The Analysis of Local Own-Source Revenue (PAD) from the Sub-Sector of Motorised Vehicle Tax in Regency of Bengkalis and Siak of Riau Province

Syapsan[a*], Syafril Basri[b], Restu[c], Meiryani[d*], Srinita[e], [a,b,c]Department of Development Economics, Faculty of Economics, Riau University, Indonesia, 28293, [d]Accounting Department, Faculty of Economics and Communication, Bina Nusantara University, Jakarta, Indonesia 11480, [e]Faculty of Economics, Syiah Kuala University, Darussalam Banda Aceh, Indonesia, Email: [d*]meiryani@binus.edu

In implementing a regional autonomy, funding sourced from the Local Own-Source Revenue (PAD) is needed. One source of PAD comes from motorised vehicle tax. Motorised vehicle tax is a tax on ownership and/or control of motorised vehicles. So far, this tax has not been optimal in receipt, and there is an indication of non-compliance of taxpayers in paying taxes. Persuasive efforts are still being carried out by the government so that the public grows their awareness in paying taxes, and it is suspected that tax service factors, taxpayers' awareness, and illegal levies are factors causing compliance of the taxpayer in paying motorised vehicle tax. The research method used was quantitative research. In this study, the type and source of data used was secondary data published by certain agencies and primary data which were a sample of 120 taxpayers from two regions, Bengkalis and Siak. The analytical tool used was Multiple Linear Regression (MLR). The results showed it was proven that the variables of taxation services, taxpayers' awareness, and illegal levies simultaneously had a significant effect on taxpayer compliance in paying motorised vehicle tax. Some people still do not understand tax payment procedures. Thus, they often postponed the payments. The delay also occurred because the work days of workers from communities around the location of the oil palm plantations were from Monday to Friday so they did not have time to make payments. The results of the study also found awareness and illegal levies were also factors in the decline in compliance. The recommendation of this study

is the Government provides payment counters on Saturdays and Sundays in the plantation area by placing Mobil Samsat Keliling (service given by using a car as payment counters). Then, attaching the procedure of tax payments and its requirments on the sheet of Vehicle Registration Certificate (STNK) or motorised vehicle tax (PKB) of each owner of a two-wheeled motorised vehicle when buying the motorised vehicle or when paying the tax. It will encourage the compliance of taxpayers of plantation sector in paying motorised vehicle tax, and it later can increase Local Own-Source Revenue (PAD) of the Riau Province.

Key words: *Local Own-Source Revenue (PAD), two-wheeled motorised vehicles, tax, compliance, illegal levies.*

Introduction

In implementing a regional autonomy, the Regional Government has the right and obligation to regulate and manage its own government to improve the efficiency and effectiveness of the administration and services to the community. To implement the regional autonomy, and to finance the intended regional autonomy, some of the funding needs to come from the Local Own-Source Revenue (PAD). The Regional Government has the right to conduct legal levies on the community as an embodiment of regional financial policies, implemented to improve the ability of government financing, especially those coming from local taxes and legal levies because these two components make a major contribution to PAD. It can be seen in the summary of Regional Budget Revenues and Expenditures (APBD) of Riau in 2017.

The budget for the Riau Province in 2017 is approximately IDR 10,475,610,275,000 in which the budget coming from PAD is IDR 3,360,008,975,000. If we calculate its ratio of the degree of fiscal decentralisation, it is at a medium size showing a value of 32 percent.

From the ratio of the degree of fiscal decentralisation, we can see the participation of the central government in development and if this ratio is low then the intervention of the central government is large in regional development and also shows the extent of regional capability in the implementation of regional autonomy. In Riau Province, the ratio of the degree of fiscal decentralisation is still 32 percent, and it needs to be increased by increasing the source of Local Own-Source Revenue (PAD).

In the discussion on the concept of regional autonomy, the region will have an important role in regulating and managing regional households including regional financial management. Regional governments are expected to be better able to explore the potential sources of regional revenue in financing all regional development activities through the increase of

PAD. The increasing of the community needs for development and the service quality provided by the government should be followed by the optimisation of regional revenues, especially from the tax sector and regional levies in accordance with the mandate of Law No. 23 of 2014.

Regional Revenue of Riau Province is sourced from regional taxes and levies and other PADs. Up to now, regional revenue is managed by the Regional Revenue Agency (BAPENDA) of Riau Province in accord with the Main Tasks and Functions of the Regional Work Units (SKPD). Each year, the Regional Head and Regional Representatives Council (DPRD) ask for the amount of revenue targets to be achieved, and, at the same time, it determines the performance of the BAPENDA itself.

The determination of revenue targets from local taxes and levies should be based on the mapping of the calculation of potential sources of in advance revenue so that the expected increase is in accord with what can be collected and is realistic and can be achieved. The mapping activity towards the potential of regional revenue is very necessary to achieve the target amount set. It also facilitates the implementation of sector intensification, the potential sector which is a source of income for the region, as well as in an effort to optimise regional revenue that will be used to finance the development.

The Government of the Riau Province has always tried making various concrete efforts in increasing the regional revenues. The mainstay of the Riau Province government's development funding so far coming from oil and gas revenue-sharing funds has been increasingly diminishing and increasingly difficult to be expected, especially in the midst of a world crisis due to the decline of world oil prices. Those with development funding have an impact on the decline in central government revenue and have an impact on the decline in revenue-sharing funds by the central government to the regional government. Meanwhile, the development funding continues to increase each year so that the region is expected to make an effort to increase development funding sourced from the PAD by exploring the potential of existing resources in accordance with the mandate of Law no. 28 of 2009 concerning local taxes and levies. The target set by the regional government is not based on the amount of existing potential, but only by increasing the percentage of previous revenue. Even, on several occasions, the Regional Head asked for a much larger increase without calculating the potential revenue from the sector of the local taxes and levies.

BAPENDA of Riau Province, which is the implementation and realisation of regional financial management in terms of revenue that functions to find funds to finance development in Riau Province, seeks to synchronise the wishes of the regional head with the existing reality. The potential mapping of local taxes and levies as well as other PAD is very possible

to be done to determine the ability of existing revenue sources so that the determination of targets will not differ greatly from the expected revenue realisation.

In 2016, the number of two-wheeled vehicles paying motorised vehicle tax was 996,159 units, while in 2017, those paying the motorised vehicle tax were 980,760 units. It means it was reduced by 15,399 units. Most of the estimated vehicles having not paid motorised vehicle tax were located in the plantation area.

In connection with an increase in PAD, regional governments can increase through intensification and extensification efforts of the source of PAD revenue. Identification of the sources of PAD revenue needs to be done to optimise community empowerment through the principle of justice to achieve the prosperity of the community in the area itself. With this principle, the negative paradigm regarding the implementation of regional autonomy, that society is a burden of development, can be minimised.

The assumption saying that society is the object of development must be changed to be the main subject of regional development. In the era of fiscal decentralisation and regional autonomy, regional independence in managing regional finances will be increasingly important. This independence is in the form of independence in planning and in managing regional financial resources. High independence will strengthen regional economic resilience in facing crisis of the national and international economic which ultimately affects the size of the receipt of aid from the central government (Wardhono, 2012).

One source of PAD comes from motorised vehicle tax. Motorised Vehicle Tax is a tax on ownership and/or control of motorised vehicles. Motorised vehicles are all wheeled vehicles and their gear used in all types of road, and are driven by technical equipment in the form of motorcycles or other equipment that functions to convert a particular energy resource into the driving force of the relevant motorised vehicles, including heavy and large equipment using wheels and motors in its operation and is not permanently attached and water-operated motor vehicles.

Motorised vehicles going back and forth on oil palm plantations are usually two-wheeled motorised vehicles (motorcycles) and oil palm trucks. In general, many of these vehicles do not make tax payments. Based on the information obtained from the plantation community, undisciplined and low levels of compliance in paying motorised vehicle tax due to lack of unclear information about services, low awareness, and the existence of illegal levies. Then, motorised vehicle users assume the vehicle is only driven at the plantation location so there is no need to pay taxes.

As explained by Susilawati & Budiartha (2013), awareness factors of taxpayers, tax knowledge, tax sanctions, and public service accountability are the causes of compliance of taxpayers. It is in line with what has been explained by Aryobimo, P. T., & Cahyonowati, N. (2012) that the Perception of Taxpayers regarding the Quality of Fiscus Services on Taxpayer Compliance with the Financial Condition of Taxpayer and Risk Preference are as Moderating Variables. Ketut, A. R. S. P. I. (2013) explained the factors influencing taxpayer compliance in paying motorised vehicle tax, among others: variable of taxpayer awareness, moral obligations, service quality, and tax penalties. Meanwhile, Susmita, P. R., & Supadmi, N. L. (2016) explained that there is an influence on service quality, tax sanctions, tax compliance costs, and the application of E-Filing in building up the compliance of taxpayer. Pradini, H. S., Ratnasari, M., & Hidayat, T. E. W. (2016) explained that Patriotism, Corruption, and Illegal levies influenced tax compliance.

To overcome this problem, the research team will conduct research on the compliance of taxpayer in paying taxes as seen from the factors of taxation services, taxpayers' awareness, and illegal levies. Then, the research team will also provide recommendations on actions and policies in paying taxes so as to facilitate payment and improve compliance.

Based on the foregoing, this study is conducting an analysis of the level of the compliance of two-wheeled motorised vehicle owner having not and experienced obstacles in paying taxes. Then, the research team will also provide recommendations on tax payment procedures so as to facilitate payment. The survey will be conducted in the Regency of Bengkalis and Siak, Riau Province.

Method of the Implementation

In this study, the type and source of data used were secondary data published by certain agencies and primary data which were collected from government agencies, and in-field informants were as supporting data obtained indirectly from documents or official reports, also from sources other relevant sources.

Research data was obtained from informants, documents, as well as places and events. Informants are people considered to be appropriate and can be trusted to provide data sources to reveal a phenomenon. Information gathering begins with the introduction of the initial informant who then appoints the main informant (key informant). Information from the main informant is then actualised and enriched in a rolling manner (snowballing) to the next informant until information saturation occurs. It is done so that the variation, depth, and detail of data/information can be obtained optimally. In this study, the main informants or key informants were the Head of the Local Revenue Service, the Regional Financial and Asset Management Agency (BPKAD), as well as samples from the community of motorised

vehicle owners in two districts, Bengkalis and Siak, by taking a sample of 120 people with quota sampling technique.

This study also uses supporting data sourced from documents which are notes relating to research problems, including the Strategic Plan (Renstra) of the Provincial Government, Regional Budget Revenues and Expenditures (APBD). Related to Research, Strategic Plan (Renstra) of Revenue Service, as well as local and other laws regulations related to research issues.

Data collection techniques used were survey techniques, interviews, documentation, and a literature study. Meanwhile, the instrument used for data collection in this study are: first is interview. Interview is used to get preliminary information regarding the Revenue Service of Pekanbaru City and to ask the answers from experts or stake holders to the questionnaire at the Revenue Service of Pekanbaru City and regarding the priority elements related to increasing Tax revenues of Pekanbaru City; then, it is a questionnaire. The questionnaire is given in 2 (two) stages, which are: a) Evaluation Questionnaire is a questionnaire containing a list of questions to assess the efforts made by the Revenue Service of Pekanbaru City, b) Stake Holder Questionnaire is a questionnaire containing a list of questions about the perceptions of experts/stake holders of the elements have an effect on increasing hotel tax revenue. Next is documentation. Documentation is written data, both in the form of reports and other forms, such as the Target Report and the realisation of Local Own-Source Revenue, related local regulations, organisational structure, job description of employee development reports, development of facilities and infrastructure, population growth, regional economic growth and others.

Research variables can be grouped into several categories based on their position in cause and effect relationships in research and measurement. Based on cause and effect relationships in this study, the research variables are categorised into two groups, which are exogenous variables (independent variables) and endogenous (dependent variables). By using the conceptual framework of the research that has been formulated, the exogenous variables in this study are Taxation Services, Taxpayer Awareness, Illegal Levies and Compliance of endogenous variables. This study used a *Likert* scale, scoring 1 to 5. A score of 1 means 'strongly disagree' or 0% (for intensity) or 'very unsure' (for a level of confidence), a score of 2 means 'disagree' or 'not sure', a score of 3 means 'doubtful', a score 4 means 'agree' or 'sure', a score of 5 means 'strongly agree' or 'very sure'.

For the purposes of collecting data in the field, media are provided in the form of research instruments, namely questionnaires to collect quantitative data. The questionnaire was compiled by describing various definitions of observed variables that were identified earlier in the form of sentences that were easy to understand and had to be structured.

In this study, the research method used was a quantitative method. A descriptive statistical approach was used to explain the characteristics of respondents using. Descriptive statistics were used to describe and illustrate the object under study through sample data. Presentation of data in frequency tables and graphs is intended to make it easier to understand the results relating to the answer of the research objectives. Whereas to answer the research objectives, Eviews was used to analyse the relationship and influence.

Results and Discussions
Results

In this study, the quantitative analysis used Eviews 10 as a tool in calculating the level of compliance in motorised vehicle tax payments in Regency of Bengkalis and Siak. There are several factors that affect it. The first is the level of service from employees in the tax office itself, which if the service is given badly, it will certainly affect the interest of the community when they want to pay motorised vehicle tax. The next factor is public awareness in which it also greatly affects the level of compliance in paying taxes, people who do not feel/are aware that paying taxes is an obligation will certainly reduce regional income from the motorised vehicle tax sector. The final factor affecting compliance in motorised vehicle tax payments is illegal levies in which the illegal levies itself will certainly make people paying taxes feeling burdened because they should pay cheap instead become more expensive because of the person who takes these illegal levies.

In this study, a sample of 120 respondents was chosen randomly, then the data obtained from respondents was tabulated into Excel for a number of statistical tests to be carried out to see the effect of Service, Awareness, and Illegal Levies on Compliance. The data obtained from the Compliance, Service, Awareness, and Illegal Levies data.

Therefore, to find out the effect of Service, Awareness and Illegal Levies on Compliance, statistical calculations are performed using Multiple Linear Regression analysis methods with OLS analysis techniques using Eviews 10 software.

1) Classic Assumptions (Best Linear Unlimited Estimator)
This classic assumption test aims at determining the biased data to be analysed. There are 4 tests in the classical assumption which are normality, heteroskedasticity, autocorrelation and multicollinearity.

a) Normality
This test is conducted with the aim to assess the distribution of data on a variable, whether the data distribution is normally distributed or not.

Figure 1. The results of the Normality Test
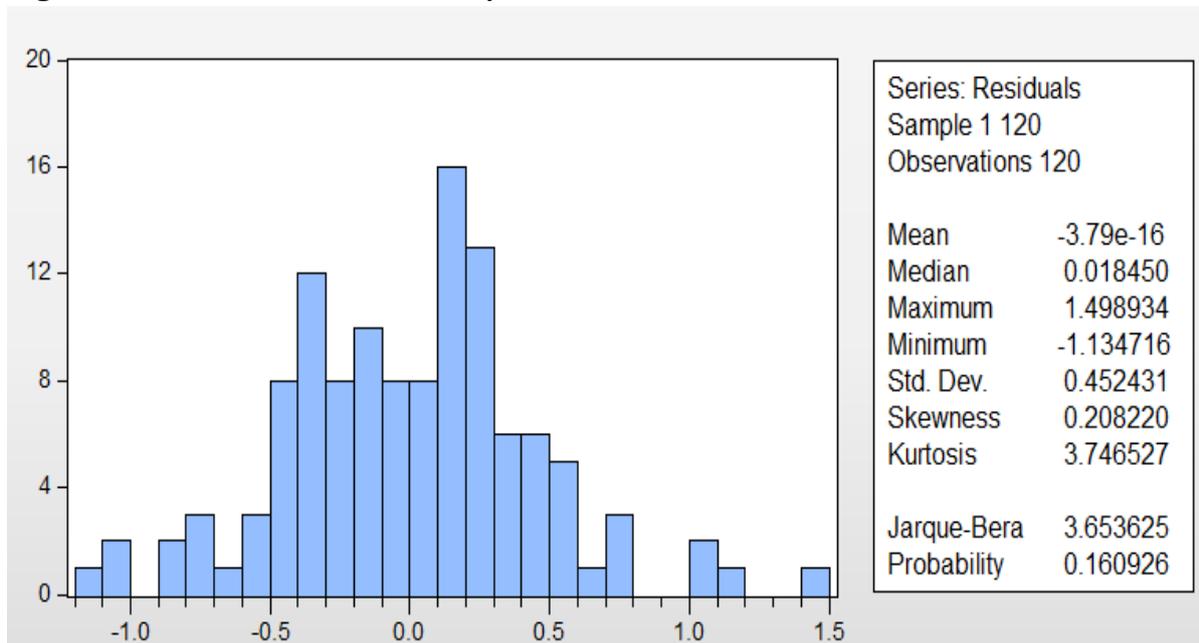
Source: Processed Data by Eviews 10

Based on Figure 1, the probability value is 0.160926 or 16.09%, which is greater than 0.05 or 5%. Thus, it can be concluded that the data in this study are normally distributed.

b) Heteroscedasticity

This test is carried out to determine the data to avoid interference that does not produce BLUE. This test can be done using the White Test which if the value of obs*R-Square prob. Chi-Square is greater than 0.05 or 5%. For more details can be seen in the following figure:

Figure 2. The results of the Heteroskedasticity Test White

Heteroskedasticity Test: White			
F-statistic	1.736466	Prob. F(3,116)	0.1634
Obs*R-squared	5.157419	Prob. Chi-Square(3)	0.1606
Scaled explained SS	6.618199	Prob. Chi-Square(3)	0.0851

Test Equation:
Dependent Variable: RESID^2
Method: Least Squares
Date: 11/28/19   Time: 11:02
Sample: 1 120
Included observations: 120

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.430106	0.105971	4.058703	0.0001
PELAYANAN^2	-0.007360	0.011047	-0.666181	0.5066
KESADARAN^2	-0.009779	0.011459	-0.853374	0.3952
PUNGLI^2	0.000924	0.004809	0.192224	0.8479

R-squared	0.042978	Mean dependent var	0.202988
Adjusted R-squared	0.018228	S.D. dependent var	0.337815
S.E. of regression	0.334722	Akaike info criterion	0.681733
Sum squared resid	12.99651	Schwarz criterion	0.774650
Log likelihood	-36.90399	Hannan-Quinn criter.	0.719467
F-statistic	1.736466	Durbin-Watson stat	1.779737
Prob(F-statistic)	0.163384		

Source: Processed Data by Eviews 10

Based on Figure 2, it can be seen the value of obs*R-Square Prob. Chi-Square showing 0.1606 or 16.06% is greater than 0.05 or 5%, thus it can be said that the data in this study is free from heteroscedasticity.

c) Autocorrelation

This test is conducted to determine whether there is a correlation between data in one variable. This test can be seen using the Breusch-Godfrey Serial Correlation LM Test where if the value of obs*R-Square prob. Chi-Square is greater than 0.05 or 5%, so the data is said to pass the autocorrelation. It can be seen in the following figure:

Figure 3. Breusch-Godfrey Serial Correlation LM Test

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.880238	Prob. F(2,114)	0.4175
Obs*R-squared	1.824950	Prob. Chi-Square(2)	0.4015

Test Equation:
Dependent Variable: RESID
Method: Least Squares
Date: 11/28/19   Time: 11:04
Sample: 1 120
Included observations: 120
Presample missing value lagged residuals set to zero.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.012889	0.244570	-0.052701	0.9581
PELAYANAN	0.008965	0.108351	0.082737	0.9342
KESADARAN	-0.004858	0.111599	-0.043528	0.9654
PUNGLI	-0.000532	0.038666	-0.013765	0.9890
RESID(-1)	-0.091943	0.093968	-0.978451	0.3299
RESID(-2)	-0.090913	0.094167	-0.965445	0.3364

R-squared	0.015208	Mean dependent var	-3.79E-16
Adjusted R-squared	-0.027985	S.D. dependent var	0.452431
S.E. of regression	0.458718	Akaike info criterion	1.327943
Sum squared resid	23.98810	Schwarz criterion	1.467318
Log likelihood	-73.67659	Hannan-Quinn criter.	1.384544
F-statistic	0.352095	Durbin-Watson stat	1.989562
Prob(F-statistic)	0.879983		

Source: Processed Data by Eviews 10

Based on Figure 3, on the Breusch-Godfrey Serial Correlation LM Test, if the value of obs*R-Square prob. Chi-Square showing 0.4015 or 40.15% is greater than 0.05 or 5%, the data are said to pass autocorrelation.

d) Multicollinearity
This test is conducted to determine the relationship between independent variables. Acceptable data is data that has no relationship between independent variables. Testing can be done with Variance Inflation Factor (VIF) where if the value of VIF is less than 10, it can be said that the independent variables do not affect each other or are free from multicollinearity. It can be seen in the following figure:

Figure 4. Variance Inflation Factor

```
Variance Inflation Factors
Date: 11/28/19   Time: 11:05
Sample: 1 120
Included observations: 120
```

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.058738	33.56645	NA
PELAYANAN	0.011657	89.74375	3.238487
KESADARAN	0.012302	98.76627	3.109000
PUNGLI	0.001491	8.675937	1.136204

Source: Processed Data by Eviews 10

Based on Figure 4, the value of VIF for Service, Awareness, and Illegal Levies is smaller than 10. Therefore, it can be said that there is no relationship between the independent variables, and the data is said to pass the multicollinearity test.

2) Statistics Test
This test consists of the coefficient of determination (R^2), f-test and t-test. The results of the analysis of each test can be seen in the following data:

Figure 5. The Results of Regression

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Dependent Variable: KEPATUHAN
Method: Least Squares
Date: 11/28/19   Time: 10:57
Sample: 1 120
Included observations: 120
```

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.385280	0.242359	1.589710	0.1146
PELAYANAN	0.170640	0.107966	1.580506	0.1167
KESADARAN	0.652932	0.110915	5.886798	0.0000
PUNGLI	0.087648	0.038610	2.270087	0.0250

R-squared	0.620381	Mean dependent var		3.669444
Adjusted R-squared	0.610563	S.D. dependent var		0.734308
S.E. of regression	0.458244	Akaike info criterion		1.309935
Sum squared resid	24.35854	Schwarz criterion		1.402851
Log likelihood	-74.59607	Hannan-Quinn criter.		1.347668
F-statistic	63.18981	Durbin-Watson stat		2.143517
Prob(F-statistic)	0.000000			

Source: Processed Data by Eviews 10

a) Coefficient of determination (R2)

The coefficient of determination (R2) aims at finding out how much the independent variable influences the dependent variable. Based on data analysis, it is known that the value of R2 seen in Adj. Of R-Square was 0.610563 or 61.05% which means that the independent variable affects the dependent variable by 61.05%, while the remaining 38.95% is influenced by other variables not examined in this study.

b) f-test

This test is conducted to determine the effect of the independent variables which are service, awareness and illegal levies simultaneously affect the independent variables. The data analysis is said to have an influence simultaneously if the prob (f-statistic) value is less than 0.05. In the data analysis, the prob values (f-statistics) obtained was 0.000000 less than 0.05, thus it can be said that service, awareness and illegal levies simultaneously affect compliance.

c) t-test

This test aims at determining the effect of services, awareness and illegal levies. The variable is said to have a partial effect on the dependent variable if the probability value is smaller than 0.005. Here are the results of the t test:

1. Based on the results of data analysis, the service probability value was 0.1167 in which it is greater than 0.05. Therefore, it can be said that the service has no partial effect on compliance.
2. Based on the results of data analysis, the probability value of awareness was 0.0000 which is smaller than 0.05. Therefore, the awareness variable has an effect on compliance.
3. Based on the results of data analysis, the probability value of illegal levies is 0.0250 in which it is less than 0.05. Therefore, the variable of illegal levies has an effect on compliance.

3) Accuracy Test of Parameter Signs

This test aims at determining the accuracy of the theory with the results of data analysis. the results of the analysis of the accuracy of the parameter signs can be seen in this following picture:

Figure 6. The results of the Analysis on the Accuracy of Parameter Signs

```
Estimation Command:
========================
LS KEPATUHAN C PELAYANAN KESADARAN PUNGLI


Estimation Equation:
========================
KEPATUHAN = C(1) + C(2)*PELAYANAN + C(3)*KESADARAN + C(4)*PUNGLI


Forecasting Equation:
========================
KEPATUHAN = C(1) + C(2)*PELAYANAN + C(3)*KESADARAN + C(4)*PUNGLI


Substituted Coefficients:
========================
KEPATUHAN = 0.385280209042 + 0.170640176677*PELAYANAN + 0.652931793689*KESADARAN + 0.0876475035241*PUNGLI
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Source: Processed Data by Eviews 10

Based on Figure 6, the results of data analysis with the Multiple Linear Regression method can be seen as follows:

COMPLIANCE = 0.385280209042 + 0.170640176677 * SERVICE + 0.652931793689 * AWARENESS + 0.876475035241 * ILLEGAL LEVIES ...... (1)

Based on the above equation, the relationship between service, awareness, and illegal levies on compliance is positive. It explained that the higher the services, awareness, and illegal levies, the higher the compliance will be.

From the results of the above equation through the statistical analysis of the accuracy of the parameter sign, it is known that compliance will be increased by the existence of services, awareness and illegal levies thereby increasing public compliance in paying motorised vehicle taxes.

a) Dominant Factors of Service Variables

In Figure 7 below, it explains what components are most dominant in influencing service variables.

Figure 7. Dominant Factors of Service Variables

Dependent Variable: PELAYANAN
Method: Least Squares
Date: 11/28/19   Time: 11:14
Sample: 1 120
Included observations: 120

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.56E-14	3.76E-15	4.144132	0.0001
SDM	0.125000	1.14E-15	1.10E+14	0.0000
KP	0.187500	1.40E-15	1.34E+14	0.0000
SIP	0.250000	1.53E-15	1.64E+14	0.0000
BO	0.125000	1.16E-15	1.08E+14	0.0000
PROS	0.312500	1.14E-15	2.74E+14	0.0000

R-squared	1.000000	Mean dependent var		3.603646
Adjusted R-squared	1.000000	S.D. dependent var		0.700179
S.E. of regression	7.54E-15	Sum squared resid		6.48E-27
F-statistic	2.05E+29	Durbin-Watson stat		1.996131
Prob(F-statistic)	0.000000			

Source: Processed Data by Eviews 10

From the figure above, it can be concluded that the most dominant procedure indicator influences the service variable based on the coefficient value which is the most away from the number 0.

b) The dominant factor of consciousness

In Figure 8 below, it explains what components are most dominant in influencing the variable of consciousness.

Figure 8. Dominant Factors of Awareness Variables

Dependent Variable: KESADARAN
Method: Least Squares
Date: 11/28/19   Time: 11:12
Sample: 1 120
Included observations: 120

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.17E-14	5.35E-15	2.183734	0.0310
SM	0.176471	1.64E-15	1.08E+14	0.0000
PERSEPSI	0.176471	1.59E-15	1.11E+14	0.0000
PENGETAHUAN	0.176471	1.82E-15	9.72E+13	0.0000
KARAKTERISTIK	0.176471	1.80E-15	9.78E+13	0.0000
PENYULUHAN	0.176471	1.16E-15	1.52E+14	0.0000
TP	0.117647	1.30E-15	9.03E+13	0.0000

R-squared	1.000000	Mean dependent var		3.688725
Adjusted R-squared	1.000000	S.D. dependent var		0.667798
S.E. of regression	1.01E-14	Sum squared resid		1.15E-26
F-statistic	8.70E+28	Durbin-Watson stat		1.475843
Prob(F-statistic)	0.000000			

Source: Processed Data by Eviews 10

From the figure above, it can be concluded that all components influence each other, which is not dominantly affecting the variable of consciousness, which is the tax rate indicator. It is based on the value of the coefficient which is close to 0.

c) The dominant factor of illegal levies variable
In the illegal levies' variable, there are 2 indicators included in the variable, which are administrative indicators and transaction costs. They will be explained in Figure 9.

Figure 9. Dominant Factors of Illegal Levies Variables

Dependent Variable: PUNGLI
Method: Least Squares
Date: 11/28/19   Time: 11:09
Sample: 1 120
Included observations: 120

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.95E-15	2.07E-16	-9.387266	0.0000
ADMIN	0.500000	8.56E-17	5.84E+15	0.0000
BT	0.500000	8.98E-17	5.57E+15	0.0000

R-squared	1.000000	Mean dependent var	2.975000
Adjusted R-squared	1.000000	S.D. dependent var	1.159723
S.E. of regression	8.17E-16	Sum squared resid	7.80E-29
F-statistic	1.20E+32	Durbin-Watson stat	1.341652
Prob(F-statistic)	0.000000		

Source: Processed Data by Eviews 10

From Figure 9, it can be concluded that the administrative indicators and transaction costs are equally strong and dominant influencing the variable of illegal levies. It is based on the coefficient value being the most away from the number 0.

Discussion

From the description regarding the compliance of taxpayers in paying motorised vehicle tax in Riau Province, especially in the Regency of Bengkalis and Siak, it provides evidence in relation to taxpayer compliance, which can be described from the following description.

a) Effect of Taxation Services on Taxpayer Compliance
The results of the evidence shows that taxation services do not significantly influence motorised vehicle taxpayer compliance in the Regency of Bengkalis and Siak. This condition is different from the results of previous studies conducted by researchers like Susilawati, K. E., & Budiartha, K. (2013); Aryobimo, P. T., & Cahyonowati, N. (2012); Ketut, A. R. S. P. I. (2013); Susmita, P. R., & Supadmi, N. L. (2016); Savitri, E. (2016); dan Anam, M. C., Andini, R., & Hartono, H. (2018). This is because the community condition is oil palm farmers in which their daily activities start from Monday to Friday, from morning to afternoon. Meanwhile, if you see the services provided by the government in the payment of motorised vehicle tax on these working days, they will not have time to make payments. In the field, taxpayers (farmers) actually need services that are close to their settlements and are easily accessible and payment systems that are not waiting in line, so that they do not spend

their working time. It is also coupled with a relatively longer queue system and makes taxpayers feel bored following it. Then, it was also reported in the opinion of the taxpayers that the vehicles they were using were not on the highway, and It is because no police would crack down on their vehicles when operated in the garden. According to Septantina, R. A. (2013), that ideally, in certain case of taxpayers, the services, by coming to the customer, becomes a solution that can be provided to certain taxpayers like motorised vehicle taxpayers in this plantation area.

b) Effect of Taxpayer Awareness on Taxpayer Compliance

Awareness of taxpayers in paying taxes becomes a variable that is proven to have a significant effect on taxpayer compliance in paying motorised vehicle tax in plantation areas. The results of this study are in line with what was conducted by Susilawati, K. E., & Budiartha, K. (2013); Anam, M. C., Andini, R., & Hartono, H. (2018); Dharma, G. P. E. (2014); Agustiningsih, W., & Isroah, I. (2016); dan Ilhamsyah, R. (2016).

It shows that awareness of taxpayers as citizens has become a driving factor in making taxpayers obedient in paying motorised vehicle tax. Community as citizens need to understand their rights and obligations towards the state. Moreover, the need for socialisation efforts undertaken by the government to make the community aware of the importance of its participation in paying taxes and making positive contributions to make this nation strong in sustaining development. It is also as explained by Hidayati, I. F. (2014) stating that by providing knowledge to taxpayers, public awareness in paying taxes will grow and is a consequence of being an obedient and supportive citizen of the state.

c) The Effects of Illegal Levies on Taxpayer Compliance

Illegal levies imposed both in administrative costs and in transaction costs have a significant effect on taxpayer compliance in paying motorised vehicle taxes. The results of this study are in line with what was conducted by Pradini, H. S., Ratnasari, M., & Hidayat, T. E. W. (2016); Devos, K. (2013); Jimenez, P., & Iyer, G. S. (2016) stating that illegal levies became a phenomenon in tax payments. Sometimes, these illegal levies make taxpayers feel helped because it makes it easier for taxpayers to pay motorised vehicle taxes. If they do not pay their motorised vehicle tax, they will get a ticket. If paid by the taxpayer himself, it will spend their productive time for paying taxes. This condition is indeed contrary to the concept of excellent service, but is very realistic occurrence. It is because on the one hand, taxpayers are obedient in paying their taxes, but on the other hand, the services provided do not possibly allow them to pay, thus they ask for help to other parties to take care of the tax and or they don't pay taxes and leave it be.

Conclusions

From the description above, several conclusions can be drawn to increase taxpayer compliance in paying motorised vehicle tax, and later, it increases Local Own-Source Revenue of Riau Province.

a. To increase compliance in paying taxes, it is necessary for the regional government to carry *Mobil Samsat Keliling* to border areas, sub-districts or villages that are close to people's homes.

b. To increase public awareness of paying taxes, tax payment terms and procedures need to be prepared. The conditions and procedures should be attached to the BPKB of the motorised vehicle.

c. Regional governments need to socialise sanctions or fines to members of the community who own a motorised vehicle.

d. Raids need to be done in the sub-district area of the Riau Province.

e. In an effort to increase the knowledge of taxpayers, regional governments need to work together with the subdistrict and village heads in the socialisation of motorised vehicle taxes or raids regarding the motorised vehicle tax.

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