

The Effect of Machiavellianism on Ethical Perception of Tax Evasion with Gender as Moderating Variable



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ABSTRACT

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This research is an empirical study that aims to determine the effect of machiavellianism on ethical perceptions of tax evasion with gender as a moderating variable. This research is a quantitative study with associative approach. Data collection methods used are by giving research questionnaires to respondents. The population of this research is the final student of S1 Accounting at Universitas Airlangga. The sample of this study was 167 people using a purposive sampling method. The analysis technique used is Moderated Regression Analysis (MRA). Based on the analysis and testing of hypotheses, it could be concluded that (1) machiavellianism has a positive effects on ethical perceptions of tax evasion and (2) gender moderates the effect of machiavellianism on ethical perceptions of tax evasion.

1. INTRODUCTION

Tax is one of the sources of Indonesian state revenue. The tax revenue is used to meet various kinds of state expenditures. According to UU No 16/2009, tax is a mandatory contribution to the state that is owed by an individual or entity that is compelling under law, without receiving direct compensation and is used for state purposes. Based on the 2019 State Budget Posture Data, taxes are in the first rank as a source of state revenue where around 82.5% of the composition of state revenue comes from taxation revenue, and

the rest comes from non-tax revenue and grants. Given the large role of taxes in fulfilling state spending, the government is expected to implement policies that can optimize revenue from the tax sector.

In Indonesia, in 1984 there was a tax reform incident involving the tax collection system in Indonesia, namely from the official assessment system switching to a self-assessment system (Arianandini and Ramantha, 2018). The official assessment system is a tax collection system in which all tax collection responsibility rests with the government. Meanwhile, the self-assessment system is a tax collection system where taxpayers have the authority to calculate and report their own taxes owed to the state (Hutagaol, 2012). By implementing a self-assessment system, taxpayers are expected to have the awareness to calculate, calculate, deposit, and report their payable taxes in accordance with applicable tax regulations.

The amount of tax revenue in the last five years has always failed to reach the target set by the government. Data of tax revenues in Indonesia can be seen in table 1.

Table 1. Tax Revenue in Indonesia (in trillion)

Year	Target	Realization	Percentage
2015	Rp.1.294	Rp.1.055	81,53%
2016	Rp.1.355	Rp.1.105	81,59%
2017	Rp.1.284	Rp.1.151	89,64%
2018	Rp.1.424	Rp.1.316	92,41%
2019	Rp.1.786	Rp.1.545	86,50%

Source: www.kemenkeu.go.id (2020)

The table 1 shows data on state revenue from the tax sector. In 2019, the percentage of realized tax revenue decreased compared to 2018, from 92.41% to 86.50%. From this table it can also be concluded that the effectiveness of tax collection in Indonesia is still not optimal. In addition, the 2019 State Budget data shows that the amount of Indonesia's tax ratio is only 12.2%. The amount of the tax ratio shows that the level of compliance of the Indonesian people is still low. The fact that the realization of tax revenue has not reached the target and the low tax ratio indicates that the government must take steps to maximize tax revenue from the tax sector (Ariyanto et al., 2020).

One of the factors that influence the amount of tax revenue is taxpayer compliance. Taxpayers are divided into two, namely individual taxpayers and corporate taxpayers. Taxpayers try to keep the taxes paid to the government to a minimum because taxes are

considered as a burden that can reduce the economic capacity of the company (Sujoko, 2007). In addition, one of the things that causes taxpayers to not want to pay taxes is the nature of taxes that does not provide direct contributions or rewards to taxpayers (Diantari and Ulupui, 2016). Companies can take various ways to minimize the tax burden that must be paid, such as tax avoidance or tax evasion. Tax avoidance is a way for companies to reduce their tax burden legally by taking advantage of loopholes in tax regulations so that they do not violate any provisions. Meanwhile, tax evasion is a way for companies to reduce their tax burden illegally by violating applicable taxation provisions (Fisher, 2014).

There are several cases regarding tax evasion in Indonesia. In 2008, PT. Metropolitan and 3 Bakrie Group, committed tax evasion and bribed a tax officer named Gayus Tambunan. In 2014, Bank Central Asia was reported to have committed a tax evasion case (Siregar, 2014). Directorate General of Taxes noted that there were many tax evasion practices carried out by taxpayers throughout 2014, which was shown by a 280 percent increase in the number of tax evasion cases compared to previous year. Directorate General of Taxes reported that in 2013 there were fifteen cases of tax evasion, then increased to forty-two cases in the next year (Ariyanto et al., 2020).

Most studies on tax evasion only address the technical aspects of tax evasion, such as legal aspects and tax evasion techniques. For example, in terms of ownership (Chen et al., 2018; Badertscher et al., 2013), company directors (Khaoula and Moez, 2019; Richardson et al., 2015), auditors (Kanagaretnam et al., 2016; Klassen et al., 2016), and many others. Meanwhile, the ethics of tax evasion is rarely discussed. Research on tax evasion from an ethical views was started by Crowe (1994) and then further developed by (McGee, 2006). Ethical or unethical tax evasion decision on moral grounds can be evaluated from the tax system, tax rates, justice, government corruption, compensation received for tax payments, and the possibility of tax evasion detected by tax authorities (McGee and Guo, 2007; McGee and Preobragenskaya, 2008). In its application, tax evasion practice would be ethical or reasonable to do given the many actions that should not be carried out by the government, such as misusing tax funds for personal or group interests, the unsystematic taxation system applied, and the existence of tax regulations that are considered to only benefit one party and harm the other party (Faradiza, 2018).

Basically there are 3 basic views regarding tax evasion. The first view argues that tax evasion is something that is never considered ethical. This is based on the belief that everyone has a responsibility to pay taxes set by the government. Therefore, each individual must be able to contribute to paying for services provided by the government and not only be individuals who only enjoy the benefits of services provided by the government (Cohn, 1998). The second view is that tax evasion is always ethical (Block, 1993), where individuals are not obliged to pay taxes to corrupt governments so that the government has no right to take anything from individuals. The third view, tax evasion is seen as sometimes ethical behavior depending on certain situations and conditions (McGee, 2006). Tax evasion is considered ethical when the tax system is considered unfair, tax money collected is wasted, and the government discriminates against several segments (Beard et al., 2009). Therefore, taxpayers do not hesitate to commit tax evasion because they assume that the tax burden issued will not be managed properly, so there is an assumption that this behavior is ethical and reasonable to do (Indriyani et al., 2016).

Various tax evasion practices are part of accounting scandals that have a bad impact on the accounting profession, therefore the reactions and perceptions of prospective accountants (students) are important things to pay attention to because accounting students are people who will undergo the profession in the future. Students who do not have sufficient knowledge about the scandals that have occurred will have an impact on students' lack of self-awareness of ethical behavior that should be carried out by accountants. In addition, some practitioners and academics in the field of accountants argue that the increase in unethical behavior is caused by a lack of attention to ethics from the educational curriculum accepted by students (Nikara and Mimba, 2019).

According to Theory of Planned Behavior, the intention to behave can lead to behavior displayed by individuals. Before doing something, an individual has confidence in the results of his actions, then he will decide whether to do the action or not (Mustikasari, 2007). One of the factors that cause someone to behave unethically is because of the nature of Machiavellianism. A person who has a machiavellian attitude will tend to be selfish and have an aggressive attitude to carry out his interests. Richmond (2003) argues that an individual's personality will influence his ethical behavior. Richmond in his research found that the higher the Machiavellian nature of a person, the more likely they are to behave

unethically. Utami et al. (2019) also found that someone who has Machiavellian characteristics will tend to commit acts of fraud or cheating. Ghosh and Crain (1996) also found that a taxpayer with a strong machiavellian orientation was more likely to engage in deliberate non-compliance, such as taking tax evasion. In contrast to the results of other studies, Budiarto and Nurmalisa (2018) state that machiavellianism has no influence on tax evasion actions. The inconsistency of those research results indicates that the topic of this research needs to be investigated further.

Machiavellianism is generally related to the gender of the individual (Ricks and Fraedrich, 1999). The inconsistency of research results regarding the influence of machiavellianism on ethical perceptions encourages researchers to add gender as a moderating variable in this study. Gender can be defined as a basic character to identify differences between men and women from several perspectives. Richardson et al. (2016) found that the presence of women on the company board will have an impact on reducing aggressive tax reporting. Research by Holmes and Jones (2012) proves that female gender has more ethical behavior than men. When making actions, women will be more careful and try to avoid long-term risks that are considered to be burdensome for themselves.

Women tend to reduce the risk of financial statement manipulation, because women are more inclined towards honesty, prudence, and conservatism (Nehme and Jizi, 2018). Women have feminine traits that tend to have an attitude of caring for others, concern for the environment, and prefer negotiating rather than hierarchical power to solve problems (Hofstede et al., 2010). The cautious nature possessed by women will make them more protected from bad traits or behaviors such as machiavellianism, because they have good perceptions and are in accordance with applicable norms and are able to behave ethically. Therefore, they are able to avoid tax evasion which is an unethical act.

Based on these background, we are motivated to investigate the the effect of machiavellianism on ethical perceptions of tax evasion with gender as moderating variable. This study aims to provide empirical evidence regarding the effect of machiavellianism on ethical perceptions of tax evasion, as well as the role of gender in moderating the effect of machiavellianism on ethical perceptions of tax evasion. This research is expected to provide benefits both from a theoretical and practical perspective. From a theoretical perspective, this research is expected to provide new insights regarding the ethical

perceptions of tax evasion. From a practical point of view, this research is expected to motivate prospective accountants and prospective taxpayers to pay attention to their moral and ethical development in order to avoid unethical behavior such as tax evasion, so that they can be more obedient to the applicable tax regulations. The remainder of this article will discuss the literature review and hypothesis development. Then this article will discuss related research methods including the analytical techniques used. Then followed by a discussion of hypothesis testing. Then this article will be ended by a conclusion and suggestion for future research.

2. LITERATURE REVIEW AND HYPOTHESIS

Theory of Planned Behavior

The theory used to explain the relationship between variables in this study is Theory of Planned Behavior (TPB). TPB explained that the intention to behave can lead to behavior displayed by individuals. Meanwhile, the intention to behave arises because it is determined by 3 determining factors, namely: 1) behavioral beliefs, namely an individual belief in the results of a behavior and an evaluation of these results (beliefs strength and outcome evaluation), 2) normative beliefs, which are beliefs about normative expectations from others and motivation to fulfill these expectations (normative beliefs and motivation to comply), and 3) control beliefs, which are beliefs about the existence of things that support or inhibit the behavior to be displayed (control beliefs) and their perceptions of how much there are strong things that support and inhibit this behavior (perceived power). In order, behavioral beliefs produce attitudes towards positive or negative behavior, normative beliefs produce perceived social pressure or subjective norms and control beliefs lead to perceived behavioral control (Ajzen, 2002).

The Effect of Machiavellianism on Ethical Perceptions of Tax Evasion

Theory of Planned Behavior is relevant to explain the behavior of taxpayers in fulfilling their tax obligations (Mustikasari, 2007). Machiavellianism is one of the individual factors that can influence a person's intention to take tax evasion. Machiavellianism can be defined as a personality trait that places less emphasis on personal relationships by ignoring conventional morality and showing low ideological commitment (Christie and Geis, 1970). Machiavellianism's behavior is selfish, aggressive, and

manipulative. Ghosh and Crain (1996) suggest that taxpayers who are highly Machiavellian are significantly more likely to be involved in deliberate non-compliance, such as tax evasion. Research by Shafer and Simmons (2008) concluded that the Machiavellian nature of the taxpayers can influence the viewpoint so that it will be more aggressive in minimizing tax reporting.

Research conducted by Utami et al. (2019) stated that someone who has high Machiavellianism will tend to commit acts of fraud compared to someone who has low Machiavellianism. A person who has a high Machiavellian nature will only prioritize his personal interests and prioritize the end result. Research conducted by Nikara and Mimba (2019) shows that Machiavellian has a bad affects the ethical perceptions of accounting students. The higher the Machiavellian character of the student, the student will have a bad ethical perception. A person who has a Machiavellian nature usually only focuses on being able to fulfill his needs and gain power, thus causing someone to take even unethical actions such as practicing tax evasion, so the first hypothesis proposed in this study is:

H1: Machiavellianism has a positive effect on ethical perceptions of tax evasion

Gender Moderates The Effect of Machiavellianism on Ethical Perceptions of Tax Evasion

According to Ajzen (2002), Theory of Planned Behavior explains that human behavior is influenced by three types of beliefs, namely behavioral, normative, and control beliefs. These three beliefs are influenced by several factors which are divided into three groups, namely individual factors, social factors, and information factors. One of the social factors that can influence ethical perceptions of tax evasion is the gender of the individual.

In several previous studies it was stated that there were inconsistencies regarding Machiavellianism variables. Therefore, the moderation variable is expected to lead to more consistent and significant research results. In this study, gender is a moderating variable which can later influence the influence of Machiavellianism on ethical perceptions of tax evasion. Compared with men, women show less tolerance for opportunism in their decision making (Ambrose and Schminke, 1999). In this context, Kastlunger et al. (2013) suggest that differences between men and women can be detected in the level of tax compliance and tax burden payment strategies. Women have feminine traits that tend to have an

attitude of caring for others, concern for the environment, and prefer negotiating rather than hierarchical power to solve problems (Hofstede et al., 2010). Furthermore, women tend to reduce the risk of financial statement manipulation, because women are more inclined towards honesty, prudence and conservatism (Nehme and Jizi, 2018), so the second hypothesis proposed in this study is:

H2: Gender moderates the influence of Machiavellianism on ethical perceptions of tax evasion

Conceptual Framework

The conceptual framework in this research is shown in the figure 1 below.

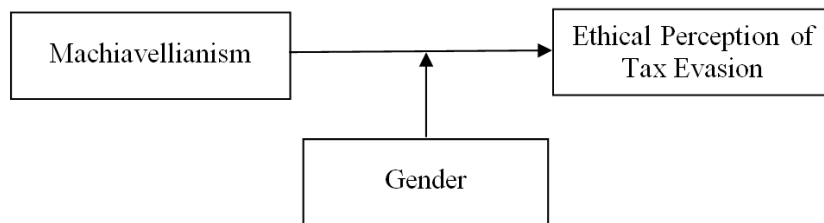


Figure 1. Conceptual Framework

3. RESEACH METHOD

Research Designs

This type of research used in this research is quantitative research with an associative approach. This study aims to provide empirical evidence regarding the influence of Machiavellianism on ethical perceptions of tax evasion with gender as a moderating variable. The data source in this study is primary data. Primary data is data obtained directly from the original source without going through intermediaries (Sugiyono, 2011). Primary data in this study are respondents' answers from questionnaires distributed by researchers.

Population and Sample

The population in this study were final students of S1 Accounting at Airlangga University. The reason the researchers chose this population was because final students were about to enter the world of work, if there was a lack of attention to ethics and ethical violations during their education, then that will have an impact on the accounting profession in the future. The sampling technique used was purposive sampling method. The

number of samples in this study was determined using the Slovin formula. Based on calculations using this formula, the total sample of this study was 167 students.

Variable Measurement

This study uses three variables, namely the independent variable, the dependent variable, and the moderating variable. The independent variable in this study is Machiavellianism. Machiavellianism variables are measured using a Mach IV scale that adopts an indicator (Christie and Geis, 1970). The Mach IV scale consists of 20 statement items with a Likert scale measurement which contains a statement regarding the level of agreement and disagreement for each statement item. The details in the measurement are as follows: a) Strongly Agree (SS) is given a score of 5; b) Agree (S) is given a score of 4; c) Neutral (N) is given a score of 3; d) Disagree (TS) is given a score of 2; and e) Strongly Disagree (STS) given a score of 1. The higher the score obtained indicates that the respondent's Machiavellianism behavior is also getting higher. There are several statement items whose score is reversed (reversed score) at the time of tabulation because the statement is an opposite statement.

The dependent variable in this study is the ethical perception of tax evasion. These variables will be measured using an instrument developed by McGee (2006). In general, there are 3 basic views regarding tax evasion ethics. First, the view that tax evasion is unethical. Second, the view that tax evasion is sometimes ethical. Third, the view that tax evasion is an ethical action. The tax evasion ethical perception variable is measured using 15 statement items measured by a Likert scale with the following details: a) Strongly Agree (SS) given a score of 5; b) Agree (S) is given a score of 4; c) Neutral (N) is given a score of 3; d) Disagree (TS) is given a score of 2; and e) Strongly Disagree (STS) given a score of 1. The higher the score obtained indicates approval of the tax evasion action.

The moderating variable in this study is gender. Gender variables in this study were used to determine differences in perceptions of Machiavellianism and tax evasion variables based on gender differences. Gender variables are measured using a dummy variable where men are given a score of 1 while women are given a score of 0 (Dharma et al., 2016).

Data Analysis Technique

The data analysis techniques used in this study included descriptive statistical analysis; instrument test (validity and reliability test); classical assumption test (normality test and heteroscedasticity test); and hypothesis testing (moderated regression analysis, F test, and t test).

The data analysis technique used to test the hypothesis proposed in this study is Moderated Regression Analysis (MRA). This regression model is designed to determine the relationship between two variables that are influenced by the third variable (moderating variable). The regression equation model in this study is as follows:

$$TE = \alpha + \beta_1MV + e.....(1)$$

$$TE = \alpha + \beta_1MV + \beta_2GD + \beta_3MV*GD + e.....(2)$$

Where:

TE = Ethical Perception of Tax Evasion

MV = Machiavellianism

$\beta_1 - \beta_3$ = Regression Coefficients

GD = Gender

e = Error

4. RESULTS AND DISCUSSIONS

Respondents' Characteristics

The total number of respondents in this study were 167 people and all of them can be processed. Table 2 below is a summary of the characteristics of the respondents in this study.

Table 2. Respondents' Characteristics

No	Variable	Classification	Number	Percentage
1	Gender	Male	56	34%
		Female	111	66%
		Total	167	100%
2	Age	≤ 21 years old	47	28%
		> 21 years old	120	72%
		Total	167	100%

Source: Processed data, 2020

Based on Table 2 above, out of 167 respondents, 56 people or 34 percent were male, while 111 people or 66 percent were female. Respondents aged ≤ 21 years were 47 people or 28 percent while those aged > 21 years were 120 people or 72 percent of the total study respondents. All respondents in this study were final accounting students at Universitas Airlangga.

Descriptive Statistics

Descriptive statistics provide information about the characteristics of the variables used in the study, such as the number of observations, the minimum value, the maximum value, the mean value, and the standard deviation. Descriptive statistics in this study are shown in Table 3 below.

Table 3. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Machiavellianism	167	34	100	53.329	8.420
Gender	167	0	1	0.335	0.473
Ethical Perception of Tax Evasion	167	21	75	38.73	9.141
Valid N (listwise)	167				

Source: Processed data, 2020

Based on Table 3 above, it can be seen that the number of respondents (N) was 167 people. The Machiavellianism variable has a minimum value of 34, a maximum value of 100, a mean value of 53.329, and a standard deviation of 8.420. The gender variable has a minimum value of 0, a maximum value of 1, a mean value of 0.334, and a standard deviation of 0.473. The tax evasion ethical perception variable has a minimum value of 21, a maximum value of 74, a mean value of 38.73, and a standard deviation of 9.141.

Instrument Test

Validity Test

The validity test is carried out to determine whether each statement contained in the questionnaire is worthy of research. The results of the validity test on the questionnaire used in this study are shown in Table 4.

Based on Table 4, it can be concluded that all statements in the questionnaire of this study are declared valid because all statement items have a significant value of $0.000 < 0.05$.

Table 4. Validity Test

Variable	Statement Item	Correlation Coefficients	Sig. (2-tailed)	Validity
Machiavellianism (X)	X1	0,264	0,000	Valid
	X2	0,406	0,000	Valid
	X3	0,288	0,000	Valid
	X4	0,330	0,000	Valid
	X5	0,382	0,000	Valid
	X6	0,521	0,000	Valid
	X7	0,233	0,000	Valid
	X8	0,440	0,000	Valid
	X9	0,387	0,000	Valid
	X10	0,498	0,000	Valid
	X11	0,546	0,000	Valid
	X12	0,504	0,000	Valid
	X13	0,587	0,000	Valid
	X14	0,576	0,000	Valid
	X15	0,333	0,000	Valid
	X16	0,544	0,000	Valid
	X17	0,318	0,000	Valid
	X18	0,509	0,000	Valid
	X19	0,404	0,000	Valid
	X20	0,385	0,000	Valid
Ethical Perception of Tax Evasion (Y)	Y1	0,730	0,000	Valid
	Y2	0,632	0,000	Valid
	Y3	0,437	0,000	Valid
	Y4	0,618	0,000	Valid
	Y5	0,578	0,000	Valid
	Y6	0,525	0,000	Valid
	Y7	0,589	0,000	Valid
	Y8	0,634	0,000	Valid
	Y9	0,635	0,000	Valid
	Y10	0,467	0,000	Valid
	Y11	0,459	0,000	Valid
	Y12	0,664	0,000	Valid
	Y13	0,580	0,000	Valid
	Y14	0,674	0,000	Valid
	Y15	0,653	0,000	Valid

Source: Processed data, 2020

Based on Table 4, it can be concluded that all statements in the questionnaire of this study are declared valid because all statement items have a significant value of $0.000 < 0.05$.

Reliability Test

Reliability test is a series of measurements that have consistency when measurements are made repeatedly. Table 5 below is the result of the reliability test in this study.

Table 5. Reliability Test

No.	Variable	Cronbach's Alpha	Reliability
1	Machiavellianism (X)	0,739	Reliable
2	Ethical Perception of Tax Evasion (Y)	0,863	Reliable

Source: Processed data, 2020

Based on Table 5, it can be seen that all the variables used have a Cronbach's alpha value of more than 0.5, so it can be concluded that all variables in this study are declared reliable and fit for use for research purposes.

Classical Assumption Test

Normality Test

The normality test in this study was carried out by the Kolmogorov-Smirnov Test method. Results from Asymp. Sig (2-tailed) of 0.200 is greater than the significance level of 0.05 (α), so that the data is normally distributed as in the table 6.

Table 6. Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		167
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	6.48542600
Most Extreme Differences	Absolute	.049
	Positive	.049
	Negative	-.038
Test Statistic		.049
Asymp. Sig. (2-tailed)		0.200 ^{c,d}

Source: Processed data, 2020

Heteroscedasticity test

The heteroscedasticity test in this study used the scatterplot chart method. In the results of data processing, the scatterplot regression graph is obtained as follows.

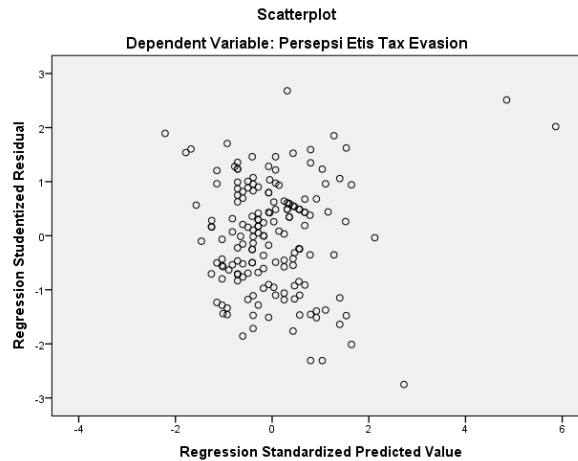


Figure 2 Heteroscedasticity Test

The figure shows that there is no specific pattern on the scatterplot graph between SRESID and ZPRED where the Y axis is the residual (Y prediction - real Y) that has been standardized. The results show that there is no clear pattern, and the point spreads above and below the number 0 on the Y axis, so it can be concluded that in this study there is no heteroscedasticity symptom.

Moderated Regression Analysis

This study conducted an interaction test to test the moderated variable in the form of gender using Moderated Regression Analysis (MRA). Statistical calculations in multiple linear regression analysis used in this study were to use the SPSS version 24 program. The summary of the results of data processing in this study is as follows:

Model 1

Table 7 Model 1 Test Results

Coefficients^a						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	13.646	4.113		3.318	.001
	MV	.470	.076	0.433	6.175	.000

Source: Processed data, 2020

Based on the test results above, it can be seen that the Machiavellianism (MV) variable has a t value of 6,175 with a significance of 0,000 less than 0.05. This shows that machiavellianism has a positive effect on ethical perceptions of tax evasion.

Model 2

Table 8 Model 2 Test Results

		Coefficients^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	45.487	4.906		9.271	.000
	MV	-.208	.096	-.192	-2.162	.032
	GD	-38.151	7.568	-1.976	-5.041	.000
	MV*GD	.868	.137	2.694	6.362	.000
	R Square	.497				
	F Stat.	53.623				
	Stat. Sig	.000				

Source: Processed data, 2020

Based on Table 8, the equation model can be analyzed as follows:

$$TE = 45.487 - 0.208MV - 38.151GD + 0.868MV*GD + e$$

Based on the tests that have been done, the interaction between machiavellianism and gender has a t value of 6.362 with a significance of 0.000 less than 0.05. This shows that the gender variable is able to moderate the influence of machiavellianism on ethical perceptions of tax evasion. The value of R square shows a number of 0.497, which means that 49.7 percent of the variation in the dependent variable is influenced by the variation of the independent variable, while the remaining 50.3 percent is caused by other factors that are not included in the regression model. Based on Table 8 above, the results of the F test of the regression model obtained a significance value of 0.000 which is smaller than 0.05, then Machiavellianism, gender, and the interaction between Machiavellianism and gender simultaneously influence ethical perceptions of tax evasion, so that the model is suitable for use. in testing the hypothesis.

Discussion

The Effect of Machiavellianism on Ethical Perceptions of Tax Evasion

Based on Table 6, the machiavellianism variable has a regression coefficient of 0.470 and t value of 6.175 with a significance value of 0.000, which means it is smaller than the significance level $\alpha = 0.05$, so that the first hypothesis in this study is accepted. The test result shows that the machiavellianism variable has a positive and significant effect on ethical perceptions of tax evasion. Therefore, the higher the machiavellian nature of an individual, the higher the ethical perception of the tax evasion. Based on the Theory of Planned Behavior perspective, the intention to behave can lead to behavior displayed by individuals. Machiavellianism is one of the individual factors that can influence a person's intention to take tax evasion. Machiavellian has a bad affects the ethical perceptions of accounting students. The higher the Machiavellian character of the student, the student will have a bad ethical perception. A person who has a machiavellian nature usually only focuses on being able to fulfill his needs and gain power, thus causing someone to take even unethical actions such as practicing tax evasion.

The results of this study are in accordance with research from Nikara and Mimba (2019) who also conducted research on accounting students. The behavior of a person who has machiavellian characteristics tends to focus only on his own needs and wants power, causing a person to behave unethically. Individuals who have Machiavellian characteristics generally have manipulative and aggressive traits. This is in accordance with the research of Shafer and Simmons (2008) who examined several tax accountants in Hong Kong. He found that the nature of machiavellianism can affect ethics and corporate social responsibility so that the company will be more aggressive in minimizing its tax reporting. Triantoro et al. (2020) also states that high machiavellianism will have an effect on increasing the likelihood of fraud in an individual. Someone who has high machiavellianism will tend to commit acts of fraud compared to someone who has low machiavellianism. A person who has a high machiavellian nature will only prioritize his personal interests and prioritize the end result. Based on these explanations, it can be concluded that someone who has high machiavellianism will tend to take tax evasion practice.

Gender Moderates The Effect of Machiavellianism on Ethical Perceptions of Tax Evasion

Based on table 8, the interaction between machiavellianism and gender variables has a regression coefficient value of 0.868 and t value of 6.362 with a significance value of 0.000 which means it is smaller than the significance level of $\alpha = 0.05$. This shows that the gender variable has a significant effect and is able to moderate the influence of machiavellianism on ethical perceptions of tax evasion, so that the second hypothesis in this study is accepted. Based on table 8, it can be seen that the gender moderation variable is able to weaken the influence of machiavellianism on ethical perceptions of tax evasion. Women have a higher level of ethical perceptions than men. Theory of Planned Behavior explains that human behavior is influenced by three types of beliefs, namely behavioral, normative, and control beliefs. One of the factors (social factor) that can influence ethical perceptions of tax evasion is the gender of the individual. Compared with men, women show less tolerance for opportunism in their decision making.

Beutell and Brenner (1986) found that gender has a different influence on their ethical behavior, where men are taught to emphasize competition while women are taught to emphasize social relationships. Research conducted by Woro et al. (2019) stated that women have a higher level of tax compliance than men. When making actions, women will be more careful and choose to avoid long-term risks that are considered to be burdensome for themselves (Holmes and Jones, 2012). Women have feminine traits that tend to have an attitude of caring for others, concern for the environment, and prefer negotiating rather than hierarchical power to solve problems. Furthermore, women tend to reduce the risk of financial statement manipulation, because women are more inclined towards honesty, prudence and conservatism. Based on these explanation, it can be concluded that women have a better level of ethical perceptions than men, so they are less likely to do tax evasion. Therefore, the tendency of prudence and risk-averse inherent in women can weaken the influence of machiavellianism on ethical perceptions of tax evasion.

5. CONCLUSION

Based on testing the hypotheses proposed in this study, several things can be concluded, including: First, machiavellianism has a positive effect on ethical perceptions of

tax evasion, so that the first hypothesis (H1) in this study is accepted. The higher the nature of machiavellianism in an individual, the individual will tend to practice tax evasion. A person who has a machiavellian nature usually only focuses on being able to fulfill his needs and gain power, thus causing someone to take even unethical actions such as practicing tax evasion. Second, gender is able to moderate the influence of machiavellianism on ethical perceptions of tax evasion, so that the second hypothesis (H2) in this study is accepted. Women show less tolerance for opportunism in their decision making than men, including the decision to carry out a tax evasion. When making actions, women will be more careful and try to avoid long-term risks that are considered to be burdensome for themselves, because women are more inclined towards honesty, prudence and conservatism.

6. IMPLICATIONS, LIMITATIONS, AND SUGGESTIONS

This study contributes to the literature by giving empirical evidence and explanations about the relationship between machiavellianism, ethical perception of tax evasion, and gender. This research is expected to provide views to academics to form a curriculum that can teach students to have good ethical behavior. This research also expected to provide views to the government in order to make more effective regulations, especially regarding taxpayer compliance so as to minimize the possibility of taxpayers doing tax evasion.

This study has several limitations, among others: only a few variables are used, and the methods and research samples are limited. Future research is expected to add or examine other variables that can influence or moderate the ethical perception variables of tax evasion, such as religiosity, materiality, local culture, and others. In addition, further research may be able to use other research methods not only through distributing questionnaires, but also through interviews. Subsequent research can also expand the research sample or add to the criteria for the research object used, so that the research results can be more generalized.

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