Vol. 01. No. 1, 2026 IDES

International Journal of Development Economics and Social Policy

| Vol. 01. No. 1, 2026 | Received: 14 Mei 2026 | Accepted: 29 Juni 2026 | Published: 30 Juni 2026 |
| --- | --- | --- | --- |

# Identifying Factors Influencing Restaurant Taxpayer Compliance In Paying PBJT In Sidoarjo

**Garfild Posumah[1*]**
g_posumah@yahoo.com, Tax Consulting Office

**Abstract**
Pajak Barang dan Jasa Tertentu (PBJT) constitutes one of the strategic sources of regional revenue in Indonesia, particularly from the restaurant and hospitality sectors. However, taxpayer compliance in paying PBJT remains a significant challenge for local governments, including in Sidoarjo. This condition indicates that taxpayer behavior is influenced by multiple economic, institutional, psychological, and administrative factors. Therefore, this study aims to identify the underlying factors influencing restaurant taxpayers in paying PBJT using Exploratory Factor Analysis (EFA) with Principal Component Analysis (PCA). This study employed a quantitative exploratory approach using primary data collected through questionnaires distributed to 100 restaurant taxpayers in Sidoarjo. The respondents were selected using purposive sampling with the criterion that businesses had been registered as PBJT taxpayers for at least two years. The study analyzed 35 indicators derived from seven initial variables, namely tax knowledge, taxpayer awareness, tax service quality, digital payment systems, tax supervision and sanctions, business economic conditions, and trust in local government. Data were analyzed using Exploratory Factor Analysis with Principal Component Analysis and Varimax rotation. The results revealed that all indicators met the requirements for factor analysis, with communalities values above 0.50. The PCA extraction produced eight factors with eigenvalues greater than 1.00 and a cumulative variance explained of 76.488%. The dominant factor identified was trust and business economic stability, followed by tax supervision systems, tax awareness and literacy, tax administrative understanding, tax service quality, digitalization and payment convenience, social awareness of tax compliance, and institutional trust dimensions. The findings indicate that PBJT compliance behavior is multidimensional and influenced not only by enforcement mechanisms but also by economic stability, institutional trust, and technological accessibility.

**Keywords:** Pajak Barang dan Jasa Tertentu (PBJT); taxpayer compliance; exploratory factor analysis
**JEL Classification:** H25, H26, H71

## INTRODUCTION

Regional taxation constitutes one of the primary sources of local government revenue for financing public services, infrastructure development, and regional economic growth. Within Indonesia's fiscal decentralization framework, local governments are encouraged to strengthen Regional Original Revenue (Pendapatan Asli Daerah/PAD) through effective and sustainable tax administration. One of the strategic components of local taxation is Pajak Barang dan Jasa Tertentu (PBJT), introduced under Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, which integrates several regional taxes into a simplified taxation system. Among the various PBJT objects, the restaurant sector represents one of the most significant contributors to local tax revenue because of its continuous commercial activities and direct interaction with consumers. In Sidoarjo Regency, the rapid growth of culinary businesses has further increased the potential contribution of restaurant PBJT to regional fiscal capacity.

Despite this considerable potential, achieving a high level of PBJT compliance among restaurant taxpayers remains a challenge for local governments. Administrative records frequently indicate delays in tax payments, inconsistencies in turnover reporting, and varying levels of compliance among registered restaurant taxpayers. These conditions suggest that taxpayer compliance cannot be explained solely by legal obligations or enforcement mechanisms. Rather, compliance behavior is shaped by a complex interaction of cognitive, economic, institutional, technological, and psychological factors, including tax knowledge, taxpayer awareness, service quality, digital payment systems, business economic conditions, tax supervision, and trust in local government institutions (Kirchleretal, 2008) Consequently, understanding these underlying dimensions is essential for designing more effective local tax administration strategies.

The literature on tax compliance has predominantly employed confirmatory approaches that examine causal relationships between predetermined independent variables and taxpayer compliance using regression-based techniques. Studies have consistently demonstrated that variables such as tax knowledge, taxpayer awareness, service quality, tax sanctions, and digital taxation systems significantly influence compliance behavior (Palil & Mustapha, 2011; Nugroho & Zulaikha, 2012). While these studies have contributed substantially to explaining the direct effects of individual variables, they generally assume that the underlying dimensions influencing taxpayer behavior are already known. Consequently, limited attention has been devoted to exploring the latent factor structure that may simultaneously explain the multidimensional nature of taxpayer compliance, particularly within the context of PBJT among restaurant taxpayers.

This methodological limitation becomes increasingly relevant because taxpayer compliance is inherently multidimensional. Behavioral responses toward taxation often emerge from the interaction of several related constructs rather than from isolated variables. Exploratory Factor Analysis (EFA), particularly when combined with Principal Component Analysis (PCA), provides an appropriate multivariate statistical approach for identifying latent constructs by reducing numerous observed indicators into a smaller number of interpretable dimensions (Hair et al., 2019). Unlike regression analysis, which evaluates predefined causal relationships, EFA seeks to uncover the underlying structure among observed variables without imposing rigid theoretical assumptions. Therefore, EFA is particularly suitable for identifying the dominant dimensions that characterize PBJT compliance behavior among restaurant taxpayers.

From a theoretical perspective, taxpayer compliance has been extensively discussed within economic, behavioral, and institutional frameworks. Economic Deterrence Theory proposes that taxpayers comply primarily because they seek to avoid sanctions and legal consequences (Allingham & Sandmo, 1972). However, subsequent studies argue that economic deterrence alone cannot adequately explain taxpayer behavior because voluntary compliance is also influenced by psychological and institutional factors. The Theory of Planned Behavior (Ajzen, 1991) explains that compliance behavior is determined by attitudes, subjective norms, and perceived behavioral control, while the Slippery Slope Framework developed by Kirchler et al. (2008) emphasizes that both the authority of tax institutions and taxpayers' trust in government jointly determine voluntary and enforced tax compliance. These theoretical perspectives indicate that PBJT compliance should be understood as a multidimensional behavioral phenomenon involving interactions among economic, institutional, administrative, and psychological factors.

Empirical evidence likewise demonstrates that taxpayers with higher tax literacy and stronger awareness generally exhibit better compliance because they possess a clearer understanding of taxation procedures and recognize the importance of taxation for regional development (Palil & Mustapha, 2011). Moreover, improvements in tax service quality and digital taxation systems have been shown to increase administrative convenience and reduce compliance costs, thereby encouraging voluntary tax payment (Torgler, 2007). Conversely, weak supervision, poor institutional transparency, and declining business performance may discourage taxpayers from fulfilling their obligations. These findings collectively suggest that multiple interrelated dimensions influence taxpayer compliance, reinforcing the need for exploratory analysis capable of identifying the dominant underlying factors.

Although research on taxpayer compliance continues to expand, studies specifically examining PBJT compliance among restaurant taxpayers using Exploratory Factor Analysis remain scarce. Existing research has largely concentrated on testing individual determinants through regression-based models, whereas studies investigating the latent dimensions underlying PBJT compliance behavior are still limited. This gap is particularly evident within the context of local taxation in Indonesia following the implementation of Law Number 1 of 2022, which restructured regional tax administration through the PBJT framework. Consequently, empirical evidence regarding the multidimensional structure of restaurant taxpayer compliance remains insufficient.

Accordingly, this study seeks to identify the underlying factors influencing restaurant taxpayer compliance in paying PBJT in Sidoarjo by employing Exploratory Factor Analysis with Principal Component Analysis. Rather than testing predefined causal relationships, this study explores how multiple observed indicators are grouped into latent dimensions that collectively explain taxpayer compliance behavior.

This study offers three principal contributions. First, theoretically, it extends the literature on local tax compliance by integrating behavioral taxation theories with an exploratory multivariate approach to identify latent dimensions underlying restaurant taxpayer compliance. Second, methodologically, it demonstrates the application of Exploratory Factor Analysis using Principal Component Analysis within the context of regional taxation, thereby providing an alternative analytical perspective beyond conventional regression-based studies. Third, practically, the findings are expected to support local governments in designing evidence-based policies aimed at improving taxpayer education, strengthening digital taxation services, enhancing supervision mechanisms, and increasing institutional trust, ultimately contributing to more effective PBJT administration and sustainable regional fiscal capacity.

## METHODS

### Research Design

This study employed a quantitative research approach with an exploratory research design to identify the underlying dimensions influencing restaurant taxpayer compliance in paying Pajak Barang dan Jasa Tertentu (PBJT) in Sidoarjo. An exploratory design was considered appropriate because the primary objective of this study was not to test predetermined causal relationships but to identify latent constructs underlying taxpayer compliance behavior.

To achieve this objective, the study applied Exploratory Factor Analysis (EFA) using Principal Component Analysis (PCA) as the extraction method. PCA is widely recommended for reducing a large number of observed variables into a smaller number of interpretable components while preserving maximum variance within the data (Hair et al., 2019). Following factor extraction, Varimax orthogonal rotation was employed to improve factor interpretability by maximizing the variance of factor loadings and producing a simpler factor structure.

### Research Location and Population

The study was conducted in Sidoarjo Regency, East Java, Indonesia, focusing on restaurant businesses registered as PBJT taxpayers. The target population consisted of restaurant taxpayers officially registered with the Regional Revenue Agency (Badan Pendapatan Daerah) of Sidoarjo Regency. Restaurant taxpayers were selected because the restaurant sector represents one of the major contributors to regional PBJT revenue and has experienced significant business growth during the implementation of the new PBJT policy under Law Number 1 of

2022.

Data Sources

1) The study utilized both primary and secondary data.
2) Primary data were collected through structured questionnaires administered directly to restaurant owners or managers responsible for PBJT administration and payment.
3) Secondary data consisted of official regulations concerning PBJT, administrative records on registered restaurant taxpayers, statistical reports, and relevant government documents supporting the interpretation of research findings.

Sample and Sampling Technique

The study involved 100 restaurant taxpayers selected using purposive sampling. This sampling technique was adopted because respondents were required to possess sufficient knowledge and direct experience regarding PBJT payment. Respondents were selected based on the following criteria:

1) registered as PBJT restaurant taxpayers in Sidoarjo;
2) operating continuously for at least two years;
3) actively responsible for PBJT payment administration; and
4) willing to participate voluntarily in the survey.

The sample size was determined based on the recommendation of Hair et al. (2019), which suggests a minimum ratio of 5 respondents per observed variable for Exploratory Factor Analysis. Since the questionnaire contained 35 observed indicators, the minimum required sample size was 175 under the ideal 5:1 rule; however, Hair et al. (2019) also note that EFA may still produce stable solutions with approximately 100 respondents when communalities are high and factor loadings are sufficiently strong. Therefore, the sample of 100 respondents was considered adequate for exploratory purposes, while acknowledging that larger samples would provide greater stability of the extracted factor structure.

Research Variables and Indicators

The study initially identified seven conceptual variables derived from taxation compliance literature and supported by findings from the preliminary exploratory survey. These variables served as the basis for developing the questionnaire rather than as variables to be statistically tested. The seven preliminary dimensions included:

1) Tax knowledge;
2) Taxpayer awareness;
3) Tax service quality;
4) Digital taxation systems and payment convenience;
5) Tax supervision and sanctions;
6) Business economic conditions; and
7) Trust in local government.

Each construct was represented by five observed indicators, resulting in a total of

35 measurement items used in the Exploratory Factor Analysis.

Research Instrument

Data were collected using a structured questionnaire consisting of closed-ended statements. The questionnaire items were developed through three stages:

1) literature review on taxpayer compliance;
2) preliminary exploratory survey; and
3) expert evaluation to ensure content relevance.

Respondents evaluated each statement using a seven-point semantic differential scale adapted from Osgood et al. (1975), where:

**Table 1 Seven-point semantic differential scale**

| Scale | Interpretation |
|---|---|
| 1 | Strongly disagree |
| 2 | Disagree |
| 3 | Slightly disagree |
| 4 | Neutral |
| 5 | Slightly |
| 6 | Agree |
| 7 | Strongly agree |

The seven-point scale was selected because it provides greater measurement sensitivity and variability than shorter Likert-type scales, thereby improving the discriminatory power required for multivariate analysis.

Data Collection Procedure

The study was conducted in two sequential stages.

Preliminary Survey

An exploratory survey involving 30 restaurant taxpayers was first conducted using open-ended questions. This stage aimed to identify practical issues and perceptions regarding PBJT payment. The preliminary findings were used to refine the conceptual variables and develop the questionnaire indicators.

Main Survey

The finalized questionnaire was subsequently distributed to 100 restaurant taxpayers meeting the predetermined sampling criteria. Questionnaires were administered directly to restaurant owners or managers responsible for PBJT payment.

Instrument Validity and Reliability

Prior to Exploratory Factor Analysis, the measurement instrument was evaluated for validity and reliability.

Item validity was assessed using Corrected Item–Total Correlation, with coefficients greater than 0.30 considered acceptable.

Internal consistency reliability was evaluated using Cronbach's Alpha, where

values greater than 0.70 indicated satisfactory reliability (Ghozali, 2021).
The detailed validity and reliability results are presented in the Results section.

Data Analysis

1) Data analysis was performed using IBM SPSS Statistics.
2) The analytical procedure consisted of the following stages.

Descriptive Analysis

Descriptive statistics were used to summarize respondent characteristics and describe the distribution of responses for each questionnaire item.

Assessment of Factorability

Before conducting factor extraction, the suitability of the data for Exploratory Factor Analysis was evaluated using:

1) Kaiser Meyer Olkin (KMO) Measure of Sampling Adequacy;
2) Bartlett's Test of Sphericity; and
3) Anti-image Measure of Sampling Adequacy (MSA).

Following Hair et al. (2019), the data were considered suitable for factor analysis when:

1) KMO ≥ 0.50;
2) Bartlett's Test was statistically significant ($p < 0.05$); and
3) individual MSA values exceeded 0.50.

Exploratory Factor Analysis

Factor extraction was conducted using Principal Component Analysis (PCA). The number of retained factors was determined using Kaiser's criterion (Eigenvalue > 1.00) and supported by the cumulative percentage of explained variance.

Factor Rotation

The retained factors were rotated using the Varimax orthogonal rotation method to obtain a clearer and more interpretable factor structure. Indicators with factor loadings of 0.50 or greater were retained as representative indicators of each latent factor.

Factor Interpretation

Finally, the extracted factors were interpreted and named according to the conceptual similarity of indicators exhibiting the highest loading values within each factor.

# RESULTS AND DISCUSSION

## Results

Respondent Characteristics

Data used in this study were obtained through questionnaires administered to restaurant taxpayers registered as Pajak Barang dan Jasa Tertentu (PBJT) taxpayers in Sidoarjo Regency. A total of 100 questionnaires were successfully collected and verified. Since all questionnaires were complete and met the requirements for analysis, all responses were included in the subsequent statistical analysis using Exploratory Factor Analysis (EFA) with the Principal Component Analysis (PCA) extraction method.

The respondents were characterized according to gender, age, and educational background. Male respondents accounted for 74% of the sample, while female respondents represented 26%. Based on age, the largest proportion of respondents (48%) were between 36 and 45 years old, followed by respondents aged over 45 years (35%). Respondents aged 26–35 years accounted for 15%, whereas only 2% were between 18 and 25 years old. These findings indicate that most respondents were mature business owners with considerable business experience.

Regarding educational attainment, most respondents possessed Diploma or Bachelor's degrees (54%), followed by senior high school graduates (34%) and postgraduate degree holders (12%). This educational profile indicates that respondents generally possessed sufficient educational backgrounds to understand taxation regulations and administrative procedures related to PBJT.

Descriptive Statistics

Descriptive statistical analysis was conducted to examine respondents' perceptions regarding the factors influencing the payment of Pajak Barang dan Jasa Tertentu (PBJT) in Sidoarjo. The mean scores of all indicators were calculated by dividing the total score by the number of respondents.

**Table 1. Descriptive Statistics**

| No | A Priori Factors | Indicators | Mean |
|---|---|---|---|
| 1 | Tax Knowledge | Understanding PBJT tariff | 6.35 |
| | | Understanding PBJT payment procedures | 5.92 |
| | | Understanding tax reporting deadlines | 6.21 |
| | | Knowledge of tax penalties | 6.19 |
| | | Understanding digital tax systems | 5.78 |
| 2 | Taxpayer Awareness | Awareness that PBJT is a legal obligation | 5.81 |
| | | Awareness of tax importance for regional development | 6.32 |
| | | Willingness to pay taxes on time | 6.34 |
| | | Compliance without supervision | 6.39 |
| | | Moral responsibility in paying taxes | 6.23 |
| 3 | Tax Service Quality | Ease of obtaining tax information | 6.05 |
| | | Responsiveness of tax officers | 6.02 |

| | | | |
|---|---|---|---|
| | | Professionalism of tax officers | 6.09 |
| | | Clarity of service procedures | 5.56 |
| | | Speed of tax administrative services | 6.11 |
| 4 | Digital System and Payment Convenience | Ease of using tax payment applications | 6.07 |
| | | Availability of online payment services | 5.68 |
| | | Stability of digital taxation systems | 5.91 |
| | | Accessibility of digital systems | 5.9 |
| | | Time efficiency of digital tax payments | 6.11 |
| 5 | Tax Supervision and Sanctions | Intensity of tax inspections | 5.91 |
| | | Strictness of tax sanctions | 6.11 |
| | | Concern about tax penalties | 6.11 |
| | | Government supervision of business transactions | 6.17 |
| | | Consistency of tax law enforcement | 6.27 |
| 6 | Business Economic Conditions | Stability of business turnover | 6.17 |
| | | Business profitability | 5.51 |
| | | Business cash flow condition | 5.29 |
| | | Impact of customer decline on tax payments | 6.56 |
| | | Ability to fulfill regular tax obligations | 5.29 |
| 7 | Trust in Local Government | Trust in regional tax management | 5.81 |
| | | Perceived transparency of tax utilization | 5.97 |
| | | Belief that taxes support regional development | 5.77 |
| | | Perceived accountability of local government | 5.46 |
| | | Satisfaction with tax-funded development | 5.89 |

Source: SPSS Processed Data

The descriptive statistics indicate that all indicator mean scores exceeded 5.00 on the seven-point semantic differential scale. This finding suggests that respondents generally considered all indicators included in this study to be important factors influencing PBJT payment behavior.

Among the indicators, the highest mean score was found in the indicator related to the impact of declining customers on tax payment ability (6.56), indicating that business economic conditions strongly affect taxpayer compliance. High mean scores were also observed for indicators associated with tax awareness, legal compliance, and consistency of tax law enforcement.

Conversely, indicators related to business cash flow conditions (5.29) and ability to fulfill regular tax obligations (5.29) obtained relatively lower mean values compared to other indicators, although they still reflected positive perceptions overall.

These descriptive findings indicate that respondents perceive taxation behavior as being influenced by both internal factors, such as awareness and tax literacy, and external factors, including economic conditions, government supervision, service quality, and digital taxation systems.

Validity and Reliability Test

Prior to conducting Exploratory Factor Analysis, the questionnaire instrument was evaluated using validity and reliability testing. The validity test employed the Corrected Item Total Correlation. All questionnaire items demonstrated correlation coefficients ranging from 0.316 to 0.950, exceeding the minimum acceptable value of 0.30. Therefore, all thirty-five indicators were considered valid and suitable for further analysis.

Reliability testing was conducted using Cronbach's Alpha. Following Hair et al. (2019), Cronbach's Alpha values above 0.60 are considered acceptable for exploratory studies. The reliability coefficients ranged from 0.629 to 0.943, indicating satisfactory internal consistency. Variables X5, X6, and X7 demonstrated excellent reliability, whereas X2 and X3 showed good reliability. Variables X1 and X4 exhibited acceptable reliability for exploratory analysis.

Suitability of Data for Factor Analysis

Before factor extraction, the suitability of the dataset for Exploratory Factor Analysis was assessed using the Kaiser Meyer Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity. The KMO value was 0.581, exceeding the minimum threshold of 0.50 recommended by Hair et al. (2019), indicating that the data were sufficiently adequate for factor analysis despite representing a moderate level of sampling adequacy.

Bartlett's Test of Sphericity produced a Chi-square value of 141.215 with 595 degrees of freedom and a significance value of 0.000, indicating that the correlation matrix differed significantly from an identity matrix. These results confirm that meaningful relationships existed among the observed variables and that Exploratory Factor Analysis was appropriate.

Communalities Analysis

The communalities analysis showed extraction values ranging from 0.576 to 0.963, indicating that every indicator contributed substantially to the extracted factor structure. The highest communality was observed for indicator X6.1 (0.963), followed by X6.3 (0.926) and X6.5 (0.926), suggesting that these indicators were strongly represented by the extracted factors. Meanwhile, indicator X2.3 showed the lowest extraction value (0.576), although it remained above the minimum acceptable criterion of 0.50. Since all communalities exceeded the recommended threshold, none of the observed variables required elimination during factor extraction.

Total Variance Explained

Principal Component Analysis extracted eight components with eigenvalues greater than one, following Kaiser's criterion.

The first component explained 30.585% of the total variance, while the second component contributed an additional 20.453%, resulting in a cumulative variance

of 51.038% for the first two components.
Overall, the eight retained components explained 76.488% of the total variance. This cumulative percentage exceeds the commonly accepted minimum level of 60% in social science research, indicating that the extracted factors adequately represented the multidimensional structure of restaurant taxpayers' PBJT compliance.

Rotated Component Matrix

To facilitate interpretation, factor rotation was performed using the Varimax orthogonal rotation method. The rotation converged after 11 iterations, producing a clearer grouping of indicators into eight latent components.
The first component exhibited the strongest loadings for indicators related to business economic conditions, institutional trust, and taxpayer confidence, particularly X6.1 (0.966), X6.3 (0.943), X6.5 (0.943), X7.2 (0.906), X6.4 (0.882), X7.3 (0.813), X7.1 (0.792), and X7.5 (0.788). This component represents the dominant dimension affecting PBJT compliance.

The remaining components represented various dimensions associated with tax supervision, tax knowledge, administrative understanding, service quality, digital taxation systems, taxpayer awareness, and institutional perceptions. Although several indicators exhibited cross-loadings, their highest loading values remained above the recommended threshold of 0.50 and were therefore retained in the final factor solution.

Overall, the rotated factor solution demonstrates that PBJT compliance among restaurant taxpayers is influenced by multiple interrelated dimensions rather than by a single determinant.

## Discussion

The findings demonstrate that restaurant taxpayer compliance in paying PBJT is a multidimensional phenomenon shaped by economic, institutional, behavioral, administrative, and technological factors. Rather than being determined solely by legal obligations, taxpayers' compliance behavior reflects the interaction between business conditions, individual awareness, and perceptions of government performance.

Among the extracted dimensions, the first factor emerged as the most dominant, combining indicators associated with business economic conditions and institutional trust. This finding suggests that restaurant taxpayers are more likely to fulfill their tax obligations when their businesses operate under stable financial conditions and when they believe that tax revenues are managed transparently and responsibly by the local government. These findings support the Slippery Slope Framework, which argues that voluntary tax compliance is strengthened by taxpayers' trust in tax authorities alongside effective governmental authority.

The analysis also indicates that taxation compliance is influenced by taxpayers' knowledge and administrative understanding. Restaurant owners who understand PBJT regulations, payment procedures, and reporting requirements are generally better prepared to comply with their tax obligations. This finding is consistent with the Theory of Planned Behavior, which emphasizes that individual behavior is influenced by attitudes, perceived behavioral control, and subjective norms.

Digital taxation systems also emerged as an important supporting factor. The availability of online payment facilities and accessible digital services reduces administrative burdens and increases convenience, thereby encouraging taxpayers to comply voluntarily. The increasing use of digital tax administration reflects broader efforts by local governments to improve efficiency and transparency in tax collection.

Furthermore, the results highlight the importance of tax supervision and institutional governance. Effective supervision, consistent law enforcement, and transparent tax administration create a positive compliance environment by increasing taxpayers' confidence in the fairness of the taxation system. At the same time, educational efforts and taxpayer awareness programs remain essential because compliance is not solely driven by enforcement but also by taxpayers' understanding of the social benefits generated from tax revenues.

Overall, the findings indicate that improving PBJT compliance requires an integrated policy approach that simultaneously strengthens taxpayer education, enhances digital taxation services, maintains effective supervision, and promotes greater transparency and accountability in local government financial management.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

This study identified eight latent factors influencing restaurant taxpayers' compliance in paying Pajak Barang dan Jasa Tertentu (PBJT) in Sidoarjo using Exploratory Factor Analysis with Principal Component Analysis.

The extracted factors collectively explained 76.488% of the total variance, indicating that the identified factor structure adequately represents the multidimensional characteristics of PBJT compliance. The dominant factor primarily reflected business economic conditions and institutional trust, while the remaining factors represented dimensions related to tax supervision, taxpayer knowledge, administrative understanding, service quality, digital taxation systems, taxpayer awareness, and institutional perceptions.

These findings suggest that restaurant taxpayer compliance is not determined solely by regulatory enforcement but also by business sustainability, taxpayers' understanding of taxation, service quality, digital accessibility, and confidence in local government. Therefore, improving PBJT compliance requires comprehensive policies that integrate administrative efficiency, taxpayer education, digital innovation, and transparent governance.

### Recommendations

Local governments should strengthen transparency and accountability in managing regional tax revenues to enhance taxpayers' trust in public financial

management. The Regional Revenue Agency should continue improving digital taxation services to simplify PBJT payment procedures and increase administrative efficiency.
Tax education and outreach programs should be intensified to improve restaurant taxpayers' understanding of PBJT regulations and reporting obligations.

Future studies are encouraged to validate the extracted factor structure using Confirmatory Factor Analysis (CFA) or Structural Equation Modeling (SEM) with larger sample sizes.

Future research may extend the analysis to other PBJT sectors, such as entertainment, parking services, and other taxable goods and services, to provide a broader understanding of local tax compliance.

**ACKNOWLEDGMENT**

The author would like to express gratitude to all restaurant taxpayers in Sidoarjo who participated in this study. Appreciation is also extended to the regional revenue authorities and all parties who supported the data collection and research process.

**AUTHOR CONTRIBUTIONS**

The author was responsible for all aspects of this study, including conceptualization, research design, questionnaire development, data collection, statistical analysis using Exploratory Factor Analysis and Principal Component Analysis, interpretation of findings, and manuscript preparation. The author also conducted the literature review, developed the analytical framework, and formulated the conclusions and policy recommendations.

**REFERENCES**

Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes,* 50(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020-T

Allingham, M. G., & Sandmo, A. (1972). Income tax evasion: A theoretical analysis. *Journal of Public Economics,* 1(3–4), 323–338. https://doi.org/10.1016/0047-2727(72)90010-2

Ghozali, I. (2021). *Aplikasi analisis multivariate dengan program IBM SPSS (10th ed.)*. Badan Penerbit Universitas Diponegoro.

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). Multivariate data analysis (8th ed.). *Cengage Learning*.

Kirchler, E., Hoelzl, E., & Wahl, I. (2008). Enforced versus voluntary tax compliance: The “slippery slope” framework. *Journal of Economic Psychology,* 29(2), 210–225. https://doi.org/10.1016/j.joep.2007.05.004

Mardiasmo. (2023). *Perpajakan (Edisi terbaru)*. Andi Publisher.

Nugroho, A., & Zulaikha. (2012). Faktor-faktor yang mempengaruhi kemauan untuk membayar pajak dengan kesadaran membayar pajak sebagai variabel intervening. Diponegoro *Journal of Accounting,* 1(2), 1–13.

Osgood, C. E., Suci, G. J., & Tannenbaum, P. H. (1975). *The measurement of meaning*. University of Illinois Press.

Palil, M. R., & Mustapha, A. F. (2011). Factors affecting tax compliance behaviour in self-assessment system. *African Journal of Business Management,* 5(33), 12864–12872.

Siahaan, M. P. (2021). *Pajak daerah dan retribusi daerah*. Rajawali Pers.

Torgler, B. (2007). *Tax compliance and tax morale: A theoretical and empirical analysis*. Edward Elgar Publishing.

Undang-Undang Nomor 1 Tahun 2022 tentang Hubungan Keuangan antara Pemerintah Pusat dan Pemerintahan Daerah. Indonesia