THE DETERMINANTS OF TAX COMPLIANCE: LOVING OR FEARING

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A R T I C L E   I N F O

A B S T R A C T

Research Purposes. *This study aims to analyze the internal and external determinants of tax compliance. The internal determinant in this study is a feeling of love for the motherland which is manifested through the soul of patriotism and nationalism. Meanwhile, external determinants that cause fear of taxpayers are tax sanctions.*
Research Methods. *The type of this research is quantitative research. The research data was obtained by distributing questionnaires to all individual taxpayers registered at the Tax Office of Palu. The sampling method is used a random sampling technique so that the total sample of this study is 94 respondents. The data analysis method used in this study is multiple linear regression analysis.*
Research Results and Findings. *The results show that the spirit of patriotism does not affect taxpayers to comply with tax regulations. Meanwhile, nationalism has a significant effect on tax compliance. Meanwhile, tax sanctions have proven unable to increase tax compliance. The findings of this study have implications for the economic theory of tax compliance and social identity theory.*

A B S T R A K

Tujuan Penelitian. *Penelitian ini bertujuan untuk menganalisis pengaruh internal dan eksternal kepatuhan pajak. Pengaruh internal pada penelitian ini adalah perasaan cinta tanah air yang dimanifestasikan terhadap patriotisme dan nasionalisme. Sementara, pengaruh eksternal yang menimbulkan rasa takut wajib pajak adalah sanksi pajak.*
Metode Penelitian. *Jenis penelitian ini adalah penelitian kuantitatif. Data penelitian ini diperoleh melalui distribusi kuesioner untuk semua wajib pajak orang pribadi pada Kantor Pajak Pratama Palu. Metode sampel adalah teknik random sehingga total sampel adalah 94 responden. Metode analisis data yang digunakan adalah analisis regresi linier berganda.*
Hasil dan Temuan Penelitian. *Hasil penelitian ini adalah semangat patriotisme tidak mempengaruhi wajib pajak untuk mematuhi peraturan pajak. Sementara, nasionalisme memiliki pengaruh signifikan terhadap kepatuhan pajak. Sedangkan, sanksi pajak telah terbukti tidak dapat meningkatkan kepatuhan pajak. Temuan penelitian ini memiliki implikasi terhadap teori ekonomi kepatuhan pajak dan identitas sosial.*

INTRODUCTION

Taxes are one of the most significant contributors to country revenue in Indonesia. Based on 2019 State Budget and Expenditure, 82.50 percent of country revenue came from taxes, and the rest was non-tax country revenue and grants. This fact means that the state depends on tax revenue to carry out routine tasks of the state and development. Therefore, citizens are required to be compliant with paying and reporting taxes for the development of the country.

The progress of a country is very dependent on the cooperation of its citizens, including through tax compliance (Konrad and Qari, 2012). Such citizen cooperation can arise either voluntarily or coerce, depending on the motivations (James and Alley, 2002). This is also explained through the slippery slope framework which stated that tax compliance can be formed by two things, namely trust in and power of tax authorities (Kirchler, 2010; Kirchler, Hoelzl and Wahl, 2008). Both extrinsic and intrinsic motivations can drive the cooperation of citizens (Feld and Frey, 2007). Intrinsic motivations

can be in the form of citizens' awareness. Meanwhile, extrinsic motivations are related to tax laws.

Citizens' cooperation can be encouraged by increasing citizens' patriotic sense (Gangl, Torgler and Kirchler, 2016). Several previous studies have studied the relationship between patriotism and tax compliance for a long time. This idea has been proven during the second world war in which US Treasures produced a film named The New Spirit (Konrad and Qari, 2012). The film was to arouse a sense of public patriotism and ultimately arouse public awareness to pay taxes. However, these efforts and some previous research that has been done in the context of the war period. Therefore, researchers want to examine the relationship between patriotism and tax compliance in the current peace period.

The level of citizen cooperation in nation-building through tax compliance can also be triggered through citizen nationalism. Citizens' love for their country can arouse their concern for the nation's development, including awareness to pay and report taxes. Several previous studies have conducted studies on the relationship between nationalism and tax compliance, but the findings are still different from one another. Therefore, the researchers reexamine the influence of nationalism on tax compliance.

Nationalism and patriotism are two ideas related to love to the nation. Meanwhile, compliance with regulation can also be increased through sanctions for violators of the regulation (Alm, 2019). The threat of sanctions for violating regulations can increase citizens' compliance with regulations, including tax compliance. The threat of sanctions can make citizens afraid to disobey so that they choose to "be compelled" to obey. Even so, the results of previous studies regarding the effectiveness of sanctions in increasing tax compliance are still mixed.

Based on this background, this study aims to analyze whether citizens' care, which is triggered by patriotism and nationalism, or citizens' fear of the threat of sanctions, affects citizens' tax compliance. The subjects of this study are all individual taxpayers registered in Palu City. The results of this study contribute practically to efforts to increase tax compliance, which is currently the main agenda of the Indonesian government in order to overcome the budget deficit. The best effort to increase tax revenue is to identify the factors that influence tax compliance decisions (Jimenez and Iyer, 2016). Besides, this study also has theoretical implications for the economic theory of tax compliance. This study is different from previous researches because this study examines two variables of love for the country, namely nationalism and patriotism so that it can contribute to identifying the differences between the two feelings.

Palu is one of the provincial capitals in Indonesia, which also contributes to the country tax receipt. Based on Palu Tax Office data, the tax revenue target in the Palu Tax Office working area in 2019 reached almost 100%. This number was an extraordinary achievement for the Palu Tax Office, considering that in previous year natural disasters occurred, and the taxpayer compliance rate had never reached nearly 100% before.

The data shows that the level of compliance of individual taxpayers in Palu city is classified as low in 2015-2018 but increased dramatically in 2019. Even so, the amount of tax revenue reported in 2019 is lower due to the natural disasters of 2018 which struck Palu City. Natural disasters that occurred resulted in the number of taxpayers in Palu City declined dramatically. Meanwhile, high tax revenues are needed to finance development recovery in Palu City after the disaster and the country in general. Therefore, this study is conducted in Palu City.

This study is presented in six parts. The first part contains the research motivation. The second and third part contains the study of relevant theories and previous research to formulate the hypothesis. This research method is explained in the third part. Meanwhile, the results and research discussions are presented in the fourth part. The research concludes with a description of the conclusions, implications, and limitations.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT
Literature Review
Slippery Slope Framework

The slippery slope framework is a tax compliance framework that states that the power of and trust in taxation authorities are dimensions used to understand voluntary and enforced compliance (Kirchler, Hoelzl and Wahl, 2008). This framework is built on a taxation climate in society, including an antagonistic and synergistic climate (Kirchler, 2010). In a climate of antagonism, tax officials view taxpayers as robbers who tend to be disobedient, and taxpayers feel that tax officials are persecuting them, so they feel right to disobey. Through the power, the tax authorities can detect illegal tax evasion and impose penalties. Meanwhile, in a synergistic climate, tax officers serve the community and are part of the taxpayer.

People who believe in taxation authorities think that taxation authorities work for the public good (Tyler, 2003).

Trust and taxation power interact with each other resulting in voluntary and enforced tax compliance as depicted as a slippery slope (Kirchler, Hoelzl and Wahl, 2008). The interaction between trust and power must be balanced because they influence each other. If the trust in the tax authorities is too high, the tax authorities can act arbitrarily. Meanwhile, if the taxation authority is too dominant, taxpayers will tend to act fraudulently.

The Economic Theory of Tax Compliance

The puzzle of the economic theory of tax compliance is why people pay taxes (Feld and Frey, 2007). The studies of tax compliance have been conducted since the 1970s in which the studies revealed that the tax compliance decision was purely an economic decision (Allingham and Sandmo, 1972; Becker, 1968). The previous studies concluded that the reason people pay taxes is that they are afraid of getting sanctions from regulators (Alm, 2019). Thus, tax compliance can only be encouraged through coercion.

Over time, the other studies reveal that economic considerations do not entirely influence tax compliance. Tax compliance is driven by a psychological contract between citizens and a tax authority (Feld and Frey, 2007). Tax compliance is influenced by personal and social norms adopted by individuals. Therefore, loyalty and emotional citizens of the state also influence tax compliance (Akerlof, 1982).

Tax compliance is the extent to which taxpayers comply with applicable tax regulations (James and Alley, 2002). However, differences in interpretation of regulations and difficulties in applying regulations are the issue. Tax compliance is what the state assumes is legally owed by taxpayers, but the state and taxpayers do not always have the same view as the state regarding tax law (Bergman, 1998). When citizens violate tax laws, a condition, that there is a difference between the amount that should be received and the amount actually received, will arise.

Social Identity Theory

Social identity theory is a social psychological theory that examines the role of self-conception and related cognitive processes and social beliefs in group processes and intergroup relationships (Hogg, 2016). Social identity can be defined as part of a person's self-concept derived from his knowledge of membership in a social group, along with the significance value and emotional of the member (Tajfel and Turner, 1986). The individual's valued feelings are the belief that he is a manifestation of the prototype in the group (Stets and Burke, 2000). Therefore, individuals in the same group tend to have the same emotional bond, which is manifested in the sense of connection. These feelings will lead to the voluntary behavior of individuals in advancing themselves and their groups.

The study of the influence of patriotism and nationalism on tax compliance is based on social identity theory (Jannah, Hutadjulu and Rante, 2018). Taxpayers, as part of the community in a country, are expected to have emotional bonds with the country. The taxpayer's emotional bonds with the country can be realized through the spirit of patriotism and nationalism. The higher the spirit of patriotism and nationalism possessed by a taxpayer, the higher the motivation for the taxpayer to carry out tax obligations voluntarily for the development of his country.

Patriotism

Social identity theory states that patriotism is related to the self-categorization of citizens as members of certain social groups such as national or local communities (Tajfel and Turner, 1986). Self-categorization is done with positive emotions such as love and pride towards the achievement of the nation (Federico, Golec and Dial, 2005). Thus, patriotism can be interpreted as positive identification and feelings of affective attachment to one's country (Schatz, Staub and Lavine, 1999).

Patriotism, as a social identity, becomes an essential guide for citizens to behave in their communities (Huddy and Khatib, 2007). As a result, a citizen tends to imitate the behavior of other citizens who are seen as members of his social group. If they act outside the habits of other members in the same social group, they are threatened to be rejected from that social group. In the end, patriotism can increase cooperation between citizens because they feel they have the same social identity.

Nationalism

Nationalism reflects the belief that the state itself must dominate and discriminate against other countries and their citizens (Federico, Golec and Dial, 2005). Nationalism can be characterized as a form of ethnocentrism in which the community itself is not criticized and is considered homogeneous (Blank and Schmidt, 2003).

Nationalism focuses on the superiority of one group of individuals over other groups resulting in hostility towards foreigners living in their own country (Lavoie, 2011). Therefore, nationalists argue that the highest loyalty must be given to the state.

Tax Sanctions

Sanctions are adverse penalties given to people who break the rules (Arisandy, 2017). Thus, tax sanctions are negative punishments given to people who violate tax laws. The taxation laws are regulated in the general provisions laws and taxation procedures. The law regulates taxation rights and obligations. In order to enforce these rules, regulators formulate tax sanctions.

Tax sanctions consist of two types, namely administrative sanctions and criminal sanctions. Administrative sanctions include fines, interest, and increases. Meanwhile, criminal sanctions are in the form of imprisonment and prison threats. The severity of sanctions is influenced by the severity of violations of taxation rules done by taxpayers.

Hypothesis Development
The Effect of Patriotism to Tax Compliance

Patriotism is defined as the bond that exists between an individual and his country. That attachment reflects positive emotions towards his country expressed with trust, pride, loyalty, devotion, commitment, and concern for his country (Bar-Tal and Staub, 1997). Concerning tax compliance behavior, patriotism as part of social identity is expected to increase taxpayer loyalty. When the taxpayer, as a member of a country, has an emotional bond with his country, he will behave following the norms in force in his group, including tax law.

Taxpayers with a high spirit of patriotism tend to be more obedient in carrying out tax duties (Konrad and Qari, 2012; Qari, Konrad and Geys, 2012). Individuals with a high spirit of patriotism will be more voluntary in carrying out tax duties. According to taxpayers who have a high spirit of patriotism, the implementation of taxation duties is evidence of a sense of trust, pride, service, commitment, and concern for their country. Besides, they tend to think positively that tax payments can help the progress of the nation and prosper the community (Jannah, Hutadjulu and Rante, 2018; Lavoie, 2011).

Several previous researchers have done previous studies related to the influence of patriotism on tax compliance, but not many (Gangl, Torgler and Kirchler, 2016). The results of the previous studies revealed that patriotism has a significant effect on tax compliance (Adiningtyas and Zulaikha, 2016; Gangl, Torgler and Kirchler, 2016; Jannah, Hutadjulu and Rante, 2018; MacGregor and Wilkinson, 2012; Mulya, 2020). Therefore, the researchers formulated the hypothesis as follows:
H1: Patriotism has a positive significant effect on tax compliance.

The Effect of Nationalism to Tax Compliance

Nationalism is a form of national awareness and a sense of responsibility as part of a country to jointly achieve national independence and as a stimulus for citizens to build themselves, the community, and the country. Unlike patriotism, the spirit of nationalism is based on the emotion that the country must be superior to other countries. As a result, individuals with high nationalism tend to be ethnocentric and more focused on the development of the country.

Nationalism is an internal factor that can influence taxpayers to make decisions regarding tax compliance behavior. Taxpayers who realize their love for their country and want advancement for the country compared to other countries will also be held accountable in efforts to achieve these advantages. Therefore, citizens with high nationalism in acting as taxpayers will contribute to the improvement of their country through payment of taxes based on applicable regulations.

The results of previous studies revealed that the higher the nationalism of taxpayers towards their country, the more compliant the taxpayers with tax law (Putri and Venusita, 2019; Darmawan, Mulyadi and Dahlan, 2020; Hanifah and Yudianto, 2019; Purnamasari, Pratiwi and Sukirman, 2017). However, similar studies are still rare. Therefore, the researchers assume that:
H2: Nationalism has a positive significant effect on tax compliance.

The Effect of Tax Sanctions to Tax Compliance

Tax sanctions are regulated in the tax rules by the regulator so that tax sanctions can be classified as extrinsic motivation in tax compliance. Taxpayers are rational actors who process information based on the perspective of outcome maximization so that decisions that are compliant or not compliant become uncertain related to the motivations (Wenzel, 2004). If taxpayers perceive that by not complying, they will spend more resources than when they are obedient, then they will prefer to obey the tax laws (Doran, 2009).

The provision of tax sanctions aims to provide a deterrent effect for taxpayers who commit violations to become compliant subsequently (Prasetyo, 2016). Tax sanctions can also be used as a preventive tool so that taxpayers do not deviate from the taxation laws (Mardiasmo, 2013). Therefore, taxpayers will obey (forced) because they know there are tax sanctions if they violate, in the form of fines, interest, increases, and criminal sanctions.

Many studies on the relationship between tax sanctions and tax compliance have been carried out. The results of the previous studies revealed that tax sanctions could improve tax compliance (Anam, Andini and Hartono, 2018; Arisandy, 2017; Benk, Cakmak and Budak, 2011; Ngadiman and Huslin, 2015; Rahayu, 2017; Susmita and Supadmi, 2016; Tirada, 2013). Therefore, the researchers formulated the hypothesis as follows.

H3: Tax sanctions have a positive significant effect on tax compliance.

RESEARCH METHOD

This study is a quantitative study using a survey approach. The survey was conducted on all individual taxpayers who are freelances registered at the Tax Office of Palu, Central Sulawesi, Indonesia. The sampling method is done by using a random sampling method without concern to strata in the population. The number of samples is 100 taxpayers, which is calculated using the Slovin formula. Meanwhile, the research data were obtained by distributing questionnaires to the taxpayers whom the researchers met when the researchers visited the Tax Office of Palu. The data are analyzed using multiple linear regression analysis.

This study includes three independent variables and one dependent variable. Tax compliance as a dependent variable is operationalized into four indicators. The tax compliance indicators consist of 1) taxpayer compliance registering as a taxpayer, 2) taxpayer compliance calculating and paying taxes, 3) tax compliance submitting a notification letter, and 4) taxpayer compliance paying tax arrears (Nasucha, 2004).

The three independent variables in this study are patriotism, nationalism, and tax sanctions. Patriotism, as an independent variable, is operationalized into eight indicators as the previous study of Konrad and Qari (2012) but adjusted to the Indonesian context (Konrad and Qari, 2012). The patriotism indicators are:

1. The Indonesian democratic system,
2. The achievements of the Indonesian economy,
3. The achievements of Indonesian science and technology,
4. Social justice in Indonesia,
5. The Indonesian social security system,
6. The achievements of Indonesian sports,
7. Indonesian politics in International eyes,
8. Law enforcement performance in Indonesia.

Meanwhile, nationalism indicators refer to Benn (1967) adjusted to the Indonesian context, including 1) obedience to the nation, 2) prioritizing the interests of the nation itself, 3) accentuating the nation's characteristics, and 4) realizing that every human being is part of a country (Benn, 1967). Meanwhile, tax sanctions are operated by Smith (1976) into four indicators, including 1) clearly determined tax sanctions, 2) sanctions that are given no compromise, 3) sanctions that are given fairly, and 4) sanctions that are given a deterrent effect (Smith, 1976).

RESULTS AND DISCUSSION
Results

This study uses a questionnaire as an instrument to obtain data. In order to ensure the validity of research results, the instrument was tested for its validity and reliability first. The validity test results show that all indicators/statements contained in each variable are valid. This result is indicated by the calculated r-value of each statement item, which is more than 0.3. The results of the reliability test also showed that the research instrument is reliable, which is the Cronbach alpha value for each variable above 0.70. Therefore, the research data obtained in this study through the questionnaire can be analyzed further.

Data Descriptive Analysis

All respondents in this study are individual taxpayers registered at the Tax Office of Palu who are freelancers. When the researchers went to the field, the researchers distributed 100 questionnaires to the respondents they met. However, 94 questionnaires were returned and filled out correctly. Therefore, the total sample of this study whose data was further processed was 94 respondents. The majority of respondents were women, with 63 people, and the remaining 31 were men. Meanwhile, most respondents were over 40 years old (55 people) and had a bachelor's education background (62 people).

Table 1. The Results of Reliability Test

Variable	Cronbach's Alpha
Tax Compliance	0.803
Patriotism	0.916
Nationalism	0.774
Tax Sanctions	0.844

Data analysis in this study uses multiple linear regression analysis methods. Before the researcher interprets the results of hypothesis testing, the researcher ensures that the multiple linear regression analysis model that is formulated has met all the classic assumptions. Based on the results of the normality test carried out using the one-sample Kolmogorov-Smirnov (K-S) test, the research data has been normally distributed. Also, the results of the multicollinearity test showed that there was no correlation between the independent variables in this study.

Table 2. The Results of Multiple Linier Regression

Independent Variable	Regression Coefficient	t-count	Sig.
Patriotism	0.032	0.348	0.729
Nationalism	0.461	4.127	0.000
Tax Sanctions	0.101	0.885	0.378
Constant = 14.073	F count = 12.040		Sig. =0.000
R = 0.53	Adjusted R Square = 0.263		

Table 2 shows that the adjusted R Square of this study reached 0.263, which means that 26.3% of the variability of the tax compliance variable is influenced by the variability of the patriotism, nationalism, and tax sanctions variables. Meanwhile, the remaining 73.7% is influenced by other variables not examined in this study. Even so, the close relationship between variables in the research model is in the medium category as the correlation coefficient (R), which reached 0.53. Besides, Table 2 also shows the results of the F test, in which the significance is less than 0.05. The F test results mean that the research model is feasible. F test results can also be interpreted that patriotism, nationalism, and tax sanctions simultaneously have a significant effect on tax compliance.

The results of testing the hypothesis through the t-test are shown in Table 2. The patriotism variable has a coefficient of 0.020 with a positive sign. This result means that patriotism has a positive effect on tax compliance. However, Table 5 also shows that the significance value for the independent variable patriotism is 0.729 greater than 0.05. This result means that patriotism has no significant effect on tax compliance. Furthermore, the t-test results related to the independent variable of nationalism show that the magnitude of the influence of nationalism on tax compliance is 0.507. Besides, the significance value for the independent variable of nationalism, which is smaller than the 0.05 significance probability means that nationalism has a significant effect on tax compliance. Meanwhile, the magnitude of the effect of the variable tax sanctions on tax compliance is 0.093, with a significance of 0.378, which is higher than the 5% significance probability. This result means that tax sanctions do not significantly influence tax compliance.

Discussion
The Effect of Patriotism of Tax Compliance

The t-test results in Table 2 show that patriotism has no significant effect on tax compliance. This result means that H1 is rejected. This result contradicts previous studies' findings that provided empirical evidence that patriotism can improve tax compliance (Adiningtyas and Zulaikha, 2016; Jannah, Hutadjulu and Rante, 2018; Konrad and Qari, 2012; MacGregor and Wilkinson, 2012; Wenzel, 2004). However, the result of this study is consistent with the study findings of Lavoie (2011).

The result of hypothesis testing reveals that taxpayers with a high spirit of patriotism do not always comply with applicable tax regulations. The spirit of patriotism grows through positive evaluations of the country rather than fanaticism

127

towards the state (Federico, Golec and Dial, 2005). Therefore, government policies affect the sense of patriotism of citizens. However, citizens' views of government policy are not always the same. Citizens will voluntarily support and fulfill government policies if they assume the policies are right for the country, and the government is trusted in carrying out their duties (Alm, 2019). The rise of cases of corruption, collusion, and nepotism, which are done by tax officers, has reduced the level of public trust in government accountability in managing the tax funds (Jimenez and Iyer, 2016). As a result, citizens will be reluctant to pay taxes and comply with other tax regulations.

This result verifies that motivation for tax compliance not only depends on the prevailing social norms but also on personal norms that are believed by taxpayers. Besides, this finding also confirms that patriotism is not a feeling of loyalty that is not based on positive evaluations of the own nation (Schatz, Staub and Lavine, 1999). Citizens will be willing to sacrifice for their country if they feel that such action is indeed needed. Also, the spirit of patriotism must not be allowed to arise just like that but must be fostered by the government by showing excellent government performance (Gangl, Trogler and Kirchler, 2016).

As part of social identity, patriotism is essential in guiding social behavior (Huddy and Khatib, 2007). The result of this study also indicates that patriotism can be manipulated. Patriotism is activated by comparing the country's current condition with its past conditions (Mummendey, Klink and Brown, 2001). Based on the slippery slope framework, building public trust in taxation authorities is vital in increasing tax compliance (Kirchler, Hoelzl and Wahl, 2008). However, this trust must be managed wisely by the tax authorities without being irresponsible.

The Effect of Nationalism of Tax Compliance
Hypothesis testing result indicates that nationalism has a significant effect on tax compliance. The higher the sense of taxpayer nationalism, the higher the level of taxpayer compliance. This result is in line with the findings of previous research, which also found that a sense of nationalism can improve tax compliance (Putri and Venusita, 2019; Darmawan, Mulyadi and Dahlan, 2020; Hanifah and Yudianto, 2019; Purnamasari, Pratiwi and Sukirman, 2017). This result also verifies that in addition to external motivation, internal motivation also plays a role in shaping the discipline of taxpayers.

Nationalism is a feeling of the love and pride of the nation, followed by thoughts about country

superiority (Federico, Golec and Dial 2005). Citizens with a high sense of nationalism will feel that their country must be better than other countries and even want to colonize other countries. They will only think about how their country is more superior to other countries. Besides, nationalism is often also associated with the fanaticism of citizens towards their own country. The result of this study also confirms that nationalism is different from patriotism, which is often considered the same.

Taxpayers with a high sense of nationalism will obediently carry out tax obligations because they want to contribute to the advancement of their country. They believe that by paying taxes, the country can develop compared to other countries. They do not evaluate the performance of the government and only consider its love of the country. Thus, citizens with strong nationalism tend to be obedient in paying taxes as a form of participation in improving welfare in the country so that it is better than other countries (Hanifah and Yudianto, 2019). Meanwhile, citizens with low nationalism tend not to care about the progress of the country and are not obedient in carrying out tax obligations.

The Effect of Tax Sanctions of Tax Compliance
The result of hypothesis testing indicates that tax sanctions do not significantly influence tax compliance. This result means that the existence of tax penalties for non-compliance does not make taxpayers afraid not to comply. This finding is not in line with previous studies (Anam, Andini and Hartono, 2018; Fuadi and Mangoting, 2013; Ngadiman and Huslin, 2015; Rahayu, 2017; Tirada, 2013). Also, this finding is not in line with the initial idea of the economic theory of tax compliance; that is, the taxpayers pay taxes because they are afraid of getting penalized if they do not obey the tax laws.

The regulator formulates a policy of giving tax penalties to taxpayers who do not comply with the goal that taxpayers will not be negligent in carrying out their tax obligations. The threat of sanctions, whether in the form of fines, interest, increases, and criminal sanctions, is expected to make taxpayers afraid of violating taxation laws (Alm, 2019). Also, the tax sanctions imposed on violating taxpayers are expected to bring a deterrent effect to the taxpayers so that in the future, they will always comply with tax regulations. However, this study revealed that the purpose of tax sanction is not achieved.

Taxpayers are not increasingly compliant with tax sanctions. This finding can be caused by the

lack of public knowledge about tax sanctions. So, they do not realize that there are tax penalties that can catch them if they do not comply with applicable tax regulations. In addition, the existence of tax penalties actually increases the cost of non-compliance because taxpayers have to pay taxes and the penalties at a later date. This can actually damage taxpayer compliance. Based on the slippery slope framework, the power of taxation authorities, in this case, tax sanctions, must be regulated in such a way so that citizens do not feel enforced and they avoid taxes (Kirchler, 2010).

CONCLUSION

The results of this study reveal that nationalist taxpayers tend to be obedient in carrying out tax obligations compared to non-nationalist taxpayers. Besides, this study finds that patriotic taxpayers evaluate and criticize tax policies so that they do not automatically comply with tax regulations voluntarily. This study also finds that tax sanctions cannot guarantee tax compliance. The findings of this study have implications for the definition of patriotism and nationalism. The findings of this study confirm that patriotism and nationalism are a different sense of loving the country. Even so, the results of this study verify the social identity theory, which states that the emotional feelings of citizens towards their country motivate them to sacrifice voluntarily for the development of their country. However, the economic theory of tax compliance, which states that taxpayers are rational actors who consider the cost-benefit analysis in implementing tax regulations, is not proven empirically. This interpretation is indicated by the results of the study, specifically that the existence of tax sanctions does not improve tax compliance. This result means that the purpose of tax sanctions to improve tax compliance is not achieved. The lack of taxpayer knowledge regarding tax sanctions is one of the causes of the ineffectiveness of tax sanctions in providing a deterrent effect to taxpayers who do not comply. Also, the enforcement of tax sanctions affects the fear of taxpayers if they do not comply with applicable tax regulations. Based on that, the findings of this study contribute to regulators in formulating efforts that can improve tax compliance, including conducting regular tax socialization to the public.

The findings of this study must be interpreted carefully. This research was only conducted on individual taxpayers in the city of Palu so that the generalization of study findings was carried out by considering the characteristics of the research subjects. For further researchers, researchers suggest adding other independent variables that describe love and fear of the nation in tax compliance, such as ethnic background, and the knowledge of tax rates and penalty rates, and so on.

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