



## DETERMINANTS OF RESTAURANT TAXPAYER COMPLIANCE: AN EMPIRICAL STUDY IN ATAMBUA CITY INVOLVING SOCIAL CAPITAL, AWARENESS, AND TAX KNOWLEDGE

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### ABSTRACT

**Introduction:** Paying taxes is a duty that must be fulfilled. The purpose of this study is to see how social capital, tax awareness, and tax knowledge affect restaurant tax compliance in Atambua City.

**Methods:** To ascertain the impact of these variables on taxpayer compliance, this study uses quantitative methodology and multiple linear regression analysis on taxpayer compliance. Respondents used were 68 restaurant taxpayers in Atambua City. Sampling was done through cluster random sampling. Multiple linear regression analysis is used to evaluate how independent variables affect taxpayer compliance.

**Results:** The findings show that although tax awareness does not have a real impact on restaurant taxpayer compliance, social capital and tax knowledge do have a real impact on restaurant taxpayer compliance. The findings indicate the importance of strengthening social networks and increasing tax literacy to improve restaurant taxpayer compliance in Atambua City. The local government of Atambua City is advised to increase education and socialization in order to support local tax compliance, especially for restaurant taxpayers.

**Keyword:** Social Capital, Tax Awareness, Tax Knowledge, Restaurant Taxes

### INTRODUCTION

Restaurant tax is an important source of local revenue, but non-compliance by restaurant taxpayers remains a significant challenge. Several recent cases illustrate this problem: in 2022, eight restaurants in Belu Regency, East Nusa Tenggara were penalized for tax arrears (Juven Abi, 2023). In 2023, fifty restaurants in East Java's Bangkalan Regency received warning banners for similar violations (Liputan6.com, 2023) and in Tangerang Regency, four restaurants were given public warnings in 2023 (Mulyadi, 2023). These examples highlight the widespread problem of non-compliance that threatens local revenues.

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Table 1. Restaurant Tax Revenue Targets and Results in Atambua City

Year	Target Budget	Budget Realization	Percentage
2019	2.401.250.000	3.176.478.907	132,28%
2020	1.850.625.000	3.051.255.706	164,88%
2021	3.552.029.050	2.715.758.274	76,46%
2022	3.000.000.000	3.170.223.354	105,67%

Local taxes are intended to support regional development and community welfare. To optimize restaurant tax revenue, taxpayers must fulfill their obligations. Various factors can affect taxpayer compliance, including awareness, tax knowledge, public trust, and perceived sanctions. Attitudes, subjective norms, moral obligations, and behavioral control influence taxpayer behavior according to Syahputri in Mubarakah et al. (2020). Febriana et al. (2024) found that awareness, service quality, and tax facilities affect compliance. Tagor Darius Sidauruk et al. (2024) also identified tax sanctions and awareness as the main drivers of compliance. This study focuses on three variables: social capital, awareness, and tax knowledge. Previous research rarely addresses the impact of social capital on tax compliance, especially in the restaurant sector, despite its relevance. Permata & Kristanto (2020) noted that social capital affects tax avoidance behavior. Given that restaurant taxes are collected indirectly from consumers through business owners, it is important to understand how principles such as democracy, equality, fairness, and accountability shape tax behavior.

According to Putnam (1993), social capital consists of networks, trust and norms that promote community cooperation. Thomas Santoso (2020) emphasizes the diversity and intangible nature of social capital, which varies across Indonesia's cultural landscape. The social environment of a society, including trust in government, can significantly influence compliance behavior. Tax awareness is the extent to which taxpayers understand and voluntarily fulfill their obligations. Venni Yolanda et al (2023) describe awareness as a recognition of the importance and function of taxes, which leads to the following higher compliance. However, empirical findings are mixed. Azizah et al (2023) confirmed the significant effect of awareness on restaurant taxpayer compliance, while Yolanda et al (2023) found no such effect.

Knowledge is the understanding of tax regulations, processes, and tax obligations. Tax knowledge is essential to ensure accurate compliance and avoid fines (Wardani & Rumiyaun in Hargiyarto & Witono, 2024). One difference between this study and previous studies is that previous studies did not discuss the effect of social capital on local taxes, especially on restaurant taxes. While Suci (2023) and Febrina et al. (2022) found that knowledge increased compliance, Yolanda et al. (2023) reported conflicting results. Given the limited research on social capital in this context. The main objective of this study is to examine the influence of social capital, awareness, and tax knowledge on taxpayer compliance of restaurants in Atambua City.

## LITERATURE REVIEW

### Attribution Theory

The presence of attribution theory was first put forward by Heider (1958) and then the theory was expanded again by Kelley & Janusz Grzelak (1972). The expanded theory mentions one of the impression formation processes is contribution, where people see social behavior based on situational or personal factors due to the tendency of human scientists to explain everything, including the reasons behind other people's behavior, attributions are given. However, this tendency can originate from outside of the person in question this can originate from the surrounding environment (external). In addition,

this tendency also comes from the person himself, under the control of his internal consciousness. In this study, attribution theory is a relevant theory because it can take into account all the factors that affect taxpayer compliance that are more concerned. There are two factors that can influence taxpayer compliance in this study, namely internal factors, namely tax awareness and knowledge and internal factors, namely social capital.

### **Restaurant Tax**

The Regional Regulation of Belu Regency Atambua City Number 19 of 2010, Article 1 Paragraph 10 stipulates that tax is imposed on services provided by restaurants, including restaurants, cafeterias, canteens, stalls, bars, and other places that provide food and drinks at affordable prices. Local taxes, also known as taxes, are funding required by the region to individuals or organizations established by law, which is done without obtaining direct permission, based on Law No. 28 of 2009. Meeting local needs and improving public health are the goals of these funds. Local taxes fall into two categories: provincial taxes and regional or municipal taxes. Restaurant taxes fall under the local regional or municipal category. A restaurant is an eating and drinking establishment that offers food and drinks for a fee, including takeaway food and drinks. However, there are also restaurants or eateries that are not taxed, that is, if their circulation does not exceed a certain limit set by the local government.

### **Social Capital**

Social Capital that affects the external environment, namely, various descriptions of the social state of society in the form of networks, trust, social norms or group influence from friends or family on decisions taken, perceptions of tax regulations in the business environment, as well as social pressure, to influence tax regulations such as social values, attitudes, lifestyles, culture, population, and growth rates that directly or indirectly have an impact that can affect the increase in restaurant taxes. (Putnam, 1993) Social capital plays a significant role in influencing tax compliance. A social environment that supports tax compliance can increase taxpayer awareness about how important it is to comply with tax obligations. Social capital, trust in government, education, and cultural influences all contribute to shaping individual attitudes and behaviors toward tax obligations. Research by Permata & Ari Budi Kristanto (2020) Social capital is a factor that influences the level of tax compliance. Social changes that occur in society greatly affect the restaurant business. Changes in the lifestyle and culture of society are closely related to the progress of the restaurant itself. A study conducted by Cascavilla et al. found that tax compliance rates are higher in countries with high levels of social trust. The restaurant business is heavily influenced by social change. Changes in people's lifestyles and culture are closely related to the progress of the restaurant itself.

### **Tax Awareness**

Awareness is a matter where a person has an obligation to pay taxes and understand the meaning, function, and purpose of paying taxes. Taxpayer compliance will increase along with increasing taxpayer awareness. In addition to increasing the level of taxpayer awareness, having knowledge about taxation is also an important part of increasing taxpayer compliance. Tax awareness is a factor that exists within taxpayers, one of which is by calculating taxes correctly, taxes have been adjusted according to the actual turnover. According to Siti Kurnia Rahayu in Sofyan et al. (2024) taxpayer awareness is when taxpayers understand the meaning, function, and purpose of taxes paid to the state. In addition, the awareness that taxes paid contribute to regional welfare and development is accompanied by awareness of proper calculations. A person's awareness can be influenced by many things. Positive external encouragement, such as optimal tax services, will make tax difficulties easier, which can foster awareness to complete their tax obligations quickly, which in turn will cause more people to comply with taxes. Based on a study conducted by Arofah & Rachmi Ihwatun (2022) reveals how taxpayer awareness can affect restaurant taxpayer compliance. If taxpayer awareness is good, then restaurant taxpayer compliance will be better, and vice versa. This is also supported by Samrin et al. (2023) that taxpayer that taxpayer awareness has an impact on restaurant taxpayer compliance, Hilaliyah & Hafshah Savitri (2022) found that tax awareness does not affect restaurant taxpayer compliance, this is due to the lack of awareness of taxpayers, they do not have high awareness of their tax obligations and some taxpayers still do not have an open insight into their restaurant taxation therefore awareness is an important component in restaurant taxpayer compliance.

### **Taxation Knowledge**

Tax knowledge includes an understanding of the relevant tax laws, regulations, and tax procedures required by tax cutters. Both formal and non-formal education about tax laws will help taxpayers comply with tax regulations. In addition, understanding tax regulations and the new tax system will make taxpayers better understand the importance of paying taxes. Tax knowledge includes a thorough understanding of all aspects of tax law, including formal and material tax law (Mardiasmo, 2016). In research by Embriati et al. (2023) showed that

### **The Impact of Social Capital on Restaurant Taxpayer Compliance**

When assessing the level of taxpayer compliance in Indonesia, social capital is a component that can be considered. According to Putnam (1993), social capital consists of components of social life such as networks, norms, and trust that encourage people to interact better with each other to achieve common goals. In contrast, Francis (1995) states that social capital is a collection of informal values and habits held by members of a support group. According to St. Thomas Santoso (2020) social capital plays a role in creating human capital. Thus, social capital is productive. Without social capital, a person is unlikely to obtain material benefits or optimal success. However, social capital only provides benefits in certain situations. With social capital, group members will trust each other if they expect other members to behave honestly and reliably. The taxpayer's social environment will have a positive impact on his compliance so that the need for norms that will encourage tax-compliant behavior so as to strengthen individual commitment to fulfilling tax obligations. In fulfilling taxpayers, it is also necessary to have public trust in the government which can be defined as the public's belief that the government acts honestly, fairly, and efficiently in carrying out its duties. Research results by Nawangsih et al. (2024) state that social factors / capital affect the level of tax compliance. The same thing was found by (Permata & Ari Budi Kristanto, 2020) which shows that social capital affects tax compliance. Thus, social capital has a positive and significant effect on taxpayer compliance, because close social networks, trust between community members, and supportive social norms can create an environment that encourages compliance with tax regulations. so the hypothesis is formulated:.

H1: Social capital has a significant positive impact on restaurant taxpayer compliance.

### **The Impact of Awareness on Restaurant Taxpayer Compliance**

Awareness is a situation where taxpayers have understood recognized, appreciated and obeyed the applicable tax provisions. According to (Meidiyustiani et al., 2022) Tax consciousness is the reluctance to fulfill obligations and contribute to the country that supports the country's progress. Performing correct tax calculations is one form of tax awareness that exists within taxpayers; this is known as tax awareness. The tax has been adjusted according to the actual transaction amount. In addition, awareness about accurate calculations also increases along with the awareness that the money used for taxes will be used for the development and welfare of the region. Samrin et al. (2023) found in their research that awareness has an influence on restaurant taxpayer compliance. This research is in line with the research results that have been studied by Arofah & Rachmi Ihwatun (2022) which found that taxpayer awareness has a significant effect on restaurant taxpayer compliance. With the awareness possessed by taxpayers, according to theory and findings, it can be concluded that tax awareness plays an important role in influencing taxpayer behavior because it can increase restaurant tax compliance and has the potential to increase local revenue. Taxpayers who have high awareness will be more responsible and motivated to fulfill tax obligations without the need for external pressure, so the second hypothesis is formulated:

H2: Taxpayer awareness has a significant positive impact on restaurant taxpayer compliance.

### **The Impact of Taxation Knowledge on Restaurant Taxpayer Compliance**

Knowledge is tax information about taxes that can be used by taxpayers to guide their actions, decisions, and strategies in the context of exercising their rights and responsibilities under tax regulations. (Nabila Azzahra & Ita Kumaratih, 2020). In terms of taxpayer compliance which is influenced by taxpayer knowledge about taxes, attribution theory is relevant. During the learning process, either directly or indirectly, tax agencies will gain previously unknown knowledge. This will have an impact on personal opinions about what is learned and will show impressions through actions. If a taxpayer understands the importance of paying taxes, the taxpayer will comply with tax regulations. Putrinur'aini & Pravitasari (2022) knowledge about taxes affects compliance with paying taxes. When taxpayers know more about tax regulations, taxpayers will better understand the benefits of tax compliance. As a result, the level of taxpayer compliance increases along with their level of knowledge about tax regulations. Research conducted by Samrin et al. (2023) taxpayer knowledge affects restaurant taxpayer compliance. Tax knowledge also helps reduce uncertainty and fear of administrative errors, which are often the cause of non-compliance. With adequate information, taxpayers will be more confident and feel safe in carrying out tax obligations, so that compliance increases. Based on this concept and the results of previous research, the authors build the following hypothesis.

H3: Knowledge about taxes has a significant impact on restaurant tax compliance.

## RESEARCH METHODS

This research is quantitative research. According to Rachman et al. (2023), the quantitative approach opens opportunities for the development of knowledge and solutions because it is able to translate the complexity of real-world phenomena into numbers that can be processed statistically. The location of this research is Atambua City, Belu Regency, East Nusa Tenggara, and was conducted in 2024. This location was chosen because based on the available data, the level of fulfillment of tax obligations by restaurant taxpayers is still relatively low, so it is considered relevant and strategic to study.

Respondents in this study were 68 restaurant owners registered as taxpayers in Atambua City. They were chosen because they are subjects directly related to the object of research, namely restaurant tax compliance. Restaurant owners as taxpayers have direct responsibility for reporting and paying restaurant taxes, so their perceptions, knowledge, awareness, and social capital are very relevant in explaining variations in the level of tax compliance. The selection of respondents was conducted using cluster random sampling technique, with the consideration that restaurants in Atambua are scattered in several administrative areas. This approach allows the researcher to take a random sample from each regional group, in order to increase data representativeness and minimize bias. By selecting respondents who are direct actors in restaurant taxation practices, this research is expected to provide an accurate picture of the factors that influence tax compliance in the sector.

Sugiyono (2019) defines population as a broad generalization area consisting of objects or subjects that have been identified to be studied before reaching a conclusion. Every restaurant in Atambua City is part of the population studied in this study; overall, there are 211 taxpayers registered at the Atambua City Regional Revenue Office. Sampling involves selecting a set of elements. The generalization area includes a population of objects or subjects defined based on certain quantities and characteristics identified in this study to be studied and then concluded (Siyoto & Ali Sodik, 2015)

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$$\text{Slovin's Formula} \quad : n = \frac{N}{1 + N(e)^2}$$

Description:

n = Sample size/number of respondents

N = Population size

E = Percentage of tolerance for sampling error that can still be tolerated;

e = 0.1

$$\text{Slovin's Formula} \quad : n = \frac{211}{1 + 211 (0,1)^2}$$

Using the Slovin formula, the result is around 67.85. So, the number of samples needed is around 68.

The questionnaire was given to restaurant owner respondents who were registered taxpayers in Atambua City, then primary data for this study were collected. According to Bahri in Siregar and Hutasuhut (2022), a questionnaire is a data collection technique that involves giving respondents a series of written questions to fill out based on their knowledge and experience. Since the questionnaire is seen to be efficient in gathering a lot of data in a short period of time, it was selected as the data collection method. With reference to the theoretical indicators employed in earlier research, the researcher independently created the questionnaire utilized in this study and modified it for the Atambua City research setting. The preparation process was carried out by adapting instruments from various relevant academic literature and scientific journals, and then redeveloped to fit the characteristics of the variables under study, namely:

1. Social Capital (X1): Measured based on indicators of trust, norms, and social networks, as referred from Balau in Dimiati (2024).
2. Taxpayer Awareness (X2): Measured based on indicators of understanding of tax obligations, willingness to pay taxes, and concern for tax functions, referring to Matusilmi in Azizah (2023)
3. Taxation Knowledge (X3): Measured based on understanding of tax rules, reporting processes, and tax benefits, based on Diana Sari in Apriliani (2023)
4. Restaurant Taxpayer Compliance (Y): Measured through indicators of appropriate tax payment obligations, and adherence to local tax regulations based on Matusilmi in Azizah's research (2023).

Following the translation of each indicator into a series of statements using a Likert scale of 1–5, respondents are asked to indicate how much they agree with each statement, ranging from "strongly disagree" to "strongly agree." To guarantee linguistic clarity and content validity, the questionnaire underwent limited pretesting before to widespread use. It is anticipated that using this approach, the questionnaire will be able to evaluate research variability in a way that is both accurate and pertinent to the goals of the study.

## RESULT AND ANALYSIS

The purpose of this study is to analyze the influence of social capital, tax awareness, and tax knowledge on restaurant tax compliance in Atambua City. The results of descriptive statistical analysis and multiple linear regression conducted on 68 respondents resulted in the following conclusions:

1. The impact of Social Capital on Taxpayer Compliance Regression test results show that social capital has a positive and significant influence on taxpayers. This is in line with Putnam's (1993) theory, which states that social capital consists of networks, norms, and beliefs that encourage people to work together to achieve common goals. Restaurant owners who belong to a strong social community in this context, either formally such as business relationships or informally such as family or neighbor networks, tend to be more informed and influence each other to comply with tax laws. In addition, this finding supports the findings of previous studies, such as Permata & Kristanto (2020) and Nawangsih et al. (2024), which show that taxpayers with high social interaction tend to have higher levels of tax compliance. In social trust, cooperation agreements are based on internalized social norms.

2. The Impact of Tax Knowledge on the Behavior of Restaurant Taxpayers: The results show that tax knowledge does not have a significant effect on the behavior of restaurant taxpayers. High normative awareness may not be separated from

practical or functional awareness, such as technical knowledge about tax reporting and payment. As a result, this finding is likely. Although respondents view taxes as a good contribution to the country, this is not enough to encourage them to comply with administrative regulations.

3. The impact of tax knowledge on taxpayer compliance tax knowledge on taxpayer compliance. According to this study, tax knowledge has a beneficial and significant impact and has a positive and significant influence on taxpayer compliance. Taxpayers who know the procedures, regulations, and benefits of taxation tend to be more compliant with their obligations. Knowledge makes everything clear and makes people less worried about penalties for administrative errors. These findings are consistent with Studies by Putrinur'aini & Pravitasari (2022) and Ningrum & Setiawan (2019) found that knowledge about taxes helps taxpayers understand the tax system and improve compliance. According to attribution theory, a person's understanding of the consequences of certain actions, especially taxes, will affect the way they act towards these obligations. This finding is not in line with previous studies, such as Arofah & Ihwatun (2022) and Samrin et al. (2023), which showed a large influence of tax awareness on attendance. However, Meidiyustiani et al. (2022) stated that to turn awareness into compliant behavior, awareness must be accompanied by a simple and easy-to-understand tax control system.

*Table 2. Descriptive Results of Research Variables*

	<i>N</i>	<i>Range</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>Std. Deviation</i>
<i>Sosial Capital</i>	68	9.00	22.00	31.00	27.3676	1.94633
<i>Tax Awareness</i>	68	15.00	25.00	40.00	32.0147	3.98689
<i>Tax Knowledge</i>	68	10.00	20.00	30.00	25.4265	2.25479
<i>Tax Compliance</i>	68	15.00	35.00	50.00	43.9118	4.40737
<i>Valid N (listwise)</i>	68					

Based on table 2 above, the social capital variable (X1) has a minimum value of 22, this is the lowest score given by respondents to question items related to social capital, the maximum value is 31, which indicates that there are individuals with very strong social perceptions or experiences. and the average value (mean) of 27.3676 This shows that in general, the level of social capital felt by respondents is quite high. And a standard deviation of 1.94633 This shows that the values of the respondents are not too far spread from the mean value. The tax awareness variable (X2) has a minimum value of 25, the lowest score given by respondents to question items related to tax awareness, a maximum value of 40, This shows that perceptions of tax awareness vary quite widely among respondents, and the average value (mean) of 32.0147 is a value close to the maximum value, which means that most respondents have a relatively high level of tax awareness. with a standard deviation of 3.976. with a standard deviation of 3.98689 which shows a higher diversity of answers, meaning that there are respondents with very different levels of tax awareness (some are very aware, some are less). The tax knowledge variable (X3) has a minimum value of 20, a maximum value of 30. This means that the tax knowledge score ranges from 20 to 30 points. and an average value of 25.4265 this value indicates that the level of taxpayer knowledge of tax regulations, procedures, and benefits is quite good. and a standard deviation of 2.25479 indicates that the majority of respondents are at almost the same level of knowledge, thus supporting the consistency of the effect of knowledge on compliance in the regression analysis results.

### **Normality Test**

To determine if the dependent variable, independent variable, or both in a regression model have a normal distribution, the normality test is utilized. A decent regression model is defined as one with a data distribution that is normal or nearly normal. The normalcy test is the Kolmogorov-Smirnov test, which compares test results with significance levels. The significance level in this study is 5%, or 0.005, and the following criteria must be met in order to draw conclusions:

- 1) The data is regularly distributed if the significance level is greater than 0.05.
- 2) The data is not regularly distributed if the significance level is less than 0.05.

*Table 3. Normality Test Results  
One-Sample Kolmogorov-Smirnov Test*

		<i>Unstandardized Residual</i>
<i>N</i>		68
<i>Normal Parameters<sup>a,b</sup></i>	<i>Mean</i>	,0000000
	<i>Std. Deviation</i>	3,54747029
<i>Most Extreme Differences</i>	<i>Absolute</i>	,075
	<i>Positive</i>	,072
	<i>Negative</i>	-,075
<i>Test Statistic</i>		,075
<i>Asymp. Sig. (2-tailed)</i>		,200 <sup>c,d</sup>

*a. Test distribution is Normal.*

*b. Calculated from data.*

*c. Lilliefors Significance Correction*

*d. This is a lower bound of the true significance.*

Based on Table 3, the significance value found is 0.200, much greater than the commonly used significance level (e.g. 0.05), as shown by the Table 3 analysis of the Kolmogorov-Smirnov test results to test normality. Therefore, the data is normally distributed (passing the normality test).

### **Multicollinearity Test**

Multicollinearity testing determines whether independent variables are perfectly correlated or not. To evaluate the existence of multicollinearity, the Variance Inflation Factor (VIF) value is calculated using the following multicollinearity sampling basis: The Variance Inflation Factor (VIF) value is calculated using the following decision-making basis:

- 1) Symptoms of multicollinearity do not appear if the tolerance value is  $> 0.100$  and  $VIF < 10.00$ .
- 2) If the tolerance value  $< 0.100$  and  $VIF > 10.00$  then the symptoms of multicollinearity do not appear.

*Table 4. Multicollinearity Test Results*

### **Coefficients<sup>a</sup>**

<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>	<i>Collinearity Statistics</i>	
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>			<i>Tolerance</i>	<i>VIF</i>
<i>1</i>							
(Constant)	6,764	6,771		,999	,322		
X1	,650	,290	,287	2,242	,028	,617	1,621
X2	,232	,138	,210	1,677	,098	,647	1,545
X3	,554	,273	,235	2,028	,047	,757	1,322



*a. Dependent Variable: Y*

According to the Multicollinearity Test Table, the values of the three variables namely Social Capital, Tax Awareness, and Tax Knowledge have a tolerability value of more than 0.10 and a VIF value of less than 10. So, the multicollinearity test fails and there is no multicollinearity.

### Heteroscedasticity Test

Heteroscedasticity test is conducted to ensure whether the variance and residual in the regression model are the same. The Glejser test is used to regress the independent variable with the absolute residual variable. so that the results found are as follows:

- 1) If the significance value is  $> 0.05$ , then it can be concluded that there is no symptom of heteroscedasticity.
- 2) If the significance value is  $< 0.05$ , then it can be concluded that there is a symptom of heteroscedasticity

Table 5. Heteroscedasticity Test Results

		<i>Coefficients<sup>a</sup></i>				
	<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1	(Constant)	8,896	4,317		2,060	,043
	X1	-,220	,185	-,184	-1,188	,239
	X2	-,064	,088	-,110	-,731	,467
	X3	,085	,174	,068	,490	,626

*a. Dependent Variable: abs\_res*

Table 5 The regression models show no signs of heteroscedasticity, and the tax awareness variables have significance values of 0.293, 0.467, and 0.626, respectively. Heteroskedasticity, and the tax awareness variable has significance values of 0.293, 0.467, and 0.626, respectively. Based on the Glejser test decision making, it can be concluded that the social capital variable does not have a significance level greater than 0.05.

The results of the multiple linear regression analysis show the following results:

**1. Social Capital:** The social capital variable has a effect and significant effect on the tax welfare of Atambua City. The p value of 0.028 ( $< 0.05$ ) shows this. These results support the hypothesis that strong social networks, trust, and social norms are related to restaurant tax compliance.

**2. Tax Awareness:** The study findings show that there is no significant relationship between tax awareness and taxpayer compliance, with a p value of 0.098 (higher than 0.05). There is no significant relationship between tax awareness and taxpayer compliance, with a p value of 0.098 (higher than 0.05). Although this finding is different from previous studies, this finding can be attributed to local contextual elements, such as how effective the outreach program is or how business owners view tax benefits.

**3. Tax Knowledge:** The p-value of 0.047 ( $< 0.05$ ) indicates that the tax knowledge variable has a significant positive impact on welfare. This result confirms that understanding taxpayers and understanding regulations is very important to improve compliance.

Table 6. Partial Test Results (Statistical Test t)  
*Coefficients<sup>a</sup>*

<i>Model</i>		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients Beta</i>	<i>t</i>	<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>			
<i>1</i>	<i>(Constant)</i>	6,764	6,771		,999	,322
	<i>X1</i>	,650	,290	,287	2,242	,028
	<i>X2</i>	,232	,138	,210	1,677	,098
	<i>X3</i>	,554	,273	,235	2,028	,047

*a. Dependent Variable: Y*

The study found that social capital has a substantial impact on Atambua City restaurants' compliance with official taxes. Regarding the compliance of restaurants in Atambua City with applicable taxes. This shows that when restaurant owners are in a strong social environment, where people know each other, trust each other, and uphold social standards, the urge to comply with tax laws increases. Social pressure and collective expectations that people must comply with the rules created by the existence of informal social networks. These results are supported by the contribution theory, which states that individual behavior in terms of compliance is determined by two factors: internal factors such as awareness and external factors such as the social environment and community norms. Supported by the findings of Nawangsih et al. (2024), Permata & Kristanto (2020), and Pratiwi & Supriatna (2021) who concluded that social capital can increase taxpayer compliance because of trust between individuals and trust in the government.

Publication knowledge has a significant effect on its existence. This means that it will be easier for taxpayers to comply if they understand tax regulations, the benefits of paying taxes, and reporting procedures. In accordance with Attribution Theory, individuals will consider tax obligations as something logical, not just coercion, because knowledge is the basis for a rational decision-making process. When restaurant owners have sufficient knowledge, they tend to feel confident and able to pay taxes. the findings are consistent with previous studies conducted by Putrinur'aini and Pravitasari (2022), Suci (2023), and Samrin et al. (previous study) which shows that the more taxpayer knowledge increases, the more compliance increases.

The results of the analysis found that restaurant tax awareness does not have a significant effect on taxpayer compliance, even though the average tax awareness is high. Several possible causes Awareness does not always turn into real action, especially without the help of knowledge or social pressure. Although restaurant owners are aware of the importance of taxes, they may not be fully compliant due to lack of technical information, fear of mistakes, or lack of supervision. Tax awareness in the city of Atambua may be normative or emotional rather than relying on structured actions. This finding contradicts the results of Arofah & Ihwatun (2022), but is in line with Yolanda et al. (2023) which states that awareness alone is not enough without the support of a support system such as education and socialization.

## CONCLUSION

This study aims to investigate the influence of social capital, tax awareness, and tax knowledge on restaurant tax compliance in Atambua City. The results of multiple linear regression data analysis produce the following conclusions:

1. Social capital affects restaurant tax compliance. This indicates that stronger social networks, trust, and collective norms in the community accumulate with the level of restaurant business compliance with their taxes. This finding is in line with attribution theory, which states that the social environment and external factors can influence individual behavior, such as tax compliance.
2. Taxpayer compliance is not significantly affected by tax awareness. Although awareness is important as a basis for motivation, this finding shows that awareness alone is not enough to encourage actual action,

without practical knowledge and a supportive environment. These results indicate that a more comprehensive approach is needed to improve taxpayer awareness.

3. Tax knowledge greatly affects restaurant taxpayer compliance. In other words, the more they understand tax rules and regulations, the more likely they are to comply. If taxpayers have sufficient knowledge, they can avoid making mistakes and increase their confidence that they will carry out their obligations correctly.

Here are some suggestions that can be given to the government:

It is recommended that the Atambua City Government through the Regional Revenue Service develop a sustainable tax education program for restaurant businesses. This program can be in the form of a consistent understanding of the latest tax regulations, when tax reporting begins and the provision of educational content in both print and digital forms. Building and strengthening networks of social entrepreneurs through local taxpayer forums or business communities facilitated by the government. This forum can help people share experiences, increase trust, and create compliance standards. To increase transparency and two-way communication between taxpayers and tax authorities, free tax consultation services are provided, Channels that accept complaints.

The following are some things that can be considered to encourage the development of further scientific studies

1. To see a more complex influence between tax awareness and compliance, further researchers can add mediating or moderating variables such as trust in the government, perceptions of tax fairness, or tax sanctions.
2. Further research can use mixed methods to gain a deeper understanding, both quantitatively and qualitatively. This is especially intended to find the reasons, barriers, and local values that hinder tax compliance.
3. Further researchers can conduct comparative research across regions or business sectors to determine whether similar results for taxpayers also occur in several regions or sectors.

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