

The Effect of Tax Socialization, Superior Service, and Service Quality on Taxpayers' Satisfaction and Compliance

Sukei Sukei*, Isroim Yunaidah

Faculty of Economic and Business, University Dr. Soetomo, Surabaya, East Java, Indonesia

ARTICLE INFO

Article history:

Received 11 June 2019

Revised 5 January 2020

Accepted 6 January 2020

JEL Classification:

M31, H24, G38

Key words:

socialization effectiveness, superior service, satisfaction, taxpayers' compliance.

DOI:

10.14414/jebav.v22i3.1698

ABSTRACT

The impact of valuable services for taxpayers will increase the awareness and compliance of taxpayers. This study aims to explore whether there is a direct or indirect effect on the effectiveness of tax socialization, superior service products, and the quality of services to taxpayer satisfaction and taxpayer compliance. The study was conducted at the East Java Provincial Revenue Agency through 48 motorized vehicle service units, with a purposive sampling set at 426 respondents in the Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo and Lamongan regions with 2014 ownership of motorized vehicle years. With SEM analysis, the results of the study stated that there were significant direct or indirect effectiveness of tax socialization, superior service products, and quality of service to taxpayers' satisfaction and compliance as a mediating variable. The implication is that if the Central Tax Office conducts tax socialization effectively on target, provides superior service products, and delivers quality of services in all districts/cities in East Java Province, they will be able to get people to comply by voluntarily paying motor vehicle taxes on time.

ABSTRAK

Dampak dari pelayanan yang bernilai bagi wajib pajak akan meningkatkan kesadaran dan kepatuhan para wajib pajak. Penelitian ini bertujuan untuk mengeksplorasi apakah ada pengaruh secara langsung maupun tidak langsung efektifitas sosialisasi pajak, product pelayanan unggulan, dan kualitas pelayanan terhadap kepuasan Wajib Pajak dan kepatuhan Wajib Pajak. Penelitian dilakukan di Badan Pendapatan Daerah Provinsi Jawa Timur melalui 48 Unit layanan Kendaraan Bermotor, dengan purposive sampling ditetapkan 426 responden di Wilayah Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo dan Lamongan dengan tahun kepemilikan kendaraan bermotor 2014. Dengan metode analisis SEM hasil penelitian menyatakan ada pengaruh secara langsung maupun tidak langsung efektifitas sosialisasi pajak, product pelayanan unggulan, dan kualitas pelayanan terhadap kepuasan dan kepatuhan Wajib Pajak sebagai variabel mediasi. Implikasinya adalah jika kantor Samsat Induk melakukan sosialisasi pajak efektif tepat sasaran, memberikan produk layanan unggulan dan kualitas layanan di seluruh kabupaten/kota di Provinsi Jawa Timur, mereka akan dapat membuat masyarakat patuh dengan sukarela membayar pajak kendaraan bermotor dengan tepat waktu.

1. INTRODUCTION

Public service providers are obliged to provide facilities, infrastructure, and other service facilities as regulated in Article 1 of Law No. 25 of 2009 concerning Public Services. In this case, Cahyadi (2016) said that public service is one of the most visible measures of government performance. That is, to what extent the community can access and directly assess the performance of the government based on the service they feel. For this reason, the

quality of public services in government institutions is really fundamental and must be continuously evaluated.

East Java Provincial Revenue Agency, one of the public service organizations, is also handling provincial-level tax collection. Motor Vehicle Tax is one of the largest sources of local tax revenue in East Java province. This is the reason for the need for innovation in the source of tax revenue through efforts to both extensively and intensively the taxes.

* Corresponding author, email address: sukei@unitomo.ac.id

Positive economic growth in East Java has an impact on the need for transportation. The data of motorized vehicles in East Java province until the

beginning of the first semester of 2017 can be seen in Table 1.

Table 1
Number of Motorized Vehicles in East Java Province

No.	Types of Vehicles	2014	2015	2016	2017
1.	Passenger Cars	1,155,994	1,274,263	1,411,247	1,573,205
2.	Buses	23,487	25,317	27,431	29,354
3.	Goods Transport Vehicles	514,474	553,428	591,226	644,421
4.	Motorbikes	12,824,707	13,951,545	15,046,589	16,075,386
5.	Special Vehicles	1,904	1,922	1,936	2,000
Total		14,520,566	15,806,475	17,078,429	18,324,366

Source: The Online Integrated Motorized Vehicle Tax Office (Samsat) East Java – 2017

Based on the data of the Central Statistics Agency (BPS), East Java province has a population of 39,293,000. Of this large population, the number of motor vehicle taxpayers is 18, 324,366. The taxpayers are served at the integrated Samsat offices that are of 6,905,400 taxpayers, on average a year, or monthly of Rp 575,450 taxpayers and average service per day of 23,018 taxpayers. Referring to the results of the evaluation of services in the Samsat Joint Office and superior Samsat service units widespread throughout the regencies/ cities in East Java, several factors need to be considered, such as the factors related to service procedures, service time, and transparency. At present, the process and procedures for services at the Samsat Joint Office are still less effective. This can be seen from the large number of taxpayer queues that are always crowded in one room. During this time, the applicant takes about 20 minutes. However, along with the increase

in motorized vehicles and the limited number of offices of Taxpayers (Samsat), it is necessary to have such a revolutionary effort that service time and payment techniques must be faster than before.

Based on data from the East Java Provincial Revenue Agency, the public's interest in utilizing services in superior units is still low. Of the total number of taxpayers who make transactions, more than 75% are still conducted centrally in the Joint Office of Samsat. However, the percentage of use of superior Samsat units is around 25%. The success parameter in assessing public interest in the utilization of superior Samsat units is whenever the percentage of taxpayers in using superior samsat unit facilities exceeds 25%. Table 2 shows the number of taxpayers who have utilized superior services from the East Java Provincial Revenue Agency.

Table 2
Number of Taxpayers Who Use Superior Services

No.	Type of Superior Services	2014	2015	2016
1.	Drive Thru	1,256,125	1,483,020	1,568,070
2.	Payment Point	2,091,350	2,377,594	2,781,654
3.	Samsat Corner	595,230	523,676	556,986
4.	Travelling-Samsat	45,649	1,862,028	2,897,860
5.	e-Samsat	6,572	16,047	18,301
6.	Samsat ATM	-	174	234

Source: Government Agency Performance Accountability Report 2014 s/d 2016

From the data in Table 2, there is an increase in the number of taxpayers who pay taxes from year to year through superior Samsat. Moreover, the potential of motor vehicle taxpayers in East Java Province is still enormous. It should be noted that the number of tax objects up to the end of 2017 was 18,324,366 units, and around 4,883,027 or 28.59% were categorized as not complying because they did not register. That is, the potential income from motor vehicle tax in East Java Province has not been optimally explored. Based on the data obtained, the number of arrears of Motor Vehicle tax in East Java is still quite large; this is because Tax-payers have not re-registered, and the payment is due at maturity. Table 3 shows the amount of uncollected taxes for motor vehicles in the Regional Revenue Agency of East Java Province.

Table 3
Total of Uncollectable Tax

Years	Tax Arrears Amount
2014	857,565,698,720
2015	857,192,838,040
2016	873,285,033,311

Source: Government Agency Performance Accountability Report 2014 s/d 2016

Existing uncollected tax is quite high. This becomes a heavy-duty for the Regional Revenue Agency of East Java province to find solutions to minimize this existing uncollectable tax. For this reason, it is essential to conduct further research, through a review of the performance of the quality of public services, the effectiveness of socialization of tax counseling, and developing innovative types of services based on information technology. With these breakthroughs, it is also expected to increase compliance and accuracy of taxpayers in paying taxes (voluntary compliance). This is confirmed by the results of the study by Savitri (2015) concerning The Effect of Tax Socialization, Tax Knowledge, Expediency of Tax ID Number, and Service Quality on Taxpayers Compliance With Taxpayers Awareness as Mediating Variables. They concluded that tax socialization, tax knowledge, and service quality affected tax awareness. Furthermore, Afthanorhan, Awang, Rashid, Foziah, and Ghazali (2019) describe service quality that it can be interpreted as an effort to meet the needs and desires of consumers and the accuracy of delivery in offsetting consumer expectations. In other countries,

like in Ja-pan as the modern country, they also have problem with tax service satisfaction, It was found that the tax-payers mostly also felt dissatisfied and it was stated that this problem even not only from a higher level of taxation but also from the fact that there is often little if any, a commensurate increase in public services. This reminded the tax offices to improve their tax services, which is frustration may be the underlying cause of the taxpayer revolt or the tax limitation movement (Chatfield, 2009).

In line with the results of the previous research on Service quality, it is valuable and also the primary key of the public service to be provided for the community (Sukesi, 2011). It is a good perception of the com-munity that arises because they got impressed after feeling glad during the service process. This condition leads to their feeling satisfied because they get what they expect. This is in line with the opinion of Kotler, Keller, Ang, Tan, and Leong (2018) that service quality is the expected level of excellence and control over the level of excellence to meet customer desires. The above condition is undoubtedly fascinating to study. Putri and Jati (2013) argued that the factors affecting the tax revenue of a country include the level of taxpayer compliance in the country. Taxpayer compliance is the condition where the taxpayer meets his tax obligations, and then he or she implements taxation rights correctly and adequately in accordance with applicable tax laws and regulations.

Several factors that influence taxpayer compliance in paying motor vehicle are such as service quality and taxpayer satisfaction. Several types of services performed in the office of one roof system; there are types of services where taxpayers feel satisfied with the services provided. Government efforts to simplify the service of online vehicle letters are quite helpful. Moreover, the stewardship process is conducted transparently. The owner of the vehicle can access it easily. Indeed, it is in accordance with the taxpayers' desire. In other words, the taxpayers are satisfied with the services provided by the officers of one roof system. High taxpayer satisfaction is one of the factors that influence taxpayer compliance in carrying out their tax obligations.

There are some formulations of the problems raised on whether there is an effect either directly or in-directly of the effectiveness of tax socialization, superior service products, and the quality of service towards the taxpayer satisfaction and taxpayer compliance. In addition, it is also essential to see

whether there is an effect of the effectiveness of tax socialization, superior service products, and the quality of service on the level of satisfaction and compliance of motor vehicle taxpayers in the area of East Java Province.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

Socialization and the Effective

Tax socialization is an effort of the General Directorate of Taxation to provide understanding, information, and guidance for all taxpayers. In order to achieve its objectives, the tax socialization activities are divided into three efforts, namely: a) socialization activities for prospective taxpayers, b) socialization activities for new taxpayers, and c) socialization activities for registered taxpayers (Herryanto & Toly, 2013).

Tax socialization can be done in two ways, such as a) directly and b) indirectly. Tax socialization is an effort to convey knowledge to the public, especially to the taxpayers, in order that they know about all matters concerning the taxation, both regulations, and the procedures through appropriate methods. Furthermore, Susanto (2012) and Herryanto and Toly (2013) also stated that efforts to increase awareness and compliance of Taxpayers should be carried out through taxation socialization, and this must be done effectively. Besides, it can also be done by selecting more appropriate media.

In relation to the effort to increase the taxpayers, Witono (2016) stated that one of the factors that need to be considered in increasing tax awareness and compliance is by disseminating tax regulations through counseling, moral appeal, billboard media, billboards, and opening tax regulation sites that can be accessed at any time by taxpayers.

The socialization provided to the community is intended to provide an understanding to the public of the importance of paying taxes. According to Razmerita, Kirchner, and Nielsen (2016), a person's knowledge is influenced by several factors, including education, media, and information exposure. Furthermore, an individual guidance process is needed in the social world. Socialization is done by educating individuals about the culture that must be owned and followed so that they become good members of the community.

The form of tax socialization should be effective, as stated in the Director-General of Taxes Circular Number SE - 22 / PJ. / 2007 concerning Uniformization of Taxation Socialization for the Community states that the taxation socialization

indicator consists of 1) media information 2) slogan 3) how to submit 4) quality of information sources 5) socialization materials, and 6) extension activities. In more specifically, tax awareness is an important factor so that the taxpayers will get acknowledged with taxation and their obligation. It was also suggested that tax awareness for the taxpayers should be increased through such as the process of tax socialization program. In other words, tax awareness should be increased as it also increases tax compliance (Omondi & Theuri, 2019). In addition, Simpen, Abdi, Fahlevi, and Noviantoro (2019) also found that tax socialization is also a good impetus for the taxpayers to comply with the tax regulation. Therefore, taxpayers will become aware of tax payment. In general, based on the arguments above, socialization of any program or policy is really effective. Therefore, such an effort is required in order that the interrelated parties can increase their tax awareness and compliance.

Service Quality and the Indicators of Public Service Quality

There are some researchers doing the same studies related to service quality with their indicators. For example, it is stated that service quality is a significant factor for improving the customers' satisfaction, even their loyalty (Minh & Huu, 2016). Like Ngo and Nguyen, concerning service quality and its effect on customer satisfaction, Van Lierop and El-Geneidy (2016) also highlighted that service quality could affect customer satisfaction. They found in their study that in public transit the customer satisfaction was increased because of good service quality.

The above arguments are also in line with Tjiptono (2012) and Kotler, Keller, Brady, Goodman, & Hansen (2019). They also argued that service quality is a dynamic situation, closely related to the products, services, existing resources, and processes and environments that can at least meet or exceed the expected service quality. Furthermore, according to Sulastiyono (2011), service quality is even something more complex. The service quality is measured through several parameters, commonly called the dimensions of service quality reliability, responsiveness, assurance, empathy, and tangibles. Yuan and Gao (2019) argued that there are some dimensions of service quality, but they are mostly also complicated, as described in terms of Servqual. There are summarized five dimensions, such as Tangibles, Reliability, Responsiveness, Assurance, and Empathy. However, in different contexts and situations, the complexity of the servqual dimension

still exists. Therefore, the context of the analysis can be a prominent factor in deciding the indicators of service quality.

The dimensions of service quality – to a certain extent – include the formation of the attribute and consequence levels of the customer value. Therefore, a customer's value is important. The values are based on the condition, whether they are being given the service. In that case, the place where they live dealing with taxpayers and tax compliance is a good reference for determining the dimensions above. It is called a dynamic world of business and services (Pentti, Juha, & Outi, 2017). The more references being referred, the more complicated the dimensions are. However, this study can refer to the condition where the respondents are living.

In order that this study can focus on the indicators of public service quality, the researchers refer to the regulation stipulated by the government. Based on the Regulation of the Minister of Administrative Reform and Bureaucratic Reform Number 14 of 2017 concerning Guidelines for Preparing the Community Satisfaction Survey (SKM), there are nine elements in terms of service quality such as 1) requirements 2) systems, mechanisms and procedures 3) completion time 4) fees/rates 5) products specifications service types 6) implementing competencies 7) implementing behavior 8) complaint handling, and 9) facilities and infrastructure.

Superior Service Type

The Center of excellence is a superior service that is full of innovation, supported by technology. Valdez-Juárez, Beltramino, Limón-Ulloa, and Alicia (2019) examined the service quality in relation to among others the increase of high superior value in the service of the restaurant, in which to have a superior service quality is salient. In addition, Uppal, Ali, and Gulliver (2018) studied service quality superior type on e-learning service and stated similarly that superior service is induced by the support of technology. By using technology for enhancing the service quality, the customers get satisfied, even increases their loyalty. The most remarkable evidence is provided by Obeng, Nakhata, and Kuo (2019). They studied retail situations involving the exchange of goods and found that the interaction between superior service quality is strong for improving the retailer's willingness to buy the goods. Therefore, superior service quality has a prominent effect on consumers' satisfaction. Technology should be able to support the enhancement of superior service quality.

In connection with a superior service type, Zuckerman & Markham (2006) mention that there are four aspects that must be considered, namely products; market & target market; market position; and ability. In this case, there are several types of superior services developed by the Regional Revenue Agency of East Java Province include: Mobile Samsat/Independent Traveling Samsat; Samsat Corner; Samsat Payment Point; Electronic Data Capture (EDC) Card; East Java e-Samsat accesses the website: www.e-samsat.jatimprov.go.id to get the payment code; East Java ATM Samsat; Homepage, namely at <http://www.dipendajatim.go.id>; PKB SMS Info Service information on Motor Vehicle Tax and BBNKB via SMS, by typing: Jatim (space) the police license plate number, and send to 5454 (Telkomsel) or 7070 (Indosat, XL, Flexi or Landline); and E-Smart Samsat, a smartphone application (android and iOS).

Taxpayer Satisfaction

Kotler et al. (2018) stated that Consumer Satisfaction is a feeling of pleasure or disappointment that someone appears after comparing the performance (results) of the product, as perceived by the expected performance. Kasiri, Cheng, Sambasivan, and Sidin (2017) stated that one of the drivers of customer satisfaction is service quality. In addition, in their study, customer satisfaction can be increased by developing the service quality standard. Customer satisfaction is also a good factor for making customers or consumers do the same thing to buy or use the services given.

In connection with customer satisfaction, Ahn, Back, and Choe (2019), in their study on tourism and hospitality, argued that customers need to be satisfied. This satisfaction can be driven by a good quality service. Agnihotri, Dingus, Hu, and Krush (2016) described that consumer satisfaction is the level of consumer feelings after comparing what he received and his expectations. Furthermore, Kasiri et al. (2017) stated that community satisfaction can be attained from service quality, and this service quality, in turn, can be improved in some ways. It can be improved by several approaches such as 1) reducing disparity 2) organizations capable of building commitment 3) providing opportunities for communities to submit complaints and 4) developing services.

Tax Payers Compliance

In taxation, tax compliance is the compliance of a taxpayer to tax regulations or Laws. Taxpayer

compliance is the fulfillment of tax obligations carried out by taxpayers in order to contribute to the development of the country, which is expected to be carried out voluntarily. Casal, Kogler, Mittone, and Kirchler (2016) found that tax compliance depends on the taxpayers' voice. It means that they will comply with the tax based on the regulation they have been acknowledged. Therefore, it also needs an effective regulation about taxation.

Taxpayer compliance is an important aspect considering that the Indonesian taxation system adheres to a self-assessment system wherein the process absolutely gives the taxpayers the confidence to calculate, pay, and report their obligations (Tiraada, 2013).

Hypothesis

There were several previous studies similar to those related to public service performance, and taxation studies supporting the hypothesis. Ananda (2015) showed that tax socialization has a significant influence on taxpayer compliance, tax rates, and understanding of taxation. Sukeşi (2014) studied public service performance using primary and secondary data with the help of CSI analysis and obtained an average value of 78,584 in the Good category. It means that out of the 23 products/types of services, respondents gave positive, spontaneous responses during the licensing process. Transparency of services, the certainty of costs, processing time, and available information can convince the users. Furthermore, Dharma and Suardana (2014) showed that the awareness of taxpayers, tax socialization, and service quality had a significant effect on taxpayer compliance at the Joint SAMSAT Denpasar office. In addition, Herawati, Lusiana & Tabroni (2017) revealed that when the socialization process is carried out correctly, the taxpayer will understand the regulation, including their obligations. Besides that, understanding taxation is strongly correlated with taxpayer compliance in fulfilling its obligations. For example, when taxpayers comply with regulations, their attitude will greatly correlate well with compliance with paying taxes.

The awareness must be owned by all people to do something. This is also true in terms of tax payments. It takes awareness of the taxpayer to deposit his/her tax obligations to the state. Young, Lei, Wong, and Kwok (2016) studied taxpayer awareness in China. The taxpayer awareness is classified as low because Chinese society has a different legalism from other citizens, where Chinese people still adhere to the ethical values of

their ancestors. They found that the efforts to encourage the level of awareness of Chinese society must be attractive and should contain elements of the importance of taxes as a contribution of public funds to their families and the welfare of their society.

H1: There is an effect of tax socialization, superior service products, service quality on the satisfaction of Motorized Taxpayers in East Java;

H2: There is an effect of tax socialization, excellent service products, and service quality on the compliance of Motor Vehicle Taxpayers in East Java; and

H3: There is either a direct or indirect effect of tax socialization, superior service products, and the quality of services on taxpayer satisfaction and compliance of Motor Vehicle Taxpayers in East Java.

3. RESEARCH METHOD

Sampling Technique

This study used all motor vehicle taxpayers registered in the East Java Region as the population. They were taken by means of a With purposive sampling in Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo, and Lamongan regions with the 2014 motorized vehicle over the payment period from May to July 2018. This was adjusted when the study took place with a sample of 426 people. Due to the large population, several samples were taken to represent the population. This was done by a random sampling based on specific characteristics that have been previously determined.

Data Collection Technique

Two approaches were made to collect the data. First, it was an observation and interview, namely, conveying questions verbally to the respondent about the description of the problems that occur, and the issues being studied. Another one is a questionnaire, measuring research variables with design questions that have meaning in testing the hypotheses. It was equipped with a 4-digit Likert scale by compiling the following ordinal scale questionnaire.

1	2	3	4
Extremely disagree	Disagree	Agree	Extremely Agree

Figure 1

Likert Scale measuring the types of Ordinal Scala

Variables and the Operational Definitions

Tax audit accounting ignores that the substance has a tendency to mislead. Setyorini and Susilowati (2018) stated that the effectiveness of the tax administration system requires bookkeeping (accounting) with a healthy and trustworthy manner. The tax inspectors in conducting the examination required to check and/or borrow the books and records of the taxpayer. The examiner authority is not without reason, but the authority to examine the books and accounting records belonging to the taxpayer intended to uncover the substantive truth of the transactions that have been carried out by the taxpayer. Substantive tax audit will be significantly assisted by financial data and reports generated by the accounting. Thus, this proves that accounting has a strategic role in tax audits, especially when referring to forward the demand.

Center of excellence (X2) is a superior service, full of innovation with technological support, Zuckerman & Markham (2006). It is equipped with a measurement (X2.1) Mobile Samsat; (X2.2) Drive-Thru Samsat; (X2.3) Samsat Corner; (X2.4) ATM Samsat; and (X2.5) E-Smart Samsat. Service quality (X3) is the totality that shows the ability to satisfy customer needs, both explicit and hidden (Kotler et al., 2018) and refers to Ministerial Regulation Number 14 of 2017 concerning Guidelines for

Community Satisfaction Survey (SKM) Implementation of Public Services with measurements (X3.1) Requirements; (X3.2) Systems, mechanisms, and procedures; (X3.3) Settlement time; (X3.4) Costs/Tariffs; (X3.5) Product Specifications; (X3.6) Implementing Competencies; (X3.7) Implementing Behavior; (X3.8) Handling of complaints, suggestions, and input; (X3.9) Facilities and infrastructure. Taxpayer Satisfaction (Y1) is either feeling happy or disappointed that is someone who behaves after comparing the performance (results) of the product he expected to have an excellent performance. In addition, Rouf, Babu, Khatun, Rasel, and Kumar (2019) also argue when individuals feel happy because they get what they expect, they will be satisfied. They feel satisfied after they get what they expect, which is related to a particular performance. In this case, satisfaction towards the performance can be measured using measurements (Y1.1) Timeliness, (Y1.2) Ease of Use, (Y1.3) Satisfaction, and (Y1.4) Efficiency (Kotler et al., 2019). Taxpayer compliance is the Tax (Y2). In accordance with Law Number 28 of 2007 concerning General Provisions and Procedures for Taxation, taxpayer compliance is the fulfillment of tax obligations carried out voluntarily. It is measured using the aspects of timelines (Y2.1); and income taxpayer (Y2.2) (See Figure 2)

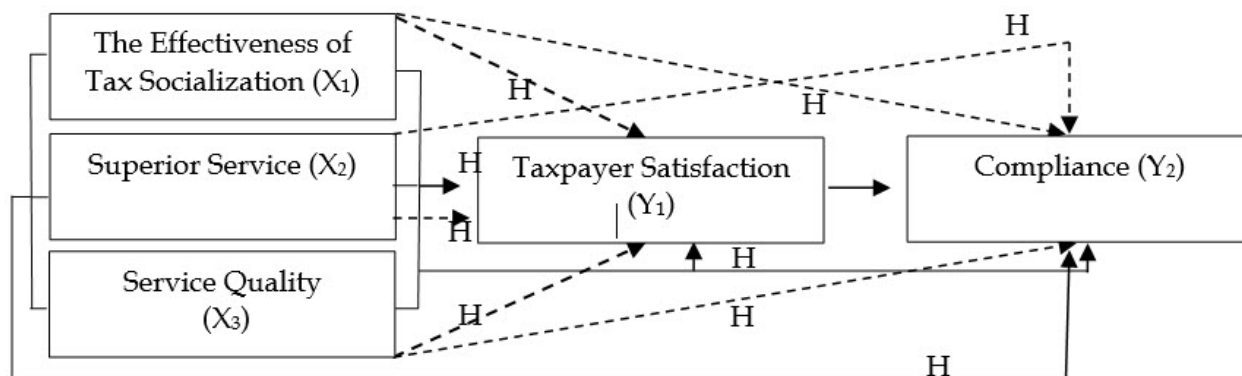


Figure 2:
Conceptual Framework of the Research

Note:
 -----> : Indirect Influence
 —————> : Direct Influence

Data Analysis Technique

This study uses an analysis model of Structural Equation Modeling (SEM) with AMOS (Analysis of Moment Structure) program. SEM was done to analyze the effect of exogenous variables

(effectiveness of tax socialization, superior service, service quality) on the endogenous variable (taxpayer satisfaction and taxpayer compliance).

4. DATA ANALYSIS AND DISCUSSION

The results of the analysis of each hypothesis are as follows: There is an effect of the effectiveness of tax

socialization, service excellence, and service quality on the satisfaction of motor vehicle taxpayers in East Java. The regression equation is

$$Y_1 = \alpha + b_1X_1 + b_2X_2 + b_3X_3 + e \quad (1)$$

Table 4
Total Effects (Group number 1 - Default model)

	Effectiveness of Tax Socialization (X1)	Superior Service (X2)	Service Quality (X3)	Taxpayers' Satisfaction (Y1)	Taxpayers' Compliance (Y2)
Taxpayers' Satisfaction (Y1)	1.3420	2.4090	2.4480	0.0000	0.0000

Source: AMOS Analysis Result

Table 4 and Table 5 show the result of regression. The regression value for each variable is > 0.7. It indicates the relationship of independent variables and the dependent variable with a significant level of 0.000. The result of each value of P for Tax socialization effectiveness (X1) = 1.342, featured services (X2) = 2.409, and service quality (X3) value of 2.448 for taxpayer satisfaction (Y1) with the value of > 0.7. Thus, it is proved to have an effect on taxpayers' satisfaction (Y1) in the Regional Revenue Agency of East Java Province in Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo, and Lamongan.

The effectiveness of tax socialization can be done by giving information through the News, Banners & Brochures, and information on television, media, radio, and print media (tax letters are very

effective). Excellent service concerning full of innovation is considered fully convenient services related to Mobile Samsat, Samsat Drive-Thru, Samsat Corner, ATM Samsat, and E-Smart Samsat, according to taxpayer requirements. The quality of the available services with nine measurements is beneficial for taxpayers regarding service procedures, service time, and transparency. If tax socialization is carried out properly and effectively, taxpayers are satisfied, and they can increase their knowledge about tax regulations. This is, then, accompanied by effective socialization media to increase the awareness of taxpayers to immediately make tax payments. When taxpayers comply with the regulation of the tax, it shows that there is a positive correlation with tax-payer satisfaction.

Table 5
Regression Weights: (Group number 1 - Default model)

Dependent Variables	Independent Variables	Estimate	S.E.	C.R.	P	Sig.
Taxpayers Satisfaction (Y1)	<--- Effectiveness of Tax Socialization (X1)	0.1690	0.5170	2.5960	1.3420	0.0000
Taxpayers Satisfaction (Y1)	<--- Superior Service (X2)	0.1270	0.5540	4.3500	2.4090	0.0000
Taxpayers Satisfaction (Y1)	<--- Service Quality (X3)	0.4490	3.2330	0.7570	2.4480	0.0000

Source: Results of AMOS Analysis

First of all, the results of this study are in line with the research of Antanegoro, Sanusi, and Surya (2017), stating that product innovation, service innovation, and service quality affect customer satisfaction. Secondly, it is also supported by the study of Rahayu (2016), finding that service quality of account representative and socialization of tax

regulations have an effect on community satisfaction. Finally, this study is also in line with that by Sukei (2017), who concluded that service quality had an effect on customer satisfaction in the Integrated Licensing Service Office (KPPT) of Mojokerto with reference to Domestic Ministry Regulation Number 16 of 2014. The data on

applicants for licensing documents as respondents provides an average rating B (Good) to all services.

The second hypothesis is the effect of the effectiveness of tax socialization, excellent service,

and service quality on the compliance of motor vehicle taxpayers in East Java. The regression equation is

$$Y_2 = \alpha + b_7X_1 + b_8X_2 + b_9X_3 + Y_1 + e \quad (2)$$

Table 6
Total Effects (Group Number 1 - Default Model)

	Effectiveness of Tax Socialization (X1)	Superior Service (X2)	Service Quality (X3)	Taxpayers Satisfaction (Y1)	Taxpayers Compliance PAJAK (Y2)
Taxpayers Compliance (Y2)	2.0390	3.1420	4.2220	1.3080	0.0000

Source: Results of AMOS Analysis

Table 6 and Table 7 show the result of regression. The regression result on each variable with a value of > 0.7. It indicates a relationship between the independent variables and the dependent variables with the significance level of 0.000. As it is shown on Table 7, each value of P effectiveness of tax dissemination (X1) = 2,039, excellent services (X2) = 4,222, and service quality (X3) of 3,142 towards taxpayer compliance (Y2) with the value > 0, 7. Therefore, there is an effect on taxpayer compliance (Y2) in the Regional Revenue Agency of East Java Province in Gresik, Bangkalan, Mojokerto, Surabaya, Sidoarjo, and Lamongan.

The effectiveness of tax socialization through television information media, radio, printed media (newspapers, banners & brochures), and tax counseling is high. Excellent service is full of

conveniences, such as Mobile Samsat, Drive-Thru Samsat, Samsat Corner, ATM Samsat, and E-Smart Samsat. All these are according to taxpayer requirements, and service quality provided by service procedures, the certainty of service time, transparency, and clarity of information services are beneficial for mandatory tax.

The socialization of taxation leads to the taxpayer's satisfaction being able to get more knowledge about the importance of tax payments, superior service innovation, and the increasingly perfect and very effective quality of infrastructure services that will spoil the taxpayers. By doing this, they feel being helped, and therefore they can increase a compliance awareness to pay taxes on time and according to the income received.

Table 7
Regression Weights: (Group Number 1 - Default Model)

Dependent Variables		Independent Variable	Estimate	S.E.	C.R.	P	Sig.
Taxpayers Compliance (Y2)	<---	Effectiveness of Tax Socialization (X1)	0.0750	0.1590	1.7820	2.0390	0.000
Taxpayers Compliance (Y2)	<---	Superior Service (X2)	0.1610	5.2980	1.4010	4.2220	0.000
Taxpayers Compliance (Y2)	<---	Service Quality (X3)	0.9690	0.1950	0.1390	3.1420	0.000
Taxpayers Compliance (Y2)	<---	Taxpayers Satisfaction (Y1)	0.1950	0.1780	7.3310	1.3080	0.000

Source: Result of AMOS Analysis

The result of this study is supported by the previous studies such as Dharma and Suardana (2014) that taxpayer awareness, tax socialization, and service quality have a significant effect on

taxpayer compliance in paying motor vehicle taxes and transfer of motor vehicle taxes at joint offices SAMSAT Denpasar. This is also in line with the study by Solicha (2015), stating that superior service

has a significant effect on taxpayer compliance in Malang city. When taxpayers comply with regulations, their attitude will greatly correlate well with compliance with paying taxes. This study found a high correlation between understanding, compliance, and compliance (Herawati, Tabroni, &

Lusiana, 2018).

The third hypothesis has either a direct or indirect effect between the effectiveness of tax socialization, excellent service, quality of service on taxpayer satisfaction, and compliance for motor vehicle taxpayers in East Java.

Direct Effect:

$$P_1 = Y_2 = \alpha + b_{14}X_1 + b_{15}X_2 + b_{16}X_3 \quad (3)$$

Indirect Effect:

$$P_2 = Y_1 = \alpha + b_{17}X_1 + b_{18}X_2 + b_{19}X_3 + b_{20}Y_2 \quad (4)$$

Table 8
Direct Effects and Indirect Effects

No	Variables	Direct Effect	Indirect Effect
1	Service Quality (X3) towards Taxpayers Satisfaction (Y1)	2,4480	0,0000
2	Superior Service (X2) towards Taxpayers Satisfaction (Y1)	2,4090	0,0000
3	Effectiveness of Tax Socialization (X1) towards Taxpayers Satisfaction (Y1)	1,3420	0,0000
4	Service Quality (X3) towards Taxpayers Compliance (Y2)	7,4230	3,2010
5	Superior Service (X2) towards Taxpayers Compliance (Y2)	0,0080	3,1500
6	Effectiveness of Tax Socialization (X1) towards Taxpayers Compliance (Y2)	0,2830	1,7550
7	Taxpayers Satisfaction (Y1) towards Taxpayers Satisfaction	1,3080	0,0000

Source: Results of Analysis by AMOS

The main value used to find out the acceptance factor in this model is a direct effect because it describes the range of the relationship of the variables directly. The degree of the effect of each of the latent direct effect variables and indirect effects is explained as follows.

Table 8 shows the results of direct and indirect effect testing. When the value is $1,342 > 0,05$ for effectiveness of tax socialization, excellent service $2,409 > 0,05$, and service quality value of $2,448 > 0,05$, it means that each variable has no direct effect on taxpayer satisfaction (Y1). Service quality and superior service with the value of $0,000 < 0,05$ have an indirect effect on taxpayer satisfaction. Furthermore, the value of $7,423 > 0,05$ for service quality variable has no direct effect on taxpayer compliance (Y2), and with a value of $3,201 > 0,05$ for service quality, it also has no indirect effect on taxpayer compliance (Y2). With the value of $1.308 > 0.05$, for taxpayer satisfaction, it also has no direct effect on taxpayer compliance (Y2), and $0,000 < 0.05$ for taxpayer satisfaction (Y1), it also has an indirect

effect on taxpayer compliance (Y2).

The effectiveness of tax socialization, superior services, and service quality does not have a direct effect on taxpayer satisfaction. However, these three variables have an indirect effect on motor vehicle taxpayer satisfaction. Furthermore, the effectiveness of tax socialization, superior services, and service quality does not either have a direct effect on taxpayer compliance. However, these three variables have an indirect effect on taxpayer compliance.

Taxpayer satisfaction does not have a direct effect on taxpayer compliance, but it has on the tax compliance of motor vehicle taxpayers in East Java. The results of this study also support the previous studies by such as Savitri (2015), stating that the effectiveness of positive information from the beginning of the socialization process has a positive effect on taxpayer compliance. Taxpayers really need to need information about tax and, therefore, it is important for them to have a new tax regulation. Tax regulations should be socialized quickly and

effectively. This study found a positive correlation between understanding, compliance, and satisfaction (Herawati et al., 2018).

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

The positive impact of motor vehicle taxpayers' awareness in East Java for paying the tax on time is due to some crucial factors. They are taxpayer satisfaction and compliance. However, it can be realized when the techniques of effective socialization are conveyed appropriately, and the information on superior service products is valuable for the taxpayers. Besides, the quality of services should include not only available convenient facilities but also service procedures, certainty in-service time, transparency of payments, information clarity, and easy access to available payments for making a positive impression on the taxpayers.

It is suggested that for the next researcher to add in detail the indicator of the taxpayers' satisfaction variable, whether they are satisfied because of the awareness of the taxpayer or compulsion. That is, the effectiveness of tax socialization, superior services, and service quality does not have a direct effect on taxpayer satisfaction. However, these three variables have an indirect effect on the satisfaction of motor vehicle taxpayers in East Java. All in all, it can be implied that tax socialization, superior service products and quality of services provided by Samsat Parent in all districts/cities in East Java Province, can make people obedient by voluntarily paying motor vehicle taxes on time. All these factors are prominent for enhancing the taxpayers/ obedience to pay their tax on time.

REFERENCES

- Afthanorhan, A., Awang, Z., Rashid, N., Foziah, H., & Ghazali, P. 2019, 'Assessing the effects of service quality on customer satisfaction'. *Management Science Letters*, vol. 9, no. 1, pp. 13-24.
- Agnihotri, R., Dingus, R., Hu, M. Y., & Krush, M. T. 2016, 'Social media: Influencing customer satisfaction in B2B sales'. *Industrial Marketing Management*, vol. 53, pp. 172-180.
- Ahn, J., Back, K.-J., & Choe, Y. 2019, 'Customers' needs satisfaction: A scale validation with refinement in the integrated resort setting'. *International Journal of Hospitality Management*, vol. 82, pp. 39-47.
- Ananda, P. R. D. 2015, 'Pengaruh Sosialisasi Perpajakan, Tarif Pajak, dan Pemahaman Perpajakan terhadap Kepatuhan Wajib Pajak (Studi pada UMKM yang Terdaftar sebagai Wajib Pajak di Kantor Pelayanan Pajak Pratama Batu)'. *Jurnal Mahasiswa Perpajakan*, vol. 6, no. 2, pp. 1-9.
- Antanegoro, R. Y., Sanusi, F., & Surya, D. 2017, 'Analisis Pengaruh Inovasi Produk, Inovasi Layanan Dan Kualitas Pelayanan Terhadap Kepuasan Dan Loyalitas Nasabah'. *Jurnal Riset Bisnis dan Manajemen Tirtayasa*, vol. 1, no. 2, pp. 167-179.
- Cahyadi, R. 2016, 'Inovasi kualitas pelayanan publik pemerintah daerah'. *Fiat Justicia Jurnal Ilmu Hukum Fakultas Hukum Universitas Lampung*, vol. 10, no. 3, pp. 569-586.
- Casal, S., Kogler, C., Mittone, L., & Kirchler, E. 2016, 'Tax compliance depends on voice of taxpayers'. *Journal of Economic Psychology*, vol. 56, pp. 141-150.
- Chatfield, A. T. 2009, 'Public Service reform through e-Government: a case study of e-Tax'in Japan'. *Electronic Journal of e-Government*, vol. 7, no. 2, pp. 135-146.
- Dharma, G. P. E., & Suardana, K. A. 2014, 'Pengaruh kesadaran wajib pajak, sosialisasi perpajakan, kualitas pelayanan pada kepatuhan wajib pajak'. *E-Jurnal Akuntansi Universitas Udayana*, vol. 6, no. 1, pp. 340-353.
- Herawati, H., Tabroni, R., & Lusiana, S. 2018, 'The Effectiveness of The Tax Regulation Socialization Strategies on Tax Payers' Comprehension and Compliance In Implementing Their Tax Obligations'. *The International Journal of Business Review*, vol. 1, no. 2, pp. 131-140.
- Herryanto, M., & Toly, A. A. 2013, 'Pengaruh kesadaran wajib pajak, kegiatan sosialisasi perpajakan, dan pemeriksaan pajak terhadap penerimaan pajak penghasilan di KPP Pratama Surabaya Sawahan'. *Tax & Accounting Review*, vol. 1, no. 1, pp. 124-135.
- Laporan Akuntabilitas Kinerja Instansi Pemerintah (LAKIP) tahun 2014 s/d 2016 Badan Pendapatan Daerah Provinsi Jawa Timur.
- Kasiri, L. A., Cheng, K. T. G., Sambasivan, M., & Sidin, S. M. 2017, 'Integration of standardization and customization: Impact on service quality, customer satisfaction, and loyalty'. *Journal of Retailing and Consumer Services*, vol. 35, pp. 91-97.

- Kepmen PAN Nomor 25/M.PAN/2/2004 tentang Pedoman Umum Penyusunan Indeks Kepuasan Masyarakat Unit Pelayanan Instansi Pemerintah.
- Kotler, P., Keller, K. L., Ang, S. H., Tan, C. T., & Leong, S. M. 2018, *Marketing management: an Asian perspective*: Pearson.
- Kotler, P., Keller, K. L., Brady, M., Goodman, M., & Hansen, T. 2019, *Marketing management*: Pearson UK.
- Minh, N. V., & Huu, N. H. 2016, 'The Relationship between Service Quality, Customer Satisfaction and Customer Loyalty: An Investigation in Vietnamese Retail Banking Sector'. *Journal of Competitiveness*, vol. 8, no. 2, pp. 103-116.
- Peraturan Menteri Pendayagunaan Aparatur Negara dan Reformasi Birokrasi Nomor 14 Tahun 2017 tentang Pedoman Penyusunan Survei Kepuasan Masyarakat
- Peraturan Menteri Dalam Negeri Nomor 16 Tahun 2014 Tentang Sistem Manajemen Kinerja Di Lingkungan Kementerian Dalam Negeri
- Obeng, E., Nakhata, C., & Kuo, H.-C. 2019, 'Paying it forward: The reciprocal effect of superior service on charity at checkout'. *Journal of Business Research*, vol. 98, pp. 250-260.
- Omondi, J., & Theuri, J. 2019, 'Effect of taxpayer awareness and compliance costs on tax compliance among small scale traders in Nakuru town, Kenya'. *International Academic Journal of Economics and Finance*, vol. 3, no. 3, pp. 279-295.
- Pentti, J., Juha, M., & Outi, U. 2017, The Structure and Formation of Customer value in B-to-B Services *The Customer is NOT Always Right? Marketing Orientations in a Dynamic Business World* (pp. 237-241): Springer.
- Putri, A. R. S., & Jati, I. K. 2013, 'Faktor-faktor yang mempengaruhi kepatuhan wajib pajak dalam membayar pajak kendaraan bermotor di Denpasar'. *E-Jurnal Akuntansi*, vol. 2, no. 3, pp. 661-677.
- Rahayu, P. A. 2016, 'Pengaruh Sosialisasi Peraturan Perpajakan, Pelayanan Account Representative, dan Pemeriksaan PPN LB Restitusi setelah Modernisasi terhadap Kepuasan Wajib Pajak: Studi Empiris Kantor Pelayanan Pajak Madya Bandung'. *Jurnal Akuntansi Maranatha*, vol. 8, no. 2, pp. 175-202.
- Razmerita, L., Kirchner, K., & Nielsen, P. 2016, 'What factors influence knowledge sharing in organizations? A social dilemma perspective of social media communication'. *Journal of Knowledge Management*, vol. 20, no. 6, pp. 1225-1246
- Rouf, M. A., Babu, M. A., Khatun, M. A., Rasel, M., & Kumar, A. 2019, 'Measuring Customer's Satisfaction Level and Service Gap Between bKash and Rocket in Bangladesh'. *American Journal of Marketing Research*, vol. 5, no. 2, pp. 29-35.
- Savitri, E. 2015, 'The Effect of Tax Socialization, Tax Knowledge, Expediency of Tax ID Number and Service Quality on Taxpayers Compliance with Taxpayers Awareness as Mediating Variables'. *Procedia-social and behavioral sciences*, vol. 211, pp. 163-169.
- Setyorini, C. T., & Susilowati, D. 2018, 'Analysis of Implementation of SMEs Tax Enforcement: The effects of tax justice dimensions, understanding of tax account-ing on SME" s tax compliance'. *Journal of Economics, Business, & Accountancy Ventura*, vol. 21, no. 1, pp. 1-12.
- Simpen, I. N., Abdi, M. N., Fahlevi, M., & Noviantoro, R. 2019, *The Effect of Socialization, Sanction, and E-Filing on Annual SPT Reporting*. Paper presented at the E3S Web of Conferences.
- Sistem Layanan Samsat Terintegrasi Online Kantor Bersama Samsat Se-Jatim – 2017
- Solicha, E. K. 2015, 'Tingkat Kepatuhan Wajib Pajak Ditinjau Dari Penerapan Tiga Layanan Unggulan Samsat Jawa Timur (Studi Pada Wajib Pajak Kendaraan Bermotor Kantor Bersama Samsat Malang Kota – UPT Dipenda Jatim Malang Kota)'. *Jurnal Mahasiswa Perpajakan*, vol. 5, no. 2, pp. 1-13.
- Sukezi, S. 2011, 'Analisis Konsekuensi Kualitas Pelayanan Terhadap Kepuasan Masyarakat (Kajian pada Pengguna Pelayanan Publik Dinas Perhubungan & LLAJ Provinsi Jawa Timur)'. *Jurnal Manajemen dan kewirausahaan*, vol. 13, no. 1, pp. 61-75.
- Sukezi, S. 2014, 'The Behavioral Consequences of Customers Satisfaction Index in East Java Integrated Licensing Services (Pelayanan Perijinan Terpadu-P2T)'. *International Journal of Business and Management*, vol. 8, pp. 17-37.
- Sukezi, S. 2017, 'Analisis Kepuasan Masyarakat Pada Kantor Pelayanan Perizinan Terpadu (KPPT) Kota Mojokerto'. *Ekspektra: Jurnal Bisnis dan Manajemen*, vol. 1, no. 2, pp. 122-136.
- Sulastiyono, A. 2011, *Seri Manajemen Usaha Jasa Sarana Pariwisata dan Akomodasi: Manajemen Penyelenggaraan Hotel*.
- Surat Edaran Direktur Jendral Pajak Nomor SE - 22/PJ/ 2007 tentang Penyeragaman Sosialisasi Perpajakan Bagi Masyarakat

- Susanto, H. 2012, Membangun kesadaran dan kepedulian sukarela wajib pajak. Retrieved January 2019. from <http://www.pajak.go.id>
- Tiraada, T. A. 2013, 'Kesadaran Perpajakan, Sanksi Pajak, Sikap Fiskus terhadap Kepatuhan Wpop di Kabupaten Minahasa Selatan'. *Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, vol. 1, no. 3, pp. 999-1008.
- Tjiptono, F. (2012). *Manajemen Jasa*, Andi: Yogyakarta.
- Uppal, M. A., Ali, S., & Gulliver, S. R. 2018, 'Factors determining e-learning service quality'. *British Journal of Educational Technology*, vol. 49, no. 3, pp. 412-426.
- Valdez-Juárez, L. E., Beltramino, N. S., Limón-Ulloa, R., & Alicia, E. 2019, 'The Quality of the Service, Superior Value Generator in the Restaurant Sector'. *International Journal of Marketing Studies*, vol. 11, no. 3, pp. 87-105.
- Van Lierop, D., & El-Geneidy, A. 2016, 'Enjoying loyalty: The relationship between service quality, customer satisfaction, and behavioral intentions in public transit'. *Research in Transportation Economics*, vol. 59, pp. 50-59.
- Witono, B. 2016, 'Peran Pengetahuan Pajak Pada Kepatuhan Wajib Pajak'. *Riset Akuntansi dan Keuangan Indonesia*, vol. 7, no. 2, pp. 196-208.
- Young, A., Lei, L., Wong, B., & Kwok, B. 2016, 'Individual tax compliance in China: a review'. *International Journal of Law and management*, vol. 58, no. 5, pp. 562-574.
- Yuan, Q., & Gao, Q. 2019, 'Is SERVQUAL Reliable and Valid? A Review from the Perspective of Dimensions in Different Typical Service Industries. Paper presented at the International Conference on Human-Computer Interaction.
- Zuckerman and Markham 2006, *Pengertian Layanan Unggulan*. Available at: <https://manajemenrumahsakit.net/2013/07/konsepsi-layanan-unggulan-di-rumah-sakit-dalam-konteks-rs-publik>
www.e-samsat.jatimprov.go.id
www.dipendajatim.go.id