

**Время выполнения задания – 240 мин., язык – русский и английский.**

**Раздел I.**

**Пожалуйста, выберите среди предложенных ответов один или несколько правильный(-ых) варианта(-ов) и заштрихуйте соответствующий ему(им) овал(-ы) в бланке ответов на пересечении номера вопроса и номера ответа(-ов).**

**1. Выберите все верные утверждения об экономическом росте:**

1. Графически экономический рост может быть представлен через кривую реального ВВП;
2. К факторам экстенсивного типа экономического роста относятся: использование большего количества рабочей силы; строительство новых предприятий; использование большего количества оборудования; вовлечение в хозяйственный оборот дополнительных земель; открытие новых месторождений и увеличение добычи полезных ископаемых; внешняя торговля, позволяющая увеличить количество ресурсов, и т.п.;
3. С течением времени ранжирование (соотношение) стран по уровню реального ВВП на душу населения не меняется;
4. Среднегодовой темп прироста ВВП представляет собой среднюю геометрическую темпов прироста за определенное количество лет;
5. Увеличение производственных возможностей и рост потенциального ВВП связаны только с изменением качества ресурсов и не зависят от изменения количества ресурсов;
6. Факторами интенсивного типа экономического роста являются: рост уровня квалификации и профессиональной подготовки рабочей силы; использование более совершенного оборудования; наиболее передовых технологий (в первую очередь, ресурсосберегающих); научной организации труда; наиболее эффективных методов государственного регулирования экономики;
7. Экономический рост представляет собой долгосрочную тенденцию увеличения номинального ВВП;
8. Экономический рост представляет собой одну из компонент модели экономического кругооборота;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

**2. Имя, какого ученого носит парадокс, утверждающий, что «при наличии более двух альтернатив и более двух избирателей коллективная ранжировка альтернатив может быть цикличной (не транзитивна), даже если ранжировки всех избирателей не являются цикличными (транзитивны)»?**

1. Парадокс Алле;
2. Парадокс Бертрона;

3. Парадокс Гиббса;
4. Парадокс Кондорсе;
5. Парадокс Леонтьева;
6. Парадокс Монти Холла;
7. Парадокс Рассела;
8. Парадокс Симпсона;
9. Парадокс Хокинга;
10. Парадокс Эрроу.

3. Если прямые функции спроса двух индивидов выражаются соответственно уравнениями  $Q_1 = 5 - P$  и  $Q_2 = 2 - 0,5P$ , то агрегированная (совокупная) функция спроса, если товар является общественным благом, будет иметь вид:

1.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \leq 4 \\ Q_{1,2} = 5 - P, & P > 4 \end{cases};$
2.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \geq 4 \\ Q_{1,2} = 5 - P, & P < 4 \end{cases};$
3.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \leq 3 \\ Q_{1,2} = 5 - P, & P > 3 \end{cases};$
4.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \geq 3 \\ Q_{1,2} = 5 - P, & P < 3 \end{cases};$
5.  $\begin{cases} Q_{1,2} = 3 - \frac{1}{3}P, & P \leq 4 \\ Q_{1,2} = 5 - P, & P > 4 \end{cases};$
6.  $\begin{cases} Q_{1,2} = 3 - \frac{1}{3}P, & P \geq 4 \\ Q_{1,2} = 5 - P, & P < 4 \end{cases};$
7.  $\begin{cases} Q_{1,2} = 3 - \frac{1}{3}P, & P \leq 3 \\ Q_{1,2} = 5 - P, & P > 3 \end{cases};$
8.  $\begin{cases} Q_{1,2} = 3 - \frac{1}{3}P, & P \geq 3 \\ Q_{1,2} = 5 - P, & P < 3 \end{cases};$
9.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \leq 3 \\ Q_{1,2} = 2 - 0,5P, & P > 3 \end{cases};$
10.  $\begin{cases} Q_{1,2} = 7 - 1,5P, & P \geq 3 \\ Q_{1,2} = 2 - 0,5P, & P < 3 \end{cases};$

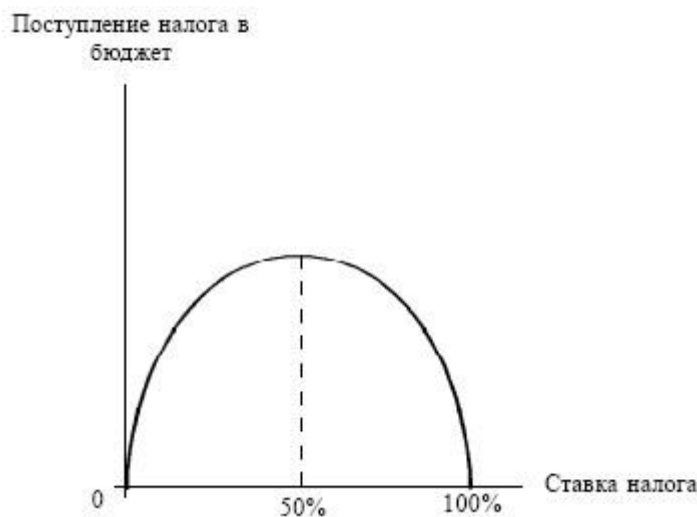
4. Выберите все верные утверждения об изоквантах:

1. Изокванта является кривой безразличия для производителей;
2. Изокванта, соответствующая большему выпуску, всегда лежит выше и правее изокванты, соответствующей меньшему объему производства;
3. Изокванты не могут пересекаться;
4. Изокванты непрерывны;
5. Наклон изокванты отрицателен;
6. Как правило, изокванта обладает свойствами выпуклости в сторону начала координат;

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7. В случае жёсткой взаимозаменяемости ресурсов (совершенной субституции) изокванта принимает линейный вид;
8. В случае жёсткой взаимодополняемости ресурсов (комплементарности) изокванта сводится к точке;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

**5. Как называется изображенная на графике ниже зависимость, характеризующая взаимосвязь между налоговыми поступлениями и динамикой налоговых ставок?**



1. Кривая Аббота;
2. Кривая Безье;
3. Кривая Гильберта;
4. Кривая Джинни;
5. Кривая Кейнса;
6. Кривая Лаффера;
7. Кривая Лоренца;
8. Кривая Пашена;
9. Кривая Филлипса;
10. Кривая Хигса.

**6. Кредитование каких из перечисленных ниже институтов может осуществлять Банк России в соответствии с законодательством?**

1. Банков;
2. Благотворительных фондов;
3. Индивидуальных предпринимателей;
4. Коммерческих компаний;
5. Компаний с государственным участием;
6. Микрофинансовых организаций;
7. Страховых компаний;
8. Физических лиц;

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9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

### **7. Укажите не входящие в паспорт государственной программы Российской Федерации раздел(-ы):**

1. Задачи программы;
2. Объемы бюджетных ассигнований программы;
3. Ожидаемые результаты реализации программы;
4. Отчетные документы программы;
5. Программно-целевые инструменты программы;
6. Соисполнители программы;
7. Участники программы;
8. Целевые индикаторы и показатели программы;
9. Цели программы;
10. Этапы и сроки реализации программы.

### **8. Укажите приоритеты «Стратегии развития информационного общества в Российской Федерации на 2017-2030 годы», утвержденной Указом Президента Российской Федерации от 09.05.2017 № 203:**

1. Обеспечение национальных интересов в области цифровой экономики;
2. Обеспечение свободного доступа граждан и организаций, органов государственной власти Российской Федерации, органов местного самоуправления к информации;
3. Применение в органах государственной власти Российской Федерации новых технологий, обеспечивающих повышение качества государственного управления;
4. Развитие информационной и коммуникационной инфраструктуры Российской Федерации;
5. Создание и применение российских информационных и коммуникационных технологий, обеспечение их конкурентоспособности на международном уровне;
6. Создание условий для развития электронного взаимодействия участников экономической деятельности, в том числе финансовых организаций и государственных органов;
7. Формирование информационного пространства с учетом потребностей граждан и общества в получении качественных и достоверных сведений;
8. Формирование новой технологической основы для развития экономики и социальной сферы;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

### **9. Нанимателем федерального государственного служащего является:**

1. Российская Федерация;
2. Субъект Российской Федерации;
3. Президент Российской Федерации;
4. Председатель Правительства Российской Федерации;



5. Правительство Российской Федерации;
6. Федеральный министр;
7. Руководитель государственного органа;
8. Руководитель структурного подразделения государственного органа;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

**10. Соответствие каким квалификационным требованиям в обязательном порядке требуется для замещения должностей государственной гражданской службы?**

1. К знаниям и умениям, которые необходимы для исполнения должностных обязанностей;
2. К наличию государственных наград и знаков отличия;
3. К направлению подготовки;
4. К отсутствию непогашенной судимости;
5. К прохождению курсов повышения квалификации или профессиональной переподготовки;
6. К состоянию здоровья;
7. К стажу гражданской службы или работы по специальности;
8. К уровню профессионального образования;
9. Все вышеперечисленные ответы верны;
10. Нет верного ответа.

**Раздел II. Анализ англоязычной статьи и ответы на вопросы по статье (на русском языке).**

**Прочитайте статью и развернуто ответьте на следующие вопросы (пожалуйста, отвечайте содержательно на русском языке, при ответе на вопрос указывайте его номер, например, «II 7»). Рекомендуемый объем ответов на все вопросы – 5-8 страниц А4, не более 10 страниц:**

1. В чем заключается основная цель данного исследования? Какие группы факторов, согласно ранее проведенным исследованиям, влияют на соблюдение налогового законодательства в развитых странах? Кратко охарактеризуйте каждую из групп факторов, классифицированных авторами, приведите примеры. Какие из факторов являются наиболее значимыми с Вашей точки зрения? Обоснуйте Ваш ответ.

2. Перечислите всех авторов, на которых есть ссылки в статье, считающих, что при повышении налоговой ставки соблюдение налогового законодательства ухудшается и ведёт к уклонению от уплаты налогов. Какие из авторов, на которых есть ссылки в статье, придерживались несколько другой точки зрения и считали, что снижение налоговых ставок не обязательно ведёт к улучшению соблюдения налогового законодательства? Какой из точек зрения придерживаетесь Вы? Аргументируйте Ваш ответ.

3. Кратко опишите выборку, а также структуру данных и переменных, которые были использованы автором статьи для анализа факторов, влияющих на соблюдение налогового законодательства. Какая из переменных характеризуется наименьшим средним значением по шкале Ликерта, а какая – наибольшим коэффициентом Альфа Кронбаха? Как Вы можете это проинтерпретировать? Какие недостатки в собранных автором данных Вы можете отметить?

4. Как в цитируемых автором статьях оценивают влияние наличия высшего образования и знаний налогового законодательства на соблюдение налоговой дисциплины? Какой уровень образования реже всего встречался у респондентов-налогоплательщиков малых и средних предприятий? С какой переменной соотносит автор статьи уровень образования? Является ли данная переменная статистически надежной? Обоснуйте Ваш ответ.

5. Сколько и какие гипотезы были поставлены автором в статье? Какие из них были подтверждены, а какие опровергнуты? Какие из гипотез Вам представляются наиболее обоснованными и почему? Как на соблюдение налогового законодательства влияют принципы равноправия (налогоплательщики с одинаковыми доходами должны платить одинаковую сумму налогов) и прогрессивного налогообложения (величина уплачиваемых налогов увеличивается пропорционально размеру налоговой базы)?

6. Была ли автором статьи выявлена статистическая зависимость лучшего соблюдения налогового законодательства от направлений государственных расходов? Означает ли это, что налоговое администрирование в целом улучшается в случае, если налогоплательщики одобряют, на какие цели государство тратит собранные финансовые средства? Согласны ли Вы с выводами автора статьи? Аргументируйте Ваш ответ.

7. В чем заключается программа самооценки, которая применяется в Индонезии? Сколько процентов составляют ставки налога на прибыль и налога на добавленную стоимость в Индонезии? Что представляет собой программа налоговой реформы в Индонезии? Какие нормативные правовые акты были изменены в рамках данной реформы? Какой государственный орган Индонезии занимается вопросами налогообложения?

8. Какие регрессионные модели были рассчитаны автором статьи и проиллюстрированы в Таблице 5? Чем отличаются данные модели между собой? Что характеризует Variance Inflation Factor (VIF) и означают его значения? Является ли высоким коэффициент детерминации в регрессионных моделях? Какая из проанализированных переменных в наибольшей степени влияет на переменную ТС?

9. В чем, по мнению автора статьи, заключаются ограничения проведенного исследования? Насколько, по Вашему мнению, они существенны? Какими переменными, на Ваш взгляд, могла бы характеризоваться государственная политика в отношении налогообложения?

10. Для каких стран, по мнению автора статьи, может быть полезно данное исследование? Какие выводы и полученные в статье результаты могут представлять ценность для Российской Федерации? Считаете ли Вы сложившуюся систему налогообложения в Российской Федерации эффективной? Что бы Вы предложили для совершенствования системы налогообложения и повышения налоговой дисциплины в нашей стране? Обоснуйте Ваш ответ.



## Factors Influencing SME Tax Compliance: Evidence from Indonesia

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### ABSTRACT

This study examines factors influencing the tax compliance of small-and medium-sized enterprises (SMEs) for income-tax reporting requirements in Indonesia. Using multiple regressions, six tax compliance factors are examined. Data were collected through a survey conducted in Jakarta using 328 respondents who are small business taxpayers. A researcher-administered questionnaire survey method was used for data collection. The results reveal that referral groups, the probability of audit, tax knowledge, and the perception of equity and fairness have a significant impact on tax compliance. In particular, the referral group had the most significant influence on the noncompliance behavior of SME taxpayers. These findings can enable policymakers to develop future tax policies that focus on tax compliance. This study also contributes to the literature by including observations from Asian countries.

### KEYWORDS

Retailer; SME; tax compliance; taxpayers

### Introduction

Tax compliance has become an important subject for personal and corporate taxation in both developed and developing countries and it emphasizes a taxpayer's responsibility to report income and determines tax liability. Allingham and Sandmo (1972), Alm (1991), Clotfelter (1983), Eriksen and Fallan (1996), Evans, Carlon, and Massey (2005), and Kirchler (2007) are some prior studies on tax compliance from developed countries. They usually divide the determinants of tax compliance into five parts based on an interdisciplinary perspective, representing a wider view of tax compliance determinants compared to other researchers. The five categories are as follows: economic factors (tax rates, tax audits, and perceptions of government spending); institutional factors (role of tax authority, simplicity of tax returns and administration, and the probability of detection); social factors (ethics and attitude, perceptions of equity and fairness, political affiliation and changes in current government policy, and referral groups); individual factors (personal financial constraints and awareness of offences and penalties); and other factors (age, income, level, culture, education, and gender).

Since the tax reforms in Indonesia in 2008, the number of taxpayers has increased dramatically from 10,106,159 in 2008 to 25,065,810 taxpayers in 2012 (Inasius, 2015). Among South-East Asian countries, Indonesia, Malaysia, and Singapore, in 2012, had tax ratios of 11.9%, 15.61%, and 13.82%, respectively, (IMF, 2016). Furthermore, Indonesia's 12% remained stable

from 2012 up to 2014 (IMF, 2016). Therefore, it is important to know why the level of tax compliance in Indonesia is still low in comparison to Malaysia and Singapore.

Government regulations, especially taxation, are the primary concerns of the business sector—particularly, small-and medium-sized enterprises (SMEs)—throughout the world. The law requires SMEs to comply with all relevant legislation, including taxation. Similar to other countries, SMEs in Indonesia play a significant role, with their numbers reaching 56 million units, accounting for approximately 60% of the total gross domestic product (GDP) and 97% of the total workers in 2012 (Ministry of SME Indonesia, 2012). However, the contribution of SMEs to tax revenues is lower in comparison to large corporate taxpayers, which are the biggest contributors to Indonesian tax revenues (Susila & Pope, 2012). Therefore, a study of tax compliance is important to understand the behavior of SME taxpayers in Indonesia. The primary purpose of this study is to examine the relationship between tax compliance and the six variables of perception of the tax rate, referral groups, probability of audit, tax knowledge, perception of government spending, and the perception of equity and fairness.

In an international context, this study contributes to the existing literature on tax compliance by adding observations from the Asian perspective. This provides an ideal opportunity for comparative analysis with

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developed countries. Therefore, this study contributes to the literature on tax compliance by investigating, which, if any, tax compliance dimensions of developed countries exist in a developing country in Asia, for example, Indonesia. Whereas previous literature contributed to the development of tax compliance research, this study attempts to complement the extant literature by examining the compliance behavior of small and medium business taxpayers. In the local context, this study examines the determinant factors which influence tax compliance in Indonesia. The identification of important factors in tax compliance may be useful to tax authorities in Indonesia in improving future tax policies and for better tax compliance overall.

The structure of this article is as follows: first, it briefly reviews the existing literature. Second, it presents the research methodology. Third, it presents the results of the testing and the final section presents the conclusions.

### Literature review

A uniform definition of SMEs should be adopted as a standardization of measurement at the national level for tax purposes in Indonesia. The SME Act, 2008 in Indonesia defined an SME based on its turnover. A micro company is one that has turnover not exceeding IDR 300 million, a small company has turnover not exceeding IDR 2.5 billion, and a medium-sized company has turnover not exceeding IDR 50 billion. Business turnover is one of the most popular criteria in determining tax rules for SMEs, as it has separate definitions for tax purposes (Inasius, 2015).

International experience shows that SMEs face disproportionate regulatory burdens. In addition, tax compliance is a major problem for many tax authorities and it is not an easy task to persuade taxpayers to comply, although “tax laws are not always precise” (James & Alley, 2004). To recognize their contribution to the national economy, the government should support SMEs, particularly to alleviate regulatory burden and taxation (Pope & Abdul-Jabbar, 2008). Tax compliance costs best highlight the complexity of taxation (James, Sawyer, & Wallschutzky, 1998; Pope, 1993).

SMEs play a dominant role in the national economy (Inasius, 2015; Kamleitner, Korunka, & Kirchler, 2012), but they have limited administrative capabilities (Evans et al., 2014; Pope & Abdul-Jabbar, 2008), causing high noncompliance. In general, the development of SMEs starts from individual business, which if developed, become small corporations with small or medium size. Complex administrative burden and taxation (Evans et al., 2014; Pope & Abdul-Jabbar, 2008) could

increase tax compliance costs, thus reducing the competitiveness of SMEs. This would eventually have an effect on the low level of tax compliance (Evans et al., 2014; Schneider, Buehn, & Montenegro, 2010).

Tax compliance has various definitions. For example, Alm (1991) defines it as the accurate reporting of income and claiming of expenses in accordance with stipulated tax laws. Andreoni, Erard, and Feinstein (1998) claim that tax compliance is the taxpayers' willingness to obey tax laws for the economic equilibrium of a country. Kirchler (2007) perceives a simpler definition, in which tax compliance is the most neutral term for describing a taxpayer's willingness to pay tax.

Some authors argue tax compliance from a different perspective. For example, Allingham and Sandmo (1972) describe tax compliance as “reporting actual income.” They state that taxpayers have to make decisions under uncertainty, which influences tax compliance behavior (Clotfelter, 1983). Therefore, either taxpayers enjoy tax savings owing to under-reporting of income or pay taxes on undeclared amounts at a higher penalty rate than what they would have paid had the income been fully declared at the correct time. In addition, OECD (2016) define tax compliance as the degree to which a taxpayer complies (or fails to comply) with the tax rules of his country, for example, by declaring income, filing a return, and paying the tax in a timely manner.

Based on the definitions of previous authors, some common keywords defining tax compliance are “obey,” “ability,” and “willingness” (Andreoni et al., 1998; Kirchler, 2007; Song & Yarbrough, 1978) and “reporting all income” and “filling a return” (Alm, 1991; Jackson & Milliron, 1986; OECD, 2016).

In contrast with tax compliance, tax noncompliance is the taxpayer's failure to remit a proper amount of tax, perhaps due to the complexity of or contradictions in the tax legislation or tax administration procedures (Jackson & Milliron, 1986). Noncompliance is the failure of a taxpayer to report (correctly) actual income, claim deductions, and rebates and remit the tax payable to the tax authority on time (Kirchler, 2007). Some studies also segment income tax noncompliance into unintentional and intentional behavior (Allingham & Sandmo, 1972; Loo, 2006). In conclusion, based on Jackson and Milliron (1986) and Kesselman (1994), tax noncompliance is defined as failure to comply with tax laws, and/or report incorrect income, and/or paying the incorrect amount of tax beyond the stipulated period.

As many empirical studies attempt to define tax compliance, this study defines it based on Alm (1991), Jackson and Milliron (1986), Kirchler (2007), and



OECD (2016), as taxpayers' willingness to comply with tax laws, declare correct income, file a return, and pay all taxes on time.

From the development of tax compliance literature, there are two approaches we must consider to understand compliance issues: the economic and behavior approaches (James, Hasseldine, Hite, & Toumi, 2001; Kirchler, Muehlbacher, Kastlunger, & Wahl, 2010). The economic approach emphasizes on the concept of economic rationality, whereas the behavioral approach is based on concepts from disciplines such as sociology and psychology. On the other hand, Kirchler, Hoelzl, and Wahl (2008) argued that the economic approach has indicated inconsistent impacts on compliance for several reasons. First, is the assumption that taxpayer seem to avoid tax if they doubt the tax payment. Furthermore, most taxpayers seem to take the legitimacy of the tax system for granted, because they believe in the overall purposes of the government (Kirchler, 2007). Economic factors consist of tax rate, the probability of being audited, and the perception of government spending (Alm, Jackson, & McKee, 1992; Kamleitner et al., 2012; Kirchler et al., 2008, 2010; Loo, 2006; Slemrod, 2016; Torgler & Schneider, 2005). On the other hands, behavioral factors incorporate sociological and psychological factors, such as tax knowledge, perception of equity and fairness, and the referral group (Fischer, Wartick, & Mark, 1992; Kirchler et al., 2008).

Tax rate is an important factor in determining taxpayers' compliance, although the exact effect is still unclear and debatable (Hashimzade, Myles, & Tran-Nam, 2012; Kirchler, 2007). According to Clotfelter (1983), reducing tax rates is not the only way to prevent tax evasion. This is in line with Hashimzade et al. (2012), which states that tax compliance will increase when the tax rate rises. Although increasing marginal tax rates would likely encourage taxpayers to evade taxes (Torgler, 2007; Witte & Woodbury, 1985), reducing tax rates does not necessarily increase tax compliance (Kirchler, 2007).

Moreover, the importance of referent groups has been ascertained in previous studies (Clotfelter, 1983; Cullis & Lewis, 1997; Kogler, Muehlbacher, & Kirchler, 2015; Webley, Cole, & Eidjar, 2001). Friends, self-employed individuals, and family members sometimes influence decisions to evade or not evade taxes, although the studies do not clarify the extent of the influence (Allingham & Sandmo, 1972; Alm, Bruner, & McKee, 2016; Clotfelter, 1983; Kogler et al., 2015). Therefore, the influence of referent groups is apparently significant in making a decision, particularly involving monetary aspects and tax compliance.

Many researchers agree that higher education increases knowledge of taxation, without considering the content of education (Eriksen & Fallan, 1996; Kinsey & Grasmick, 1993; Song & Yarbrough, 1978). Eriksen and Fallan (1996) argued that the level of education of taxpayers is an important factor, which contributes to their general understanding of taxation, especially of taxation laws and regulations. Previous studies find that reduced complexity and greater tax knowledge increases tax compliance (Clotfelter, 1983; Kirchler & Maciejovsky, 2001; Park & Hyun, 2003). Future studies that investigate the impact of informal and formal education could be useful to compliance of taxpayers (Alasfour, Samy, & Bampton, 2016; Torgler & Schaltegger, 2006). Furthermore, based on the slippery slope framework, Kirchler et al. (2008) concluded that subjective tax knowledge and participation in the use of taxes has a positive relationship with trust, whereas low understanding has a negative relationship with trust. Therefore, higher knowledge regarding taxes leads to higher compliance.

Taxpayers, particularly those paying high amounts of taxes, are sensitive to the direction of government spending. Torgler, Schneider, and Schaltegger (2010) argued that substantial fiscal autonomy allows regions to spend tax revenues according to local preferences, which in turn, might have a positive influence on tax morale. Furthermore, Barone and Mocetti (2011) concluded that tax morale is higher when the taxpayer perceives and observes government efficiency. In contrast, if taxpayers perceive that the government is unnecessarily overspending, they will feel betrayed and attempt to evade taxes (Kirchler et al., 2008; Roberts, Hite, & Bradley, 1994).

Most people often mention fairness when asked what they think about the tax system (Braithwaite, 2003; Rawlings, 2003; Taylor, 2003). It is generally accepted that perceptions of equity and fairness relate to tax compliance (Jackson & Milliron, 1986; Richardson, 2008), whereas Song and Yarbrough (1978) detected a significant negative association between these variables. Furthermore, Wenzel (2003) suggested three areas of considering fairness: (a) distributive, (b) procedural, and (c) retributive justices. In distributive justice, an individual is concerned with the fairness of the outcome, and expects to be treated based on his or her merits, efforts, and requirements (Kirchler et al., 2008; Sheffrin, 2013). In procedural justice, the main elements for perceived fairness are neutrality of procedures, trustworthiness of tax authorities, politeness, and respectful treatment (Murphy & Tyler, 2008; Tyler & Lind, 1992). In retributive justice, unreasonable and intrusive audits and unfair penalties result in

stressful and dissatisfied taxpayers (Kirchler, 2007; Sheffrin, 2013; Spicer & Lundstedt, 1976; Wenzel & Thielmann, 2006).

### **Tax system**

With a population of approximately 255 million (Biro Pusat Statistik, 2016), Indonesia is the fourth most populous country in the world. The GDP of Indonesia in 2016 was approximately US\$932.259 billion (World Bank, 2017), ranking 16th for the biggest economy in the world.

Indonesia's self-assessment system (SAS), a major tax reform, has been under implementation since 1983 (Gillis, 1985). The SAS enforces greater taxpayer accountability in terms of calculation and reporting their obligation either monthly or annually. In addition to reporting their own taxes, taxpayers are also subject to withholding taxes in which taxpayers withhold tax payable on particular payment to other taxpayers. Tax payments are letters used by taxpayers to pay or remit tax due to the state cash through post offices and/or state- or regional administration-owned banks or other payment points appointed by the Minister of Finance.

In relation to income tax rate, the tax rate for companies is 25%, and for individual ranges from 5% to 30%, depending on the income (Income Tax Law, Directorate General of Taxes, 2008). Furthermore, the tax rate for value added tax is 10% (VAT Law, Directorate General of Taxes, 2009). Therefore, as tax officials no longer determine tax payables of taxpayers filed under the SAS, tax compliance behavior has always been an area of concern for tax policymakers as noncompliance with reporting requirements affects revenue collection.

Taxation in Indonesia is managed by the Directorate General of Taxation (DGT) as part of the Ministry of Finance. In 2002–2008, the DGT implemented a program called "Tax Reform Chapter One," which included administrative, policy, and tax intensification and extension (Susila & Pope, 2012). In relation to administrative policy, the three tax regulations were amended: General Provisions and Taxation Procedures Law in 2007, Income Tax Law in 2008, and Value Added Tax in 2009.

### **Data**

The target population for this study was taxpaying individual and small corporate retailers with an annual sales turnover ranging from IDR 600 million to IDR 4.8 billion (around USD\$352,000 as per the exchange rate at the time of the study) in Indonesia. This population,

categorized as SMEs in Indonesian taxation (Income Tax Law, Directorate General of Taxes, 2008), was selected because it played a significant role in the total GDP and the total workers in 2012 (Ministry of SME Indonesia, 2012), although the contribution of those to tax revenues is lower in comparison to non-SMEs (Susila & Pope, 2012).

The data are based on information from the respondents. In addition, the survey was concentrated in Jakarta Province, which is the center of the economy with the largest percentage of tax revenues. Of the total domestic tax receipts of approximately IDR 977 trillion, approximately one-third were from Jakarta (Inasius, 2013).

The survey period was from November 2015 to January 2016 in Jakarta. The taxpayer sample included individual retailers (self-employed taxpayers) and small corporate retailers in traditional markets and shopping centers. The data distribution covers respondents in five regions: Central Jakarta, West Jakarta, North Jakarta, East Jakarta, and South Jakarta, which is performed by 55 students in these regions. The answers arrived in the weeks following the questionnaire distribution. Of the 1000 surveys distributed to small retailers, the 330 returned responses contained two unusable responses. Moreover, the surveys were distributed and collected when meetings with randomly chosen respondents took place.

Based on the data from 328 usable surveys, the respondents consisted of 292 individual taxpayers (89%) and 36 small corporate taxpayers (11%). Furthermore, the majority of respondents involved in this study, that is, 213 (65%) were females and 115 (35%) were males. A minimum age of 21 was considered reasonable. Overall, respondents aged between 21 and 50 made up the largest portion with 260 respondents (79%) and 253 (77%) were married. The demographic background of the respondents in this study is shown in Table 1.

The questionnaire in the survey consists of 30 questions for dependent variable, and five questions for each independent variable. Furthermore, to improve the validity and reliability, a pilot survey was conducted with a group of 30 retailers in various sectors before 1000 questionnaires were distributed to individual and small corporate retailers throughout Jakarta selected at random from traditional and modern markets. The respondents were asked to indicate their degree of agreement with five statements (1 = completely disagree to 5 = completely agree; also, a "do not know" option, which was defined as a missing value for the statistical analyses). All variables were measured by Likert-type scales.



**Table 1.** The demographic background.

Demographic groups	Mean	Standard Deviation
Age	35.31	10.15
	<i>n</i>	%
Gender		
Male	115	35
Female	213	65
Type of taxpayers		
Individual	292	89
Small business	36	11
Education		
Compulsory	59	18
Secondary	180	55
Academic Education	89	27

All variables used in this study are tax compliance as dependent variables and six other explanatory variables: perception of the tax rate, influence of the referral group, probability of audit, tax knowledge, perception of government spending, and perception of equity and fairness. The questionnaire was prepared in both Indonesian and English to facilitate responses and divided into two sections: tax compliance questions and respondent backgrounds. As illustrated in Table 2, it examined six tax compliance variables: perception of the tax rate, influence of the referral group, probability of audit, tax knowledge, perception of government spending, and perception of equity and fairness.

Regarding the variables, each aspect was analyzed using the mean, standard deviation, and alpha coefficient as shown in Table 3. For the independent variable, tax

**Table 2.** Descriptions of variables.

Variables	Symbol	Description
Tax compliance	TC	Minimum total score for each respondent is 30 (score of 1 times 30 questions – non-compliant) and maximum score is 150 (score of 5 times 30 questions–very compliant).
Perception of the tax rate	TR	This is a taxpayer's perception of the tax rate. Minimum score is 5 (score of 1 times 5 questions–non-compliant) and maximum is 25 (score of 5 times 5 questions–very compliant).
Referral group	RG	Family members and close friends. Minimum score is 5 (non-compliant) and maximum is 25 (very compliant).
Probability of audit	PA	This is the probability of the tax authority auditing the taxpayer. Minimum score is 5 (non-compliant) and maximum is 25 (very compliant).
Tax knowledge	TK	Tax knowledge score. Minimum score is 5 (non-compliant) and maximum is 25 (very compliant).
Perception of government spending	GS	This is how taxpayers perceive the government spends its collected taxes. Minimum score is 5 (non-compliant) and maximum is 25 (very compliant).
Perception of Equity & Fairness	EF	This is how taxpayers perceive the equity and fairness of the tax system. Minimum score is 5 (non-compliant) and maximum is 25 (very compliant).

**Table 3.** Descriptive statistic.

Variables	Mean	Std. Deviation	Items	$\alpha$
TR	3.29	0.31	5	0.72
RG	3.37	0.26	5	0.89
PA	3.36	0.30	5	0.87
TK	3.54	0.37	5	0.94
GS	3.32	0.38	5	0.82
EF	3.40	0.74	5	0.78
TC-TR	3.34	0.39	5	0.79
TC-RG	3.45	0.33	5	0.89
TC-PA	3.60	0.39	5	0.89
TC-TK	4.01	0.50	5	0.81
TC-GS	3.93	0.3	5	0.84
TC-EF	3.87	0.41	5	0.74

Each variable was assessed using a 5-point Likert scale. Reliability estimates reflect Cronbach alpha

knowledge generated the highest mean (3.54), followed by equity and fairness (3.40), referral group (3.37), probability of audit (3.36), government spending (3.32), and, lastly, tax rate (3.29). The reliability analysis showed values above the acceptable level, where Cronbach's alpha was between 0.699 and 0.899, which is reliable and consistent (Hair, Black, Babin, & Anderson, 2010).

### Methodology

The objective of this study is to investigate the factors that influence compliance behavior of SME taxpayers. The study uses multiple regressions to identify the determinants of tax compliance behavior of SMEs. This model provides a means to objectively assess the degree and the character of the relationship between the independent variable and the dependent variable (Sekaran & Bougie, 2011).

The change of tax income law in Indonesia since 2008 (Income Tax Law, Directorate General of Taxes, 2008)—for instance, the decrease of tax rate by 5%—has had a positive impact on taxpayers, which has decreased overall tax costs. The objective of changing income-tax regulation, among others, is to increase tax fairness, convenience to taxpayers, simplicity of tax administration, legal certainty, consistency, and transparency. We choose variables like tax rate, tax knowledge, equity and fairness, referral group, government spending, and audit probability because they are in line with the goal of changing tax regulations. For example, reduced tax complexity can be associated with increased tax knowledge in order to note its effect on tax compliance. In relation to the tax rate, we investigate if the reduction in tax rate affects tax compliance, even though the exact impact is still debatable (Kirchler, 2007).

This section describes the hypotheses development and data analysis techniques for exploring the relationship between the perception of tax rate, referral group,

probability of audit, tax knowledge, perception of government spending, perception of equity and fairness, and tax compliance behavior.

### **Tax rate**

Previous research on tax rates often investigates how the perception of the tax rate influences taxpayers' decision to comply with tax laws. Clotfelter (1983) claimed that tax rates are not the only policy with the potential to discourage tax evasion; in fact, the tax rate is an important factor in determining tax compliance behavior, although the exact impact is still unclear and debatable (Kirchler, 2007). Furthermore, raising marginal tax rates will likely encourage taxpayers to evade tax further (Ali, Cecil, & Knoblott, 2001; Torgler, 2007), whereas lowering the tax rates does not necessarily increase tax compliance (Kirchler, 2007). In line with Kirchler (2007), Inasius (2015) also indicates that the perception of the tax rate has no significant impact on tax compliance. Although the impact of tax rates is debatable, Kirchler et al. (2008) and McKerchar and Evans (2009) suggest that the degree of trust between taxpayers and the government has a major role in ascertaining the impact of tax rates on compliance. When trust is low, taxpayers perceive a high tax rate as unfair and when trust is high, taxpayers might consider the same level of tax rate as contributing to the community (Kirchler et al., 2008). This discussion leads to the following hypothesis:

H1: There is a significant relationship between the perception of the tax rate and tax compliance.

### **Referral groups**

Previous studies have also ascertained the importance of referent groups. Clotfelter (1983) claimed that referent groups play a significant role in evasion, although the study does not discuss which is stronger: family members or friends. Allingham and Sandmo (1972) state that friends and family members sometimes influence decisions to evade or not evade tax, although their study does not clarify the extent of the influence. On the other hand, Inasius (2015) indicates that the referent group does not play a significant role in improving the compliance level of taxpayers. Furthermore, Hasseldine, Kaplan, and Fuller (1994) report that the more respondents know the evaders, the more under-reporting of income may happen. Therefore, the influence of referent groups is seemingly important in making a decision, particularly involving monetary aspects

and tax compliance. This discussion leads to the following hypothesis:

H2: There is a significant relationship between referent groups and tax compliance.

### **Audit probability**

Previous studies on the probability of audit remain ambiguous in relation to tax compliance (Dubin, 2004; Fischer et al., 1992; Shanmugam, 2003). Furthermore, a review summarizes inconsistent findings on audit probabilities and tax compliance (Fischer et al., 1992). Threatening taxpayers in a field experiment (Slemrod, Blumenthal, & Christian, 2001) with a "close examination" of their upcoming returns increased tax compliance only for low- and middle-income taxpayers but decreased it for high-income taxpayers (Kirchler et al., 2008).

Some studies argue that audits have a positive impact on tax evasion (Dubin, 2004; Shanmugam, 2003). Such findings suggest that in self-assessment systems, tax audits can play an important role in increasing voluntary compliance. The frequency and thoroughness of audits could encourage taxpayers to be more prudent in completing their tax returns, reporting all income, and claiming the correct deductions to ascertain their tax liability. In contrast, taxpayers who have never been audited might be tempted to under-report their actual income. Furthermore, Butler (1993) finds that tax audits can change compliance behavior from negative to positive. These findings complement those of Witte and Woodbury (1985), who find that tax audits have a significant role in tax compliance.

Evans et al. (2005), in another study, examine the relationship between the record keeping practices of SMEs and their potential exposure to tax compliance problems, finding that audit history, including frequency, audit outcome, and type of audit has a significant indirect impact on tax compliance (in terms of record keeping). In addition, studies by Young (1994) and Slemrod et al. (2001) find that the probability of audit negatively correlates with compliance behavior.

From a different perspective, Kirchler et al. (2008) argue that the subjective perception of probability and its interpretation, rather than objective audit probability, is important. Andreoni et al. (1998) state that subjectively perceived probabilities may be mediated via psychological variables rather than objective audit probabilities, which have little effect on compliance. This discussion leads to the following hypothesis:



H3: There is a significant relationship between the probability of audit and tax compliance.

#### **Tax knowledge**

Previous studies prove the influence of tax knowledge on compliance. Many researchers accept that higher education increases knowledge of taxation, without considering the content of education (Kinsey & Grasmick, 1993; Song & Yarbrough, 1978; Spicer & Lundstedt, 1976). Furthermore, Lewis (1982) shows that low tax knowledge correlates with negative attitudes toward taxation. In line with Lewis (1982), Eriksen and Fallan (1996) argue that the level of education of taxpayers is an important factor, which contributes to their general understanding of taxation, especially of taxation laws and regulations. Moreover, Eriksen and Fallan (1996) claim that greater tax knowledge can improve tax attitudes, which in turn can increase compliance and reduce the inclination to evade taxes.

Several studies find that reduced complexity and greater tax knowledge increases tax compliance (Clotfelter, 1983; Kirchler & Maciejovsky, 2001; Park & Hyun, 2003). In line with previous studies, Inasius (2015) find that tax knowledge becomes the strongest predictor affecting the tax compliance of SMEs in Indonesia. This discussion leads to the following hypothesis:

H4: There is a significant relationship between tax knowledge and tax compliance.

#### **Perception of government spending**

Few studies examine the relationship between tax compliance and actual government spending. Taxpayers, particularly those paying high amounts of taxes, are sensitive to the direction of government spending. Roberts et al. (1994) state the importance of attitudes toward both self-evasion of taxes and that of others.

In line with Roberts et al. (1994), Kirchler et al. (2008) claimed that attitudes represent an individual's positive and negative evaluations. Furthermore, Kirchler concluded that in general, tax attitudes also depend on the perceived use of the collected money. Therefore, if the government is spending the national revenue wisely, for example, for basic facilities such as public transportation and education, voluntary compliance will likely increase. In contrast, if taxpayers perceive that the government is spending too much on

something they consider unnecessary, they will feel betrayed and attempt to evade taxes. This discussion leads to the following hypothesis:

H5: There is a significant relationship between the perception of government spending and tax compliance.

#### **Perception of equity and fairness**

One of the main principles of the taxation system design is equity or fairness, which can be perceived in two dimensions: horizontal equity (taxpayers in the same income brackets should pay the same amount of taxes) and vertical equity (taxes paid increase with the increase in tax base). Therefore, most citizens often mention fairness when asked what they think about the tax system (Braithwaite, 2003; Rawlings, 2003; Taylor, 2003).

Wenzel (2003) suggested three areas of considering fairness: (a) distributive justice, which refers to the exchange of resources, benefits, and cost, (b) procedural justice, which refers to the process of resource distribution and (c) retributive justice, which refers to the appropriateness of sanctions in the occurrence of norm breaking. In distributive justice, an individual is concerned with the fairness of the outcome and wants to be treated based on his or her merits, efforts, and needs (Kirchler et al., 2008). On the societal level, tax compliance is less likely if the tax system is perceived as unfair (Baldry, 1987; Cowell, 1992). In procedural justice, the main elements for perceived fairness are neutrality of procedures, trustworthiness of tax authorities, and polite, dignified and respectful treatment (Tyler & Lind, 1992). In retributive justice, unreasonable and intrusive audits, and unfair penalties result in stressful and dissatisfied taxpayers (Spicer & Lundstedt, 1976; Wenzel & Thielmann, 2006).

Furthermore, previous studies on equity and fairness perception showed that the tax system also influences the inclination toward tax evasion (Jackson & Milliron, 1986; Richardson, 2008). This discussion leads to the following hypothesis:

H6: There is a significant relationship between the perception of equity and fairness and tax compliance.

To examine the tax compliance hypotheses, data were estimated using multiple regressions. The following equation was used to test the hypotheses and establish the determinants of tax compliance.

$$TC = \alpha + \beta_1 TR + \beta_2 RG + \beta_3 PA + \beta_4 TK + \beta_5 GS + \beta_6 EF + \varepsilon_i$$

where (1) *TC* = Tax Compliance, (2) *TR* = Perception of the tax rate, (3) *RG* = Referral group, (4) *PA* = Probability of audit, (5) *TK* = Tax knowledge, (6) *GS* = Perception of government spending, and (7) *EF* = Perception of equity and fairness.

The study receives consent from the respondents. The method of data collection was employed as a measure to obtain more reliable survey responses (questionnaire survey method) with a possibility of achieving a higher response rate, thus improving the validity of this study.

## Results

Table 4 illustrates the Pearson correlation matrix for dependent and independent variables. Based on Table 4, all independent variables are significantly correlated with *TC*. The highest correlation occurred between *TC* and *PA*, followed by *RG*, *TK*, *EF*, *GS*, and *TR*.

The objective of this study is to examine the influence of some possible causes affecting the compliance behavior of taxpayers using multiple regression tests and stepwise multiple regressions. Assessments of the four assumptions underlying the regression analysis; namely, normality, linearity, homoscedasticity, and multicollinearity, revealed that no assumptions for multiple regressions were violated.

Based on this multiple regression, the results in Table 5 show that four variables influence tax compliance; namely, *RG* ( $\beta = 0.276$ ), *EF* ( $\beta = 0.239$ ), *PA* ( $\beta = 0.208$ ), and *TK* ( $\beta = 0.201$ ). Multiple regression analysis also suggests that *RG* is the main factor in determining tax compliance. In contrast, stepwise multiple regressions indicate similar results with multiple regression analysis. The referral group is also the main factor, with a beta coefficient of 0.274, followed by *EF* ( $\beta = 0.238$ ), *PA* ( $\beta = 0.208$ ), and *TK* ( $\beta = 0.200$ ).

The following is the summary of the evaluation of the research hypotheses formulated to identify the determinants of tax compliance behavior in this study:

Hypothesis 1 (H1) posited that a significant relationship exists between the perception of the tax rate and tax compliance. However, the results of the regression analyses indicate insignificant relationships between the perception of the tax rate and tax compliance. Thus, H1 is not supported. The findings imply that the perception of a high or low tax rate would discourage tax compliance.

Hypothesis 2 (H2) predicted that there is a significant relationship between the referent group and tax compliance. The results indicate that family and friends can encourage tax compliance or noncompliance. In addition, the findings suggest that referent groups become the most significant factor in determining tax compliance. Therefore, H2 is accepted.

Hypothesis 3 (H3) is well supported, because the findings indicate that the probability of audit has a significant relationship with tax compliance. A high probability of audit would potentially increase tax compliance. Thus, H3 is accepted.

Hypothesis 4 (H4) posited that there is a significant relationship between tax knowledge and tax compliance. The results of the regression analyses indicate significant relationships between tax knowledge and tax compliance. These findings show that high tax knowledge would increase tax compliance behavior. Therefore, H4 is well supported.

Hypothesis 5 (H5) predicted a significant relationship between the perception of government spending and tax compliance. However, the results of the regression analyses indicate an insignificant relationship between the perception of government spending and tax compliance. The findings indicate that a positive perception of how the government spends taxpayer money would potentially not increase tax compliance. Thus, H5 is not supported.

Hypothesis 6 (H6) is well supported, as the results indicate that the perception of equity and fairness has a significant relationship with tax compliance. The findings show that a higher perception of equity and fairness results in greater compliance among taxpayers. Therefore, H6 is accepted.

**Table 4.** Pearson correlation matrix for dependent & independent variables.

	<i>TC</i>	<i>TR</i>	<i>RG</i>	<i>PA</i>	<i>TK</i>	<i>GS</i>	<i>EF</i>
Tax Compliance	1	0.108*	0.370**	0.380**	0.352**	0.186**	0.338**
Tax Rate	0.108*	1	0.055	0.062	0.089	0.065	0.090
Referral Group	0.370**	0.55	1	0.255**	0.076	0.209**	0.083
Audited	0.380**	0.062	0.255**	1	0.257**	0.175**	0.163**
Tax Knowledge	0.352**	0.089	0.076	0.257**	1	0.252**	0.289**
Gov. Spending	0.186**	0.065	0.209**	0.175**	0.252**	1	0.249**
Equity & Fairness	0.338**	0.090	0.083	0.163**	0.289**	0.249**	1

Table 4 shows the Pearson Correlation Matrix. The first column shows tax compliance as the dependent variable and the tax rate, referral group, audited, tax knowledge, government spending, equity, and fairness as independent variables. The next columns report the correlation between the independent variables and the dependent variable, as well as between the independent variables. \*Correlation is significant at the 0.1 level (2-tailed), \*\*Correlation is significant at the 0.05 level (2-tailed), \*\*\*Correlation is significant at the 0.01 level (2-tailed).



**Table 5.** Factors influencing tax compliance-multiple regression and stepwise multiple regression.

Variables	Multiple Regression			Stepwise Multiple Regression		
	Coefficient	<i>t</i>	VIF	Coefficient	<i>t</i>	VIF
Constant	100.815	65.518***		101.422	80.045***	
TR	0.051	0.914	1.016			
RG	0.276	5.909***	1.105	0.274	5.964***	1.072
PA	0.208	4.494***	1.151	0.208	4.505***	1.147
TK	0.201	4.285***	1.186	0.200	4.335***	1.148
GS	-0.020	-0.455	1.153			
EF	0.239	4.517***	1.143	0.238	4.58***	1.103
N	328			328		
Adjusted R <sup>2</sup>	0.325			0.327		
Standard error	2.192			2.189		
F-statistic	27.191			40.653		

This table shows multiple regression and stepwise multiple regression with tax compliance as the dependent variable. The third and sixth columns indicate the significance level of the referral group, probability of audit, tax knowledge, and perception of equity and fairness, with the referral group having the highest significance. Note: \*, \*\*, and \*\*\* indicate significance at the 0.10, .05, and .01 levels, respectively.

## Conclusions

This study examined the factors that are likely to influence tax compliance of SME taxpayers in Indonesia. Specifically, it provides an empirical evaluation of six variables of tax compliance behavior; namely, perception of the tax rate, referral group, probability of audit, tax knowledge, perception of government spending, and perception of equity and fairness. The findings contribute to the literature on tax compliance literature by clarifying factors that are likely to influence tax noncompliance of SMEs.

Furthermore, this study confirms that the perception of the tax rate is not a significant factor of taxpayer compliance. This finding is in line with Inasius (2015) and Kirchler (2007). As Kirchler (2007) indicates, the exact impact of the perception of the tax rate is still unclear, although this is an important factor in determining tax compliance behavior. Furthermore, Kirchler et al. (2008) argued that the degree of trust affects the tax rate. When trust is high, a high level of tax rate could be seen as taxpayers' contribution to the community, which in turn, generates profits to each taxpayer. However, when trust is low, the same level of tax rate would be considered unfair treatment to taxpayers.

The study finds that the referent group was the most significant factor in tax compliance behavior. This is in line with Clotfelter (1983), Hasseldine et al. (1994) and Palil (2011) and contradicts the results of Inasius (2015). This contradiction may be due to the types of retailers (individual and small corporate taxpayers). Taxpayers are assumed to internalize social norms, and act in accordance with their respective references group (Kogler et al., 2015). Considering the significant role of the referent group, efforts to increase trust in authorities will affect tax compliance.

The study findings are consistent with those of Jackson and Jaouen (1989), Wickerson (1994),

Shanmugam (2003), Dubin (2004), Riahi-Belkaoui (2004), Andreoni et al. (1998), and Eisenhauer (2008), that a high probability of audit or detected encourages taxpayers to be more compliant. However, some other studies, such as Slemrod et al. (2001), Braithwaite (2009), and Inasius (2015) obtain contradicting results. As a high probability of audit would encourage tax compliance, information gathered from this study can assist the government—particularly, tax authorities—when formulating future tax policies in terms of audit sample sizes. As indicated by Muehlbacher, Kirchler, and Scharzenberger (2011), infrequent and slack tax audits may create doubts regarding the effectiveness of the authorities' work. Therefore, fair audits should be designed, whereas intrusive audits should be avoided (Kogler et al., 2015).

Although the results indicate that tax knowledge does not affect tax compliance of SME taxpayers substantially, it does imply that tax knowledge has some impact on it. This finding is in line with Clotfelter (1983), Kirchler and Maciejovsky (2001), Park and Hyun (2003), and Inasius (2015) that greater tax knowledge increases tax compliance. Furthermore, the findings indicate that further enhancement in taxpayer compliance is possible, especially by improving the attitudes of taxpayers toward the psychological costs and complexity of the tax system. Thus, higher knowledge regarding taxes leads to higher compliance, while poor knowledge

leads to higher noncompliance. Therefore, increasing taxpayers' knowledge by simplification of tax law, training, and increasing taxpayer service will enhance trust in authorities (Kirchler et al., 2008). Knowledge of tax practices can also contribute to the power of perceived authority; for instance, knowing the tax officers have conducted a large number of tax audits can make them appear effective and powerful.

The results also confirm that the perception of government spending is not a significant factor in taxpayer compliance, which does not conform to the results of Roberts et al. (1994) and Kirchler et al. (2008). Therefore, how the government spends taxpayers' money will not increase the compliance of taxpayers. Taxpayers, particularly those paying high amounts of taxes, are sensitive to the direction of government spending (Alasfour et al., 2016; Kirchler et al., 2008; Torgler et al., 2010). However, low trust may be the cause of the taxpayers' indifference toward the use of funds by the government.

The study finds the perception of equity and fairness to be a significant factor in tax compliance of SME taxpayers. The overall conclusion is broadly in line with studies by Jackson and Milliron (1986) and Richardson (2008). Tax evasion is more likely to occur if taxpayers perceive the tax system as unfair (Allingham & Sandmo, 1972). In line with previous studies (Alasfour et al., 2016; Jackson & Milliron, 1986; Kirchler et al., 2008; Kogler et al., 2015) that prove that unfair tax contributes to noncompliance, taxpayers are concerned with the fairness of their results. They want to be treated relative to their merits and efforts. If an individual's tax burden is comparatively heavier than others, tax compliance is likely to decrease.

The general conclusions are that referral groups, probability of audit, tax knowledge, and the perception of equity and fairness influence tax compliance. Interestingly, the referral group is the strongest factor. The results also imply that the perception of the tax rate and the perception of government spending do not significantly influence tax compliance. These findings are widely in line with existing studies in this area.

Issues of tax compliance of SME taxpayers are of interest to policymakers. Information gathered from this study could assist the government when considering the design, goal, and implementation of tax reforms for effective administration of future tax policies, particularly in developing countries. The weaker tax policy structures and less transparent tax systems that can be found in emerging economies compared to advanced economies (Ariff & Pope, 2002) might be the cause of noncompliant taxpayers. The findings of this study imply that further improvement in compliance is possible by enhancing the positive attitudes of taxpayers toward the tax system. Therefore, a policy is needed that can create a synergic atmosphere between taxpayers and authority by a respectful and trusting relationship. This can be done with policies that support a sense of fairness based on trust-building measures that may be more effective and less costly. The tax authority should attempt to simplify

tax regulation and improve its public relation strategies. Reducing tax complexity and increasing transparency in governmental decisions, for instance, may be a way to increase trust in authorities.

The emphasis on the importance of trust is absolutely not misconstrued as a naive approach. On the contrary, taxpayers should be treated fairly, and in accordance with their behavior. Committed taxpayers must be supported by the authorities, whereas tax evaders should be prosecuted under the full rigor of the law (Kogler et al., 2013; Muehlbacher et al., 2011; Prinz, Muehlbacher, & Kirchler, 2014). Therefore, by fostering greater trust in the government and upholding a strong rule of law, a reduction in tax noncompliance is likely to occur.

Most of the prior work on tax compliance issues originates in developed countries; therefore, the use of emerging economies in this study helps extend the knowledge of compliance determinants of developed countries into new areas where little prior work has been undertaken. Dealing with taxation matters, particularly in developing countries, remains a challenge due to limited awareness and administrative flaws in enforcing tax laws. This study's findings could also be useful to other countries; particularly Asian countries, which have similar backgrounds of taxpayers, tax systems, and cultural mix.

However, there are several limitations to this study. First, it excludes a number of independent variables, such as financial constraints and changes in the current government policy that may be important in determining tax compliance. Second, the sample covers only SME retailers and excludes nonretailers.

Future research should consider including other aspects, such as independent variables and types of respondents, as they might provide meaningful results. Furthermore, instead of interviews, other methods of data collection, such as mail surveys, may provide different results.

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**Раздел III. Темы для написания мини-эссе (на русском языке).**

**Выберите одну из предложенных тем (пожалуйста, прочитайте весь список перед выбором темы и укажите номер выбранной темы, например, «III 2»). Рекомендуемый объем мини-эссе 2-4 страницы формата А4, не более 5 страниц.**

1. Что представляет собой концепция POSDCORB, предложенная Лютером Гуликом и Линдаллом Урвиком для государственных служащих? Подробно опишите и раскройте её элементы, их достоинства и недостатки. В чём заключалась основная критика данной концепции Гербертом Саймоном в статье «Притчи об администрации» («Proverbs of Administration»)?

2. В чём заключается теория «максимизирующего бюрократа» Уильяма Нисканена, и какие изменения произошли позднее в его взгляде на бюрократию? В чём принципиальные отличия первоначально сформулированной теории (и её предсказаний) от более поздней версии, предложенной Нисканеном? Как эти отличия влияют на оптимизацию деятельности с точки зрения государственных структур?

3. Что должна представлять собой эффективная денежно-кредитная государственная политика согласно теории монетаризма Милтона Фридмана? Перечислите и кратко охарактеризуйте как можно большее количество из «14 пунктов», предложенных им правительству в книге «Капитализм и свобода» («Capitalism and Freedom»).

4. Какие психологические типы бюрократов выделяет Энтони Даунс в книге «Внутри бюрократии» («Inside bureaucracy»)? Как связаны психологические типы бюрократов и динамика развития бюро в его концепции? Как теория психологических типов и цикла развития бюро может быть применена к объяснению современной практики государственного управления?

5. Кратко охарактеризуйте теорию социальных конфликтов в соответствии со взглядами Ральфа Дарендорфа. Какие формы и этапы развития социальных конфликтов с участием государства он выделял в статье «Элементы теории социального конфликта» («Elementary Theorie des sozialen Konflikts»)? Какие 4 способа («правила поведения») регулирования социальных конфликтов являются, по его мнению, возможными и почему?

**Раздел IV. Темы для написания мини-эссе (на английском языке)**

**For your essay, please choose any one of the suggested topics below (please read the entire list before selecting a topic and point out the number of the topic you choose, for example, «IV 3»). Recommended scope of your essay is about 2-4 pages A4, not more than 5 pages.**

1. Describe national projects system in the Russian Federation. List and define the national projects that are approved and currently in progress. What is the difference between national projects and the other public administration tools (government programs, priority projects, etc.)?

2. What are performance measures (provide a meaningful definition) and where are they implemented in the public sector? What systems of performance measurement are used at the public service? Name and describe the types of performance measures for civil servants, give examples.

3. What does the budget classification of the Russian Federation consist of? What are the features of the classification of operations of the public administration sector? What are the main trends in improvement of the budget classification system in recent years?

4. What is the municipal service of the Russian Federation? List and describe the basic principles of municipal service, the rights and duties of municipal servants according to



legislation. How is the interrelation of the municipal service and the civil service of the Russian Federation ensured?

5. What are the components of remuneration system for civil servants? Describe the remuneration structure of civil servants in details. How is the wage bill of the executive authorities set? What are the key differences in remuneration systems for chief executives (ministers) and civil servants?