

THE INDONESIAN TAX EDUCATION PROGRAM: AN INSTITUTIONAL THEORY PERSPECTIVE

YULIANTI ABBAS, CHRISTINE TJEN AND PANGGAH TRI WICAKSONO*

ABSTRACT

Despite its expanding economy, Indonesia has historically grappled with a low tax ratio. In 2020, the tax-GDP ratio stood at 10.1%, lower than that of its Southeast Asian peers such as Malaysia, Singapore, Thailand, and the Philippines. To improve tax compliance, the Indonesian government has implemented several initiatives, including a national tax education program launched in 2014. A cornerstone of this initiative is the 'Pajak Bertutur (Patur) ['tax enunciates'] program, which organizes one-day events at schools where tax officials teach students about taxation.

To evaluate the Patur program, this study employed Scott's Institutional Theory, which delineates organizations into three pillars: regulative, normative, and cultural-cognitive. Given that the program is publicly funded and requires substantial resources, particularly from the tax authority, it is crucial for the Indonesian government to scrutinize its implementation and potential for improvement.

Through a series of in-depth interviews and focus group discussions with tax officials and teachers, our research reveals that the synchronization of the three organizational elements is pivotal for the promotion of an effective tax education program. Findings suggest that while the Patur program is supported by a robust normative pillar, it is hampered by a lack of regulative pillar, leading to implementation discrepancies. This regulatory deficit, however, may inadvertently allow the program to be more adaptable to the diverse needs of schools, thereby strengthening the cultural-cognitive pillar and increasing overall program effectiveness.

Keywords: tax education, tax awareness, institutional theory

* Department of Accounting, Faculty of Economics and Business, Universitas Indonesia. Corresponding author. Email: Yulianti Abbas at yuli.a@ui.ac.id. Universitas Indonesia provided ethical approval for this research under the reference Nomor: Ket-48/UN2.F10.D11/PBM.00.02/2021.

I INTRODUCTION

Since 1984, the Directorate General of Taxes ('DGT') in Indonesia has employed a self-assessment system for tax collection based on the principle of voluntary compliance.¹ Under this system, taxpayers are responsible for calculating their own tax liability,² which requires a high level of awareness and understanding of tax regulations.³ The effective functioning of the self-assessment system therefore depends on the taxpayer's knowledge of the tax laws and the role of tax administration in promoting this knowledge through education and support.⁴

The literature underscores the critical role of tax knowledge and education in shaping taxpayer behaviour. Increased tax knowledge is associated with favourable attitudes toward compliance,⁵ whereas its absence can engender distrust and aversion toward the tax system.⁶ The work of scholars such as Andreoni, Erard, and Feinstein underscores the influence of intrinsic motivation on tax compliance,⁷ while Eriksen and Fallan highlight how tax knowledge influences tax awareness and ethical conduct, thereby reducing noncompliance.⁸ Similarly, Morgan and Castelyn, as well as Kwok and Yip, have identified taxpayer education as pivotal to comprehending and complying with tax obligations,⁹ a sentiment echoed by Abbas and Timothy in the context of Indonesia's small and medium enterprises.¹⁰

¹ Andrew Okello, 'Managing Income Tax Compliance Through Self-Assessment' (Working Paper No WP/14/41, International Monetary Fund, March 2014) 11 <<https://www.imf.org/external/pubs/ft/wp/2014/wp1441.pdf>>.

² Anis Barieyah Mat Bahari and Lai Ming Ling, 'Introducing Tax Education in Non-Accounting Curriculum in Higher Education: Survey Evidence' (2009) 7(1) *Journal of Financial Reporting and Accounting* 37, 38.

³ Ern Chen Loo, Margaret McKerchar and Ann Hansford, 'An International Comparative Analysis of Self-Assessment: What Lessons Are There for Tax Administrators?' (2005) 20(4) *Australian Tax Forum* 669, 671.

⁴ *Ibid* 706-07.

⁵ Knut Eriksen and Lars Fallan, 'Tax Knowledge and Attitudes Towards Taxation: A Report on a Quasi-Experiment' (1996) 17(3) *Journal of Economic Psychology* 387, 399.

⁶ Pauline Niemiowski, Steve Baldwin and Alexander J Wearing, 'Tax Related Behaviours, Beliefs, Attitudes and Values and Taxpayer Compliance in Australia' (2003) 6(1) *Journal of Australian Taxation* 132, 163.

⁷ James Andreoni, Brian Erard and Jonathan Feinstein, 'Tax Compliance' (1998) 36(2) *Journal of Economic Literature* 818, 851.

⁸ Eriksen and Fallan (n 5) 399.

⁹ Annette Morgan and Donovan Castelyn, 'Taxation Education in Secondary Schools' (2018) 13(1) *Journal of the Australasian Tax Teachers Association* 307, 311; Betty Yuk Sim Kwok and Rita Wing Yue Yip, 'Is Tax Education Good or Evil for Boosting Tax Compliance? Evidence from Hong Kong' (2018) 32(4) *Asian Economic Journal* 359, 379.

¹⁰ Joshua Timothy and Yulianti Abbas, 'Tax Morale, Perception of Justice, Trust in Public Authorities, Tax Knowledge, and Tax Compliance: A Study of Indonesian SMEs' (2021) 19(1) *eJournal of Tax Research* 168, 176.

In response to persistently low tax ratios and compliance levels—evidenced by a tax-to-GDP ratio of 10.1% in 2020,¹¹ markedly below the average in Asia-Pacific and OECD countries—the DGT launched a tax education initiative in 2014, namely the Tax Awareness Inclusion Program. The Patur program, established in 2017 as the flagship of the initiative, aims to raise tax awareness among students through comprehensive one-day events at educational institutions. During the Patur program, tax authorities visit schools and provide tax-related materials, such as why a government collects taxes, how taxes are being used, and how people contribute to their country by paying taxes. By introducing the concept of taxation to future taxpayers as early as possible, the Indonesian government expects to increase awareness and, in the long run, improve compliance. The program's effectiveness is tentatively supported by research by Abbas, Tjen, and Wicaksono, which found improved tax awareness among students attending the Patur program.¹²

This study first evaluated the legitimacy of the Patur program, using Suchman's definition of legitimacy,¹³ and found that while the program aspires to this status, it has not fully achieved a cognitive legitimacy. It then applied Institutional Theory proposed by Scott¹⁴ to explore the institutionalization of the Patur program within schools, positing that such institutionalization is crucial for the sustained legitimacy of the program. This study examined various methods and materials that have been used by Indonesian tax offices in the Patur program. Additionally, this study included a series of focus group discussions and interviews to examine the challenges faced by the Patur program and to gather the perceptions of the participating schools.

Our analysis, leveraging Scott's framework, revealed that while the Patur program has a robust normative pillar, it is compromised by a deficient regulative pillar, leading to inconsistent implementation. Nevertheless, this regulatory void may inadvertently benefit the program by allowing for adaptability to the diverse environments of different schools, potentially strengthening the program's cultural-cognitive pillar.

II CONCEPTUAL FRAMEWORK

A *Legitimacy Framework*

Organizations need legitimacy to survive.¹⁵ In the institutional theory literature, legitimacy is conceptualized as a generalized perception that an organization's actions are desirable, proper, or appropriate within a socially constructed system of norms,

¹¹ Organization for Economic Co-operation and Development (OECD), *Revenue Statistics in Asia and the Pacific 2022: Strengthening Tax Revenues in Developing Asia* (Report, 2022) 19 <<https://doi.org/10.1787/db29f89a-en>>.

¹² Yulianti Abbas, Christine Tjen and Panggah Tri Wicaksono, 'Tax Education and Tax Awareness: A Study on the Pajak Bertutur Indonesian Tax Education Program' (2021) 16(1) *Journal of the Australasian Tax Teachers Association* 198, 210.

¹³ Mark C Suchman, 'Managing Legitimacy: Strategic and Institutional Approaches' (1995) 20(3) *Academy of Management Review* 571.

¹⁴ W Richard Scott, *Institutions and Organizations: Ideas, Interests, and Identities* (SAGE Publications, 4th ed, 2014).

¹⁵ *Ibid* 71; Suchman (n 13) 574.

values, beliefs, and definitions.¹⁶ Prior research suggests that legitimacy can enhance performance and growth¹⁷ and facilitate the development of stronger ties with external stakeholders.¹⁸

Measuring legitimacy has been a challenge for researchers.¹⁹ Suchman categorizes legitimacy into three types: (1) pragmatic, (2) moral, and (3) cognitive.²⁰ Pragmatic legitimacy is derived from the organization's ability to meet the immediate, self-interested needs of relevant actors to the extent that such behaviour is attributed to the organization's character.²¹ Moral legitimacy encompasses a broader range of considerations in which decisions and actions are evaluated against societal norms and values.²² Cognitive legitimacy, on the other hand, is based on stakeholders' comprehensibility and internalization of the organization's purpose, meaning, and processes.²³ Assessing the legitimacy of an organization or program is therefore critical in determining its ability to achieve its intended objectives.

B *The Basis of Legitimacy According to Scott's Institutional Theory Framework*

Scott's institutional theory delineates three pillars that collectively support legitimacy: regulative, normative, and cultural-cognitive.²⁴ These pillars are interdependent, but each contributes uniquely to the achievement of an organization's purpose.²⁵

1 *The Regulative Pillar*

The regulative pillar is concerned with the formal rules, laws, and sanctions that govern behaviour.²⁶ This pillar emphasizes the establishment of explicit, formal rules and the enforcement of compliance through monitoring, sanctions, and incentives.

2 *The Normative Pillar*

In contrast to the coercive approach of the regulative pillar, the normative pillar focuses on social obligations and expectations. It influences behaviour through norms and values that define the goals and objectives of the institution, operating within a shared social framework.²⁷

¹⁶ Suchman (n 13) 574.

¹⁷ Monica A Zimmerman and Gerald J Zeitz, 'Beyond Survival: Achieving New Venture Growth by Building Legitimacy' (2002) 27(3) *Academy of Management Review* 414, 417.

¹⁸ Ben Jongbloed, Jürgen Enders and Carlo Salerno, 'Higher Education and Its Communities: Interconnections, Interdependencies and a Research Agenda' (2008) 56(3) *Higher Education* 303, 307.

¹⁹ Suchman (n 13) 572.

²⁰ *Ibid* 577.

²¹ *Ibid* 578.

²² *Ibid* 579.

²³ *Ibid* 582.

²⁴ Scott (n 14) 59.

²⁵ *Ibid*.

²⁶ *Ibid*.

²⁷ *Ibid* 64.

3 *The Cultural-cognitive Pillar*

The cultural-cognitive pillar includes shared conceptions and internalized norms derived from the external organizational culture.²⁸ This pillar encompasses the internalization of collective beliefs and adherence to roles that organizational members often take for granted as part of their social reality.²⁹

4 *Application of Scott's Institutional Theory in Educational Research*

Scott's institutional theory has been applied to various studies within educational research to elucidate factors that influence program effectiveness. Casto and Sipple's examination of the implementation of Universal Pre-Kindergarten ('UPK') in rural New York school districts found varying degrees of application, with local and normative influences outweighing over non-local and regulative ones.³⁰ Linnér and colleagues' comparative analysis of health and physical education ('HPE') practices in Sweden, Norway, and New Zealand highlighted societal differences in social justice pedagogies, suggesting that they are shaped by their respective institutional systems of governing.³¹ These applications of Scott's framework suggest that the regulative, normative, and cultural-cognitive pillars distinctly influence the success of educational programs.

C *Development of Research Questions*

Based on Scott's institutional theory and existing literature, this study evaluated the extent to which the Patur program has achieved legitimacy and the influence of the cognitive, normative, and regulative structures on this legitimacy. The distinct variables representing the three pillars were examined and are presented in Figure 1.

²⁸ Ibid 67.

²⁹ Ibid 67.

³⁰ Hope G Casto and John W Sipple, 'Who and What Influences School Leaders' Decisions: An Institutional Analysis of the Implementation of Universal Prekindergarten' (2011) 25(1) *Educational Policy* 134, 162-163.

³¹ Susanne Linnér, Lena Larsson, Göran Gerdin, Rod Philpot, Katarina Schenker, Knut Westlie, Kjersti Mordal Moen and Wayne Smith, 'The Enactment of Social Justice in HPE Practice: How Context(s) Comes to Matter' (2022) 27(3) *Sport, Education and Society* 228, 231.

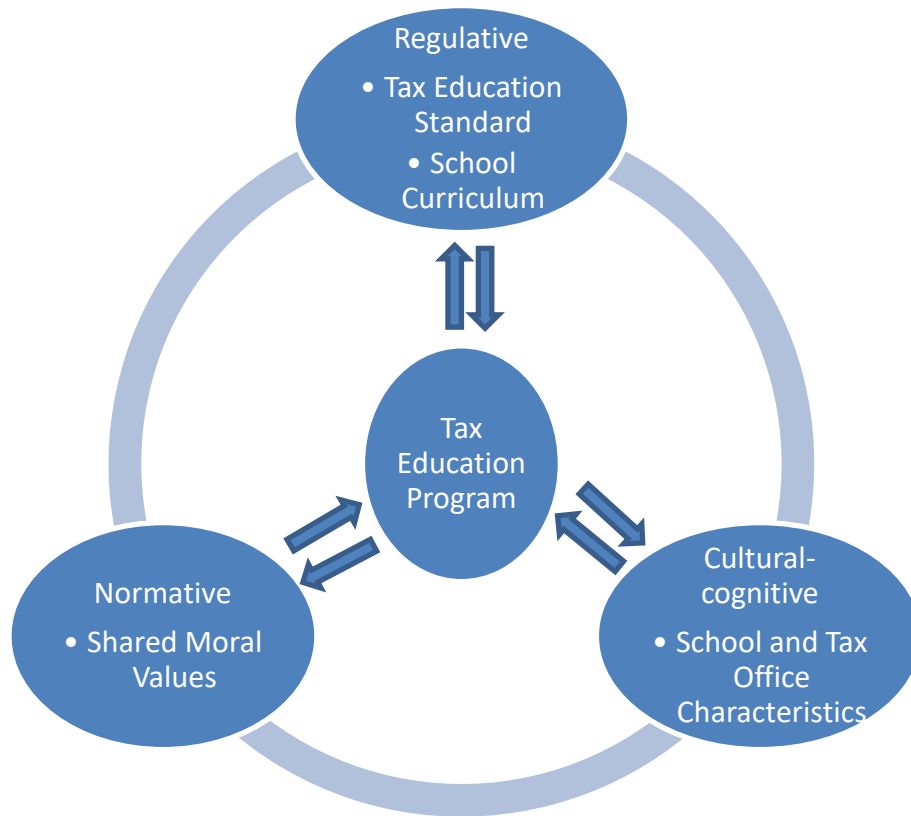


Figure 1: Scott's Three Pillars of the Indonesian Tax Education Program

The research questions ('RQs') addressed in this study are as follows:

RQ1: What state of legitimacy is the Patur program currently in?

RQ2: What are the specific processes and practices within the regulative (eg, rules, laws, or structures governing behaviour), normative (eg, the shared system of norms, expectations, and values), and cultural-cognitive (eg, the commonly held beliefs and frameworks that constitute social reality and meaning-making) pillars of the Patur program that contribute to its current legitimacy?

III RESEARCH METHODOLOGY

To answer the research objectives, we conducted a qualitative exploratory study through in-depth interviews and focus group discussions ('FGDs'). To obtain detailed information about the Patur program, we conducted in-depth interviews at the DGT central office, specifically with officials working in the Public Relations Directorate. Subsequently, we conducted focus group discussions with tax officials and high school officials and teachers to explore the implementation of the program. All in-depth interviews and FGDs were conducted virtually using Zoom video conferencing, as it was not possible to conduct face-to-face interviews and FGDs because of the COVID-19 pandemic. The scope of this study was the Jakarta region for its convenience, so the tax offices and schools were also selected from this region.

Before proceeding to FGDs with tax officials and school officials or teachers, we conducted interviews with five DGT officials. Three of them were responsible for creating and managing the Patur program in its early years, and the other two participants are the ones currently managing the program. Interviews with the DGT central office mainly explored information regarding the background of the Patur program and its concept, the expected results, and the perception regarding the implementation of the program. The interviews are used to assess the legitimacy of the Patur program from the perspectives of the regulators.

To gain a deeper insight into the implementation of the program, we conducted two FGDs with tax office officials. First, we obtained the list of tax offices that have organized the Patur program for high schools in Jakarta for the years 2018, 2019, and 2020. From this list, we selected officials from 10 potential tax offices to be invited for each FGD, resulting in a total of 20 tax offices. In selecting the tax offices to be invited to the FGD, we applied the following criteria:

- a. Tax offices had conducted Patur at least twice. This should allow us to explore the implementation of the Patur program from different years.
- b. In each FGD, we selected tax offices that allowed us to include six different regional tax offices of the DGT in Jakarta. This was to anticipate the possibility that tax offices in the same region might have similar materials and methods in conducting the Patur program.

In the first FGD, there were nine participants from six tax offices, as some tax offices sent more than one person to the FGD. In the second FGD, there were 14 participants from nine tax offices. All the participants were tax officials who are responsible for managing the program. These FGDs mainly focused on exploring the implementation of the Patur program. This included the expected results, the materials and methods used in the program, and their suggestions for improving the program.

We also conducted two FGDs with participants from high schools in Jakarta to explore the schools' perceptions regarding the Patur program. We gained access to participants from high schools through the DGT central office. Using the list of high schools that participated in the Patur program in 2018, 2019, and 2020, we selected 10 potential schools from which participants would be invited to each FGD, for a total of 20 schools. We used the following criteria to select the schools:

- a. Schools have participated in Patur for at least once, but we have given priority to those that have participated at least twice. Tax offices tend to select different schools each year, so many schools may have participated only once.
- b. Similar to the selection of tax offices, for each FGD, we selected schools that allowed us to include six different DGT regional tax offices in Jakarta.
- c. In each FGD, we invited different types of schools, as different as possible, to allow us to explore the possible variation in the implementation of the Patur program because of the differences. Where possible, we included public high school, private high school, and vocational school in each FGD, by considering the distribution of schools from the list that we obtained from the DGT.

There were five participants from four schools in the first FGD and nine participants from six schools in the second FGD. All participants were school officials or teachers directly responsible for implementing the program. The FGDs discussed topics comprising

participants' expectations of the Patur program, their overall experience after attending the program (including the materials and methods used in the program), and their suggestions for improving the program in the foreseeable future. Data from the DGT tax offices and schools would be used to assess the Patur program based on Scott's institutional theory.

IV FINDINGS AND DISCUSSIONS

A *Legitimacy of the Patur Program*

The Patur program initiative is a cornerstone of the DGT's efforts to incorporate tax awareness into the educational curriculum. Launched in 2017, the Patur marked the commencement of the tax awareness inclusion program and has since become an annual fixture to promote this educational cause. An interviewee from the DGT described the structure of the initiative:

In the implementation of the tax awareness inclusion program, we have three pillars. The first pillar is cooperation and policy; the second is education; and the third is campaign. [...] No matter how good the program is, if there is no campaign, I don't think the public will know [about it]. Also, [if there is] no campaign, [there] will be no synergy among the stakeholders. [...] One of the campaigns is the "Patur" program.

The Patur program is strategically designed to impart tax-related knowledge to students at an early stage. The ethos behind the Patur program is to nurture the younger generation by instilling in them the importance of understanding taxation. An official articulated the DGT's ambition for the Patur program to leave a lasting impression, even though it unfolds over a short period of time:

The concept of the Patur program is that we come to the schools simultaneously, give the students an hour of information about taxes, but we use a delivery [of information] that is understandable for each level of education. So, the way we deliver the information will be different for students in elementary schools, middle schools, high schools, and universities. [...] We hope that this one hour will be memorable for the students. [...] They are the golden generation for whom we can provide good values.

The DGT envisions that the Patur program, along with the integration of tax awareness into the educational syllabus, will increase students' awareness of taxes and shapes them into conscientious future taxpayers who are willing to fulfill their fiscal obligations:

We hope that there will be an increase in tax awareness among future taxpayers, who are students, [...] so that they can be more aware of taxes in the future. Subsequently, they will be able to voluntarily register as taxpayers, pay and report their taxes, and fulfill other aspects of tax compliance.

As previously defined, legitimacy is perceived as the recognition of an entity's actions are consistent with the societal norms, values, and definitions prevalent in its operational milieu. From this standpoint, the Patur is designed not only to provide tax awareness, but also to achieve cognitive legitimacy by ensuring that both tax offices and schools understand and support the program's rationale and objectives. Nonetheless, the measurement of the Patur program's legitimacy remains indeterminate. Interviews with the DGT officials revealed a gap in the evaluation of the program's outcomes since its inception: 'It seems that, as far as I know, there has never been an outcome [result] of Patur, in fact, we are very grateful if the university can help with the evaluation.'

Therefore, it is crucial to identify the elements that contribute to the perceived legitimacy of the Patur program.

1 The Indonesian Patur Program Based on Scott's Institutional Pillar

(a) The Regulative Pillar

(i) Indonesian Tax Education Standard

The regulative pillar focuses on rules, laws, or structures that are relevant to the program. In relation to the tax education program in Indonesia, the DGT issued Circular Letter No 52 Year 2020 on 30 December 2020, regarding the Tax Awareness Inclusion Program ('TAIP') through Education (SE-52). SE-52 is intended as a guideline for the DGT to increase the tax awareness through TAIP. In addition, SE-52 aims to provide uniformity in the understanding and implementation of TAIP. As regulated in SE-52, there are several stages of TAIP implementation process consisting of preparation stage, implementation stage and evaluation stage. However, this regulation is very general and broad with regard to the implementation of TAIP.

The Patur program is part of the TAIP in the form of a campaign program to increase students' tax awareness. Although there is no specific regulation regarding the teaching materials and delivery methods of the Patur program, the DGT has identified tax-related values or themes that need to be taught in each level of education. These values become the basis of the creation of the teaching materials. The values remain the same each year, although the content may need to be modified. One of the participants from the DGT's central office explained:

For the materials, since the first Patur in 2017, we have determined a limit of topics that are most appropriate for each level of education. [...] When we make the materials each year, we use the themes as basis. [...] There may be a slight modification of the materials each year, but we definitely start from that initial concept for each level of education.

For example, the value to be conveyed to high school students is 'taxes are the backbone of the country'. Therefore, the materials created for high school students should support this value. The main content of the materials for high school students consists of:

- a. The definition of tax, including types of taxes, who is responsible for paying taxes, and how the country collects taxes;
- b. Tax as the backbone of government revenue, explaining the place of taxes in the state budget ('APBN');
- c. The role of taxed in the development of the country.

In addition, the materials also include illustrations or examples that are closely related to students' daily activities to make the materials easier to understand. The teaching materials for the Patur program have been prepared by the DGT central office. The tax offices are required to deliver the materials to the students according to the guidelines provided by the DGT central office, as one of the participants from the tax offices shared:

Actually, we were given guidelines on how to implement the Patur program in schools. The materials were also available to us. They were prepared by P2Humas (Public Relation Directorate). [...] However, this did not exclude the possibility of developing materials provided by the DGT head office.

The guidelines provide keywords to be delivered by the tax offices in the Patur program, as well as suggested methods for delivering the materials. However, the guidelines provide only general guidance, so tax offices can modify the materials and methods if necessary, as long as the modification is still related to the objective of raising students' tax awareness. Some examples of modifications that tax offices have made in the Patur program include:

- a. Adding more illustrations or examples that are related to the materials, so the materials could be easier to understand by students.
- b. Adding local knowledge that is related to the region where the school is located.
- c. Preparing slightly different materials for students in vocational high schools because they may have different plans after graduation. Students in vocational high schools may be more likely to find jobs, while students in regular high schools may be more likely to pursue higher education after finishing graduation.
- d. Translating materials into the local language in which the materials are delivered. This is done when the tax offices see that it could provide a better understanding to the students.

Since the guidelines from the DGT central office only provides general guidance, the main challenges they face are related to the methods they use to deliver the materials to the students. First, they need to prepare methods that are fun, so that they can keep the students focused throughout the event. This will depend on the creativity of the tax offices to determine the methods that best suit the students they will be facing. Second, since the instructors are tax officials, they mostly do not have professional experience in teaching young people (students). Third, the methods may depend on the infrastructure available in the school, such as computers, internet connection, and availability of rooms to hold the event. The infrastructure between regions and between schools may vary across Indonesia, so tax offices may need to adapt the methods to the infrastructure available to them.

Our findings on the regulative pillar indicate that the Patur program is supported by Indonesian regulations on tax education. However, the regulations are very general and do not provide guidance on how to operationalize the program. The DGT central office provides directions and guidelines on how tax offices should implement the Patur program, but they are not formally regulated. Thus, our results indicate the absence of government regulations and directions on the Patur program, which implies the absence of a strong regulative pillar.

(b) School Curriculum

Continuing our examination of the regulative pillars, we have investigated the integration of tax education into the school curriculum. Our focus was on determining the extent to which tax education is formally integrated, whether as a separate subject or within other academic courses.

Feedback from the FGDs indicates that tax education is not compartmentalized as a separate subject within the curriculum. Instead, taxation is intermittently addressed in the context of economics and civic education classes: 'Yes, it was taught in the economics class. There is more emphasis on how they know the importance of taxes. In Civic Education, students also learn about the awareness of citizens to pay taxes.'

The marginal presence of tax education within established subjects may prove insufficient. Teachers have noted, through FGDs, that students, particularly those specializing in the sciences, have a limited comprehension and awareness of tax-related issues. Therefore, the Patur program initiative is instrumental in reinforcing tax awareness from an early stage and supporting the efforts of educators to demystify tax concepts for students:

Of course, it's very useful for our students in general and especially for students majoring in financial accounting. [...] So indeed, various additional information from the activities of the Patur program will really help our students to understand the subject of taxation in a broader sense.

The insight gained from the FGDs conducted underscored that taxation is not universally taught across the different types of high schools. This finding is consistent with our previous observations that the Patur program operates without a robust regulatory foundation or explicit operational guidelines at the educational institution level, further reflecting the program's nebulous presence within the regulative structure.

(b) Normative Pillar

The normative pillar is critical to the effectiveness of the Patur program and depends on the mutual recognition of the importance of tax education by both tax offices and educational institutions. Interviews and FGDs revealed that these stakeholders agree on the need for the Patur program to promote tax awareness among students. The Patur program provides a basic understanding of tax concepts—what taxes are, their purposes, and their role in national development. Tax authorities and schoolteachers and officials agree that early awareness could pave the way for students to become conscientious taxpayers in adulthood. One teacher outlined the sentiment as follows:

In my opinion, high school students need tax education. In addition to tax being a part of economics subject in high schools, the Patur program could help students understand what taxes are, what they are for, and to raise their awareness of the importance of paying taxes when they become taxpayers.

This sentiment is echoed in the context of vocational education, where immediate employment upon graduation is common. One vocational school educator explained:

I teach in a vocational high school, and our students will work in the industry, according to their competency, after they graduate. When they work for an organization, they will have to pay taxes. Therefore, the Patur program is very important especially for us in the vocational high school so that our students could know more about taxes.

Participants advocated for the Patur program to extend beyond economics and civics to provide comprehensive tax education. This includes insight into personal tax obligations and an appreciation of the role of taxes in funding public services and national prosperity. Teachers emphasized the importance of understanding the benefits of tax contributions and the allocation of tax revenues for Indonesia's advancement.

Complementing the teacher's perspective, tax offices incorporate familiar cultural values such as '*gotong royong*'—the communal spirit of cooperation inherent in Indonesian culture—when teaching tax principles, thereby simplifying the concepts for students:

We could start by explaining problems that students usually face in their daily lives. [...] We then incorporate how '*gotong royong*' can be used to solve their problems. Then, we

connect it by explaining that paying taxes is a form of 'gotong royong' that can be used to develop the country.

This cultural alignment facilitates students' understanding of tax responsibility as a shared social duty. Our analysis confirms that the harmonized viewpoints between educators and tax officials form a robust normative pillar for the Patur program, highlighting its recognized value in tax education.

(c) Cultural-cognitive Pillar

The cultural-cognitive pillar encompasses the shared beliefs and behaviours that become second nature within an organization. For the goals of the Patur program to be ingrained in both tax and school officials, it is essential to tailor the program to the distinct characteristics of each entity. Although the DGT provides broad guidelines, tax offices are empowered to tailor these to their specific circumstances, reflecting a diverse application of teaching methodologies.

Based on our interviews, participants from the tax offices see that modifications are sometimes necessary to adapt to the conditions they encounter, either internal factors within the tax office or external factors from the schools and their environment. Internally, tax offices may have varying budgets and staffing that affect their capacity to execute the Patur program. Limited resources may limit the number of schools reached each year, necessitating a rotational approach to school selection for maximum impact. Additionally, the teaching proficiency of tax officials can have significant impact on program delivery. Externally, the diversity of the target audience is also a factor. For example, students in vocational high schools who are slated to enter workforce immediately can benefit from tailored tax education that aligns with their industry-focused education. One tax official shared:

In our region, we have vocational high schools, not the regular high schools. Therefore, we will adapt the materials to the students in vocational schools. We think that it will be more interesting if the materials are adapted to our audience. If we are teaching students in vocational schools specializing in culinary arts, for example, it will be interesting to also explain how taxes relate to the culinary industry.

Moreover, regional differences necessitate an adaptive approach. Local socio-economic contexts and language can influence the method and content of tax education, ensuring relatability and comprehension. Participants illustrated the importance of this local adaptability as follows:

We added some information related to the region where our office is located. The concept of taxation we explained is general and can be used nationally. However, since we see many small and medium enterprises (SMEs) in our region, we add some tax materials related to them.

If we talk in Bahasa Indonesia, it might be more difficult for them to understand. They are more familiar with their local language than Bahasa Indonesia. [...] This can also become a suggestion [for other tax offices] to translate their materials into the local language if [people in] their area [of operation] use the language [more].

The results emphasize the pivotal role of the cultural-cognitive pillar in the implementation of the Patur program. Our results show how cultural-cognitive elements influence the effectiveness of the Patur program. The ability of tax offices to identify materials and methods that are appropriate to their internal and external environments

becomes pivotal in the implementation of the program. This highlights the commitment of tax offices to provide tax education to students. Thus, our results indicate a strong need for a cultural-cognitive pillar in the Patur program. The willingness of tax offices to customize strategies reflects a shared commitment to effective tax education. However, the lack of standardized practices may potentially undermine the long-term effectiveness of the program.

V CONCLUSION

The Patur program, a cornerstone of Indonesian tax education for young students, has been in operation for five years. Given Indonesia's position as one of the countries with the lowest tax ratios in the Australasian region, it is crucial to examine the effectiveness of such initiatives. The lessons learned from this study are valuable not only for the Indonesian government but also for other countries seeking to promote tax education.

Our research entailed interviews with stakeholders from the Indonesian DGT, local tax offices, and educational institutions to gain a comprehensive picture of the implementation of the Patur program. We used Suchman's legitimacy theory and Scott's institutional theory to evaluate the legitimacy of the program and the impact of cultural-cognitive, normative, and regulative structures on its operation.

The aspiration of the Indonesian government is for the Patur program to achieve cognitive legitimacy within the national educational framework, which implies a deep understanding of the program's intent and significance by both tax offices and schools. However, our analysis suggests that the program has yet to fully realize this anticipated legitimacy. The research uncovered a robust normative foundation within the program, highlighting the mutual recognition of its significance by both the tax authority that administers it and the schools that integrate it into their curriculum. The consensus is clear: there is a shared belief in the necessity of the Patur program to engender tax awareness among students and recognition of the program's pivotal role in tax education for the youth.

Our findings underscore the critical interplay between the normative and cultural-cognitive pillars. The broad guidelines provided by the DGT for the Patur program allow considerable latitude for tax offices to tailor program implementation to the diverse characteristics of schools and their students. This adaptability is beneficial because it allows tax office officials to optimize the relevance and effectiveness of the program in different educational contexts. However, this same adaptability requires that tax offices have the requisite expertise to develop and deliver tax-related educational content. Given that the program relies primarily on tax officials who typically lack formal pedagogical training, we advocate for a strategic partnership between educators and tax officials to improve the delivery of tax education.

In conclusion, while the Patur program has established a strong normative foundation, achieving full legitimacy within Indonesia's educational ecosystem requires addressing the gap in specialized instructional competencies. Strengthening the collaboration between the DGT and educational institutions can facilitate a more impactful and nuanced approach to tax education, ultimately fostering a more tax-aware future generation.

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