Contents lists available at MID Publisher International

Educational Studies and Research Journal

Journal homepage: https://journal.midpublisher.com/index.php/esrj

# Analysis Of Factors Affecting Public Tax Liability And Difficulties In Fulfilling Tax Obligations In Indonesia

**Samaria Simangunsong, Mira Agustia, Novi Fitriani, Siti Zahara, Nur Aliah**

Program Studi Akuntansi, Universitas Pembangunan Panca Budi, Medan, Indonesia

**Abstract**

This study aims to analyze the factors that influence public tax liability and the difficulties in fulfilling tax obligations in Indonesia through a literature review approach. This study is based on various previous studies on taxpayer compliance and noncompliance, which show that psychological, social, economic, and regulatory factors play an important role in determining the amount of tax liability and the public's ability to fulfill it. Factors such as tax awareness, tax knowledge, perceptions of the fairness of the system, the effectiveness of tax services, and the complexity of tax administration have been shown to influence the level of public compliance. In addition, individual economic conditions and the level of trust in the government are also major obstacles to the payment of tax obligations. The results of the literature review show that the difficulties faced by the public generally arise due to complex regulatory changes, low tax literacy, and weak socialization from the tax authorities. This study recommends the need for broader tax education, simplification of the reporting system, and increased transparency of fiscal policies in order to reduce the burden of liabilities and increase tax compliance among the public in Indonesia.

**Keywords:** Tax Liability, Taxpayer Compliance, Tax Literacy, Taxation Difficulties, Literature Review.

**Article History:**

Received: December 14, 2025; Revised: December 30, 2025; Accepted: January 07, 2026; Published: January 14, 2026.

***Corresponding Author:**

htbrtria@gmail.com

**DOI:**

https://doi.org/10.60036/fw3gfe40

## INTRODUCTION

Taxes are one of the largest sources of revenue for the Indonesian government, playing an important role in financing development and public welfare. However, taxpayer compliance in Indonesia remains low, resulting in suboptimal government revenue and increased tax liabilities for the public. This low compliance is not only due to the economic capacity of the community, but also due to a lack of understanding of tax regulations, perceptions of unfairness in the tax system, and the complexity of the administration faced by taxpayers.

Previous studies, such as those conducted by Julianti and Zulaikha (2014) and Pravasanti (2020), show that factors such as financial conditions, tax knowledge, risk preferences, socialization, and the quality of fiscal services have a significant influence on taxpayer compliance. However, most of these studies only focus on tax compliance without looking at the direct relationship with tax liability and the difficulties faced by the community in fulfilling their tax obligations as a whole. This indicates a research gap that needs to be explored further.

The novelty of this study lies in the integration of various economic, behavioral, and institutional factors in explaining how public tax liability is formed and what obstacles are encountered in fulfilling it. Through a.

## METHOD

This study uses a qualitative approach with a literature review method, which aims to examine and analyze various previous research results relevant to the topic of tax liability and the difficulties faced by the community in fulfilling their tax obligations in Indonesia. This method was chosen because the study did not collect primary data, but rather examined secondary data from national and international journals.

The literature used in this study consists of ten main journals, namely:

1. Julianti, M. & Zulaikha. (2014). Analysis of Factors Affecting Individual Taxpayer Compliance in Paying Taxes with Financial Conditions and Risk Preferences as Moderating Variables. Diponegoro University.
2. Pravasanti, Y. A. (2020). Analysis of Factors Affecting Taxpayer Compliance in Paying Land and Building Tax. ITB AAS Indonesia.
3. Alabede, J.O. (2011). Tax Service Quality and Compliance Behavior in Nigeria: Do Taxpayers' Financial Condition and Risk Preference Play Any Moderating Role? European Journal of Economics, Finance and Administrative Sciences.
4. Widayati & Nurlis. (2010). Factors Affecting the Willingness to Pay Taxes of Individual Taxpayers Engaged in Freelance Work. XII National Accounting Symposium.
5. Aryobimo, P. (2012). The Influence of Taxpayers' Perceptions of Fiscal Service Quality on Taxpayer Compliance with Financial Conditions and Risk Preferences as Moderating Variables. Diponegoro University.
6. Alm, J. & Torgler, B. (2006). Cultural and Moral Differences in Taxation in the United States and Europe. Journal of Economic Psychology.
7. Hammar, H., Jagers, S.C., & Nordblom, K. (2005). Tax Avoidance and the Importance of Trust. University of Gothenburg Working Paper.
8. Torgler, B. (2003). Tax Morality: Theory and Analysis of Tax Compliance. University of Zurich.
9. Bloomquist, K.M. (2003). Income Inequality and Tax Avoidance: A Synthesis. Tax Notes International.
10. Amanah, L. (2015). The Influence of Tax Awareness and Knowledge on Taxpayer Compliance in Indonesia. Indonesian Accounting Research Journal.

The research steps include:

1. Collecting literature from journal sources using keywords such as tax liability, taxpayer compliance, economic factors, and taxation difficulties;

2. Selection of literature based on topic relevance and publication quality;
3. Thematic analysis of research results to identify variables and factors that affect liabilities and obstacles in fulfilling tax obligations; and
4. Synthesis of study results to find patterns of relationships between factors and implications for public tax compliance.

The data analyzed included empirical and conceptual findings from the ten studies. The results of the analysis were presented in a descriptive-comparative manner to show the similarities and differences between the studies and to provide new conceptual insights into the factors that influence tax liability and the difficulties faced by the public in fulfilling their tax obligations in Indonesia.

## RESULTS AND DISCUSSION

Based on a review of various literature and previous studies, it was found that public tax liability and difficulties in fulfilling tax obligations in Indonesia are influenced by a number of interrelated factors, including aspects of tax knowledge and understanding, financial conditions, risk preferences, the quality of fiscal services, tax socialization and sanctions, as well as morality and trust in the government.

Research by Julianti and Zulaikha (2014) found that the quality of fiscal services and taxpayer knowledge have a positive effect on individual tax compliance, but financial conditions and risk preferences can strengthen or weaken this relationship. When a person's economic conditions decline, even with a good understanding of taxation, the ability to pay taxes remains a major obstacle, reflecting the burden of public tax liability.

These findings are in line with Torgler's (2003) research, which states that financial pressure and tax morale play a major role in determining compliance. Taxpayers under high economic pressure tend to delay tax payments, thereby increasing deferred tax liabilities.

Pravasanti's (2020) research adds that tax socialization and enforcement of sanctions have a significant influence on local tax compliance. The lack of tax education and weak administrative sanctions lead to ignorance of procedures and late payments, which increase the burden of tax liabilities on the community in the region.

Meanwhile, Widayati and Nurlis (2010) found that knowledge and understanding of tax regulations are dominant factors that influence the willingness to pay taxes. Taxpayers who understand income tax and VAT provisions are more disciplined in reporting their tax returns, thereby reducing the risk of tax liabilities.

Aryobimo's (2012) research shows that a positive perception of the quality of fiscal services can increase compliance, but this effect weakens if the taxpayer's economic conditions are unstable. This reinforces the view that community tax liabilities are influenced by microeconomic factors such as household income and expenditure.

From an international perspective, Alabede (2011) concluded in his research in Nigeria that taxpayers' risk preferences and financial conditions moderate the relationship between the quality of tax services and compliance. These results are relevant to the Indonesian context, where the level of economic uncertainty and fear of sanctions also determine compliance behavior.

Research by Alm and Torgler (2006) reveals that cultural differences and trust in the government also influence tax morale and tax compliance rates between countries. In the Indonesian context, low transparency in the use of public taxes can reduce public trust, thereby increasing the tendency to delay payment or avoid taxes.

According to Hammar, Jagers, and Nordblom (2005), public trust in tax institutions is an important psychological factor in determining compliance levels. The higher the level of trust, the lower the potential for deferred tax liabilities.

In addition, Bloomquist (2003) found that income inequality and household economic burdens are the main causes of low tax compliance and high tax avoidance practices. This factor explains why most people delay their tax obligations not because of the intention to break the law, but because of limited economic capacity.

Meanwhile, Amanah (2015) highlights the importance of improving tax literacy and education to reduce the burden of tax liabilities on the community. He emphasizes that education programs and simplification of the tax reporting system can foster voluntary awareness in paying taxes, especially among low- to middle-income groups.

Overall, the results of the ten studies show that the difficulties faced by the public in fulfilling their tax obligations stem not only from economic factors, but also from psychological, social, and institutional factors. The complexity of regulations, low transparency, and perceptions of fiscal injustice worsen compliance rates. Conversely, improving tax literacy, providing good fiscal services, and digitizing the tax system can reduce tax liabilities and encourage voluntary compliance.

Thus, to reduce public tax liabilities, the government needs to implement a holistic approach that focuses not only on law enforcement but also on education, guidance, and fiscal transparency. Public trust in tax institutions is key to building sustainable tax compliance in Indonesia.

Based on the above analysis, researchers argue that public tax liability is not solely caused by economic incapacity, but also by low fiscal literacy, weak socialization, and a lack of trust in the government. When the public does not see the direct benefits of the taxes they pay, their motivation to comply becomes low.

The researcher also assesses that a law enforcement approach alone is not effective enough to reduce tax liability. The government needs to develop an educational and participatory approach, namely by increasing understanding of taxes from an early age, expanding access to information, and ensuring transparency in the use of public taxes.

In addition, the digitization of tax systems such as e-filing and e-billing needs to be strengthened in order to minimize administrative barriers that have been a source of late payments.Thus, researchers conclude that efforts to reduce public tax liability must be holistic, involving economic, educational, psychological, and institutional aspects. Only by building public trust and strong tax literacy can Indonesia realize a fair, transparent, and sustainable taxation system.

## CONCLUSION

Based on the results of the literature review, it can be concluded that public tax liability and difficulties in fulfilling tax obligations in Indonesia are influenced by various interrelated factors, both internal and external. Internal factors include knowledge and understanding of taxation, financial conditions, and taxpayer risk preferences, while external factors include the quality of tax services, taxation policies, socialization, and enforcement of tax sanctions.

In general, the higher the level of public knowledge and understanding of tax regulations and the better the service provided by the tax authorities, the greater the public's compliance and ability to fulfill their tax obligations. Conversely, difficult financial conditions, a complex administrative system, and a lack of socialization are the main causes of increased tax liability and low taxpayer compliance.

This study confirms that the approach to improving tax compliance must be comprehensive, not only focusing on law enforcement but also considering the social, economic, and psychological factors of taxpayers. The government is expected to strengthen tax education and literacy, simplify tax administration procedures, and increase transparency and fairness in fiscal policy so that the public is more motivated to comply and be tax aware voluntarily.

**Limitations**

Based on the results of the literature review, it can be concluded that public tax liability and difficulties in fulfilling tax obligations in Indonesia are influenced by various interrelated factors, both internal and external. Internal factors include knowledge and understanding of taxation, financial conditions, and taxpayer risk preferences, while external factors include the quality of tax services, taxation policies, socialization, and enforcement of tax sanctions.

In general, the higher the level of public knowledge and understanding of tax regulations and the better the service provided by the tax authorities, the greater the public's compliance and ability to fulfill their tax obligations. Conversely, difficult financial conditions, a complex administrative system, and a lack of socialization are the main causes of increased tax liability and low taxpayer compliance.

This study confirms that the approach to improving tax compliance must be comprehensive, not only focusing on law enforcement but also considering the social, economic, and psychological factors of taxpayers. The government is expected to strengthen tax education and literacy, simplify tax administration procedures, and increase transparency and fairness in fiscal policy so that the public is more motivated to comply and be tax aware voluntarily.

**Research Implications**

The results of this study provide several important implications, both theoretically and practically.

1. Theoretical Implications

This study enriches the literature on taxpayer behavior by emphasizing the relationship between economic, psychological, and institutional factors in the formation of public tax liability. The integration of previous studies shows that tax compliance is not only influenced by financial capacity, but also by perceptions of the fairness of the tax system, the level of tax literacy, and the quality of tax services. Therefore, the results of this study can be used as a basis for developing a new theoretical model that explains the relationship between tax liability, compliance, and taxpayer difficulties in the context of developing countries such as Indonesia.

2. Practical Implications

In practical terms, this study provides input for the Directorate General of Taxes (DGT) and the Indonesian government to strengthen policies to improve public tax compliance. Efforts that can be made include improving tax education and literacy, simplifying the administrative system, strengthening inclusive socialization, and applying fair and consistent sanctions. In addition, it is important for the government to build public trust (tax trust) through transparency in tax fund management so that the public feels the direct benefits of their contributions.

**REFERENCES**

Alabede, J.O. (2011). Tax Service Quality and Compliance Behavior in Nigeria: Do Taxpayers' Financial Condition and Risk Preference Play Any Moderating Role? European Journal of Economics, Finance and Administrative Sciences.

Alm, J. & Torgler, B. (2006). Cultural and Moral Differences in Taxation in the United States and Europe. Journal of Economic Psychology.

Amanah, L. (2015). The Influence of Tax Awareness and Knowledge on Taxpayer Compliance in

Indonesia. Indonesian Accounting Research Journal.
Aryobimo, P. (2012). The Influence of Taxpayers' Perceptions of Fiscal Service Quality on Taxpayer Compliance with Financial Conditions and Risk Preferences as Moderating Variables. Diponegoro University.
Bloomquist, K.M. (2003). Income Inequality and Tax Avoidance: A Synthesis. Tax Notes International.
Hammar, H., Jagers, S.C., & Nordblom, K. (2005). Tax Avoidance and the Importance of Trust. University of Gothenburg Working Paper.
Julianti, M. & Zulaikha. (2014). Analysis of Factors Affecting Individual Taxpayer Compliance in Paying Taxes with Financial Conditions and Risk Preferences as Moderating Variables. Diponegoro University.
Junawan, J., & Adiman, S. (2021). FAKTOR-FAKTOR YANG MEMPENGARUHI KEPATUHAN WAJIB PAJAK DENGAN PENDEKATAN EKONOMI, BEHAVIOR DAN PAUL WEBLEY PADA UMKM DI KOTA MEDAN. Dalam *Skenario (Seminar Ilmu Sosial Teknik dan Humaniora)* (hlm. 300-306).
Pravasanti, Y. A. (2020). Analysis of Factors Affecting Taxpayer Compliance in Paying Land and Building Tax. ITB AAS Indonesia.
Rizkina, M. (2020). THE EFFECT OF TAX KNOWLEDGE AND FISCAL SERVICE QUALITY ON TAX PAYMENT AWARENESS (CASE STUDY OF INDIVIDUAL TAXPAYERS REGISTERED AT THE MEDAN PETISAH TAX OFFICE): Miftha Rizkina; Sumardi Adiman. Journal of Taxation, 1(2), 83-97.
Rizkina, M., Adiman, S., & Aliah, N. (2021). Efektivitas Penagihan Pajak Terhadap Penerimaan Pajak Penghasilan (Pph) Pasal 21 Orang Pribadi Pada Kantor Direktorat Jenderal Pajak Wilayah Sumut I. Jurnal Akuntansi Bisnis dan Publik, 11(2), 12-26.
Supraja, G. (2020). PENGARUH PROGRAM PENGAMPUNAN PAJAK TERHADAP EFEKTIVITAS PENERIMAAN PAJAK DI INDONESIA: Galih Supraja. Jurnal Perpajakan , 1 (2), 144-151. Susilawaty, T. E., & Damanik, D. N. (2021). Analisis Pengaruh Penerapan Sistem E-Filing Terhadap Kepatuhan Wajib Pajak Dengan Sosialisasi Perpajakan Sebagai Variabel Moderasi Pada Desa Pematang Serai Tanjung Pura Langkat. Jurnal Perpajakan, 2(1), 1-14.
Torgler, B. (2003). Tax Morality: Theory and Analysis of Tax Compliance. University of Zurich. Widayati & Nurlis. (2010). Factors Affecting the Willingness to Pay Taxes of Individual Taxpayers Engaged in Freelance Work. XII National Accounting Symposium.