

## Research Article

# Public Trust in Regional Tax Management in Sinjai Regency

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## Abstract.

This study examines public trust in regional tax management in Sinjai Regency, focusing on how institutional performance, communication, transparency, and fairness influence citizens' trust in local tax authorities. Using qualitative research methods, including in-depth interviews with local residents and tax administrators, the study reveals key factors that shape perceptions of tax management. Findings indicate that while transparency and procedural fairness are central to fostering trust, inefficiencies in administrative processes, lack of effective communication, and perceived institutional bias significantly undermine trust in the system. Respondents highlighted frustrations with slow, bureaucratic procedures, insufficient outreach, and the unequal treatment of taxpayers, particularly in rural contexts where informal networks play a crucial role in mediating interactions with tax authorities. Additionally, the study explores the dual structure of trust, where citizens often trust local intermediaries over formal institutions. These insights address gaps in existing literature, particularly in rural and decentralized governance settings, by emphasizing the importance of communication and engagement strategies. The study concludes that improving institutional responsiveness, streamlining tax administration processes, and enhancing public outreach efforts are vital for rebuilding public trust in tax governance at the regional level.

**Keywords:** public trust, regional tax management, institutional performance

## 1. Introduction

For tax management to be successful, the government needs the trust of the public, since people are involved by giving taxes for public use. People are more likely to pay their taxes, get involved with the government and recognize its legitimacy when they deeply trust the authorities in charge of taxation (1), (2). Since regions control a large share of local finances in Indonesia, making sure taxes are managed properly is a crucial way to keep people's trust (3) That is why studying how people trust the Sinjai region to collect taxes can be important for strengthening governance accountability and independence.

Following these reforms in the early 2000s, local authorities in Indonesia now oversee their taxes and spending, though their implementation has shown some weaknesses in

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both institutions and actions (5). Sinjai Regency has the responsibility to oversee and manage local taxes such as land and building tax, restaurant tax and street lighting tax. To support development in regions, these local revenues need people to comply, depending on how much they trust the regional tax administration (6).

Simply being efficient or performing well in raising revenue does not guarantee that taxpayers are confident in the system. This means it includes transparent actions, fairness being viewed by others, the conduct of institutions and the backgrounds of citizens (7). Should tax officials appear to be corrupt or unresponsive to the public, people are more likely to avoid paying taxes. Meanwhile, people show more trust in institutions when these organizations are honest, ensure fairness and regularly keep the public updated. Local taxation is still met with distrust in Indonesia because it lacks transparency, involves little public involvement and provides unequal services in different regions (8).

In Sinjai Regency, it seems that people trust the regional tax authorities because of both the services they provide and the society's values, history and respect for local leaders. Most people in the community assess the reliability of local tax officials and authorities by their presence, how they behave and how fair and honest they appear (9). Unfortunately, because systematic research on these feelings and understandings is lacking, the literature often fails to reflect the situation in less urban and rural areas like Sinjai. Understanding the building, negotiating and challenging of trust in these circumstances can improve how taxes are managed.

Trust in the government is also shaped by good communication between the tax authorities and the public. Studies indicate that few conflicts develop when authorities are open and detailed in sharing information, so that taxpayers understand their contributions' use (10). When the process of information sharing is bureaucratic in a region, citizens may not take part in the financial management of their region, might not support local institutions and may feel separated. Due to the lack of official tax information in most rural areas of Sinjai, people may misunderstand or feel more isolated from the whole tax system.

In some communities, people find guidance from friends, family and traditions when dealing with the authorities. Sometimes, trust does not develop within the institution but comes from building relationships with people within it. While social trust inspires people to cooperate, not being treated the same can cause individuals to mistrust the

leaders. Because trust among neighbors in Sinjai Regency is easy to find, we have to pay attention to how each form of trust shapes the people's attitude towards taxes.

This study aims to gather information about how tax is managed by consulting the locals in Sinjai. It investigates people's and groups' understanding of trust and what influences their trust levels, as well as how regional tax organizations react to such situations. In these types of studies, trust is examined with a focus on aspects that aren't measurable by numbers, unlike quantum studies.

## 2. Method

In this study, researchers explored local citizens' thoughts and views on the administration of taxes in Sinjai Regency. The researchers used the qualitative approach since it enables them to examine what people think, their social relationships and their environment which is not always possible to measure quantitatively. To better understand what affects public trust in local tax authorities, the study considered how trust is perceived by citizens and related groups.

Case study was chosen as the research design because it helps inspect a current event as it happens in reality. We focused on Sinjai Regency because it has unique social and cultural traits, a decentralized system and is engaged in reforming its local taxes. By using case studies, we could analyze both the rules and practices in the region and how they reflect on trust in the public.

The primary tools for learning about the topic were in-depth interviews, focus group discussions (FGDs) and reviewing various kinds of documents. Several interviews were made with tax officials, members of local authorities, community leaders and a mixture of citizens with different jobs and economic situations. Such interviews were organized, giving the participant space to discuss matters that seemed significant to them. The interviews were conducted with 18 participants and they ended up lasting between 45 minutes and 90 minutes, depending on the respondent.

In addition to meeting with individuals, two focus group sessions were used to address how taxpayers worked together and what they shared. Sixty-eight participants participated in the FGDs which were set up to discuss views on fairness, transparency, service quality and responsiveness in handling taxes. These talks allowed us to study emotions and thoughts that were shared by people of various backgrounds.

To support and backup the original data, this research employed document-based analysis. Some of the public information available was local taxation rules, government bulletins, citizen charters, annual reports on the Region-Wide Revenue Agency's performance and news from the local media on tax-related matters. Using information from interviews, FGDs and documents helped increase the confidence and accuracy of the findings.

Those who took part in the study were identified through purposive sampling, so the researcher could choose those who knew the most about regional taxes. Candidates for the study were from Sinjai Regency, had some link to regional taxes and were prepared to participate. The aim was to include people from both urban and rural areas, of various ages and from both genders.

The research team used thematic analysis to review, interpret and present what they observed in the collected data. Interviews and FGDs were first audio recorded and then each transcript was open-coded. Categories were created for the codes and the codes were further grouped into themes that captured the significant areas related to trust in tax management. Special focus was placed on persons' ideas about transparency, communication, fairness, the ability of institutions to respond and their background with taxation. Analysis was a process that repeated many times, as I kept comparing themes to see if they matched the data.

Ethical principles were always applied as the research occurred. All participants gave their informed consent to the study before collecting any information. The confidentiality and anonymity of each participant were guaranteed and every transcript and report had all personal data erased. The researcher was always aware of the background and relationships around the participants, mainly when discussing with those from vulnerable or underprivileged groups.

### 3. Results and Discussion

Since Sinjai is mainly a rural area and Indonesia has decentralized governance, it is challenging for the area to use official rules as guides and meet the special needs of its residents. Citizens rely on taxes in part because they feel the government's public organizations are fair, open and attentive. Therefore, this study seeks to better understand the community's experiences with taxes, beliefs about the government and

the impact of its communication with citizens. The aspects extracted from the qualitative work highlight the various ways people build or break trust in Sinjai Regency.

### **3.1. Perceptions of Fairness and Transparency**

Fairness and transparency in managing regional taxes was one of the key topics discussed in the study. It is important for respondents that the system used to collect local taxes seems clear and is not biased between different groups in their community. If citizens see the system positively, they are more likely to think it is appropriate and must be followed.

Many people in the community were concerned about enforcement of tax regulations. Several people from rural communities say that the way laws are enforced can be unfair, since a few individuals or groups get preference. It resulted in people feeling that the system of tax collection is unjust.

“Sometimes we see large businesses not being questioned, while small traders like us are immediately chased if we are late. It feels like there are different rules for different people.”

Both interviews and focus groups noted that market vendors and local entrepreneurs with little income felt singled out for harassment.

It was also very important to note that many citizens had questions about how money was collected and spent. It was clear to us during the study that most individuals did not receive enough information about how their taxes are worked out or where the funds are directed. This ignorance on the public's part, according to politicians, brings about suspicion and reduces their chances of agreeing without force. This was confirmed by a local teacher.

“We pay taxes because it's our obligation, but we never know where the money goes. There are no reports or even noticeboards to show what is being done with the money.”

Such views highlight the absence of clear and consistent communication between tax authorities and the public.

The study also revealed a general lack of confidence in official explanations regarding local tax rates or penalties. Several interviewees described experiences in which they sought clarification from local tax officers but received vague or inconsistent responses.

“When I asked why my land tax increased this year, the officer just said it was because of new rules. But when I asked to see those rules, they couldn’t show me anything.”

These types of encounters reinforce the perception that tax regulations are not only unclear but also arbitrarily applied.

Interestingly, perceptions of fairness were often mediated by social networks and informal leaders. In villages, for example, the figure of the village head played a significant role in interpreting and explaining tax matters to residents. While this sometimes helped clarify confusion, it also placed too much reliance on unofficial intermediaries rather than the tax institution itself. As one villager expressed,

“We usually go to our village head first, not the tax office. He explains things better and we trust him more.”

This reveals both a gap in institutional communication and a cultural tendency to trust local, familiar figures over formal bureaucratic systems.

Participants also felt that the timing and manner of tax collection often lacked sensitivity to local economic conditions. Several farmers and small business owners noted that taxes are collected during financially difficult periods without flexibility or mechanisms to appeal or negotiate. A respondent explained,

“During the dry season, our harvest failed, and yet the tax collector still came without considering our situation. That’s not fair.”

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### **3.2. Communication and Public Engagement**

Public confidence in handling taxes is largely built through effective discussions and open interaction. According to the study, these two features do not exist in Sinjai Regency and as a result, the public has become disenchanted and doubtful. Many respondents from different economic groups mentioned that getting information from

tax offices is somewhat challenging and uni-directional. Because there is little public information, people have less idea of their obligations and feel less involved in running the government.

Most interviewees shared that they rarely had direct access to reps from tax authorities. Few public campaigns about taxes were held and those that existed were more complicated than what ordinary taxpayers could understand. Someone in the government explained that,

“Most of the tax brochures or posters I’ve seen are full of legal terms. Ordinary people can’t understand them, so they just ignore them.”

This indicates that the information is not adjusted to the level and language skills of the average person, mainly people who did not go very far in school.

People in many rural areas had to rely on word-of-mouth to find out about taxes and changes in the rules. Using informal means to share information often confuses people and makes them more distant from the official system. A representative of the business said that they work with data to optimize their efforts.

“We usually hear from neighbors or friends that something has changed in the tax rules, but there’s no official explanation. It makes us anxious because we don’t know what’s true.”

Not knowing what is real leads to much confusion and makes people feel mistrustful.

Respondents were angry that there are not many ways to express their complaints or share feedback. When asked what they should do if they had trouble with taxes, many revealed they did not know who to contact.

“There’s no clear place to ask questions or file complaints. If you go to the tax office, they often tell you to come back another day or send you to someone else.”

The absence of user-friendly, responsive communication infrastructure leaves taxpayers feeling powerless and voiceless.

Moreover, there was a widespread perception that the government only communicates when it needs to collect payments—not when it needs to explain, listen, or account for its actions.

“They only come when it’s time to collect. But we never hear from them about what the taxes are used for or if there are any updates.”

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access to helpful documents during this research. I am thankful to the reviewers and my colleagues who helped improve this article by providing useful comments. I am grateful for their support and encouragement because it helped me to complete this work.

“They sometimes invite us to meetings, but it feels like everything has already been decided. We’re just there to listen, not to give input.”

When there is little deliberative space, the direction of the country is determined by the government while citizens are just propelled to obey.

Some of the participants shared stories where local NGOs or leaders tried to support communications between citizens and the local government. These people would discuss matters related to taxes or development with community members. Nevertheless, these actions did not have as much impact as could be desired. A community leader for youth explained.

“We sometimes help explain things to people in the village, but we also need clearer information from the government. We can’t do it all ourselves.”

This shows that while civil society efforts are commendable, they cannot replace structured and institutionalized public communication systems.

### **3.3. Institutional Performance and Responsiveness**

The theme of institutional performance and responsiveness emerged as a critical determinant of public trust in regional tax management in Sinjai Regency. Participants across different sectors expressed concerns about the ability of local tax institutions to fulfill their mandates effectively, both in service delivery and in addressing citizens’ concerns. The perceived slowness, inefficiency, and lack of accountability in institutional performance contributed to a growing sense of frustration among taxpayers.

One of the most cited issues was the slow and complicated administrative process in tax-related matters. Respondents shared experiences of having to visit tax offices multiple times just to complete basic procedures such as registration, verification of tax objects, or making payments. A small business owner shared,

“I had to go back and forth to the office three times just to fix an error in my land tax letter. They kept saying the person in charge wasn’t available.”

This lack of procedural efficiency was seen as emblematic of a broader institutional sluggishness, and it discouraged citizens from actively engaging with tax offices unless absolutely necessary.



In addition to delays, poor coordination between departments was frequently mentioned. Respondents noted that responsibilities often seemed unclear, with one office blaming another for mistakes or delays. A community health worker recalled,

“When I asked about a tax discrepancy, the officer said it wasn’t their division’s responsibility and told me to try the office in another district. It felt like they were just passing the problem around.”

Such poor organization in a bureaucracy means people may lose faith in the institution’s ability to help them.

There were not enough clear responses from institutions to situations that brought about complaints and inquiries. Many people who pay taxes felt that nobody listened to their concerns. Many individuals reported instances when they sent in letters or questions and did not receive any responses at all. I once discussed this with a farmer.

“I once submitted a written complaint about the tax on my land being too high, but I never got a response. Not even a phone call.”

In the absence of helpful feedback, it seems that the public’s views are not taken into consideration by the institution.

Besides working on people’s complaints, there was not much outreach from the institution to the people. Those surveyed shared that tax authorities tended to offer little information about new policies, taxes or rights to the public. Due to acting reactively, the institution’s reputation was that it is only involved in raising taxes or collecting what it was owed. A market vendor talked about this.

“They are quick to come to collect, but they never come to explain anything. We’re left to figure things out ourselves.”

Furthermore, institutional trust was undermined by perceptions of favoritism and lack of impartiality in enforcement. Several interviewees pointed out that powerful or well-connected individuals were often treated more leniently. A civil society representative remarked,

“Everyone knows that if you have someone in the government, you won’t be troubled by tax issues. But if you’re just an ordinary person, they’ll come knocking every time.”

This view paints a picture of institutional bias that contradicts the principles of equal and fair treatment under the law.

A number of the people in the survey admitted that improvements could be noticed in sectors that use digital payments and new measures. These few examples demonstrate that trust can rise when reforms are put into action.

This study shows that the development, durable nature and changes in trust in regional tax management depend on people's experiences with the organization, what they see or learn and whether they think the institution is fair. Basically, if we look at the matter, how easily a government can be trusted by the public is influenced by its efficiency and by older social and cultural traditions, as well as by the history between the people and their government.

It is commonly believed that being fair, clear and honest encourages trust in the authorities responsible for taxation (11). In this work, they explained that a lack of clarity in taxation and fund distribution reduces trust in the government among residents. In addition, it includes new information from its look at evidence from Indonesian provinces instead of the usual cities and countries studied in public finance.

This work also focuses on a gap found in previous studies about how tax administration commissions communicate with citizens. Surugiu et al. (12) found that educating taxpayers is helpful for compliance, but the present study points out that communication in Sinjai is not active, difficult to obtain and highly bureaucratic. Most people receive information from their friends, making it difficult to access the right facts and leading to a lack of interest in participating. Contrary to international standards, Canadian tax authorities rely on traditional channels when reaching out to the public. Through its observations, the researchers clarify that poor communication in organizations can harm trust, regardless of what is written in official documents.

In addition, further investigations are necessary in exploring how institutions in Indonesia respond to changes, as studies in this area are still rare. Previous research mentions that the effects of decentralization on local institutions depend on the strength of government systems in each place (13). According to this study, while Sinjai has decentralized its administration, the area still struggles with sluggish bureaucracy, poor accountability and limited methods for addressing people's complaints. As argued by Saguin & Ramesh (14), not investing in capacity while decentralizing government can cause it to run poorly.

Besides, the study points out that villagers tend to trust community leaders and village elders more than they trust official institutions. This study highlights that in some situations, putting faith in informal actors can replace trust in establishments, but can also weaken that trust (15). When community leaders are more trusted than employees of the tax department, it may show that government officials do not easily engage with people. Therefore, trust in the community can help maintain temporary agreement, but

when management systems are not introduced by community members, it could lead to instability in the institution.

What makes this work unique is its explanation of fairness in the context of rural economics. Many tax researchers focus on fairness, but a major part of this is on how tax administration is carried out. The research indicates that, in addition to expecting fairness as equal treatment, those who live rurally pay attention to their economic weakness and anticipate working-hour changes depending on farming. Because of these conclusions, tax institutions are called to develop enforcement strategies that are sensitive to the lifestyles of local people.

Additionally, this study meets the need for more qualitative studies that focus on the concerns of communities in research on public finance. Some scholars believe that the majority of tax compliance research is more technical than it is based on human experience. Using a qualitative approach and highlighting the views of the community, this study helps build a large library of works that spotlight citizen experiences in governance.

## 4. Conclusion

As we see from the research, people in Sinjai Regency trust regional taxes when local institutions are effective, communicate well, act fairly and are quick to address people's needs. According to the research, individuals want a simple process, inclusion where possible and equal tax procedures. It investigates where data is limited and how rural communities, strong relationships and appropriate communication contribute to better local tax administration. In other words, making the system more flexible, offering good communication and choosing appropriate tax rules local people can rely on will help restore trust in the regional tax structure.

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