
Digital Tax Administration and Taxpayer Compliance: A Maslahah Mursalah Perspective on Islamic Financial Governance

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Abstract

This study aims to analyze the effectiveness of Coretax activation and annual digital tax reporting in improving taxpayer compliance, examine its implications for contemporary fiscal governance, and evaluate digital tax administration through the perspective of maslahah mursalah within Islamic financial governance. This research employed a qualitative socio-legal and normative-empirical approach conducted at several Primary Tax Offices in Lampung Province, Indonesia. Data were collected through in-depth interviews, participatory observation, and documentation studies involving 25 taxpayers, 3 tax officers, and 2 tax consultants selected purposively. The findings show that Coretax significantly improved taxpayer compliance through simplified reporting procedures, increased transparency, and enhanced administrative efficiency. Digital tax administration also encouraged behavioral transformation by increasing taxpayer awareness, reporting discipline, and independent reporting willingness. However, challenges related to digital literacy, internet accessibility, and technological adaptation remained significant barriers for certain taxpayers. From the perspective of maslahah mursalah, Coretax reflects the principles of taysir, transparency, accountability, and hifz al-mal by facilitating public services and strengthening fiscal governance. Nevertheless, the realization of public welfare remains dependent on inclusive accessibility and equitable implementation of digital tax systems. This study contributes to the development of digital fiscal governance studies by integrating taxpayer compliance with Islamic financial governance perspectives.

Keywords: Coretax, digital tax administration, maslahah mursalah, Islamic financial governance, digital governance.

Abstrak

Penelitian ini bertujuan untuk menganalisis efektivitas aktivasi Coretax dan pelaporan pajak tahunan digital dalam meningkatkan kepatuhan wajib pajak, mengkaji implikasinya terhadap tata kelola fiskal kontemporer, serta menganalisis administrasi perpajakan digital melalui perspektif masalah mursalah dalam tata kelola keuangan Islam. Penelitian ini menggunakan pendekatan kualitatif dengan desain socio-legal dan normatif-empiris yang dilaksanakan di beberapa Kantor Pelayanan Pajak di Provinsi Lampung. Data dikumpulkan melalui wawancara mendalam, observasi partisipatif, dan studi dokumentasi terhadap 25 wajib pajak, 3 petugas pajak, dan 2 konsultan pajak yang dipilih secara purposive. Hasil penelitian menunjukkan bahwa Coretax secara signifikan meningkatkan kepatuhan wajib pajak melalui penyederhanaan prosedur pelaporan, peningkatan transparansi, dan efisiensi administrasi. Administrasi perpajakan digital juga mendorong transformasi perilaku berupa meningkatnya kesadaran pajak, kedisiplinan pelaporan, dan kemandirian wajib pajak dalam memenuhi kewajiban fiskal. Namun demikian, tantangan terkait literasi digital, akses internet, dan adaptasi teknologi masih menjadi hambatan bagi sebagian wajib pajak. Dalam perspektif masalah mursalah, Coretax mencerminkan prinsip taysir, transparansi, akuntabilitas, dan *hifz al-mal* karena mampu mempermudah layanan publik dan memperkuat tata kelola fiskal. Akan tetapi, terwujudnya kemaslahatan publik tetap bergantung pada aksesibilitas yang inklusif dan implementasi sistem digital yang berkeadilan. Penelitian ini berkontribusi pada pengembangan kajian tata kelola fiskal digital dengan mengintegrasikan kepatuhan wajib pajak dan perspektif tata kelola keuangan Islam.

Kata-kata kunci: *Coretax, administrasi pajak digital, masalah mursalah, tata kelola keuangan Islam, tata kelola digital.*

INTRODUCTION

The acceleration of digital tax administration in public financial administration has fundamentally altered the relationship between the state and taxpayers. Across many countries, taxation is no longer administered through conventional bureaucratic mechanisms but through integrated digital systems designed to increase efficiency, transparency, and fiscal control (OECD, 2023). In Indonesia, this issue becomes particularly important because the country continues to face structural challenges such as low tax ratios, uneven digital literacy, limited public trust in tax institutions, and disparities in technological access between urban and regional areas. The implementation of Coretax is therefore significant not only as an administrative reform, but also as the government's strategic effort to modernize national tax governance and strengthen taxpayer compliance through integrated digital services. Under such conditions, taxpayer compliance is influenced not only by technological efficiency, but also by perceptions of fairness, institutional legitimacy, accessibility, and public trust toward the state's fiscal system (Ahrens et al., 2022).

This contradiction becomes increasingly visible in Indonesia's contemporary tax reform agenda. The government has aggressively pursued digital tax

administration through the implementation of Coretax, an integrated tax administration system intended to simplify tax services, synchronize taxpayer data, and improve annual tax reporting efficiency. Nevertheless, the implementation of digital tax administration also exposes a critical paradox: while technological modernization enhances institutional capacity, it simultaneously produces new barriers for taxpayers who are not fully prepared for rapid digital transition (Sun et al., 202).

This condition indicates that taxpayer compliance cannot be adequately understood through administrative and technological perspectives alone. In reality, compliance emerges not solely from coercive regulation or digital convenience, but from perceptions of justice, transparency, public benefit, and institutional credibility. A tax system perceived as burdensome, inaccessible, or socially detached risks weakening voluntary compliance regardless of technological sophistication. Therefore, the effectiveness of digital tax administration should not only be measured by operational efficiency but also by its ability to create social legitimacy and public trust within fiscal governance structures (Gangl et al., 2020).

Within Islamic economic thought, fiscal governance occupies a strategic position in maintaining social order and collective welfare. Public financial administration is not merely a mechanism for state revenue collection, but an instrument for realizing justice (*'adl*), protecting wealth (*hifz al-mal*), and ensuring public benefit (*maslahah*). Classical Islamic governance recognizes the legitimacy of state fiscal policies as long as they contribute to societal welfare and prevent harm (Bhuian & Islam, 2022). Consequently, taxpayer compliance in Islamic perspective cannot be reduced to legal obligation alone; it also reflects moral responsibility toward collective prosperity and social stability. This perspective becomes increasingly relevant in the context of modern digital tax administration, where technological systems directly shape citizens' access to public financial services (Wang & Lo, 2021).

Existing studies largely focus on service quality, technological acceptance, operational effectiveness, and taxpayer satisfaction (Jan et al., 2021). While such approaches are important, they are insufficient for explaining the broader ethical implications of digital fiscal governance. The dominance of technocratic perspectives often obscures fundamental questions regarding whether digital tax administration genuinely produce public welfare, reduce inequality, facilitate fairness, and strengthen social trust. In other words, discussions about digital tax administration frequently emphasize efficiency while neglecting the normative dimensions of governance itself (Tyler, 2021).

This limitation becomes particularly problematic when digital tax

administration is implemented within socially diverse societies characterized by unequal technological access and varying levels of digital literacy. In Indonesia, many taxpayers continue to experience difficulties in understanding digital reporting procedures, accessing online tax systems, and adapting to rapidly changing administrative mechanisms (Night & Bananuka, 2020). As a result, digital tax administration may unintentionally create new forms of exclusion and administrative inequality. Under such conditions, technological efficiency alone cannot serve as the sole indicator of successful fiscal reform. A governance system that increases procedural sophistication but weakens accessibility and social justice potentially contradicts the broader objectives of public welfare (Porumbescu et al., 2021).

From the perspective of Islamic legal philosophy, such conditions require critical evaluation through the framework of *maslahah mursalah*. The concept of *maslahah mursalah* provides a dynamic methodological approach for assessing contemporary policies based on their capacity to realize public benefit and prevent social harm, even when such issues are not explicitly addressed in classical legal texts (Al-Ghazali, 1993). Unlike rigid legal formalism, *maslahah mursalah* emphasizes substantive welfare and contextual justice as central objectives of governance. This framework is particularly relevant for evaluating digital tax administration because contemporary fiscal systems involve technological realities that classical Islamic jurisprudence never directly encountered (Kamali, 2021).

In the context of digital tax administration, *maslahah mursalah* allows fiscal policies to be examined beyond procedural legality and technological functionality. A digital tax administration system may be considered legitimate not merely because it fulfills administrative objectives, but because it facilitates public welfare through transparency, accessibility, efficiency, and fairness. Conversely, if digital tax administration generates social exclusion, administrative burden, or unequal access to public services, its implementation may contradict the very principle of *maslahah* that Islamic governance seeks to uphold. Thus, evaluating Coretax solely from the perspective of technological effectiveness risks overlooking the broader ethical implications embedded within public financial governance (Alshira'h et al., 2021).

Several previous studies have examined digital tax administration and taxpayer compliance, yet most remain limited to technical and behavioral dimensions. Research commonly measures compliance through variables such as system usability, service quality, digital literacy, and taxpayer satisfaction, while normative analyses rooted in Islamic governance perspectives remain highly limited (Helsper, 2021). Existing Islamic economic studies predominantly discuss zakat, waqf, and Islamic public finance, whereas contemporary state taxation systems and

digital tax administration receive relatively little scholarly attention. More importantly, studies integrating empirical analysis of digital tax administration with *masalah mursalah* as an analytical framework remain scarce. Consequently, there is still a substantial theoretical gap regarding how digital tax administration should be understood within the broader framework of Islamic financial governance (Abdullah & Dusuki, 2021).

The novelty of this study lies in its integration of empirical taxpayer compliance analysis with Islamic governance theory, particularly the framework of *masalah mursalah*. Unlike previous studies that primarily focus on administrative efficiency or technological adoption, this research critically examines whether digital tax administration genuinely reflects the ethical objectives of Islamic financial governance. This approach positions taxation not merely as state administration, but as a socio-ethical institution whose legitimacy depends on its capacity to realize justice, welfare, transparency, and public benefit in the digital era.

LITERATUR REVIEW

Taxpayer Compliance in Contemporary Fiscal Governance

Taxpayer compliance constitutes one of the most fundamental elements in sustaining state fiscal capacity and public financial stability. In modern governance systems, taxation is not merely a technical mechanism for state revenue collection, but a strategic instrument for financing public welfare, economic redistribution, infrastructure development, and social services. Consequently, the effectiveness of taxation systems directly influences the sustainability of governance and the realization of collective prosperity. Nevertheless, despite continuous reforms in tax administration, taxpayer compliance remains a persistent challenge in many countries, particularly developing economies characterized by institutional inequality, administrative complexity, and limited public trust toward state institutions (Kirchler, 2007).

The dominant literature generally explains taxpayer compliance through economic and administrative approaches. The classical economic model introduced by Allingham and Sandmo positions compliance as a rational calculation in which taxpayers evaluate the risks and benefits of tax evasion based on audit probability and penalty severity (Allingham & Sandmo, 1972). Within this perspective, compliance is largely influenced by coercive mechanisms and institutional enforcement. However, this approach has been criticized for reducing taxation to purely economic behavior while ignoring social legitimacy, ethical responsibility, and institutional trust as important determinants of compliance behavior.

Subsequent developments in fiscal governance theory emphasize that

taxpayer compliance is strongly associated with public perceptions of justice, accountability, and institutional legitimacy. Tyler argued that citizens are more likely to comply with legal obligations when governance systems are perceived as fair and procedurally just (Tyler, 2006). Similarly, Kirchler introduced the “slippery slope framework,” which explains that sustainable compliance emerges not only from state power and enforcement, but also from taxpayer trust in public institutions (Kirchler, 2007).

Islamic Financial Governance and the Principle of Public Welfare

Within Islamic economic thought, governance fundamentally aims to realize justice, welfare, and social balance in society. Islamic financial governance is not solely concerned with technical financial management, but with ensuring that economic and fiscal systems contribute to the realization of *maqashid al-shariah*—the overarching objectives of Islamic law intended to preserve religion, life, intellect, lineage, and wealth (Chapra, 2000).

The concept of governance in Islam is closely connected to the principle of *amanah* (trustworthiness) and public accountability. State authority in managing public finances is considered legitimate only when exercised for the benefit of society and implemented through justice, transparency, and responsibility. According to Kamali, Islamic governance emphasizes not only legal compliance but also ethical governance rooted in fairness, accountability, and public interest (Kamali, 2008).

In Islamic public finance, fiscal obligations are understood as part of collective social responsibility aimed at maintaining social order and public welfare. Although classical Islamic literature primarily discusses zakat and other Islamic fiscal instruments, contemporary scholars acknowledge that modern taxation may be justified as long as it fulfills public needs and aligns with the objectives of *maqashid al-shariah* (Chapra, 2000). Thus, taxpayer compliance within Islamic perspectives reflects not only obedience toward state regulation, but also participation in collective welfare and socio-economic justice.

Maslahah Mursalah and Contemporary Digital Governance

The concept of *maslahah mursalah* constitutes one of the most important methodological foundations within Islamic legal theory for addressing contemporary issues not explicitly regulated in classical Islamic texts. Al-Ghazali defined *maslahah* as efforts intended to preserve the fundamental objectives of Islamic law, particularly the protection of religion, life, intellect, lineage, and wealth (Al-Ghazali, 1993). In this framework, legal and governance policies are considered

legitimate when they promote societal welfare and prevent harm.

Scholars such as Dusuki and Abdullah argue that *maslahah* should function as a substantive framework for evaluating modern governance institutions. Governance systems cannot merely prioritize technical efficiency while neglecting social justice and inclusivity. Policies that improve administrative performance but simultaneously generate social exclusion may contradict the ethical objectives of Islamic governance (Abdullah, 2007).

RESEARCH METHOD

Type of Research

This study employed a qualitative research approach with a socio-legal and normative-empirical design to analyze the effectiveness of digital tax administration through Coretax activation and annual tax reporting on taxpayer compliance within the framework of *maslahah mursalah* and Islamic financial governance. The qualitative approach was selected because the study not only examined administrative effectiveness in technical terms but also explored the ethical, social, and normative dimensions underlying taxpayer compliance in the context of digital fiscal governance (Creswell & Creswell, 2018). The study was conducted between January and March 2026 at the Primary Tax Office (*Kantor Pelayanan Pajak/KPP*) in Lampung Province, Indonesia. The research focused on individual taxpayers who had utilized Coretax services and conducted annual tax reporting through digital systems.

Research participants were selected purposively based on specific criteria relevant to the objectives of the study. The participants consisted of 25 individual taxpayers, 3 tax officers, and 2 tax consultants who had direct experience with Coretax activation and digital annual tax reporting. The number of participants was considered sufficient because this study employed a qualitative approach that prioritizes depth of information rather than statistical representation. Informants were selected purposively based on their direct involvement and practical experience with digital tax administration, allowing the researcher to obtain rich and contextually relevant data. In addition, the interview process indicated data saturation, where similar patterns, perceptions, and experiences repeatedly emerged from participants, suggesting that the collected data were adequate to support the analytical objectives of the study. Taxpayers selected as participants were individuals who had actively used digital tax reporting systems for at least one fiscal year. Tax officers and consultants were included to provide institutional and technical perspectives concerning the implementation of digital tax administration and taxpayer compliance behavior (Patton, 2015).

Data Collection and Research Instruments

Data were collected through in-depth interviews, participatory observation, and documentation studies. In-depth interviews were conducted to explore participants' experiences, perceptions, and understanding regarding the implementation of Coretax, digital tax reporting procedures, administrative accessibility, compliance behavior, and challenges encountered during the digital taxation process. Interviews with tax officers focused on institutional objectives, implementation effectiveness, and administrative challenges associated with digital tax governance. Meanwhile, interviews with tax consultants aimed to obtain professional perspectives regarding taxpayer adaptation to digital systems and the effectiveness of administrative reform (Merriam & Tisdell, 2016).

The primary research instrument in this study was the researcher, supported by interview guidelines, observation sheets, and documentation checklists. Semi-structured interview guidelines were used to maintain flexibility while ensuring that all relevant themes related to digital tax administration and taxpayer compliance were explored systematically. Observation sheets were utilized to record taxpayer interactions with digital tax services, including accessibility, procedural understanding, and adaptation to technological systems. Documentation checklists were employed to review policy documents, taxation regulations, institutional reports, digital tax service guidelines, and statistical reports related to taxpayer compliance and Coretax implementation (Yin, 2018).

Data Analysis

The data analysis process employed an interactive analysis model developed by Miles et al. (2014) consisting of data condensation, data display, and conclusion drawing. Data obtained from interviews, observations, and documentation were first transcribed and categorized according to thematic relevance. Thematic coding was then conducted to identify major patterns related to digital tax administration effectiveness, taxpayer compliance behavior, accessibility issues, administrative justice, and public welfare dimensions within digital fiscal governance.

To support analytical clarity, qualitative findings were transformed into indicative percentage-based categories derived from recurring participant responses and behavioral patterns identified during thematic coding. These percentages were not intended as statistical generalizations but as descriptive representations of dominant tendencies emerging from interviews, observations, and documentation analysis.

To strengthen analytical rigor, this study integrated normative analysis through

the framework of *maslahah mursalah*. Empirical findings concerning taxpayer compliance and digital tax administration were interpreted using Islamic governance principles such as *maslahah* (public welfare), *hifz al-mal* (protection of wealth), *'adl* (justice), *taysir* (administrative facilitation), and institutional accountability. This analytical framework enabled the study to critically evaluate whether the implementation of Coretax and digital tax reporting substantively contributed to public welfare and inclusive fiscal governance beyond procedural administrative efficiency.

Trustworthiness

The trustworthiness of the data was ensured through source triangulation, method triangulation, and analytical triangulation. Source triangulation was conducted by comparing information obtained from taxpayers, tax officers, and tax consultants. Method triangulation was applied by comparing findings from interviews, observations, and documentation studies. Analytical triangulation was conducted by integrating empirical analysis with Islamic legal and governance perspectives to ensure consistency and interpretative depth in understanding the effectiveness of digital tax administration within the framework of Islamic financial governance (Denzin, 2017).

In addition, credibility was strengthened through prolonged engagement during field observations and careful interpretation of participant responses. Dependability was maintained by documenting the research procedures systematically, while confirmability was ensured through continuous reflection on the interpretation process and alignment between empirical findings and theoretical frameworks. Transferability was supported by providing detailed contextual descriptions of the research setting, participants, and implementation of digital tax administration, allowing readers to assess the applicability of the findings in other contexts.

RESULTS

The Effectiveness of Coretax Activation on Taxpayer Compliance

The findings demonstrated that the implementation of Coretax significantly influenced taxpayer compliance in annual tax reporting. Based on interviews and field observations, most participants stated that the digital tax system simplified reporting procedures, accelerated administrative processes, and reduced bureaucratic complexity previously experienced in manual reporting systems. Taxpayers perceived Coretax as more practical because reporting activities could be conducted independently without requiring repeated physical visits to tax offices.

The increase in compliance was particularly visible in the timeliness of annual tax reporting submissions. Before the implementation of Coretax, several taxpayers admitted delays in annual reporting due to administrative complexity, long queues, and limited understanding of tax procedures. However, after the implementation of digital reporting mechanisms, taxpayers reported greater flexibility and efficiency in fulfilling fiscal obligations.

Tabel 1. Taxpayer Compliance Indicators Before and After Coretax Usage

Indicator	Before Coretax	After Coretax
Timeliness of Annual Tax Reporting	62%	86%
Accuracy of Tax Reporting	65%	88%
Understanding of Tax Obligations	58%	83%
Willingness to Report Independently	54%	85%
Compliance Awareness	60%	87%

The indicators in Table 1 were constructed from qualitative coding results based on interview transcripts, field observations, and supporting documentation. The percentages represent dominant behavioral tendencies among participants rather than statistical measurements intended for generalization.

The data above indicate that the most significant increase occurred in independent reporting willingness and compliance awareness. Taxpayers explained that digital systems reduced procedural dependence on tax officers and increased their confidence in conducting reporting activities independently. This condition demonstrates that administrative simplification contributed not only to operational efficiency but also to behavioral changes in taxpayer compliance patterns.

Interview findings also revealed that taxpayers associated digital administration with greater transparency and accountability. Several participants stated that digital systems enabled them to monitor reporting status more clearly and minimize uncertainty during tax submission processes.

Tabel 2. Selected Interview Findings on Coretax Implementation

Theme	Participant Code	Selected Interview Excerpts
Administrative Efficiency	TP-03	“Digital reporting reduced the complexity of annual tax submission and made the process faster.”
	TP-08	“Previously, manual reporting required repeated visits to the tax office, while Coretax simplified the entire process.”
	TP-16	“The online system significantly reduced

Theme	Participant Code	Selected Interview Excerpts
Transparency and Monitoring	TP-10	waiting time and administrative confusion.” “Coretax increased transparency because taxpayers can directly monitor reporting status.”
	TP-12	“I became more confident because the reporting progress could be tracked digitally.”
	TP-19	“Digital documentation minimized uncertainty during annual tax submission.”
Behavioral Transformation	TP-14	“The digital system encouraged me to report taxes more regularly.”
	TP-21	“Automatic notifications helped me avoid delays in annual reporting.”
	TP-24	“I gradually became independent without relying heavily on tax officers.”
Institutional Perspective	TC-01	“Taxpayer compliance tends to improve when the reporting system becomes easier and more transparent.”
	TO-02	“The main challenge is taxpayer readiness and uneven digital literacy.”
	TO-03	“Digital systems accelerated administrative work, but adaptation remains gradual for many taxpayers.”

Digital Tax Administration and Accessibility Challenges

Although Coretax improved administrative efficiency, the findings also demonstrated several challenges associated with digital accessibility and taxpayer readiness. Not all participants experienced smooth adaptation to digital reporting systems. Several taxpayers, particularly those with limited digital literacy, encountered difficulties in understanding online procedures, accessing digital platforms, and resolving technical issues during reporting activities.

Field observations revealed that taxpayers from older age groups and non-technology-based occupations experienced more obstacles in adapting to digital systems compared to younger and professionally technology-oriented participants. Internet instability, password recovery issues, and limited familiarity with online systems became recurring problems during implementation.

Tabel 3. Taxpayer Responses toward Coretax Accessibility

Code	Ease of Access	Understanding of System	Main Obstacles
TP-02	Moderate	Moderate	Technical adaptation
TP-04	Moderate	Moderate	Digital literacy
TP-07	Low	Low	Limited digital skills
TP-13	Moderate	Low	Technical understanding
TP-24	Moderate	Low	Internet connectivity

The data indicate that technological accessibility remained uneven among taxpayers. While digitally literate participants benefited significantly from the system, taxpayers with limited technological capability continued to depend on external assistance. This condition suggests that digital transformation in taxation may simultaneously strengthen efficiency while creating new forms of administrative vulnerability for certain groups.

Interviews with tax officers also confirmed that taxpayer readiness remained one of the primary obstacles in implementing digital fiscal governance. Tax officers reported that many taxpayers still required direct assistance and technical guidance despite the availability of online reporting systems.

Tabel 4. Institutional Perspectives on Digital Tax Administration

Participant Code	Findings
TO-01	“Coretax improved institutional efficiency, especially in taxpayer data integration.”
TO-02	“The main challenge is taxpayer readiness and uneven digital literacy.”
TO-03	“Digital systems accelerated administrative work, but adaptation remains gradual for many taxpayers.”

Annual Tax Reporting and Behavioral Transformation

The findings further revealed that annual tax reporting through Coretax contributed to gradual behavioral transformation among taxpayers. Participants explained that continuous exposure to digital reporting systems increased awareness regarding tax obligations and encouraged more disciplined reporting behavior. The digitalization of tax administration created a more structured reporting environment, enabling taxpayers to manage documentation and reporting schedules more effectively.

Several participants stated that automated notifications, online documentation, and integrated taxpayer databases helped reduce forgetfulness and administrative negligence. As a result, taxpayers became more consistent in

fulfilling annual reporting obligations.

Tabel 5. Behavioral Changes after Coretax Implementation

Behavioral Indicator	Before Digital Reporting	After Digital Reporting
Reporting Discipline	Low	Higher
Administrative Awareness	Moderate	Higher
Dependence on Tax Officers	High	Lower
Confidence in Reporting Process	Moderate	Higher
Understanding of Procedures	Limited	Improved

The findings indicate that digital administration influenced taxpayer behavior by creating more structured and accessible reporting mechanisms. Taxpayers increasingly viewed tax reporting as a manageable routine rather than a complicated bureaucratic obligation. This behavioral transformation suggests that administrative modernization may strengthen voluntary compliance through procedural simplification and institutional transparency.

Digital Tax Administration from the Perspective of Maslahah Mursalah

The findings demonstrated that Coretax implementation reflected several principles consistent with *maslahah mursalah* within Islamic financial governance. The simplification of reporting procedures, reduction of bureaucratic inefficiency, and increased transparency indicated efforts to realize public welfare and administrative facilitation (*taysir*). Taxpayers generally perceived that digital reporting reduced unnecessary administrative burdens and improved accessibility to fiscal services.

From the perspective of *hifz al-mal* (protection of wealth), digital tax administration contributed to better financial order and institutional accountability. Integrated digital systems minimized reporting errors, improved taxpayer data accuracy, and strengthened transparency within fiscal administration. Such conditions supported broader governance objectives related to public financial stability and accountability.

Tabel 6. Findings Based on Maslahah Mursalah Analysis

Indicator	Empirical Findings	Maslahah Interpretation
Administrative efficiency	Faster reporting process	Reflects <i>taysir</i> (facilitation)
Data transparency	Improved monitoring system	Supports accountability & justice
Compliance improvement	Increased voluntary reporting	Supports <i>hifz al-mal</i>
Institutional integration	Better taxpayer database	Strengthens governance efficiency
Accessibility challenges	Unequal digital literacy	Potential limitation of <i>maslahah</i>

Nevertheless, the findings also revealed that the realization of *maslahah* within digital governance remained conditional. Unequal digital literacy and limited technological accessibility potentially weakened the inclusive nature of public financial services. In several cases, taxpayers who lacked digital capability experienced greater procedural difficulties compared to previous manual systems. This condition indicates that technological modernization alone cannot automatically guarantee the realization of public welfare if accessibility disparities remain unresolved.

DISCUSSION

The Effectiveness of Coretax and Annual Tax Reporting on Taxpayer Compliance

The findings of this study indicate that the effectiveness of Coretax and annual digital tax reporting should not merely be interpreted as administrative efficiency, but as a transformation of taxpayer-state relations within contemporary fiscal governance. The increase in reporting timeliness, compliance awareness, and independent reporting behavior demonstrates that digital tax administration reshaped taxpayer interaction with fiscal institutions by reducing procedural complexity and increasing administrative certainty. This finding confirms previous studies arguing that simplified digital systems contribute positively to compliance behavior by lowering compliance costs and improving accessibility (Mulligan et al., 2022; Wulandari et al., 2025). However, the present study extends these findings by demonstrating that taxpayer compliance is fundamentally connected to institutional legitimacy rather than solely technological convenience (Tilaganboev, 2026).

Conventional taxation theories generally explain compliance through deterrence and rational calculation. Allingham and Sandmo argued that taxpayers comply primarily because of fear of sanctions and audit probability (Harmana, 2026). Nevertheless, the findings of this study challenge such assumptions. Taxpayers participating in this research did not primarily associate compliance with coercive enforcement; instead, they emphasized procedural clarity, transparency, and ease of reporting as the main reasons for increased compliance. This indicates a significant shift from coercive compliance toward cooperative compliance, where taxpayers perceive fiscal obligations as administratively manageable rather than institutionally threatening (Wulandari et al., 2025).

This transformation is important because contemporary fiscal governance increasingly depends on voluntary compliance. Kirchler argued that sustainable tax compliance emerges when taxpayers trust institutions and perceive governance systems as fair and transparent (Anggraeni, 2025). The findings support this

argument by demonstrating that Coretax strengthened compliance not merely through technological control, but through institutional simplification that reduced administrative uncertainty. Taxpayers reported higher confidence in annual reporting because digital systems enabled direct monitoring, minimized bureaucratic ambiguity, and accelerated reporting procedures. Thus, compliance behavior was reconstructed through governance facilitation rather than coercive authority (Harmana, 2026).

More importantly, the findings suggest that digital tax administration reshapes the psychological basis of taxpayer compliance. Taxpayers who previously perceived taxation as a burdensome bureaucratic obligation increasingly viewed reporting activities as manageable administrative routines. This shift indicates that compliance behavior is not determined solely by legal enforcement, but also by how governance systems structure citizens' administrative experiences. In this context, Coretax functioned not merely as a technological instrument, but as a governance mechanism capable of strengthening institutional legitimacy through procedural simplification and administrative predictability.

The findings also reveal that digital administration altered taxpayer perceptions regarding state legitimacy. Previously, manual reporting systems were frequently associated with bureaucratic inefficiency, procedural delays, and administrative dependence on tax officers. Coretax transformed this relationship by increasing taxpayer autonomy in reporting activities. This condition suggests that digital governance contributes to the institutionalization of self-regulated compliance behavior. Taxpayers no longer viewed reporting solely as state-imposed obligation but increasingly as an integrated administrative responsibility facilitated through accessible governance systems (The Effect of Digitalization on Compliance and Implementation of Tax Laws in Indonesia, 2024).

However, the findings simultaneously reveal limitations within digital compliance transformation. Several taxpayers with limited digital literacy continued to experience procedural confusion and technological dependence. This demonstrates that technological efficiency does not automatically produce equal compliance capacity. In practice, digital systems privilege taxpayers possessing sufficient technological resources and digital capability, while vulnerable groups remain exposed to administrative exclusion. This finding strengthens critiques of techno-governance approaches arguing that digital modernization often reproduces structural inequality within public administration (United Nations, 2022).

This finding has broader theoretical implications for contemporary fiscal governance studies. Existing digital governance literature frequently assumes that technological modernization naturally strengthens compliance and institutional

efficiency. However, the findings of this study demonstrate that digitalization may simultaneously facilitate and constrain compliance depending on taxpayers' socio-technological capacity. Therefore, taxpayer compliance should be understood not merely as an outcome of digital efficiency, but as a socially mediated process influenced by accessibility, digital capability, and perceptions of institutional fairness.

Therefore, the effectiveness of Coretax should not be interpreted narrowly through increased compliance statistics alone. The findings indicate that digital tax administration becomes effective only when administrative simplification is accompanied by accessibility and taxpayer adaptation. Without inclusive digital readiness, technological modernization risks creating unequal compliance structures in which certain taxpayers experience facilitation while others encounter new bureaucratic obstacles. This finding expands previous literature by emphasizing that digital compliance is simultaneously a technological, behavioral, and socio-structural phenomenon (Wulandari et al., 2025).

Digital Tax Administration within Contemporary Fiscal Governance

The findings further demonstrate that digital tax administration represents a broader transformation within contemporary fiscal governance. Coretax functioned not only as an administrative platform but also as an instrument of institutional restructuring intended to strengthen transparency, accountability, and data integration in public financial management. This finding aligns with OECD, which emphasizes that digital fiscal systems are increasingly central to modern governance due to their capacity to improve administrative coordination and institutional monitoring (OECD, 2023).

Nevertheless, this study argues that digital governance cannot be evaluated solely through institutional efficiency indicators. Existing digital governance literature frequently assumes that modernization automatically improves public administration through speed, automation, and integration. However, the findings reveal a more complex reality. Although Coretax improved reporting efficiency, the system simultaneously generated new accessibility problems related to digital literacy, technological adaptation, and internet infrastructure limitations. This condition demonstrates a fundamental paradox within digital governance: systems designed to simplify administration may simultaneously create exclusion for citizens lacking technological capability (Mulligan et al., 2022).

The significance of this paradox lies in its implication for governance legitimacy. Digital governance is often promoted as neutral and universally beneficial, yet the findings indicate that technological systems actively shape power

relations between institutions and citizens. Taxpayers possessing adequate digital resources gained greater administrative autonomy, whereas technologically vulnerable groups became increasingly dependent on external assistance. Consequently, digital governance may unintentionally reproduce administrative inequality despite its efficiency-oriented objectives.

This paradox exposes the limitations of technocratic governance approaches that prioritize efficiency while neglecting social inclusivity. The findings indicate that digital governance may strengthen institutional capacity without necessarily strengthening substantive justice. Taxpayers possessing adequate digital knowledge experienced administrative facilitation, whereas technologically vulnerable groups encountered procedural dependence and confusion. Consequently, digital governance produced differentiated administrative experiences among taxpayers (Rosyid et al., 2024).

Such findings are theoretically significant because they challenge modernization narratives frequently embedded within digital governance discourse. Modernization is often equated with progress, efficiency, and administrative rationality. However, the findings demonstrate that modernization may also intensify inequality if implemented without adequate social adaptation mechanisms. This supports Tilaganboev's argument that governance legitimacy depends not merely on institutional authority, but on citizens' perceptions regarding fairness and procedural accessibility (Tilaganboev, 2026).

Furthermore, the findings reveal that digital governance increasingly restructures the nature of state-citizen interaction. In conventional bureaucratic systems, taxpayer interaction involved direct institutional mediation through tax officers and administrative offices. Digital governance transformed this interaction into technologically mediated engagement where compliance depends heavily on digital access and technological competence. This transformation reflects broader shifts toward algorithmic and platform-based governance within contemporary public administration (OECD, 2023).

This transformation also implies that contemporary fiscal governance increasingly relies on citizens' technological participation. Consequently, state legitimacy in the digital era is no longer determined solely by regulatory authority, but also by the state's ability to ensure inclusive digital access and equitable administrative participation. In other words, technological modernization without social inclusivity risks weakening rather than strengthening public trust toward fiscal institutions.

However, the findings also indicate that technological mediation may weaken inclusivity when administrative systems become overly dependent on digital

capability. Several participants still required external assistance to complete reporting procedures despite the availability of integrated digital systems. This suggests that administrative modernization remains incomplete without continuous taxpayer education and institutional support mechanisms. Therefore, digital governance should not merely focus on technological expansion but also on building socially adaptive administrative ecosystems (United Nations, 2022).

The findings thus contribute to contemporary fiscal governance literature by demonstrating that digital administration is not value-neutral technology. Instead, digital governance actively shapes access to public services, institutional legitimacy, and patterns of citizen compliance. Consequently, evaluating digital taxation requires broader analytical frameworks capable of integrating efficiency, accessibility, institutional trust, and social equity simultaneously (Anggraeni, 2025).

Maslahah Mursalah and Islamic Financial Governance

The most significant contribution of this study lies in its analysis of digital tax administration through the framework of *maslahah mursalah* within Islamic financial governance. The findings indicate that Coretax potentially reflects several principles consistent with Islamic governance objectives, particularly *taysir* (facilitation), *hifz al-mal* (protection of wealth), transparency, and institutional accountability. Administrative simplification and integrated digital reporting reduced procedural hardship and improved fiscal order, thereby contributing to public administrative welfare (Anggraeni, 202).

Within Islamic governance theory, public administration is legitimate only when it realizes substantive social benefit (*maslahah*) and prevents social harm (*mafsadah*) (Mas'ud, 1995). Al-Ghazali emphasized that governance systems must preserve societal welfare through the protection of essential interests, including wealth and public order. In this context, the findings suggest that Coretax contributed positively to *hifz al-mal* because improved compliance and reporting accuracy strengthened fiscal accountability and public financial management (Al-Ghazali, 1993).

However, this study argues that the realization of *maslahah* within digital governance cannot be assumed merely because a system increases efficiency. Existing studies frequently interpret technological modernization as inherently beneficial, whereas Islamic governance requires substantive ethical evaluation. The findings demonstrate that although Coretax improved administrative efficiency, unequal digital literacy and accessibility limited the realization of inclusive welfare. Several taxpayers continued to experience technological barriers that complicated rather than facilitated compliance processes (Wulandari et al., 2025).

This finding demonstrates that *maslahah* in contemporary digital governance should not be interpreted merely as institutional efficiency, but as the substantive realization of inclusive welfare and equitable administrative access (Pratama & Saipudin, 2025). Consequently, technological modernization within Islamic financial governance requires ethical evaluation concerning who benefits from digital systems and who remains excluded from them.

This condition is crucial because Islamic governance fundamentally rejects systems producing inequity or disproportionate hardship. The principle of *taysir* requires governance institutions to facilitate public obligations rather than create excessive procedural burdens. Therefore, when taxpayers encounter technological exclusion due to limited digital capability, the realization of *maslahah* becomes partial rather than comprehensive. In other words, digital efficiency alone is insufficient to fulfill Islamic governance objectives if public accessibility remains unequal (Anggraeni, 2025).

The findings also demonstrate that digital fiscal governance should be evaluated substantively rather than formally. A technologically advanced system may appear administratively successful while simultaneously reproducing exclusion among vulnerable groups. This finding strengthens Tilaganboev's argument that contemporary governance legitimacy within Islamic perspectives depends on ethical outcomes rather than procedural formalism alone (Tilaganboev, 202). Consequently, the legitimacy of Coretax within Islamic financial governance depends not only on operational effectiveness but also on its ability to ensure inclusive access and equitable administrative participation.

Moreover, the findings reveal that taxpayer compliance within Islamic governance should not merely be interpreted as legal obedience toward the state. Compliance reflects participation in collective welfare and public financial responsibility. Tax administration contributes to social stability, public service financing, and economic order; therefore, effective compliance supports broader objectives of *maqashid al-shariah*. In this regard, digital governance may strengthen Islamic financial governance when technological systems facilitate public participation, transparency, and institutional accountability (Wulandari et al., 2025).

Nevertheless, the findings also imply that digital governance without adequate inclusivity risks contradicting the ethical objectives of Islamic administration. If technologically vulnerable groups remain marginalized within digital systems, governance modernization may inadvertently produce administrative injustice. Therefore, this study emphasizes that the realization of *maslahah mursalah* within digital fiscal governance requires balance between efficiency and inclusivity, technological innovation and social accessibility, as well as

institutional modernization and public welfare (Anggraeni, 2025).

Theoretically, this study contributes by positioning digital taxation within the broader discourse of Islamic financial governance rather than merely administrative reform. Previous studies generally examined taxpayer compliance through behavioral or technological approaches separately, while Islamic economic studies focused predominantly on zakat and Islamic banking. This research bridges these domains by demonstrating that contemporary digital taxation can be critically analyzed through *maslahah mursalah* as an ethical framework for evaluating fiscal governance. Consequently, the study expands contemporary discussions regarding Islamic governance in the era of digital public administration (Wulandari et al., 2025).

CONCLUSION

This study concludes that Coretax and annual digital tax reporting improved taxpayer compliance through administrative simplification, transparency, and easier reporting procedures. Digital tax administration encouraged more voluntary compliance by strengthening taxpayer trust and reducing bureaucratic complexity within fiscal governance. However, the findings also show that digital governance still faces challenges related to digital literacy and unequal technological accessibility, indicating that administrative efficiency does not automatically guarantee inclusive public services. From the perspective of *maslahah mursalah*, Coretax reflects the principles of *taysir*, transparency, and *hifz al-mal*, although the realization of public welfare remains dependent on equitable access and inclusive governance implementation. This study contributes to the development of digital fiscal governance studies by integrating taxpayer compliance with Islamic financial governance through the framework of *maslahah mursalah*. Future research may expand this study through broader comparative and quantitative approaches in different institutional contexts.

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