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THE EFFECT OF INFORMATION QUALITY AND USER SATISFACTION ON TAXPAYER COMPLIANCE: A STUDY ON THE CORETAX SYSTEM IN BANDUNG CITY-INDONESIA

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ABSTRACT

Coretax, Indonesia's new core tax administration system introduced in 2025, is expected to modernize services, yet early implementation can shape taxpayer experience. This study examines whether Coretax information quality improves user satisfaction and, in turn, taxpayer compliance in Bandung City. Using a questionnaire survey of 209 taxpayers who had used Coretax for at least six months, the proposed model was tested with covariance-based structural equation modeling (CB-SEM). The results show that perceived information quality significantly increases Coretax use satisfaction and also has a direct positive effect on taxpayer compliance; user satisfaction further contributes positively to compliance. Descriptive evidence reveals a practical gap: compliance is high while satisfaction remains low, indicating that early compliance is driven mainly by awareness and obligation rather than a fully smooth digital experience. The study highlights that improving the clarity, consistency, and reliability of information, alongside system stability and user support, is essential to strengthen satisfaction and sustain compliance as the reform matures. These findings support the DeLone and McLean IS success logic and TAM by emphasizing information quality and satisfaction as key drivers of digital tax compliance.

KEYWORDS

Information Quality, User Satisfaction, Tax Compliance, Coretax System

CITATION

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1. Introduction

This study aims to analyze the effect of tax administration digitalization and taxpayer satisfaction through the Core Tax Administration System (Coretax) on taxpayer compliance in Bandung City, Indonesia. The digitalization of the tax system is a strategic issue in efforts to strengthen fiscal governance and enhance public service transparency.

Tax administration reform in Indonesia enters a new phase with the launch of Coretax by the Directorate General of Taxes (DGT) in early 2025, replacing DJP Online. The system is designed to integrate all tax administration processes into a single digital platform with the goal of increasing the effectiveness of tax revenue collection, the efficiency of administrative services, and data management transparency. (Ningsih et al., 2025) indicate that the digitalization of the core tax system can facilitate compliance and boost tax revenue. Coretax is part of the Tax Administration System Renewal Project (Proyek Pembaruan Sistem Inti Administrasi Perpajakan - PSIAP), regulated under Presidential Regulation Number 40 of 2018. The system utilizes a Commercial Off-the-Shelf (COTS) based approach, which enables the use of ready-to-use software, to support the modernization of business processes and comprehensive improvement of the national tax database. COTS refers to an application package, subsystem, or software modules designed according to specific business process standards and is widely available in the market for use with minimal modification (https://www.pajak.go.id/reformdjp/coretax).

Coretax integrates the entire taxation process, from registration, reporting, to payment, entirely digitally, thereby enhancing efficiency, accuracy, and monitoring of taxpayers. The quality of information generated through the Coretax system is expected to increase taxpayer compliance. Taxes constitute the primary source of state financing for public services and development. Therefore, a high compliance rate helps maintain stability, improve community welfare, and reflects citizen participation in supporting sustainable national development. Previous studies ((Darmayasa & Hardika, 2024); (Okunogbe & Santoro, 2023); (Bellon et al., 2022) suggest that tax digitalization strengthens the dimensions of power and trust, which significantly boost taxpayer compliance. Furthermore, (Saptono et al., 2023) also show that the quality of the digital tax system has a direct and positive impact on the tax compliance of both individual and corporate taxpayers.

Beyond the information quality of tax digitalization, user satisfaction also affects tax compliance. User satisfaction is a critical indicator of the success of digital system implementation. Coretax offers ease of access, service speed, and clarity of information, all of which contribute to an improved user experience. Specifically, (Saebani & Nurlanda, 2025) assert that system quality and ease of use have a positive influence on tax system user satisfaction, further stating that high user satisfaction will boost taxpayer compliance behavior. Previous empirical studies (Bassey et al., 2022); (Bellon et al., 2022) also confirm that a responsive and user-friendly tax system is capable of creating positive perceptions towards tax authorities, strengthening trust, and increasing compliance.

This study goes beyond merely assessing the technical effectiveness of Coretax; it also explores the behavioral and user experience aspects, specifically the mediating role of trust and satisfaction between system quality and tax compliance. This local focus is expected to provide an empirical contribution to understanding the influence of regional characteristics and taxpayer behavior on the success of Coretax System implementation in Indonesia.

This research differs from previous studies in several aspects. First, it adopts an Indonesian context, specifically Bandung City. Bandung City, as one of Indonesia's digital economic centers, possesses diverse socio-economic characteristics with relatively high levels of digital literacy and economic growth. Based on BPS data (2024), Bandung City's economic growth reached 4.99%, with a Regional Gross Domestic Product (RGDP) of Rp 371.85 trillion (IDR 371.85 trillion), dominated by the trade, manufacturing, and information and communication sectors. A Human Development Index (HDI) of 83.75% reflects the good quality of human resources, yet there are still technology access gaps among certain taxpayer groups. In the tax context, the Bandung Cibeunying Tax Service Office (KPP Pratama) recorded 41,779 taxpayers reporting their Annual Tax Returns (SPT Yearsan) in 2024, indicating a substantial taxpayer base in this region. Given the national compliance ratio of 85.75% (DDTC 2025) as a benchmark, Bandung City is a representative location to investigate the effect of information quality and user satisfaction with the Coretax system on taxpayer compliance, considering its high technological adoption alongside existing challenges in digital literacy and tax awareness.

Secondly, there is still limited research specifically examining the impact of digital tax administration systems on taxpayer compliance in Bandung City. Unlike previous studies which focused on e-filing, this research highlights Coretax as the integrated core tax administration system that encompasses the entire taxation process. Given the high level of digitalization yet the existing challenges in tax literacy, Bandung City serves as an appropriate location to assess the implementation effectiveness of Coretax on taxpayer compliance behavior.\

2. Institutional Background

The Directorate General of Taxes (DGT) is one of the directorates under the Ministry of Finance of the Republic of Indonesia. The DGT's primary task is to manage state revenue from the taxation sector. In carrying out its duties, the DGT is supported by 352 Tax Service Offices (Kantor Pelayanan Pajak - KPP), and 204 Tax Service, Counseling, and Consultation Offices (Kantor Pelayanan, Penyuluhan, dan Konsultasi Perpajakan - KP2KP), which are spread across Indonesia. One of the Missions of the Ministry of Finance is "Achieving a high level of state revenue through excellent service." To support this mission, the DGT continuously undertakes tax system reform. (https://pajak.go.id/id/struktur-organisasi)

Prior to the electronic reporting era, specifically before the year 2000, the process of reporting the Annual Tax Return (Surat Pemberitahuan - SPT) had to be done in person. Taxpayers were required to physically visit the tax office carrying the SPT in a paper-based form (hardcopy). This direct reporting process to the KPP was time-consuming and often resulted in long queues at the offices, creating a burden for taxpayers in terms of both administration and time. Moreover, the manual reporting process increased the risk of errors in tax reporting. Subsequently, in 2014, the Directorate General of Taxes (DGT) took the initial step in reforming the tax administration system. With the issuance of PMK 243/PMK.03/2014, it was stipulated that the reported SPT could be either in paper form (hardcopy) or an electronic document. This regulation became the foundation for the DGT to introduce digital-based tax reporting services. Tax return reporting also underwent a change: besides being done directly at the KPP, it could also be done online through the DJP Online application. With the introduction of DJP Online, taxpayers are no longer required to manually report their SPT to the KPP. The DJP Online system is accessible anywhere and anytime, greatly simplifying tax administration for taxpayers.

In addition to DJP Online, the DGT also developed several other electronic services to facilitate tax compliance. The e-Registration (E-reg) application was fully launched in 2008 based on PER-41/PJ/2008, aiming to facilitate the registration of the Taxpayer Identification Number (Nomor Pokok Wajib Pajak - NPWP). PMK Number 32/PMK.05/2014 (2014) was issued as the basis for implementing the e-Billing System, used to automatically generate payment billing codes. Furthermore, the DGT officially introduced the web e-Faktur in 2015 based on PER-16/PJ/2014, an application that converted tax invoices from paper forms (hardcopies) into electronic format. These innovations were expected to promote efficiency and transparency in tax services. As a continuation of the tax system reform, the DGT launched the Tax Administration System Renewal Project (PSIAP) in 2018. One of the main outcomes of this project is the implementation of the Coretax system. Officially launched on December 31, 2024, and set for utilization starting January 1, 2025, Coretax consolidates all tax administration services into a single integrated digital platform. Taxpayers no longer need to access various separate applications as their administrative needs are fulfilled by the Coretax system. The tax system reform via Coretax demonstrates the DGT's commitment to building an efficient and reliable tax system. The success of Coretax implementation is dependent not only on technical aspects but also on user trust and satisfaction. Research focusing on Coretax system quality and its impact on taxpayer compliance is therefore highly relevant to assessing the effectiveness of the ongoing tax system overhaul carried out by the government through the Directorate General of Taxes.

3. Theoretical Framework and Hypothesis Development

3.1 Information Quality and System Use Satisfaction

The relationship between information quality and system use satisfaction can be explained through the Technology Acceptance Model (TAM) proposed by Davis (1989) and the Theory of Planned Behavior (TPB) according to (Ajzen, 1991). TAM explains that the acceptance of information technology quality is influenced by its perceived usefulness and perceived ease of use, which subsequently leads to increased user satisfaction. Furthermore, TPB posits that an individual's behavioral intention is influenced by their attitude toward the behavior, subjective norms, and perceived behavioral control. Accurate, relevant, and timely information will enhance an individual's positive perception of the system. The user's perspective on the quality of an information system is a crucial aspect of its success. This perspective determines whether the system will be utilized. Consequently, we cannot evaluate the quality of an information system separately from its users.

Information quality is a key factor influencing user satisfaction. (DeLone & McLean, 2003) state that information quality relates to the relevance, accuracy, completeness, and timeliness of information delivery. Several previous studies have demonstrated the relationship between information quality and system use satisfaction. For instance, (Sharabati et al., 2022) show that information quality and user experience have a positive influence on satisfaction and the intention for continued use. (Kala et al., 2024) confirm that

information quality is a primary determinant influencing user satisfaction and the intention to continue using e-government services. Furthermore, (Luo et al., 2024) indicate that information quality, system reliability, and trust have a direct influence on user satisfaction.

Other research findings, such as those by (Amsl et al., 2023), reinforce that accurate, complete, clear, and unbiased information affects users' positive perceptions of a digital platform. The study by (Alterkait & Alduaij, 2024) shows that the information quality dimensions—including relevance, clarity, timeliness, and completeness—have a direct and significant influence on the satisfaction of using digital services.

Based on the theoretical framework and previous empirical research, the following hypothesis can be formulated:

H_1: Information Quality positively affects Coretax System Use Satisfaction.

3.2 System Use Satisfaction and Taxpayer Compliance

System use satisfaction creates a positive attitude towards the digital tax system, consequently encouraging compliance in tax reporting and payment. (Muslichah et al., 2023) states that user satisfaction with electronic tax systems is a critical determinant influencing taxpayer compliance behavior. In the context of Coretax implementation, satisfaction not only reflects the system's technical quality but also the taxpayer's perception of the ease, reliability, and effectiveness of the system in assisting them to fulfill their tax obligations. (Do et al., 2022) explains that high satisfaction levels foster a positive attitude towards the system and encourage voluntary tax compliance behavior.

(Saptono et al., 2023) prove that user satisfaction has a direct and significant influence on tax compliance intention. Satisfaction also acts as a mediating variable that strengthens the effect of system quality, ease of use, and efficiency on compliance behavior. (Masunga et al., 2021) explicitly confirm that high levels of user satisfaction significantly contribute to an improvement in tax compliance behavior. Furthermore, (Saebani & Nurlanda, 2025) found that satisfaction with the e-filing system contributes to increased tax reporting compliance. A positive experience in using a digital system fosters the motivation to carry out tax obligations correctly and timely. Correspondingly, (Night & Bananuka, 2020) assert that user satisfaction is a critical factor in the successful adoption of electronic tax systems. Users who feel comfortable and motivated are more likely to accept the system and show a higher level of compliance.

Overall, the findings of previous studies indicate that satisfaction with the use of electronic tax systems positively affects taxpayer compliance. In the Coretax context, user satisfaction becomes a strategic factor that drives the shift in taxpayer behavior from compliance motivated by awareness toward trust in the digital tax system. The hypothesis formulated is as follows:

H_2: Coretax System Use Satisfaction positively affects Taxpayer Compliance.

3.3 Information Quality and Taxpayer Compliance

Information quality is one of the primary factors in evaluating the success of an information system ((DeLone & McLean, 2003). They assert that the success of an information system is measured by system quality, information quality, and service quality, which collectively influence user satisfaction.

Information quality refers to the extent to which the information output from the system is perceived by users as accurate, relevant, timely, consistent, and easy to understand (Wang & Strong, 2015). In the context of a digital tax administration system like Coretax, high information quality ensures that taxpayers receive correct data and guidance that align with prevailing regulations, thereby facilitating the fulfillment of their tax obligations.

In the digital taxation context, high information quality contributes to two key perceptions: Clear and accurate information enhances the perceived usefulness (PU) because it simplifies the tax reporting and payment processes. Meanwhile, the presentation of easily accessible and comprehensible information enhances the perceived ease of use (PEOU).

The study by (Saptono et al., 2023) is particularly relevant as it analyzes the relationship between e-tax system quality, user satisfaction, and tax compliance intention in Indonesia. Their main finding is that information quality has a positive and significant influence on user satisfaction and voluntary compliance intention.

(Al-Okaily, 2024) demonstrates that the use of digital tax information systems provides a positive effect on tax compliance, especially if users have high levels of trust and awareness regarding the information provided by the system. Clear and transparent information increases tax awareness and reduces the risk of reporting errors. This finding reinforces the view that information quality has a direct impact on tax compliance

through the formation of positive perceptions toward the digital system. (Kiptum et al., 2024), focusing on tax service quality, found that the aspects of information clarity and transparency as part of the tax service play a crucial role in enhancing trust in the government and encouraging tax compliance. This underscores that the information dimension is an essential component of tax compliance behavior.

Based on previous research, the hypothesis formulated is as follows:

H_3: Information Quality positively affects Taxpayer Compliance.

4. Methodology

4.1 Data and Sample

This study employs a quantitative approach to examine the cause-and-effect relationships among variables, specifically the influence of Coretax system information quality and Coretax system use satisfaction on Taxpayer Compliance. The study population consists of Taxpayers using the Coretax system registered at the Tax Service Offices (KPP) within the Bandung City area in 2025. This population includes both individual and corporate taxpayers who have utilized the Coretax system for tax reporting. The sampling technique used is purposive sampling, which involves selecting respondents based on specific criteria. These criteria are Taxpayers who have actively used the Coretax system for a minimum of 6 months and who are willing to complete the questionnaire entirely. The minimum sample size is determined using the formula by Hair et al. (2010), which suggests a minimum of 5–10 times the number of variable indicators. If the total number of indicators is 14, the minimum sample size is 70–140 respondents.

This research utilizes primary data, obtained through the distribution of questionnaires, both online and in person, to Coretax system users. The closed-ended questionnaires, utilizing a Likert scale, are distributed online (Google Form) and directly to Taxpayers at the KPPs in Bandung City. The study is conducted in Bandung City, covering 6 (six) Tax Service Offices that have implemented the Coretax system, namely:

1. KPP Pratama Bandung Tegallega
2. KPP Pratama Bandung Cibeunying
3. KPP Pratama Bandung Bojonegara
4. KPP Pratama Bandung Cicadas
5. KPP Madya Bandung
6. KPP Madya Dua Bandung

Respondent Characteristics

The data collected for this study comprised a total of 209 respondents with the following demographic characteristics.

Table 1. Respondent Demographics

Profile	Category	N	%
Gender	Male	110	52.6%
	Female	99	47.4%
Age	18 – 24 Years	22	10.5%
	25 – 35 Years	41	19.6%
	36 – 45 Years	43	20.6%
	46 – 55	73	34.9%
	Diatas 55 Years	30	14.4%
Education	Blank	7	3.3%
	SMA/Sederajat	2	1.0%
	D1	1	0.5%
	D3	44	21.1%
	D4/S1	140	67.0%
	S2	15	7.2%
Tax Type	Individual Taxpayer	140	67.0%
	Corporate Taxpayer	69	33.0%

The majority of respondents in this study are registered as individual taxpayers (67.0%), with the largest age group being 46 – 55 Years (34.9%). Most respondents are male (52.6%), while education is dominated by Bachelor's degree (D4/S1) graduates (67.0%).

4.2 Model and Variable Definition

The research model illustrates the relationship between the Independent Variable (X_1 / PQ) which is Coretax System Information Quality, the Mediating Variable (X_2 / US), which is Coretax System Use Satisfaction, and the Dependent Variable, which is Taxpayer Compliance (TCI). Conceptually, this model is based on the premise that Information Quality and Coretax System Use Satisfaction will enhance the level of Taxpayer Compliance (Figure 1).

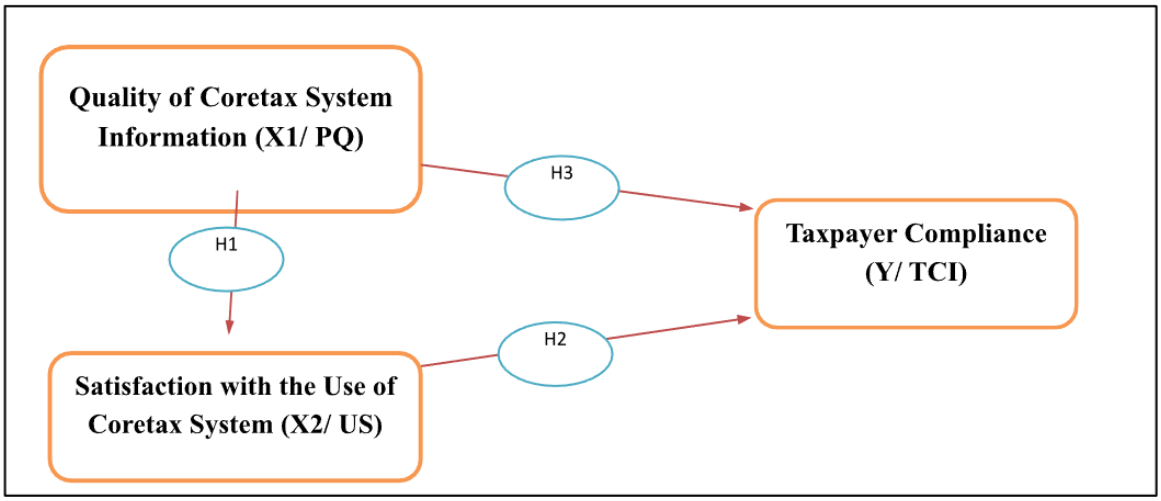

Fig. 1. *Conceptual Research Model*

4.3 Hypothesis Testing and Other Statistical Tests

Hypothesis testing is performed using Structural Equation Modeling (SEM). SEM is a suitable method for analyzing complex latent multivariable relationships, such as those present in this research model (Hair, 2019; Rex B. Kline, 2023). The variables used in this study, including Information Quality, System Use Satisfaction, and Taxpayer Compliance, are latent variables. These variables can only be measured through their indicators.

Data analysis techniques proceed through several stages. The initial stage involves validity testing, which is performed by examining the loading factor values (ideally and highly valid with a value > 0.70) (Hair; 2019) (Ghozali; 2021) (Saptono et al., 2023). Conceptually, *loading factor* (λ) is the correlation between an indicator (Xi) and the latent variable (η). The loading factor value is automatically calculated by the software based on the estimation results of the CFA or PLS model (Hair; 2021). Reliability testing is conducted using Composite Reliability (CR) and Cronbach's Alpha, where a minimum value of 0.70 indicates good reliability. Composite Reliability (CR) accounts for the factor load (loading factor) of each indicator on its construct (Padilla & Divers, 2015) (Cheung et al., 2024). Therefore, the CR value is considered more accurate and stable in assessing the reliability of latent constructs within the SEM model. Cronbach's Alpha is used to assess the internal consistency of a set of items.

The data analysis also describes the respondent profile and provides variable descriptive statistics (mean, standard deviation, and respondent answer distribution). Model fit testing or goodness of fit is a crucial stage in Structural Equation Modeling (SEM) analysis, aiming to assess the extent to which the developed theoretical model is consistent (fit) with the empirical data obtained from the research findings. This test measures the compatibility between the hypothesized conceptual model and the actual data conditions of the respondents.

In this study, the theoretical model depicts causal relationships among three main constructs: Information Quality, Coretax System Use Satisfaction, and Taxpayer Compliance. The model assumes that information quality positively affects user satisfaction and tax compliance, and that user satisfaction also affects tax compliance. Therefore, model fit testing is used to ensure that the structure of the relationships among these latent variables is statistically acceptable.

5. Results

The data analysis method used to address the research hypotheses is Structural Equation Modeling (SEM), specifically covariance-based (CB-SEM), utilized as a tool for drawing conclusions. The reason for using structural equation modeling is its capability to integrate the measurement model and the structural model simultaneously. The measurement model aims to test the relationship between the indicators and the variables they measure, evaluated through the values of the loading factor (l), construct reliablity (CR), dan average variance extracted (AVE). According to Hair, et al. (2019), an indicator is considered valid if the loading factor (l) > 0,5, while construct reliablity (CR) is recommended to be > 0,7 and the average variance extracted (AVE) is expected to be > 0,5. Subsequently, the structural model aims to test the relationships between the variables under investigation, consistent with the research hypotheses. The structural model is evaluated through significance testing, which involves comparing the calculated $t_{statistic}$ with the critical value of 1.96. If the value of the $t_{statistic}$ > 1,96, it can be concluded that there is a significant relationship between the variables being tested. The overall model testing utilizes the goodness of fit (GOF). Several metrics are employed in the goodness of fit test, such as the c^2 (Chi square), goodness-of-fit Index (GFI), root mean square error of approximation (RMSEA), normed fit index (NFI), comparative fit index (CFI), and normed chi-square (CMIN/DF).

5.1 Reliability and Validity Test Results

In accordance with the research objective, which is to test the influence of Coretax system information quality and Coretax system use satisfaction on taxpayer compliance, the data were processed using covariance-based structural equation modeling (CB-SEM) as the tool for drawing conclusions.In structural equation modeling, two types of models are formed: the measurement model and the structural model. The measurement model explains the proportion of variance of each manifest variable (indicator) that can be explained by the latent variable, while the structural model explains the relationships between the latent variables. According to Hair, et al (2019), loading factors are expected to be greater than \$0.7\$, and any manifest variable with a loading factor less than \$0.5\$ must be reduced/removed from the measurement model.

a) Model Fit Test

The model fit test (goodness of fit) is conducted to determine whether the obtained estimation results are accurate in describing the relationships among the variables under investigation, thus allowing the model to be categorized as a good model (Hair et al., 2019). The model fit test in structural equation modeling can be evaluated based on several criteria, as presented in the following table.

Table 1. Model Fit Test Results

GOF Measure	Estimate Value	Remark
Chi-Square	137,5 (p-value = 0,000)	Belum Fit
Chi-Square/df	2,12	Fit
RMSEA	0,073	Fit
RMR	0,051	Fit
GFI	0,900	Fit
NFI	0,972	Fit
NNFI (TLI)	0,979	Fit
CFI	0,985	Fit
RFI	0,961	Fit
IFI	0,985	Fit

Based on Table 1, the results of the overall model fit test using the c^2 (*chi-square*) test yielded a value of 137,5 with a *p-value* < 0,05. Referring to the c^2 test result, the overall model is not considered fit. However, when considering the GFI (Goodness of Fit Index) value for the model, which is 0.900, the model is still acceptable, as it meets the 0.90 lower threshold. Furthermore, referencing the RMSEA and RMR values, which are reported as less than 0.08, the model is still acceptable. Similarly, by referring to the NFI, NNFI, CFI, and IFI values, which are greater than 0.95, the model is still acceptable. The model fit test results indicate that the obtained model meets the goodness of fit criteria for the RMSEA and RMR measures (< 0.08), as well as the NFI, NNFI, CFI, and IFI measures (> 0.95), leading to the conclusion that the model estimation results are still acceptable. This means that the empirical model obtained is still consistent with the theoretical model.

b) Evaluation of the Measurement Model

The measurement model is the model that connects latent variables with manifest variables (indicators). In this study, there are 3 latent variables with a total of 14 indicators. The Coretax system information quality latent variable consists of 5 indicators, Coretax system use satisfaction consists of 5 indicators, and taxpayer compliance consists of 4 indicators. The evaluation of the measurement model is conducted through construct reliability (CR) and average variance extracted (AVE).

Based on the processing results using Lisrel 8.7, the path diagram for the full model is obtained as follows.

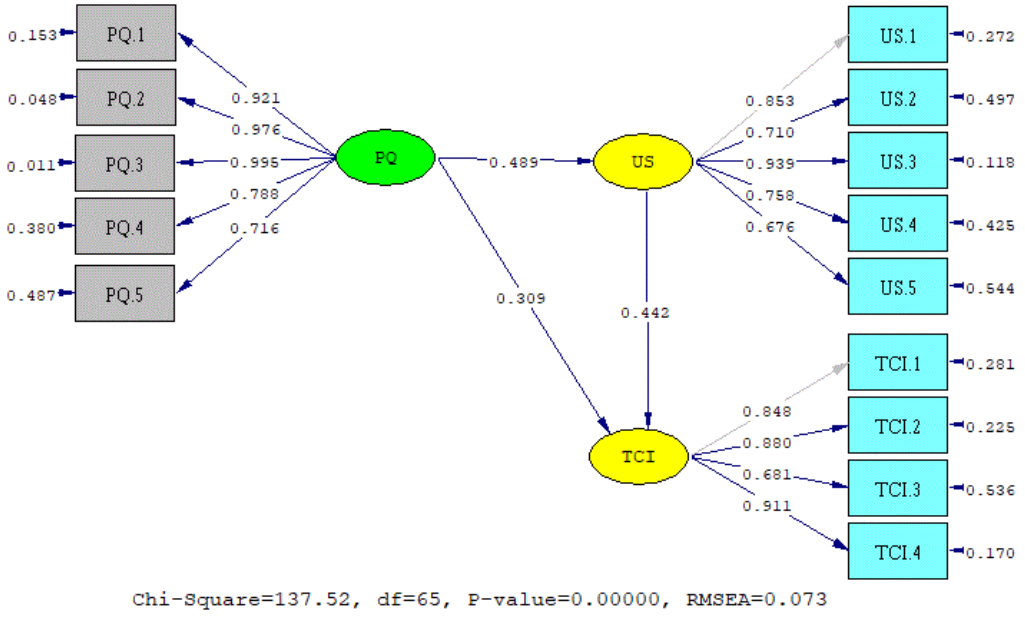

Fig. 2. *Full Model Path Diagram*

Evaluation of the Measurement Model for the Coretax System Information Quality Latent Variable

The Coretax system information quality variable consists of 5 indicators. Based on the data processing results, the indicator testing results for the Coretax system information quality latent variable are obtained, as presented in Table 2

Table 2. Summary of Measurement Model

Measurement Model Testing for Coretax System Information Quality

Indicator	l	l^2	e	CR	AVE
PQ.1	0.921	0.848	0.152	0.947	0.785
PQ.2	0.976	0.953	0.047		
PQ.3	0.995	0.990	0.010		
PQ.4	0.788	0.621	0.379		
PQ.5	0.716	0.513	0.487		
Jumlah	**4.396**	**3.924**	**1.076**		

Pengukuran Kepuasan Penggunaan Sistem Coretax

Indicator	l	l^2	e	CR	AVE
US.1	0.853	0.728	0.272	0.893	0.629
US.2	0.710	0.504	0.496		
US.3	0.939	0.882	0.118		
US.4	0.758	0.575	0.425		
US.5	0.676	0.457	0.543		
Jumlah	**3.936**	**3.145**	**1.855**		

Pengukuran Ketaatan Wajib Pajak

Indicator	l	l^2	e	CR	AVE
TCI.1	0.848	0.719	0.281	0.901	0.697
TCI.2	0.880	0.774	0.226		
TCI.3	0.681	0.464	0.536		
TCI.4	0.911	0.830	0.170		
Jumlah	**3.320**	**2.787**	**1.213**		

Based on the measurement results of the Coretax system information quality latent variable, the loading factor (l) value for every indicator is observed to be greater than 0.50. This implies that all five indicators are valid in reflecting the Coretax system information quality latent variable. The construct reliability (CR) value is 0.947, which is greater than 0.70, indicating that the five indicators possess consistency in measuring the Coretax system information quality latent variable. Furthermore, the average variance extracted (AVE) value is 0,785, which means that, on average, 78,5of the information contained in each indicator can be reflected through the Coretax system information quality latent variable. The highest loading factor for the Coretax system information quality latent variable is found in indicator PQ.3. This signifies that the timeliness of information indicator is the strongest in reflecting Coretax system information quality. Conversely, indicator PQ.5 (ease of understanding information) is the weakest in reflecting the Coretax system information quality latent variable.

Evaluation of the Measurement Model for the Coretax System Use Satisfaction Latent Variable

The Coretax system use satisfaction variable consists of 5 indicators. Based on the data processing results, the indicator testing results for the Coretax system use satisfaction latent variable are obtained, as presented in Table 2.

Based on the measurement results of the Coretax system use satisfaction latent variable, the loading factor (l) value for every indicator is observed to be greater than 0.50. This implies that all five indicators are valid in reflecting the Coretax system use satisfaction latent variable. The construct reliability (CR) value is 0.893, which is greater than 0.70, indicating that the five indicators possess consistency in measuring the Coretax system use satisfaction latent variable. Furthermore, the average variance extracted (AVE) value is 0.629, meaning that, on average, 62.9 of the information contained in each indicator can be reflected through the Coretax system use satisfaction latent variable. The highest loading factor for the Coretax system use satisfaction latent variable is found in indicator US.3. This signifies that the ease of use indicator is the strongest in reflecting Coretax system use satisfaction. Conversely, indicator US.5 (technical support) is the weakest in reflecting the Coretax system use satisfaction latent variable.

Evaluation of the Measurement Model for the Taxpayer Compliance Latent Variable

The taxpayer compliance variable consists of 4 indicators. Based on the data processing results, the indicator testing results for the taxpayer compliance latent variable are obtained, as presented in Table 2.

Based on the measurement results of the taxpayer compliance latent variable, the loading factor (l) value for every indicator is observed to be greater than 0.50. This implies that all four indicators are valid in reflecting the taxpayer compliance latent variable. The construct reliability (CR) value is 0.901, which is greater than 0.70, indicating that the four indicators possess consistency in measuring the taxpayer compliance latent variable. Furthermore, the average variance extracted (AVE) value is 0.697, meaning that, on average, 69.7 of the information contained in each indicator can be reflected through the taxpayer compliance latent variable. The highest loading factor for the taxpayer compliance latent variable is found in indicator TCI.4. This signifies that the reliability of tax awareness is the strongest indicator in reflecting taxpayer compliance. Conversely, indicator TCI.3 (correctness of reporting calculations) is the weakest in reflecting the taxpayer compliance latent variable.

c) Structural Model Evaluation

Following the outline of the measurement model for each latent variable, the structural model will subsequently be detailed. This model examines the influence of independent latent variables (exogenous latent variables) on dependent latent variables (endogenous latent variables). Below is the summary of values used in the structural model testing.

Table 3. Results of Verification of Inter-Variable Influence

Path	Coefficient	$t_{statistic}$	*p-value*	R^2
PQ => US	0.489	6.659	0.000	0.239
PQ => TCI	0.309	4.206	0.000	0.424
US => TCI	0.442	6.567	0.018	

Source: Lisrel SEM Output Appendix

The *R* square value indicates that Coretax system information quality contributes 23.9 of the variance explained in Coretax system use satisfaction in Bandung City. Furthermore, Coretax system information quality and Coretax system use satisfaction jointly contribute 42.4 of the variance explained in taxpayer compliance in Bandung City.

d) Hypothesis Testing

This section details the hypothesis testing conducted to prove whether Coretax system information quality (IQ) and Coretax system use satisfaction (US) influence taxpayer compliance (TCI).

The Effect of Coretax System Information Quality on Coretax System Use Satisfaction

The first hypothesis to be tested is the effect of Coretax system information quality (IQ) on Coretax system use satisfaction (US), with the statistical hypothesis formulated as follows:

H0:$\gamma_{1.1}$= 0 The quality of the coretax system information does not affectsatisfaction with using the Coretax system

HA:$\gamma_{1.1}$> 0 The quality of the coretax system information has an impactpositive impact on satisfaction with the use of the Coretax system

As shown in Table 3, the path coefficient for Coretax system information quality on Coretax system use satisfaction is positive with a $t_{statistic}$ value of 6,659 and a probability value of 0,000. Since the $t_{statistic}$ is greater than the critical value 1,96 and the probability value < 0,05 the decision is made to accept H_A at 5% level of significance. Thus, it can be concluded that Coretax system information quality has a positive effect on Coretax system use satisfaction in Bandung City. This research result provides empirical evidence that higher quality Coretax system information will increase system use satisfaction.

Pengaruh Kualitas Informasi Sistem Coretax Terhadap Ketaatan Wajib Pajak

Hipotesis kedua yang akan diuji adalah pengaruh kualitas informasi sistem coretax (PQ) terhadap ketaatan wajib pajak (TCI) dengan hipotesis statistik sebagai berikut:

H0:$\gamma_{2.1}$= 0 The quality of the coretax system information does not affecttaxpayer compliance

HA:$\gamma_{2.1}$> 0 The quality of the coretax system information has an impactpositive impact on taxpayer compliance

As shown in Table 3, the path coefficient for Coretax system information quality on taxpayer compliance is positive with a $t_{statistic}$ value of 4,206 and a probability value of 0.000. Since the $t_{statistic}$ is greater than the critical value 1,96 and the probability value (0.000) is < 0.05, the decision is made to accept H_A at a 5% level of significance. Thus, it can be concluded that Coretax system information quality has a positive effect on taxpayer compliance. This research result provides empirical evidence that higher quality Coretax system information will increase taxpayer compliance.

The Effect of Coretax System Use Satisfaction on Taxpayer Compliance

The third hypothesis to be tested is the effect of satisfaction with the use of the coretax system (US) on taxpayer compliance (TCI) with the following statistical hypothesis:

H0:$\beta_{2.1}$= 0 Satisfaction with the use of the Coretax system does not affect taxpayer compliance.

HA:$\beta_{2.1}$> 0 Satisfaction with the use of the Coretax system has a positive effect on taxpayer compliance.

As shown in Table 3, the path coefficient for Coretax system use satisfaction on taxpayer compliance is positive with a $t_{statistic}$ value of 6,567 and a probability value of 0.000. Since the $t_{statistic}$ is greater than the critical value 1,96 and the probability value < 0,05, the decision is made to accept HA at a 5% level of significance. Thus, it can be concluded that Coretax system use satisfaction has a positive effect on taxpayer compliance. This research result provides empirical evidence that higher satisfaction with the Coretax system will increase taxpayer compliance.

5.2 Descriptive Statistics

The purpose of descriptive analysis is to ascertain the condition or implementation of the variables under investigation. In this study, the descriptive analysis is presented through measures of central tendency, namely the mean value, and measures of variability, namely the standard deviation value (Cooper & Schindler, 2014).

Table 4. Descriptive statistics

Latent Construct	Mean	Std. Dev.	Realiability*
Taxpayer Compliance			**0.934**
• Reporting all tax liabilities in the Tax Return (SPT) submitted via Coretax	4.18	0.91	0.789
• Reporting all income in the SPT submitted via Coretax	4.24	0.88	0.813
• Always submitting the SPT on time, whether via e-filing or via Coretax	4.24	0.85	0.869
• Reporting the SPT before the due date	4.33	0.74	0.806
• Paying tax liabilities before the SPT reporting due date	4.35	0.70	0.826
• Prioritizing the payment of tax liabilities over other bills.	4.02	0.79	0.617
• Paying taxes correctly.	4.41	0.62	0.857
Coretax System Use Satisfaction			**0.938**
• The SPT reporting process via Coretax rarely experiences disruptions.	1.98	0.88	0.579
• Feeling satisfied when reporting SPT via Coretax	2.56	0.99	0.616
• The current Coretax System meet smy expectations	2.43	0.85	0.545
• The Coretax System works stably when I use it	2.38	1.00	0.617
• Coretax rarely experiences disruptions during the tax reporting process	2.16	1.02	0.701
• Coretax responds quickly to every command	2.42	0.98	0.846
• The data uploading or submission process in Coretax takes a short amount of time	2.58	1.04	0.804
• Coretax is easy to learn even for first-time users	2.80	0.97	0.725
• Menus and features in Coretax are easy to find and use	3.07	0.95	0.710
• The Coretax interface displays is easy to understand	3.07	0.91	0.735
• Navigation within Coretax helps me complete tax reporting more easily	3.13	0.94	0.714
• My personal and tax data are secure within Coretax.	3.18	0.80	0.645
• Coretax’s security features make me trust using the system	3.23	0.78	0.627
• Coretax rarely experiences errors when I input data	2.27	1.09	0.709

Latent Construct	Mean	Std. Dev.	Realiability*
• Technical errors do not disrupt my tax reporting process in Coretax	2.28	1.10	0.695
Information Quality			**0.932**
• The information available in the Coretax system is suitable for my needs	3.22	0.85	0.752
• The Coretax system provides accurate information	3.29	0.79	0.805
• The Coretax system provides reliable information	3.29	0.79	0.827
• The Coretax system provides adequate information	3.34	0.85	0.804
• Feeling very easy to use the Coretax system	2.94	0.98	0.779
• The current Coretax system display is easy to understand.	3.06	0.85	0.738
• The Coretax system provides the necessary services for SPT submission	3.61	0.87	0.634
• The Coretax system has the readiness to serve taxpayers in reposrting SPT	2.81	1.07	0.598
• The current Coretax system ensures the security and privacy of taxpayer data	3.29	0.79	0.674
• The Coretax system can be accessed at any time	2.85	1.09	0.625
• The Coretax system considers the specific needs of taxpayers related to SPT reporting.	3.32	0.89	0.781

*Reliability is measured by Cronbach's alpha for the construct and corected item total correlation for the observed variables

Taxpayer compliance was measured using 7 statements on a 1-5 scale, focusing on how Taxpayers possess awareness and comply with tax reporting, calculation, and payment. The measurement results show that the mean score of respondent responses across all statements falls within the score range of 4 – 5, indicating that the taxpayers already have a high awareness in reporting, calculating, and paying taxes. The reliability coefficient (0.934), which is greater than 0.7, indicates that the seven statements have consistency in measuring the latent variable of taxpayer compliance. Among the 7 statements for the latent variable of taxpayer compliance, "paying taxes correctly" has the highest mean score. Conversely, "prioritizing tax debt payments over other bills" has the lowest mean score.

Satisfaction with the use of the Coretax System was measured using 15 statements on a 1-5 scale, focusing on the quality of the system and information quality of Coretax, as well as the ease of use and reliability of the service. The measurement results generally show that the mean score of respondent responses for each statement falls within the score range of 2 – 3, indicating that the taxpayers are less satisfied when using the Coretax System. The reliability coefficient (0.938), which is greater than 0.7, indicates that the statements have consistency in measuring the user satisfaction variable. Among the 15 statements for the user satisfaction variable, "trust in Coretax's security features" has the highest mean score. Conversely, "the reporting of Tax Return (SPT) via Coretax rarely experiences disruption" has the lowest mean score.

Information quality was measured using 11 statements on a 1-5 scale, focusing on the accuracy and relevance of information, as well as the completeness and timeliness of information presentation. The measurement results show that the mean score of respondent responses for the majority of statements falls within the score range of 3 – 4, indicating that the information contained in the Coretax System is still lacking in quality. The reliability coefficient (0.932), which is greater than 0.7, indicates that the statements have consistency in measuring the latent variable of information quality. Among the 11 statements for the latent variable of information quality, "the service provided by the Coretax system is necessary for submitting the Tax Return (SPT)" has the highest mean score. Conversely, "the readiness of the Coretax System to serve taxpayers in reporting the Tax Return (SPT)" has the lowest mean score.

6. Discussion

The results from Bandung City suggest that information quality in the Coretax system is not a peripheral attribute, but a core determinant of how taxpayers experience the platform and carry out their obligations. The model relationships indicate that better perceived information quality is associated with higher satisfaction in using Coretax and with stronger compliance behavior. Satisfaction also relates positively to compliance, implying that compliance is more likely to be sustained when the system feels predictable and less burdensome to use.

From an information-systems success perspective, this is expected because information quality matters most when it reduces ambiguity at the exact moments users must decide what to do next. Information that is accurate, relevant, complete, and timely helps users complete tasks and shapes their overall evaluation of the system (DeLone & McLean, 2003). In a tax context, the perceived cost of mistakes is high; therefore, unclear wording, inconsistent guidance, or incomplete instructions can quickly translate into hesitation and rework, which can depress satisfaction even if the filing task is eventually completed.

A key nuance in this study is the gap between behavior and experience: respondents report relatively high compliance, yet they are less satisfied with Coretax. The descriptive results provide a plausible explanation. The lowest satisfaction evaluation is tied to disruptions during SPT reporting, and the weakest information-quality perception concerns the system's readiness to serve taxpayers during reporting. These are high-salience episodes that can dominate users' impressions because they occur at the final, most consequential stage of the process. In the short term, compliance can remain high because it is anchored in obligation and social expectations (Ajzen, 1991), rather than because the system already provides a smooth experience.

The pattern is consistent with prior work in e-government and digital taxation, which emphasizes that taxpayers' evaluations of digital services depend heavily on the reliability and clarity of what the system communicates. Previous studies show that information quality and user experience contribute to satisfaction and continuance intention, which then supports compliant behavior ((Saptono et al., 2023); (Kala et al., 2024); (Luo et al., 2024)). Taken together, these studies reinforce the position that improving the quality of information delivery is a practical route to strengthening the effectiveness of digital tax reforms.

Practically, the findings imply that improvement efforts should prioritize reducing uncertainty at reporting and submission moments. Strengthening actionable information quality may include clearer step-by-step guidance, consistent terminology and screen flows, and error messages that explain both the cause of a problem and the next action users should take. Because disruptions appear to be a major satisfaction bottleneck, stabilizing performance during peak reporting periods, providing transparent processing status, and improving responsiveness of user support are likely to yield immediate gains in user experience. Over time, these gains should help Coretax function not only as a compliance channel, but also as a service that taxpayers can rely on with confidence.

7. Conclusion

This study finds that information quality in the Coretax system is positively associated with user satisfaction and taxpayer compliance in Bandung City, and that satisfaction is also positively associated with compliance. These results underline the importance of information quality and user experience in supporting compliance outcomes during the early implementation of a digital tax system.

This research is limited to Bandung City and uses a cross-sectional design, which restricts generalizability and does not capture changes over time. Future research may broaden the geographic scope, incorporate additional system and behavioral factors, and apply longitudinal approaches to assess how continued improvements in Coretax shape satisfaction and compliance.

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