

Social Structure and Corporate Tax Compliance from a Business Justice Perspective

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ARTICLE INFO

Article history:

Received 14 December 2024

Revised 22 December 2024

Accepted 29 December 2024

Key words:

Corporate tax compliance,

Social structure,

Social norms,

Tax morale,

Institutional trust,

Procedural fairness,

Business law.

ABSTRACT

Corporate tax compliance is shaped not only by economic incentives and enforcement but also by the social structures surrounding business decision-making. This article examines how social factors influence corporate compliance with tax obligations and explores the implications for fairness in business law. An integrative literature review is employed to synthesize research on social norms, tax morale, organizational culture, trust in tax authorities, perceived fairness, professional networks, and corporate compliance capacity. The findings indicate that firms develop tax behavior through interactions among owners, managers, tax professionals, advisers, competitors, and institutional authorities. Social norms may reinforce compliance when lawful conduct becomes an accepted business standard, while permissive organizational cultures can normalize aggressive or non-compliant practices. Differences in financial resources, expertise, and administrative capacity further affect firms' ability to understand and satisfy tax obligations. Fair business law therefore requires consistent enforcement alongside accessible procedures, proportionate compliance burdens, transparent administration, and credible institutional treatment. Corporate tax compliance is ultimately strengthened when regulatory power is combined with procedural fairness, institutional trust, and social expectations that support responsible business conduct.

INTRODUCTION

Corporate tax compliance is a crucial aspect of the relationship between the business sector and the state, as tax payments provide a source of funding for public services while also influencing the distribution of the economic burden among business entities. Explanations of compliance have often been based on rational considerations such as the likelihood of an audit, the severity of penalties, tax rates, and the potential economic benefits of noncompliance. This approach does not fully explain why companies facing similar tax regulations may exhibit different compliance behaviors. Alm and McClellan (2012) demonstrate that tax morale can be analyzed at the firm level and is related to a firm's compliance decisions. These findings expand our understanding that companies are not merely entities that react to financial incentives. Values, management perspectives, the social environment, and perceptions regarding the fairness of the system can all influence organizational processes when tax obligations are determined and implemented.

A company's social structure can be understood through the relationships among ownership, management, professional staff, industry associations, consultants, business partners, regulators, and the community from which the company derives its legitimacy. Each of these elements exerts specific social pressures on tax decisions. A company with shareholders who emphasize compliance may develop policies that differ from those of a company that views aggressive tax reduction as a key measure of managerial competence. The business community can also establish informal standards regarding what is considered appropriate behavior. Practices commonly followed by similar companies have the potential to serve as reference points for decision-makers, even if those practices are not necessarily in line with legal norms. Leadership style also affects how managers guide their teams through pressure and change, including in tax decisions (Mardikaningsih & Darmawan, 2022). Social structures thus operate through the formation of

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customs, expectations, reputations, and perceptions regarding the behavior of other companies. Compliance, therefore, results from the interplay between formal tax norms and the values and pressures that develop within the organizational environment and business networks.

Kirchler et al. (2008), through the slippery slope framework, explain that compliance can take the form of compliance stemming from the authority of the tax agency or voluntary compliance that develops through trust. This framework incorporates norms, fairness, attitudes, and knowledge as elements related to the relationship between taxpayers and the tax agency. This perspective is significant for companies because tax decisions typically pass through several organizational layers. Tax staff interpret regulations, managers determine acceptable risk levels, the board of directors sets policy, and shareholders exert pressure regarding financial results. Trust in institutions and perceptions of the quality of law enforcement can influence choices at each of these levels. Awareness of obligations, fear of sanctions, and the quality of tax services also shape taxpayers' choices (Masithoh & Mardikaningsih, 2022). Companies may choose to comply out of fear of an audit or because they believe the system is legitimate. These two motivational bases can result in different behaviors when the intensity of oversight changes. Weak oversight makes rules easy to ignore, which reduces the deterrent effect of legal policy (Wibowo et al., 2024).

Social factors are also linked to the development of tax morale. Tax morale refers to the intrinsic motivation to fulfill tax obligations that does not rely solely on the threat of punishment. Fonseca Corona (2024), through a study on tax morale and culture, shows that the international literature links compliance to trust, identity, culture, governance, social norms, and various other non-economic factors. Lestari et al. (2022) show that trust, accountability, and transparency can enhance tax morale. Tax education can also raise awareness and compliance, so tax morale can be built through learning rather than through punishment alone (Lestari et al., 2021). In the corporate context, tax morale cannot be viewed as a single psychological trait because decisions are shaped by the organization. Founding values, corporate culture, incentive systems, the tax management profession, and shareholder demands can result in different orientations toward public obligations. Companies may view taxes as a cost to be minimized as much as possible or as an institutional obligation inherent to the existence of the business. These differing

interpretations of taxes influence the scope of decisions considered acceptable.

Social structural disparities among companies complicate the issue of compliance. Large companies typically have dedicated tax departments, consultants, accounting systems, access to information, and greater capacity for transaction planning. Smaller companies have limited resources and often entrust various administrative tasks to just a few people. Adequate accounting information systems can help small companies record transactions and meet their obligations more accurately (Nuraini et al., 2024). These differences can result in two forms of inequality. First, small companies may engage in non-compliance due to difficulties in understanding their obligations or bearing administrative costs. Second, large companies can use their knowledge and complex transaction structures to aggressively minimize their tax burden without necessarily committing easily identifiable violations. These conditions indicate that formal compliance and the ability to utilize regulations are linked to a company's position within the economic structure. A fair business legal system must take these differences in capacity into account when designing administration, services, oversight, and enforcement. Clear regulations that keep pace with business developments make this easier to achieve (Yuristiawan et al., 2024).

Tax justice also has a social dimension because companies compare the burden they bear with the treatment of other market participants. Differences in tax treatment raise concerns about fiscal justice, requiring fair and consistent treatment of all businesses (Siswanto et al., 2024). The perception that certain companies receive preferential treatment, can avoid obligations through complex structures, or do not face commensurate enforcement can undermine the system's legitimacy. Conversely, procedural certainty, consistent service, and predictable enforcement can strengthen the willingness to comply. Fairness is not limited to the magnitude of tariffs but encompasses how rules are formulated, applied, explained, and enforced. The relationship between companies and authorities is therefore both social and legal in nature. Every inspection, service interaction, dispute, and communication shapes an institutional experience that can either strengthen or weaken trust. In the long term, these experiences can evolve into organizational norms regarding how companies should interact with the state.

The scientific gap arises because studies of corporate tax compliance tend to treat economic factors, law enforcement, and individual characteristics as independent variables, even though these variables are

interconnected within a social structure that encompasses group norms, trust, organizational culture, reputation, and resource inequality. Companies operate within social networks that provide both information and pressure regarding standards of behavior considered acceptable. If the business environment treats compliance as part of a corporation's reputation, tax decisions will align with those standards. Conversely, if tax avoidance practices are perceived as a form of business acumen, the direction of social pressure will shift. Another disparity is evident in the relationship between social structure and business legal justice, where the system applies uniform rules literally but results in an uneven burden due to differences in administrative capacity, access to legal counsel, and economic standing among companies. Frequent regulatory changes can also make it harder to apply rules consistently (Negara et al., 2024). This indicates that environmental and social perceptions can influence taxpayers' tax behavior (Mardikaningsih et al., 2022).

This paper aims to explain the mechanisms by which social factors shape corporate tax compliance and to assess their impact on business legal justice. The discussion focuses on social norms, organizational culture, business networks, levels of trust in authorities, perceptions of justice, reputation, and variations in capacity among companies. This article asserts that corporate tax compliance is the result of a dynamic interaction between regulations and the social structures within which business decisions are made. This analysis serves as the foundation for examining the extent to which tax administration and enforcement can create a fair compliance burden for companies with varying levels of resources. The research questions in this study focus on two aspects: an analysis of the influence of social structures on corporate tax compliance levels and an assessment of the implications of this relationship for justice in business law.

RESEARCH METHOD

This study employs an integrative literature review using a conceptual approach and an analysis of relevant tax regulations. Whitemore and Knafl (2005) explain that an integrative review allows for the synthesis of sources with diverse designs to yield a broader understanding of an issue. Academic sources were identified using the following themes: corporate tax compliance, social norms, tax morale, trust in tax authorities, procedural fairness, tax justice, corporate taxpayers, and business taxation. Literature was selected if it addressed compliance behavior, social norms, trust, justice, organizational

structure, or the relationship between taxpayers and tax authorities. Sources that merely describe tax calculation techniques without any connection to corporate behavior were not included as primary material. Tax regulations were used to understand the structure of rights, obligations, administration and principles of justice that shape the legal relationship between companies and the state.

Source processing involves searching, assessing relevance, classifying, comparing, and synthesizing arguments. Grant and Booth (2009) describe searching, appraisal, synthesis, and analysis as elements that can be used to distinguish and organize the literature review process, while Snyder (2019) positions the literature review as a methodology capable of building knowledge through the mapping and integration of previous research findings. The materials were divided into two groups based on the research questions. The first group includes studies on social norms, beliefs, organizational culture, professional networks, and internal corporate structures. The second group includes literature on procedural justice, distributive justice, compliance capacity, enforcement, and the structure of tax law. The results of the comparison are then used to construct an explanation of the relationship between social factors, corporate behavior, and business legal justice without conducting a statistical meta-analysis.

RESULT AND DISCUSSION

Social Structure and the Development of Corporate Tax Compliance

Social structure influences tax compliance through the norms that develop in the environments where corporate decision-makers interact. Bobek, Hageman, and Kelliher (2013) demonstrate that social norms play a role in tax compliance behavior and that reference groups can shape individuals' judgments regarding acceptable behavior. This principle applies to organizations because directors, financial managers, accountants, consultants, and business owners do not make decisions in a social vacuum. They observe industry practices, discuss matters with colleagues, participate in business associations, and gather information about the actions of other companies. When professional groups view compliance as a legitimate behavioral standard, social pressure reinforces the decision to fulfill obligations. If, on the other hand, the environment normalizes highly aggressive tax avoidance, the line between sound business judgment and behavior that undermines compliance can become increasingly blurred.

Group norms operate through a process of social comparison. Management can assess the company's tax burden by comparing it to that of competitors of similar scale and business activities. Cost behavior analysis helps management see tax as one part of the company's total costs (Sinambela & Djaelani, 2022). Information that competitors are able to minimize their tax liabilities may raise questions about whether the company is being overly conservative in its tax planning. Conversely, the knowledge that most similar companies are complying with their tax obligations in an orderly manner can create reputational pressure to maintain compliance. Social norms can shape both awareness and behavior regarding tax compliance (Halizah et al., 2024). Similar businesses, including online ones, face the same income tax rules, so they can be compared directly (Kusen et al., 2023). Such comparisons demonstrate that tax decisions have a relational dimension. Companies evaluate actions not merely through the text of the law, but through behaviors considered normal within the business community. Informal norms can reinforce the law when community standards align with formal obligations. Norms that are permissive toward the manipulation or disregard of obligations can diminish the moral force of the rules even when the threat of sanctions remains. Obligations written in business agreements also carry legal consequences, so informal habits cannot replace them (Putra & Wibowo, 2023).

Organizational culture is the next social layer. The values established by owners, the board of directors, and financial leaders determine how staff interpret tax objectives. Instructions to manage taxes efficiently can lead to reasonable behavior if accompanied by clear compliance boundaries. Pressure to constantly lower the effective tax rate without considering legal risks can encourage professionals to adopt increasingly aggressive interpretive positions. Such schemes are hard to prosecute because the intent behind them must be proven (Fauzi et al., 2024). Compensation systems also influence behavior. Managers whose compensation is based on after-tax profits have different incentives than managers who are evaluated based on compliance and risk indicators. Corporate compliance is therefore the result of the dynamics within the organization. Individual values still play a role, but the incentive structure determines whether those values are reinforced or suppressed by corporate demands. Personality traits also shape how individuals perform and respond to work demands (Darmawan, 2017).

The hierarchical structure also determines who holds the authority in tax decision-making. In companies with strong governance, high-risk

decisions may be reviewed by the tax, legal, and internal audit functions, as well as the audit committee and the board of directors. The multiple layers of review allow for a broader range of considerations regarding legal and reputational risks. In companies with centralized authority, decisions by owners or top management may dominate even when professionals hold differing views. This type of structure can increase risk when leaders view taxes as a burden to be avoided by any means necessary. Conversely, leadership that sets an example of compliance can establish strong norms all the way down to the operational level. Good knowledge management and quality of work life also raise employee commitment to organizational values (Eddine et al., 2023). Internal social structures thus form the channels through which values regarding taxes are translated into policies and administrative actions.

Trust in the authorities is a key factor because companies interact repeatedly with tax authorities. Wahyuni, Putri, and Leniwati (2022) tested the "slippery slope" framework on corporate taxpayers and found that the power of the authorities had a positive effect on compliance in their sample, while trust did not show a significant effect. These results indicate that the relationship between trust and compliance does not always follow a uniform pattern across all groups. Companies may comply by taking into account the capacity for audits and enforcement, even if their level of trust is not yet high. Self-assessment systems and tax technology affect how easily evasion can be detected (Sinambela & Putra, 2021). From a policy perspective, this suggests that power-based compliance can be effective, but long-term legitimacy still requires predictable institutional relationships. Reliance solely on the fear of inspection has the potential to result in fluctuating compliance as the perceived risk of detection decreases. Tax penalty relief programs show that taxpayers also respond to how policy is designed (Darmawan, 2021).

Perceptions regarding the treatment of other companies also shape this trust. If taxpayers observe consistent enforcement against companies whether economically strong or weak, the legitimacy of the rules increases. Consistent supervision and law enforcement also keep competition fair (Shahab et al., 2024). The perception that some entities have special access, receive non-transparent leniency, or find it easier to resolve disputes can lead to the assessment that the system is unequal. Monopoly practices that harm small businesses can deepen this impression (Indarto et al., 2023). Such assessments can enter into internal company discussions and influence compliance morale. Tax staff who continually hear

narratives about unfairness may develop the justification that evading obligations is a reasonable response to the system. Behavior is ultimately shaped by the stories, experiences, and perceptions circulating within the company's social network. Authorities need to recognize that every enforcement action has a broader impact than individual cases because it serves as information for other taxpayers.

Professional networks wield significant influence because companies frequently engage tax consultants, auditors, associations, and legal advisors. These professionals serve as interpreters between complex regulations and business decisions. They can strengthen compliance by explaining risks, organizing administrative procedures, and clarifying the boundaries of permissible conduct. Managing legal rules in business also requires an integrated understanding between business actors and their advisors (Mardikaningsih & Darmawan, 2023). Aggressively oriented networks can produce different effects by offering schemes marketed as standard industry practices. The profession's reputation and ethical standards then indirectly influence corporate behavior. Companies lacking internal capabilities are heavily dependent on the quality of their external advisors. Innovation in human resource management can strengthen internal capabilities and reduce this dependence (Abdullah et al., 2021). The structure of access to professionals thus creates a divide between companies that receive high-quality advice and those that rely on unofficial information or low-quality services. Business actors who avoid forming formal legal entities may also have limited access to reliable legal advice (Fathoni et al., 2024).

A company's reputation also serves as a form of social control. Companies that depend on investors, customers, creditors, or partners who are sensitive to corporate governance have an incentive to consider the reputational consequences of tax disputes. Compliance can be part of a corporate identity communicated through corporate governance and corporate responsibility. Companies are responsible for conducting business ethically, morally, responsibly, economically, and legally (Darmawan, 2022). Conversely, companies operating in markets with low reputational pressure may view tax risks primarily as a financial issue. This distinction demonstrates that proximity to various stakeholders shapes the intensity of social oversight. Legal risks remain the same under the law, but the social costs of a violation may vary depending on the company's position. The social structure of the market can therefore either strengthen or weaken incentives for compliance.

A company's economic capacity also determines how social factors are translated into action. Large companies can hire specialized professionals, utilize compliance tools, and receive regular updates on regulations. Small companies may rely on the owner or a single administrative staff member to manage multiple obligations at once. These limitations can lead to errors that do not stem from an intent to evade taxes. At the same time, substantial resources enable complex companies to engage in far more sophisticated planning. This disparity in capacity creates two distinct risks: noncompliance due to administrative limitations in one group, and aggressive behavior stemming from a knowledge advantage in the other. Compliance policies must distinguish between these characteristics to ensure that responses are not applied uniformly.

Social structure also explains why habits can persist after individuals change. Companies preserve procedures, work formats, informal knowledge, and practices that are passed on to new staff. If a company has developed a culture of orderly record-keeping over the years, new employees will enter an environment that regards compliance as routine. If previous practices were permissive toward tardiness or manipulation, new employees may view such behavior as the internal standard. This institutionalization makes compliance a relatively stable characteristic of the organization. Behavioral change requires structural reform, not merely educating a single individual. Management needs to change incentive systems, approval processes, oversight, and leadership messaging so that new norms can take hold.

Cultural norms and values shape how business agreements are perceived and implemented (Da Silva et al., 2022). Social norms can even determine the limits of the language a company uses to describe its behavior. Terms such as efficiency, tax optimization, cost management, or risk management may have legitimate meanings, but they can also mask actions that border on noncompliance when the internal culture does not provide clear ethical boundaries. Organizational language influences how decisions are perceived by members. Behavior described as a public duty carries a different meaning than behavior that is consistently framed as a cost to be minimized. Bobek et al. (2013) highlight the importance of reference groups in shaping compliance norms. Within companies, a similar process unfolds through the language used in meetings, policies, consultations, and the examples set by leadership.

Social structures influence corporate tax compliance through group norms, organizational culture, power

hierarchies, professional networks, reputation, trust in authority, and capacity disparities. Companies do not act as economic actors completely detached from their social environment. Decisions regarding tax reporting, payment, interpretation of rules, and tax planning are shaped through interactions among many parties who hold different values and interests. Norms that support compliance can internalize obligations so that companies do not rely entirely on the threat of sanctions. Norms that are permissive toward noncompliance can have the opposite effect. Strengthening compliance requires credible enforcement as well as the creation of an institutional and professional environment that establishes compliance as a legitimate standard of business conduct.

Social Structure and the Development of Corporate Tax Compliance

Business legal justice requires that tax obligations be enforced consistently while taking into account that companies' ability to comply with administrative requirements varies. Aulia, Rosdiana, and Inayati (2022) developed a model of corporate taxpayer compliance by incorporating trust, power, and tax risk into a "slippery slope" framework. Sustained compliance requires credible institutions and fair enforcement procedures (Purwanto et al., 2024). The study indicates that tax risk must be considered alongside the relationship between the authority's power and trust to gain a more comprehensive understanding of corporate behavior. The implication for fairness is that companies need predictable rules and enforcement that possesses legitimacy. High uncertainty makes it easier for companies with substantial resources to absorb consulting costs and manage disputes, while small companies bear a relatively heavier burden. Legal certainty therefore has distributional effects, not merely administrative value.

Formal justice means that companies in the same legal position are subject to the same rules. Substantive justice requires consideration of whether administrative structures result in comparable abilities to fulfill obligations and exercise rights. Forms, bookkeeping, electronic reporting, transaction documentation, and appeal procedures may apply to all companies, but the costs of compliance may vary depending on the scale of the business. Large companies have divisions dedicated to handling such complexities, whereas small businesses may have to divert resources that should be directed toward production to meet administrative requirements. Simplifying procedures for certain groups should not be interpreted as granting special privileges if the goal

is to create a more balanced ability to fulfill obligations. Fairness in business law requires proportionality between the objectives of oversight and the administrative burden borne by the parties involved.

Perceptions of procedural and distributive fairness are linked to the willingness to voluntarily fulfill obligations. Cahyonowati, Ratmono, and Dewayanto (2023) found that procedural fairness, distributive fairness, and tax morale play a significant role in voluntary compliance in their study. These findings indicate that companies and individuals fulfilling tax obligations do not evaluate the system solely based on tax rates. How decisions are made, how taxpayers are treated, whether explanations are provided, and whether the burden is perceived as fairly distributed all shape their response. Procedural fairness can strengthen acceptance even when the final outcome does not fully align with the company's interests. Conversely, a process perceived as opaque or inconsistent can create resistance even if the material obligations are legally valid.

Law No. 7 of 2021 on the Harmonization of Tax Regulations identifies the enhancement of voluntary compliance, fairness, legal certainty, administrative improvements, and the broadening of the tax base as key components of tax reform. This formulation indicates that compliance is not viewed solely as a result of enforcement actions. The system needs to establish a framework that enables taxpayers to clearly fulfill their obligations and predict the consequences of their business decisions. For companies, certainty regarding the tax base, rates, procedures, documentation, and dispute resolution mechanisms is critical to investment planning and cash flow management. The rapid growth of digital transactions makes clear rules on the tax base even more necessary (Wibowo et al., 2023). Complex tax laws can increase transaction costs and widen the gap between companies with strong advisors and those without similar access.

Government Regulation No. 50 of 2022 governs the exercise of tax rights and the fulfillment of tax obligations, including registration, tax notices, payments, record-keeping, audits, assessments, appeals, collection, electronic procedures, and various other mechanisms. This regulation is explicitly aimed at providing legal certainty, fairness, convenience, and clarity for the public in fulfilling their tax obligations. The structure of rights and obligations is significant for business fairness because companies are not merely objects of taxation. Taxpayers also have the right to clear procedures, to file objections, to request corrections, and to utilize available legal mechanisms. Legal protection is

meaningful only when business operators can use it in practice (Wibowo et al., 2024a). Equality requires the actual ability to access these rights. A system that formally provides these rights but is too costly or complicated for small businesses to use still leaves issues of fairness unresolved.

Law enforcement serves a corrective function against inequality when it is consistently guided by risk and evidence. Compliant companies bear administrative costs and payments that can affect prices and profits. If competitors reduce their obligations through violations and face no consequences, noncompliance yields an unfair competitive advantage. Tax enforcement is therefore linked to competitive fairness. Problems arise when the intensity of enforcement is perceived to be concentrated on the easiest targets to audit, while the complex structures of large corporations do not receive commensurate scrutiny. Complex transactions between related companies require evidence that they reflect fair market terms (Triyono et al., 2024). Authorities require analytical capacity capable of tracking complex transactions so that fairness does not merely mean treating all entities with identical procedures, but rather ensuring that comparable risks receive a comparable response.

Compliance costs are a distributional issue because the same absolute amount can impose a different relative burden. The costs of purchasing equipment, storing documents, hiring consultants, training staff, and the time required to keep up with regulatory changes are more easily absorbed by large companies. For small businesses, these costs can constitute a significant portion of administrative expenses. Small businesses must control their costs carefully, so additional compliance costs weigh heavily on them (Sinambela et al., 2022). Fairness can be enhanced through easy-to-understand services, automation, guidelines, standardization, and the segmentation of services based on taxpayer characteristics. A gap between regulation and its implementation also adds to the cost of understanding obligations (Wibowo et al., 2024b). The goal is not to reduce the substance of obligations without justification, but rather to minimize unnecessary costs while achieving the same level of compliance. Efficient administration reduces the likelihood that a company's socioeconomic status will determine its ability to comply with the law.

Transparency plays a crucial role in strengthening trust between companies and authorities. Companies need clarification regarding changes in regulations, the basis for audit actions, procedures for exercising rights, and service standards. When decisions are

understandable and corrective mechanisms are available, taxpayers have stronger grounds to view the system as a legitimate institution. Transparency also curbs the perception that tax outcomes depend on personal connections or social status. Transparency and regulatory enforcement, supported by good governance, can close loopholes and ensure fairness for all parties (Parji et al., 2024). From a business law perspective, equality requires a clear distinction between legitimate professional relationships and preferential treatment. The publication of rules, guidelines, and procedures that all companies can use helps replace reliance on personal networks with more open access to information.

The balance between enforcement and persuasion must be tailored to the nature of the noncompliance. Administrative errors resulting from limited understanding differ from deliberate manipulation. A purely repressive response can increase costs and erode trust among groups that are actually willing to comply. Penalty relief programs show that taxpayers respond well to policies that give them room to correct mistakes (Sudja'i & Darmawan, 2021). An overly lenient response to deliberate violations can create incentives for other companies to follow suit. Fairness requires differentiation based on behavior, the severity of the violation, the level of risk, and compliance history. Such a model could combine education, corrective measures, monitoring, audits, and tiered sanctions. The ultimate goal is stable compliance without burdening compliant companies with the same pressure as high-risk offenders.

The use of information technology can support tax compliance and raise taxpayer awareness (Lestari & Sinambela, 2022). The digitization of administrative processes can improve fairness by reducing unnecessary contact, speeding up services, and making procedures more uniform. Digital systems can also enhance the authorities' ability to compare data and detect risks more objectively. They also raise questions about who is responsible and how violations are proven (Sutanto et al., 2023). The impact still depends on companies' capacity to use the technology. The quality of human resources also determines how well companies use such systems (Darmawan et al., 2020). Companies with integrated accounting systems can adapt their processes more easily, while small businesses may face learning costs. Legal and administrative frameworks need to account for adaptation phases, support mechanisms, and interoperability to ensure that technology does not widen existing gaps. Digital equity means that automation is used to expand capabilities, not to

create requirements that only organizations with substantial resources can easily meet.

From a social structure perspective, compliance policies need to leverage the positive norms that have developed within the business community. Efforts to raise awareness of tax rights and obligations are necessary to encourage taxpayer compliance (Rimadhani et al., 2024). Professional and industry associations can serve as channels for educating about standards of conduct, while corporate governance can incorporate tax risks into the oversight of the board of directors and the audit committee. Effective organizations depend on clear structures and shared responsibilities, including for tax risks (Darmawan, 2024). Publishing best practices can foster the expectation that compliance is an essential element of business professionalism. At the same time, authorities must ensure that cooperation with the business community does not result in disproportionate influence for large corporate groups. Policy consultations must provide space for companies of varying scales and capacities so that regulations are not inadvertently designed to serve the needs of the groups best able to articulate their interests.

The implications for business law are the need to balance regulatory equity, proportionality of administrative burdens, procedural certainty, and consistent enforcement. Social structures cannot be eliminated from corporate behavior, but their influence can be channeled. The law can strengthen compliance norms through transparency and credible enforcement, reduce capacity disparities through simplification and service provision, and maintain legitimacy through fair procedures. A system that relies too heavily on sanctions risks neglecting voluntary sources of compliance. A system that relies solely on trust may fail to address companies that strategically exploit weaknesses in oversight. A balance between institutional power and social legitimacy provides a stronger foundation for maintaining compliance without sacrificing fairness.

The influence of social structure on compliance has direct implications for business legal justice, as companies possess varying capacities, networks, knowledge, and bargaining power when fulfilling their tax obligations. Justice requires the consistent application of rules while reducing administrative barriers that result in a disproportionate burden. Procedural fairness, clarity of rights, transparency, service, and the ability to correct decisions are just as important as tax rates and penalties. Compliant companies also need to be protected from the competitive advantage enjoyed by those who disregard their obligations. The tax legal framework

can support these objectives if risk-based enforcement goes hand in hand with increased voluntary compliance, legal certainty, and procedural access that companies with varying levels of resources can utilize.

CONCLUSION

Social structures influence corporate tax compliance through group norms, organizational culture, leadership, professional networks, reputation, trust in authority, and differences in economic and administrative capabilities. Corporate tax decisions are not driven solely by considerations of penalties and financial gains. Corporate behavior is also shaped by standards that develop among owners, management, professionals, competitors, advisors, and stakeholders. These influences can reinforce compliance when the business environment legitimizes compliant behavior, or encourage aggressive actions when reducing tax liabilities is viewed as a measure of success. The implications for business legal justice lie in the need to ensure that rules and enforcement are consistent while acknowledging disparities in corporate capabilities. A fair system must combine certainty, user-friendly services, risk-based enforcement, and protections for companies that fulfill their obligations properly.

Theoretically, the findings of this discussion position corporate tax compliance as a socio-organizational phenomenon that cannot be explained solely through economic calculations. Norms, trust, and perceptions of justice enter the corporate process through power structures and the social networks surrounding them. Academically, this approach bridges the study of tax compliance with discussions of organizational culture and business legal justice. In practice, tax authorities need to view companies as groups with varying capacities and develop a combination of services, education, technology, oversight, and enforcement tailored to their respective risk levels. Companies also need to treat tax compliance as part of corporate governance and legal risk management, rather than merely an administrative function. A balance between the authority's power and trust can enhance compliance while maintaining the legitimacy of the tax system within the business environment.

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