THE INFLUENCE OF NOTICE OF TAX COLLECTION AND NOTICE OF TAX UNDERPAYMENT ASSESSMENT ON REVENUE OF INCOME TAX ARTICLE 25 (STUDY AT TAX OFFICE MADIYAMALANG PERIOD OF 2009 – 2013)

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Abstract
Self Assessment System that is used in Indonesia obliges all taxpayers to have active participation in fulfilling their tax obligation. However, during these times there are a lot of mistakes or errors that done by taxpayers in reporting their taxes. Government through Directorate General of Taxes (DGT) conducts tax verification and tax audit in the form of corrective action as well as law enforcement in taxation sector. These actions generate Notice of Tax Collection and Notice of Tax Underpayment Assessment. Problem of this research is do variable of Notice of Tax Collection (LnX1) and Notice of Tax Underpayment Assessment (LnX2) have significant influence on revenue of Income Tax Article 25 (LnY) both simultaneously and partially. Type of research that is used is explanatory research. The result of F-Test shows that LnX1 and LnX2 have significant influence on LnY simultaneously. Meanwhile, t-Test results negative insignificant influence for LnX1 toward LnY and positive significant result for LnX2 on LnY.

Keywords: tax verification, tax audit, Notice of Tax Collection, Notice of Tax Underpayment Assessment, tax revenue

INTRODUCTION

Development always occurs as the time runs. In this modern era, people cannot deny that the development which occurs gives betterment. Moreover, development requires participation from every single party in this country. Here, the role of government is needed. Government as the highest authority takes a role to keep the development goes sustainable. One of the ways is by collecting tax. Tax is being the most important thing as the source of funding to support development. Moreover, nearly three-quarters the amount of national revenue came from tax.

During this time, government tries to seek the way to optimize tax revenue. It has been started since the year of 1983 by managing tax reform and turning taxation system, from official assessment into self assessment system. Tax reform was based on the intention to improve the underlying law for collecting tax, which was a colonial inheritance, to become tax collection that leads to people participation, in order to encourage good distribution of income and the independence of state budget funding. In order to encourage people pay taxes properly, tax compliance is a basic requirement. The importance to increase tax compliance was the ground of tax reform (The Indonesian Tax in Brief, 2006:8). By doing tax reform, government expects to increase tax compliance and achieve tax revenue as expected.

Self assessment system that is used in Indonesia which requires participation of taxpayers actively, suppose to be done correctly. According to Diana and Setiawati (2009:1), self assessment system is a tax collection system that gives authority, trust, and responsibilities to taxpayers to count, pay, and report the amount of the payable tax. Registration, calculation, payment, and reporting tax are important things to be understood by taxpayers in order run tax obligation well. Moreover, reporting tax by using tax return supposes to be more considered by taxpayers because it is the last part of tax obligation fulfillment. By reporting tax return, it can be proof that taxpayer have already pay taxes and perform his or her other tax obligation well. It also reflected tax compliance which is expected by government. Tax return that reported also can be a media for government to control taxpayers.

In fact, sometimes taxpayers make mistakes in reporting tax return. Not to mention, the mistakes that done by tax payers can be little or big mistake which even cause state losses on tax revenue. There are two types of mistakes that commonly done by taxpayers, which are clerical errors and misapplication of regulations. Clerical errors that occur for example can be
error in writing personal identity or error in addition, reduction, multiply, or division of number. Meanwhile, misapplication of regulation can be error in calculation of payable tax, tariffs application, tax credit calculation, and so on. In some bigger cases, taxpayers might not report their tax return or report tax return but suspiciously indicates certain conditions to be audited. This condition may be caused by negligence, deliberate, or ignorance of regulation by the taxpayers. Therefore, it needs an action from government to detect if taxpayer has provided correct information that written in tax return. According to Law Number 16 2009 Article 12, if taxpayers are proven that they report tax return incorrectly, Directorate General of Taxes may establish the correct amount of payable tax. The way to establish payable tax can be through tax verification and tax audit as corrective action as well as law enforcement.

Tax verification is done towards tax return that has been submitted by taxpayers. Directorate General of Taxes verifies whether tax return has written well, which means no mistype, and whether the amount of payable tax is correctly counted based on laws and regulations. If based on tax verification is found miscalculation which affects the lack amount of payable tax, Directorate General of Taxes may issue Notice of Tax Collection to show the correct amount of payable tax or fines and have the taxpayers to pay the correct amount of payable tax in a predetermined time.

In relation with self assessment system that runs in Indonesia, tax audit has clear purpose, which is to examine the correctness of payable taxes that reported by taxpayer based on data, information, and other supporting evidence. If it is found a fraud or other incorrectness, Directorate General of Taxes issues Notice of Tax Underpayment Assessment which establishes the correct amount of payable tax. This is conducted by Directorate General of Taxes in the form of law enforcement. Hence, it will not cause state loss, otherwise saves tax revenue.

Tax revenue which comes from the income tax is being the most contributing sector towards the entire tax revenue. One of these kinds is income tax revenue from Income Tax Article 25. Income Tax Article 25 is paid by taxpayers every month as an installment of payable tax. The revenue of income tax is very important as it will be used for government funding to fulfill society needs.

Tax Office (Kantor Pelayanan Pajak (KPP)) Madya Malang is the only medium taxpayers' office in the Regional Office of Directorate General of Taxes East Java III. Tax Office Madya Malang is administering entity taxpayers, thus, only entity taxpayers who are registered in Tax Office Madya Malang. Those entity taxpayers have obligation to pay and report Income Tax of Article 25 regularly. Entity tax payers obviously have potential high amount of payable tax regarding their business that run. The potential high amount of payable tax has to be secured and controlled in order not to be lost. During this time, Tax Office Madya Malang has already conduct tax verification and tax audit toward taxpayers who committed error in reporting their tax return and also toward taxpayers who disrespect to their taxation obligation. The result is Tax Office Madya Malang issued Notice of Tax Collection and Notice of Tax Underpayment Assessment which is securing the tax revenue that has not paid yet by those taxpayers.

This research is aimed to know and explain variable of Notice of Tax Collection (LnXi) and Notice of Tax Underpayment Assessment (LnXj) have significant effect on the revenue of Income Tax Article 25 (LnY) both simultaneously and partially in Tax Office Madya Malang

THEORETICAL FRAMEWORK

Definition of Tax

Since the era of kingdom, people have already known tax as ‘upeti’. Upeti was paid to the king in the form of agricultural product, plantation, fishery, etc. Seligman, in his Essay in Taxation (1925) asserted tax is compulsory contribution from the person, to the government to defray the expenses incurred in the common interest of all, without reference to special benefit conferred (Purwono, 2010:6). According to Article 1 General Provision and Taxation Procedures, “Tax is mandatory contribution to the state that owed by individuals or entity which may be enforced based on laws, by not receiving direct reciprocity and it is used for
state purposes for the greatest welfare of people” (Law Number 16 2009). Meanwhile, payable tax is tax which must be paid in a certain time, fiscal period, fiscal year, or in a part of fiscal year based on laws and regulations (Diana and Setiawati, 2009:121).

**Income Tax**

According to Law Number 36 2008, income tax is imposed on individuals or corporate that receives or earns income in a taxable year. Those whose receive or earn income are called as taxpayers. Subject of Income Tax is individual, entity, and permanent establishment.

The object of income tax is income itself. According to Indonesian Institute of Accountants (IIA) income is defined as the increasing of economic benefits in one accounting period in the form of revenue or assets addition or the decreasing of liabilities which is causing the increasing of equities that did not come from contribution of capital investment (Statement of Financial Accounting Standard (SFAS) 23, 1994). Moreover, based on Income Tax Law Article 4, “Income tax object is any income, which is defined as any additional economics capacity that received or earned by taxpayers both from Indonesia as well as abroad, that may be used for consumption or to increase taxpayer’s wealth, in whatever name and form.” (Law Number 36 2008)

Final income tax occurs when individual or entity earns or accrues final income tax object. Final income tax is directly calculated and paid by the receiver when the object is received. The report of final income tax shall be separated from the calculation of income tax in tax revenue. Yet, it shall be reported in annual tax return.

**Income Tax Article 25**

Income tax article 25 is an installment of income tax which supposes to be paid by taxpayers themselves every month in the current fiscal year. The purpose of this monthly installment is to ease the tax payer’s burden in paying taxes as well as bring in cash flow for state revenue (Harmawan, 2011:27). Moreover, the income tax installments can be a tax credit against all the amount of payable taxes from all kind of income which are earned by tax payer in the current fiscal year. This installment must be reported by taxpayer in annual tax return. Tax credit of income tax article 25 applied either for individual or entity tax payer.

Furthermore, the payment of installment income tax article 25 can be done every month through the appointed bank or post office by using Tax Payment Slip (Surat Setoran Pajak (SSP)). Tax payers are obliged to submit periodic tax return in the form of the third sheet of tax payment slip to tax office after fulfilling the tax payment. The payment of tax installment may not exceed 15 days from a tax period, while the submission of periodic tax return of income tax article 25 must be no longer than 20 days after the end of periodic tax. If the tax payment is concerned too late after the due date, taxpayers may be charged administrative penalty by 2% (two percent) interest monthly. The calculation of the installment income tax article 25 that must be paid by tax payer every month in the current year is the amount of payable tax based on last year’s tax return minus by withheld income taxes which are income tax article 21, 22, 23, and 24. The result is next divided by twelve or the number of months in the current fiscal year.

**Tax Verification and Tax Audit**

In accordance to Article 1 Law Number 16 2009, “Verification is a series of actions undertaken to evaluate completeness of information and attachment of tax return, as well as the writing accuracy”. Verification is needed to check if taxpayers write and calculate taxes well. Verification may result the lack of tax payment because of writing error or miscalculation. In addition as mentioned earlier, definition of verification includes series of actions performed by Directorate General of Taxes for settlement of request excess tax refund which is requested by tax payers (Purwono, 2010:62). The object verification is tax return that submitted by tax payers. Verification that finds out writing error or miscalculation which causing the lack of tax amount that suppose to be paid by tax payers results Notice of Tax Collection.

In accordance to Elder, Beasley, Arens, and Jusuf (2011:4), audit is collection and evaluation of evidence regarding the information to determine and report degree of conformity between the information that
received and criteria which have been set up, it must be conducted by competent and independent person. Referring to Law Number 16 2009, the definition of audit is “A series of activities to find, collect, and process data and/or other information objectively and professionally based on audit standard in order to assess tax compliance and other objectives may necessary for complying with the provisions of tax laws.” The purpose of tax audit is to assess tax compliance and other purposes in order to uphold tax laws. When tax audit is carried out to assess tax compliance, it will be resulting Notice of Tax Assessment.

**Notice of Tax Collection and Notice of Tax Underpayment Assessment**

According to Law Number 16 2009, Notice of Tax Collection is a notice for the imposition and collection of tax and/or administrative penalties in the form of interest and/or fines. Notice of Tax Collection has an equal legal stand as Notice of Tax Assessment. The legal standing of Notice of Tax Collection and Notice of Tax Assessment will be the basis of tax collection if it increases the amount of payable tax. Meanwhile, Referring to Law Number 16 2009, Notice of Tax Assessment is a notice of assessment which can be notice of Tax Underpayment Assessment, Notice of Additional Tax Underpayment Assessment, Notice of Tax Overpayment Assessment, or Notice of Nil Tax Assessment.

**HYPOTHESIS**

Variable that is used in this research are Notice of Tax Collection (LnX1), Notice of Tax Underpayment Assessment (LnX2), and revenue of Income Tax article 25. The hypothesis model is drawn as following.

Based on hypothesis model shown above, the formulation of hypothesis can be determined as follows:

**H1.** Variable of Notice of Tax Collection and Notice of Tax Underpayment Assessment have significant effect on the revenue of Income Tax Article 25 simultaneously.

**H2.** Variable of Notice of Tax Collection and Notice of Tax Underpayment Assessment have significant effect on the revenue of Income Tax Article 25 partially.

**RESEARCH METHOD**

The current research is using explanatory research. Zulganef (2008:11) stated explanatory research is a research which is purposed to analyze causality among variables that explain certain phenomenon. Explanatory research is appropriate because this research attempts to analyze the relation between variables of Notice of Tax Collection (LnX1) and Notice of Tax Underpayment Assessment (LnX2) toward the revenue of Income Tax Article 25 (LnY) in Tax Office Madya Malang. Population of this research is report of Notice of Tax Collection, Notice of Tax Underpayment Assessment, and Income Tax Article 25 that have been issued by Tax Office Madya Malang during 2009 until 2013 or 60 months. The determination of sample is by using saturated sampling method. According to Sugiyono (2011:85), saturated sampling is one of technique to determine sample if the whole member of population is used as sample. Hence, the total sample is 60 months or 180 reports. Data analysis is using descriptive and inferential analysis.

**RESULT AND ANALYSIS**

**Multiple Linear Regression**

In accordance to Ghozali (2009:13), Multiple Linear Regression is aimed to analyze the influence of two or more independent variables toward one dependent variable. The condition for conducting multiple linear regression supposed to be by using Classical Linear Regression Model (CLRM) to find out the assumption of X value and µ value to give estimation and interpretation toward the regression model further. The model has been passed out most of the CLRM tests. Hence, the
Multiple linear regression can be determined by the following formula:

\[ \ln Y = \alpha + \beta_1 \ln X_1 + \beta_2 \ln X_2 + \mu \]

Information:
- \( \ln Y \) = natural logarithm revenue of income tax article 25
- \( \ln X_1 \) = natural logarithm notice of tax collection
- \( \ln X_2 \) = natural logarithm notice of tax underpayment assessment
- \( \alpha \) = constant
- \( \beta_1, \beta_2 \) = coefficients of regression
- \( \mu \) = prediction error

The following table is the result of calculation.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized Coefficient (B)</th>
<th>t count</th>
<th>Sig. t</th>
<th>Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>23.687</td>
<td>24.456</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>( \ln X_1 )</td>
<td>-0.059</td>
<td>-1.558</td>
<td>0.127</td>
<td>Non Significant</td>
</tr>
<tr>
<td>( \ln X_2 )</td>
<td>0.074</td>
<td>2.339</td>
<td>0.024</td>
<td>Significant</td>
</tr>
<tr>
<td>R</td>
<td>0.411*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R Square</td>
<td>0.169</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.128</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F count</td>
<td>4.163</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. F</td>
<td>0.023</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>( \alpha )</td>
<td>0.05</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed by SPSS, 2014

The equation of multiple linear regression model above can be interpreted as follows:

The value of coefficient regression \( \beta_1 \) is calculated -0.059. The minus mark shows the opposite change. This value means that \( \ln Y \) (revenue of Income Tax Article 25) will be decreasing 0.059 unit for each increasing of one unit \( \ln X_1 \) (Notice of Tax Collection) with assuming the other variable of \( \ln X_2 \) (Notice of Tax Underpayment Assessment) as constant or 0 (zero). Otherwise, the value of \( \ln Y \) (revenue of Income Tax Article 25) will be increasing by 0.059 unit for each decreasing of one unit \( \ln X_1 \) (Notice of Tax Collection) with considering the other variable of \( \ln X_2 \) (Notice of Tax Underpayment Assessment) as constant or 0 (zero).

The calculation of coefficient regression \( \beta_2 \) is generated 0.074. It means that if independent variable of \( \ln X_2 \) (Notice of Tax Underpayment Assessment) turned one unit, the dependent variable of \( \ln Y \) (revenue of Income Tax Article 25) will be turned into 0.074 unit with assuming the other variable of \( \ln X_1 \) (Notice of Tax Collection) as constant or 0 (zero). The positive value of coefficient regression means inline changing. So, if independent variable \( \ln X_1 \) increases one unit, it will be followed by the increasing of \( \ln Y \) as many as 0.074 unit, and if \( \ln X_1 \) decreases one unit, the value of \( \ln Y \) will follow to decrease 0.074 unit.

**F-Test**

F-test is conducted to know whether all independent variables that input into the regression model have influence simultaneously toward dependent variable. The hypothesis and criteria of decision making regarding the calculation are as follows:

- \( H_0 = 0 \), means that there is insignificant influence from independent variables on dependent variable.
- \( H_a \neq 0 \), means that there is significant influence from independent variables on dependent variable.

1) If the probability value (p) \( F < \alpha = 5\% \), then hypothesis (\( H_0 \)) is rejected
2) If the probability value (p) \( F > \alpha = 5\% \), then hypothesis (\( H_0 \)) is accepted.

The test result of F-test is shown at the following table.

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>1.854</td>
<td>2</td>
<td>.927</td>
<td>4.163</td>
<td>.023*</td>
</tr>
<tr>
<td>Residual</td>
<td>9.130</td>
<td>41</td>
<td></td>
<td>223</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>10.984</td>
<td>43</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed by SPSS, 2014

The output display from SPSS ANOVA shows that the value of \( \text{F}_{\text{count}} \) is 4.163. This result is greater that \( \text{F}_{\text{table}} \) which is 3.23 for df \( N_1 = 2 \) and \( N_2 = 41 \). It can be stated that there is significant influence from independent variable \( \ln X_1 \) and \( \ln X_2 \) on dependent variable \( \ln Y \). It is also supported by the result of Sig. value which generates 0.023 or less than 5%. Therefore, it can be concluded that independent variables \( \ln X_1 \) (Notice of Tax Collection) and \( \ln X_2 \) (Notice of Tax Underpayment Assessment) have significant influence simultaneously on the dependent variable \( \ln Y \) (revenue of Income Tax Article 25). Therefore, it can be concluded that independent variables \( \ln X_1 \) (Notice of Tax Collection) and \( \ln X_2 \) (Notice of Tax Underpayment Assessment) have significant influence...
influence simultaneously on the dependent variable LnY (revenue of Income Tax Article 25) and H0 is rejected.

**t-Test**

t-test is conducted to show how far the influence of certain independent variable towards dependent variable with assuming that the other independent variable are constant. The basic hypothesis of t-test is:

H0 = 0, means that there is insignificant influence from independent variables on dependent variable.

Ha ≠ 0, means that there is significant influence from independent variables on dependent variable.

The criteria of decision making regarding the result of calculation are:

1) If the probability value (p) t < α = 5%, then hypothesis (H0) is refused
2) If the probability value (p) t > α = 5%, then hypothesis (H0) is accepted

The results of t-test can be seen at Table 1 previously. The value of tcount for LnX1 (Notice of Tax Collection) towards LnY (revenue of Income Tax Article 25) is -1.558. This number is lower than ttable which is 2.01954 for α = 0.05 and df = 41. It means that, tcount < ttable or -1.558 < 2.01954. Therefore, LnX1 generates negative insignificant effect on LnY. The value of significant also recorded 0.127 or higher than 0.05. It means that the independent variable LnX1 has no significant effect partially on dependent variable LnY. Therefore, it supports the calculation of tcount. Based on the calculation above, it can be stated that the independent variable LnX2 (Notice of Tax Collection) has negative insignificant influence partially on dependent variable LnY (revenue of Income Tax Article 25) and H0 is accepted.

In the other hand, the calculation for independent variable LnX2 (Notice of Tax Underpayment Assessment) towards dependent variable LnY (revenue of Income Tax Article 25) shows the value of tcount 2.339. This number is higher than the value of ttable which is 2.01954 for α = 0.05 and df = 41. In addition, the value of significant is 0.024 or lower than 0.05. Both the value of tcount and level of significant proof that independent variable LnX2 (Notice of Tax Underpayment Assessment) has positive significant influence partially, on the dependent variable LnY (revenue of Income Tax Article 25) and H0 is refused.

**Analysis of Coefficient Determination (R²)**

Coefficient of determination (R²) is used to measure on how far the ability of model to explain the variation of dependent variable. The result of calculation is shown at Table 3 below.

**Table 3 Coefficient of Determination (R²) Result**

<table>
<thead>
<tr>
<th>Model</th>
<th>R squared</th>
<th>Adjusted R squared</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.411+</td>
<td>.169</td>
<td>.128</td>
<td>.47189</td>
</tr>
</tbody>
</table>

*Source: Data processed by SPSS, 2014*

The table above shows the value of coefficient determination Adjusted R Square 0.128 or 12.8%. It can be interpreted that the independent variables LnX1 (Notice of Tax Collection) and LnX2 (Notice of Tax Underpayment Assessment) able to explain on dependent variable LnY (revenue of Income Tax Article 25) as many as 12.8%. Whereas, the rest 87.2% of the result can be explained by other variables out of the model that do not discussed in this study. Even though the value of Adjusted R Square that is generated in this research is not quite high, but it does not mean the regression model is bad, however, it is still undeniably relevant to the collection of revenue of Income Tax Article 25 in Tax Office Madya Malang.

**INTERPRETATION**

The previous regression calculation shows that independent variable Notice of Tax Collection (LnX1) and Notice of Tax Underpayment (LnX2) effect on dependent variable Revenue of Income Tax Article 25 (LnY) simultaneously significant. It is proven by the result of Fcount which is greater than Ftable. The value of calculation indicates significant effect simultaneously that generated by LnX1 and LnX2 on LnY in Tax Office Madya Malang.

t-test result shows that the independent variable Notice of Tax Collection (LnX1) has negative insignificant effect partially on dependent variable revenue of Income Tax Article 25 (LnY). It is proven by the value of tcount that is minus and lower than ttable. The value of independent variable Notice of Tax Collection (LnX1) goes opposite way with dependent variable revenue of Income Tax Article 25 (LnY).
It means that the more government issues Notice of Tax Collection, it will be followed by the decreasing of Income Tax Article 25 revenue. But if government issues less amount of Notice of Tax Collection, the revenue of Income Tax Article 25 may be increase. This case is occurred because the amount of Notice of Tax Collection that issued in Tax Office Madya Malang is relatively small and it merely fewer than Notice of Tax Underpayment Assessment. Therefore, it generates insignificance in tax revenue.

In the other hand, the result of t-test generates positive significant effect partially for independent variable LnX1: (Notice of Tax Underpayment Assessment) on dependent variable LnY (revenue of Income Tax Article 25). The result shows that Notice of Tax Underpayment Assessment goes in line with Income Tax Article 25 revenue. It means that the increasing of Notice of Tax Underpayment Assessment will be followed by the increasing of Income Tax Article 25 revenue. In contrary, if the amount of Notice of Tax Underpayment Assessment decreases, the Income Tax Article 25 revenue will be decreasing either.

Self Assessment System that runs in Indonesia doesn’t grant all taxpayers pay and report taxes properly. Even though tax payers pay their taxes, but there is still possibility for government to conduct tax verification or tax audit toward certain tax payers, and in the end government may issues Notice of Tax Collection or Notice of Tax Underpayment Assessment as the result due to the lack of tax payment. Therefore, it gives additional revenue of income tax for government beside tax revenue that already paid by tax payers themselves.

CONCLUSION AND SUGGESTION

Conclusion

Independent variables Notice of Tax Collection (LnX1) and Notice of Tax Underpayment Assessment (LnX2) affect the dependent variable Income Tax Article 25 revenue (LnY) simultaneously significant. It is proven by the result of t-test which shows that Fcount is greater than Ftable. Thus, the hypothesis H1 is accepted.

Independent variable Notice of Tax Collection (LnX1) affects the dependent variable Income Tax Article 25 revenue (LnY) partially insignificant. Otherwise, independent variable Notice of Tax Underpayment Assessment (LnX2) affects dependent variable Income Tax Article 25 revenue (LnY) partially significant. It is proven by the result of t-test. Therefore, the hypothesis H2 is rejected.

Suggestion

Government is expected to increase the quality of tax auditor or increase the number of personnel in order to achieve the purpose of tax audit related to the issuing of Notice of Tax Underpayment Assessment as well as increase the revenue of Income Tax Article 25 in Tax Office Madya Malang. Not to mention, Notice of Tax Underpayment Assessment is more influential rather than Notice of Tax Collection.

The next researches are also expected to analyze more about the revenue of Income Tax Article 25 and input other variable besides Notice of Tax Collection and Notice of Tax Underpayment Assessment such as tax collection with Coerce Warrant.

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