

The Impact of Demographic Factors on MSME Tax Compliance in Pontianak City

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Abstract

The research aims to determine whether demographic factors are associated with tax understanding and knowledge, both regulations and policies implemented by the government on tax compliance for MSMEs in Pontianak. This study used primary data by distributing questionnaires in Pontianak City. The sample used in this study is individual taxpayers who own MSMEs in Pontianak City. The research method uses statistical tests with processing techniques and data analysis using data quality tests classical assumption tests, and multiple regression. The study's results found that age and gender did not affect tax compliance because it returned to the awareness of each individual that taxes were important.

Keywords: Demographic Factors, Compliance, MSMEs, Pontianak

1. Introduction

Taxes are the largest source of state revenue used for government purposes in the context of national development. The Ministry of Finance noted that the realization of state revenues until August 2020 still reached 60.52 percent of changes to the state budget in Presidential Decree 72/2020. This realization was lower than the same period last year, which had reached the target in the 2019 State Budget. Pontianak City is a city with fairly good economic growth in West Kalimantan because, as the Provincial Capital, there are also various universities and hundreds of thousands of students from various regions, so they can drive the real economic sector through Micro, Small, and Medium Enterprises (MSMEs). This matter become the government's mission so that the rate of inflation can be suppressed while at the same time increasing the economic power of the people.

Based on MSME data in the city of Pontianak, up to 2020, there are around 30,506 MSMEs spread across 6 sub-districts of Pontianak city and are mostly engaged in the culinary and service sectors, which are the needs of the people of Pontianak city. The domination of MSME-based business activities should also be reflected in tax revenues. However, MSME tax compliance is still low. The low tax compliance of related MSMEs first is that MSMEs are dominated by household business actors who are less concerned about the applicable tax provisions. The two MSME actors are generally private individuals. This type of business actor tends to be less compliant.

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Various studies on tax compliance have been carried out and this is a classic problem that does not run out. Compliance cannot be separated from the influence of the moral factor of the taxpayer himself. This is because paying taxes is an activity that cannot be separated from the behavior of the taxpayer itself. The moral aspect in the field of taxation concerns the moral obligations of taxpayers in carrying out their tax obligations as good citizens and the moral awareness of taxpayers regarding the allocation of tax revenues by the government.

Other factors that influence the behavior of taxpayers are also influenced by demographic factors. The demographic factors referred to can influence and correlate with tax compliance behavior, such as age, gender, education level, income and type of work. In addition, older taxpayers are more obedient than younger ones. Older people tend to reduce the risk more than younger people (Al-Mamun 2014). Gender differences affect the finding that women avoid tax evasion more than men (Lasmia Dharma 2016). Tax compliance, which is affected by the education of the majority, the majority of educated people understand more about opportunities for tax evasion, thereby affecting their tax compliance behavior (Dika Putri Handayani 2018).

The higher the income, the lower the tax compliance (Double Frisno Pasaribu, Christine Tjen 2016). The type of work is influential where MSME taxpayers are easier to avoid taxes than employees because MSME taxpayers have more opportunities to avoid taxes because other parties' reports on their income are not many, compared to taxpayers who work as employees their income has been deducted by tax when paying salaries so that it is more obedient (Ardiyan Natoen, 2018).

From this explanation, the researcher's problem is whether the impact of demographic factors influences MSME tax compliance in Pontianak City in carrying out its obligations. Research Urgency The increase in the number of MSMEs is not directly proportional to state income from the tax sector. Increasing taxes will definitely provide value to state revenues and improve people's welfare in all fields.

1.1.Theoretical Framework

1.1.2. Taxpayer Demographic Factors

Factors that influence the attitude and behavior of taxpayers are also influenced by demographic factors. Demographic factors in question can affect tax revenue and correlate with tax compliance behavior, such as age, gender, education level, income and type of work. The majority of tax compliance affected by education is profitable. The majority of educated people will better understand the opportunities for tax evasion thereby influencing their tax compliance behavior. Education level influences tax compliance (Dika Putri Handayani 2018). The type of work is influential where MSME taxpayers are easier to avoid taxes than employees because MSME taxpayers have more opportunities to avoid taxes because there are not many reports of other parties on their income, compared to taxpayers who work as employees, their income has been taxed at the time of payment of salary so that they are more compliant (Ardiyan Natoen, 2018). In addition, older taxpayers are more obedient than younger ones. Older people tend to reduce the risk more than younger people (Al-Mamun 2014). Gender differences affect the finding that women avoid tax evasion more than men (Lasmia Dharma 2016). The higher the income, the lower the tax compliance (Double Frisno Pasaribu, Christine Tjen 2016). Older people tend to reduce the risk more than younger people (Al-Mamun 2014). Gender differences affect the finding that women avoid tax evasion more than men (Lasmia Dharma 2016). The higher the income, the lower the tax compliance (Double Frisno Pasaribu, Christine Tjen 2016). Older people tend to

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1.1.3. Formulation of the problem

Based on the background stated above, the formulation of the research problem is:

1. Do demographic factors influence MSME taxpayer compliance in Pontianak City?
2. What is the impact of demographic factors on the compliance behavior of MSME taxpayers in Pontianak City?

Hypotheses: Do Age, Gender, Education Level, Income Level and Type of Work Have a Positive Effect on MSME Tax Compliance.

2. Literature Review

2.1 Theory of Planned Behavior

According to Ajzen (1991) the relationship between attitude and behavior is an individual's belief that describes the subjective probability that the behavior in question will produce a certain result, and evaluation describes an implicit judgment. Subjective norms refer to perceived social pressure to perform or not perform the behavior.

2.2. Contingency Theory

According to Etzzioni (1985) in a book entitled "Modern Organization" states that contingency theory. Also called interest theory, environmental theory overcomes situation theory. Contingency Theory is based on the idea that organizational management can run well and smoothly if organizational leaders are able to pay attention to and solve certain situations that are being faced and each situation must be analyzed independently.

Otley (1980) states that the premise of the Contingency Theory is that there is no universally appropriate control system that can be applied to all organizations in every situation.

2.3. Tax definition

Based on KUP Law Number 28 of 2007, article 1, paragraph 1, the definition of tax is a mandatory contribution to the state owed by an individual or entity that is coercive based on law, by not getting compensation directly and used for the needs of the state for the maximum the great prosperity of the people. Based on this understanding, the tax has the following characteristics:

Taxes are Compulsory Contributions of Citizens

This means that everyone has an obligation to pay taxes. However, this only applies to citizens who have met the subjective and objective requirements. Namely citizens who have income exceeding Non-Taxable Income (PTKP). The current PTKP is IDR 54 million a year or IDR 4.5 million per month. That means, if you have an income of more than IDR 4.5 million a month, it will be taxable. Meanwhile, if you are an entrepreneur or entrepreneur with turnover, the Final Income Tax rate of 0.5% applies to the total gross turnover (turnover) of up to IDR 4.8 billion in one tax year (based on PP 23 of 2018).

Taxes are coercive for every citizen

If someone has met the subjective and objective requirements, then he is obliged to pay taxes. In the tax law it has been explained, if someone deliberately does not pay the taxes that should

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be paid, then there is a threat of administrative sanctions and criminal penalties.

Citizens Do Not Receive Direct Rewards

Taxes are different from levies. An example of a levy: when you get a parking benefit, you have to pay a certain amount of money, namely a parking levy, but taxes are not like that. Tax is a means of equalizing citizen income.

Based on the law

This means that taxes are regulated in state law. There are several laws that regulate the mechanism for calculating, paying, and reporting taxes

2.4. Definition and Classification of SMEs

There are several definitions of micro, small and medium enterprises. The following are definitions of MSMEs according to several agencies:

The definition of MSMEs according to the Ministry of Cooperatives and MSMEs is Small Enterprises (UK), including Micro Enterprises (UMI) are business entities that have a net worth of at most Rp. 200,000,000, excluding land and buildings for business premises and having annual sales of at most Rp. 1,000,000,000. Meanwhile, Medium Enterprises (UM) are business entities owned by Indonesian citizens who have a net worth of more than Rp. 200,000,000 to Rp. 10,000,000 excluding land and buildings.

The Central Statistics Agency (BPS) defines SMEs based on the quantity of labor. Small businesses are business entities that have a workforce of 5 to 19 people, while medium businesses are business entities that have a workforce of 20 to 99 people. Meanwhile, the definition of MSMEs according to Bank Indonesia is that small businesses are productive businesses owned by Indonesian citizens, in the form of individual business entities, business entities that are not legal entities, or legal business entities such as cooperatives; is not a subsidiary or branch company that is owned, controlled or affiliated, either directly or indirectly, with a medium or large business. Have a net worth of at most Rp. 200,000,000, excluding land and buildings or have sales proceeds of at most Rp. 200,000,000 per year,

Based on some of the definitions above, it can be concluded that MSME is a business owned by an individual with a business entity that is not a subsidiary or branch of the parent company with the criteria of having business capital that has certain limits.

2.5. Demographics

According to Wikipedia (2020) Demography or population science is a science that studies the dynamics of the human population. Demographics include the size, structure and distribution of the population, as well as how the population changes over time due to births, deaths, migration, including aging.

2.6. Demographic Relationship with Tax Compliance

There are a number of studies that have examined the relationship between demographic factors and tax compliance, including Hai and See (2011), Asante and Baba (2011), Cahyonowati (2011), Al-Mamun et al (2014) and Pasaribu and Tjen (2016). Torgler and Valev (2004) in Cahyonowati (2011) found that age is negatively correlated with rule violations, so that there is a positive relationship between taxpayer age and tax compliance. Al-Mamun et al (2014) research found that men and women have the same compliance behavior This is different from the results of a study conducted by Hai and See (2011) that gender has a positive and significant effect on taxpayer compliance. This is corroborated by research that conducted by Asante and

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Baba (2011) which shows that female taxpayers are more obedient than male taxpayers. which suggests that women obey the rules more than men. Al-Mamun et al (2014) stated that the level of education had a significant effect on compliance behavior, and in Pasaribu and Tjen's (2016) study found that the higher a person's educational level, his tax compliance actually decreased and there were differences in tax compliance between respondents who had higher income levels. different. Besides that, a person's type of work has an impact on his tax compliance, where people who work as Civil Servants are more obedient than Entrepreneurs. According to Cahyonowati (2011), an individual's decision to comply with taxes with a certain level of income is based on risk preferences and progressive rates that apply. Progressive tax rates encourage high-income individuals to earn tax returns by committing tax evasion. Meanwhile, low-income individuals are less courageous to take the risk of embezzlement taxes because this will result in a decrease in wealth if tax violations are detected by the tax authorities.

3. Research Method

3.1 Types of Research

The research conducted in this research is explanatory research with a quantitative approach. According to Effendi and Tukiran (2012), explanatory research is research that explains whether or not there is a causal relationship between demographic factors that have been classified. This research is included in the type of causal research or research on the relationship between variables that have a causal relationship. This study uses a quantitative approach. In this study trying to quantify data based on a certain size scale. Then analyzed using a statistical approach.

3.2 Population and Sample

The population taken in this study is individual taxpayers who have micro, small and medium enterprises (MSMEs) in Pontianak City. Based on MSME data in the city of Pontianak in 2020, there are around 30,506 MSMEs spread across 6 sub-districts of Pontianak city. So, in conducting the research, the authors did not examine all populations, bearing in mind that doing research on all samples would take a long time. The sample of this study used a purposive sampling method. The number of samples that the writer will take is based on the Slovin formula,

Where :

n = sample size

N = population size

e = percentage of inaccuracy due to remaining sampling error desirable or desired by 10%.

So 99.67 MSMEs are rounded up to 100 MSMEs which are the research samples.

3.3 Location and Time of Research

The research was conducted in Pontianak City, West Kalimantan Province, with research subjects being MSME actors spread across 6 (six) sub-districts which include: Pontianak Kota, South Pontianak, East Pontianak, West Pontianak, Southeast Pontianak and North Pontianak Districts. The research time is planned to last 6 (five) months in 2021. This research activity includes field surveys, interviews and preliminary observations, problem formulation, questionnaire preparation, questionnaire distribution, questionnaire data tabulation and data analysis, as well as preparation of research results reports.

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4. Findings and Discussions

4.1 Data Collection Results

The objects in this study are SMEs, who already have a tax identification number, own a business in the city of Pontianak. Based on the sampling technique, namely using purposive sampling. Primary data in this study were collected by distributing questionnaires through the Google form and also distributed directly around the city of Pontianak who met the criteria. This study uses a sample of respondents in the city of Pontianak who meet the criteria of 100 data. The selected sample is then used for data analysis and hypothesis testing.

4.2 Descriptive Statistical Analysis

The description of statistics describes the general description of all variables for all processed data, including: mean, minimum, maximum, and standard deviation. The results of the descriptive statistics can be seen in Table 1

Table1. Results of Descriptive Statistics

	N	Minimum	Maximum	Means	std. Deviation
OBEDIENCE	100	15.00	33.00	27,8900	4.98056
Valid N (listwise)	100				

Source: Processed data (2021)

Based on table 3.1, information can be obtained about the actual range (minimum value-maximum value), the average value (mean), and the standard deviation in detail. The level of understanding variable has a minimum value of 15, which means that of all respondents who gave the lowest assessment of the answer to the level of compliance, it is 15. The maximum value is 33, which means that of all respondents who gave the highest assessment of the answer, the level of understanding of the taxpayer is 36. The average value (mean) level of understanding is 27.89, meaning that of all respondents who gave answers on compliance, the average respondent gave an assessment of 27.89, the average value means that from a scale of 1-5, the range of respondents' answers on the variable level of understanding lies between strongly agree and agree. while the standard deviation of 4,980 means that the size of the data spread from the level of understanding variable is 4,980.

4.3 Data Quality Test

4.3.1. Validity Test

Validity test is carried out to state that an instrument is considered valid or appropriate to be used for hypothesis testing. The total variable correlation significance value with each item variable is said to be valid if $\alpha < 0.05$.

Table 2. Validity Test Results

	Q1	Q2	Q3	Q4	Q6	Q7	Q8	OBEDIEN CE
Q1 Pearson Correlation	1	,722**	,871**	,617**	,812**	,912**	,315**	,916**
Sig. (2-tailed)		,000	,000	,000	,000	,000	,001	,000
N	100	100	100	100	100	100	100	100

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Q2	Pearson								
	Correlation	,722**	1	,869**	,787**	,619**	,676**	,776**	,933**
	Sig. (2-tailed)	,000		,000	,000	,000	,000	,000	,000
	N	100	100	100	100	100	100	100	100
Q3	Pearson								
	Correlation	,871**	,869**	1	,732**	,621**	,817**	,469**	,928**
	Sig. (2-tailed)	,000	,000		,000	,000	,000	,000	,000
	N	100	100	100	100	100	100	100	100
Q4	Pearson								
	Correlation	,617**	,787**	,732**	1	,422**	,532**	,503**	,782**
	Sig. (2-tailed)	,000	,000	,000		,000	,000	,000	,000
	N	100	100	100	100	100	100	100	100
Q6	Pearson								
	Correlation	,812**	,619**	,621**	,422**	1	,704**	,226*	,772**
	Sig. (2-tailed)	,000	,000	,000	,000		,000	,023	,000
	N	100	100	100	100	100	100	100	100
Q7	Pearson								
	Correlation	,912**	,676**	,817**	,532**	,704**	1	,361**	,860**
	Sig. (2-tailed)	,000	,000	,000	,000	,000		,000	,000
	N	100	100	100	100	100	100	100	100
Q8	Pearson								
	Correlation	,315**	,776**	,469**	,503**	,226*	,361**	1	,613**
	Sig. (2-tailed)	,001	,000	,000	,000	,023	,000		,000
	N	100	100	100	100	100	100	100	100
OB	Pearson								
ED	Correlation	,916**	,933**	,928**	,782**	,772**	,860**	,613**	1
IE	Sig. (2-tailed)	,000	,000	,000	,000	,000	,000	,000	
NC	N	100	100	100	100	100	100	100	100
E									

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Processed data (2021)

Based on Table 2 the results of the validity test above, it can be concluded that all of the question items used in this study are valid, this can be seen from the value of each question which has an alpha value <0.05 .

4.3.2. Reliability Test

Reliability shows the extent to which a measuring instrument can be trusted or relied on. Based on the results of the reliability test, the following results were obtained: **Cronbach's Alpha** was 0.906 with 7 n of item.

Based on the result it can be concluded that all variables have a Cronbach's Alpha value greater than 0.60, which means they are reliable, so they are appropriate to be used as a measuring tool for the questionnaire instrument in this study.

4.4 Classical Assumption Test

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4.4.1. Normality Test

The normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution or not (Ghozali, 2017). Normality testing is done using the QQ Plot. The normal QQ-plot is a probability plot that is useful for visually checking whether the sample or data distribution follows a certain distribution. In the case of this article, check whether the data distribution follows a normal distribution. Based on the test results, it can be concluded that the results of this study indicate that the distribution of data in the study is normally distributed, where the plots are in the same direction as the line, so that the regression model in this study is feasible to use in research because it fulfills the assumption of normality.

The following are the results of the normality test:

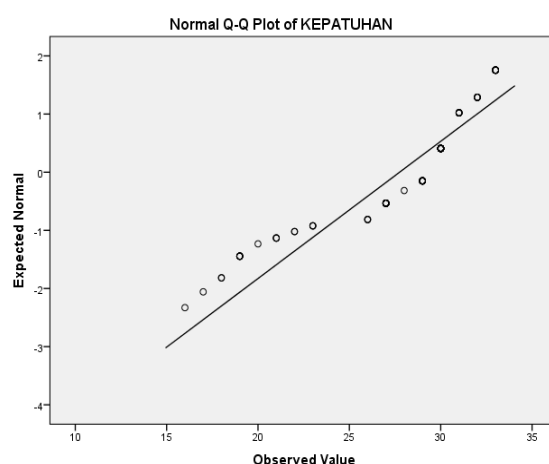


Figure 1 QQ Plots

4.4.2. Multicollinearity Test

Multicollinearity test was conducted to determine whether or not there is a linear relationship between the independent variables in the regression. This test will be carried out by looking for the VIF (Varian Inflation Factor) value. The criteria used are if the tolerance value is > 0.1 or $VIF < 10$, then multicollinearity does not occur. By looking at the results of the multicollinearity test, it is known that the variables of age, gender, education level, income level, and occupation of the taxpayer have a tolerance value greater than 0.1.

Table 3. Multicollinearity Test

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
		B	std. Error	Betas	t		tolerance	VIF
1	(Constant)	35,999	1,992		18,069	,000		
	respondent's age	-,099	,029	-,271	-3,357	,001	,719	1,391
	respondent's gender	,165	,606	,019	,272	,786	,913	1.095
	last education	-,340	,272	-,106	-1,249	,215	,651	1,536
	income level	,943	,309	,241	3,048	,003	,751	1,332
	Work	-4,531	,660	-,519	-6,863	,000	,822	1.217

a. Dependent Variable: COMPLIANCE

Source: Processed data (2021)

Likewise, the VIF value of each variable is not greater than 10. Thus it can be concluded that there is no multicollinearity problem in this regression model.

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4.4.3. Heteroscedasticity Test

A good regression model is homo or there is no heteroscedasticity (Ghozali, 2017). This test aims to test whether in a regression model there is variance discomfort from residuals in one observation to another. If the variants are different, it is called heteroscedasticity. One way to find out whether there is heteroscedasticity in a multiple linear regression model is by looking at the scatterplot graph or from the predicted value of the dependent variable, namely SRESID, with a residual error, namely ZPRED. If there is no specific pattern and it does not spread above or below, it can be concluded that there is no heteroscedasticity. The following are the results of the heteroscedasticity test:

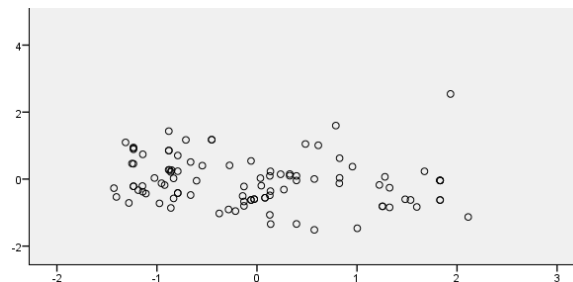


Figure 2 Scatter plots

Based on the results shown in the figure above, the variables age, gender, education level, income level, and the taxpayer's occupation do not form a specific pattern, so it can be concluded that the regression model in this study has no heteroscedasticity problems.

4.5 Multiple Regression Analysis

Table 4 Regression analysis results

Model	Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
	B	std. Error	Betas	t	Sig.	tolerance	VIF
1 (Constant)	-,196	1.215		-,161	,872		
respondent's age	,027	,018	,165	1,526	,130	,719	1,391
respondent's gender	-,149	,369	-,039	-,404	,687	,913	1.095
last education	,376	,166	,257	2,261	,026	,651	1,536
income level	-,401	,189	-,225	-2.126	,036	,751	1,332
Work	1.118	,403	,281	2,776	,007	,822	1.217

a. Dependent Variable: Compliance

Source: Processed data (2021)

Based on Table 5 the multiple linear regression equation, what is read is the value in column B, the first row shows the constant (a) and the next row shows the coefficient of the independent variable. From the results of the analysis in the form of a linear regression equation, the following equation model can be produced:

$$Y = -0,196 + 0,027X_1 - 0,149X_2 + 0,376X_3 - 0,401X_4 + 1,118X_5$$

4.5.1. t test

The t test is used to determine the effect of individual independent variables on the dependent variable. In this study, hypotheses 1 to 5 were tested using the t test. The t test is carried out in

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a way based on the probability value. If the significant value is less than 0.05 or 5% then the proposed hypothesis is supported or said to be significant, but conversely if the significant value is greater than 0.05 or 5% then the hypothesis proposed is not supported or said to be insignificant.

Based on table 4.10 above, the effect of each respondent's age variable (X1), gender (X2), education level (X3), income level (X4), and taxpayer work (X5) on tax compliance (Y1) is seen from significant level (probability).

The direction of the sign of the variable applying the level of education (X3), income level (X4), and employment of the taxpayer (X5) to tax compliance (Y1) has a significant effect on the independent variable because the significant value is less than 0.05 while the respondent's age (X1), gender (X2) has no significant effect on tax compliance because the significant value is greater than 0.05.

4.5.2. F test

F test is carried out in a way based on probability. If the significance value is less than 0.05 or 5% then H_0 is not supported, meaning that there is a significant effect of the independent variable on the dependent variable, but conversely if the significance is greater than 0.05 or 5% then H_0 is supported, meaning that there is no significant effect of the variable independent and dependent variable. The results of the F test in this study can be seen in table 4.12 below:

Table 5 Test F ANOVAa

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	76,001	5	15,200	4,894	,001b
	residual	291,971	94	3.106		
	Total	367,972	99			

a. Dependent Variable: Compliance

b. Predictors: (Constant), Occupation, respondent's gender, last education, income level, respondent's age

Source: Processed data (2021)

Based on Table 5 it can be seen that the results of the F test show a calculated F value of 4,894 with a significance of 0,001. The significance value is less than 0.05, so this indicates that the independent variable has a simultaneous effect on the dependent variable. This means that any changes that occur in the independent variables, namely age, gender, education level, income level, and the employment of the taxpayer will jointly affect taxpayer compliance.

4.6 Discussion

4.6.1. Effect of age on Taxpayer Compliance

The test was carried out by testing the significance of the regression coefficient of the respondent's age variable. Respondent's age has a positive coefficient value of 0.027 with a sig-t of 0.130. thus meaning that the age of the respondent has no significant effect on MSME taxpayer compliance in the city of Pontianak.

The results of this study are in accordance with the results of research conducted (Faustin Dyan, 2019) indicating that age has no significant effect on taxpayer compliance. The research conducted shows the results of both young and old. If they do not have awareness that taxes are important, then the taxpayer will still not carry out their obligations. However, the results of this study are not in accordance with research conducted by (Al-Mamun, 2014) which results

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in older taxpayers being more obedient than younger people. Older people tend to be more at risk than younger people.

4.6.2. The influence of gender on taxpayer compliance

The test is carried out by testing the significance of the regression coefficient of the gender variable. Gender has a negative coefficient value of -0.149 with a sig-t of 0.687. This means that gender has no significant effect on MSME taxpayer compliance in the city of Pontianak.

The results of this study are in accordance with the results of research conducted (Gusti Aji Dimas Nugraha, 2019) indicating that gender has no significant effect on taxpayer compliance. The research conducted showed the same results, namely that both men and women did not affect the attitude of taxpayer compliance in fulfilling their tax obligations. However, the results of this study are not in accordance with research conducted by (Lasmia Dharma 2016) where the results of female sex found that women avoided tax evasion more than men.

4.6.3. Effect of Education Level on Taxpayer Compliance.

The test is carried out through testing the significance of the regression coefficient of the education level variable. The level of education has a positive coefficient value of 0.376 with a sig-t of 0.026. Thus it means that the application of educational level affects the compliance of MSMEs taxpayers in the city of Pontianak.

The results of this study are in accordance with the results of research conducted (Dika Putri Handayani 2018) regarding the level of education indicating that the level of education affects taxpayer compliance. Research conducted by (Dika Putri Handayani 2018) displays the same results, namely the level of education has a direct effect on taxpayer compliance, tax compliance which is influenced by the education of the majority, the majority of educated people understand more about opportunities for tax evasion so that it affects their tax compliance behavior

4.6.4. Effect of Income Level on Taxpayer Compliance

The test is carried out by testing the regression coefficient of the income level variable. The income level has a negative coefficient value of 0.401 with a sig-t of 0.36. Thus it means that the level of income affects the compliance of MSME taxpayers in the city of Pontianak.

The level of income is the income or income of the taxpayer which is obtained each month by the taxpayer from working for 1 month. The results of this study are in accordance with research conducted (Ganda Frisno Pasaribu, Christine Tjen 2016) regarding income levels that income levels have a significant effect on taxpayer compliance, meaning that the size of the taxpayer's income affects the level of taxpayer compliance.

4.6.5. Effect of Taxpayer Occupation on Taxpayer Compliance.

The test is carried out through the significance of the regression coefficient of the taxpayer's employment variable. Taxpayer employment has a positive coefficient value of 1.118 and a sig-t of 0.007. Thus it means that the work of the MSME owner affects taxpayer compliance. The results of this study are in accordance with the results of research conducted by (Ardiyan Natoen, 2018) which states that the work of taxpayers directly affects taxpayer compliance. Influential work where MSME taxpayers are easier to avoid taxes than employees because MSME taxpayers have more opportunities to avoid taxes because other parties' reports on their income are not many,

5. Conclusions

From the results of this research activity it was found that:

1. Age has no significant effect on MSME tax compliance
2. Gender has no significant effect on MSME tax compliance
3. Education level has no significant effect on MSME tax compliance
4. Income level has no significant effect on MSME tax compliance
5. Type of work has no significant effect on MSME tax compliance

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