

TAXPAYER COMPLIANCE BEHAVIOR ON MUSLIM MICRO, SMALL, AND MEDIUM ENTERPRISE ACTORS IN PASURUAN CITY INDONESIA

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Taxpayer Compliance Behavior on Muslim Micro, Small, and Medium Enterprise Actors in Pasuruan City Indonesia Licensed Under a Creative Commons Attribution-ShareAlike 4.0 International License

Abstract

The rapid growth of the Micro, Small, and Medium Enterprise (MSME) sector in Pasuruan City does not align with the anticipated level of taxpayer compliance behavior. This discrepancy creates a conflicting situation where the potential revenue generated by the sector clashes with the issue of tax non-compliance, posing a threat to Regional Revenue and the Islamic economy. Therefore, this study examined the understanding, behavior, and *Maqasid Al-Shari'ah* review of taxpayer compliance behavior of Muslim MSME actors in Pasuruan using a phenomenological qualitative approach. Data were collected through open observation techniques, in-depth interviews, and documentation. The results showed that applicable tax policy was understood through socialization organized by the Cooperative and MSME Office continuously with a humanist approach. Meanwhile, the relationship between *Maqāsid al-Sharī`ah* values and tax policy was to provide education by conducting socialization to the community regarding its content and benefits. In the concept of *Maqāsid al-Sharī`ah adh-darūriyāt*, the tax policy carried out by the government was included in *Hifdzul Maal*. This was the top *Maqāsid al-Sharī`ah* benefit as a reinforcement of religiosity theory by adding the factors of blessing and economic justice. In contrast, the tax function, policy, registration, payment, rates, and reporting were reinforced by Muslim religiosity.

Keywords: Behavior; Muslim MSME; Taxpayer Compliance.

A. Introduction

Pasuruan is often referred to as the 'City of *Santri*', characterized by a predominantly Islamic identity and boarding school culture. Despite this reputation, the region grapples with significant challenges in effectively implementing state taxation. A pressing concern revolves around tax non-compliance among MSME

entities. Based on data reported by the Pasuruan Tax Service Office (KPP), from 2017 to 2021, the level of tax reporting by analyzing the number of taxpayers shows a fluctuating presentation. From 2017 to 2018, there was a discernible decline of 1.57% (from 60.21% to 58.64%). Subsequently, from 2018 to 2019, a notable decrease of 14.94% occurred, reflecting a shift from 58.64% to 43.70%. In contrast, the period from 2019 to 2020 witnessed a modest increase of 3.27%, elevating the reporting rate from 43.70% to 46.97%. The interval from 2020 to 2021 observed a considerable surge of 12.44%, reaching a reporting rate of 59.41%. However, this is not proportional to the increase in MSME growth, which should be greater than the recorded figures (Ghozali, 2011).

Pasuruan is experiencing rapid growth in the MSME sector. Data shows that the number of MSME in four Pasuruan districts continues to increase over time, but last year experienced a decline due to the effect of the pandemic. Besides the thick religious nuances, industrial life is flourishing in Purworejo, Gadingrejo, Bugul Kidul, and Panggungrejo. In 2018, 2019, 2020, and 2020, there were 5,447, 5,550, 6,020 and 6,045 MSME. Moreover, the contribution to Regional Revenue in 2021 exceeded the target to reach 104.78%, creating the promising potential for Pasuruan (*Dinas Koperasi Dan Usaha Mikro - Kota Pasuruan*, n.d.). Therefore, the level of tax reporting is low despite the rapid growth. This creates a conflict between the potential revenue from MSME and tax non-compliance that can disrupt Regional Revenue as a government regulation (Rosid et al., 2018) and the Islamic economy.

Previous studies have attempted to explain the factors behind the increase or decrease in compliance. Some found that religious-cultural understanding is a factor such as the conclusions in a study conducted by Ade Noorlita Kharisma (Kharisma, 2018), Yasa and Prayudi, Mayasari Wana (Yasa & Prayudi, 2019), M. Zaitul, and Resti Yulistia Muslimin (Mayasari et al., 2015), as well as Farhadil Amin (F. A. Al Hasan & Iman, 2017). Furthermore, compliance behavior is closely related to knowledge of tax policy, as stated by Febiziki Damayanti (Prawagis et al., 2016), Alfiatul Maulida (Maulida, 2018), Fany Inasius (Inasius, 2015), and Rizki Alfiana. R. Inka Primadani (Alfiana Rosi, 2018) stated that the ease of service for paying tax was a factor in tax compliance or violation. Meanwhile, previous studies by Sari Zatwitri, I Made Dwi Sumba Wirawan et al. reported that the biggest factor was regulatory changes (Wirawan et al., 2021). According to Yusuf, the community's reluctance to pay taxes stems from the improper implementation of general principles (Yusuf, 2017). Additional research aimed to comprehend the tax status within a religious framework, exemplified by the works of Nainggolan H et al. and Cahyonowati et al. (Nainggolan & Patimah, 2019). Nurul Ichsan reported that the competence of bureaucrats in improving the compliance of taxpayer participants was the main factor because the participants had their characters approached according to their style (N. I. Hasan, 2018).

Previous studies explained the factors affecting the level of tax compliance in the community and its effect on tax revenue. However, in the context of Pasuruan, there is confusion regarding the concepts. The above studies acknowledged that tax behavior could be identified in various ways, but none of these behaviors were analyzed using *Maqasid Al-Shari'ah* principles. Therefore, this study aims to examine the understanding, behavior, and review of *Maqasid Al-Shari'ah* on taxpayer compliance behavior of Muslims who are MSME actors in Pasuruan.

Concerning the importance of this study, taxpayer non-compliance in Muslim MSME will affect the disruption of the economic benefits where government funds from tax are insufficient to meet various needs in running state programs. The benefit is an effort to maintain religion, soul, mind, lineage, and property, namely the features

scholars have determined in the *Maqasid al-Shariah* theory (Harisudin & Choriri, 2021). The signs of the permissibility of tax collection are considered provided the concepts are carried out fairly and legally in procedures and allocation. According to Abu Yusuf, the tax policy mechanism consists of two things. First, appropriate and balanced tax rates are needed to protect the state economy from the threat of recession. Second, there is a clear direction on government spending for the desired purpose of community policy (M Fauzan, 2014). Therefore, tax-compliant behavior in the context of *Maqasid al-Shariah* supports efforts to create a just and equitable community in line with Islamic values encouraging social justice.

This study significantly contributes to assisting the government and tax agencies in understanding and managing tax compliance behavior in Pasuruan. With a deeper understanding of the relationship between *Maqāṣid al-Sharī'ah* values and tax compliance, the government can design more relevant policies and encourage better tax awareness. In addition, the results can also provide a basis for future studies and academics to further explore the relationship between *Maqasid al-Shariah* and economic behavior in a broader context. This can improve tax revenue and the community's welfare in Pasuruan.

B. Methods

This study uses a qualitative phenomenological approach to elucidate the underlying significance of the behavioral phenomena shown by the subject under examination. A qualitative study of this nature aims to report the deeper meaning and substance behind the observable phenomenon (Sundler et al., 2019). The data comes from informants as primary, namely Muslims who are MSME in Pasuruan and other documents as secondary data. The information is extracted through open observation techniques, in-depth interviews, and documentation. After the collection, the information on the phenomenon is analyzed with exploratory and descriptive techniques through inductive thinking logic. The hermeneutic system is used as the addition, which includes the observation of the phenomenon for interpretation with the inspiration of the values in *Maqasid Al-Shari'ah*.

C. Findings and Discussion

1. Findings

Muslim MSME Actors' Understanding of Taxpayers in Pasuruan City

Based on the results of interviews with 50 informants of actors in Pasuruan City, the understanding of taxpayers regarding Government Regulation Number 23 of 2018 reaches 44 (88%) out of a total of 50 (100%). Therefore, the community's understanding is quite high, where only six (12%) informants do not know the Government Regulations. This understanding is obtained by providing education on tax by the Pasuruan City Cooperative and MSME Office directly or through social media, posters, and billboards posted on the side of the road. Individuals who lack awareness of the matter have not received information. Among those who possess knowledge, a considerable number do not access through direct socialization or alternative means. A contributing factor to this lack of awareness is the variable of educational attainment. The education level of the Muslim MSME actors in Pasuruan City is dominated by high school education and Bachelor's degree. The results of interviews with 50 informants show that there are 28 (56%) actors who have a high school level education 20 (40%) have a Bachelor's degree, the remaining 1 (2%) has an elementary level education, and an Association Degree. Therefore, the education factor is very supportive in

understanding the applicable tax. The knowledge of Muslim MSME actors about taxpayers shows that 76%, 84%, 90%, 82%, and 92% understand tax function, tax policy, tax registration, tax payment methods, and tax rates. For this reason, their knowledge is quite high but should be accompanied by adequate public understanding. The community's knowledge about tax greatly increases their awareness of making payments.

The taxpayer awareness level is not in doubt but 43 (86%) informants were very aware of the obligation to pay tax and only seven (14%) informants answered that they were also aware. In addition to the awareness of MSME participants regarding tax payment, a significant portion of the Pasuruan community comprises devout Muslims. In this context, fulfilling tax obligations is perceived as a duty to the state. Islamic law advocates the principle of *tasyaruf*, encouraging individuals to allocate a share of their assets in the form of zakat mal. Therefore, the awareness of taxpayer who routinely make payments is a form of compliance shown for actors who know, understand, and implement tax provisions correctly and voluntarily. The higher the level of awareness, the better the understanding and implementation of taxpayers to increase compliance.

2. Discussion

Analysis of Taxpayer Compliance Behavior for Muslim MSME Actors

The field data shows that 88% of Muslim MSME actors received tax socialization directly or through social media. These actors have participated in taxation socialization directly after receiving invitations or through short messages on WhatsApp from related agencies. This is because some are members of the Pasuruan City Government empowerment group working with the tax authorities (tax officials). Meanwhile, the remaining 12% have not participated in or received socialization directly because of no invitation.

In addition to conducting direct socialization related to Government Regulation Number 23 of 2018, the government also conducts the installation of billboards placed on the side of the roads. This method can help Muslim MSME actors obtain information about the government regulation. The existence of direct socialization can greatly help the process of understanding taxpayer related to tax policy. Muslim MSME actors who have not engaged in direct socialization may lack a comprehensive understanding of the regulatory contents and objectives. The familiarity might be confined to Government Regulation Number 23 of 2018. Consequently, individuals in direct tax socialization tend to obtain information about tax policies through online media platforms. Therefore, Tax Service Office needs to increase socialization activities comprehensively to obtain information thoroughly and maximally. Issues related to lack of understanding will be minimized when tax socialization is conducted regarding Government Regulation Number 23 of 2018.

Socialization can also increase understanding of policy as one of the important factors in paying tax. Tax understanding is a process where the community know and apply their knowledge to pay tax. These provide demands in the form of fulfilling tax obligations appropriate to Government Regulation Number 23 of 2018, and a good understanding will also affect compliance with reporting Periodic and Annual Tax Returns.

The data found that 50 informants in four districts of Pasuruan City knew Government Regulation Number 23 of 2018. They recognize the final MSME tax on this regulation, whose tax rates have changed to 0.5% of the distribution results. The knowledge of Muslim MSME actors about taxpayers shows that 76%, 84%, 90%, 82%, and 92% understand tax function, tax policy, tax registration, tax payment methods,

and tax rates. This means knowledge greatly encourages the development of taxpayer compliance in the process of paying tax regularly and on time.

The final rate cut of 0.5% is a relief highly appreciated by all Muslim MSME actors. This tax rate cut can provide fresh air for those whose monthly turnover is less than IDR 20 million. The government has established a timeframe for acquiring the necessary skills to maintain meticulous bookkeeping. However, MSME actors express reservations, acknowledging their objections based on educational background. Bookkeeping should be entrusted to a competent professional well-versed in their specific industry. Using additional staff for this purpose incurs supplementary costs, perceived as a potential burden.

In this context, enhancing tax knowledge and understanding is crucial. MSME actors need to grasp the latest and enduring information on applicable tax policies. This is consistent with findings from a study conducted by Rizki Alfina R., where tax knowledge and understanding significantly impact taxpayer compliance. Government Regulation Number 23 of 2018 was developed due to many actors complaining about the 1% income tax. A new regulation was issued, reducing the tax rates from 1% to 0.5% to ease tax burden. Low rates are expected to encourage the payers to flock to the business world without worrying. This reduced rate encourages compliance to increase to strengthen the tax database. Therefore, MSME actors play an increasing role in driving the wheels of the regional and formal economies. The informants also expect no time limit for tax rates, only a turnover limit.

This analysis is in line with the results of a previous study conducted by Febrizki Damayanti, where the perception of tax rates affects taxpayer compliance. However, there are differences from the results of Rizki Alfiana R., "Analysis of the factors that affect the compliance of MSME actors in paying tax". This study thinks positively about the imposition, and the payers agree to select low rates for easy calculation of the stated tax.

Building on previous findings through interview-based media, this study successfully gathered data indicating that 86% of respondents are aware of the imposition indicator, while 14.3% lack awareness of this aspect. For other results, the indicator as an obligation has an understanding level of 88%, while 12% do not understand. The indicator of Taxpayer Identification Number ownership that has been implemented is 86%, while 14% have not been established.

The analysis concluded that taxpayer awareness regarding tax was good but could be improved. This is because some do not know the imposition of tax on businesses, thinking that paying tax is not an obligation. Moreover, the ownership of Taxpayer Identification Number should be mandatory. In line with the theory, a person is aware when the concept of tax policy is known and obeyed. However, they only know about the imposition of tax on businesses and have not obeyed tax policy.

The development of awareness is important in encouraging the community to comply with tax payments. Lack of awareness also affects taxpayer compliance in line to a study conducted by Rizki Alfiana R. The awareness of paying tax is an obligation affecting taxpayer compliance as obligations. From the explanation, several factors affect taxpayer compliance. This compliance is a condition when the payers carry out their tax and obtain rights as regulated in the provisions of the applicable policy.

At the point of taxpayer compliance, this study takes indicators of tax payment implementation before and after knowing Government Regulation Number 23 of 2018. Based on the results of the 50 Muslim MSME actors, 27 informants, with a percentage of 54%, claimed to have implemented tax payments on time. Meanwhile, 23 informants, or 46%, have not made tax payments. As for this point on other indicators,

37 informants (74%) have admitted to following Tax Payments appropriate to Procedures, regarding payment and reporting before and after Government Regulation Number 23/2018. The explanation above shows that taxpayer compliance with Government Regulation Number 23 of 2018 needs to be improved because there are still MSME actors yet to be paid, and are still making delays in payment and reporting of Periodic and Annual Tax Returns. The non-compliance of MSME actors is due to the lack of maximum socialization understanding of taxpayer. Tax socialization can increase taxpayer knowledge, affecting understanding of policy and increasing awareness of the importance of compliance.

The community perceives tax payment as burdensome, often finding the process challenging with a limited understanding of the calculation and reports. However, there exists a potential opportunity for improvement, enhancing awareness and understanding among the community and MSME actors. With increased awareness, tax payments can become a voluntary and willingly fulfilled obligation, obviating the need for external coercion.

In terms of turnover income, informants who have made tax payments and reporting have a turnover above IDR 10 million. This indicates that the greater the income earned, the more likely it is to fulfill their taxpayer. However, individuals who only have a turnover of IDR 10 million per month have not fulfilled their taxes because their turnover is small and object to the imposition of tax on small turnover.

The lack of trust in the government management, as well as cases of corruption and misappropriation of tax funds, makes the community hesitant to pay tax. The analysis is in line with the previous study by Ade Noorlita, where the cause of payers is non-compliant due to the perception of corruption committed by the government. Muslim MSME actors who have carried out their tax payments and reports are included in performing obligations appropriately as citizens who obey Government Regulation Number 23 of 2018. These individuals have participated in socialization by obtaining information and knowledge of tax. Taxpayer compliance gets the same treatment as MSME actors, which are also subject to tax. Good MSME actors are aware that paying tax is an obligation. Regarding the completion of Periodic and Annual Tax Returns, taxpayers often encounter challenges for clarification on the difficulties faced. This inclination stems from a preference to seek assistance from the Tax Service Office rather than opting for services that might escalate the cost burden. Taxpayer compliance is well realized when there is awareness from payers who consider paying tax an obligation. The awareness and civic responsibility shown by business actors in complying with applicable tax policies contribute voluntarily to the state's development process, devoid of a sense of coercion or fear of sanctions.

Analysis of *Maqāṣid al-Sharī'ah* Perspective on Taxpayer Compliance Behavior for Muslim MSME Actors in Pasuruan City

In tax policy, several *Maqāṣid al-Sharī'ah* values can support the sustainability of the activities to maintain taxpayer security. The relationship between these values and tax policy is to educate the community about the contents and benefits by conducting socialization. In the concept of *Maqāṣid al-Sharī'ah*, the policy implemented falls under *Maqāṣid adh-darūriyāt*. Furthermore, *Maqāṣid aḍ-darūriyāt* refers to the topmost benefit of *Maqāṣid al-Sharī'ah* and relates to the human primary needs in the world and the Hereafter. Life is meaningless when one value of the five principles is missing. These five values are the preservation of religion (*hifzu din*), protection of the soul (*hifzu nafs*), protection of the intellect (*hifzu aql*), protection of property (*hifzu mal*), and protection of the next generation (*hifzu nasl*). The following is the analysis based on the taxpayer

compliance behavior of MSME actors regarding tax policies: First is an effort to protect religion (*hifzu din*). Based on interviews with 50 informants, 88% stated that the government's tax policies did not violate religious norms. The effort of *hifzu din* can be carried out by a tax policy set by the government not to violate religious norms and bring the payers closer to sinful acts.

Second is the effort to protect the soul (*hifzu nafs*). There are two activities in the tax policy on *hifzu nafs*: how to withdraw and give warnings related to taxpayer. Islam regulates all aspects of human life when associated with the theoretical study in the previous chapter. Activities related to *hifzu nafs* aim to help payers focus on their responsibilities while also seeking protection through the existing policy. According to feedback provided by the 50 respondents, no instances of sanctions or intimidation were encountered by the government throughout the tax collection procedure. However, 7 (14%) acknowledged having received warnings in the form of letters when they were late in settling tax obligations. The remaining 43 (86%) reported not to have received any warnings for delayed tax payments.

The effort of *hifzu nafs* is realized by activities in the tax collection process carried out by the government, without using coercion or intimidation. In late tax payments, payers do not get threats from the government. Additionally, *hifzu nafs* is realized by the stakeholders and tax officials who are required to behave humanistically, dress neatly, and communicate politely.

Third is the effort to protect the intellect (*hifzu aql*). The effort of *hifzu aql* is one of the gifts Allah granted to make humans more noble than other creatures. There is the effort of *hifzu aql* in tax policy, namely providing knowledge to understand the contents of related tax policy and its importance in the state development. Tax socialization is a way knowledge is indirectly provided to the community through information on social media and installing billboards on the side of the road.

The results of interviews in four sub-districts of Pasuruan City stated that tax socialization activities and information related to tax policy through online media could increase knowledge. In these activities, the government, through the Cooperative and MSME Office of Pasuruan City, explains in detail the tax policy contents and how to make payments. However, the preservation of intellectual faculties in the concept of *hifzu aql*, necessitates a proactive approach. This includes transparently disclosing the intricate details of the tax policy system. This transparency is essential to ensure no aspect, regardless of its magnitude, is concealed during the process of tax socialization. Therefore, the community feels no doubt about the payment due to the understanding of tax. In this context, tax payments are certain to enter the state treasury and are used for their prosperity and welfare.

Fourth is the effort to protect and maintain the property (*hifzu mal*). In the pursuit of *hifzu mal*, tax policy includes various provisions aimed at ensuring the protection and safeguarding of taxpayers. Based on the results, the informants did not receive any unilateral change in tax rates but were subjected to a 0.5% rate. The exemption from tax payments happened when the turnover obtained was low, around IDR 10 million per month or when experiencing losses with financial records of zero. Therefore, the effort of *hifzu mal* in tax policy is well realized. The clarity of the reduction from 1% to 0.5%, ensures transparency, while the provision of relief, such as exemption from payments for those experiencing losses, shows the intent of the established policy. In this context, the articulated tax policy aims to safeguard and appropriately allocate taxpayer assets within the bounds of legality.

Fifth is the effort to protect and maintain the next generation (*hifzu nasl*). In the world of work, surely every human being will try to get assets to provide survival for

their family, such as the example of a husband to the wife and children. The effort of *hifzu nasl* is through implementing taxpayer compliance to provide a smooth business oriented towards making a profit and is related to the regeneration of each individual by having children.

The interview showed that the conscientious preservation of *hifzu nasl*, or the well-being of future generations, correlates with positive outcomes for Muslim MSME actors. The acquisition of income through lawful and proper means contributes to the avoidance of religiously prohibited activities and enhances a sense of blessing in families.

A way to realize good and *halal* business income free from the elements of *ribawi*, *maisyir*, and *gharar* is that Muslim MSME actors, through taxpayer compliance, can provide benefits from the fortune of their business results. In this scenario, fulfilling the prescribed tax obligations obtains numerous advantages for the conducted business, thereby carrying implications for the well-being of their families, with a particular focus on the welfare of children. Based on the activities and provisions, the study concludes that the protection and maintenance efforts are appropriate to the *Maqāṣid al-Sharī'ah* value of *Hifzu Nasl*. Therefore, taxpayer compliance is not only about obligations as a form of running *Sharī'ah Compliance* (*Ribawi*, *Maisyir*, and *Gharar*) but realizing the value of benefits, blessings, honesty, and economic justice. The intended benefit is a concept used as the main consideration in solving problems of Islamic law. This is because the *maslahah* principle maintains the objective purpose (*Maqāṣid al-Sharī'ah*). The measure that ensures adherence to the five principles (*ushul*) is considered *maslahah*, while neglecting these foundational principles results in *mafsadat*, or harmful consequences.

The size and limit of the *maslahah* value are determined by fulfilling three main elements, including *al-Maslahah al-Dharuriyyah*, *al-Maslahah al-Hajiyyah*, and *al-Maslahah al-Tahsiniyyah*. *Al-Maslahah al-Dharuriyyah* is a benefit related to the basic needs of humans in the world and the hereafter. Additionally, it is a primary need to realize and protect the existence of five basic things, namely protecting and maintaining religion, the soul, the generation (children), the mind, and property. According to *ushul fiqh* experts, these five benefits are said to be *al-Masalih Khamsah*. *Al-Maslahah al-Hajiyyah* is a benefit needed in perfecting secondary needs. Therefore, the unmet need does not interfere with the level of *dharury*.

Al-Maslahah al Tahsiniyyah is a complementary benefit and a necessity of life. Failure to meet this *tahsiniyyah* need diminishes the beauty and enjoyment of human life, even though it may not lead to the destruction of life. The next expectation is to obtain the value of blessings. In everyday life, the term "blessing" is often heard, and in the prayers almost every day, always say, "May our lives be a blessing". Related to the term blessing, Imam Ghazali interpreted the concept as an increase in the value of goodness.

Muslim MSME actors aspire for the actualization of equitable and fair economic justice. While acknowledging the challenges in its practical realization, the principle is advocated as an ongoing pursuit, stating the importance of achieving a continuous balance. In the Islamic economic system, the concept of fairness holds profound significance, where every economic activity is devoid of any form of oppression toward others.

Islam grants freedom to parties, including Muslim MSME actors, to engage in agreements of their choice. These agreements become binding, obligating the parties to fulfill all specified rights and obligations. Simultaneously, economic justice in the Quran shows principles of human equality, rejecting all manifestations of social

inequality from economic differences, including exploitation, greed, and the concentration of wealth among capitalists.

A fundamental aspect of Islamic economics is the regulation of individual assets, ensuring their continual and productive circulation while discouraging accumulation in private hands. This emphasis on productive flow is consistent with the principles of distributive justice, a cornerstone in Islamic economics. The Islamic economic system shows that distribution should be grounded in both freedom and justice. The parameters of economic justice, guided by several principles, include the adoption of a profit-sharing system (*mudharabah*), the integration of spiritual and material values, provision of freedom under Islamic sharia, acknowledgment of diverse forms of ownership bound by faith, sharia, and morals, the maintenance of a balance between the physical and intellectual realms, and the allowance for State and government inclusion.

D. Conclusion

In conclusion, taxpayer understanding of Muslim MSME actors in Pasuruan City was cultivated through tax program awareness sessions organized by the Cooperative and MSME Office, using a humanist approach. Taxpayer compliance behavior was well materialized because of the community's awareness that paying tax was an obligation. This variable experienced an increase in response to enhanced awareness through genuine sentiments within the community. Furthermore, awareness stemmed from a collective desire to actively contribute to the state's developmental efforts. In this context, taxpayer organizers and the government should be trustworthy and professional in serving and managing tax from the payers. Incorruptibility should also be maintained since any instances of corruption could adversely impact the willingness to fulfill tax obligations. Additionally, the relationship between *Maqāṣid al-Sharī'ah* value and tax policy provided education by conducting tax socialization regarding the policy content and benefits. In the concept of *Maqāṣid al-Sharī'ah*, the tax policy was included in *hifzu maal* and categorized in the benefit of *Maqāṣid al-Sharī'ah aq-ḍaruriyah*. This signified that life lacked significance when one value of *hifzu din*, *hifzu nafs*, *hifzu aql*, *hifzu mal*, and *hifzu nasl* principles was absent.

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F. Author Contributions Statement

The authors consist of two researchers who share roles to complete this research. Mahfudz Sayudi served as the initiator of the research idea, designing the course of the research, preparing the materials and instruments needed. Parmujianto as the writer coordinator in this research is in charge of collecting data, analysing data, doing reference management, and completing the article until the final stage.

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