

The effectiveness & efficiency of e-invoice and company tax compliance in Bogor City

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Abstract

Purpose: This study examines whether the effectiveness and efficiency of Indonesia's e-Invoice (e-Faktur) system and trust in government influence corporate tax compliance among firms in Bogor City.

Research Methodology: A quantitative design was employed using a structured questionnaire administered to 200 corporate taxpayers that have used e-Invoicing. Data were analyzed through multiple linear regression (SPSS). Measurement quality was supported by validity, reliability (Cronbach's Alpha), and classical assumption tests.

Results: The findings indicate that e-Invoice effectiveness positively and significantly affects corporate tax compliance ($\beta=0.657$; $p<0.05$). e-Invoice efficiency also shows a positive and significant effect ($\beta=0.317$; $p<0.05$). In contrast, trust in government is significant but negatively related to compliance ($\beta=-0.215$; $p<0.05$), suggesting that compliance in a digitally monitored environment may be driven more by system enforcement and procedural certainty than by institutional trust. Collectively, the three predictors explain 55.4% of the variance in corporate tax compliance ($R^2=0.554$).

Conclusions: Improving the usability, reliability, and administrative speed of e-Invoicing can strengthen corporate tax compliance, while efforts to enhance service quality, transparency, and integrity are needed to address trust-related barriers.

Limitations: The study is limited to Bogor City and does not incorporate broader external determinants (e.g., service quality, digital literacy, economic constraints).

Contribution: This research extends e-tax compliance literature by simultaneously testing effectiveness, efficiency, and trust within the context of Indonesia's tax digitalization and offering policy directions to optimize e-Invoice implementation.

Keywords: Effectiveness, Efficiency, e-Invoice, Tax Compliance, Trust in the Government

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1. Introduction

International trade is one of the many areas that has seen substantial changes as a result of the advent of digital technology (Ali & Singh, 2025). In Indonesia, the import and export processes, especially in Bonded Zones, are increasingly being pushed towards digitalization. The use of electronic invoices in tax procedures is a significant component of this change. The Directorate General of Taxation implemented the E-Invoice electronic invoice system to facilitate the monitoring and recording of tax transactions, including export-import operations. Because it lowers standard costs, such as paper, shipping, printing, verification labor, coding, and staff handling of VAT, this e-invoice program offers Taxable Entrepreneurs (PKP) the advantages of simplicity, security, and comfort.

In addition to these advantages, the e-invoice is also a tool for the Directorate General of Taxes as a supervisory function in the creation and use of Tax Invoices by PKP so that it can minimize the occurrence of tax invoices that occur. The increase in VAT is part of Indonesia's tax reform to increase the state revenue. In various statements in 2022, it was stated that although there is a short-term impact on inflation, this policy is necessary to support the financing of government programs, especially in the health and education sectors. As shown in Figure 1, which was reported by the Databoks site (2023-2024), Indonesia is among the countries with the highest *value-added tax* (VAT) in the ASEAN group for the period 2023-2024.

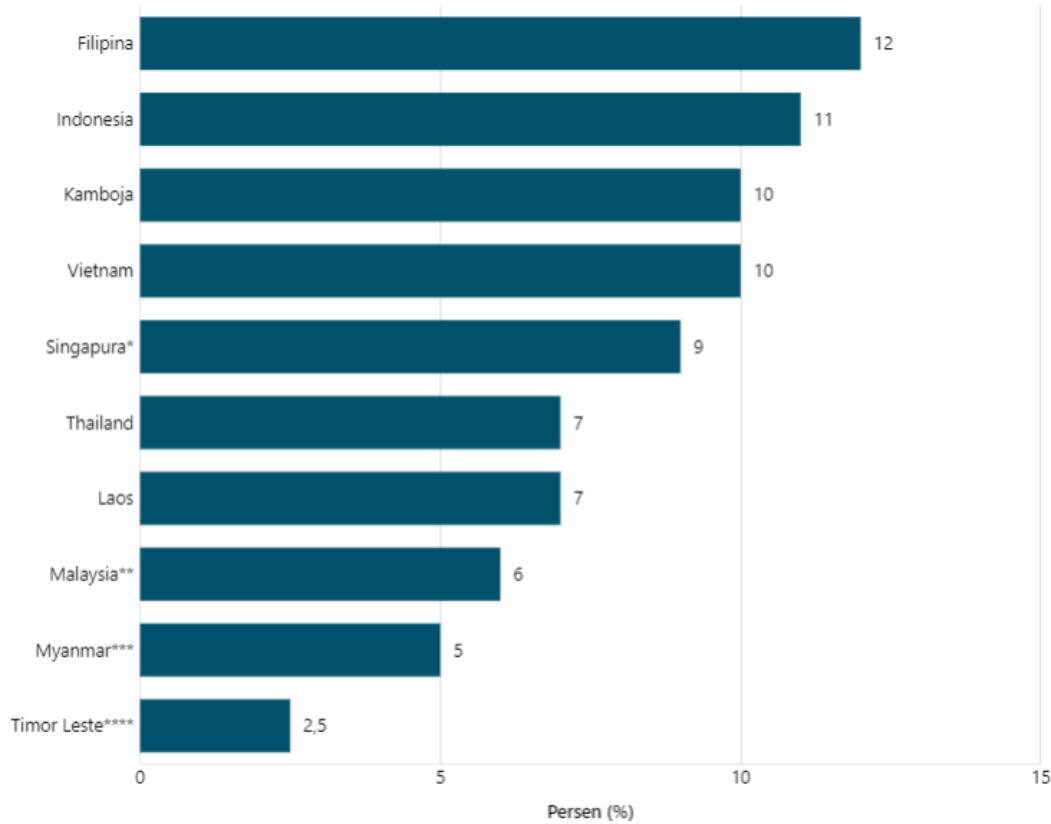


Figure 1. Value Added Tax in ASEAN
Source: Santika (2024)

The results of a survey conducted by Indikator Politik in July 2022 show that 36.3% of respondents stated that the inability to fulfill tax obligations, with financial constraints, was the main obstacle stated by 35.5% of respondents. This study highlights the gap between tax compliance theory, which considers obligations in terms of moral awareness and social responsibility. Difficult economic conditions, which in turn become relevant obstacles in practice. The contribution of this study to the related literature is based on its focus on factors of non-compliance, with the aim of offering applicable solutions for better tax compliance in the future.

In general or broadly speaking, taxation theory relies on intrinsic and extrinsic motivation for compliance (Bahramov, 2024). However, an understanding of this emerged when as many as 12.1% of respondents stated that complicated tax regulations deterred them. Regarding motivation, it can refer to Rohmadani and Harimurti (2025) study, where although theories explaining motivation abound, sometimes external factors in the complexity of regulations interfere with their implementation, and understanding regulations has a significant influence on compliance. In addition to economic and regulatory complexities, support in terms of accessibility and human resources in the tax sector are other limiting constraints (Khaled, 2024). Among those surveyed, 6.4 percent reported difficulties with tax implementation, while 7.3 percent had problems accessing the Internet. This only implies the essence that needs to be done in digital infrastructure. They also conduct training for tax officers (Hesami, Jenkins, & Jenkins, 2024). Understanding the inhibiting factors is important because it is a

very important basis for formulating the most appropriate tax policies and responding to the needs of the community.

According to Anjarwi (2025), when income decreases, the funds available in the community are most likely used more to meet daily basic needs, making it difficult to allocate funds for taxes. The increase in the price of goods and services will also reduce people's purchasing power and, in turn, will reduce people's ability to save to pay taxes. When the economy is unstable, financial uncertainty generally causes most people to manage their finances conservatively, including paying taxes, because they tend to save money as a shield against the worst possibilities. In general, people will face a very difficult economic situation, so attention will be focused on meeting primary needs (Kaur & Ali, 2024). Tax payments are increasingly neglected and become a significant obstacle to community compliance in fulfilling tax obligations.

That technological accessibility can be developed to further support the efficiency of the electronic tax system (Njoroge, Baimwera, & Yego, 2025). Thus, greater access to technological infrastructure, such as internet networks and digital technology applications, will facilitate the capacity of the population to fulfill their tax obligations from electronic sources (Pinheiro, Diogo, & Samagaio, 2021). Appropriate technological accessibility for tax administration, including the use of electronic invoices, will be effective and smooth (Sutri, Kalangi, & Korompis, 2023). In addition, the wider dissemination of technology will increase deeper participation in the electronic tax system by community members. This indicates that adequate investment and the establishment of reliable information technology infrastructure can assist strategic actions that support the implementation of an effective electronic-based system for tax administration in Indonesia. E-invoices have a very positive impact on reducing the administrative burden of taxpayers. With an electronic system, filling in and reporting taxes will be faster than the manual process, which usually takes time and effort. Thus, with the implementation of e-invoices, efficiency will not only increase but will also facilitate the tax obligations of the general public today (Ilias, Baidi, Ghani, & Mohammad, 2025).

E-invoice adoption and tax compliance process efficiency significantly impact company performance. This study differs from previous studies that only show a direct relationship between e-invoice adoption and tax compliance process efficiency. This study shows that e-invoice adoption positively impacts tax compliance process efficiency; the better the e-invoice system used, the higher the efficiency in fulfilling tax obligations. This study also proposes intervening variables to better understand the mechanisms that occur between e-invoice adoption, trust in e-government, and tax compliance process efficiency. This is expected to enrich the analysis by using internal intervening variables that may appear in the influence between e-invoice adoption and tax compliance process efficiency in companies that have implemented the function.

This study attempts to develop a better understanding of how e-invoicing can improve tax administration and taxpayer compliance in developing countries. An electronic system will speed up the tax reporting process and make it more accurate, thereby reducing the administrative burden on the taxpayer. It is also hoped that this analysis will provide insights to similar organizations regarding the relationship between ease of access to technology and effectiveness in implementing an electronic tax system, as both factors directly affect the success of tax collection. This study replicates a similar study by Qi and Azmi (2021), entitled "Factors Affecting Electronic Invoice Adoption and Tax Compliance Process Efficiency." The results of this study show that the implementation of e-invoices and the efficiency of the tax compliance process have a positive and significant effect on fulfilling tax obligations.

This phenomenon has led to an interest in conducting research to investigate whether there is a significant driving force between the availability of technology and the use of e-invoices in improving voluntary tax compliance among taxpayers. Thus, this research is dedicated to supporting tax administration in a competitive business environment to identify areas that need improvement and provide a stimulus for the implementation of a better tax system. Therefore, this study aims to examine The Effectiveness & Efficiency of e-invoice and Company Tax Compliance in Bogor City.

2. Literature review and hypothesis development

2.1. E-Invoice

According to Maria, Elim, and Budiarto (2018), an e-invoice is an electronic tax invoice created using an electronic application provided by the Directorate General of Taxes. E-invoicing improves the accuracy of tax reporting and minimizes the risk of errors in tax reporting. According to Repi, Elim, and Wangkar (2025), the concept of e-Invoice is an information technology-based system that provides opportunities and facilitates someone through a system that can utilize information technology in recording or reporting tax invoice transactions. He stated that this e-invoice application would be very important to increase compliance from taxpayers and reduce the opportunity for fraud and inaccuracy in tax reporting. Bellon, Dabla-Norris, Khalid, and Lima (2022) stated that the idea of an e-invoice is a system that is based on information technology and that gives someone the ability to record or submit tax invoice transactions using information technology. This e-invoice technology is crucial for boosting taxpayer compliance and lowering the risk of fraud and inaccurate tax reporting.

2.2. Tax Compliance Theory

Tax compliance symbolizes the moral and social obligations of individuals or business entities to fulfill tax obligations in accordance with applicable provisions. Wijaya et al. (2025) explain that the factors that dominate tax compliance in relation to the implementation of e-invoices include intrinsic and extrinsic motivation. Intrinsic motivation involves awareness of one's social and moral responsibilities. These considerations are underlined by Angeles (2021), who states that although compliance motivation is vital, in practice, there are external obstacles, such as the complexity of regulations. Generally, this factor often hinders business actors' efforts to fulfill their tax obligations.

2.3. Technology Adoption Theory in The Context of e-Government

According to Rokhman et al. (2023), the success of the e-Invoice system also depends heavily on adequate information technology infrastructure, accessibility, and public trust in the e-Government system. Rokhman showed that the greater access to technological infrastructure, such as internet networks and digital applications, the easier it will be for people to fulfill their tax obligations. E-invoices, which are part of e-Government, are expected to increase taxpayer participation in digital reporting. Prayitno and Widodo (2024) found that the implementation of e-invoices helps reduce the administrative burden on taxpayers, especially in terms of filling in and reporting taxes, which can be done faster and with a lower risk of error. This system also plays a role in minimizing human error, which often occurs in manual filling.

2.4. Factors Affecting Tax Compliance

According to Djafri, Damawati, Suharto, Satwika, and Rahmatullah (2023), it is argued that accessibility to technology and the availability of effective human resources are important issues in improving tax compliance. Support for technological infrastructure coupled with easy access to training offered by tax officers helps strengthen the effective implementation of electronic invoices. These factors are directly responsible for the performance of Indonesia's electronic tax system. Anjarwi (2025) stated that economic issues, particularly unstable circumstances, pose a hurdle to taxpayers' ability to satisfy their tax responsibilities due to their incapacity to pay. Incentives that ought to have been given during hard times were instead utilized to pay for necessities, depriving people of the chance to pay taxes. The introduction of e-invoices is hampered by several factors, including reluctant taxpayers and limited technological accessibility.

2.5. Hypothesis

The hypothesis in the study titled The Influence of the Effectiveness and Efficiency of E-Invoices on Corporate Tax Compliance in Bogor City is as follows:

1. Hypothesis of the effectiveness of e-Invoices on tax compliance in Bogor City

- If $H_0: \beta = 0$, then H_0 cannot be rejected, meaning that the effectiveness of e-invoices does not have a positive effect on tax compliance in Bogor City.
- If $H_1: \beta \neq 0$, then H_0 is rejected, meaning that the effectiveness of the e-invoice system has a positive effect on tax compliance in Bogor City.

2. Hypothesis of e-Invoice efficiency towards tax compliance in Bogor City
 - If $H_0: \beta = 0$, then H_0 cannot be rejected, meaning that e-invoice efficiency does not have a positive effect on tax compliance in Bogor City.
 - If $H_1: \beta \neq 0$, then H_0 is rejected, meaning that e-invoice efficiency has a positive effect on tax compliance in Bogor City.
3. Hypothesis of e-Government trust towards tax compliance in Bogor City
 - If $H_0: \beta = 0$, then H_0 cannot be rejected, meaning that e-Government trust does not have a positive effect on tax compliance in Bogor.
 - If $H_1: \beta \neq 0$, then H_0 is rejected, meaning that e-Government trust has a positive effect on tax compliance in Bogor.

3. Methodology

This study used quantitative methods. According to Sugiyono (2017), quantitative studies can be regarded as a method based on positivism and are used to study a particular population or sample. Quantitative research is typically conducted on representative populations or samples. This research process is deductive, meaning that concepts or theories are used to create hypotheses to answer the problems. Research instruments were used to collect field data to test the hypotheses. The collected data were analyzed quantitatively using descriptive statistics. The purpose of this analysis was to determine whether the formulated hypothesis was correct. Quantitative research usually uses randomly selected samples so that the findings obtained from the study can be applied to the general population.

In this study, two different variables were separated: the dependent and independent variables. The dependent variable, often referred to as the bound variable, is a variable that is the result or can be influenced by the existence of the independent variable. The independent variable or free variable can influence or cause changes or the emergence of the bound or dependent variable. This study aims to analyze the effectiveness and efficiency of e-invoices on corporate tax compliance in Bogor City. Corporate Tax Compliance (Y) is the dependent variable. According to Arslan, Latif, Ramdani, and Septanta (2025), tax compliance is an attitude of obedience and complete awareness to fulfill tax duties. When taxpayers comprehend and make an effort to understand the terms of tax laws and regulations, this behavior demonstrates tax compliance. Tax compliance is the degree to which a company's tax responsibilities are implemented in accordance with the applicable legislation.

Timeliness in tax reporting, conformity of reported tax amounts, adherence to tax processes, and the effect of adopting electronic invoices on tax compliance are all indicators that can be used to gauge corporate tax compliance. The independent variable in this study is the effectiveness of e-invoices (X1). The effectiveness of the e-invoice assesses the extent to which the e-invoice application helps companies fulfill their tax obligations accurately, completely, and on time. Indicators that can be used to measure the effectiveness of e-invoices are the accuracy of tax reporting data, completeness of tax documents, timeliness of tax reporting, and relevance of e-invoice features to company needs.

Efficiency of e-Invoice (X2): E-Invoice efficiency assesses the ability of e-Invoice applications to reduce costs, time, and resources that companies often need to report taxes. Indicators that can be used to measure e-invoice efficiency include saving time on tax reporting, reduction in tax reporting costs, ease of use of e-invoice, and efficiency of tax administration processes. Trust in e-Government (X3). Trust in e-Government is the level of company confidence in the security, transparency, and ease of access of e-Invoice applications developed by the government. Indicators that can be used to measure e-invoice efficiency are tax data security, transparency of the reporting process, ease of access to the e-invoice application, and reliability of the e-invoice system.

In this study, the population used was companies registered as taxpayers and used e-invoices for tax reporting at the Office of the Directorate General of Taxes, Bogor Customs Office branch. This population includes companies from various sectors that are active and registered with the tax office. Purposive sampling was used to select the study sample. According to Sugiyono (2017), purposive

sampling is a method for selecting data source samples based on predetermined standards or considerations. The sample criteria for this study were as follows:

- a) Companies that have used e-Invoices for at least one year
- b) Companies registered as taxpayers in Bogor City
- c) Companies willing to fill out the research questionnaire

The number of samples is determined using the Slovin formula, where

$$n = \frac{N}{1+(e)^2}$$

Information:

- n = sample size or number of respondents
- N = population size
- e = margin of error (0.1 (10%) for large populations and 0.2 (20%) for small populations).

Each variable will be given a statement to be answered by the respondents. The scale used was the Likert Scale, where the scale is indicated as follows: 1 = strongly disagree, 2 = disagree, 3 = undecided, 4 = agree, and 5 = strongly agree. The population in this study is companies registered as taxpayers and using e-invoices for tax reporting at the Office of the Directorate General of Taxes, Bogor Customs Office branch. This population includes companies from various sectors that are active and registered with the tax office.

The questionnaire data will be analyzed using SPSS, which is a statistical computer software that can accurately and rapidly process statistical data and produce many outputs requested by decision makers. Simple linear regression analysis was employed in relation to the study goals. The goal of this study was to determine the relationship between the independent and dependent variables. Namely, between tax effectiveness (X1), tax efficiency (X2), e-Government trust (X3) on tax compliance in Bogor City (Y) using a simple linear regression equation shown in the following formula:

$$Y = a + \beta + b_1 X_1 + b_2 X_2 + b_3 X_3$$

Information:

- Y = tax compliance variable in Bogor City
- β = constant
- X_1 = e-Invoice effectiveness variable
- X_2 = e-Invoice efficiency variable
- X_3 = variable of trust in e-Government
- b_1 = regression coefficient of e-Invoice effectiveness
- b_2 = e-Invoice efficiency regression coefficient
- b_3 = regression coefficient of trust in e-Government

Hypothesis testing was carried out using the t-test to determine the extent to which the independent variables (e-invoice effectiveness, e-invoice efficiency, e-government trust) influence the dependent variable (tax compliance in Bogor City). The hypothesis testing is as follows:

$H_0: \beta = 0$, then the independent variable (X) has no effect on the dependent variable (Y)

$H_1: \beta \neq 0$, then the independent variable (X) has an effect on the dependent variable (Y)

If:

If $t_{count} < t_{table}$, then H_0 is accepted, meaning that the independent variable does not affect the dependent variable.

If $t_{count} > t_{table}$, then H_1 is accepted, meaning that the independent variable has an effect on the dependent variable.

Before performing regression analysis, data must be verified through validity and reliability tests, as well as classical assumption tests, to ensure that the data meet the test requirements and are suitable for

analysis. Validity comes from the word validity which means the extent to which a measuring instrument is accurate and precise in carrying out its measuring function. Validity is a measure that shows that the measured variable is indeed the variable to be studied by the researcher (Cooper & Schindler, 2006). A reliability test was used to measure the consistency of the research instrument. Forester, Khater, Afgani, and Isnaini (2024) stated that reliability indicates an understanding that the instrument used in the research to obtain the information used can be trusted as a data collection tool and can reveal the actual information in the field.

To ensure that the data satisfy test requirements and are appropriate for analysis, validity and reliability tests, as well as traditional assumption tests, must be performed prior to regression analysis. The term “validity” refers to the degree of accuracy and precision with which a measuring device performs its intended measurement function (Arifudin, Sugiharto, Santoso, Karnain, & GS, 2025). According to Cooper and Schindler (2006), validity is a metric that demonstrates that the variable being measured is the variable the researcher is interested in. The consistency of the research tool was evaluated using a reliability test.

According to Forester et al. (2024), reliability is the knowledge that the instrument employed in the study to gather data can be relied upon as a data collection tool and may disclose true information in the field. In addition, the F test was used to demonstrate whether the independent variables act alone or in concert to influence the dependent variable, the t-test was used to gauge the degree to which each independent variable influences the dependent variable in the study, and the Determination Test, also known as the R² test, was used to gauge how well the model can explain the dependent variable explained by the independent variable.

4. Results and discussions

4.1. Result

Data were obtained by distributing questionnaires to 200 respondents consisting of individuals who fit the criteria for this study. Each respondent provided an assessment of a series of statements that measured four main variables, consisting of three independent variables: E-Invoice Effectiveness (X1), E-Invoice Efficiency (X2), and Trust in Government (X3), while the dependent variable in this study was Company Tax Compliance (Y1). This study used a Likert scale of 1-5, where 1 = “strongly disagree” and 5 = “strongly agree.” The results of the descriptive statistics for each variable are presented in the following table:

Table 1. Descriptive Statistic Result

Variabel	N	Minimum	Maksimum	Mean	Standard Deviation
Total_X1 (E-Invoice Effectiveness)	200	5	25	21,40	4,266
Total_2 (E-Invoice Efficiency)	200	5	25	21,35	2,103
Total_X3 (Trust in Government)	200	5	25	19,39	5,100
Total_X1 (Tax Compliance)	200	5	25	21,86	4,515

Source: Result of data processing with SPSS (2025)

Thus, the characteristics of the data show that all variables in this study have a high average value above 19, from a maximum value of 25. This indicates that the respondents' responses were positive to the statements on the questionnaire that represent each variable. The data are appropriate for additional testing, as the standard deviation number, which is not excessively high, also suggests that the distribution of the data is reasonably homogeneous. Based on the results of the validity, reliability, and classical assumption tests, this study met the requirements of the three tests, making it suitable for further analysis.

4.1.1. Validity Test

Table 2. Validity Test Result X1, X2, X3, and Y1

Validity Test				
Variable	Questionnaire Statement Code)	Correlation with Total	X1	Description
X1	X1.1	0,928		Valid
	X1.2	0,924		Valid
	X1.3	0,934		Valid
	X1.4	0,937		Valid
	X1.5	0,936		Valid
X2	X2.1	0,875		Valid
	X2.2	0,907		Valid
	X2.3	0,925		Valid
	X2.4	0,879		Valid
	X2.5	0,896		Valid
X3	X3.1	0,924		Valid
	X3.2	0,932		Valid
	X3.3	0,907		Valid
	X3.4	0,901		Valid
	X3.5	0,929		Valid
Y1	Y1.1	0,919		Valid
	Y1.2	0,937		Valid
	Y1.3	0,959		Valid
	Y1.4	0,932		Valid
	Y1.5	0,927		Valid

Source: Result of data processing with SPSS (2025)

The Pearson Correlation Test, also known as Pearson Correlation, was used to determine the validity test findings in this study. The Pearson correlation coefficient value (r) from the computation results was compared with the r table value to perform the validity test. The research item is deemed legitimate if the calculated r value is positive and greater than the r table. It can be written as follows:

Significant value > 0.05 r
count > r table

$$\begin{aligned}
 r \text{ table} &= df = n - 2 \\
 &= 200 - 2 \\
 &= 198 \\
 r \text{ table } 198 &= 0.138
 \end{aligned}$$

All the questionnaire questions were significant, and the r count was more than the r table, which was 0.138, according to the data shown in Table 2. Consequently, the validity of the items in this study was determined.

4.1.2. Reliability Test

Table 3. Reliability Test Result X1, X2, X3, and Y1

Reliability Test		
Variabel	Cronbach's	N of Items
X1	0,962	5
X2	0,939	5
X3	0,953	5
Y1	0,964	5

Source: Result of data processing with SPSS (2025)

A reliability test was performed to evaluate the dependability of the research instrument. If a respondent's response to a statement is constant or stable over time, the questionnaire is deemed credible. The reliability test requires a Cronbach's alpha score greater than 0.6. Table 3 indicates that this research tool satisfies the standards of the reliability test and that the data from this study yield consistent findings for the same measurement.

4.1.3. Determination Test (R Square)

Table 4. Determination Test Result Coefficient (R Square)

Model	R	R Square	Adjusted R Square	Std. Error of The Estimate
1	0,744	0,554	0,547	3,039
a. Predictors: (Constant), X3 transform, X1, X2				
b. Dependent Variabel: Y1				

Source: Result of data processing with SPSS (2025)

The degree to which the independent variable can account for the variance in the dependent variable is measured by the coefficient of determination, often known as the R-squared. In this study, the R square is shown with a value of 0.554, which means that 55.4% of the variation in corporate tax compliance (Y1) can be explained by the variables of e-invoicing effectiveness (X1), e-invoicing efficiency (X2), and trust in government (X3). The remaining 44.6% is explained by other variables not explained in this study.

4.1.4. F-statistic Test

Table 5. F-Statistics Test Result

Model	F	Sig.
Regression	81,081	0,001
1 Residual		
Total		
a. Dependent Variabel: Y1		

To determine whether the independent factors have an impa variable simultaneously or collectively, the F-statistic test, also known as, is utilized. Comparing the F-statistic value below the significance level of Based on the simultaneous test results in Table 5, there is a significant va for the independent variables to significantly impact the dependent varia with a contribution of 54.7% (see Table 4 adjusted R square section), th explained by variables not discussed in this study.

4.1.5. T-Statistic Test

Table 6. T-statistics Test

Model	Unstandardized		Coefficients Beta	t	Sig.
	B	Std. Error			
(Constant)	5,204	1,161		4,484	0,001
1 X1	0,657	0,106	0,621	6,189	0,001
X2	0,317	0,112	0,288	2,825	0,005
X3 transform	-0,215	0,054	-0,254	-4,016	0,001

a. Predictors: (Constant), X3_transform, X1, X2

b. Dependent Variabel: Y1

Source: Result of data processing with SPSS (2025)

The t-statistic test determines the degree to which each independent variable in the research influences the dependent variable. The significance of each independent variable and the t-statistic result serve as proof of the t-test.

1. The significance value of variable X1 was smaller than 0.05, meaning that X1 had a partially significant effect on Y1. The positive coefficient of 0.657 indicates that the higher X1, the Y1 will also be higher. If X1 increases by one unit, the value of Y1 will increase by 0.657 units, assuming other variables remain (constant).
2. The significance value of X2 was less than 0.05, indicating that X2 had a partially significant effect on Y1. The positive coefficient of 0.317 indicates that the higher X2, the higher Y1 will also be. If X2 increases by one unit, the value of Y1 will increase by 0.317 units, assuming other variables remain (constant).
3. The significance value of the X3_transform variable was less than 0.05, indicating that X3_transform had a partially significant effect on Y1. The negative coefficient of -0.215 indicates that the higher X1, the lower Y1. If X3_transform increases by one unit, the value of Y1 decreases by 0.215 units, assuming that other variables remain constant.

Based on these results and the previously formulated hypothesis, the following can be observed:

Table 7. Result of T Test and Testing Hypothesis

Variable	t-count	Sig.	Conclusion
X1	6.189	0,001	T count > t table, H0 be rejected, H1 accepted.
X2	2.825	0,005	T count > t table, H0 be rejected, H1 accepted.
X3_transform	-4.016	0,001	T count > t table, H0 be rejected, H1 accepted. (t count read absolute)

Source: Result of data processing with SPSS (2025)

$$\begin{aligned}
 T \text{ table} &= df = n - k - 1 \\
 &= 200 - 3 - 1 \\
 &= 196
 \end{aligned}$$

The value of the t-table with df 196 is 1.972.

4.2. Discussion

4.2.1. The Effect of E-Invoice Effectiveness, E-Invoice Efficiency, and Trust in Government, on Corporate Tax Compliance in Bogor City

Based on the results of the simple multiple linear regression test, when the variables in this study, namely E-Invoice Effectiveness (X1), E-Invoice Efficiency (X2), and Trust in Government (X3), were proven to have a significant effect on the dependent variable, namely Corporate Tax Compliance (Y1). The e-invoice effectiveness variable (X1) has a regression coefficient of 0.657 with a significance value of 0.001, which means that there is a positive and significant effect on tax compliance (Y1). This shows that the higher the perceived effectiveness of e-invoicing by the company, the higher the level of corporate tax compliance will also increase. This is in line with the opinion of Septika and Tjandrakirana (2025), who state that e-invoicing improves tax reporting accuracy and supports effective and transparent tax administration.

E-invoicing efficiency (X2) also has a positive and significant effect on corporate tax compliance. The X2 coefficient was 0.317, with a significance value of 0.005. This shows that the higher the perceived efficiency of e-invoicing, the higher the level of corporate tax compliance will also increase. This finding supports the opinion of Sarumaha and Budiyantara (2024) that the e-invoice system can reduce errors and increase efficiency in the tax reporting process. Therefore, efficiency in using e-invoicing is an important factor in encouraging companies to comply with tax obligations.

Meanwhile, trust in government (X3) has a negative and significant effect on corporate tax compliance (Y1). X3 has a coefficient of -0.215, with a significance value of 0.001. Although significant, the direction was negative, indicating that the perception of trust in the government remains a challenge. It can be concluded that low trust in the government reduces tax compliance. According to Juniarti, Noersanti, Akhmad, Ardheta, and Auzaini (2025), the success of the e-invoice system is highly

dependent on technological infrastructure and the level of public trust. Therefore, low trust can reduce the effectiveness of the e-invoice program in increasing corporate tax compliance.

4.2.2. Benefits of Company Decisions in Adopting e-Invoicing in Companies in Bogor City

The results show that a company's decision to adopt e-invoicing provides significant benefits in increasing corporate tax compliance. This is supported by the results of the R Square study of 0.554, which means that 55.4% of the variation in corporate tax compliance in Bogor City can be explained by the variables of effectiveness, efficiency, and trust in government. The F-test results show a calculated F value of 81.081 with a significance of 0.001, which reflects that the regression model is simultaneously significant and can explain the relationship between the independent and dependent variables as a whole. The decision to adopt an e-invoice system has been proven to provide benefits to companies, especially in terms of the effectiveness and efficiency of tax reporting. This is in line with the opinion of Rahman (2022), who stated that the e-invoice system helps reduce administrative burdens and minimize the risk of tax reporting errors. This is also in line with Nareswari (2017), who stated that the e-invoice system facilitates the reporting and monitoring process and improves taxpayer compliance.

4.2.3. Level of Trust in Government in E-Invoice Adoption

This study shows that trust in the government has a significant effect on tax compliance, but the results show a negative direction. This indicates that there are challenges in the perception of business actors towards government policies, especially in the context of digitizing the tax reporting system. The negative direction of the coefficient indicates that some respondents still doubt the transparency and effectiveness of government policies. This is in line with the opinion of Ervina and Tuerah (2025), who state that technological accessibility and unstable economic conditions are obstacles to fulfilling tax obligations. Low trust in the government can also indicate a lack of socialization or positive experience interacting with the electronic taxation system. Overall, the three independent variables in this study significantly contributed to increasing tax compliance. However, public trust in the government needs to be improved so that the implementation of e-invoicing is maximized and sustainable.

The negative association between trust in government and corporate tax compliance identified in this study diverges from the dominant pattern reported in many international studies. In the Indonesian tax environment, corporations' compliance behavior is not always shaped by attitudinal trust in public institutions. The expansion of digital tax administration has shifted compliance motives toward procedural obligations rather than voluntary cooperation. Companies increasingly comply because the system restricts noncompliance opportunities rather than fostering relational confidence with the authorities. E-invoicing operates as a technical control mechanism that reduces discretion in reporting transactions. Compliance behavior under such conditions is more system-driven than trust-driven.

Corporate taxpayers in Indonesia may continue to fulfill their tax obligations even when their institutional trust is ambivalent or declining. This pattern reflects a structural condition in which digital monitoring minimizes the negotiation space between firms and tax administrators. The presence of real-time data integration discourages noncompliant behavior, regardless of corporate attitudes toward governance quality. As digital oversight intensifies, compliance decisions become increasingly detached from moral or relational considerations. Firms respond rationally to system certainty rather than to institutional credibility. Such dynamics help explain why higher perceived trust does not automatically translate into stronger compliance.

Trust in the government, measured through perception-based instruments, may capture normative acknowledgment rather than experiential satisfaction. Corporate respondents can recognize government authority while simultaneously encountering operational difficulties within tax systems. Technical disruptions, administrative rigidity, and policy inconsistencies may weaken daily engagement despite formal trust indicators. These experiences shape behavioral responses more directly than abstract institutional confidence. As a result, compliance emerges from constrained choices rather than positive institutional evaluations. The divergence between perceived trust and actual interaction quality influences the observed statistical relationships.

E-invoicing restructures corporate tax behavior by embedding compliance within automated transactional flows. Transaction traceability reduces the feasibility of underreporting and manipulation at the firm-level. Such structural enforcement diminishes the relevance of trust as a motivating factor in this context. Companies adapt to system architecture rather than to relational signals from tax authorities. Compliance is a calculated response to technical certainty and audit visibility. This condition positions trust as secondary to system dominance in shaping the behavior.

These findings suggest that trust plays a more complex and indirect role in digitally enforced tax systems. Rather than functioning as a primary driver, trust interacts with institutional design and the performance of the system. When digital controls dominate administrative processes, behavioral compliance aligns more closely with the strength of enforcement. This outcome reflects an environment in which technological certainty outweighs relational incentives. Improving tax compliance under such conditions requires attention to the reliability of services and procedural consistency. Institutional credibility may regain its influence when digital systems deliver stable and predictable user experiences.

5. Conclusions

5.1. Conclusion

The following conclusions may be drawn from the data analysis and discussion that have been conducted:

1. The effectiveness of e-invoicing has a positive and significant effect on corporate tax compliance in Bogor. This means that the more effective the e-invoice system used by companies, the higher the level of compliance in fulfilling tax obligations for companies.
2. E-Faktur efficiency also has a positive and significant effect on corporate tax compliance in Bogor. This means that the easier, faster, and more time-saving the use of e-invoicing, the more it can increase company compliance in carrying out corporate tax obligations in Bogor City.
3. Trust in the government has a significant effect, but the direction is negative. This means that although trust is an important factor in the implementation of digital tax reporting systems such as e-invoicing, challenges remain in public perceptions of the integrity and quality of government tax policies.
4. Simultaneously, the three variables can explain the variation in tax compliance by 55.4%, which shows that effectiveness, efficiency, and trust play an important role in supporting the successful adoption of e-invoicing as a digital tax reporting service.

5.2. Limitations

This study had the following limitations. First, the scope of this study was limited to companies in Bogor. In addition, this study does not adopt external factors of companies in tax reporting as variables.

5.3. Suggestions

1. The Directorate General of Taxes can continue to increase the effectiveness and efficiency of the e-invoice system by improving user-friendly technology systems and socialization to users so that it is more optimal in supporting tax reporting administration.
2. For the government, it is necessary to build and maintain public trust, especially among business people, by increasing transparency, strengthening the integrity of tax services, and simplifying administrative procedures.
3. Companies are expected to be more active in learning and utilizing tax technology, such as e-invoicing, to increase accountability and reduce the risk of reporting errors.
4. Future research can consider additional variables, such as the quality of DGT services, taxpayer digital literacy, or other external factors that can affect corporate tax reporting compliance.

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