

Analysis of Accounting Understanding and Tax Awareness in Madura Coastal Tourism MSME Actors

Citra Lutfia *, Rahayu Dewi Zakiyah RF

Universitas Trunodoyo Madura

Jl. Raya Telang, Perumahan Telang Inda, Telang, Kec. Kamal, Kabupaten Bangkalan, Jawa Timur 69162, Indonesia

Article Info

Article history:

Received December 18, 2024

Revised December 27, 2024

Accepted February 6, 2025

Keywords:

Understanding of Accounting
Tax Awareness
MSMEs

ABSTRACT

This study seeks to reveal the accounting understanding and tax awareness of MSME actors in the north coast of Sampang Regency. The method used is mixed method. The population in this study were MSME actors in the north coastal area of Sampang Regency, the sampling technique used the census method with 49 respondents. Data collection was carried out by distributing questionnaires at the location. The data were analyzed using descriptive statistics. Furthermore, interviews were conducted with MSME actors in the north area of Sampang Regency. The results showed that the accounting understanding and tax awareness of MSME actors in the north coastal area of Sampang Regency were in the high category, but these results contradicted the results of interviews conducted as a form of confirmation. The results of interviews related to understanding accounting of MSME actors still cannot understand the concepts of accounting and tax awareness.

This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.



Corresponding Author:

Citra Lutfia
Universitas Trunodoyo Madura
Email: lutfia.thatha@gmail.com

INTRODUCTION

Small and medium enterprises (SMEs) play an important role in economic development in both emerging and developed markets, especially in the dynamic era of globalization (Paul, Parthasarathy, and Gupta 2017). Its contribution to Indonesia's Gross Domestic Product (GDP) is more than 60% or around IDR 8,573 Trillion annually. In addition, MSMEs also absorb 97% of Indonesia's total workforce or 116 million people (Anastasya 2023). Therefore, MSMEs are also one of the potential tax objects in providing tax revenue. However, this contribution is not directly proportional to tax revenue in Indonesia. MSME actors still think negatively about taxes as a burden that is as much as possible to avoid (Maula 2018; Silfani and Falikhatusun 2024). Several previous studies and authors revealed obstacles that hinder the awareness of MSME taxpayers, among others, related to the minimal tax knowledge of MSME actors, the ability of MSME actors to do bookkeeping and undergo tax administration that is still lacking, a crisis of trust in tax officials, lack of socialization of tax officials (Handayani 2017; Pakpahan and Ginting 2022; Tangkau, Goni 2022).

The ability of MSME actors to do accounting means that it is related to understanding accounting. Understanding Accounting is important for MSME actors to carry out their tax obligations properly and correctly. Because, the application of good accounting in the business world

can provide accurate information regarding the effectiveness and efficiency of all activities carried out by the company during one accounting period (Amrullah et al. 2021). Especially for MSMEs, the application of accounting has advantages, including making good bookkeeping so as to increase the accuracy and accuracy of financial reports which will be used as the basis for calculating taxes payable (Salmiah, Nanda, and Adino 2018). However, the unpreparedness of MSME actors to prepare bookkeeping in accordance with the standards, in this case, namely SAK EMKM (Financial Accounting Standards for Micro, Small and Medium Entities) will have an impact on the success of business management as well as compliance with their tax obligations (Hutapea and Hasibuan 2022).

The marine area of Sampang Regency has extraordinary biodiversity and is rich in mining and mineral materials, it also has the potential to develop industry, tourism, fisheries, settlements, and other businesses (Nursaid 2016). In 2022, it was recorded that 500,000 (five hundred thousand) tourists visited one of the tours in the north coastal area of Sampang Regency, which means an increase of 20% from the previous year. The Sampang Regency Tourism and Culture Office noted that the average income of residents around tourism increased by 30% (Mustajab and Qadariyah 2024). This means that there is an increase in income in the community, which ideally also increases tax awareness. Based on the description above, the purpose of this study is to reveal the accounting understanding of MSME actors and the tax awareness of MSME actors in the Madura coastal area.

THEORY

Accounting Understanding

According to the American Accounting Association (AAA), Accounting is the process of measuring, identifying, and reporting information that has economic value and can be used as a clear and firm decision for users of this information. So it can be interpreted that accounting understanding is a person's ability to recognize and understand accounting (Suyanto and Damayanti 2022). Understanding MSME governance based on SAK EMKM begins with a basic understanding of accounting for assets, liabilities, and capital. Furthermore, understanding SME accounting standards, especially those related to measurements, assumptions, and financial statements (Hutapea and Hasibuan 2022). Whereas in Article 1 of the KUP Law, number 29 defines bookkeeping as a recording process carried out regularly to collect financial data and information covering assets, liabilities, capital, income, and costs, as well as the price of goods or services purchased or sold. This process is closed by preparing financial statements in the form of a balance sheet and profit and loss statement for the period of the tax year, so that it is easier to know how much to pay. MSME actors are defined as having a good understanding of accounting if they can present financial statements in the form of a balance sheet and profit and loss.

Tax Awareness

Taxpayer awareness is a situation where a taxpayer consciously and voluntarily obeys all applicable tax laws and regulations (Astuti et al. 2019; Fatharani 2024; Nurshofia and Prasetya 2024; Priyatna 2023; Rahmadani, Anggraini, and Meiriasari 2024). Taxpayer conscience is taxpayer behavior in the form of views or feelings which include knowledge, beliefs and reasoning accompanied by a tendency to act in accordance with the tax administration system (Priyatna 2023). If this taxpayer has an understanding and knowledge of taxation, awareness will arise in carrying out his tax obligations. However, this taxpayer awareness can also be influenced by the taxpayer's own environment. So that taxpayers who realize that taxes are important for a country, will carry out their tax obligations on time in accordance with the rules and are not considered a burden (Darmayasa, Pariani, and Mandia 2022). Thus, if taxpayer awareness is higher, taxpayer compliance will also increase (Prasetya and Widyastuti 2020).

RESEARCH METHOD

This study used a sample of 49 samples of MSME actors in the north coast of Sampang Regency. The data collection technique uses primary data through distributing questionnaires (Likert scale) distributed to respondents. Researchers used a qualitative descriptive research model.

Descriptive statistical tests include the average value obtained from the respondent's answer score. Measurement of the score value of each statement used a rating scale with the following formula:

$$Range = \frac{Highest\ Score - Lowest\ Score}{Range\ Score}$$

Based on the above formula, the range score for each statement can be obtained as follows: 1.00-1.80: very low, 1.81-2.60: low, 2.61-3.40: sufficient, 3.41- 4.20: high, 4.2 -5.00: very high.

In the second stage, researchers used semi-structured interviews with several MSME actors in the north

coastal area of Sampang Regency. This was done to confirm the results of the questionnaire distribution

that had been carried out.

RESULT AND DISCUSSION

Based on table 1, which is recapitulated according to the results of descriptive statistical tests, it is known that the respondents' responses to the statements of accounting understanding and tax awareness of 49 respondents have an average of 3.72 for accounting understanding and an average of 3.73 for tax awareness. This means that the respondents' answers to the statements given are classified in the high category. This value shows that the understanding of accounting for MSMEs related to the accounting process is carried out until it becomes a financial report based on the principles and standards for preparing financial statements set out in SAK EMKM. The results of this study are in line with research with previous studies suggesting that the application of accounting in MSMEs has many advantages, including making good and neat bookkeeping (Iskandar and Herowati 2023; Pangkey, Watung, and Runtuwarow 2024; Salmiah, Nanda, and Adino 2022; Suyanto and Damayanti 2022). When taxpayers understand and master accounting, it will have a positive impact on taxpayer compliance. Because with a good understanding of accounting, taxpayers will be facilitated in preparing correct financial reports. Furthermore, it will have an impact on tax reporting. This value also shows that tax awareness for MSMEs regarding knowing, understanding, and implementing taxation correctly in accordance with applicable tax provisions is high. The results of this study are also in line with research that taxpayer awareness has a positive and significant effect on taxpayer compliance. It has also been empirically proven that the higher the taxpayer's tax awareness, the higher the level of taxpayer compliance (Darmayasa et al. 2022; Fatharani 2024; Nurshofia and Prasetya 2024; Pawama, Sondakh, and Warongan 2021; Priyatna 2023; Rahmadani et al. 2024).

Table 1

No.	Statement		Response Criteria					Amount	Mean	Description
			5	4	3	2	1			
	Accounting Understanding									
1	I understand the basic concepts of correct accounting recording (such as: cash increases on the debit side and decreases on the credit side).	Frequency	4	18	19	8	0	49	3,37	sufficient
		Score	20	72	57	16	0	165		
2	I know the accounts used in recording (cash, debt, capital, income, and expenses).	Frequency	1	21	20	7	0	49	3,33	sufficient
		Score	5	84	60	14	0	163		
3	I know the income and cash inflow per day	Frequency	1	36	12	0	0	49	3,78	high
		Score	5	144	36	0	0	185		
4	I can calculate business profit	Frequency	5	40	3	1	0	49	4,00	high
		Score	25	160	9	2	0	196		
5	I can analyze business progress	Frequency	2	42	5	0	0	49	3,94	high
		Score	10	168	15	0	0	193		
6	I got accounting knowledge from people around me such as family, friends and neighbors.	Frequency	5	36	8	0	0	49	3,94	high
		Score	25	144	24	0	0	193		
7	I got accounting knowledge from the internet.	Frequency	5	18	25	1	0	49	3,55	high
		Score	25	72	75	2	0	174		
8	I have applied accounting knowledge to the business that I manage	Frequency	1	40	8	0	0	49	3,86	high
		Score	5	160	24	0	0	189		
9	I can make and present simple financial statements	Frequency	1	32	16	0	0	49	3,69	high
		Score	5	128	48	0	0	181		
	Total Understanding of Tax		25	283	116	17	0	441	3,72	high
	Score Accounting Understanding		125	1132	348	34	0	1639		
	Tax Awareness									
10	I understand the applicable tax provisions and procedures	Frequency	0	34	15	0	0	49	3,69	high
		Score	0	136	45	0	0	181		
11	I know the taxation system that applies in Indonesia	Frequency	5	32	12	0	0	49	3,86	high
		Score	25	128	36	0	0	189		
12	I know that taxes function as a source of funds earmarked for financing government	Frequency	5	26	18	0	0	49	3,73	high
		Score	25	104	54	0	0	183		
13	I know that tax functions as a tool to regulate or carry out obligations in the economic and social	Frequency	5	36	8	0	0	49	3,94	high
		Score	25	144	24	0	0	193		
14	I realize that all types of businesses conducted by individuals and entities can be taxed.	Frequency	0	16	24	9	0	49	3,14	sufficient
		Score	0	64	72	18	0	154		
15	I pay taxes because I realize that the results of tax collection will be reused for the benefit of society	Frequency	6	40	3	0	0	49	4,06	high
		Score	30	160	9	0	0	199		
16	I voluntarily set aside part of my income to pay taxes.	Frequency	0	34	8	7	0	49	3,55	high
		Score	0	136	24	14	0	174		
17	I am always on time in paying taxes	Frequency	2	29	15	3	0	49	3,61	high
		Score	10	116	45	6	0	177		
18	I realize that if I do not carry out tax obligations in accordance with applicable regulations then I will be subject to sanctions.	Frequency	12	30	3	4	0	49	4,02	high
		Score	60	120	9	8	0	197		
	Total Tax Awareness		35	277	106	23	0	441	3,73	high
	Score Tax Awareness		175	1108	318	46	0	1647		

Sumber data diolah, 2022

The next stage is the discussion of the results of the interview, the following information was collected by researchers. The first informant is P, a woman with the last level of education elementary school, and has a Café business that has been established for six years. Approximately the income received during the month is IDR 22,000,000, - (twenty two million rupiah). The second informant is L, a male manager of the north coastal tourism of Sampang Regency.

Based on the results of interviews conducted with the two informants, the following key points can be concluded; First, understanding Accounting is a person's process in presenting financial reports. This means understanding and understanding in compiling, classifying and summarizing so

that it can be presented in one complete report, namely the financial statements. The financial statements themselves consist of five reports, profit and loss, balance sheet, changes in capital, cash flow statement and notes to the financial statements. However, the most important in tax reporting bookkeeping are profit and loss and balance sheet. In this case, the results of the interview with P, P has never made neat bookkeeping. P has only recorded the flow of money in and out and does not recognize the grouping of accounts and the preparation of financial statements, especially profit and loss financial statements. The advantage that exists in P's mind is when he does not feel a loss from the results of his business as evidenced by the fact that business operations can still rotate. This means that tourism actors on the north coast of Sampang Regency do not yet have an understanding of accounting, this is in line with research (Amrullah et al. 2021; Hutapea and Hasibuan 2022; Putri et al. 2024)

Second, tax awareness which is an activity effort accompanied by willingness and behavior in complying with tax regulations. The self-assessment system that has been implemented in Indonesia since 1983 where taxpayers carry out, registration, calculation, collection or deduction, deposit and reporting independently. This is still low among coastal tourism MSMEs in Sampang Regency. From the results of interviews with P, information was obtained that so far he did not have an NPWP (Taxpayer Identification Number). This means that they do not have awareness of their tax obligations, this is in line with research (Astuti et al. 2019; Tangkau, Goni 2022; Wardani, Prihatni, and Wulandari 2022). So far, only the business land rental levy has been deposited by P to the tourism manager. This is certainly contrary to the Government's efforts to improve MSME tax compliance, through the regulation of PP No. 23 of 2018 which has been updated in PP 55 of 2022. In this regulation, there is simplicity in making bookkeeping that will be reported, which is only based on the turnover (gross income) received in each month multiplied by the rate. Since the enactment of PP 55 Year 2022, there are other exceptions, namely for MSME taxpayers who are Individual Taxpayers with a gross limit of less than five hundred million per year, no tax is deducted, but they are still required to make annual reports.

In interviews from the second informant, L., researchers found that MSME actors in the tourism area they manage do not yet have a business license. This is due to one of them, namely the low level of education, business is only used as a side because their main profession is farmers and fishermen, as well as low utilization of information technology. Thus, MSME players in these tourist attractions need assistance in managing the presentation of financial reports and tax awareness as well as the presence of the government's role.

CONCLUSION

Referring to the research objectives and discussion previously described, the conclusions that can be drawn in this study are; first, MSME actors in the north coast of Sampang Regency still do not understand accounting. The accounting understanding of MSME actors in the north coastal region of Sampang Regency is the presentation of financial statements which are still in the form of recording debit and credit for cash inflows and outflows. Second, the tax awareness of MSME actors in the north coastal region of Sampang Regency is still low. Taxes known by MSME actors in the north coast of Sampang Regency are in the form of levies on business land leases which are later deposited with the tourism manager. Retribution itself is not part of the taxes managed by the center. The management of retribution is managed by the local government.

So that future research can explore related to financial management literacy and tax literacy, tax socialization, as well as related to motivation in preparing financial reports according to SAK EMKM standards and tax awareness.

REFERENCES

- [1] Brigham, E. F., & Houston, J. F. (2019). *Fundamentals of Financial Management*. Cengage Learning.
- [2] Dewi, I.A.P.P., & Sedana, I.B.P. (2018). Faktor-Faktor yang Mempengaruhi Kebijakan Dividen pada Perusahaan Manufaktur di Bursa Efek Indonesia. *E-Jurnal Manajemen Unud*, 7(7), 3623-3652.
- [3] Fahmi, I. (2020). *Analisis Laporan Keuangan*. Bandung: Alfabeta.
- [4] Fahmi, R., & Sukarti, D. (2018). Analisis Kinerja Keuangan Perusahaan: Pendekatan Rasio Keuangan. *Jurnal Manajemen dan Bisnis Indonesia*, 12(3), 45-62.
- [5] Fama, E. F. (2016). Efficient Capital Markets: A Review of Theory and Empirical Work. *Journal of Finance*, 25(2), 76-90.
- [6] Fitriyani, A. Y., Primardiningtyas, F., Amrulloh, R. S., & Pandin, M. Y. (2023). Volatilitas Pendapatan terhadap Ketahanan Keuangan Petani di Desa Tegalrejo Blitar Pasca Pandemi Covid-19. *Journal of Management and Social Sciences (JIMAS)*, 76-89.
- [7] Gitman, L. J., & Zutter, C. J. (2018). *Principles of Managerial Finance*. Pearson Education.
- [8] Harahap, M., & Sari, R. (2019). Pengaruh Struktur Modal terhadap Kinerja Keuangan Perusahaan. *Jurnal Akuntansi dan Keuangan*, 8(2), 78-95.
- [9] Hartono, J. (2017). *Teori Portofolio dan Analisis Investasi (Edisi 11)*. BPFE Yogyakarta.
- [10] Hery. (2016). *Analisis Laporan Keuangan: Integrated and Comprehensive Edition*. Jakarta: Grasindo.
- [11] Kasmir. (2016). *Analisis Laporan Keuangan*. Jakarta: Raja Grafindo Persada.
- [12] Nurjanah, S., Rahman, A., & Kusumawati, R. (2021). Analisis Ketahanan Keuangan dan Pengambilan Keputusan Investasi pada Investor Milenial. *Jurnal Riset Manajemen dan Bisnis*, 6(2), 45-58.
- [13] Pandin, M. Y., Sandari, T. E., Surahman, D., & Ahmad, D. G. (2023). Financial Resilience Strategy on Cancer Survivors Household in East Java. *JEJAK (Journal of Economics and Policy)*, Jejak Vol 16 (1): 46-57.
- [14] Permata, I. S., & Fuadati, S. R. (2016). Pengaruh Rasio Likuiditas dan Profitabilitas terhadap Laba pada Perusahaan Retail Trade. *Jurnal Ilmu dan Riset Manajemen*, 5(4), 1-17.
- [15] Pratama, B. (2020). Hubungan Ketahanan Finansial dengan Kinerja Portofolio: Studi pada Investor Ritel di Indonesia. *Jurnal Manajemen dan Keuangan*, 8(1), 12-25.
- [16] Pratiwi, M.I., Kristanti, F.T., & Mahardika, D.P.K. (2020). Pengaruh Kebijakan Dividen terhadap Nilai Perusahaan dengan Moderasi Makroekonomi. *Jurnal Ilmiah MEA*, 4(2), 286-301.
- [17] Putra, A.A.N.D.A., & Lestari, P.V. (2016). Pengaruh Kebijakan Dividen, Likuiditas, Profitabilitas dan Ukuran Perusahaan terhadap Nilai Perusahaan. *E-Jurnal Manajemen Unud*, 5(7), 4044-4070.
- [18] Putri, L., & Widodo, A. (2021). Determinan Kinerja Keuangan pada Perusahaan Manufaktur. *Jurnal Riset Akuntansi dan Manajemen*, 10(2), 156-170.
- [19] Putri, W. H., & Setiawan, D. (2019). Pengukuran Tingkat Ketahanan Keuangan Investor Pasar Modal Indonesia. *Jurnal Akuntansi dan Keuangan Indonesia*, 16(1), 83-101.
- [20] PT Telkom Indonesia Tbk. (2023). *Laporan Tahunan 2023*. Jakarta: PT Telkom Indonesia Tbk.
- [21] PT Telkom Indonesia Tbk. (2022). *Laporan Tahunan 2022*. Jakarta: PT Telkom Indonesia Tbk.
- [22] PT Telkom Indonesia Tbk. (2021). *Laporan Tahunan 2021*. Jakarta: PT Telkom Indonesia Tbk.
- [23] Rahmawati, S. (2019). Peran Kestabilan Emosi dalam Membangun Ketahanan Keuangan Investor. *Jurnal Psikologi Ekonomi*, 7(1), 34-49.
- [24] Ross, S. A., Westerfield, R., & Jaffe, J. (2021). *Corporate Finance*. McGraw-Hill Education.
- [25] Rudianto, B., & Wahjudi, E. (2020). Analisis Pengaruh Good Corporate Governance terhadap Kinerja Keuangan. *Jurnal Akuntansi dan Manajemen*, 9(1), 34-52.
- [26] Safitri, A. M., & Mukaram, M. (2018). Pengaruh ROA, ROE, dan NPM Terhadap Pertumbuhan Laba pada Perusahaan Sektor Industri Barang Konsumsi yang Terdaftar di Bursa Efek Indonesia. *Jurnal Riset Bisnis dan Investasi*, 4(1), 25-39.
- [27] Salignac, F., Marjolin, A., & Reeve, R. M. (2019). Conceptualizing and Measuring Financial Resilience : A Multidimensional Framework. *Social Indicator Research : An International and Interdisciplinary Journal for Quality of Life Measurement*, 145(2), 17– 38.
- [28] Soetiono, K. S., & Setiawan, C. (2018). *Literasi dan Inklusi Keuangan Indonesia*. Rajawali Press.
- [29] Widyastuti, A. (2017). Analisis Faktor-Faktor yang Mempengaruhi Ketahanan Keuangan Investor Indonesia. *Jurnal Riset Ekonomi dan Manajemen*, 17(2), 67-82.
- [30] Wulandari, A. L., Divara, S. A., & Pandin, M. Y. R. (2024). Pengaruh Penerapan Green Accounting Terhadap Kinerja Keuangan pada PT Semen Indonesia TBK. *Indonesian Research Journal on Education*, 4(2), 68-75.