

ABSTRACT

Tax morale is an intrinsic motivation to comply and pay taxes so as to contribute voluntarily to the provision of public goods. Higher tax morale will increase tax compliance. Micro, Small and Medium Enterprises (MSMEs) have an important role to supporting the regional and national economy. This study aims to analyze the impact of tax morale on MSMEs tax compliance in Semarang City. This study uses tax morale consisting of: (1) happiness, (2) religiosity, (3) environment, (4) institutional, and (5) ethics as independent variable and control variables such as: (1) gender, (2) age, (3) education, (4) marital status, (5) age of business, (6) business size and dependent variable in this study using MSMEs tax compliance. The type of data used is the primary data obtained from 117 samples of MSMEs in Semarang City as well as secondary data as supporting data in this study. Data analysis was performed by using binary logistic regression analysis with STATA 14 for Windows program. The results showed that environmental, institutional, ethical, business, and business size variables significantly influence SME tax compliance in Semarang City. While the variable is not significant effect on tax compliance in Semarang City that is variable of happiness, religiosity, gender, age, education, and marital status.

Keywords: tax morale, tax compliance, MSMEs, binary logistics regression