based on tax compliance literature, particularly focusing on factors such as tax knowledge, awareness, trust in government, and administrative aspects. The open-ended question used in this study was: "What do you think are the main factors in individual tax compliance?". This question was intended to capture respondents' perspectives on key determinants of compliance. Prior to data collection, the questionnaire was reviewed and pilot-tested on a small group of respondents to ensure clarity and relevance of the items, and minor revisions were made accordingly. The questionnaire was distributed online using Google Forms to facilitate data collection from respondents across Indonesia. In the analysis stage, closed-ended responses were used to describe general patterns, while the open-ended responses were analyzed thematically to identify recurring factors influencing tax compliance. The findings from both types of data were then integrated to provide a more comprehensive interpretation.

Data Collection Procedures

Data collection for this study was conducted through an online survey from January to March 2026. Researchers distributed questionnaire links to respondents from various professional backgrounds related to taxation. Each respondent received an informed consent form before completing the questionnaire, which explained the research objectives, data confidentiality, and freedom to participate. Respondents completed the questionnaire independently, following the instructions provided by the researcher. The data collection process was carried out in stages to ensure all respondents could access and complete the research instrument correctly. After data collection was completed, researchers checked the completeness and consistency of the responses before using the data in the analysis phase.

Data Analysis

This study employed thematic analysis using NVivo software to analyze qualitative data from the open-ended questionnaire. Data were collected from January to March 2026, and the coding process, thematic categorization, and visualization of NVivo outputs were conducted in 2026 after the data screening and preparation stages had been completed. Therefore, the figures and table in the Results section are consistently labeled as NVivo Output (2026). Thematic analysis was used because it allows researchers to identify, organize, and interpret patterns of meaning across qualitative responses, while maintaining analytical flexibility and transparency (Braun & Clarke, 2021; Nowell et al., 2017). An inductive coding approach was applied, allowing themes to emerge directly from respondents' answers. The analysis followed several stages, including data familiarization, initial coding, code grouping, theme development, and interpretation. For example, codes such as "tax awareness," "understanding obligations," and "self-awareness" were grouped into the broader theme of tax awareness. A codebook was developed iteratively during the coding process to ensure consistency. The coding was conducted by the researcher and reviewed through discussion with an academic supervisor to ensure consistency of interpretation. Any differences in coding were resolved through consensus. To ensure credibility and dependability, the study applied peer debriefing and maintained an audit trail of coding decisions, documenting how codes were merged into final themes. Closed-ended data were analyzed descriptively and used to support respondent characteristics, while qualitative themes were integrated to provide a comprehensive interpretation of taxpayer perceptions.

Result and Discussion

This section presents the results of the qualitative data analysis obtained from respondents' open-ended responses regarding tax compliance. The analysis was conducted using NVivo software in 2026, which involved coding, categorization, and identification of key themes. The results are presented in visualization and tabulation to provide a comprehensive overview of respondents' perception patterns. As a preliminary step, the researchers presented a word cloud visualization to identify the most frequently occurring words in the data. This visualization provides an overview of respondents' focus on tax compliance issues before conducting a more in-depth thematic analysis.

Based on the word cloud visualization, several words, such as “understanding,” “awareness,” “taxes,” “knowledge,” and “obligations,” appear larger than others (see Figure 1). This pattern indicates that taxpayer understanding and awareness appeared as salient terms in respondents' narratives on tax compliance. Furthermore, words such as “compliance,” “regulations,” “trust,” and “government” also appeared in the visualization. The presence of these words suggests that regulatory issues, trust in government, and the tax system were also reflected in respondents' perceptions. Therefore, the word cloud provides an initial indication that respondents described tax compliance through cognitive, administrative, and psychological themes.

However, the word cloud visualization only provides an initial overview and cannot fully explain the relationships among themes. Therefore, the researchers continued the analysis by grouping words and coded segments into main themes based on similarity of meaning. To strengthen the qualitative findings, each theme is supported by direct quotations from respondents, illustrating how participants perceived the main themes associated with tax compliance. The results of this grouping are presented in Table 1.

The results in Table 1 show that tax awareness has the largest number of coding references, followed by tax knowledge and administrative factors. These coding references indicate the relative salience of each theme in respondents' open-ended narratives, rather than the number of respondents associated with each theme. This pattern suggests that respondents frequently referred to internal aspects such as awareness and understanding, alongside practical aspects such as ease of tax administration. This pattern is also reflected in respondents' statements, for example: “Self

Figure 1. Word Cloud of Main Factors in Individual Tax Compliance
Source: NVivo Output (2026).

Table 1. Main Factors in Individual Tax Compliance

No	Main Factors	Coding References	Percentage (%)
1	Tax Awareness	201	25.94%
2	Tax Knowledge	186	24.00%
3	Administrative Factors	132	17.03%
4	Perceived Benefits	68	8.77%
5	Trust in Government	47	6.06%
6	Tax System	43	5.55%
7	Morality and Nationalism	40	5.16%
8	Regulation and Obligation	32	4.13%
9	Social Influence	20	2.58%
10	Sanctions	6	0.77%
Total		775	100%

Source: NVivo Output (2026).

Note: Coding references refer to the number of coded text segments assigned to each theme in NVivo. These figures do not represent the number of respondents, because one respondent could mention more than one theme or provide more than one coded segment within the same theme.

-awareness that taxes are important for the country" (Respondent 3) and "Understanding that taxes are an obligation" (Respondent 18), which illustrate how personal awareness appeared in the qualitative responses.

The relatively high number of coding references for administrative factors, compared to perceived benefits and trust in government, suggests that respondents frequently referred to their practical experience in interacting with the tax system, particularly ease of reporting, clarity of procedures, and accessibility of digital services. In other words, administrative convenience appeared as a salient theme in respondents' narratives, alongside awareness and knowledge. This is reflected in responses such as: "Ease of tax reporting and service system" (Respondent 21) and "Tax regulations that are easy to understand and implement" (Respondent 56).

Furthermore, perceived benefits and trust in government also appeared in respondents' narratives, although with fewer coding references than tax awareness, tax knowledge, and administrative factors. Some respondents linked compliance to perceived public benefits, as shown in statements such as: "The benefits of taxes used for the benefit of society" (Respondent 27) and "When the money is clearly used for state spending, people are willing to pay taxes" (Respondent 41). These excerpts indicate that respondents associated tax compliance with visible public outcomes and expectations of transparent tax management.

Meanwhile, themes such as tax system, morality and nationalism, and regulation and obligation had lower numbers of coding references, but still provided additional context for understanding taxpayer perceptions. This is reflected in responses such as: "Obligations of citizens to pay taxes for development" (Respondent 62), which illustrates how civic responsibility appeared in some respondents' narratives. Social influence and sanctions had the lowest numbers of coding references. For instance, while some respondents mentioned sanctions, such as "Fear of being fined for negligence in paying taxes" (Respondent 9), such references appeared less frequently than references to awareness, knowledge, and administrative convenience. Therefore, these themes should be interpreted as less salient in the qualitative responses, not as irrelevant to taxpayer compliance.

To strengthen the analysis results in the table, the following is a treemap visualization based on the number of coding references for each theme. This visualization provides a proportional overview of the dominance of each factor in the research data.

Based on the treemap visualization in Figure 2, tax awareness, tax knowledge, and administrative factors occupy the largest areas compared to other themes. The area size in the treemap reflects the number of coding references, not the number of respondents. Therefore, the visualization should be interpreted as indicating the relative salience of themes across coded text segments. The relatively large areas for tax awareness and tax knowledge are consistent with Table 1, which shows that cognitive themes were frequently reflected in respondents' narratives. The large area for administrative factors also indicates that ease of the tax system and services was frequently mentioned as part of respondents' perceptions of tax compliance. Meanwhile, perceived benefits and trust in government appeared as medium-salience themes, while social influence, regulation and obligation, and sanctions appeared with smaller proportions. These patterns should be read as qualitative emphasis across coded responses rather than as causal or respondent-level dominance.

Meanwhile, perceived benefits and trust in government appeared as medium-salience themes in the coded responses, while social influence, regulation and obligation, and sanctions appeared with smaller proportions. These patterns indicate differences in thematic emphasis across respondents' narratives rather than differences in causal strength. Therefore, perceived benefits and trust in government should be interpreted as supporting themes, whereas social influence, regulation and obligation, and sanctions appeared as less salient themes in the qualitative data.

Based on the thematic results, taxpayer compliance appears to be closely associated with internal themes, particularly tax awareness and tax knowledge, as reflected in the relatively high number of coding references for both themes. Administrative factors also emerged as a salient external theme in respondents' narratives, particularly in relation to ease of reporting, clarity of procedures, and accessibility of tax services. Meanwhile, perceived tax benefits

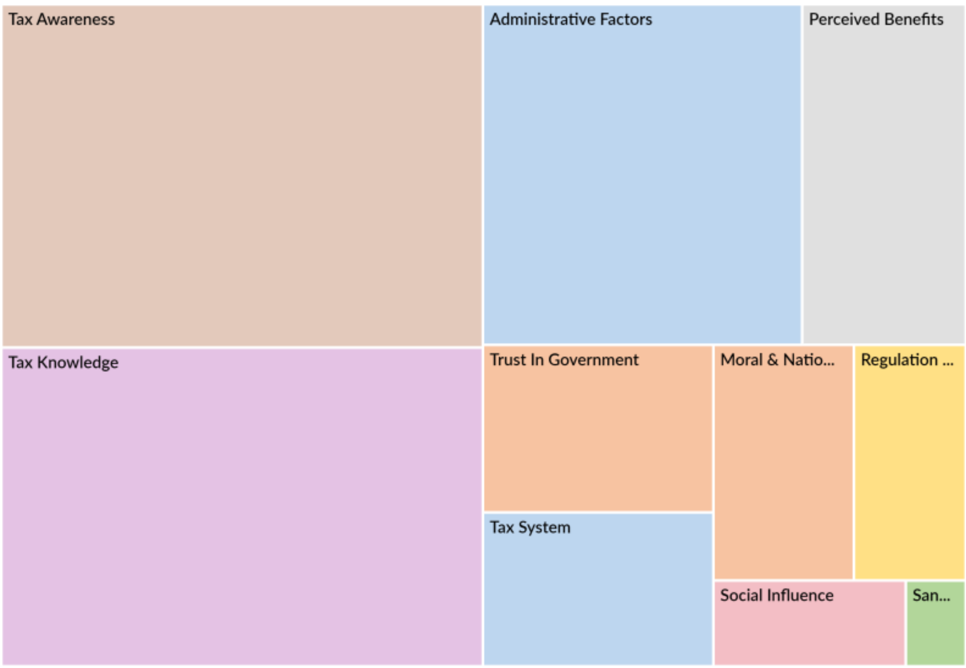

Figure 2. Treemap of Main Factors in Individual Tax Compliance
Source: NVivo Output (2026).

and trust in government appeared as supporting themes, while sanctions and social influence were mentioned less frequently. These findings suggest that respondents tended to describe compliance more through awareness, understanding, and administrative convenience than through external pressure or coercive mechanisms. However, these results should be interpreted as patterns in qualitative responses, not as evidence of causal relationships among variables.

Interpretation of Key Findings

The findings suggest that taxpayer compliance is associated with the predominance of internal factors, particularly tax awareness and tax knowledge, as reflected in respondents' perceptions. This pattern can be interpreted through the Theory of Planned Behavior (Ajzen, 1991), especially the attitude and perceived behavioral control components. Positive evaluations of tax obligations appeared in respondents' statements, such as "Tax awareness and understanding of obligations are the main factors in compliance" (R12), while knowledge of tax procedures appeared to make compliance more manageable, as reflected in the statement "Understanding tax procedures makes it easier to report taxes correctly" (R37). By contrast, the relatively low number of coding references for social influence suggests that subjective norms were less salient in respondents' narratives. In the Indonesian self-assessment context, this may indicate that tax reporting is perceived as a relatively private administrative responsibility rather than a socially visible behavior. The findings can also be understood through the Slippery Slope Framework, which emphasizes the interaction between trust in authorities and the power of authorities in shaping voluntary and enforced compliance (Kirchler et al. 2008). In this study, trust should not be interpreted as a statistically measured determinant, but as a theme reflected in respondents' perceptions of administrative experience, perceived public benefits, fairness, and government credibility. For example, the statement "Taxes are more willingly paid when the benefits are visible in public services" (R41) indicates that perceived benefits may strengthen positive interpretations of tax obligations. Administrative factors also appeared in respondents' narratives through references to ease of access, clarity of procedures, and efficiency of reporting systems. Thus, the theoretical interpretation of this study connects cognitive aspects, administrative experience, and psychological trust as interrelated themes reflected in taxpayer perceptions, rather than as causal relationships tested statistically.

The psychological and institutional themes in this study were also reflected in respondents' references to perceived benefits and trust in government. Several respondents associated tax compliance with visible public outcomes, as illustrated by the statements "The benefits of taxes used for the benefit of society" (Respondent 27) and "When the money is clearly used for state spending, people are willing to pay taxes" (Respondent 41). These quotations suggest that perceived benefits and trust were not expressed as abstract concepts only, but were linked to respondents' expectations of transparency, accountability, and visible use of public funds. Therefore, this study interprets trust and perceived benefits as supporting themes in respondents' perceptions of compliance, rather than as causal determinants.

Other themes, including morality and nationalism, regulation and obligation, social influence, and sanctions, appeared less prominently but still provided additional context for understanding taxpayer perceptions. Civic responsibility was reflected in the statement "Obligations of citizens to pay taxes for development" (Respondent 62), which indicates that some respondents interpreted compliance as part of their role as citizens. Sanctions were mentioned in a more limited way, as shown in the statement "Fear of being fined for negligence in paying taxes" (Respondent 9). This quotation suggests that sanctions were recognized as an administrative consequence, although they were less salient than awareness, knowledge, and administrative convenience in the coding results. Similarly, social influence appeared as a less prominent theme in the data, but it was still reflected in some respondents' narratives. One respondent stated that "Individual tax compliance is also based on awareness or knowledge provided both in the work environment and at home so that some people are aware of paying taxes on time" (Respondent 17). This quotation suggests that social influence may operate indirectly through information, reminders, and awareness developed within close social settings such as the workplace and household. However, because such references appeared less frequently than awareness, knowledge, and administrative convenience, social influence should be interpreted as a supporting theme rather than a dominant factor in respondents' perceptions of tax compliance. Overall, these qualitative excerpts indicate that the lower number of coding references for sanctions and social influence should be interpreted cautiously as lower salience in respondents' narratives, not as evidence that these factors are irrelevant to taxpayer compliance.

Comparison with Previous Studies

The results of this study indicate that tax awareness and tax knowledge are dominant factors associated with taxpayer compliance, consistent with previous studies emphasizing cognitive aspects as important determinants of compliance behavior. Tax awareness helps taxpayers understand their obligation to report and pay taxes correctly, while tax knowledge enables taxpayers to understand tax rules, procedures, and reporting mechanisms. This finding is consistent with Hardiningsih et al. (2020), who found that taxpayer awareness plays an important role in strengthening taxpayer compliance, and Suhendar and Hakim (2021), who reported that taxpayer awareness has a positive effect on taxpayer compliance. Gunaasih and Ningsih (2024) also found that understanding tax knowledge positively affects taxpayer compliance. This finding is also consistent with international evidence showing that tax knowledge, tax awareness, and taxpayers' understanding of tax obligations are positively associated with tax compliance (Appiah et al., 2024; Bernard et al., 2018; Khamis & Mastor, 2021; Saad, 2014). These findings indicate that internal cognitive factors remain prominent in shaping taxpayer compliance in the modern tax context.

The findings regarding administrative factors also align with recent research highlighting the importance of tax system quality and administrative convenience. Respondents in this study indicated a preference for a simple and uncomplicated system for reporting and payment processes. This finding is consistent with Suhendar and Hakim (2021), who found that the quality of tax authority services positively affects taxpayer compliance. In the context of digital tax administration, Hidayat et al. (2025) show that government digital content is related to tax awareness and tax compliance, while Gunaasih and Ningsih (2024) emphasize the relevance of information technology mastery and tax knowledge in explaining taxpayer compliance. Muflihani et al. (2021) also show that tax system complexity is relevant in explaining taxpayer compliance behavior. This finding is also supported by international studies showing that technology-based tax administration can facilitate compliance, although its effectiveness depends on system adoption, institutional readiness, and taxpayer capability (Night & Bananuka, 2020; Okunogbe & Santoro, 2023). This alignment may reflect the ongoing digitalization and service-oriented reforms in Indonesia, which have made administrative simplicity a salient factor in taxpayers' perceptions.

Furthermore, findings related to perceived benefits and trust in government align with recent research emphasizing the psychological dimension of tax compliance. Respondents in this study linked tax payments to tangible public benefits, suggesting that perceived benefits appeared as a salient theme in their narratives. Trust in tax management was also reflected in respondents' narratives about transparency, accountability, fairness, and the credibility of tax authorities. This interpretation is consistent with Ardhianto et al. (2022), who found that trust in tax authorities is related to voluntary compliance among MSME taxpayers. Cahyonowati et al. (2023) also show that procedural fairness, distributive fairness, and tax morale play important roles in voluntary compliance. Similarly, Mangoting et al. (2020) emphasize that trust, legitimacy, and commitment are important in explaining the dynamics of taxpayer compliance. These studies suggest that taxpayers' psychological evaluation of fairness, trust, and institutional legitimacy remains relevant in interpreting compliance-related perceptions.

On the other hand, the finding regarding the low influence of sanctions contrasts with several studies that still emphasize sanctions as a motivating factor for compliance. Suhendar and Hakim (2021), for example, found that tax sanctions have a positive effect on taxpayer compliance and may be more dominant than awareness in certain contexts. Sumuan and Fidiana (2020) also explain that tax sanctions are applied by tax authorities to create a deterrent effect and encourage taxpayer compliance, although criminal sanctions tend to be positioned as a last resort. In the broader tax compliance literature, deterrence and enforcement remain relevant because taxpayers may respond to audit probability, sanctions, and perceived enforcement capacity (Alm, 2019; Slemrod, 2019). However, the results of this study indicate that respondents did not consider sanctions as a primary consideration in fulfilling their tax obligations. Respondents prioritized awareness and the ease of the system over the threat of punishment. This difference may be explained by the characteristics of respondents and the current Indonesian tax environment, where improved services and accessibility may reduce reliance on coercive mechanisms. Rather than rejecting deterrence-based approaches, these findings indicate that the relevance of sanctions may vary depending on institutional conditions and taxpayer experiences.

This divergence can be understood within the Indonesian context, where recent improvements in tax administration, including digitalization and service-oriented reforms, have reshaped taxpayer experiences. These developments may reduce reliance on enforcement-based approaches and instead support voluntary compliance through convenience, transparency, and perceived fairness. This interpretation is consistent with the findings of Wahyuni et al. (2022), who examined taxpayer compliance during the COVID-19 pandemic using the slippery slope framework and emphasized the relevance of trust and authority power in shaping compliance. It is also consistent with Ardhianto et al. (2022), who found that trust in tax authorities can mediate the relationship between tax justice, service quality, and voluntary compliance. Therefore, while sanctions remain relevant in tax administration, this study provides qualitative indications that awareness-based and trust-based compliance may become more prominent under favorable institutional conditions.

The findings regarding social influence, which has a low contribution, also show variation from previous research. From the perspective of behavioral theory, subjective norms and socialization may influence taxpayer compliance when individuals perceive external expectations or information channels as relevant to their decisions. Styaningrum et al. (2025) found that tax socialization increases taxpayer compliance directly and indirectly through taxpayer awareness. Hidayat et al. (2025) also show that government digital content is related to elements of the Theory of Planned Behavior, tax awareness, and tax compliance. Jimenez and Iyer (2016) also show that social norms may influence taxpayer compliance through personal norms, trust in government, and perceived fairness. However, the results of this study indicate that respondents did not directly consider the social environment as a primary factor in their decision-making. Respondents tended to be independent in determining compliance based on personal understanding. This may indicate that social influence is less salient in the context of open-ended taxpayer perceptions, possibly because tax compliance decisions are perceived as personal and administrative rather than socially visible.

The findings related to morality and nationalism, as well as regulation and obligation, align with recent research emphasizing the role of values and norms in tax compliance. Cahyonowati et al. (2023) show that tax morale has an important role in voluntary compliance, while Gunaasih and Ningsih (2024) found that religiosity is related to taxpayer compliance. Mangoting et al. (2020) also highlight the importance of commitment in maintaining the relationship between taxpayers and tax authorities. In this study, respondents' narratives reflected a sense of civic responsibility in fulfilling tax obligations. This suggests that normative and regulatory themes remained relevant in the qualitative responses, although they appeared less salient than cognitive and administrative themes. In other words, morality, nationalism, and regulatory obligation appeared as supporting themes, while awareness, knowledge, and administrative convenience were more frequently reflected in respondents' narratives.

Limitations and Cautions

This study has several limitations that must be considered in interpreting the findings. The descriptive qualitative survey captures respondents' perceptions at a single point in time, and therefore does not fully reflect the dynamic development of themes or changes in interpretations over time. Furthermore, the use of an online survey via Google Forms may limit the depth of responses, as participants provided answers without direct interaction with the researcher. This condition may result in varied interpretations of the open-ended question and restrict opportunities for probing or clarification, which are typically present in in-depth qualitative approaches. In addition, self-reported responses may be influenced by social desirability bias, where participants tend to present views that align with socially acceptable norms rather than their actual experiences.

The use of purposive sampling allows the study to focus on individuals with relevant knowledge and experience in tax-related activities. However, although respondents came from various professional backgrounds and regions in Indonesia, the findings should be understood as context-specific interpretations of taxpayer perceptions rather than generalizable representations of the broader taxpayer population. Future research is recommended to employ multi-method qualitative approaches such as interviews or focus groups, to enhance interpretive depth and capture the evolution of themes more comprehensively. Additionally, combining different data collection methods may provide richer insights into taxpayers' perceptions and experiences.

Recommendations for Future Research

Future research could develop a longitudinal qualitative design to observe changes in taxpayer perceptions over time, particularly in relation to tax awareness, tax knowledge, administrative experience, perceived benefits, and trust in government. Such an approach would allow future studies to examine how themes identified in this study evolve across different policy contexts or stages of taxpayer experience. Future research could also explore more specific aspects of taxpayer perceptions, such as reporting experiences, decision-making narratives, and responses to changes in tax policy. This direction would provide a richer understanding of the patterns among themes that shape how taxpayers interpret compliance in the Indonesian tax system.

Future research could also expand the scope of respondents by involving various groups of taxpayers from different sectors and with different levels of tax literacy. The variety of respondent characteristics could provide a more representative picture of the state of taxpayer compliance in Indonesia. Furthermore, the use of mixed methods, combining quantitative surveys and qualitative interviews, could provide a more comprehensive understanding of taxpayer perceptions and behavior. This approach could yield more in-depth and contextual findings in explaining the phenomenon of tax compliance.

Conclusion

This study examines individual taxpayer compliance in Indonesia by identifying themes reflected in taxpayers' open-ended perceptions. The findings show that tax awareness and tax knowledge emerged as the most salient themes, followed by administrative factors, perceived benefits, and trust in government. Social influence and sanctions were mentioned less frequently in respondents' narratives. These findings should be understood as qualitative patterns of perception rather than evidence of statistically tested or causal relationships. The study therefore suggests that taxpayer compliance, as interpreted by respondents, is closely associated with cognitive understanding, administrative experience, and perceptions of institutional credibility.

The findings offer several practical implications for tax authorities. First, targeted tax education should be strengthened by designing taxpayer education programs that are adjusted to taxpayers' literacy levels, occupational backgrounds, and reporting needs. Second, digital tax services should be simplified through clearer user guidance, more accessible reporting procedures, and responsive assistance for taxpayers who experience difficulties with e-filing, e-billing, or other digital platforms. Third, tax authorities should communicate tax benefits more transparently by showing how tax revenue is used for public services, infrastructure, education, health, and social protection. Fourth, trust-building strategies should be reinforced through consistent service quality, fair treatment, accountable tax administration, and clearer communication between tax authorities and taxpayers.

This study contributes to the literature on taxpayer compliance by offering a qualitative and perception-based explanation of how cognitive, administrative, and psychological themes are connected in taxpayers' narratives. More specifically, the study addresses the limited availability of qualitative research on individual taxpayer compliance in Indonesia by showing how awareness, knowledge, administrative convenience, perceived benefits, and trust are interpreted within a heterogeneous developing-country tax context. Rather than treating compliance determinants as separate and static variables, this study highlights the contextual and interpretive nature of taxpayer compliance as reflected in respondents' experiences and perceptions.

The limitations of this study lie in its cross-sectional qualitative survey design, self-reported data, and purposive sampling technique, which limit the breadth and transferability of the findings. These limitations imply that the integrative framework proposed in this study should be interpreted as exploratory and context-specific, particularly in capturing subjective taxpayer perceptions. Future research could build upon the patterns identified in this study by employing longitudinal qualitative designs, involving more diverse taxpayer groups, and using mixed-method approaches to examine whether the themes suggested by respondents' narratives are also reflected across broader taxpayer populations. Research development in this direction could provide stronger contextual and empirical support for tax policy formulation and taxpayer compliance strategies.

Author contributions

The authors contributed collaboratively to the entire research process and preparation of this manuscript. The first author played a role in designing the research concept, developing the instruments, and conducting data collection and analysis. The second author contributed to the development of the theoretical framework, literature review, and interpretation of the research results. All authors were involved in the writing, revision, and refinement of the manuscript until the final stage. All authors have read and approved the final version of the manuscript submitted for publication.

Acknowledgements

The authors would like to express their gratitude to all parties who supported this research. They also express their appreciation to the respondents who took the time to participate and provide the necessary data. The authors also thank colleagues and other parties who provided input, technical assistance, and support throughout the data collection process and manuscript preparation. This support significantly contributed to the smooth completion of this research.

References

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020-T

Alm, J. (2019). What motivates tax compliance? *Journal of Economic Surveys*, *33*(2), 353–388. https://doi.org/10.1111/JOES.12272

Appiah, T., Domeher, D., & Agana, J. A. (2024). Tax knowledge, trust in government, and voluntary tax compliance: Insights from an emerging economy. *SAGE Open*, *14*(2), 1–3. https://doi.org/10.1177/21582440241234757

Ardhianto, R. A., Bawono, I. R., & Sudibyo, Y. A. (2022). The role of trust in the voluntary compliance of MSME taxpayers. *Jurnal Reviu Akuntansi Dan Keuangan*, *12*(1), 75–87. https://doi.org/10.22219/jrak.v12i1.18501

Baihaqi, B. (2025, December 5). Strategi meningkatkan rasio pajak hingga 15%. *Harian Ekonomi Neraca*. https://www.neraca.co.id/article/229493/strategi-meningkatkan-rasio-pajak-hingga-15

Batrancea, L., Nichita, A., Olsen, J., Kogler, C., Kirchler, E., Hoelzl, E., Weiss, A., Torgler, B., Fooken, J., Fuller, J., Schaffner, M., Banuri, S., Hassanein, M., Alarcón-García, G., Aldemir, C., Apostol, O., Bank Weinberg, D., Batrancea, I., Belianin, A., & Zukauskas, S. (2019). Trust and power as determinants of tax compliance across 44 nations. *Journal of Economic Psychology*, *74*(102191). https://doi.org/10.1016/j.joep.2019.102191

Bernard, O. M., Memba, F. S., & Oluoch, O. (2018). Influence of tax knowledge and awareness on tax compliance among investors in the export processing zones in Kenya. *International Journal of Scientific Research and Management*, *6*(10), 728–733.

Braun, V., & Clarke, V. (2021). One size fits all? What counts as quality practice in (reflexive) thematic analysis? *Qualitative Research in Psychology*, *18*(3), 328–352. https://doi.org/10.1080/14780887.2020.1769238

Cahyonowati, N., Ratmono, D., & Dewayanto, T. (2023). Determinants of voluntary compliance on a changing tax policy. *Jurnal Dinamika Akuntansi*, *15*(2), 116–128. https://doi.org/10.15294/jda.v15i2.42723

Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative,*

Quantitative, and Mixed Methods Approaches (5th ed.). SAGE Publications.
Directorate General of Taxes. (2025, April 1). *Kinerja Penyampaian SPT Tahunan 1 April 2025*. Directorate General of Taxes. https://www.pajak.go.id/id/siaran-pers/kinerja-penyampaian-spt-tahunan-1-april-2025
Gobena, L. B., & Van Dijke, M. (2016). Power, justice, and trust: A moderated mediation analysis of tax compliance among Ethiopian business owners. *Journal of Economic Psychology*, *52*, 24–37. https://doi.org/10.1016/j.joep.2015.11.004
Gunaasih, S. A. P. P., & Ningsih, M. P. S. (2024). Investigation Non-economics Factors to The Tax Compliance of Village Treasurer in Kulon Progo District. *Accounting Analysis Journal*, *13*, 118–126. https://doi.org/10.15294/aaj.v13i2.4740
Hardiningsih, P., Januarti, I., Oktaviani, R. M., & Srimindarti, C. (2020). The determinants of taxpayer compliance with tax awareness as a mediation and education for moderation. *Jurnal Ilmiah Akuntansi Dan Bisnis*, *15*(1), 49. https://doi.org/10.24843/JIAB.2020.v15.i01.p05
Hidayat, V. S., Lestari, N., Johanes, D., & Gunawan, F. (2025). How do government digital content, theory of planned behaviour, and tax awareness affect tax compliance? *Jurnal Bisnis Dan Akuntansi*, *27*(1), 137–158. https://doi.org/10.34208/2pr02333
Ikatan Konsultan Pajak Indonesia. (2025, March 1). *Penerimaan Pajak Indonesia Terus Menurun, Tax Ratio 2024 Capai 10,07% PDB*. Ikatan Konsultan Pajak Indonesia. https://ikpi.or.id/penerimaan-pajak-indonesia-terus-menurun-tax-ratio-2024-capai-1007-pdb/
Inasius, F., Darijanto, G., Gani, E., & Soepriyanto, G. (2020). Tax compliance after the implementation of tax amnesty in Indonesia. *SAGE Open*, *10*(4), 1–0. https://doi.org/10.1177/2158244020968793
Jimenez, P., & Iyer, G. S. (2016). Tax compliance in a social setting: The influence of social norms, trust in government, and perceived fairness on taxpayer compliance. *Advances in Accounting*, *34*, 17–26. https://doi.org/10.1016/j.adiac.2016.07.001
Joshi, A., Prichard, W., & Heady, C. (2014). Taxing the informal economy: The current state of knowledge and agendas for future research. *The Journal of Development Studies*, *50*(10), 1325–1347. https://doi.org/10.1080/00220388.2014.940910
Khamis, I. H., & Mastor, N. H. (2021). Service quality, tax awareness and tax fairness as determinants of tax compliance among e-commerce enterprises in Malaysia. *International Journal of Academic Research in Business and Social Sciences*, *11*(2), 938–951. https://doi.org/10.6007/IJARBSS/v11-i2/9190
Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary tax compliance: The “slippery slope” framework. *Journal of Economic Psychology*, *29*(2), 210–225. https://doi.org/10.1016/j.joep.2007.05.004
Kurniati, D. (2025, April 15). *Tumbuh 17,23%, Wajib Pajak Terdaftar Capai 86,7 Juta pada Akhir 2024*. DDTCNews. https://news.ddtc.co.id/berita/nasional/1810056/tumbuh-1723-wajib-pajak-terdaftar-capai-867-juta-pada-akhir-2024
Mangoting, Y., Christopher, C., Kriwangko, N., & Adriyani, W. (2020). Interaksi komitmen dalam dinamika kepatuhan pajak. *Jurnal Akuntansi Multiparadigma*, *11*, 265–277. https://doi.org/10.21776/ub.jamal.2020.11.2.16
Mangoting, Y., Junfandi, J., & Vania, V. (2021). Relationship between Taxpayers and Authorities against Tax Compliance during the Covid’19 Pandemic. *Jurnal Dinamika Akuntansi*, *13*, 10–24. https://doi.org/10.15294/jda.v13i1.26319
Ministry of Finance. (2024). *APBN KiTa: Kinerja dan Fakta Edisi Januari 2024*. https://media.kemenkeu.go.id/getmedia/00d3acf5-5aa8-499a-b7e3-ceadc5be7094/Publikasi-APBN-KiTa-Edisi-Januari-2024.pdf
Muflihani, F., Subroto, B., & Rusydi, M. K. (2021). The effect of motivation, tax system complexity, and financial conditions on taxpayer compliance. *Journal of Economics, Business, & Accountancy Ventura*, *24*(2), 184–194. https://doi.org/10.14414/jebav.v24i1.2609
Night, S., & Bananuka, J. (2020). The mediating role of adoption of an electronic tax system in the relationship between attitude towards electronic tax system and tax compliance. *Journal of Economics, Finance and Administrative Science.*, *25*(49), 73–88. https://doi.org/10.1108/JEFAS-07-2018-0066
Nkundabanyanga, S. K., Mvura, P., Nyamuyonjo, D., Opiso, J., & Nakabuye, Z. (2017). Tax compliance in a developing country: Understanding taxpayers’ compliance decision by their perceptions. *Journal of Economic Studies*, *44*(6), 931–957. https://doi.org/10.1108/JES-03-2016-0061
Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic analysis: Striving to meet the trustworthiness criteria. *International Journal of Qualitative Methods*, *16*(1), 1–3. https://doi.org/10.1177/1609406917733847
OECD. (2022). *Tax Policy Reforms 2022: OECD and Selected Partner Economies*. https://doi.org/10.1787/067c593d-en
Okunogbe, O., & Santoro, F. (2023). The promise and limitations of information technology for tax mobilisation. *The World Bank Research Observer*, *38*(2), 295–324. https://doi.org/10.1093/wbro/lkac008
Saad, N. (2014). Tax knowledge, tax complexity and tax compliance: Taxpayers’ view. *Procedia - Social and Behavioral Sciences*, *109*, 1069–1075. https://doi.org/10.1016/j.sbspro.2013.12.590
Slemrod, J. (2019). Tax compliance and enforcement. *Journal of Economic Literature*, *57*(4), 904–954. https://doi.org/10.1257/jel.20181437
Styaningrum, F., Aziz, A. N., Amah, N., & Khoirunnisa, Z. (2025). Taxpayer compliance based on tax socialization mediated by taxpayer awareness: Behavioral approach. *Jurnal Dinamika Akuntansi*, *17*(2), 134–156. https://doi.org/10.15294/jda.v17i2.19520
Suhendar, D., & Hakim, D. R. (2021). Taxpayer compliance based on awareness and policy. *Accounting Analysis Journal, 10*(1), 18–4. https://doi.org/10.15294/aaj.v10i1.42043
Sumuan, C. F., & Fidiana, F. (2020). Tax sanctions from the authority perspective. *Jurnal Ilmiah Akuntansi Dan Bisnis*, *15*, 107–118. https://doi.org/10.24843/JIAB.2020.v15.i01.p10
Suryantara, I. G. (2024, March 21). *Menguak Celah dalam Tax Gap*. Direktorat Jenderal Pajak. https://www.pajak.go.id/id/artikel/menguak-celah-dalam-tax-gap
Torgler, B., & Schneider, F. (2009). The impact of tax morale and institutional quality on the shadow economy. *Journal of Economic Psychology*, *30*(2), 228–245. https://doi.org/10.1016/j.joep.2008.08.004
Wahyuni, E. D., Putri, A. U., & Leniwati. D. (2022). Kepatuhan wajib pajak pada masa pandemi Covid-19: Ditinjau dari slippery slope framework. *Jurnal Reviu Akuntansi Dan Keuangan*, *12*(2), 310–322. https://doi.org/10.22219/jrak.v12i2.21884