JURNAL ECONOMINA e-ISSN: 2963-1181
Volume 5, Nomor 6, Juni 2026
Homepage:
ejournal.45mataram.ac.id/index.php/economina

How Coretax System User Experience and Digital Tax Literacy Affect Voluntary Tax Compliance Among Generation Z Taxpayers

I Gusti Putu Eka Rustiana Dewi[1*], I Kadek Bagiana[1]
[1,2] Mahasaraswati University, Denpasar, Indonesia

[*]*Corresponding Author: rustiana_dewi@unmas.ac.id*

Article History
Received : 09-06-2026
Revised : 26-06-2026
Accepted : 30-06-2026

ABSTRACT

Indonesia's persistently low tax-to-GDP ratio and the early implementation challenges of the Coretax system have made voluntary taxpayer compliance an important issue in the digital tax reform era. This study examines the effect of Coretax system user experience and digital tax literacy on voluntary tax compliance among Generation Z taxpayers in Denpasar, Bali. A quantitative causal research design was applied using primary data collected through a structured five-point Likert-scale questionnaire. The respondents consisted of 120 Generation Z individual taxpayers who held an active Taxpayer Identification Number (NPWP), resided in Denpasar, and had used the Coretax system at least once. Data were analyzed using multiple linear regression after validity, reliability, normality, multicollinearity, and heteroscedasticity tests were conducted. The findings show that Coretax system user experience has a positive and significant effect on voluntary tax compliance. Digital tax literacy also has a positive and significant effect on voluntary tax compliance. Although the explanatory power of the model is relatively limited, the results indicate that system usability and taxpayer digital competence remain relevant factors in encouraging voluntary compliance among young taxpayers. Practically, the findings suggest that the Directorate General of Taxes should improve Coretax interface design, strengthen user assistance, provide simple digital tutorials, and develop targeted digital tax education for Generation Z taxpayers.

Keywords: Coretax; Digital Tax Literacy; Generation Z; User Experience; Voluntary Tax Compliance

INTRODUCTION

Indonesia continues to face a structural challenge in strengthening tax revenue. The country's tax-to-GDP ratio remains relatively low compared with several regional and international benchmarks, indicating that the tax base, administrative capacity, and voluntary compliance still require sustained improvement (Directorate General of Taxes [DJP], 2025; Winardi, 2025; World Bank, 2024). Low voluntary compliance is not merely a technical problem. It is also associated with taxpayer trust, perceived fairness, complexity of tax procedures, and the extent to which taxpayers understand and are able to fulfil their obligations through available administrative channels.

In response to these challenges, the Indonesian government introduced the Core Tax Administration System, commonly known as Coretax, as part of a broader tax administration reform. The system was formally implemented following Minister of Finance Regulation Number 81 of 2024 and began operating in January 2025. Coretax is expected to integrate tax administration services, simplify taxpayer processes, and support more efficient supervision. However, its early implementation was accompanied by several practical difficulties, including access constraints, data inconsistencies, and taxpayer adaptation problems. These initial experiences are important because they may shape how taxpayers evaluate the system and, subsequently, how willing they are to comply voluntarily.

The issue is especially relevant for Generation Z taxpayers. Generation Z, defined in this study as individuals born between 1997 and 2012, represents a large and increasingly important group in Indonesia's future taxpayer base. As more members of this generation enter the labour market and obtain a Taxpayer Identification Number (NPWP), their early experiences with digital tax services may influence long-term compliance habits. Although this generation is often considered digitally native, familiarity with digital applications does not automatically mean that they understand tax concepts, filing procedures, or the consequences of inaccurate reporting.

Previous studies have shown that digitalization can strengthen tax administration by making services more accessible and efficient. Research on electronic tax systems also indicates that perceived usefulness, perceived ease of use, and service quality are associated with user satisfaction and compliance intention (Iramaidha et al., 2025; Saptono et al., 2023). Nevertheless, earlier studies in Indonesia have primarily focused on e-Filing, e-SPT, e-Faktur, or general electronic tax services. Coretax represents a newer and more integrated platform, and its implications for voluntary compliance still require more focused empirical examination.

Studies using TAM in tax administration generally show that taxpayers are more likely to use an electronic tax system when they believe that the system is useful and easy to operate. These findings are relevant to Coretax because the platform combines several tax services that were previously accessed through separate systems. However, integration alone does not guarantee compliance. When a system is mandatory, users may still experience frustration, uncertainty, or reluctance if the interface is difficult to understand or if the system produces technical barriers during reporting and payment activities.

Therefore, user experience in this study is not limited to visual appearance. It includes the taxpayer's perception of whether Coretax navigation is clear, whether features are understandable, whether the system helps reduce the effort of complying, and whether it works reliably when needed. These dimensions are important for Generation Z taxpayers because their expectations of digital services are shaped by everyday use of mobile banking, e-commerce, educational platforms, and other responsive applications. A tax platform that does not meet these expectations may reduce willingness to engage voluntarily.

Another stream of research emphasizes the role of tax literacy in shaping compliance behavior. Taxpayers who understand tax rules, reporting obligations, and digital procedures are generally better able to comply accurately and on time (Ambarwati et al., 2025; Rinaldi et al., 2025). Yet, the literature also shows that knowledge alone does not always lead to compliance. Some taxpayers may understand tax rules but still choose not to comply when they lack trust, perceive the system as unfair, or experience difficulties in using digital platforms. This suggests that digital tax literacy should be examined together with the quality of the digital system through which taxpayers fulfil their obligations.

Digital tax literacy also differs from general tax knowledge. General tax knowledge refers to understanding rules, rights, obligations, sanctions, and tax rates, while digital tax literacy requires the ability to access, evaluate, and use tax information through digital platforms. In the Coretax era, a taxpayer needs to know not only that a return must be submitted, but also how to log in, verify data, interpret system notifications, select the appropriate menu, and correct errors when the system displays mismatched information. This practical ability is central to voluntary compliance in a digital environment.

Prior findings on tax knowledge and compliance are not fully uniform. Some studies report that tax literacy encourages compliance, while others find that knowledge alone does not necessarily result in compliant behavior. This inconsistency suggests that literacy must be examined in a more contextual way. In this study, digital tax literacy is treated as a specific competence that connects tax understanding with the actual use of a digital tax system. This approach is expected to provide a more precise explanation of why some young taxpayers are able to comply voluntarily while others remain hesitant even when digital facilities are available.

This study addresses three research gaps. First, there is still limited empirical evidence on the relationship between Coretax user experience and voluntary tax compliance, particularly during the early implementation period of the system. Second, studies on Generation Z taxpayers often examine digital tax services and tax literacy separately, although these two factors may operate together in shaping compliance. Third, previous findings regarding tax knowledge and compliance are not fully consistent, which indicates the need for a more specific construct, namely digital tax literacy, that combines tax understanding with the ability to use digital tax information and platforms.

The first gap is methodological as well as contextual. Existing studies often measure technology acceptance in relation to general intention to use electronic tax services, while this study connects system experience directly with voluntary tax compliance. This distinction is

important because using a system and complying voluntarily are related but not identical. A taxpayer may access a system because it is mandatory, but voluntary compliance requires a stronger behavioral response, including willingness to provide accurate information and complete obligations without coercive pressure.

The second gap concerns the characteristics of young taxpayers. Generation Z taxpayers are still forming their tax habits, and their first experiences with digital tax administration may shape future compliance patterns. If their early interactions with Coretax are positive and supported by adequate literacy, they may develop more constructive attitudes toward formal tax obligations. If their first experiences are marked by confusion or technical difficulty, tax compliance may be perceived as burdensome from the beginning.

The Technology Acceptance Model (TAM) provides the primary theoretical basis for examining the Coretax user experience. TAM explains that perceived usefulness and perceived ease of use influence a person's attitude and intention toward using technology (Davis, 1989). In the context of mandatory digital tax services, the system may be legally required, but the quality of user experience can still affect whether taxpayers interact with it willingly, accurately, and consistently. A platform that is perceived as easy to navigate, reliable, and useful may reduce psychological and procedural barriers to compliance.

The Theory of Planned Behavior (TPB) complements TAM by explaining why taxpayers decide to perform compliance behavior. According to TPB, behavioral intention is influenced by attitude toward the behavior, subjective norms, and perceived behavioral control (Ajzen, 1991). Digital tax literacy is closely related to perceived behavioral control because taxpayers who understand tax obligations and know how to use digital tax systems are more confident in completing tax procedures. In this sense, literacy is not only knowledge but also a practical capacity to act.

Combining TAM and TPB enables this study to analyze both the technological and behavioral dimensions of voluntary tax compliance. Coretax user experience reflects the taxpayer's perception of the digital system, while digital tax literacy reflects the taxpayer's competence in understanding and applying tax information through digital means. When the system is usable and taxpayers have adequate digital tax literacy, voluntary compliance is expected to increase because taxpayers perceive the process as less difficult and more controllable.

Based on this reasoning, the purpose of this study is to examine the effect of Coretax system user experience and digital tax literacy on voluntary tax compliance among Generation Z taxpayers in Denpasar, Bali. More specifically, this study investigates whether Coretax user experience has a positive and significant effect on voluntary compliance, whether digital tax literacy has a positive and significant effect on voluntary compliance, and how both variables jointly explain compliance behavior among young taxpayers.

The study contributes to the literature by extending TAM and TPB to the context of Indonesia's new Coretax system and Generation Z taxpayers. The practical contribution lies in providing evidence for tax administrators regarding the importance of improving Coretax usability and designing digital tax education that is suitable for young taxpayers. The policy

contribution is also relevant because Coretax implementation is still developing, and empirical feedback from early users can help improve system design, taxpayer assistance, and outreach strategies.

The study is also relevant because Denpasar is an urban area with relatively active digital service use and a growing population of young taxpayers. Studying Generation Z taxpayers in this setting provides an opportunity to observe early responses to Coretax among users who are likely to be familiar with technology but may still be developing their tax awareness and compliance routines. The results are not intended to represent all Indonesian taxpayers, but they provide focused evidence from a cohort that will become increasingly important for the future tax base.

Within this framework, a positive Coretax user experience is expected to reduce the perceived burden of tax reporting and encourage taxpayers to comply voluntarily. If Generation Z taxpayers perceive Coretax as useful, accessible, and reliable, they are more likely to complete their obligations accurately and on time. Therefore, the first hypothesis is formulated as follows:

H1: Coretax system user experience has a positive and significant effect on voluntary tax compliance among Generation Z taxpayers.

Digital tax literacy is also expected to strengthen voluntary compliance because it improves taxpayers' ability to understand tax rules, interpret digital tax information, and use Coretax features independently. Taxpayers with higher digital tax literacy should have stronger perceived behavioral control over the compliance process. Therefore, the second hypothesis is formulated as follows:

H2: Digital tax literacy has a positive and significant effect on voluntary tax compliance among Generation Z taxpayers.

METHOD

This study uses a quantitative causal research design to examine the effect of Coretax system user experience and digital tax literacy on voluntary tax compliance. A quantitative approach is appropriate because the research variables are measured numerically and analyzed statistically. The design is causal because the study tests the direction and significance of the relationship between two independent variables, namely Coretax system user experience and digital tax literacy, and one dependent variable, namely voluntary tax compliance. The study is cross-sectional, meaning that the data were collected at one point in time during the implementation period of the Coretax system.

The study used primary data collected through a structured questionnaire. The questionnaire was developed using closed-ended statements measured on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). This scale was selected because it allows respondents to express the degree of their agreement while also providing numerical data suitable for regression analysis. Before being distributed, the questionnaire items were reviewed to ensure that they were aligned with the research variables and were understandable for young taxpayers.

The population of this study consisted of Generation Z individual taxpayers in Denpasar City, Bali, who had an active Taxpayer Identification Number (NPWP) and had used the Coretax system at least once. The respondent criteria were: (1) born between 1997 and 2012; (2) residing in Denpasar; (3) registered as an individual taxpayer with an active NPWP; and (4) having experience using Coretax for registration, reporting, payment, account access, or other tax-related services. These criteria were used to ensure that respondents had direct experience with the system being evaluated.

The sampling technique used was purposive sampling. This technique was chosen because the respondents had to meet specific criteria related to age, taxpayer status, location, and Coretax experience. The questionnaire was distributed online through Google Forms and shared through taxpayer networks, student and alumni groups, professional contacts, and social media channels that were likely to reach Generation Z taxpayers in Denpasar. Respondents were first asked screening questions to confirm that they met the required criteria. Only responses that satisfied all criteria were included in the final analysis.

Data screening was conducted before the final dataset was processed. Responses were checked to ensure that each respondent met the inclusion criteria and that no incomplete questionnaires were included in the analysis. Because the questionnaire was self-administered online, respondents were informed about the research purpose and were asked to answer based on their own experience with Coretax. This procedure was intended to reduce invalid responses and improve the relevance of the collected data.

The use of purposive sampling means that the results should be interpreted within the context of the selected respondent criteria. The sample is appropriate for testing the relationship among the variables in this study, but it does not claim to represent all taxpayers in Indonesia. This limitation is acceptable because the research objective is specifically focused on Generation Z taxpayers in Denpasar who have already interacted with Coretax.

The sample size was determined using the guideline proposed by Hair et al., which recommends a minimum sample of five to ten times the number of indicators used in multivariate analysis. This study used 12 measurement indicators, consisting of four indicators for Coretax system user experience, four indicators for digital tax literacy, and four indicators for voluntary tax compliance. Applying the maximum guideline of ten times the number of indicators produced a required sample of 120 respondents. Therefore, 120 valid questionnaires were used in this study.

Coretax system user experience was measured through indicators related to ease of navigation, clarity of system features, perceived usefulness, and system reliability during tax-related activities. Digital tax literacy was measured through indicators related to understanding digital tax information, ability to interpret tax obligations, ability to use Coretax features, and awareness of digital tax risks and compliance procedures. Voluntary tax compliance was measured through indicators related to willingness to report taxes accurately, timely fulfilment of obligations, honest reporting, and the intention to comply without direct enforcement pressure.

The Coretax user experience indicators were adapted to capture the most immediate aspects of interaction between taxpayers and the system. Ease of navigation refers to whether respondents can move between menus without confusion. Clarity of features refers to whether the labels, instructions, and available functions are understandable. Perceived usefulness refers to whether respondents feel that Coretax helps them complete tax obligations more efficiently. System reliability refers to whether the platform can be accessed and used without repeated technical disruptions.

The digital tax literacy indicators were designed to measure both cognitive and practical competence. Understanding digital tax information refers to the ability to recognize relevant tax guidance from official digital sources. Interpreting tax obligations refers to the ability to understand what must be reported or completed through Coretax. Ability to use Coretax features refers to practical competence in operating the platform. Awareness of digital tax risks refers to understanding the importance of accurate data, secure access, and correct reporting procedures. The voluntary compliance indicators focus on willingness to comply accurately, honestly, and on time without waiting for direct enforcement.

The data were analyzed using SPSS Statistics. The analysis began with descriptive statistics to describe the distribution of respondent answers. Validity testing was conducted using Pearson correlation to determine whether each item measured the intended construct. Reliability testing was conducted using Cronbach's Alpha to assess the internal consistency of each variable. Classical assumption tests were then performed, including normality, multicollinearity, and heteroscedasticity tests. After these requirements were met, multiple linear regression analysis was used to test the effect of Coretax system user experience and digital tax literacy on voluntary tax compliance. Hypothesis testing was conducted using the t-test for partial effects, the F-test for simultaneous effects, and the coefficient of determination to evaluate the explanatory power of the model.

The regression model used in this study can be written as Y = alpha + beta1X1 + beta2X2 + e, where Y represents voluntary tax compliance, X1 represents Coretax system user experience, X2 represents digital tax literacy, alpha represents the constant, beta represents the regression coefficient of each independent variable, and e represents the error term. This model was used to identify whether each independent variable has a partial effect on the dependent variable while controlling for the other independent variable in the same model.

RESULT AND DISCUSSION

A total of 120 valid questionnaires were analyzed in this study. The analysis includes descriptive statistics, validity and reliability testing, classical assumption testing, and multiple linear regression using SPSS. The statistical results are presented to evaluate whether Coretax system user experience and digital tax literacy significantly explain voluntary tax compliance among Generation Z taxpayers in Denpasar.

Table 1. Descriptive Statistic

Construct	Minimum	Maximum	Mean	Standard deviation
Core tax user experience (X_1)	7,00	20,00	16,43	2,08
Digital tax literacy (X_2)	12,00	20,00	17,27	1,94
Voluntary tax compliance (Y)	12,00	20,00	16,22	2,03

(Processed data, 2026)

Based on the descriptive statistics, the respondents were between 19 and 30 years old, with an average age of 23.38 years and a standard deviation of 3.53. This indicates that the respondents were within the Generation Z category and were generally in an early productive age group. The Coretax system user experience variable had a mean score of 16.43, with a minimum of 7.00 and a maximum of 20.00. Digital tax literacy had a mean score of 17.27, with a minimum of 12.00 and a maximum of 20.00. Voluntary tax compliance had a mean score of 16.22, with a minimum of 12.00 and a maximum of 20.00. These values indicate that respondents tended to provide relatively high assessments of their Coretax experience, digital tax literacy, and voluntary compliance behavior.

The validity test results show that all indicators were valid because each Pearson correlation value exceeded the r-table value of 0.179 and had a significance value below 0.05. The four Coretax user experience indicators produced correlation values of 0.864, 0.681, 0.823, and 0.821. These results indicate that the indicators were able to measure the intended construct. The digital tax literacy indicators also met the validity criteria, with correlation values of 0.521, 0.686, 0.550, and 0.637, all significant at 0.000. Therefore, the digital tax literacy items were considered appropriate for further analysis.

The voluntary tax compliance indicators had correlation values of 0.717, 0.709, 0.609, and 0.764, with significance values of 0.000. These results confirm that all items used to measure voluntary tax compliance were valid. Overall, the validity test indicates that the measurement items for all three variables were statistically acceptable and could be used in the regression analysis.

The reliability test results show that all variables were reliable because the Cronbach's Alpha values exceeded 0.60. Coretax system user experience had a Cronbach's Alpha value of 0.798, indicating good internal consistency. Digital tax literacy had a Cronbach's Alpha value of 0.625, while voluntary tax compliance had a Cronbach's Alpha value of 0.650. Although the last two values are moderate, they still meet the minimum reliability criterion for exploratory behavioral research.

These findings suggest that the questionnaire items were sufficiently consistent in measuring the constructs. Therefore, the research instrument was considered reliable and suitable for hypothesis testing.

Table 2. Normality test

		Unstandardized Coefficient
N		120
Normal Parameters	Mean	0,0000
Most Extreme Differences	Standard Deviation	1,872
	Absolute	0,080
	Positive	0,056
	Negative	-0,080
Test Statistic		0,080
Asymp. Sig (2 tailed)		0,058
Monte carlo sig. (2 tailed)		0,062
99% confidence interval	Lower bound	0,056
	Upper bound	0,068

(Processed data, 2026)

An Asymp. Sig. (2-tailed) value of 0.058 was found based on the findings of the normality test conducted on unstandardized residuals using the One-Sample Kolmogorov-Smirnov technique. This score suggests that the research data is normally distributed because it is higher than the significance level of 0.05. Furthermore, a significance value of 0.062 with a 99% confidence range spanning from 0.056 to 0.068 is shown in the Monte Carlo Sig. (2-tailed) results, which is also higher than 0.05. This provides more evidence that the residuals of the regression model satisfy the normality condition. Consequently, it may be said that the study's data are normally distributed, which qualifies them for regression analysis and further hypothesis testing.

Table 3. Multicollinearity test

	Unstandardized Coefficient		Standardized Coefficients			Collinearity Statistics	
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig**	**Tolerance**	**VIF**
Constant	8,745	1.646		5,312	0,000		
X1	0,208	0,103	0,213	2,014	0,046	0,648	1,543
X2	0,235	0,111	0,225	2,124	0,036	0,648	1,543

(Processed data, 2026)

The regression model's multicollinearity test results show that the user experience variable has a tolerance value of 0.648 and a VIF value of 1.543. In the meantime, the VIF value is 1.543 and the tolerance value is 0.648 for the digital tax literacy variable. Both variables

have tolerance values above 0.10 and VIF values below 10. This suggests that the independent variables in the regression model do not exhibit multicollinearity. Since there is little connection between the user experience and digital tax literacy variables, the regression model satisfies the multicollinearity assumption and may be used for additional analysis.

Table 4. Heteroscedasticity test

Model	Unstandardized Coefficient		Standardized Coefficients Beta	t	Sig
	B	Std. Error			
Constant	-0,925	0,894		-1,035	0,303
X1	0,030	0,056	0,059	0,533	0,595
X2	0,115	0,060	0,212	1,906	0,059

(Processed data, 2026)

The user experience variable has a significance value of 0.595 and the digital tax literacy variable has a significance value of 0.059 according to the results of the heteroscedasticity test using the Glejser method. The significance levels are both higher than 0.05. This suggests that there are no indications of heteroscedasticity in the regression model because the independent variables do not significantly affect the absolute residual values. Therefore, the heteroscedasticity requirement has been satisfied, and the regression model is appropriate for additional analysis since the residual variance in the regression model is homogeneous or constant.

Table 5. Multiple Linear Regression Analysis Test

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	8,745	1,646		5,312	0,000
Core tax user experience (X_1)	0,208	0,103	0,213	2,014	0,046
Digital tax literacy ($X_{2)}$	0,235	0,111	0,225	2,124	0,036
R					0,391
R^2					0,153
Adjusted (R^2)					0,138
F Count					10,527
Signification F					0,000

(Processed data, 2026)

Based on Table 5, the following regression equations as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (1)$$

$$Y = 8{,}745 + 0.208\ X_1 + 0.235\ X_2 + e$$

The regression equation indicates that the constant value is 8.745. This means that voluntary tax compliance would have a baseline value of 8.745 if Coretax system user experience and digital tax literacy were assumed to be constant. The regression coefficient for Coretax system user experience is 0.208, meaning that a one-unit increase in user experience is associated with a 0.208 increase in voluntary tax compliance, assuming other factors remain constant. The coefficient for digital tax literacy is 0.235, meaning that a one-unit increase in digital tax literacy is associated with a 0.235 increase in voluntary tax compliance. Because the significance values of both variables are below 0.05, both variables have positive and significant effects on voluntary tax compliance.

The t-test further confirms the partial effect of each independent variable. The Coretax system user experience variable has a t-value of 2.014 with a significance value of 0.046, indicating a positive and significant effect on voluntary tax compliance. The digital tax literacy variable has a t-value of 2.124 with a significance value of 0.036, indicating that this variable also has a positive and significant effect. These results support both research hypotheses and show that better digital system experience and stronger digital tax literacy are associated with higher voluntary compliance among Generation Z taxpayers.

The F-test produced an F-value of 10.527 with a significance value of 0.000. This shows that Coretax system user experience and digital tax literacy simultaneously have a significant effect on voluntary tax compliance. The coefficient of determination shows an R Square value of 0.153 and an Adjusted R Square value of 0.138. This means that the two independent variables explain 15.3% of the variation in voluntary tax compliance, while the remaining 84.7% is explained by factors outside the model.

The relatively low R Square value should be interpreted carefully. Although both independent variables are statistically significant, voluntary tax compliance is a complex behavioral outcome that cannot be explained only by system experience and digital literacy. Other factors, such as tax morale, trust in government, perceived fairness, sanctions, social norms, income level, tax complexity, and prior tax experience, may also influence whether young taxpayers comply voluntarily. Therefore, the findings should not be read as evidence that Coretax usability and digital tax literacy are the only determinants of compliance. Rather, they show that these two variables are relevant but partial contributors to voluntary compliance among Generation Z taxpayers.

This interpretation is important because statistical significance does not always imply strong explanatory power. The significant coefficients show that Coretax experience and digital tax literacy move in the expected direction, but the R Square value shows that the model captures only a small part of the broader compliance process. In behavioral taxation research, compliance is often shaped by a combination of instrumental, normative, and trust-based considerations. A taxpayer may understand the system and be digitally literate, yet still hesitate

to comply when they perceive tax administration as unfair or when they believe that public funds are not managed transparently.

The result also indicates that compliance improvement cannot rely on a single policy instrument. A technically improved Coretax system may encourage compliance among taxpayers who are already motivated and literate, but it may have a weaker effect among taxpayers who distrust tax institutions or do not see tax payment as socially important. Likewise, literacy programs may increase knowledge but may not be sufficient if taxpayers experience repeated technical obstacles when using the platform.

For this reason, the findings should be understood as supporting a layered compliance strategy. The first layer is system quality, which ensures that taxpayers can complete their obligations without unnecessary friction. The second layer is literacy, which equips taxpayers with the competence to understand and use digital tax services. The third layer involves broader behavioral factors, such as trust, fairness, social norms, and perceived enforcement. Future policy development should integrate these layers rather than treating them separately.

The low-to-moderate relationship also reflects the early stage of Coretax implementation. During a transition period, user perceptions may be unstable because taxpayers are still learning the system and the tax authority is still improving technical performance. Some respondents may have evaluated Coretax based on one or two early interactions, while others may have received assistance from tax officers, friends, or workplace administrators. These differences may reduce the explanatory power of user experience and digital tax literacy when predicting voluntary compliance.

H1: Coretax system user experience has a positive and significant effect on voluntary tax compliance among Generation Z taxpayers.

H1 is accepted because the Coretax system user experience has a positive and significant effect on voluntary tax compliance. This result supports the Technology Acceptance Model, which explains that perceived usefulness and ease of use influence how users respond to a technology system (Davis, 1989). In the context of Coretax, a better user experience can reduce the practical burden of completing tax obligations and make taxpayers more willing to interact with the system accurately and consistently.

For Generation Z taxpayers, system experience is especially important because this group is accustomed to digital platforms that are intuitive, fast, and easy to understand. When Coretax is perceived as difficult, unstable, or confusing, taxpayers may delay reporting, seek excessive assistance, or comply only minimally. Conversely, when the system is clear and reliable, voluntary compliance becomes more accessible.

The positive effect of user experience also has a preventive function. When the digital tax system is confusing, taxpayers may make unintentional errors, submit incomplete information, or postpone compliance because they fear making mistakes. A clear and reliable system reduces this anxiety. In other words, Coretax usability can support voluntary compliance not only by increasing convenience, but also by reducing the perceived risk and uncertainty associated with tax reporting.

This finding is consistent with prior studies showing that electronic tax system quality, perceived ease of use, and perceived usefulness are associated with satisfaction, continued use, and compliance intention (Iramaidha et al., 2025; Saptono et al., 2023; Setiadi et al., 2026). The result also suggests that tax administration reform should not only focus on regulatory enforcement but also on the everyday usability of the system experienced by taxpayers.

From a practical perspective, the result implies that improving Coretax interface design, reducing technical errors, simplifying guidance, and providing responsive help channels can contribute to compliance. A positive user experience may not fully determine compliance, but it can remove barriers that prevent taxpayers from acting on their intention to comply.

H2: Digital tax literacy has a positive and significant effect on voluntary tax compliance among Generation Z taxpayers.

H2 is accepted because digital tax literacy has a positive and significant effect on voluntary tax compliance. This result is consistent with the Theory of Planned Behavior, particularly the concept of perceived behavioral control (Ajzen, 1991). Taxpayers who understand digital tax information and know how to use Coretax features are more capable of fulfilling their obligations without relying entirely on external assistance.

Digital tax literacy serves as a competence bridge between intention and action. A taxpayer may have a positive attitude toward compliance, but compliance can still be difficult when the taxpayer does not understand digital procedures, filing requirements, or the consequences of incorrect reporting. Adequate literacy strengthens confidence and reduces uncertainty in the compliance process.

For Generation Z, digital tax literacy should not be assumed simply because the group is familiar with technology. Using social media or financial applications is different from understanding tax obligations and completing formal procedures through a government platform. The result of this study supports the view that targeted education remains necessary, especially for young taxpayers who are filing or updating their tax data for the first time.

The finding aligns with studies showing that tax literacy and digital tax literacy are positively associated with taxpayer compliance, particularly among younger taxpayers who interact with tax authorities through digital channels (Ambarwati et al., 2025; Rinaldi et al., 2025). However, the modest explanatory power of the model indicates that literacy should be supported by other conditions, including trust, fairness, and clear communication from tax authorities.

Thus, digital tax literacy should be strengthened through practical education rather than abstract information alone. For Generation Z taxpayers, educational content should explain not only what taxes are, but also how to use Coretax, how to avoid common reporting mistakes, and where to seek assistance when technical problems arise.

The practical implication is that system improvement and taxpayer education should be implemented together. Improving Coretax without improving literacy may leave some taxpayers unable to use the system effectively. Conversely, increasing literacy without improving system usability may create frustration when taxpayers understand their obligations

but cannot complete them smoothly. A combined strategy is therefore more suitable for encouraging voluntary compliance among young taxpayers.

A combined strategy may include a simplified Coretax onboarding flow for first-time taxpayers, short scenario-based tutorials, interactive simulations of common tax procedures, and official social media content that addresses frequent errors. Tax offices may also collaborate with universities, employers, and youth communities to introduce practical tax education before taxpayers face annual reporting deadlines. Such initiatives would make digital tax literacy more experiential and less dependent on passive reading of regulations.

CONCLUSION AND SUGGESTION

This study concludes that Coretax system user experience and digital tax literacy have positive and significant effects on voluntary tax compliance among Generation Z taxpayers in Denpasar, Bali. The regression results support both research hypotheses. Coretax system user experience has a positive coefficient of 0.208 with a significance value of 0.046, while digital tax literacy has a positive coefficient of 0.235 with a significance value of 0.036. These findings indicate that young taxpayers are more likely to comply voluntarily when they have a better experience using Coretax and possess stronger digital tax literacy.

The results also show that the model explains 15.3% of the variation in voluntary tax compliance. This value indicates that Coretax user experience and digital tax literacy are meaningful but limited predictors. Voluntary tax compliance is a broader behavioral phenomenon that may also be influenced by tax morale, trust in government, perceived fairness, sanctions, social norms, income level, tax complexity, and prior tax experience. Therefore, the findings should be interpreted as evidence of partial influence rather than a complete explanation of taxpayer compliance behavior.

Based on the findings, the Directorate General of Taxes is encouraged to improve the Coretax interface by making navigation clearer, reducing technical disruptions, simplifying instructions, and ensuring that commonly used features are easy to find. Tax authorities should also provide user-friendly tutorials, frequently asked questions, short videos, and step-by-step guidance that specifically address the needs of young taxpayers. In addition, digital tax education campaigns for Generation Z should be designed in accessible language and delivered through platforms that are familiar to this cohort.

The recommendations should be prioritized according to the stages of taxpayer interaction with Coretax. At the access stage, tax authorities should ensure account activation, identity verification, and login procedures are simple and stable. At the reporting stage, instructions should be clear, examples should be available, and error messages should be written in plain language. At the post-reporting stage, taxpayers should receive confirmation, guidance for correction, and accessible support if inconsistencies appear in their data.

These recommendations are also important for maintaining taxpayer confidence during the transition from earlier tax systems to Coretax. A transition period often creates uncertainty because taxpayers must adjust to new menus, new procedures, and new forms of digital

communication. When the tax authority responds quickly to user complaints and communicates improvements transparently, taxpayers may perceive the reform as more credible and supportive. This perception can indirectly strengthen the willingness to comply because taxpayers feel that the administration is responsive to their practical difficulties.

For Generation Z taxpayers, the communication style of tax education also matters. Formal regulations remain necessary, but they may not be the most effective first point of contact for young taxpayers. Practical content such as short videos, infographics, question-and-answer posts, and examples of common reporting situations can help translate tax rules into usable knowledge. This approach would make digital tax literacy more applicable and could reduce dependence on informal sources that may provide incomplete or inaccurate tax information.

Regular evaluation of Coretax user satisfaction is also recommended. Feedback from taxpayers should be collected periodically to identify recurring technical problems and usability barriers. Such evaluation can help tax authorities improve system performance and prevent early negative experiences from reducing taxpayer willingness to comply. Tax offices may also consider providing online helpdesks or live assistance during important tax reporting periods.

This study has several limitations. First, the data were collected using self-reported questionnaires, which may create common method bias. Second, the study focused only on Generation Z taxpayers in Denpasar, so the findings may not fully represent taxpayers from other regions or generations. Third, the research was conducted during the early implementation period of Coretax, when taxpayer perceptions may still change as the system becomes more stable.

Future studies are recommended to include additional variables such as taxpayer trust, tax morale, perceived fairness, perceived system security, social norms, and tax sanctions. Future research may also test mediating or moderating variables, such as user satisfaction, perceived risk, or trust in digital government services. A comparative study across generations and regions would also provide a more comprehensive understanding of how digital tax reform influences voluntary compliance in Indonesia.

Future research may also use longitudinal data to observe whether taxpayer perceptions change after Coretax becomes more stable. A longitudinal design would allow researchers to compare early implementation perceptions with later user experience after technical improvements have been made. Such research would provide stronger evidence about whether improvements in system quality and literacy programs lead to sustained voluntary compliance over time.

In addition to longitudinal analysis, future studies may combine survey data with actual administrative behavior, such as filing timeliness, correction frequency, or helpdesk use, if access to such data is ethically and legally possible. Combining perception-based data with behavioral records would reduce the risk of common method bias and provide a more objective picture of voluntary compliance. This approach would also help distinguish taxpayers who express positive attitudes toward compliance from those who actually complete their obligations accurately and on time.

REFERENCES

Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Processes, 50(2), 179-211.

Ambarwati, M., Rianti, A., Manalu, R. N., & Gulo, R. A. (2025). The influence of tax literacy and digitalization of the tax system on Gen Z taxpayer compliance at the North Bekasi Tax Office 2024. Golden Ratio of Data in Summary, 5(4), 839-846.

Apsari, N. S., Dewi, R. K., & Lindrianasari. (2025). Generation Z and tax compliance: Insights into knowledge, sanctions, and technology adoption with risk preferences as a moderating variable. Al-Kharaj: Journal of Islamic Economics and Business, 9(8), 722-738.

Darmayasa, I. N., & Hardika, N. S. (2024). Core tax administration system: The power and trust dimensions of slippery slope framework tax compliance model. Cogent Business & Management, 11(1), 1-14.

Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. MIS Quarterly, 13(3), 319-340.

Dealova, G. E. A. (2024). Tax compliance and moral ethics differences across Baby Boomer II, Generation X, Millennials and Generation Z. JIMEA: Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi), 8(2).

Directorate General of Taxes. (2025). A simple study of tax morale in Indonesia. Ministry of Finance of the Republic of Indonesia.

Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of convenience sampling and purposive sampling. American Journal of Theoretical and Applied Statistics, 5(1), 1-4.

Fenta, N. D., & Tresnajaya, R. T. J. (2025). The effect of Coretax implementation on tax compliance with user satisfaction as a mediating variable. Economics and Digital Business Review.

Ghozali, I. (2018). Aplikasi analisis multivariate dengan program IBM SPSS 25 (9th ed.). Badan Penerbit Universitas Diponegoro.

Ignasius, F., & Tambun, S. (2025). The influence of Coretax, tax literacy, and digital literacy on individual taxpayer compliance at the Kendal Tax Office. Jurnal Multidisiplin Sahombu, 3(2).

Iramaidha, A. E., Hidayat, K., Fahrudi, A. N. L. I., & Nurrohman, R. (2025). Assessing the impact of service quality, perceived usefulness, and ease of use on e-filing adoption: A TAM perspective on taxpayer satisfaction and compliance. International Journal of Research and Innovation in Social Science, 9(14).

Khusniah, W., Merbaka, Z. R., Pahala, I., & Wahono, P. (2025). The role of digital Coretax technology in enhancing corporate income tax compliance. TOFEDU: The Future of Education Journal, 4(6), 1514-1521.

Kurnia, E., & Khomsiyah, K. (2023). Understanding Generation Z tax compliance behaviour. Jurnal Bisnis & Akuntansi, 25(2), 159-174.

Ministry of Finance of the Republic of Indonesia. (2024). Peraturan Menteri Keuangan Nomor 81 Tahun 2024 tentang Ketentuan Perpajakan dalam Rangka Pelaksanaan Sistem Inti Administrasi Perpajakan. Kementerian Keuangan Republik Indonesia.

Nuhlaa, H., & Prawestri, A. D. (2024). Gen Z's perception of understanding tax compliance behavior. In Proceedings of the International Conference on Economics, Accounting, and Taxation (CAMIC 2024). Universitas Mercu Buana.

Perera, K. H., & Munasinghe, M. A. T. K. (2020). Determinants of tax compliance intention: Focus on the theory of planned behavior.

Rinaldi, M., Ramadhani, M. H. Z. K., Ramadhani, M. A., Sudirman, S. R., & Ariandi, M. A. (2025). The mediating role of digital tax literacy in TikTok-based tax compliance among Indonesian taxpayers. INJECT: Interdisciplinary Journal of Communication, 10(1), 717-732.

Saptono, P. B., Hodzic, S., Khozen, I., Mahmud, G., Pratiwi, I., Purwanto, D., Aditama, M. A., Haq, N., & Khodijah, S. (2023). Quality of e-tax system and tax compliance intention: The mediating role of user satisfaction. Informatics, 10(1), 22.

Setiadi, R., Fitriah, E., Muharam, H., Wahyudi, I., & Buchdadi, A. D. (2026). System quality, perceived compulsion, and tax literacy as determinants of continuous usage intention: Evidence from Indonesia's mandatory Coretax platform. Informatics, 13(5), 76.

Sinergi International Journal of Economics. (2025). The influence of digital tax education and deterrence perception on pre-compliance intentions: A study of Generation Z university students. Sinergi International Journal of Economics, 3(1).

Suyanto, Suryanto, T., Pratiwi, U., & Rohmawati, A. A. (2024). Taxpayer satisfaction with the use of the Core Tax System. ICCMS: International Collaborative Conference on Multidisciplinary Science, 1(2).

Taxpayer Perceptions of the Coretax System: A TAM-ISSM Approach. (2025). Journal of Accounting and Computer Applications, 8(1), 102-125.

Wahyuandari, W., & Talithahandari, C. (2025). The effect of tax knowledge in moderating the connection between the theory of planned behavior and taxpayer compliance.

Winardi, R. D. (2025). Indonesia's tax-to-GDP ratio and compliance challenges. Universitas Gadjah Mada.

World Bank. (2024). Funding Indonesia's vision: Tax revenue performance and reform priorities. World Bank Group.

Azmi, A. A. C., & Daud, Z. (2024). Emerging technologies on tax education in shaping tax compliance among SMEs in Malaysia. Information Management and Business Review, 17(1S), 325-337.

Handarini, D., Yuliana, N., & Setiawan, B. (2026). The impact of digital tax education and financial app use on tax literacy and compliance intention among e-commerce MSMEs in Indonesia. In A. Iglesias, J. Shin, N. Bhatt, & A. Joshi (Eds.), Information Systems for Intelligent Systems: ISBM 2025. Lecture Notes in Networks and Systems (Vol. 1750). Springer.

Michael, R., & Widjaja, S. (2024). Tax knowledge and compliance levels among individual taxpayers in Indonesia. In Tax Compliance in Indonesian MSMEs: Key Factors Explored.

MORFAI Journal. (2025). Digital tax transformation: Coretax and ease of use on taxpayer compliance with tax socialization as a moderating variable. MORFAI Journal, 6(3).

Muttiwijaya, G. T. P., Fauzan, A., Merdikaningtyas, D. A., & Sari, D. P. (2025). Digital transformation in tax administration: The role of Coretax, service quality, and morality in enhancing MSME compliance in Indonesia.

Seven Stones Indonesia. (2025). Coretax system: Technical issues, data mismatches, and early implementation challenges.

Tempo English. (2025, February 24). Meet Coretax, the controversial modernization of Indonesia's tax system.

Universitas Gadjah Mada. (2025, April 8). UGM academic urges improved taxpayer compliance and windfall tax. Universitas Gadjah Mada.