



The Effect of Money Ethic on Tax Evasion with Religiosity, Materialism, and Gender as Moderating Variables

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Abstract

This study aims to examine the effect of money ethics on tax evasion whit religiosity, materialism, and gender as moderating variabels. This research method uses quantitative descriptive methods and primary data using a questionnaire. The study took a samples of individual taxpayers (WPOP). The sampling technique uses incidental sampling. Data collection was carried out by leaving questionnaires in the form of google forms and questionnaires. The number of questionnaires that were processed was 120 questionnaires. Data analysis used in this study is a moderated regresion analysis whit an absolute difference test. The results showed that money ethics has a possitive effect on tax evasion. Intrinsic religiosity weakend the positive relationship between money ethics and tax evasion. Extrinsic religiosity, materialism aand gender strengthen the positive relationship between money ethics and tax evasion.

1. INTRODUCTION

Tax is a source of state revenue that is used to finance government spending and national development. Indirectly, the tax revenue aims to increase the prosperity and welfare of the community. Because the role of taxes is so important, the government really hopes that the community can play an active role in contributing to increasing state revenue according to their abilities (Chairil, 2013). In the country of Indonesia itself, the obligation to improve the welfare of its people is mandated in the basis of the fifth precept of the Republic of Indonesia "social justice for all Indonesian people". Which

means that the government must realize the welfare of its people. Taxation has two functions, namely, as a source of state finance or *budgetary* and a tool to regulate or implement government policies in the social and economic fields (*regularent*) (Mardiasmo, 2003). As time goes by, the increasing population coupled with the increasing number of taxpayers, the development of the economy is expected to increase tax revenue as a source of state revenue. However, in reality , although it remains the main source of state revenue, the role of taxes in the state budget has begun to decline slightly.

Table 1.1
State Tax Revenue Data

No	Year	IKU	Target	Realization
1	2013	Total tax receipts	100%	92.58%
2	2014	Total tax receipts	100%	91.86%
3	2015	Total tax receipts	100%	81.97%
4	2016	Total tax revenue (including Pph Migas)	100%	81.60%
5	2017	Total tax revenue (including Pph Migas)	100%	89.68%
6	2018	Total tax revenue (including Pph Migas)	100%	92.24%
7	2019	Total tax revenue (including Pph Migas)	100%	84.44%

Source: Annual Report of the Directorate General of Taxes, 2019, processed

The Ministry of Finance noted that in 2019 tax revenues were still IDR 245.4 trillion less than the target set in the APBN of IDR 1,577.6 trillion. The government was

only able to collect revenue from taxes of IDR 1,332.2 trillion or 84.4% of the target (Finance.detik.com, 8 January 2020). Minister of Finance Sri Mulyani Indrawati



said that conditions during 2019, especially from global sources, put pressure on economic activity and had an impact on VAT collection. PPN and PPnBM only reached 81.3% of the target in the APBN of IDR 655.4 trillion. Only able to collect IDR 532.9 trillion or only able to grow 0.8% from the previous year. In contrast to oil and gas and non-oil and gas tax revenues which can still grow positively. Non-Oil and Gas PPh managed to collect IDR 711.2 trillion or 85.9% of the IDR 828.3 trillion target. Then oil and gas income tax collected Rp. 59.1 trillion or 89.3% of the target of Rp. 66.2 trillion in the 2019 State Budget. Meanwhile, PBB and other taxes were recorded at Rp. 28.9 trillion or exceeding the target set in the State Budget of Rp. 27.7 trillion (Cnbcindonesia.com, 8 January 2020). One of the causes of not achieving the tax revenue target is the action of *tax evasion* or often called tax fraud or tax evasion by taxpayers. *Tax evasion* is an illegal way of not paying taxes by committing *irregular acts* in various forms of fraud which are carried out intentionally and consciously (Putri, 2016).

The phenomenon regarding tax evasion recently carried out by PT. Adaro Energy Tbk (one of the largest mining companies in Indonesia with an office in Jakarta) . That Adaro is said to have carried out transfer *pricing* through its subsidiary in Singapore, Coaltrade Services International. The effort is said to have been carried out from 2009 to 2017. Adaro is alleged to have arranged it in such a way that they could pay taxes of US\$ 125 million or the equivalent of IDR 1.75 trillion (exchange rate of IDR 14 thousand) lower than they should be paid in Indonesia (Finance.detik.com, 5 July 2019).

2. LITERATURE REVIEW

2.1 Theory of Egoism

Tax evasion action is not considered a violation because selfish actions are not an ethical violation (Oktaviani et al, 2018). In the case of tax fraud, it will be very detrimental to the state because it affects

state revenue. The taxation system in Indonesia that uses a *self-assessment system* gives taxpayers the authority to calculate and report their own taxes. The use of this system can open up opportunities for taxpayers who are more selfish to take actions to manipulate income or report taxes incorrectly so that the tax burden they bear is smaller.

2.2 Ethical Theory

The word ethics comes from the Greek word " *ethos* " which means the character of decency or customs. Ethics is usually closely related to morals which is a term from the Latin language, namely " *mos* " which is in the form of doing good deeds and avoiding bad actions (Surahman & Putra, 2018). Moral behavior is behavior that follows the moral code of a particular group of people. Behavior outside of moral awareness is behavior that deviates from the expectations of social groups which is more caused by the inability of those concerned to understand the expectations of social groups.

2.3 Tax Theory

According to Law Number 16 of 2009, taxes are defined as mandatory contributions to the state owed by individuals or entities that are coercive based on the law by not receiving direct compensation and used for state needs for the greatest prosperity of the people. Meanwhile, according to Mardiasmo (2016) taxes are people's contributions to the state treasury based on law (which can be forced) by not receiving reciprocal services (contra achievement) that can be shown directly and used to pay public expenses. From this explanation it is clear that taxes are contributions to the state treasury that are coercive without receiving direct reciprocity. In this case, taxpayers who have a high love of money will think about committing tax fraud. Likewise, taxpayers who have the nature of materialism where money will be very important for the happiness of their



survival. While *gender* will be determined by the character or nature. Men are considered more likely to commit tax fraud than women (Basri, 2015).

2.4 Money Ethics

Money ethics (money ethics) is the ethics of money or policies in taking an attitude towards money. The more someone prioritizes money as an important thing (*high money ethics*), the person tends to commit acts of tax fraud than people with *low money ethics* (Oktaviani et al., 2018). Their high love for money makes them willing to do things that are not justified, such as tax fraud. Dewi and Merkusiwati (2017) explain that ethical theory relates to manners, manners, moral guidelines, moral norms and others, which are closely related to the norms that exist in society.

2.5 Tax Evasion

Tax evasion (tax fraud) is an illegal way of not paying taxes by committing irregular acts in various forms of fraud that are carried out intentionally and in a conscious state (Putri, 2016). According to Chairil (2013) Smuggling or tax evasion (*Tax Evasion*) is an attempt by taxpayers to avoid tax payable illegally by hiding the real situation. There are several terms used to describe efforts to avoid paying taxes that are found in the legal literature. There are those who use the terms tax smuggling, tax resistance, tax evasion, and tax evasion, whose meaning is none other than how to avoid paying taxes (Sulistyowati and Ulfah, 2018).

2.6 Religion

McDaniel & Burnett (1990, in Wankhar and Diana, 2018) defines *religiosity* y (religiosity) is a belief in God with a commitment to follow the principles laid down by God. Religiosity conceptually is belief in God, rules of good and bad morals, rules about how to live a good life and all of that is implemented in everyday life.

According to Allport & Ross (1967 in Rosianti & Mangoting, 2014) *religiosity* is seen from two perspectives, namely *intrinsic religiosity* and *extrinsic religiosity* . *Intrinsic religiosity* is a person's commitment to embrace religion with spiritual or spiritual goals (using faith to promote the interests of the people and find ways to serve the people). *Extrinsic religiosity* is a person's participation in joining a religion for reasons of self-discovery (which is used to support or promote one's own business interests and find ways of how religion can serve individuals).

2.7 Materialism

Materialism is a view that contains attitudes, beliefs, and life values that emphasize and prioritize the ownership of material goods and wealth over other life values, such as spiritual, intellectual, social, and cultural (Husna, 2015). Materialism describes attitudes towards beliefs and life values related to material things in social and cultural life. Materialism emphasizes and emphasizes the ownership of goods and wealth. Someone who has high materialism will have high money ethics, so that tax fraud tends to increase.

2.8 Gender

According to Caplan (1997) *gender* is the difference in behavior between men and women apart from biological structure, most of it is actually formed through *social* and *cultural processes* . In relation to tax fraud and money ethics. Differences in how to socialize men and women lead to differences in behavior. If men emphasize competition more, women maintain more social relations (Wankhar & Diana, 2018).

In the dictionary (Salsabila and Prayudiawan, 2011) the notion of *gender* is a grammatical classification of nouns and other words related to them, which are broadly related to the existence of two sexes and the absence of sex or neutrality. In connection with the issue of gender, the



results of previous studies stated that men are more likely to commit acts of tax fraud than women. According to Hafizhah, Basri and Rusli (2016) several studies have shown that women have a higher level of belief in ethics, while men have a lower belief in ethics. Men have a higher love of money so the possibility of committing tax fraud is high.

3. RESEARCH METHODS

This research is quantitative in nature, namely research to find out and explain the relationship between research variables by testing the hypotheses that have been formulated. Sampling technique is done by the method *incidental sampling*. *Incidental sampling* technique is a technique determination of the sample based on coincidence that is who who incidentally met with the researcher can be used as a sample, if the person who incidentally found suitable as a data source (Sugiyono, 2007). Data collection was carried out by distributing questionnaires directly to the taxpayers who are the sample in the study. Data type used in this study is the primary data where the data collection technique using questionnaires. This study uses 1 (one)

dependent variable, 1 (one) independent variable and 4 (four) moderating variables. The independent variable in this study is *money ethics* (X). The dependent variable used in this study is *tax evasion* (Y). The moderating variables used in this study were *intrinsic religiosity* (Z1), *extrinsic religiosity* (Z2), materialism (Z3), and *gender* (Z4).

This research is a quantitative research. Quantitative data is data that is measured on a numerical/number scale (Kuncoro, 2013). In this study, this variable will be measured using a Likert scale, this Likert scale is used to measure attitudes, opinions, and perceptions of a person or group of people about social phenomena (Sugiyono, 2013), besides that this Likert scale is also used to measure the subject's response to in 5 point scale with the same interval (Hartono, 2017). The Likert scale that will be used is a *5-point Likert scale* consisting of Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree (Sugiyono, 2013).

4. RESULTS AND DISCUSSION

4.1 Test Statistics Descriptive

Table 4.1 Statistics Descriptive

	N	Min	Mom	Means	std. Deviation
Money Ethics	120	14	40	27.3083	4.90206
taxes Evasion	120	18	40	29.4667	4.04166
intrinsic Religion	120	14	35	29.2750	3.48578
Extrinsic Religion	120	12	30	23.2833	3.01866
Materialism	120	11	19	14.1500	1.86813
Valid N (listwise)	120				

Source : Data primer treated, 2022

Based on table 4.1 above, it can be seen that the amount of data (N) is equal to 120. It can be seen that *money ethics* has an average value as big 27.30 with standard deviation as big 4,902. *taxes evasion* own mark average as big 29.46 with standard deviation as big 4,041. *intrinsic religiosity* own mark average as big 29.27 with standard deviation of 3,485. *Extrinsic religiosity* has an average value of

23.28 with a standard *deviation* as big 3.018. Materialism own mark average as big 14.15 with standard *deviation* as big 1868.



4.2 Validity test

Table 4.2
Results Test validity

No	variable/indicator	Pearsons Correlation	r- table	Sig.	Information
1	Money Ethics				
	grain 1.1	0.596	0.361	0.001	Valid
	grain 1.2	0.396	0.361	0.030	Valid
	grain 1.3	0.631	0.361	0.000	Valid
	grain 1.4	0.748	0.361	0.000	Valid
	grain 1.5	0.719	0.361	0.000	Valid
	grain 1.6	0.724	0.361	0.000	Valid
	grain 1.7	0.696	0.361	0.000	Valid
	grain 1.8	0.689	0.361	0.000	Valid
2	taxes Evasion				
	grain 2.1	0.560	0.361	0.001	Valid
	grain 2.2	0.602	0.361	0.000	Valid
	grain 2.3	0.678	0.361	0.000	Valid
	grain 2.4	0.495	0.361	0.005	Valid
	grain 2.5	0.803	0.361	0.000	Valid
	grain 2.6	0.670	0.361	0.000	Valid
	grain 2.7	0.438	0.361	0.016	Valid
	grain 2.8	0.485	0.361	0.007	Valid
3	intrinsic Religion				
	grain 3.1	0.658	0.361	0.000	Valid
	grain 3.2	0.721	0.361	0.000	Valid
	grain 3.3	0.627	0.361	0.000	Valid
	grain 3.4	0.550	0.361	0.002	Valid
	grain 3.5	0.733	0.361	0.000	Valid
	grain 3.6	0.699	0.361	0.000	Valid
	grain 3.7	0.574	0.361	0.001	Valid
4	Extrinsic Religion				
	grain 4.1	0.789	0.361	0.000	Valid
	grain 4.2	0.796	0.361	0.000	Valid
	grain 4.3	0.727	0.361	0.000	Valid
	grain 4.4	0.492	0.361	0.006	Valid
	grain 4.5	0.769	0.361	0.000	Valid
	grain 4.6	0.562	0.361	0.001	Valid
5	Materialism				
	grain 5.1	0.657	0.361	0.000	Valid
	grain 5.2	0.458	0.361	0.011	Valid
	grain 5.3	0.509	0.361	0.004	Valid
	grain 5.4	0.645	0.361	0.000	Valid

Source : Data primary processed, 2022

Based on table in on can seen that r count > r table. So can concluded that that data tested in research This entirely valid.

4.3 Reliability Test

Table of Results 4.3 Reliability Test

No	Variable	Cronbach's	Information
1	Money Ethics	0.743	Reliable
2	taxes Evasion	0.711	Reliable
3	intrinsic Religion	0.757	Reliable
4	Extrinsic ReligiosityMaterialism	0.768	Reliable
5		0.757	Reliable

Source : Data primary processed, 2022



Based on the table above it can be seen that both independent variables nor variable bound, the data *reliable* Because *cronbach's* value $\alpha >$.

4.4 Classic assumption test

a. Normality test

The normality test aims to determine whether the distribution A data follow or

approach distribution normal. In testing This test normal Which used is test *kolmogorov-smirnov* And p-plot. Data said distribution normal obtain mark significance > 0.05 And on the p-plot graph the point moves closer to the line. Normality test results served in table below this:

Table 4.4 Results Test Normality

<i>Unstandardized residual</i>		
N		120
<i>Normal Parameter</i>	<i>Means</i>	.0000000
	<i>std. Deviation</i>	4.0312628
	<i>absolute</i>	.093
	<i>Positive</i>	.093
	<i>Negative</i>	-.044
<i>Kolmogorov-Smirnov Z</i>		.093
	<i>asympt Sig. (2-tailed)</i>	.072

source : Data primary processed, 2022

Based on table 4.4 in on, can concluded that residual variables are normally distributed. This is proven throughout variable obtain mark significant $0.072 > 0.05$, so that can concluded that distributed residual variable normal.

b. Multicollinearity Test

The multicollinearity test aims to test whether there is correlation between

independent variables (independent) in the regression model. For detect happen or nope disturbance multicollinearity in regression Model, multicollinearity can seen from mark *Variances Inflation Factor* (VIF) < 10 and *Tolerance* > 0.10 . The results of the multicollinearity test are presented on following table :

Table 4.5 Test Multicollinearity

<i>Collinearity Statistics</i>			
Model		<i>tolerance</i>	VIF
1	(<i>constant</i>)		
	Money ethics	0.988	1012
	intrinsic Religion	0.882	1,134
	Extrinsic Religion	0.953	1,049
	Materialism	0910	1,099

Source : Data primary processed, 2022

Based on table 4.5 in on, show results from test multicollinearity is known that there is no multicollinearity in equality regression.

4.5 Hypothesis testing

a. Multiple Linear Regression Test

The analysis in this study is multiple linear regression analysis. This analysis is used to determine the effect of the independent variables on the dependent variable. Based on the results of calculations using the SPSS computer statistics program, the following results are obtained:



1) Model Test (Fit Model)

Model test (Fit Model) is used to test the suitability of the model made for whether the experimental results follow a

certain probability. If the p value < 0 then accept the alternative hypothesis and if the p value > 0 then reject the alternative hypothesis.

Table 4.6 Model Test Results

Model	sum Of Squares	Df	Means Squares	F	Sig.
1 Regression	9,988	4	2,497	.148	.963
residualTotal	1933,878	115	16,816		
	1943,867	119			

a. dependent Variable : taxes Evasion

b.

c. Predictors : (Constant), Materialism, Money Ethics (X), Extrinsic Religiosity (Z2), Extrinsic Religion (Z1)

d. Source: Primary data processed, 2022

Based on table 4.6 it can be concluded that the results of the fit model test show that the calculated F value is 0.148 and the significance value is 0.963 > 0.05. Matter This shows that the independent variable, namely *money ethics*, has no effect on *tax evasion*.

2) Coefficient of Determination (R²)

The coefficient of determination test (R²) is used to measure how far the model's ability to explain the variation of the dependent variable.

Table 4.7

Results Determination Coefficient Test (R²)

Model	R	R Square	Adjusted R Square	std. Error of the Estimates
1	.072	.005	-.029	4.10077

Source : Data primary processed, 2022

Table 4.7 shows that the R Square value is 0.005, so it can be concluded that *money ethics*, *extrinsic religiosity*, *extrinsic religiosity* and *materialism* affect *tax evasion* by 0.05%.

Analysis test Partial t needed For know that independent variables partially have a significant influence to variable dependent. Taking decision in test it is based on level significance as big 5% or 0.05. Results test in this research as follows:

3) Partial Significance Test (T Test)

Table 4.8 T test results

Model	Unstandardize d Coefficients		Standardized Coefficients		t	Sig.
	B	std. Error	Betas	std. Error		
1 (constant)	28,431	4,836			5,879	.000
Money Ethics	-.024	.077	-.030		-.317	.752
Intrinsic Religion	.028	.115	.025		.247	.805
Extrinsic Religion	-.030	.128	-.022		-.235	.814
Materialism	.111	.211	.051		.526	.600

Source : Primary data processed, 2022

Based on table 4.8 above it can be concluded that:

1) *Money ethics* obtained a t-count value of 0.317 and t-table of 1.982 this shows t-count < t-table. At the significance level it has a value of 0.752 greater than the *alpha* of 0.05. It can be concluded that the

money ethics variable has no significant effect on *tax evasion*.

2) *Intrinsic religiosity* obtained a t-count value of 0.247 and a t-table of 1,982, this shows t-count < t-table. At the significance level it has a value of 0.805 greater than *alpha* 0.05. Conclusions can



be drawn the *intrinsic religiosity* variable has no significant effect on *tax evasion*.

- 3) *Extrinsic religiosity* obtained a t-count value of -0.247 and a t-table of 1982 this shows t-count < t-table. At a significance level of 0.814 it is greater than *alpha* 0.05. It can be concluded that *extrinsic variables religiosity* has no significant effect on *tax evasion*.
- 4) Materialism acquires t-count value of 0.526 and t-table of 1982 this thing shows t-count < t-table. The significance value of 0.600 is greater than *alpha* 0.05. It can be

concluded that the materialism variable has no significant effect on *tax evasion*.

b. Moderated Regression Analysis (MRA) Test

The *Moderated Regression Analysis (MRA)* test is useful for knowing the causal relationship between the independent variable and the dependent variable which is strengthened or weakened by the moderating variable.

1) Testing MRA Equation 1 a) Model Test (Fit Model)

Table 4.9 F Test Results

Model	sum Of Squares	Df	Means Squares	F	Sig.
1 Regression	11,492	3	3,831	,156	,926
residualTotal	2848,099	116	24,553		
	2859,592	119			

Source : Primary data processed , 2022

Table 4.9 shows that the results of the F model show that the calculated F value is 0.156 with a significance level above 0.926. This shows that the independent variable moderation 1,

money ethics , *intrinsic religiosity* and control variables together do not affect *tax evasion*.

b) Determination Coefficient Test (R²)

Table 4.10
Test Results for the Coefficient of Determination (R²)

Model	R	R Square	Adjusted RSquare	std. Error of the Estimates
1	,063	,004	-.022	4.95506

Source : Primary data processed, 2022

Table 4.10 is the result of the coefficient of determination test which shows the Adjusted R-Square value of -0.22 or -22%. Thus it can be concluded that the moderating variable 1, *money ethics*, *intrinsic religiosity* is only unable to predict the *tax evasion variable* .

c) Partial Significance Test (T Test)

Table 4.11 shows that individually the *money ethics variable* has a coefficient value

of 0.266 with a significance probability of 0.791, *intrinsic religiosity* has a coefficient value of 0.395 with a significance probability of 0.694, and moderation 1 has a coefficient value of -0.320 with a significance probability of 0.750. So it can be concluded that moderation 1 is rejected.

2) Equation 2 MRA testing a) Model Test (Fit Model)

Table 4.12 F Test Results

Model	sum Of Squares	Df	Means Squares	F	Sig.
1 Regression	13,213	3	4,404	,179	,910
residualTotal	2846,379	116	24,538		
	2859,592	119			

Source : Primary data processed, 2022



Table 4.12 results of the F model show that the calculated F value is 0.179 with a significance level above 0.910. This shows that the independent variable moderation 2,

money ethics, *extrinsic religiosity* and control variables together do not affect *tax evasion*.

b) Determination Coefficient Test (R²)

Table 4.13
Determination Coefficient Test Results

Model	R	R Square	Adjusted RSquare	std. Error ofthe Estimates
1	,068a	,005	-.021	4.95356

Source : Primary data processed, 2022

Table 4.13 is the result of the coefficient of determination test which shows the Adjusted R-Square value of -0.21 or -21%. Thus it can be concluded that the

moderating variable 2, *money ethics*, *extrinsic religiosity* is only unable to predict the *tax evasion variable*.

c) Partial Significance Test (T Test)

Table 4.14 T Test Results

Model	Unstandardized Coefficients	Standardized Coefficients		t	Sig.
	B	std. Error	Betas		
(Constant)	19,508	24,593		,793	,429
Money ethics	,189	,799	,156	,237	,813
Extrinsic religiosity	,379	1.024	,233	,370	,712
Moderation 2	-.010	.033	-.261	,290	,773

Source : Primary data processed, 2022

Table 4.14 shows that individually the *money ethics variable* has a coefficient value of 0.237 with a significance probability of 0.813, *extrinsic religiosity* has a coefficient value of 0.370 with a significance probability of 0.713, and moderation 1 has a coefficient

value of -0.290 with a significance probability of 0.773. So it can be concluded that moderation 2 is rejected.

3) Equation 3 MRA testing

a) Model Test (Fit Model)

Table 4.15 F Test Results

Model	sum Of Squares	Df	Means Squares	F	Sig.
1 Regression	31,242	3	10.414	,427	,734
residual	2828,349	116	24,382		
Total	2859,592	119			

Source : Primary data processed, 2022

Table 4.15 results of the F model show that the calculated F value is 0.427 with a significance level above 0.734. This shows that the independent variable moderation 3,

money ethics, *materialism* and control variables together do not affect *tax evasion*.

b) Determination Coefficient Test (R²)

Table 4.16
Determination Coefficient Test Results

Model	R	R Square	Adjusted RSquare	std. Error ofthe Estimates
1	,105a	,011	-.015	4.93785

Source : Primary data processed, 2022

Table 4.16 is the result of the coefficient of determination test which shows the Adjusted R-Square value of -0.15

or -15%. Thus it can be concluded that the moderating variable 3, *money Ethics*,



materialism is just not able to predict the *tax evasion variable* .

c) Partial Significance Test (T Test)

Table 4.17 T Test Results

Model	Unstandardize d Coefficients	Standardized Coefficients	Betas	t	Sig.
	B	std. Error			
(Constant)	12,580	25,555		,492	,623
Money ethics	,582	,848	,480	,686	,494
materialism	1.112	1,789	,424	,622	,535
Moderation 3	-.044	.059	-.735	-.735	,464

Source : Primary data processed, 2022

Table 4.17 shows that individually the *money ethics* variable has a coefficient value of 0.686 with a significance probability of 0.494, materialism has a coefficient value of 0.622 with a significance probability of 0.535, and moderation 3 has a coefficient value of -0.735 with a significance probability of 0.464. So it can be concluded that moderation 3 is rejected.

4.2 Discussion

a. Influence Money Ethics To taxes Evasion

The results of the analysis in table 4.10 prove that *money ethics* negative and not significant effect on *tax evasion*. These results support the findings from previous research conducted by (Atmoko, 2018) which states that *money ethics* has a negative effect on *tax evasion*. The results of this study are different from previous research by (Oktaviani et al, 2018) , (Shafira 2021) and (Shafira 2021) which stated *money ethics* has a positive effect on *tax evasion*. The most basic thing is to obtain negative results and has no significant effect, namely the way someone evaluates something as ethical or unethical, the conduct of tax fraud is inseparable from the belief that *money ethics* has a positive effect on *tax evasion*. The most basic thing about obtaining negative results and not having a significant effect is that the way a person evaluates something is considered ethical or unethical, the conduct of tax fraud is inseparable from the beliefs he adheres to.

b. Intrinsic Religiosity Can Weaken the Positive Effect of Money Ethics To Tax Evasion

The result of testing the second hypothesis is that *intrinsic religiosity* is not effect on the relationship between *money ethics* and *tax evasion*. This is because *intrinsic religiosity* as a moderating variable has a significance above 0.05 which is equal to 0.750 and a negative coefficient value of - .320. This means that the interaction of *money ethics* and *intrinsic religiosity* has no effect on *tax evasion* . *Intrinsic religiosity* does not moderate according to (Shafira 2021) because the scriptures do not explicitly mention the order to pay taxes, so that taxpayers think that fulfilling tax obligations will not affect the afterlife. Like the religious law regulated in the holy book which comes from God .

The results of this study support research statements from research results (Shafira 2021) and On the contrary, this study does not support the statement from the results of research conducted by Wankhar & Diana (2018) , and Atmoko (2018) which show the results of research that *intrinsic religiosity* can moderate the relationship between *money ethics* and *tax evasion*.

c. Extrinsic Religiosity Can Strengthen the Positive Influence of Money Ethics To Tax Evasion

The test result of the third hypothesis is no *extrinsic religiosity* effect on the relationship between *money ethics* and *tax*



evasion. This is due to *extrinsic religiosity* as a moderating variable has a significance above 0.05 which is equal to 0.773 and a negative coefficient value of -0.290. This means that the interaction of *money ethics* and *extrinsic religiosity* has no effect on *tax evasion*.

The results of this study support statements from the research results of Hafidzah (2016) and Wankhar & Diana (2018), whose research results yielded *extrinsic religiosity* statements that do not moderate the relationship between *money ethics* and *tax evasion*. On the contrary, this study does not support the statement from the results of research conducted by Mutingatun & Hidayatulloh (2020), which shows the results of the study that *extrinsic religiosity* can moderate the relationship between *money ethics* and *tax evasion*.

d. Materialism Can Strengthen Influence Positive Money Ethics To Tax Evasion

Result of the fourth hypothesis is that materialism has no effect on the relationship between *money ethics* and *tax evasion*. This is because materialism as a moderating variable has a significance value above 0.05 which is equal to 0.464 and the negative coefficient of -0.735. This means that the interaction of *money ethics* and materialism has no effect on *tax evasion*. One's materialism depends on selfishness and morality. This means that the higher the attitude of materialism, the lower the ethics and vice versa. A person who has high materialism tends to maintain his wealth and meet the need for luxury goods, so he is reluctant to pay taxes because he thinks that paying taxes can reduce the wealth he has. However, this may not have happened to the respondents in this study. So it can be assumed that most respondents are individuals who are not extravagant and do not like to buy luxury goods and are tax compliant.

The results of this study support the results of research conducted by (Shafira 2021) who argue that materialism cannot be

guaranteed to moderate the relationship between *money ethics* and *tax evasion*. On the contrary, this study does not support research conducted by (Shafira 2021) and (Shafira 2021), which state that materialism strengthens the effect of *money ethics* on *tax evasion*.

5. CLOSING

5.1 Conclusion

Conclusions on the results of research and discussion. This research was conducted aiming to find empirical evidence about the effect of *money ethics* on *tax evasion* with *intrinsic religiosity*, *extrinsic religiosity* and materialism as moderating variables obtained from distributing questionnaires to the Compulsory Tax Person Personal (WPOP) in the Office Service Tax Yogyakarta Primary. Based on the results of the analysis and discussion carried out, the following conclusions are drawn:

1. *Money ethics* has a negative and insignificant effect on *tax evasion*. The most basic thing about obtaining negative results and not having a significant effect is that the way a person evaluates something is considered ethical or unethical, the conduct of tax fraud is inseparable from the beliefs he adheres to.
2. *Intrinsic religiosity* cannot moderate *money ethics* on *tax evasion*. This means the interaction of *money ethics* and *intrinsic religiosity* has no effect on *tax evasion*. *Intrinsic religiosity* does not moderate because the holy book does not explicitly mention orders to pay taxes, so that taxpayers think that fulfilling tax obligations will not affect the afterlife.
3. *Extrinsic religiosity* cannot moderate *money ethics* on *tax evasion*. Although *extrinsic religiosity* is seen as closely related to the involvement of individual social relations in religious organizations. The Directorate General of Taxes (DGT) often uses an *extrinsic religiosity*



approach through counseling, outreach and others in an effort to increase tax compliance.

4. Materialism cannot moderate *money ethics* on *tax evasion*. A person's materialism depends on his selfishness and morals. This means more The higher the attitude of materialism, the lower the ethics and vice versa.

5.2 Suggestion

Future research is expected to make modifications to the research structure. You can add new variables such as tax technology, emotional intelligence and so on.

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