

## **ABSTRACT**

**MARFELLA**

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### **THE INFLUENCE OF THE MODERNIZATION OF TAX ADMINISTRATION SYSTEM, TAX AWARENESS, AND TAX KNOWLEDGE OF TAXPAYERS TOWARDS THE TAXPAYERS' COMPLIANCE AT KPP PRATAMA MEDAN POLONIA**

(xv+ 62 pages, 6 figures, 18 tables, 9 appendixes)

The level of taxpayers' compliance indicates a gap phenomenon in which the level of compliance ironically become lower whereas it should naturally become higher due to the ease obtained by using the application. This research aimed to determine the influences of the modernization of tax administration system, tax awareness and tax knowledge of taxpayers towards the taxpayers' compliance at KPP Pratama Medan Polonia.

The grand theory used in this research was theory of planned behavior (TPB) and theory of rationality. These theories used to answer the hypothesis made at this research by comparing to other previous researches as references.

The object of this research was KPP Pratama Medan Polonia. The population in this research was an individual taxpayers on KPP Pratama Medan Polonia with sample of 100 taxpayers obtained through a Slovin formula with incidental sampling techniques. Data analysis technique that used was multiple linear regression analysis.

The results and conclusion of this research indicates that simultaneously and partially the modernization of tax administration system, tax awareness and tax knowledge of taxpayers significantly influence the taxpayers' compliance at KPP Medan Polonia in 2019, but partially only the tax knowledge of taxpayers has no significant influence on the taxpayers' compliance at KPP Medan Polonia in 2019. Besides, the ability of the modernization of tax administration system, tax awareness, and tax knowledges of taxpayers as independent variables to explain the taxpayers' compliance is 58.90% therefore there are still 41.10% of other independent variables to explain the taxpayers' compliance.

**Keywords: The Modernization Of Tax Administration System, Tax Awareness, Tax Knowledge of Taxpayers**

References: 44