

EFFECT OF SERVICE QUALITY ON TAXPAYER SATISFACTION AT THE PRATAMA TAX SERVICE OFFICE, MEDAN TIMUR

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ABSTRACT

The purpose of this research is to find out and analyze effect of service quality on taxpayer satisfaction at the Pratama Tax Service Office, Medan Timur. This type of research is descriptive quantitative and explanatory. The population in this study are all registered taxpayers in the service of individual taxpayers in 2014 amounting to 6,196 people. So the sample in this study are 99 samples. The data collection techniques use in this study are interviews, list of questions, and study documentation. The data analysis model use in this study is multiple regression analysis. The results of the research through the simultaneous test (F) show that physical evidence, reliability, responsiveness, assurance, and empathy have a significant effect on taxpayer satisfaction. The results of the partial test (t) show that physical evidence has a positive and significant effect on taxpayer satisfaction. Reliability has a positive and significant effect on taxpayer satisfaction. Responsiveness has a positive and significant effect on taxpayer satisfaction. Assurance has a positive and significant effect on taxpayer satisfaction. Empathy has a positive and significant effect on taxpayer satisfaction. The results of the coefficient of determination test (R^2) show that physical evidence, reliability, responsiveness, assurance, and empathy can explain the variation of taxpayer satisfaction by 89.1% and the remaining 10.9% is influenced by other variables not examined.

Keywords: *Service Quality, Physical Evidence, Reliability, Responsiveness, Assurance, Empathy, Taxpayer Satisfaction.*

INTRODUCTION

Public service is a manifestation of the function of the state apparatus as a public servant in addition to being a servant of the state. Currently, the demand for public services is increasingly

needed, the image of public services in a number of government institutions that seem slow and convoluted has become a concern, especially in the program to accelerate bureaucratic reform. Therefore, demands for fast and innovative public services are continuously pursued as a major part of the program to accelerate bureaucratic reform.

Improving public services as improving the quality of services to the community in fulfilling tax obligations as citizens. Public service is the most important measure of government performance. The public can directly assess the government's performance based on the services it receives. For this reason, the quality of public services in all ministries/agencies is a fundamental matter that must be improved immediately. In Law Number 25 of 2009 it is stated that excellent service is a service that is fast, easy, definitely cheap and accountable.

To improve services, the community is sought to be involved in policy making, setting service standards, conducting public service satisfaction surveys and submitting complaints, complaints, and appreciations. This community involvement and participation will support the improvement of service standards.

In the era of globalization, services to the public are now required to work effectively and efficiently, only service units that can serve quickly the needs of the community are able to carry out work effectively and efficiently, so that it will have an impact on increasing compliance in doing what should be their obligations as citizens. good state, in this case including compliance.

Efforts are made to improve taxpayer compliance is to provide good service to taxpayers. Improving the quality and quantity of services is expected to increase the satisfaction of taxpayers as customers so as to increase compliance in the field of taxation. The new paradigm that places government officials as servants of the state and society must be prioritized in order to improve the performance of public services.

The provision of quality services that can satisfy taxpayers is expected to increase taxpayer compliance in reporting taxes voluntarily. This condition of voluntary compliance is very necessary to realize optimal tax revenue. With the feeling of satisfaction with the services provided, it is hoped that people's behavior will appear who think that reporting taxes is no longer a coercion, so that the motivation and awareness of taxpayers to carry out their tax obligations which in turn will eventually increase regional income.

So far, the quality of public services at the Pratama Tax Service Office, Medan Timur is still in poor condition. This can be proven by the existence of public complaints about the quality of public services submitted directly to the public service unit and its apparatus. Taxpayers feel they have encountered obstacles in the service process provided by the tax apparatus.

The services provided by the Pratama Tax Service Office, Medan Timur are that there are several taxpayers who state that they are not satisfied with the services provided by officers when making tax payments such as officers who are not friendly in answering taxpayer questions, service hours are not on time so taxpayers have to wait tax officers who have not been present as well as the time of service for the completion of tax management which is considered to take quite a long time. All forms of dissatisfaction are conveyed by the taxpayer directly to the officer. In addition, there are still many taxpayers who do not carry out their obligations in reporting taxes every year.

Taxpayer compliance is the goal of the tax service office. Service quality is impossible to achieve without quality in the process, excellent service quality can provide satisfaction to taxpayers. This is to motivate taxpayers to carry out their obligations in reporting taxes at the Pratama Tax Service Office, Medan Timur.

Everyone has their own assessment of the satisfaction they want so that the success of a service provider is determined by the satisfaction that can be given to consumers. Information about the level of service satisfaction becomes feedback for management to make improvements to the services offered to customers.

The purpose of this research is to find out and analyze effect of service quality on taxpayer satisfaction at the Pratama Tax Service Office, Medan Timur.

RESEARCH METHODS

This type of research is descriptive quantitative and explanatory. Descriptive quantitative is a type of research in which the data that has been collected is analyzed using descriptive or inferential statistics so that it can be concluded that the formulated hypothesis is proven or not (Pandiangan, 2018). Descriptive quantitative is generally carried out on samples taken at random, so that the conclusions of the research results can be generalized to the population where the sample is taken (Pandiangan, 2015).

Explanatory research is research that aims to explain the position of the variables studied and the relationship between one variable and another (Pandiangan, 2022).

The population in this study are all registered taxpayers in the service of individual taxpayers in 2014 amounting to 6,196 people. The sample is part of the population to be studied and which describes the population (Pandiangan et al., 2021). The sampling technique used in this study was proportionate random sampling, which is a sampling technique when the population has members or elements that are not homogeneous (Pandiangan et al., 2022). Sampling for each group was carried out randomly where the selected respondents were those whose serial numbers were drawn using random numbers. So the sample in this study are 99 samples.

The data collection techniques use in this study are (Pandiangan et al., 2018):

1. Interviews are conducted to those who are entitled and responsible and have the authority to provide data and information with research conducted at the Pratama Tax Service Office, Medan Timur related to research problems.
2. A list of questions was given to taxpayers who were sampled in this study to determine the quality of service to taxpayer satisfaction.
3. Study documentation by collecting and studying relevant documents and supporting research, including company reports, journals and so on.

The data analysis model use in this study is multiple regression analysis. Tobing et al. (2018), the tests use in this study are simultaneous test (F), partial test (t), and coefficient of determination test (R^2).

RESULT AND DISCUSSION

Descriptive Research Site

With the regulation of the Minister of Finance of the Republic of Indonesia No.123/PMK.01/2006 in conjunction with No.67/PMK.01/2008, concerning the organization and work procedures of the Directorate General of Taxes Vertical agency, which in the decision has changed most of the instructions and the establishment of the Tax Office. Tax Service and Land and Building Tax Service Office. Previously, the designation name of the

Tax Service Office was the Tax Inspection Office. The Medan Timur Tax Service Office was established on May 27, 2008. Based on the decision of the Directorate General of Taxes No.Kep.95/PJ.01/2008 dated May 19, 2008.

The Pratama Tax Service Office, Medan Timur is a merger of the Tax Service Office and the Land and Building Tax Service Office and the Tax Audit Office. On 27 May 2008 the Pratama Tax Service Office was divided into 8 KPPs, namely:

1. Medan Timur Primary Tax Service Office.
2. Medan City Primary Tax Service Office.
3. Medan Polonia Primary Tax Service Office.
4. Medan Barat Primary Tax Service Office.
5. Medan Belawan Primary Tax Service Office.
6. Medan Petisah Primary Tax Service Office.
7. Binjai Tax Service Office.
8. Medan Middle Tax Service Office.

The scope of the work area of the Pratama Medan Timur Tax Service Office includes:

1. Medan Tembung District.
2. Medan Timur District.
3. Medan Perjuangan District.

The organizational structure is a chart that systematically describes the assignment of tasks, functions and authorities as well as the responsibilities of each employee that has been determined previously. The goal is to foster work harmony so that work can be carried out properly, regularly and efficiently.

The structure used by the Pratama Tax Service Office, Medan Timur is a linear and staff organizational structure. The organizations in the Pratama Tax Service Office, Medan Timur, among others:

1. Sub-Section General and Internal Compliance.
2. Section of Data and Information Processing.
3. Supervision and Consultation Section I.
4. Supervision and Consultation Section II.
5. Supervision and Consultation Section III.
6. Supervision and Consultation Section IV.
7. Extensification and Counseling Section.
8. Billing Section.
9. Examination Section.

10. Service Section.

The duties and functions of each will be described in each section, in order to be able to carry out their main duties and functions. The division of duties and authorities of each section in the organizational structure of the Pratama Tax Service Office, Medan Timur is:

- a. General and Internal Compliance Sub-Section, consisting of:
 - 1. Implementation of Administration and Personnel in charge of assisting with Administration and Personnel.
 - 2. Financial Implementation in charge of handling financial affairs.
 - 3. Implementation of the household in charge of handling the affairs of household equipment.
- b. Data and Information Processing Section, consisting of:
 - 1. Implementation of Procedures for Processing and Administration of Entry Documents in the PDI Section.
 - 2. Implementation of the procedures for the administration of Information Equipment.
 - 3. Implementing the procedures for the preparation of a tax revenue plan based on tax potential, economic and financial developments.
 - 4. Implementation of the Procedure for Establishing a Data Bank.
 - 5. Implementation of Data Bank Utilization Procedures.
- c. Supervision and Consultation Section, consisting of:
 - 1. Implementation of processing and administration of incoming documents in the Supervision and Consultation Section.
 - 2. Execution of issuance of orders to pay excess taxes and warrants to pay interest compensation.
 - 3. Execution of settlement of application for book value users in the context of business mergers, business acquisitions or business expansion.
 - 4. Implementation of the settlement of objections, rectification, reduction or elimination of administrative sanctions of Income Tax, Value Added Tax and Sales Tax on Luxury Goods at the Tax Service Office.
 - 5. Implementation of application for settlement of application for reduction or elimination of tax administration sanctions.
 - 6. Implementation of providing guidance to Taxpayers.
- d. Tax Collection Section, consisting of:
 - 1. Implementation of Processing and Administration of incoming documents in the Billing Section.
 - 2. Execution of billing, which is in charge of assisting in the preparation of invoices, warrants, warrants, carrying out confiscations, tender proposals, and other collections.
 - 3. Implementation of the administration of Tax Assessment Letters and Tax Collection Letters along with proof of payment.
 - 4. Implementation of the administration of Decision Letters for Correction/Objection/Decision on Appeal/Reduction or Cancellation

of Tax Assessments and Decision Letters for Reduction or Elimination of Administrative Sanctions in the Billing Section.

e. Extensification and Counseling Section, consisting of:

1. Implementation of Processing and Administration of Entry Documents in the Tax Extensification Section.
2. Implementation of registration of new Tax Objects with office and field research.
3. Implementation of individual assessments of PBB Objects.
4. Implementation of the list of building components costs.
5. Implementation of mutation in whole and in part of Tax Objects and Subjects.

f. Examination Section, consisting of:

1. Implementation of Procedures for Processing and Administration of incoming documents in the reception section.
2. Implementation of Procedures for Completion of Tax Year Returns.
3. Implementation of the completion of the Audit proposal.
4. Implementation of the Administration of Tax Audit Reports and Calculation Notes.
5. Implementation of Completion of application for refund of the overpayment of Sales Tax on Luxury Goods.

g. Service Section, consisting of:

1. Implementation of the administration of letters, documentation, and reports of taxpayers at the Integrated Service Center.
2. Implementation of registration and deletion of NPWP.
3. Implementation of receipt, extension, issuance of SPT warning letters.
4. Implementation of the fulfillment of Confirmation and Clarification requests.
5. Implementation of the completion of applications for printing and correction of STP, SKP.
6. Implementation of the completion of bookkeeping applications in English and United States Dollar currency and issuance of orders for Paying Excess Tax for Representatives of Foreign Countries and international agencies as well as their Officials/experts.
7. Implementation of SKP issuance.
8. Implementation of the administration of Taxpayer Documents.

Simultaneous Test (F)

Simultaneous test (F) aims to test how the influence of each independent variable individually on the dependent variable.

Table 1. Simultaneous Test (F) Results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	327.123	5	65.425	162.196	.000 ^a
	Residual	37.917	94	.403		
	Total	365.040	99			

a. Predictors: (Constant), Physical Evidence, Reliability, Responsiveness Assurance, Empathy

b. Dependent Variable: Taxpayer Satisfaction

Source: Research Results (Processed Data)

The results of the research through the simultaneous test (F) show that physical evidence, reliability, responsiveness, assurance, and empathy have a significant effect on taxpayer satisfaction.

Partial Test (t)

Partial test (t) aims to determine whether all independent variables have the same effect on the dependent variable.

Table 2. Partial Test (t) Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.178	.411		.433	.666
Physical Evidence	.146	.052	.213	2.825	.006
Reliability	.145	.066	.205	2.214	.029
Responsiveness	.149	.060	.196	2.491	.014
Assurance	.145	.062	.186	2.331	.022
Empathy	.148	.063	.204	2.338	.022

a. Dependent Variable: Taxpayer Satisfaction

Source: Research Results (Processed Data)

The results of the partial test (t) show that physical evidence has a positive and significant effect on taxpayer satisfaction. Reliability has a positive and significant effect on taxpayer satisfaction. Responsiveness has a positive and significant effect on taxpayer satisfaction. Assurance has a positive and significant effect on taxpayer satisfaction. Empathy has a positive and significant effect on taxpayer satisfaction.

Coefficient of Determination Test (R²)

Coefficient of determination test (R²) aims to measure the model's ability to explain how the influence of the independent variables simultaneously affects the dependent variable.

Table 3. Coefficient of Determination Test (R²) Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947 ^a	.896	.891	.63511

a. Predictors: (Constant), Physical Evidence, Reliability, Responsiveness, Assurance, Empathy

b. Dependent Variable: Taxpayer Satisfaction

Source: Research Results (Processed Data)

The results of the coefficient of determination test (R²) show that physical evidence, reliability, responsiveness, assurance, and empathy can explain the variation of taxpayer satisfaction by 89.1% and the remaining 10.9% is influenced by other variables not examined.

CONCLUSION AND SUGGESTION

The results of the partial test (t) show that physical evidence has a positive and significant effect on taxpayer satisfaction. Reliability has a positive and significant effect on taxpayer satisfaction. Responsiveness has a positive and significant effect on taxpayer satisfaction. Assurance has a positive and significant effect on taxpayer satisfaction. Empathy has a positive and significant effect on taxpayer satisfaction. The results of the coefficient of determination test (R²) show that physical evidence, reliability, responsiveness, assurance, and empathy can explain the variation of taxpayer satisfaction by 89.1% and the remaining 10.9% is influenced by other variables not examined.

Based on the conclusion, for the Pratama Tax Service Office, Medan Timur in order to improve the quality of services consisting of physical evidence, reliability, responsiveness, assurance, and empathy by always paying attention to the needs of each mandatory taxes that will come at any time in reporting their taxpayers. Ways to improve the quality of service and also what need to be improved are the appearance and condition of the office building where the service must be maintained neatly, the service

is carried out quickly according to the promised time, the employees are alert in meeting the needs of taxpayers who need service, the tax burden is calculated correctly, in accordance with applicable regulations and employees try to provide the best service to taxpayers. The Pratama Medan Timur Tax Service Office must provide facilities that meet good service standards so that taxpayers can feel comfortable coming to report their taxes. The Pratama Tax Service Office, Medan Timur must provide education and training to employees so that they have the ability or reliability in providing services to taxpayers. The Pratama Tax Service Office, Medan Timur must be responsive to the problems faced by taxpayers and find solutions in solving problems faced by taxpayers. The Pratama Tax Service Office, Medan Timur must provide a definite guarantee and guarantee that every result of the taxpayer's report will not result in a loss to the taxpayer. The Pratama Tax Service Office, Medan Timur must show empathy in a polite manner when the taxpayer comes to report his taxes. The Pratama Tax Service Office, Medan Timur must pay attention to employees in every work action in dealing with the needs of taxpayers, provide direction to employees every time they provide services to taxpayers and provide sanctions to employees if they violate the regulations set by the company in calculating the tax obligations that must be paid by the taxpayer. tax. For further researchers, it is expected to add other variables such as marketing strategy which is suspected to have a large influence on taxpayer satisfaction.

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