

ABSTRACT

This research aimed to investigate the influence of perception of the power of tax authorities on the trust, trust on the tax compliance, and perception of the power of tax authorities on the tax compliance. This research consist of one dependent variable, one independent variable, and one intervening variable. Dependent variable in this research is tax compliance, independent variable is perception of the power of tax authorities, and the intervening variable is trust.

This study used a questionnaire in data collection, respondents in this study is the individual tax payer on Land and Building Tax in Pati district. Next step, data collected by incidental sampling. Number of samples in this research is 98 respondents. This study used Structural Equation Modelling with SmartPLS 3.0 software.

The results showed that power of tax authorities has positive effect on trust. Furthermore, trust has positive effect on tax compliance. The result of this research also shows that power of tax authorities has positive effect on tax compliance.

Keywords: power of tax authorities, trust, tax compliance