

Characters Influence Executive, Moral Obligation and Super Ego against Tax Avoidance from The Taxpayer Personal

(Executive Empirical Study of Companies Listed on Makassar Industrial Area)

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Abstract:- This study was conducted to determine the effect of executive character, moral obligation, and super-ego against tax evasion on personal taxpayers. The sample used in this study amounted to 42 executives from listed industrial companies in the industrial area of Makassar. Data analysis techniques used are validity, reliability test, test multicollinearity, heteroscedasticity test, normality test, autocorrelation test, and linearity test and multiple linear regression analysis, deterministic test, F test, and t-test. Using SPSS. The results showed that the executive character, moral obligation, and super-ego against tax evasion on personal taxpayers.

Keywords:- Executive Character, Moral Obligation, and Super-Ego.

I. INTRODUCTION

Tax evasion (Tax Avoidance) conducted by the company, usually through measures taken by the company was not accidental. Related to this has been done a lot of research for example testing the influence of high-powered incentives for tax evasion (Tax Avoidance) (Desai and Dharmapala, 2004), examining the relationship between the characteristics of firms with Tax Sheltering (Lisowsky, 2009), and the latter is the study of the influence executive of the features of the tax evasion (tax avoidance) companies (Dyrenge et al., 2010). Research conducted by Dyrenge et al., (2010) aimed at testing whether the individual Top Executive influences corporate tax evasion. As the phenomenon of tax evasion that has occurred in Indonesia. One of the cases that got crowded in the news is the case of Gayus Tambunan (PNS class IIIA, the Directorate General of Taxes, Ministry of Finance). Gaius involved three coated article, namely corruption, money laundering, and tax evasion. Director of the Directorate General of Taxes, Ministry of Finance, Fuad Rahmany Gaius describe actions that took bribes from employers or taxpayers bad adverse effect to some taxpayers to pay taxes (Rini, 2013). This proves the frequent occurrence of tax evasion (Tax Avoidance) occurred in Indonesia.

Management of the company consists of Director and Head of Division as individual policymakers certainly have a different character as well as with the administrative head of the control head, HRD, and they coined the head of the role that is different. Personality or behavior of corporate

leaders as decision makers can be risk-taking (Low, 2006) or are risk-averse (Lewellen, 2003). Research conducted by Dyrenge et al., (2010) only identify the effect of individual corporate leaders against tax evasion but has not yet responded on the distinctive character or behavior like what influences the reduction of taxes (Tax Avoidance). Costs resulting from significant tax amount for all types of companies. Therefore, it is generally accepted that the company and its shareholders would rather pay a smaller amount of tax and use the strategies of aggressive charge (Bauweraerts & Vandernoot, 2013). It is also supposed to be offset by the leaders must have a moral obligation, and that is good. Morality is an individual who is owned by someone, but chances are not held by others, such as ethics, the principle of life, feelings of guilt, carry out tax obligations voluntarily and are later linked to the fulfillment of tax obligations. Superego is a personality system that breaks away from the ego. Activities superego can be either self-observation, self-criticism, prohibitions and various other relief actions. Superego is formed through a process of internalization (the process of entering into the self). For example, the first time you may be taught the same small your parents, if there are people who help you, thank you. The process you repeatedly do and finally acknowledged behavior would be internalized into you. Values and norms that previously "foreign" to someone gradually accepted and regarded as something that comes from deep inside. The community should be aware of its existence as a citizen that always uphold the Constitution of 1945 as the legal basis for the implementation of the State, with the characteristics of a good executive, moral obligation, and super-ego are right, it will encourage someone to stick in its tax reporting. If the ethical norms and super-ego the better of taxpayers will increase taxpayer compliance in meeting tax obligations — similarly, the quality of service and tax penalties.

II. HYPOTHESIS

Tax evasion, according to Heru (2016) is a business tax reduction, but still, adhere to the provisions of tax laws such as the use exceptions and pieces that allowed or deferring taxes not covered under existing tax regulations. So that tax evasion is still very difficult to detect by the tax office, in this case, the character of the executive, moral obligation, and super-ego must be owned by the personality of each executive, with the role of the executive can know whether the nature of executive

influence taxpayer compliance private executives and Alaskan payment taxes properly or even vice versa. Based on the literature review that has been described, researchers describe this research is how the executive characteristics, moral obligation,

A. *Effect of Tax evasion Characters Top Executives (X1).*

Related to the characteristics of the executive against tax evasion, has done a lot of research for example on the influence of the character of the executive and political connections against tax evasion (tax avoidance) in this study proves that the high value of corporate risk due to the courage executives to take risks (risk takers) in order to maximize profit corporation one of them with tax evasion (tax avoidance). The point here companies (management) tend to commit tax evasion.

Further research is focusing on tax evasion again by individual executives; the study discusses the influence of the executive individual against corporate tax evasion (Dyrenge et al., 2010). Research conducted by Dyrenge (2010) is aimed at tax avoidance to test whether individuals Top Executive influences corporate tax evasion. With a sample of 908 leaders of companies listed on Execu Comp result that the head of the company (Executive) individually have a significant role to the level of taxation of companies, but these studies have not provided answers about the individual character or behavior that is like what influences corporate tax evasion.

Maccrimon and Wehrung (1990) and Low (2006) states that in carrying out his duties as head of the company, executives have two characters that are a risk taker and risk-averse. Maccrimon and Wehrung (2000) state that the executive has the personality of an executive risk taker bolder in making business decisions and usually have a strong urge to have an income, position, wealth, and the higher authority. Thus they should be able to bring the more senior the cash flow to meet the objectives that the company owner to obtain cash flow from operations carried out by the company. As for the hipotesinya are:

H1: There is a characteristic Effect Against Double Taxation of individual taxpayers on the executives of listed companies in the PT KIMA Kawasan Industri Makassar.

B. *Effect of Moral Obligation Over Tax Avoidance (X2).*

Work imposed on a person, it is concerned to have an obligation to carry out the job to finish with a good result, with a high moral obligation then it will encourage people to obey the rules in reporting tax. Tingkat tax compliance will be higher when the taxpayer has a commitment morally stronger. Research conducted by Asri (2009) found that awareness of the taxpayer and a significant positive impact on taxpayer compliance. Ajzen in Agustini (2008) states that moral obligation is an honest individual who is owned by someone, but chances are not shared by others. It can be seen from the study (Zahra Durrah, 2018) which states that the moral obligation to have a significant effect on tax compliance,

H2: There is a Moral Obligation To Effect of taxation of individual taxpayers on the executives of listed companies in the PT KIMA Kawasan Industri Makassar.

C. *Influence of Super Ego On the Avoidance of Double Taxation (X3).*

Heller (2002) argues that subjective expectation can be categorized into three parts, namely the needs of ego, superego motives, and political motives. Ego needs is a personal desire to achieve personal success. Personal success of the destination, according to Heller (2002) and Chelliah and Davis (2011), is to acquire or maintain a position as an executive and to improve the personal image. Then the superego motives interpreted as a desire to achieve something good for the organization, for example, to achieve its goals. While political purposes are intra-organizational rivalry and evading responsibility. Intra-organizational rivalry interpreted as a desire that aims to bring down the image of internal competitors by providing evidence on the incompetence of competitors through the discovery by an independent external consultant. While evading responsibility is the desire that aims to make the consultant as a scapegoat or point of throwing the blame for the failure to protect the image of the executives involved.

H3: There is a Super Ego Effect Against Double Taxation of individual taxpayers on the executives of listed companies in the PT KIMA Kawasan Industri Makassar.

III. CONCLUSION

Based on the analysis and the above discussion Effect of Character executive, Moral Obligation and Super Ego Against Tax Avoidance From the Taxpayer Personal At Corporate Executive Registered in PT KIMA Kawasan Industri Makassar, while the conclusions drawn by the researchers is In the first hypothesis Relations characters executives with tax evasion A taxpayers personal is not significant. Especially in the industrial area of corporate executives in the city of Makassar cause is still very weak executives both in personality, perceptions, and attitudes. Most executives in terms of character still do the job with less responsibility, is nervous in new things, in the judgment still has ego in completing the work and the attitude in making decisions based on data from the data of the past when the past data can not necessarily be used in the company's future decision making. Thus, in relation executive character (X1) does not affect the taxation of the private taxpayer in the industrial area of corporate executives Makassar (Y). It can also be seen from the executive has the character variable value more significant than the default value specified in the test this hypothesis.

While in the second hypothesis moral obligation relations have an impact on the personal tax evasion affect the taxation Penyejanya against is executives have a moral obligation to be accountable. Although the first hypothesis still many executives cannot be responsible for their duties but will not reduce the moral responsibility of the company executives. It can be seen from the executives do not want to make tax payments are smaller, and are not easily

affected families enumerated in tax evasion, the SPT promptly, perform calculations, and pay taxes promptly. So from this second hypothesis can be seen the moral obligation the taxpayer has a significant influence on the personal taxpayers in the industrial area of corporate executives Makassar (Y). It can also be seen from the moral obligation variable value is smaller than the standard amount that has been set on the test of this hypothesis.

The third hypothesis Superego in tax evasion on personal taxpayers has a significant effect. It can be seen from the executives thought that the super-ego is indispensable executives to comply with tax regulations. It can be seen from the definition of super-ego is a part of ethics, standards, morals, and rules that serve as controlling behaviors that do not meet the standards of conduct. Therefore, according to the executive super-ego can be used as consideration in decision-making bodies within the company. In this case, the competence executives can also be seen whether they apply the super-ego that is inside themselves each and held in decision-making so that the company led to run correctly. In this third hypothesis superego effect on tax evasion of personal taxpayers in the industrial area of corporate executives Makassar (Y). It can be seen from the moral obligation variable value is smaller than the standard amount that has been set on the test of this hypothesis.

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