

## The Effect of Warning Letter, Forced Letter and Order for Implementing Confiscation on the Settlement of Tax Arrears at the Kendari Pratama Tax Service Office



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**ABSTRACT:** This study aims to determine the effect of warning letters, forced letters and warrants to carry out confiscation on payment of tax arrears at the Kendari Pratama Tax Service Office. Methods of data collection using a questionnaire. Data analysis used descriptive analysis and multiple linear regression analysis. Based on the results of data analysis with the help of SPSS 24, it shows that the results of the partial hypothesis test (t-test) prove that the warning letter has a positive and significant effect on the settlement of tax arrears. The value of t-count > t-table is  $3.157 > 1.661$  with a significant level of  $0.002 < 0.05$ . The results of the partial hypothesis test (t-test) prove that the Forced Letter has a positive and insignificant effect on the settlement of tax arrears. The value of t-count < t-table is  $0.449 < 1,661$  with a significant level of  $0.654 > 0.05$ . The results of the partial hypothesis test (t-test) prove that the Warrant for Implementing Confiscation has a positive and significant effect on the settlement of tax arrears. The value of t-count > t-table is  $3.298 > 1.661$  with a significant level of  $0.001 < 0.05$ . The results of the simultaneous hypothesis test (F-test) prove that a warning letter, a warrant and a warrant for confiscation have a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Office.

**KEYWORDS:** Warning Letter, Forced Letter, Order to Implement Confiscation, and Settlement of Tax Arrears

### I. INTRODUCTION

Taxes have an important role for the continued development of this country, taxes are the main source of state revenue from oil and gas and non-oil and gas sources. With such a position, it must be managed properly so that state finances can run smoothly and well. From year to year, various steps and policies have been taken to increase tax revenue as a source of state revenue. This policy can be carried out through efforts to increase revenue in the tax sector, the government through improving legislation, issuing new regulations in the field of taxation, increasing the level of taxpayer compliance and exploring other tax sources. The various efforts above, of course, have not been able to produce a significant increase in taxes for state revenues. Therefore,

The following table describes the plan and realization of tax revenues from the Pratama Kendari Tax Office (KPP) from 2017-2020.

**Table 1. Tax Revenue Plan and Realization Period 2017-2020**

Period	Target	Realization	Percentage
2017	1,115,065,576,295	823,398,282,149	73.84%
2018	1,060,834,375,000	1,044,387,457,414	98.45%
2019	1,235,184,434,000	1,379,008,470,478	111.64%
2020	1,376,306,528,000	1,299,180,479,757	94.40%

(Source: KPP Pratama Kendari 2021)

Table 1 can be seen that from 2017 to 2020 the number of tax revenues from the Pratama Kendari Tax Office (KPP) there was an increase and decrease in the realization of tax revenues. Where in 2017 the total tax revenue was Rp. 823,398,282,149 or about 73.84%, in 2018 it was Rp. 1,044,387,457,414 or about 98.45%, in 2019 it was 1,379,008,470,478 or around 111,64% and in 2020 it was 1,299,180,479,757 or 94.40%. To further maximize tax revenue, the government has taken policy steps to

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increase compliance and public awareness of paying taxes. Before making the policy, there are several things that the government should know about policy makers. The contribution of tax revenue is determined by the government's role as a policy maker.

Data collected from the Tax Service Office (KPP) Pratama Kendari shows that the number of tax arrears is still high in the 2017-2020 period, this can be seen in table 2 below:

**Table 2. Amount and Nominal of Reprimand Letters, Forced Letters, Warrants for Implementing Foreclosures issued by the Kendari Pratama Tax Service Office in 2017-2020**

Period	Reprimand letter		Forced Letter		SPMP	
	Amount	Nominal	Amount	Nominal	Amount	Nominal
2017	4.201	13.978.053.477	3.145	7,808,798,628	9	1,750,756,699
2018	6.885	22,628,607,927	2,241	11,580,114,886	142	9,765,017,716
2019	5.174	16,204,813,567	1,624	10,339,204,050	75	6,032,835,104
2020	10,863	51,373,959,096	5.848	14,227,693,815	29	2,657,172,326

(Source: KPP Pratama Kendari 2021)

Table 2 shows the phenomenon of an increase and decrease in the number of tax arrears that occurred in 2017-2020 at the Kendari Pratama Tax Service Office. This shows that the role of the tax authorities in paying off tax arrears is very important. In the tax administration process, there are several facilities that can be used by the tax authorities to increase the disbursement of payment of tax arrears to increase the amount of state revenue. This facility is carried out by issuing warning letters, forced letters and warrants to carry out confiscation to taxpayers who have tax arrears.

The following table presents the number of warning letters, forced letters and orders to carry out confiscations issued by the Kendari Pratama Tax Service Office (KPP) from 2017-2020.

**Table 3. Amount and Nominal of Reprimand Letters, Forced Letters, Warrants for Implementing Foreclosures issued by the Kendari Pratama Tax Service Office in 2017-2020**

Period	Reprimand letter		Forced Letter		SPMP	
	Amount	Nominal	Amount	Nominal	Amount	Nominal
2017	4.201	13.978.053.477	3.145	7,808,798,628	9	1,750,756,699
2018	6.885	22,628,607,927	2,241	11,580,114,886	142	9,765,017,716
2019	5.174	16,204,813,567	1,624	10,339,204,050	75	6,032,835,104
2020	10,863	51,373,959,096	5.848	14,227,693,815	29	2,657,172,326

(Source: KPP Pratama Kendari 2021)

Table 3 shows warning letters, forced letters, warrants to carry out confiscation in unstable conditions. Where in 2017 the warning letters issued amounted to 4,201 with a nominal value of Rp. 13,978,053,477. In 2018 there were 6,885 with a nominal value of Rp. 22,628,607,927. In 2019 there were 5,174 with a nominal value of Rp. 16,204,813,567. In 2020, there are 10,863 with a nominal value of IDR 51,373,959,096.

Meanwhile, the Forced Letter experienced an increase and decrease. Where in 2017 the forced letters issued amounted to 3,145 with a nominal value of IDR 7,808,798,628. In 2018 there were 2,241 with a nominal value of Rp. 11,580,114,886. In 2019 there were 1,624 with a nominal value of IDR 10,339,204,050. In 2020, there are 5,848 with a nominal value of Rp. 14,227,693,815.

Meanwhile, the Warrant for Implementing Confiscation has increased and decreased. Where in 2017 the Warrants for Implementing Confiscation issued amounted to 9 with a nominal value of Rp. 1,750,756,699. in 2018 amounted to 142 with a nominal value of IDR 9,765,017,716. in 2019 amounted to 75 with a nominal value of Rp. 6,032,835,104. in 2020 amounted to 29 with a nominal value of IDR 2,657,172,326. The purpose of this study is to find out and explain the effect of a warning letter on the settlement of tax arrears at the Kendari Pratama Tax Service Office, to find out and explain the effect of the forced letter on the settlement of tax arrears at the Kendari Pratama Tax Service Office.

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## II. BASIS THEORIES AND HYPOTHESES

### A. Understanding Tax

According to Law Number 16 of 2009 concerning General Provisions and Tax Procedures, tax is a mandatory contribution to the state owed by an individual or entity that is coercive under the law, with no direct compensation and is used for the state's purposes as much as possible. people's prosperity.

Taxes are public contributions to the state (which can be imposed) owed by those who are obliged to pay them according to general regulations (laws) with no return of achievement that can be directly appointed and whose purpose is to finance general expenses in connection with the state's duty to organize the government (Priantara, 2012: 2).

The tax functions include: Budgetair Functions, Regularend Functions, Stability Functions and Income Redistribution Functions.

The following are the types of taxes:

1. According to the group
  - a. Direct tax
  - b. Indirect tax
2. According to its nature
  - a. Subjective tax
  - b. Objective tax
3. According to the collection agency
  - a. Central tax
  - b. Local tax

### B. Tax Collection

To achieve the goal of tax collection, it is necessary to adhere to the principle of collection in choosing alternative collections. So there is a harmony between the tax collector with the goals and principles that are still needed, namely an understanding of certain tax treatments. Collecting taxes, there are several principles of tax collection (Mardiasmo, 2011: 7), namely: Domicile Principle (Principle of Residence), Source Principle and Nationality Principle.

The tax collection system can be divided into 3, namely: Official Assessment System, Self Assessment System and With Holding System

### C. Barriers to Collection of Taxes

Barriers to tax collection can be grouped into (Mardiasmo, 2011: 8):

#### 1. Passive Resistance

People are reluctant (passively) to pay taxes, which can be caused, among others:

- a. Intellectual and moral development of society.
- b. A tax system that (perhaps) is difficult for the public to understand.
- c. The control system cannot be carried out or implemented properly.

#### 2. Active Resistance

Active resistance includes all efforts and actions that are directly aimed at the tax authorities with the aim of avoiding taxes.

The forms include:

- a. Tax avoidance, an effort to ease the tax burden by not violating the law.
- b. Tax evasion, an effort to lighten the tax burden by violating the law (tax evasion)

### D. Incurrence of Taxes Payable

Taxes payable according to article 1 point 8 of Law Number 19 of 2000 concerning Collection of Taxes by Forced Letters That Taxes Payable are taxes that must be paid including administrative sanctions in the form of interest, fines or increases as stated in the tax assessment letter or similar letter based on the laws and regulations tax invitation (Sutedi, 2013: 35).

According to Sari (2013: 48) the emergence of tax debt can be grouped into 2, namely:

1. Material teaching
2. Formal Teaching

### E. Delete Tax Debt

The abolition of tax debts can be caused by the following things, (Sutedi, 2013: 38), namely:

- a. Payment

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- b. Compensation
- c. Expiration (Expired is defined as billing expiration)
- d. Liberation
- e. Removal

### **F. Tax Collection**

Law Number 19 of 1997 concerning Collection of Taxes by Forced Letters as amended by Law Number 19 of 2000, what is meant by tax collection are as follows: "a series of actions so that the tax insurer pays off the tax debt and the cost of collecting taxes by reprimand or warn, carry out instant and simultaneous collections, notify forced letters, propose prevention, carry out confiscations, carry out hostage taking, sell goods that have been confiscated" (Mardiasmo, 2011: 145).

### **G. Tax Collection Process**

Minister of Finance Regulation No.24/PMK.03/2008 stages or process of tax collection are as follows:

1. The official issues a warning letter, warning letter, or other similar letter if within 7 days after the due date the tax guarantor does not or has not paid off his tax debt.
2. After that, if within 24 days after the issuance of a warning letter, warning letter, or other similar letter, the tax guarantor receives the tax payer but the tax payer still has not paid off his tax debt, a Forced Letter will be issued.
3. Furthermore, if the forced letter has been issued and has been received by the tax insurer but within a period of 2x24 hours still has not paid off the tax debt, then the official can issue an Order for Implementing Confiscation.
4. After that, if within a period of 14 days a collection has been made with a confiscation order, it turns out that the tax guarantor has not yet paid off his tax debt, then the official issues an order regarding the announcement of the auction.
5. The official may carry out the sale of confiscated goods by the tax guarantor through the State Auction Office if after the issuance of the order regarding the announcement of the auction but the tax bearer still has not paid off his tax debt.

### **H. Tax Collection Basis**

Article 18 paragraph 1 of Law Number 28 of 2007, the third amendment to Law Number 6 of 1983 concerning General Provisions and Tax Procedures, that the assessment letter and decision letter which forms the basis for tax collection are as follows:

1. Tax Collection Letter
2. Underpaid Tax Assessment Letter
3. Additional Underpayment Tax Assessment Letter
4. Correction Decree.
5. Decision Letter of Objection
6. Appeal Decision

### **I. Tax Collection Action**

According to Suandy (2008: 173) tax collection can be grouped into 2, namely:

1. Passive Tax Collection
2. Active Tax Collection

### **J. Tax arrears**

Tax arrears are the amount of tax receivables that have not been paid off since the issuance of the tax assessment, and the amount of tax receivables that have not been paid off previously during the tax billing period, tax assessment letters for underpayment, additional tax underpayment assessment letters, decision letters for corrections and appeal decisions. , 2007: 40).

### **K. Legal Basis for Collection of Taxes With Coercive Letters**

Tax collection in Indonesia must be based on clear and binding laws, so that taxpayers and related parties can comply. The laws and regulations as well as decisions governing tax collection by force letter are as follows:

1. Law Number 6 of 1983 concerning General Provisions and Tax Procedures as last amended by Law Number 28 of 2007.
2. Law Number 19 of 1997 concerning Collection of Taxes by Forced Letters as last amended by Law Number 19 of 2000.
3. Regulation of the Minister of Finance of the Republic of Indonesia Number 24/PMK.03/2008 concerning Procedures for Implementation and Billing by Forced Letters and Implementation of Instant and Simultaneous Billing as amended lastly by Regulation of the Minister of Finance of the Republic of Indonesia Number 85/PMK.03/2010.

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4. Decree of the Minister of Finance of the Republic of Indonesia Number 561/KMK.04/2000 concerning Procedures for Implementing Instant and Simultaneous Billing and Implementation of Forced Letters.

### **L. Reprimand letter**

Article 5 Decree of the Minister of Finance No. 561/KMK.04/2000 that the act of implementing tax collection begins with a warning letter, warning letter or other similar letter by an official or official's proxy after 7 days from the due date of payment. The issuance of a warning letter, warning letter, or other similar letter is the initial act of implementing tax collection and its implementation must be carried out before proceeding with the issuance of a forced letter. If there is a Taxpayer who has never been given a warning letter, warning letter or other similar letter but is immediately issued and given a forced letter, then legally the forced letter is considered non-existent because it was not preceded by the issuance of a warning letter, warning letter, or other similar letter. .

### **M. Forced Letter**

A forced letter is an order to pay tax debts and tax collection fees. Forced letters have the same executive power and legal standing as court decisions that have permanent legal force (Mardiasmo, 2011: 147). A forced letter is an order to pay tax debts and tax collection fees (Rusjdi, 2007: 33).

### **N. Issuance of Forced Letters**

A forced letter is issued after a warning letter, warning letter, or other similar letter is issued by the official. According to Mardiasmo (2011: 147), a forced letter is issued if:

1. The tax bearer does not pay off the tax debt and to him a warning letter or warning letter or other similar letter is issued.
2. The tax bearers have been billed at once and at the same time.
3. The tax bearer does not meet the conditions as stated in the decision on installment approval or postponement of tax payments.

### **O. Forced Notice**

The forced letter is notified by the tax bailiff with a statement and submission of a copy of the forced letter to the tax insurer. Notification of the forced letter to the tax insurer by the tax bailiff is carried out by reading out the contents of the forced letter and both parties signing the official report as a statement that the forced letter has been notified. Furthermore, a copy of the forced letter is submitted to the tax insurer and the original forced document is stored in the official's office.

### **P. Tax Collection With Foreclosure**

According to Mardiasmo (2016: 154) Warrant for Implementing Confiscation is the act of a tax bailiff to control the goods of the tax guarantor, to be used as collateral to pay off tax debts according to the applicable laws and regulations.

The confiscation carried out by the Tax Bailiff against the property of the tax bearer in a different place of residence, place of business, or in other places may take the form of, among others:

1. Moving goods
2. Immovable goods

### **Q. Billing Expiration**

The right to collect taxes, expires after exceeding 5 years from issuance (Suhartono and Ilyas, 2010: 85):

- a. Tax bill
- b. Underpayment tax assessment letter
- c. Additional underpayment tax assessment letter
- d. Letter of correction
- e. Notice of objection
- f. Appeal decision letter
- g. Judgment of reconsideration

### **R. Hypothesis**

Berdasarkan the explanation above, then the proposed hypothesis is as follows:

- H1 : It is suspected that the warning letter has a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.
- H2 : It is suspected that the Forced Letter has a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.

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- H3 : It is suspected that the Warrant for Implementing Confiscation has a significant effect on the settlement of tax arrears.  
 H4 : It is suspected that the warning letter and the forced letter have a significant simultaneous effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.

### III. METODE RESEARCH

#### A. Population, Sample, Data Type, and Data Source

The location of the research was carried out at the Kendari Pratama Tax Service Office, which is located at Jalan Sao-Sao Number 188, Bende Village, Kadia District, Kendari City, Southeast Sulawesi Province.

The population in this study were registered taxpayers at the Kendari Pratama Tax Office totaling 67,561. The sampling technique used in this study is incidental sampling. The type of data used in this study is quantitative data, which are respondents' answers to questionnaire questions which are measured using a score from the Likert scale. Sources of primary data in this study directly from the Kendari Pratama Tax Service Office in the form of a billing section performance report (reprimand letter data, forced letter data, confiscation order data and tax arrears data), as well as other related data. The secondary data in this study are journals which are articles as references for this research, obtained from published journals.

#### B. metode Research and Data Analysis Methods

method The research method used for data collection in the study were questionnaires, interviews and literature review. The analytical method used is descriptive analysis, and multiple linear regression analysis. Classical assumption testing conducted in this study included normality test, heteroscedasticity test, autocorrelation test and multicollinearity test.

#### C. Hypothesis test

Statistically, the determination of the sample regression function in static estimation can be measured from the value of the t statistic, the value of the F statistic and the coefficient of determination. A statistical calculation is statistically significant if the value of the statistical test is in the critical area (H0 is rejected). On the other hand, it is called insignificant if the value of the statistical test is in the area where H0 is accepted.

#### D. Variable Operational Definition

1. Independent Variable
  - a. Warning Letter (X1) is a letter issued by the Kendari Pratama Tax Service Office to reprimand or warn the Taxpayer to pay off his tax debts that are in arrears.
  - b. Forced Letter (X2) is a warrant issued by the Kendari Pratama Tax Service Office and carried out by the bailiff to force the taxpayer to pay off the tax debt within a certain period of time.
  - c. Warrant for Implementing Confiscation (X3) is a warrant issued by the Kendari Pratama Tax Service Office and carried out by the bailiff to control the goods of the tax bearer.
2. The dependent variable (Y) in this study is the settlement of tax arrears, namely the number of taxpayers who are in arrears with taxes at the Kendari Pratama Tax Service Office during 2017-2020.

### IV. RESULTS AND DISCUSSION

The data of this study were obtained from the results of the answers to the questionnaires that had been distributed to taxpayers and who had filled them out as many as 100 respondents with predetermined respondent criteria.

#### A. An Descriptive analysis

##### 1. Warning Letter (X1)

The warning letter variable (X1) is explored with 2 indicators, namely: Issuance of a warning letter and the time of collection which consists of 7 question items. The distribution of answers for the variable of reprimand and the percentage tendency of the answer scores is presented in the following table:

**Table 4. Distribution of Respondents' Answers on the Variable Reprimand Letter (X1)**

Items (item)	Frequency of Respondents' Answers (f) and Percentage (%)										Total Score	Average Score	Percent
	SS(5)		S(4)		RG(3)		TS(2)		STS(1)				
	F	%	F	%	F	%	F	%	F	%			
X1.1.1	30	30	60	60	10	10	0	0	0	0	420	4.20	84%

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X1.1.2	18	18	63	63	17	17	2	2	0	0	397	3.97	79.40%
X1.1.3	11	11	76	76	11	11	2	2	0	0	396	3.96	79.20%
<b>Average Indicator Issuing Warning Letters (X1.1)</b>											<b>1,213</b>	<b>4.04</b>	<b>80.87%</b>
X1.2.1	9	9	30	30	41	41	19	19	1	1	327	3.27	65.40%
X1.2.2	21	21	60	60	16	16	3	3	0	0	399	3.99	79.80%
X1.2.3	17	17	67	67	10	10	5	5	1	1	394	3.94	78.80%
X1.2.4	7	7	33	33	51	51	7	7	2	2	336	3.36	67.20%
<b>Average Billing Time Indicator (X1.2)</b>											<b>1,456</b>	<b>3.64</b>	<b>72.80%</b>
<b>Average Warrant Variable (X1.1-X1.2)</b>											<b>2,669</b>	<b>3.84</b>	<b>76.83%</b>

(Source: Primary Data Processed 2021)

Table 4 shows that the results of the research on the description of the warning letter variable according to the respondents' responses are quite good. This can be seen from the average perception of the overall warning letter variable according to the respondents' responses of 3.84 or (76.83%) = strong. This indicates that most of the respondents responded positively to the warning letter.

### 2. Forced Letter (X2)

The Forced Letter (X2) variable is explored with 2 indicators, namely: Issuance of Forced Letters and Tax Collection which consists of 5 question items. The distribution of answers for the Forced Letter variable and the percentage tendency of the answer scores are presented in the following table:

**Table 5. Distribution of Respondents' Answers to the Forced Letter Variable (X2)**

Items (item)	Frequency of Respondents' Answers (f) and Percentage (%)										Total Score	Average Score	Percent
	SS(5)		S(4)		RG(3)		TS(2)		STS(1)				
	F	%	F	%	F	%	F	%	F	%			
X2.1.1	30	30	64	64	6	6	0	0	0	0	424	4.24	84.80%
X2.1.2	24	24	68	68	8	8	0	0	0	0	416	4.16	83.20%
<b>Average Indicator of Issuance of Forced Letters (X2.1)</b>											<b>840</b>	<b>4.20</b>	<b>84%</b>
X2.2.1	26	26	71	71	3	3	0	0	0	0	423	4.23	84.60%
X2.2.2	21	21	74	74	5	5	0	0	0	0	416	4.16	83.20%
X2.2.3	22	22	69	69	9	9	0	0	0	0	413	4.13	82.60%
<b>Average Tax Collection Indicator(X2.2)</b>											<b>1,252</b>	<b>4.17</b>	<b>83.47%</b>
<b>Average of Forced Letter Variables (X2.1-X2.2)</b>											<b>2,092</b>	<b>4.19</b>	<b>83.73%</b>

(Source: Primary Data Processed 2021)

Table 5 shows that the results of the descriptive study of the Forced Letter variable according to the respondents' responses are quite good. This can be seen from the average perception value of the Coercive Letter variable according to the respondents' responses of 4.19 or (83.73%) = strong. This indicates that most of the respondents responded positively to the Forced Letter.

### 3. Warrant for Implementing Confiscation (X3)

The Variable Warrant for Implementing Confiscation (X3) is explored with 2 indicators, namely: Confiscation and Auction consisting of 6 question items. The distribution of answers for the Warrant Executing Confiscation variable and the percentage tendency of the answer scores are presented in the following table:

**Table 6. Distribution of Respondents' Answers on Variables of Warrants Carrying Out Confiscation (X3)**

Items (item)	Frequency of Respondents' Answers (f) and Percentage (%)										Total Score	Average Score	Percent
	SS(5)		S(4)		RG(3)		TS(2)		STS(1)				
	F	%	F	%	F	%	F	%	F	%			
X3.1.1	21	21	68	68	10	10	1	1	0	0	409	4.09	81.80%
X3.1.2	20	20	67	67	12	12	1	1	0	0	406	4.06	81.20%
X3.1.3	28	28	52	52	18	18	2	2	0	0	406	4.06	81.20%

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Average Foreclosure Indicator (X3.1)											1.221	4.07	81.40%
X3.2.1	20	20	65	65	15	15	0	0	0	0	405	4.05	81%
X3.2.2	11	11	69	69	20	20	0	0	0	0	391	3.91	78.20%
X3.2.3	20	20	68	68	12	12	0	0	0	0	408	4.08	81.60%
Auction Indicator Average (X3.2)											1,204	4.01	80.27%
Variable Average Warrant Executing Confiscation (X3.1-X3.2)											2.425	4.04	80.83%

(Source: Primary Data Processed 2021)

Table 6 shows that the results of the descriptive study of the Warrant Executing Confiscation variable according to the respondents' responses are quite good. This can be seen from the overall average perception value of the Warrant Executing Confiscation variable according to respondents' responses of 4.04 or (80.83%) = strong. This indicates that most of the respondents responded positively to the Warrant for Implementing Confiscation.

#### 4. Payment of Tax Arrears (Y)

The variable for Settlement of Tax Arrears (Y) is explored with 2 indicators, namely: Payment of taxes and tax receipts consisting of 6 question items. The distribution of answers for the variable of Settlement of Tax Arrears and the percentage tendency of the answer scores are presented in the following table:

**Table 7. Distribution of Respondents' Answers on the Variable Payment of Tax Arrears (Y)**

Items (item)	Frequency of Respondents' Answers (f) and Percentage (%)										Total Score	Average Score	Percent
	SS(5)		S(4)		RG(3)		TS(2)		STS(1)				
	F	%	F	%	F	%	F	%	F	%			
Y1.1.1	66	66	26	26	8	8	0	0	0	0	458	4.58	91.60%
Y1.1.2	57	57	32	32	10	10	1	1	0	0	445	4.45	89%
Y1.1.3	66	66	25	25	8	8	1	1	0	0	456	4.56	91.20%
Average Tax Payment Indicator (Y1)											1.359	4.53	90.60%
Y2.2.1	47	47	52	52	1	1	0	0	0	0	446	4.46	89.20%
Y2.2.2	42	42	55	55	3	3	0	0	0	0	439	4.39	87.80%
Y2.2.3	43	43	56	56	1	1	0	0	0	0	442	4.42	88.40%
Average Tax Revenue Indicator (Y2)											1.327	4.42	88.47%
Variable Average Payment of Tax Arrears (Y1-Y2)											2,686	4.48	89.53%

(Source: Primary Data Processed 2021)

Table 7 shows that the results of descriptive research on the Settlement of Tax Arrears according to respondents' responses are quite good. This can be seen from the overall perception value of the Tax Arrears Settlement variable according to respondents' responses of 4.48 or (89.53%) = very strong. This indicates that most respondents have a high enough awareness to pay off tax arrears.

The results of the correlation coefficient and cronbach alpha to test the validity and reliability of the use of statement items from variable indicators are as follows:

**Table 8. Recapitulation of Validity and Reliability Test Results**

Variable Indicator	Question Items	Correlation Coefficient	Sig.	Note.	Cronbach's Alpha	Note.
Warning Letter Variable (X1)						
Issuing a Letter of Reprimand (X1.1)	X1.1.1	0.752	0.000	Valid	0.795	Reliable
	X1.1.2	0.745	0.000	Valid		
	X1.1.3	0.733	0.000	Valid		
Billing Time (X1.2)	X1.2.1	0.799	0.000	Valid	0.895	Reliable
	X1.2.2	0.790	0.000	Valid		
	X1.2.3	0.788	0.000	Valid		
	X1.2.4	0.875	0.000	Valid		



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Forced Letter Variable (X2)						
Issuance of Forced Letters (X2.1)	X2.1.1	0.736	0.000	Valid	0.712	Reliable
	X2.1.2	0.728	0.000	Valid		
Tax Collection (X2.2)	X2.2.1	0.742	0.000	Valid	0.784	Reliable
	X2.2.2	0.721	0.000	Valid		
	X2.2.3	0.736	0.000	Valid		
Variable Warrant to Implement Confiscation (SPMP) (X3)						
Confiscation (X3.1)	X3.1.1	0.537	0.000	Valid	0.552	Reliable
	X3.1.2	0.636	0.000	Valid		
	X3.1.3	0.625	0.000	Valid		
Auction (X3.2)	X3.2.1	0.606	0.000	Valid	0.637	Reliable
	X3.2.2	0.628	0.000	Valid		
	X3.2.3	0.685	0.000	Valid		
Variable Payment of Tax Arrears (Y)						
Tax Payment (Y1.1)	Y1.1.1	0.937	0.000	Valid	0.952	Reliable
	Y1.1.2	0.856	0.000	Valid		
	Y1.1.3	0.960	0.000	Valid		
Tax Revenue (Y1.2)	Y1.2.1	0.758	0.000	Valid	0.747	Reliable
	Y1.2.2	0.782	0.000	Valid		
	Y1.2.3	0.570	0.000	Valid		

(Source: Primary Data Processed 2021)

Based on table 8 above, it states that the statements in the questionnaire are valid and reliable statements. This decision was taken because the Pearson correlation value > 0.30 with a significant level < 0.05 and the correlation coefficient value from the results of Cronbach alpha > 0.60. So it can be concluded that all statement items used as instruments in this study are valid and reliable, or it can be said that the questionnaire used is worthy of being used as an instrument to measure each variable.

**B. Classic assumption test**

1. testi Normality

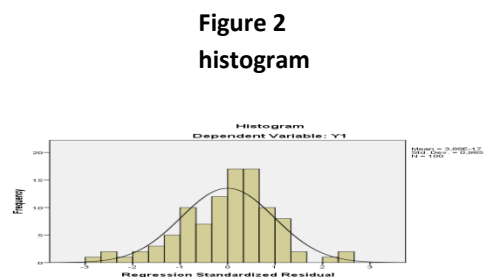
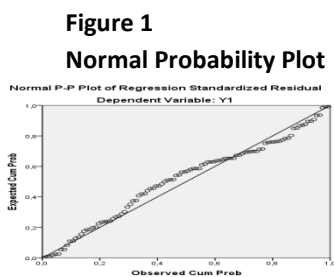


Figure 1 above shows that the normal probability distribution points follow the direction of the diagonal line. Based on the normal p-plot graph, it shows that the regression model is feasible to use in this study because it meets the normality assumption.

Figure 2 histogram above illustrates that the residuals are normally distributed, indicated by a symmetrical pattern that does not deviate to the right and to the left. Thus the regression model has met the normal assumptions.

2. testi Multicollinearity

**Table 9. Multicollinearity Test Results**

Model	Colinearity statistics	
	Tole-rance	VIF
X1	,863	1,195
X2	,687	1,455
X3	,695	1,439

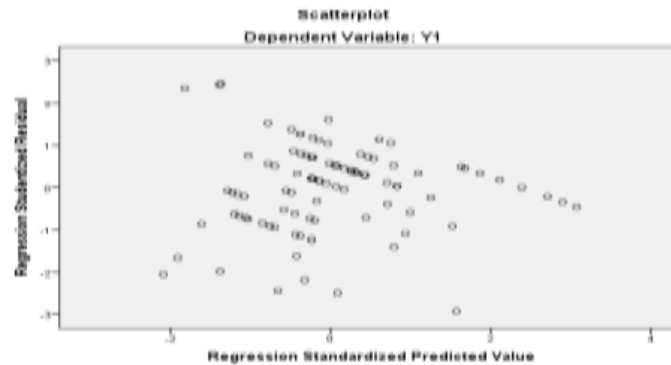
(Source: Primary Data Processed 2021)

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Based on table 9 above, it shows that the tolerance number for each variable in this study is above 0.10 and the VIF value is below 10. This shows that there is no correlation between independent variables so it can be concluded that there is no multicollinearity.

### 3. Test Heteroscedasticity

**Figure 3. Heteroscedasticity Test Results**



(Source: Primary Data Processed 2021)

Based on Figure 3 scatter plot above, it can be seen visually that the residual value and the predicted value do not form a certain pattern (random). So it can be said that the regression model in this study is free from heteroscedasticity problems.

### 4. Autocorrelation Test

**Table 10. Autocorrelation Test Results Model Summary**

Model	R	R Square	Durbin-Watson
1	,540a	,292	1,660

(Source: Primary Data Processed 2021)

The results of the autocorrelation test in Table 10 show that the Durbin-Watson (DW) value is 1.660 where the number is between -4 to +4 which means that there is no autocorrelation.

## B. Hypothesis testing

### 1. Partial Test (t-test)

**Table 11 t test results**

#### Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,567	,519		3,018	,003
1 X1	,258	,082	,292	3,157	,002
X2	0,060	,133	0,047	,449	,654
X3	,413	,125	,340	3,298	,001

(Source: Primary Data Processed 2021)

Based on table 11, it shows that the t-count for the warning letter variable is  $3,157 >$  from the t-table of 1.661 or with a significance level of  $0,002 <$  of  $= 0,05$ , from the test results it can be concluded that H1 is accepted and H0 is rejected. This explains that the variable of warning letter partially and significantly influences the payment of tax arrears.

Based on table 11 shows that the t-count for the forced letter variable is  $0,449 >$  from the t-table of 1.661 or with a significance level of  $0,654 <$  of  $= 0,05$ , from the test results it can be concluded that H2 is rejected and H0 is accepted.

Based on table 11 shows that the t-count for the variable warrants to carry out confiscation is 3.298 from a t-table of 1.661 or with a significance level of  $0,001 <$  from  $= 0,05$ , then from the test results it can be concluded that H3 is accepted and H0 is rejected. This explains that the variable of the warrant to carry out the confiscation has a partial and significant effect on the settlement of tax arrears.

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## 2. Simultaneous Test (F Test)

Table 12. F . Test Results

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4,747	3	1,582	13,176	,000b
	Residual	11,528	96	,120		
	Total	16,275	99			

(Source: Primary Data Processed 2021)

Table 12 shows the results of the F-count = 13,176 which is greater than the F-table = 3.94 (13.176 > 3.94) with a significance value = 0.000 which is smaller than the 5% significance level (0.000 < 0.05), so it can be concluded that it can be concluded that all variables simultaneously (simultaneously) both warning letters, forced warrants and warrants to carry out confiscation have a significant effect on the settlement of tax arrears. Thus H4 is accepted.

## 3. Kcoefficient of determination (R2)

Table 13. Coefficient of Determination Test Results Model Summaryb

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	,540a	,292	,270		,34653	1,660

(Source: Primary Data Processed 2021)

Table 13 has shown the results of the coefficient of determination test which shows the R Square value is 0.292 or 29.2%. This shows that warning letters, forced letters and warrants to carry out confiscation can explain the payment of tax arrears only by 29.2%. While the remaining 70.8% is explained by other variables outside of this study.

### C. Effect of Warning Letter on Payment of Tax Arrears

The results of the test of the warning letter variable can be concluded that the number of warning letters issued has a positive and significant effect on paying off tax arrears. This is proven by the value of tcount which is greater than the value of ttable with a significantly smaller level, it can be said that the number of warning letters issued has increased or decreased, which can affect the Settlement of Tax Allowances at the Kendari Pratama Tax Service Office.

The results of this study are in line with the results of Purba's (2019) research which states that a warning letter has a significant effect on the settlement of tax arrears. The results of this study are not in line with the results of research by Hidayat (2018) and Arman (2016) which state that warning letters have no significant effect on payment of tax arrears.

### D. The Effect of Forced Letters on Payment of Tax Arrears

The results of the test of the forced letter variable can be concluded that the number of forced letters issued has a positive and insignificant effect on paying off tax arrears. This is evidenced by the value of tcount which is smaller than the value of ttable with a significantly greater value, it can be said that the number of forced letters issued has increased and has not been able to affect the settlement of tax arrears at the Kendari Pratama Tax Service Office.

The results of this study are not in line with the results of research conducted by Purba (2019) which states that the Forced Letter has no significant effect on the Disbursement of Tax arrears. This research is also not in line with research by Arman (2016) which states that the Forced Letter has a significant effect on the settlement of tax arrears.

### E. Influence of Ordersah Implement confiscation of tax arrears settlement

The results of testing the variables for warrants to carry out foreclosures can be concluded that the number of warrants to carry out confiscations issued has a positive and significant effect on the settlement of tax arrears. This is evident in the value of tcount which is greater than the value of ttable with a significantly smaller level, it can be said that the number of warrants for foreclosure issued has increased or decreased, which can affect the Settlement of Tax Payments at the Kendari Pratama Tax Service Office.

The results of this study are in line with the results of research conducted by Affandi (2017) which states that the Warrant for Implementing Confiscation is effective against the Disbursement of Tax Arrears. The results of this study are not in line with

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the results of the Purba (2019) research which states that the Warrant for Implementing Confiscation has no significant effect on the Disbursement of Tax Arrears.

### ***F. The Effect of Reprimand Letters, Forced Letters and Ordersah Implement confiscation of tax arrears settlement***

The results of hypothesis testing indicate that the variables of Reprimand Letter, Forced Letter and Warrant for Implementing Confiscation have a significant effect on the settlement of tax arrears. This effect can be seen from the calculated  $f$  value which is greater than  $f$  table with a smaller significance level. This shows that the issuance of a warning letter, a letter of compulsion and a warrant to carry out a confiscation affects the awareness of taxpayers to pay off their tax debts.

Warning Letters, Forced Letters and Orders to Implement Confiscation simultaneously have a significant effect on taxpayers in paying off tax arrears. It explains that a warning letter, a letter of coercion and a warrant for carrying out confiscation are factors influencing taxpayers at the Kendari Pratama Tax Service Office to pay off their tax debts.

### **CONCLUSIONS**

1. Based on the partial test (t-test), that the warning letter has a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.
2. Based on the Partial Test (t-test), that the Forced Letter has no significant effect on the Settlement of Tax Arrears at the Kendari Pratama Tax Service Office.
3. Based on the Partial Test (t-test), it is proven that the Warrant for Implementing Confiscation has a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.
4. Based on the results of the Simultaneous Test (F-test) calculation, that a warning letter, a warrant and a warrant to carry out a confiscation simultaneously have a significant effect on the settlement of tax arrears at the Kendari Pratama Tax Service Office.

### **ACKNOWLEDGMENT**

It is expected that every year the number of warning letters, forced letters and warrants to carry out confiscations issued by the Kendari Pratama Tax Service Office continues to decrease to show that the level of awareness of taxpayers is increasing so that it does not cause tax arrears. To overcome this, it is necessary to take billing actions that have coercive legal force. These actions are in the form of active tax collection which includes issuance of warning letters, notification of forced letters, carrying out confiscations. This tax collection law is expected to provide legal certainty and justice and can encourage increased public awareness and compliance in fulfilling their tax obligations in order to reduce tax arrears that occur.

Limitations in this study only focused on warning letters, forced letters and warrants to carry out confiscation on payment of tax arrears based on data from the Kendari Pratama Tax Service Office for 2017-2020.

on the conclusions and results of this study as follows:

1. For the Kendari Pratama Tax Service Office, it is hoped that the tax authorities will take firm action against uncooperative taxpayers in accordance with existing and applicable tax provisions in Indonesia.
2. Increase awareness of taxpayers in fulfilling their obligations to pay taxes through intensive tax counseling activities.
3. For further researchers, it is necessary to expand starting from a multiplied sample such as a period of years and add other independent variables such as auctions of taxpayer assets after the confiscation action.

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