

The Role of Coretax Implementation, Tax Knowledge, and Tax Sanctions In Encouraging Individual Taxpayer Compliance In Malang City

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Abstract

Introduction/Main Objectives: The primary objective of this study is to meticulously analyze the role of coretax implementation, tax knowledge, and tax sanctions in encouraging individual taxpayer compliance in Malang City. The central focus is specifically directed toward assessing the effectiveness of tax administration modernization in elevating the level of taxpayer compliance.

Background Problems: Although the government has developed the *Core Tax Administration System (Coretax)*, the degree of taxpayer compliance remains comparatively low.. Many taxpayers have not yet understood tax procedures, and some others have not fulfilled their obligations correctly, thus the modernization of the system has not fully influenced compliance behavior.

Novelty: The novelty of this research lies in its analytical focus on the effectiveness of Coretax implementation on Personal Taxpayer compliance in Malang City, a context that has rarely been studied in depth. Furthermore, this research integrates the variables of tax knowledge and tax sanctions to examine how these two factors play a role in strengthening or weakening the impact of tax administration modernization. Studies concerning Coretax within the Personal Taxpayer segment are still relatively limited, thus this research provides a new empirical contribution regarding the factors influencing compliance in the era of digitalization of tax services.

Research Methods: This study employs a quantitative research design and collected data using a purposive sampling technique from 77 personal taxpayer respondents. The statistical analysis, performed with SPSS software, included several steps validity and reliability testing, classical assumption tests, and hypothesis testing via multiple linear regression analysis, t-test, and calculating the coefficient of determination (R^2).

Finding/Results: The research findings indicate that the implementation of coretax does not have a significant effect on taxpayer compliance. In contrast, tax knowledge and tax sanctions are proven to have a positive and significant impact on improving taxpayer compliance. Tax knowledge is the factor with the greatest impact, while sanctions remain an important instrument in improving compliance through deterrent effects and law enforcement.

Conclusion: The research concludes that the increase in taxpayer compliance is more influenced by the taxpayer's comprehension of tax regulations and their perception of sanctions, compared to the modernization of the administrative system through Coretax. This finding implies the necessity of increasing tax literacy, optimizing Coretax socialization, and ensuring consistency in the application of sanctions as strategic steps to strengthen tax compliance.

Keywords: *Coretax Implementation, Tax Knowledge, Tax Sanctions, Theory of Planned Behavior*



Introduction

Tax revenue plays a crucial role as the main source of financing for national development. Every year, the government strives to increase tax contributions, but the level of taxpayer compliance remains an unresolved issue. This is reflected in the fact that some taxpayers still fail to submit their tax returns (Surat Pemberitahuan/SPT) or engage in tax avoidance, meaning the potential for state revenue has not been optimized Haryanti et al., (2022). Indonesia adopts a self-assessment system, a tax collection mechanism that entrusts taxpayer with the responsibility to independently calculate, pay, and report their own taxes. This system demands a high level of understanding and awareness from the public. However, in reality, there still exists a gap in tax knowledge and understanding, which affects the low level of compliance among personal taxpayers Mianti & Budiwitjaksono, (2021). In an effort to improve the administrative system, the authorities acting through the Directorate General of Taxes, carried out reforms by developing the *Core Tax Administration System (Coretax)*. This system functions to integrate tax administration processes, including those related to registration, reporting, payment, to supervision, into a single digital platform to be more effective, efficient, and transparent Korat & Munandar, (2025). Meanwhile, research in the context of personal taxpayers shows that the effectiveness of implementing the Coretax application has been shown to enhance the level of taxpayer compliance Aprilani & Astuti, (2025). In another study, the implementation of Coretax has the capacity to enhance accountability and efficiency of tax services operation, although in the initial stages of its implementation, constraints such as system access, technical disruptions, and the need for taxpayer adaptation to new technology were still found Lestari & Selfiani, (2025).

The *Theory of Planned Behavior* describes how an individual's actions are determined, including tax compliance, is influenced by the behavioral intention formed through three main factors: *behavioral belief*, subjective norm (*normative belief*), and behavioral control (*control belief*) Ajzen, (1991). In the context of taxation, tax knowledge is related to *behavioral belief*, which is the extent to which taxpayers understand the benefits and obligations of taxation, thus influencing their compliant or non-compliant attitude. Social and environmental pressure, including socialization and a culture of compliance, is related to *normative belief*. Meanwhile, tax sanctions are included in *control belief*, which is the extent to which taxpayers assess the risks, barriers, and consequences of non-compliance.

In addition to systemic factors, tax knowledge also plays an important role. Taxpayer with a good understanding of tax rules are generally more likely to comply with their tax responsibilities. The study by Haryanti et al., (2022) demonstrates that tax knowledge serves as a positive and significant determinant of taxpayer compliance. Furthermore, tax penalties are essential for making sure people obey their rules. Tougher sanctions help prevent taxpayers from cheating or breaking tax laws. Previous studies the findings demonstrate that tax sanctions influence the increase in compliance, although their effectiveness depends on the degree of taxpayer consciousness and understanding regarding of the fairness of the sanctions Nasiroh & Afiqoh, (2022) ; Supriatiningsih & Jamil, (2021) The researchers' interest in studying the implementation of Coretax and personal taxpayer compliance stems from the ongoing tax administration reform that the government is optimizing through the *Core Tax Administration System (Coretax)*. This system is designed to increase service efficiency, data integration, and transparency in the tax administration process, which is expected to encourage a sustainable increase in taxpayer compliance Arianty, (2024). However, the success of Coretax implementation is not solely governed by the system itself, but is also influenced by tax knowledge and taxpayers' perception of sanctions. Previous examination indicates that clearly understood tax knowledge and sanctions exert a significant effect on personal taxpayer compliance Airlangga & Jati, (2025).

Malang City was selected as the research location because it has a lively and changing economy, driven by growing sectors like education, trade, and MSME sectors, and tourism sectors, which leads to an increase in the number of Personal Taxpayers annually. In addition, Malang is an area with a high intensity of use of digital tax services, including Coretax, making it a relevant context for analysis. Therefore, it is important to examine how Coretax implementation, tax knowledge, and tax sanctions mutually influence personal taxpayer compliance within the context of Malang City. Based on this phenomenon, this research was conducted to determine the role of coretax implementation, tax knowledge, and tax sanctions in encouraging individual taxpayer compliance, thus providing empirical evidence regarding the effectiveness of tax administration reform in increasing tax compliance.

The implementation of the *Core Tax Administration System (Coretax)* is a form of tax administration modernization aimed at realizing integrated, efficient, and accurate services. The application of Coretax is believed to increase the ease with which taxpayers can access tax services, thereby encouraging an increase in personal taxpayer compliance. The research by Lestari & Selfiani, (2025) indicates that Coretax implementation positively influences the transparency and accountability of tax administration, which subsequently strengthens taxpayer compliance. Similarly, Aprilani & Astuti, (2025) empirically found that the use of the Coretax application has a positive and significant effect on personal taxpayer compliance. The study by Darmayasa & Hardika, (2024) also asserts that Coretax enhances taxpayer trust through improved service quality and tax data integration. Furthermore, Korat & Munandar, (2025) serta Arianty, (2024) identified that Coretax offers advantages in terms of supervision, effectiveness, and efficiency, but its success depends on user readiness and supporting infrastructure. This is reinforced by Dimetheo et al., (2025) who stated that the success of Coretax requires adequate technological literacy and system adaptation Kribiyantara et al., (2024) States that taxpayers who use e-taxation services to fulfill their tax obligations and perceive ease in fulfilling their tax obligations will be satisfied with the service and encouraged to comply with tax regulations. The greater the taxpayer's satisfaction with the e-taxation service, the higher their taxpayer compliance behavior. Based on these findings, it can be hypothesized that Coretax implementation has a positive effect on individual taxpayer compliance.

Tax knowledge reflects the taxpayer's level of understanding regarding regulations, tariffs, reporting procedures, and the function of taxes in national development. Taxpayers who possess good knowledge will be better able to fulfill their tax obligations accurately and on time. Zahrani & Mildawati, (2019) found that tax knowledge positively influences personal taxpayer compliance because knowledge increases self-confidence in performing tax obligations. Mianti & Budiwitjaksono, (2021) also support that tax knowledge increases compliance through heightened tax awareness. However, some studies present different results. Nasiroh & Afiqoh, (2022) stated that tax knowledge does not significantly affect compliance if it is not supported by strong tax awareness. A similar finding was reported by Safitri & Afiqoh, (2022) which showed that knowledge is insufficient if the perception of tax benefits remains low. Meanwhile, Airlangga & Jati, (2025) Confirmed that tax knowledge, awareness, and socialization simultaneously increase individual taxpayer compliance. Thus, the direction of the theoretical relationship remains positive and is formulated as, Tax knowledge has a positive effect on individual taxpayer compliance.

Tax sanctions are a law enforcement instrument aimed at providing a deterrent effect to taxpayers so that they do not commit tax violations. indicate that tax sanctions have a positive effect on increasing taxpayer compliance, as taxpayers consider the legal risks they will receive if they do not fulfill their tax obligations. Mianti & Budiwitjaksono, (2021) also state that the higher the perception of sanctions, the higher the taxpayer compliance, especially if the sanctions are understood as a form of legal justice. Dewi et al., (2022) found that tax sanctions positively influence compliance when carried out consistently and firmly. However, the

research by Supriatiningsih & Jamil, (2021) shows that sanctions can have a negative effect if implemented without proper education and communication, leading to forced, pseudo-compliance. Khatimah & Girindratama, (2024) Also found that sanctions have no effect if their application is inconsistent and not perceived as fair by taxpayers. Based on the majority of empirical evidence, the hypothesis proposed is that tax sanctions have a positive effect on individual taxpayer compliance.

Research Methods

This research uses a quantitative approach, which is a research approach focusing on numerical data and analyzed using statistical methods. The quantitative approach aims to test the relationship between variables objectively, measurably, and reproducibly. The quantitative approach was chosen because it is suitable for the research objective, which is to explain the role of coretax implementation, tax knowledge, and tax sanctions in encouraging individual taxpayer compliance in Malang City. The quantitative approach is also widely used in previous studies related to taxpayer compliance Haryanti et al., (2022). The population in this study is the personal taxpayers in Malang City. Furthermore, Malang City was chosen as the research location because it has dynamic economic characteristics with the development of the education, trade, MSME (Micro, Small, and Medium Enterprises), and tourism sectors, which leads to an increase in the number of Personal Taxpayers annually.

This research uses the purposive sampling technique, which is a sampling method that determines the sample by considering specific criteria or considerations set by the researcher. This technique was also used in the research by Mianti & Budiwitjaksono, (2021) on individual taxpayers in the KPP (Tax Service Office) Surabaya Mulyorejo. This technique was chosen because not all members of the population possess the appropriate characteristics to serve as research respondents. The sample was selected based on the following criteria:

1. Personal Taxpayers with an active Taxpayer Identification Number (NPWP).
2. Have filed or paid taxes within the last year.
3. Have used electronic-based tax reporting services, such as e-Filing, e-billing, or Coretax.

The population in this study is the personal taxpayers in Malang City. The sample size was determined using the formula proposed by Hair et al. (2014). Hair's formula is used because the exact population size is unknown, and it suggests a minimum sample size of 5–10 times the number of indicator variables. Thus, the total number of indicators which is 16 indicators is multiplied by 5 ($16 \times 5 = 80$). Therefore, based on this formula, the calculated number of samples to be studied is 80 individuals. The research instrument uses closed statements with a Likert scale of 1–5, where a value of 1 indicates Strongly Disagree and a value of 5 indicates Strongly Agree.

The data obtained from the questionnaire were then analyzed through several stages: the validity test to ensure the appropriateness of the statement items, the reliability test to examine the consistency of respondents' answers, and the classical assumption tests, which include normality, multicollinearity, and heteroscedasticity tests to meet the requirements of the regression model. Subsequently, multiple linear regression analysis was performed to determine the influence of the independent variables on the dependent variable, accompanied by the t-test to measure the partial influence of each variable. Finally, the coefficient of determination (R^2) was used to determine the magnitude of the contribution of the independent variables in explaining the dependent variable. This analysis technique refers to the method also used by Zahrani & Mildawati, (2019).

Table 1 Operationalization of Research Variables

Variable	Type	Indicators	Reference Source
Coretax Implementation (X1)	Independent	1) Ease of System Use 2) Data Integration and Accuracy 3) Speed & Process Efficiency 4) Transparency & Trust	Korat & Munandar (2025)
Tax Knowledge (X2)	Independent	1) Understanding of Tax Regulations 2) Knowledge of Reporting & Payment Procedures 3) Understanding of Tax Functions & Benefits 4) Ability to Calculate Tax Obligations	Zahrani & Mildawati (2020)
Tax Sanctions (X3)	Independent	1) Clarity of Sanctions 2) Firmness of Application 3) Deterrent Effect 4) Fairness of Application	Airlangga & Jati (2025)
Taxpayer Compliance (Y)	Dependent	1) Obtaining Taxpayer Status 2) Timely Filing of Tax Returns (SPT) 3) Tax Payment According to Obligation 4) Suitability of Data & Document Submission	Mianti & Budiwitjaksono (2021)

Source: Processed by the author, 2025

Result

Respondent Profile

The sample size that should have been used in this study was 80 respondents, and the response rate was 77 respondents who met the criteria, which means the respondent return rate is 96,25%. Presented below is a profile of the study participants, categorized by gender, age, and occupation.

Table 2 Respondent Profile

Respondent Profile		Count	Percentage
Gender	Male	38	49.35%
	Female	39	50.65%
	Total	77	100%
Age	20-29	37	48.05%
	30-39	24	31.17%
	40-49	11	14.29%
	>50	5	6.49%
	Total	77	100%
Occupation	Private Sector Employee	37	48.05%
	Entrepreneur/MSME	15	19.48%
	Civil Servant (PNS/ASN)	14	18.18%
	Student	5	6.49%
	Homemaker	2	2.60%
	Others	4	5.20%
	Total	77	100%

Source: Processed by the author, 2025

According to the respondent characteristics above, it can be seen that are participants in this research consist of 38 male respondents (49.35%) and 39 female respondents (50.65%), making the gender distribution relatively balanced. In the age category, the majority of study participant are documanted as being in the 20-29 age bracket, totaling 37 respondents (48.05%), followed by respondents aged 30–39 years with 24 respondents (31.17%), then those aged 40–49 years with 11 respondents (14.29%), and respondents aged over 50 years with 5 respondents (6.49%). Furthermore, based on the occupation category, respondents are dominated by private sector employees, totaling 37 respondents (48.05%), followed by entrepreneurs/MSME with 15 respondents (19.48%), Civil Servants (PNS/ASN) with 14 respondents (18.18%), students with 5 respondents (6.49%), homemakers with 2 respondents (2.60%), and the 'others' category with 4 respondents (5.20%). For a sample size of 77, the degrees of freedom $df = n-2$ or $77-2 = 75$ and the critical value of r -table is 0.227. The results of the validity test can be seen in the table below:

Table 3 Validity Test Results

Variable	Indicator	r-Calculated Value	r-Table Value	Description
Coretax Implementation (X1)	X1.1	0.813	0.227	Valid
	X1.2	0.870	0.227	Valid
	X1.3	0.880	0.227	Valid
	X1.4	0.821	0.227	Valid
Tax Knowladge (X2)	X2.1	0.776	0.227	Valid
	X2.2	0.734	0.227	Valid
	X2.3	0.799	0.227	Valid
	X2.4	0.520	0.227	Valid
	X2.5	0.709	0.227	Valid
Tax Sanctions (X3)	X3.1	0.814	0.227	Valid
	X3.2	0.817	0.227	Valid
	X3.3	0.705	0.227	Valid
	X3.4	0.744	0.227	Valid
Taxpayer Compliance (Y)	Y1	0.677	0.227	Valid
	Y2	0.783	0.227	Valid
	Y3	0.781	0.227	Valid
	Y4	0.820	0.227	Valid
	Y5	0.831	0.227	Valid
	Y6	0.825	0.227	Valid

Source: SPSS Output , 2025

From Table 3 above, it can be concluded that every variable indicator has an r -calculated value higher than the r -table value. Therefore it can be concluded that all items are valid. After completing the validity test, the analysis processed to the reliability test, which yields the following results:

Table 4 Reliability Test Results

Variable	Croanbach Alpha	Liimt Value Realizable	Description
Coretax Implementation (X1)	0.861	0.60	Realible
Tax Knowladge (X2)	0.748	0.60	Realible
Tax Sanctions (X3)	0.773	0.60	Realible

Taxpayer Compliance (Y)	0.875	0.60	Realible
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Source: SPSS Output, 2025

From Table 4 above, it is evident that the Cronbach Alpha > 60, which proves that all variables are reliable and can be used in the subsequent analysis. After completing the reliability test, the analysis proceedsto the normality test, which present the following results:

Table 5 Normality Test Results

One-Sample Kolmogrov-Smirnov Test		
		Untandardized Residual
N		77
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	1,70049165
Most Extreme Difference	Absolute	,075
	Positive	,075
	Negative	-,060
Test Statistic		,075
Asymp. Sig. (2-tailed)		,200 ^{c,d}

Source: SPSS Output, 2025

Based on Table 5 results above, a significance value of > 0.05 which is 0.200 was obtained. Thus, it can therefore be concluded that the residual values are normality distributed. After the normality test, the analysis continues with the multicollinearity test, which produces the following results:

Table 6 Multicollinearity Test Results

Model	Colinearity Statistics	
	Tolerance	VIF
Coretax Implementation (X1)	0.847	1.181
Tax Knowledge (X2)	0.615	1.626
Tax Santions (X3)	0.576	1.735

Source: SPSS Output, 2025

Based on Table 6 above, it is evident that the *Tolerance* values for all variables shows TO > 0.10 and the VIF also shows a VIF value < 10. Therefore, it can be inferred that the regression model does not exhibit any signs of multicollinearity among the variables. After the multicollinearity test, the analysis proceeds to the heteroscedasticity test, which yields the following results:

Table 7 Heteroscedasticity Test Results

Coefficients ^a					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	,187	,055		3,371
	X1	,002	,002	,108	,911
	X2	-,007	,003	-,352	-2,523
	X3	-,001	,003	-,028	-,197

Source: SPSS Output, 2025

Based on the Glejser heteroscedasticity test presented in Table 7, the significance values for variables X1 and X3 are above 0.05, while X2 has a significance value of 0.014. Nevertheless, the X2 coefficient is very small, so it does not show a systematic pattern of residual spread. Overall, these results indicate that the regression model is free from heteroscedasticity, so the residual variance be regarded as stable, and the model is deemed to meet the homoscedasticity assumption. After completing the heteroscedasticity test, the analysis proceeds to the multiple linear regression test, which produces the following results:

Table 8 Multiple Linear Regression Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,413	2,605		1,694	,095
	Coretax Implementation	-,095	,117	-,067	-,811	,420
	Tax Knowledge	,697	,138	,487	5,059	,000
	Tax Sanctions	,547	,141	,386	3,876	,000

Source: SPSS Output, 2025

Based on the coefficients in Table 8, the analysis indicates that the implementation of coretax does not significantly influence Personal Taxpayer compliance. This is supported by a significance value of 0.420, which exceeds 0.05, and a t-calculated value of -0.811, which is lower than the t-table value of 1.993. Therefore, H1 is rejected, confirming that coretax implementation has no meaningful impact on taxpayer compliance. In contrast, the tax knowledge variable demonstrates a positive effect on Personal Taxpayer compliance. The significance value of 0.000, which is below 0.05, and a t-calculated value of 5.059, which exceeds the t-table value of 1.1993, lead to the acceptance of H2. This suggest that a higher level of tax knowledge among taxpayers corresponds with geater compliance. Furthermore, the tax sanctions variable also exhibits a positive impact on Personal Taxpayer compliance. With a significance value of 0.000 less than 0.05 and a t-calculated value of 3.876 greater than 1.993, H3 is accepted. These findings imply that strict and effective tax sanctions can enhance taxpayers adherence to their tax obligations. After conducting the multiple linear regression test, the analysis proceeds to the coefficient of determination (R^2) test, which produces the following results:

Table 9 Multiple Linear Regression Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,764 ^a	,583	,566	1.73508

Source: SPSS Output, 2025

Based on Table 9 above, the data processing result obtained for the r square value is 0.583, meaning that 58.3% of the variance in personal taxpayer compliance is explained by coretax implementation, tax knowledge, and tax sanctions, while the remaining 41.7% is attributed to other influencing factors.

Discussion

The Role of Coretax Implementation in Encouraging Individual Taxpayer Compliance

The research results show that implementation of coretax does not have a significant influence on Personal Taxpayer compliance in Malang City. This finding indicates that the modernization of tax administration has not yet been able to directly encourage a change in compliance behavior. This situation aligns with several preliminary findings which indicate that the success of Coretax highly depends on user readiness, digital literacy, and the adaptation process to the newly introduced system Lestari & Selfiani, (2025) ; Dimetheo et al., (2025).

Several studies mention that Coretax actually has great potential to increase the accuracy, transparency, and effectiveness of tax administration Korat & Munandar, (2025). However, in the context of Personal Taxpayers, these benefits have not been fully and equally realized because obstacles still exist, such as technical disruptions, the need for assistance, and low user understanding of the system's features. International research also states that digitalization only has a strong impact when accompanied by trust in the system, technological literacy, and the perception of ease of use Darmayasa & Hardika, (2024).

From the perspective of the *Theory of Planned Behavior* of the, the insignificance of Coretax's influence on compliance forming behavioral intention. First, from the perspective of *attitude*, taxpayers have not yet experienced sufficient ease and benefits, so Coretax has not formed a positive attitude towards compliance. Second, *subjective norms* are also not yet strong because the use of Coretax has not become a habit or social standard among Personal Taxpayers. Third, *perceived behavioral control (PBC)* remains low because taxpayers face technical constraints and digital literacy issues, thus they do not feel capable of using the system optimally.

With the lack of positive attitude, social pressure, and perceived ease of use, the *intention* to comply through the use of Coretax is also not strongly formed. This is what causes Coretax implementation to have no significant effect on taxpayer compliance no, as reflected in the finding of this research.

The Role of Tax Knowledge in Encouraging Individual Taxpayer Compliance

This study revealed that tax knowledge exerts a positive and significant impact on personal taxpayer compliance. This result is in line with the majority of prior research, which emphasizes that a solid understanding of tax rules, procedures, functions, and benefits enhances taxpayer's awareness and capability to meet their obligations promptly Haryanti et al., (2022); Mianti & Budiwitjaksono, (2021).

Tax knowledge also contributes to minimizing confusion, strengthening taxpayer's confidence and enabling them to avoid administrative mistakes Zahrani & Mildawati, (2019). Within the framework of the *Theory of Planned Behavior*, tax knowledge is related to *behavioral belief*, which is the conviction that tax compliant actions yield greater benefits than the risks of non-compliance.

International research also confirms that the perception of benefits, understanding of policy, and tax literacy are psychological factors that encourage the intention and behavior of compliance Khatimah & Girindratama, (2024). Therefore, this result reinforces that increasing tax literacy and education is an effective strategy to promote Personal Taxpayer compliance, especially when digital systems like Coretax are not yet optimal.

The Role of Tax Sanctions in Encouraging Individual Taxpayer Compliance

The findings of this study show that tax sanctions exert a positive and significant effect on taxpayer compliance. This implies that strict, fair, and consistently enforced sanctions can generate a deterrent effect and enhance taxpayer discipline in meeting their tax obligations. This result aligns with earlier studies which note that sanctions serve as a crucial for regulating behavior and promoting compliance through external control mechanisms Mianti & Budiwitjaksono, (2021).

The research by Nasiroh & Afiqoh, (2022) and Supriatiningsih & Jamil, (2021) also emphasizes that sanctions will be effective if applied clearly and consistently. However, other studies found that sanctions can lose effectiveness if they are perceived as unfair or if education is not carried out optimally Khatimah & Girindratama, (2024). In the context of theory, tax sanctions relate to *control belief*, which is the taxpayer's conviction regarding the consequences that may arise from non-compliance.

The findings in this research support the perspective that sanctions remain a vital component in the tax system, especially for taxpayers with a low level of awareness. Thus, the consistent enforcement of sanctions, accompanied by proper socialization, will continue to be an important factor in encouraging compliance.

Conclusion

Drawing from the findings of the data analysis and discussion, this study concludes that the compliance of personal taxpayers in Malang City is significantly influenced by tax knowledge and tax sanctions, but is not influenced by Coretax implementation. This result indicates that the utilization of digital-based tax administration systems like Coretax has not yet provided a real impact on increasing compliance. This condition implies that the modernization of the tax system needs to be accompanied by increasing taxpayer digital literacy, technological infrastructure readiness, and optimization of service quality so that Coretax implementation can have a stronger effect on compliance behavior. Conversely, tax knowledge is proven to have a positive significant influence, confirming that the understanding of tax regulations, procedures, and benefits plays a central role in driving compliance. Furthermore, firm and consistent tax sanctions also have a positive influence, showing that the existence of legal consequences remains effective in suppressing potential tax violations. Overall, these findings affirm that increasing taxpayer compliance does not rely solely on the modernization of the tax administration system, but also requires efforts to strengthen taxpayers' understanding and positive perception of tax law enforcement.

This research has several limitations, primarily related to the time constraints which resulted in the questionnaire return rate not reaching 100%, therefore, the number of respondents may not fully represent the population. The limited scope of the research area to Malang City also means that the findings of this study have limited generalizability. Based on these limitations, future research is suggested to broaden the scope of the region and increase the number of respondents could make the results more representative. Future research may also consider incorporating additional variables, such as tax awareness and the quality of tax authority services, perception of tax fairness, or level of digital literacy, and further examine the factors influencing the effectiveness of Coretax implementation. Therefore, future studies are anticipated to offer a more thorough understanding of the factors influencing taxpayer compliance in the digital age.

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