

## **ABSTRACT**

*This study aimed to examine the effect of severe sanctions to enhance compliance of individual taxpayers who have business activities in Jakarta. Variables used in this study are the tax compliance as the dependent variable, tax sanctions as independent variables, moral evaluation as mediating variables, and procedural fairness as a moderating variable.*

*The design of this research used quantitative research design. Data were collected from questionnaires using simple random sampling method. This study uses Structural Equation Modelling (SEM) using WarpPLS 4.0 for windows to analyze the data.*

*The results showed that (1) tax sanctions have a significant influence on increasing tax compliance, (2) tax sanctions have a significant influence on increasing moral evaluation, (3) moral evaluation has a significant effect on tax compliance, (4) moral evaluation of the mediating variable tax sanctions have a significant influence on increasing taxpayer compliance to the tax authorities, and (5) procedural fairness as a moderating variable on severe sanctions have no significant effect to increase tax compliance.*

*Keywords : tax compliance, severe sanctions, moral evaluations, procedural fairness*