

**Trust in Tax Authorities Among Indonesian Medium Enterprises: The Influence
of Tax Socialization and Perceived Government Transparency**

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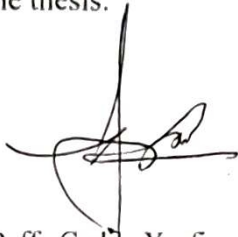


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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.



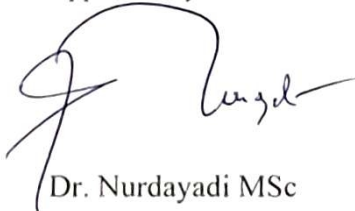
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ABSTRACT

Trust in Tax Authorities Among Indonesian Medium Enterprises: The Influence of Tax Socialization and Perceived Government Transparency

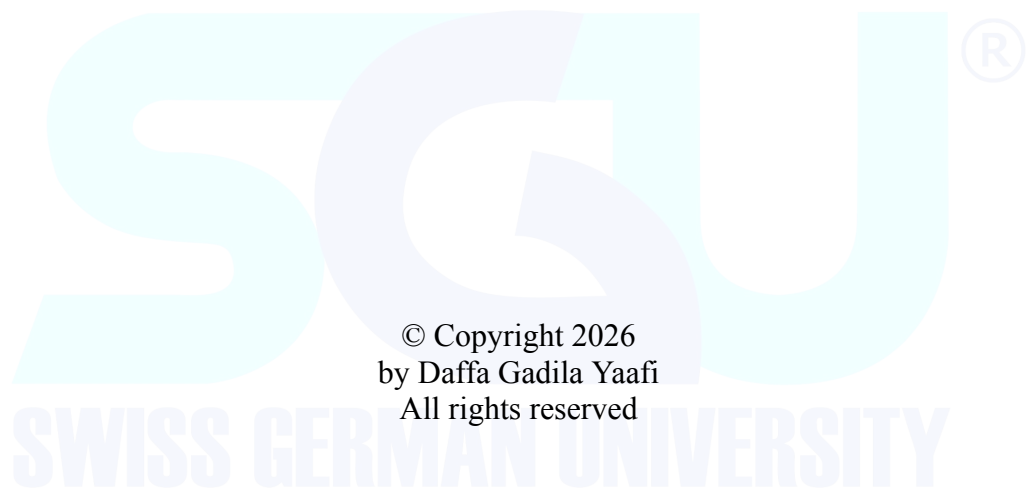
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The purpose of this study is to examine how tax socialization and perceived government transparency affect medium-sized businesses in Gading Serpong, Tangerang's automobile workshop and modification sector's trust in tax authorities. By combining quantitative and qualitative methodologies, the study employs a mixed-method approach. Partial Least Squares Structural Equation Modeling (PLS-SEM) with Smart PLS 4 was used to assess the quantitative data obtained from questionnaires given to 50 respondents. Additionally, five chosen respondents participated in semi-structured interviews to get qualitative data that offered more in-depth explanations of taxpayer perspectives and experiences. The results show that trust in tax authorities is positively and significantly impacted by perceived government transparency, suggesting that openness, accountability, and transparency in the administration of public finances boost taxpayer confidence. However, Tax Socialization has no discernible effect on Trust in Tax Authorities, indicating that educational initiatives by themselves are not enough to foster institutional trust. The study comes to the conclusion that when it comes to building taxpayer trust among medium-sized businesses, government transparency is more crucial than tax education. Therefore, enhancing public communication, accountability, and consistency is crucial to building long-term trust in tax organizations.

Keywords: Trust in Tax Authorities, Tax Socialization, Perceived Government Transparency, Medium Enterprises, PLS-SEM



DEDICATION

I dedicate this work for the better future of the country I loved: Indonesia.



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