

## The Information Technology Effect, Quality Service, and Tax Sanctions on PBB Tax Compliance

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### Abstract

This study examines the impact of tax information technology services and tax sanctions on property taxpayers' (UN) compliance in Surabaya. Using multiple linear regression, the research finds that tax information technology, service quality, and sanctions all significantly and positively influence tax compliance. Efficient e-filing and e-payment systems enhance reporting accuracy, making compliance more transparent. High-quality services from tax authorities, marked by responsiveness and reliability, increase taxpayer trust, leading to better compliance. Fair and transparent sanctions act as a deterrent, promoting adherence to tax regulations. The study concludes that Surabaya's tax authorities should focus on advancing technology, enhancing service quality, and enforcing consistent sanctions to improve compliance. Recommendations include investing in technology, training tax officers, and strengthening law enforcement. This research offers insights into tax policy in Surabaya and other areas, highlighting the factors that drive local tax compliance and setting the stage for future studies on the relationship between technology, services, and sanctions in enhancing tax compliance.

### Keywords

Tax Information Technology; Service Quality; Tax Sanctions; Tax Compliance; E-filing; E-payment; Sanctions Enforcement; Tax Revenue

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## 1. INTRODUCTION

Taxes are a fundamental element of the government's financial system and fund various public services and programs (Clemens & Veuger, 2020). Taxes levied on individuals, businesses, or other entities are crucial for financing state purposes such as infrastructure, education, health care, and defense (Tsindeliani et al., 2019). They come in various forms, including income tax, sales tax, and property tax, and are applied universally. (Ogunbela et al., 2021)

The process of tax collection involves setting tax rates, establishing reporting obligations, collecting funds, and utilizing tax revenues to support government functions. Law No. 8 of 2009 in Indonesia on local taxes and levies provides the legal framework for regulating tax and levy collection. This law is



essential for ensuring effective tax collection while balancing revenue needs with fair treatment for taxpayers. (Hadiwijaya & Febrianty, 2019)

The Surabaya City Revenue Agency (Bapenda) manages various taxes, including the Land and Building Tax (PBB), restaurant tax, hotel tax, parking tax, entertainment tax, street lighting tax, and advertisement tax. With these tax revenues, Surabaya can fund development projects to improve the city's quality of life and economic growth. The agency also provides services to taxpayers, helping them fulfill their obligations and promoting tax compliance through education and enforcement. (Lestari & Darmawan, 2023)

Taxpayer compliance is critical for maintaining a smooth tax system and ensuring adequate revenue for the country. Non-compliance can undermine state tax revenues, hindering the government's ability to fund public programs (Septiani et al., 2019). Compliance involves accurate reporting, adherence to regulations, and avoidance of illegal practices, with psychological factors such as shame and guilt playing a role in taxpayer behavior (Alm & Torgler, 2017). Factors contributing to non-compliance include the complexity of tax rules, high tax rates, and opportunities for evasion (Slemrod, 2019). The government must improve the tax system, educate taxpayers, and increase transparency. (Ayu et al., 2021)

Information technology (IT) has become vital for improving tax process efficiency and benefiting taxpayers and tax institutions (Zulkarnaini & Putri, 2022). IT streamlines the tax process, making it more accurate, faster, and less prone to human error. It also reduces costs associated with manual processes, allowing the government to allocate resources more efficiently (Noegroho et al., 2021). While IT positively impacts tax compliance, some studies suggest its effects may vary depending on other factors, such as tax knowledge and sanctions. (Okunogbe & Santoro, 2023)

Tax agencies' service quality significantly impacts taxpayer satisfaction and compliance (Annisah, 2021). Good service, including ease of access, clarity of rules, and responsiveness, creates a supportive environment for taxpayers, encouraging voluntary compliance (Hardika et al., 2022; Kushwah et al., 2021; Masunga et al., n.d.; Tarmidi, 2019; Tjen et al., 2019). Sanctions also play a role in ensuring compliance, with penalties for late payments or errors serving as deterrents (Masunga et al., n.d.; Meishanti et al., 2022; Oktaviani et al., 2019; Putra & Setiawan, 2020). However, the effectiveness of sanctions varies, with some studies showing limited impact on compliance. (Handoko et al., 2020; Meishanti et al., 2022; Oktaviani et al., 2019; Siregar et al., 2019)

The study investigates the influence of IT, service quality, and tax sanctions on tax compliance in Surabaya, particularly regarding the Land and Building Tax (PBB). Despite the application of IT to improve efficiency, there remains to be uncertainty about its impact on compliance. Similarly, the quality of services provided by tax institutions and the application of sanctions also affect taxpayer

behavior. This research addresses the gaps in understanding these factors to help the government implement effective tax policies in Surabaya.

## 2. METHODS

This study used an exploratory quantitative method, specifically multiple linear regression, to analyze factors influencing individual taxpayer compliance. The approach was chosen to systematically explore relationships between variables without predefined hypotheses, making it suitable for investigating the complex nature of tax compliance in Surabaya. This method is ideal for early-stage research or when understanding the phenomenon is limited, as it helps uncover underlying patterns and relationships that can inform more targeted hypotheses in future studies.

Tabel 1  
Operational definition and Research indicators

No.	Variabel	Definision	Indicator
1	Tax Compliance (Y)	Tax compliance is an individual's decision to comply with tax laws in a country.	1. Compliance costs. 2. Tax rate. 3. Tax audit. 4. Moral taxpayers. (Okpeyo et al., 2019).
2	Tax Information Technology (X.1)	Tax information technology is a service system E SPPT PBB very easy, fast, and can be done anywhere and anytime as long as connected to the internet network.	1. Quality of information. 2. Quality of the system. 3. Quality of Service. (Tjen et al., 2019)
3	Quality Tax Services (X.2)	Of The quality of tax services refers to the level of excellence and efficiency provided by tax institutions in providing services to taxpayers.	1. Flexibility. 2. Reliability. 3. Guarantee. 4. Physical evidence. 5. Responsiveness. (Gosal & Utami, 2020).
4	Tax Sanctions (X.3)	A tax sanction is a fine or financial penalty imposed by a government or tax authority on a taxpayer as a result of a violation of tax regulations.	1. Delay in paying UN taxes should be sanctioned. 2. The degree of application of sanctions, sanctions are used to increase taxpayer compliance.

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3. The removal of sanctions improves taxpayer compliance. (Mulyati & Ismanto, 2021).

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The study employed stratified random sampling to represent different taxpayer segments in Surabaya, focusing on registered property taxpayers. A sample of 100 respondents was selected, with 50 from Mojo village (highest SPPT acceptance) and 50 from Gubeng village (lowest SPPT acceptance). The study examined three key variables, namely, the quality of tax information technology services, tax sanctions, and tax compliance, and measured them using a Likert scale.

Primary data were collected via Google Forms, and secondary data was collected from tax records. Data analysis began with validity and reliability tests, with a corrected item-total correlation  $> 0.3$  and Cronbach's alpha  $> 0.6$ . Classical assumptions, including normality (Shapiro-Wilk test), homoscedasticity (scatterplot of residuals), and multicollinearity (VIF values), were tested and met. Hypotheses were tested using F and t-tests, and multiple linear regression analysis was conducted. Analysis was performed using software like SPSS or R, which was selected for its advanced features and compatibility with the data. Detailed syntax and code are available for replicability.

### 3. FINDINGS AND DISCUSSION

#### 3.1. Validity and Reliability Test

The validity of an instrument indicates how well it measures what it is supposed to measure. The validity test is done by looking at the correlation between the score of each item and the total score of the variable in question. Reliability measures the consistency of an instrument. Reliability tests were conducted using Cronbach's Alpha, where values greater than 0.7 were considered to indicate good reliability.

##### 1) Information Technology Variables (X1)

In this variable, namely Information Technology (X1) obtained figures based on Item-Total Statistics as follows:

- a. X1. 1: Corrected Item-Total Correlation = 0.689
- b. X1. 2: Corrected Item-Total Correlation = 0.748
- c. X1. 3: Corrected Item-Total Correlation = 0.753

With three items having high item-total correlation values, the validity of this variable is very good. Cronbach's Alpha of 0.856 indicates that this instrument is reliable in measuring Tax Information Technology. This means that information technology applied in the tax system can be relied upon to improve taxpayer compliance.

## 2) Variable Quality Of Service (X2)

In this variable, the quality of Service (X2) obtained figures based on Item-Total Statistics as follows:

- a. X2. 1: Corrected Item-Total Correlation = 0.782
- b. X2. 2: Corrected Item-Total Correlation = 0.746
- c. X2. 3: Corrected Item-Total Correlation = 0.775
- d. X2. 4: Corrected Item-Total Correlation = 0.816
- e. X2. 5: Corrected Item-Total Correlation = 0.778

Five items used to measure Service Quality had high item-total correlation values, indicating strong validity. Cronbach's Alpha of 0.913 indicates very high reliability. That is, tax officials' quality of services is consistent and reliable in improving taxpayer tax compliance.

## 3) Variable Tax Sanctions (X3)

In this variable, namely tax sanctions (X3) obtained figures based on Item-Total Statistics as follows:

- a. X3. 1: Corrected Item-Total Correlation = 0.656
- b. X3. 2: Corrected Item-Total Correlation = 0.726
- c. X3. 3: Corrected Item-Total Correlation = 0.672

Three items in the tax sanction variable showed good validity with a fairly high item-total correlation value. Cronbach's Alpha of 0.827 indicates excellent reliability. This means that the consistent and fair application of sanctions is very influential in encouraging taxpayer compliance.

## 4) Tax Compliance Variable (Y)

In this variable, namely tax compliance (Y) obtained figures based on Item-Total Statistics as follows:

- a. Y1: Corrected Item-Total Correlation = 0.633
- b. Y2: Corrected Item-Total Correlation = 0.508
- c. Y3: Corrected Item-Total Correlation = 0.582
- d. Y4: Corrected Item-Total Correlation = 0.409

The validity and reliability test results showed that all variables in this study had good internal consistency, with most of the items showing strong validity. This shows that the instruments used in this study are valid and reliable in measuring Tax Information Technology, Service Quality, Tax sanctions, and tax compliance. Therefore, the findings of this study can be trusted and used to provide sustainable policy recommendations to Improve UN tax compliance in Surabaya.

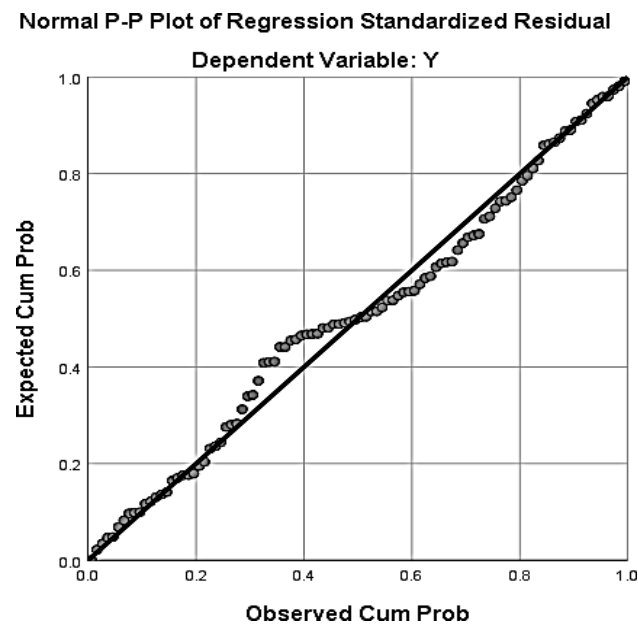
### 3.2. Classical Assumption Test

#### 1) Normality Test

A normality test determines whether the residual data is normally distributed. In the appendix, SPSS output shows normality test results through the graph analysis, the Normal P-P Plot of Regression Standardized Residual, as in Figure below.

Gambar 1

Normal P-P Plot of Regression Standardized Residual



Source: SPSS output

On the P-P graph of the Plot, if the residual points approach the diagonal line, then the residuals are normally distributed. Based on the output, the P-P graph of the Plot shows that the residual points tend to approach the diagonal line, indicating that the residual data is normally distributed.

#### 2) Autocorrelation Test

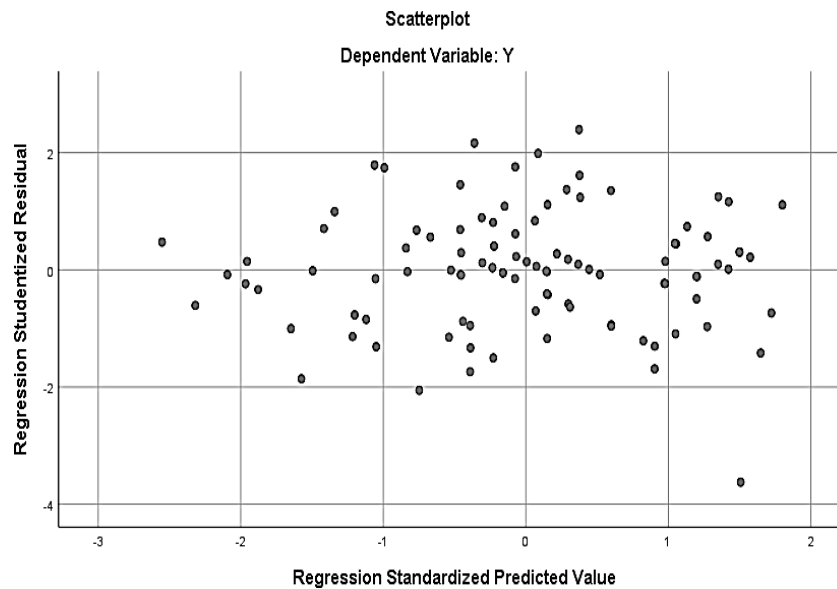
Table 1 Durbin Watson Values

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.763a	.581	.568	2.639	1.741

Sumber: output SPSS

### 3) Heteroscedasticity Test

Figure 2 Regression scatterplot



Source: SPSS output

At the output, a scatterplot between the predicted and residual values can be used to detect heteroscedasticity. If the pattern of dots is random and does not form a specific pattern, then there is no heteroscedasticity. Based on the scatterplot in the output, the residual points are scattered randomly and do not form a specific pattern, indicating any heteroscedasticity problem.

### 4) Multicollinearity Test

Tolerance values close to 1 and VIF values smaller than 10 indicate no multicollinearity problem among independent variables. With sufficiently high Tolerance values and low VIF, it can be concluded that there is no serious multicollinearity in the model.

Tabel 2 Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
	B	Std. Error	Beta	t		Tolerance	VIF
1 (Constant)	3.417	1.913		1.786	.077		
X1	.460	.112	.385	4.115	.000	.499	2.004
X3	.224	.111	.172	2.020	.046	.599	1.668
X2	.233	.051	.355	4.525	.000	.707	1.414

Source: SPSS output

Thus, the regression model meets the classical assumptions, and the regression analysis results can be interpreted more confidently. This Model is valid for research on UN tax compliance in Surabaya.

### 3.3. Hypothesis Testing

#### 1) T-test

##### a. Tax Information Technology (X1).

Regression coefficient (B) of 0.460. T-count value of 4.115 and significance (Sig.) is 0.000. Tax Information Technology variable (X1) has a coefficient of 0.460 and a t value of 4.115 with  $p < 0.001$ , indicating that Tax Information Technology significantly positively affects tax compliance PBB.

##### b. Quality Of Service (X2)

Regression coefficient (B) of 0.233. T-count value of 4.525. The Significance (P.) is 0.000. This variable has a coefficient of 0.233 and a t value of 4.525 with  $p < 0.001$ , indicating that the quality of services has a significant positive effect on PBB Tax Compliance.

##### c. Tax Sanctions (X3)

Regression coefficient (B) of 0.224. The t-count value is 2,020, and the significance (Sig.) is 0.046. The tax sanction variable has a coefficient of 0.224 and a t value of 2.020 with  $p < 0.05$ , indicating that tax sanctions significantly positively affect PBB Tax Compliance.

#### 2) F Test

The F-test tests whether the independent variables significantly affect the dependent variable. As in Table 4.9, the result is an f-count of 44,450 with significance (Sig.) amounted to 0,000. A value of 44,450 with a significance level of 0,000 ( $p < 0.05$ ) indicates that the independent variable has a significant effect on the independent variable. Tax information technology, service quality, and tax sanctions affect UN tax compliance.

Tabel 3 ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	928.863	3	309.621	44.450	.000b
	Residual	668.697	96	6.966		
	Total	1597.560	99			

Source: SPSS output

#### 3) Coefficient of Determination (R<sup>2</sup>)

Adjusted R<sup>2</sup> of 0.568 provides a more conservative adjustment, nonetheless showing that more than half the variability of UN tax compliance is explained by this regression model.



Table 4 Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.763a	.581	.568	2.639	1.741

Sumber: output SPSS

#### 4) Regression Model

The resulting multiple linear regression Model is as follows:

$$Y=3.417+0.460 X_1+0.233 X_2+0.224 X_3$$

#### Model Interpretation

- Constant (3,417): indicates that if Tax Information Technology, Service Quality, and Tax sanctions are all zero, then the value of PBB tax compliance is estimated at 3,417.
- Coefficient X1 (0.460): each one-unit increase in Tax Information Technology will increase UN tax compliance by 0.460 units, assuming other variables are constant.
- Coefficient X2 (0.233): each one-unit increase in service quality will increase UN tax compliance by 0.233 units, assuming other variables are constant.
- Coefficient X3 (0.224): any one-unit increase in tax sanctions will increase UN tax compliance by 0.224 units, assuming other variables are constant.

The multiple linear regression analysis results showed that Tax Information Technology, Service Quality, and Tax sanctions significantly affect UN tax compliance in Surabaya. The resulting regression Model explained 58.1% of the variation in UN Tax Compliance, which indicates that the selected independent variable is relevant in explaining UN Tax Compliance. Thus, improvements in Tax Information Technology, Quality of Service, and Tax sanctions can be expected to Improve UN Tax Compliance.

### 3.4. Effect Of Tax Information Technology On UN Tax Compliance

The study confirms the significant impact of Information Technology (IT) on tax compliance, validating the hypothesis that IT positively influences taxpayer behavior. It also refutes the hypothesis that IT does not affect UN tax compliance. The use of tax information technology, such as the UN online application, has proven effective in simplifying tax reporting and payment, leading to higher compliance rates.

According to Sekaran (2017), IT streamlines tax processes, enhances efficiency, and provides real-time data, reducing the time and cost for taxpayers. Similarly, research by (Tsindeliani et al., 2019) demonstrates that easy access to tax information technology significantly boosts compliance. Additionally, computerized Tax Management Information Systems allow tax authorities to manage

data more accurately, increasing transparency and improving taxpayer trust, as shown by (Alm & Torgler, 2017).

The study's findings align with prior research. For example, (Tjen et al., 2019) found that e-filing systems significantly increased compliance in Malaysia, while Samuels & Duramany-Lakkoh (2023) highlighted the role of data transparency in the U.S. tax system. Other studies, such as those by Ali et al. (2021) and Adhiatma et al. (2023), further support the notion that IT enhances tax administration efficiency and accuracy, thereby improving compliance.

Based on these findings, several practical steps are recommended:

1. Invest in Modern IT Infrastructure: To support an efficient and transparent tax system.
2. Enhance Taxpayer Awareness Through education and socialization campaigns.
3. Provide Regular Training for Tax Officers: To ensure effective use of IT in tax administration.
4. Implement Fair Law Enforcement: To ensure compliance with tax regulations.
5. Conduct Periodic Evaluations Of existing IT systems to keep up with technological advancements.

In conclusion, IT is crucial in improving tax compliance by simplifying processes, enhancing transparency, and boosting administrative efficiency. Tax authorities in Indonesia and other countries can adopt this approach to increase state revenue and ensure a more effective tax system.

### **3.5. Effect Of Service Quality On UN Tax Compliance**

The results showed that service quality affects UN tax compliance in Surabaya. The second hypothesis proved true. The fifth hypothesis was rejected, stating that service quality did not affect tax compliance. The quality of taxation services is important in determining the level of tax compliance information that can increase taxpayer confidence. According to (Gosal and Utami, 2020) research, indicators of tax service quality include flexibility, reliability, assurance, physical evidence, and responsiveness. Each of these indicators has a significant contribution to improving tax compliance.

Tax service flexibility refers to tax institutions' ability to customize their services according to the needs and conditions of taxpayers. This flexibility can include various aspects, such as payment schedule adjustments, diverse payment options, and customization policies for special situations. In terms of adaptability, organizations that are flexible in tailoring their services to customer needs tend to have higher satisfaction levels among their customers (Zeithaml et al., 2017). When it comes to taxation, flexibility can reduce the administrative and financial burden for taxpayers, which in turn improves their compliance.

Research by (Masunga et al., n.d.) shows that flexibility in the tax system, such as options for installment payments and extension of payment times, contributes significantly to improved tax

compliance in Singapore. This flexibility gives taxpayers room to meet their obligations without feeling overwhelmed.

Reliability refers to the ability of a tax institution to provide consistent and timely services to taxpayers. This reliability includes accuracy of information, consistency in handling tax cases, and speed in processing taxpayer requests. Reliability in service states that reliability is one of the major determinants of customer satisfaction (Parasuraman, 2020). Reliability can increase taxpayers' confidence in the tax system and reduce their uncertainty in meeting their tax obligations.

Research by (Boateng et al., 2022) shows that Australian tax authorities' reliability in providing information and services improves tax compliance among individual taxpayers. This reliability helps taxpayers feel more confident in reporting and paying their taxes.

Guarantees related to tax services include a sense of security and confidence provided by tax institutions to taxpayers. This includes the expertise and professionalism of tax officials, as well as the assurance that taxpayer data and information will be properly protected. Assurance shown in the sense of security and confidence provided by service providers can increase customer confidence (Braun et al., 2021). In taxation, guarantees can reduce taxpayers' fear of possible errors or data misuse, thereby improving compliance.

Research (Carr & Smeltzer, 2020) found that a high level of assurance in the New Zealand tax system positively affected tax compliance. Taxpayers who feel secure and confident in tax authorities' professionalism and data protection tend to be more compliant in reporting and paying their taxes.

Physical evidence in tax services includes physical facilities, equipment, and supporting materials tax institutions use to provide services to taxpayers. It can be a convenient tax office with modern computer equipment and clear and understandable information materials. Related physical evidence states that the physical elements of the service can affect the customer's perception of service quality (Clemens & Veuger, 2020). In taxation, good physical evidence can improve taxpayers' experience in interacting with tax authorities, improving their compliance.

Research (Fjord & Schmidt, 2023) shows that the quality of physical facilities and information materials provided by tax authorities in Italy positively impacts tax compliance. Taxpayers who feel comfortable and get clear information tend to be more compliant in fulfilling their tax obligations.

Responsiveness refers to the willingness and ability of tax institutions to assist taxpayers and provide prompt and timely services. It includes a quick response to questions and complaints of taxpayers, as well as the provision of efficient services. Responsiveness in service states that the ability of service providers to respond quickly and appropriately to customer needs is critical to improving customer satisfaction (Hadiwijaya & Febrianty, 2019). In taxation, high responsiveness can reduce taxpayers' frustration and improve their compliance.

Research by (Jiménez et al., 2021) shows that the responsiveness of tax authorities in Spain has a significant effect on tax compliance. Tax authorities responsive to taxpayer inquiries and complaints tend to have higher tax compliance rates. Research by (Veeramootoo et al., 2018) shows that good service quality contributes significantly to customer satisfaction, improving regulatory compliance.

The study of the effect of the quality of tax services on tax compliance significantly contributes to the field of Public Administration, Management Strategy, and taxation. This study shows that improving the quality of tax services can be an effective strategy to improve tax compliance. By understanding and implementing tax service quality indicators, tax authorities can develop more responsive and effective policies in managing the tax system (Tsindeliani et al., 2019).

This study also adds to the understanding of the importance of the service approach in tax administration, which previously may have focused more on the law enforcement and supervisory aspects (Tjen et al., 2019). By emphasizing the importance of service quality, this study shifts the paradigm from a reactive approach to a more proactive and preventive approach to improving tax compliance.

### **3.6. Effect Of Sanctions On UN Tax Compliance**

The findings of this study show that tax sanctions affect tax compliance. The third hypothesis in this study was proven correct. It also rejects the sixth hypothesis that tax sanctions do not affect tax compliance. Tax sanctions are an important tool in the tax system to ensure taxpayer compliance. Tax sanctions can be in the form of fines or financial penalties imposed by the government or tax authorities on taxpayers who violate tax regulations. According to (Mulyati & Ismanto, 2021), several indicators of tax sanctions affect tax compliance, namely delays in reporting and paying taxes must be sanctioned, the level of application of sanctions, the use of sanctions to improve taxpayer compliance, and the application of fair and transparent tax sanctions.

Delays in tax reporting and payment are among the most common violations in the tax system. Sanctions for these delays are designed to encourage timely compliance. The effectiveness of these penalties depends on their certainty, timeliness, and proportionality. In taxation, clear and prompt sanctions can heighten taxpayer awareness of the consequences of non-compliance. Research indicates that penalties for late reporting and payment significantly improve tax compliance. Taxpayers aware of definite and severe penalties for delays are more likely to fulfill their tax obligations on time (Thong & Yap, 2019).

The degree of application of sanctions refers to the frequency and consistency of tax authorities in enforcing sanctions against tax offenses. Consistent and firm sanctions can strengthen taxpayers' confidence in the tax system. Taxpayer compliance is influenced by their perception of law enforcement

and the tax system's fairness (Tarmidi, 2019). Consistent application of sanctions can improve the taxpayer's perception of fairness and legal certainty in the tax system. Research in Switzerland found that high levels of sanction application significantly improved tax compliance. The study shows that taxpayers who feel that sanctions are applied consistently and decisively are more likely to comply with tax regulations (Samuels & Duramany-Lakkoh, 2023).

Tax sanctions function as punishments and tools to enhance taxpayer compliance by creating a deterrent effect. The primary goal of sanctions is to motivate taxpayers to adhere to tax regulations in the future. People often base their decisions on a cost-benefit analysis; if the sanctions are sufficiently severe, the potential costs of non-compliance will outweigh the perceived benefits of evasion. Consequently, effective sanctions can prompt taxpayers to comply to avoid financial penalties.

Research suggests effective sanctions can improve tax compliance by creating a deterrent effect. The study found that heavily penalized taxpayers are more likely to comply in the future, as they know the high financial risks of non-compliance (Schemberi & Sandberg, 2017).

Applying fair and transparent sanctions is crucial to building taxpayer confidence in the tax system. This trust can increase the taxpayer's willingness to comply. Taxpayers' perception of fairness and transparency of the tax process affects their level of compliance (Ali et al., 2021). When taxpayers feel that enforcement proceedings are conducted fairly and transparently, they are more likely to comply.

Research by (Okpeyo et al., 2019) in Ghana shows that fair and transparent application of sanctions improves tax compliance. The study found that taxpayers who believe tax authorities act fairly and transparently in applying sanctions are more likely to comply with tax regulations. Mentioned that firm and fair sanctions are an important factor in encouraging tax compliance because they provide a deterrent effect against tax violations. Research on the effect of tax sanctions on tax compliance significantly contributes to the field of Public Administration and taxation (Masunga et al., n.d.). This study emphasizes the importance of applying sanctions to improve tax compliance. By understanding and implementing tax sanction indicators, tax authorities can develop more effective policies in managing the tax system (Asterina & Septiani, 2019).

The study reveals that tax compliance is achieved through strict law enforcement and the fair and transparent application of sanctions. This finding enhances the understanding of effective law enforcement and tax administration strategies for improving compliance. To improve the discussion's clarity, the revised structure will begin with the most impactful variable on tax compliance, followed by those with lesser effects, creating a more compelling narrative. Additionally, real-life examples, such as Surabaya's successful e-filing implementation, will be included to strengthen the findings on the impact of tax information technology by linking them to empirical evidence.

#### 4. CONCLUSION

The study reveals that Tax Information Technology, Service Quality, and Tax Sanctions significantly influence Surabaya property tax (UN) compliance, supporting the hypothesis that these factors positively affect taxpayer behavior. Using systems like the PBB online application improves tax reporting accuracy and transparency, boosting compliance rates. Additionally, the synergy between technology and service quality highlights the importance of user-friendly systems combined with responsive services.

High-quality services from tax authorities enhance taxpayer satisfaction and trust, reinforcing compliance. Regular training for tax officers is recommended to maintain professionalism. Tax sanctions applied consistently and fairly deter non-compliance and strengthen the tax system's credibility. The study suggests that tax authorities should integrate advanced technology, improve service quality, and enforce sanctions equitably to foster a trusted tax environment and increase compliance. This research contributes to the broader literature by demonstrating the interconnected roles of technology, service quality, and sanctions in tax compliance. It offers valuable insights applicable beyond Surabaya, highlighting the importance of these factors in enhancing taxpayer compliance globally.

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