

(Research Article)

The Effect of Changes in Vat Rates, Income Level, and Lifestyle on Property Buying Interest at PT. Propernas Griya Utama Perumnas in Semarang City Among Generation Z

Bima Setya ^{1*}, Muchayatin ², Parju ³, Puji Setya Sunarko ⁴

¹⁻⁴ Accounting Department, Bussines and Economic Faculty, Universitas 17 Agustus 1945 Semarang, Indonesia

* Corresponding Author: bsetya125@gmail.com

Abstract: This study aims to analyze the influence of changes in Value Added Tax (VAT) rates, income level, and lifestyle on property purchase intention among Generation Z in Semarang City. The research applies a quantitative approach using Structural Equation Modeling–Partial Least Square (SEM-PLS) with SmartPLS 4 as the analytical tool. The population consists of 380 home buyers from Perumnas housing units in Semarang City, with a sample of 123 respondents selected through convenience sampling. The results indicate that: (1) changes in VAT rates have a positive and significant effect on property purchase intention; (2) income level has a positive and significant effect on property purchase intention; and (3) lifestyle also has a positive and significant effect on property purchase intention. The R-Square value of 0.640 shows that the three independent variables collectively explain 64% of the variance in property purchase intention, while the remaining 36% is influenced by other factors outside the research model.

Keywords: Generation Z; Income Level; Lifestyle; Property Purchase Interest; VAT Rate Changes.

1. Introduction

The property sector in Indonesia continues to experience dynamic changes influenced by various economic factors and fiscal policies. According to a survey of residential property prices by (Bank Indonesia, 2024) Residential property sales in the primary market in the fourth quarter of 2024 showed a year-on-year decline of 15.09%, with taxation contributing 9.72% as a hindering factor in property development and sales. One significant policy change is the increase in the VAT rate from 10% to 11% starting April 2022, based on Law Number 7 of 2021 concerning the Harmonization of Tax Regulations. This change in the VAT rate directly impacts property selling prices and has the potential to influence consumer purchasing interest, particularly Generation Z, who are potential future buyers and are twice as likely as previous generations to own a property before the age of 25. (Handopo & Rahadi, 2021).

Previous research on factors influencing property purchase intentions has produced inconsistent findings. A study by Ayem et al., (2021) And Dewi et al., (2024) found that changes in VAT rates had a positive and significant effect on purchase intentions. Conversely, Cristina & Magdalena, (2023) found that VAT rates did not have a positive and significant effect on purchase intentions. Regarding income levels, Anggraeni & Mudiarti (2022), Amelia, (2025), And Shofi & Mundzhir, (2025) showed a positive and significant influence, while Putri et al. (2023) did not find a significant influence. Similarly, lifestyle research by Muniarty et al., (2021) And Fabella et al. (2023) shows a positive and significant influence, whereas Maulidah & Russanti (2021) found no significant effect. This inconsistency indicates a research gap that requires further investigation.

Previous studies have primarily used linear regression analysis and the Wilcoxon test, which have limitations in simultaneously testing the complex relationships between multiple independent variables and purchase intentions. Furthermore, most previous research has not

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specifically focused on Generation Z in the context of the property sector, nor has it comprehensively examined the combination of fiscal policy (VAT), economic factors (income), and psychological factors (lifestyle) in a single model.

There is a lack of empirical evidence regarding the simultaneous influence of changes in VAT rates, income levels, and lifestyle on property purchase intentions among Generation Z, particularly in Semarang City. This is crucial considering that Generation Z represents a significant potential market, yet their response to tax policy changes, moderated by income levels and lifestyle preferences, remains underexplored.

This study uses a quantitative approach with Structural Equation Modeling-Partial Least Square (SEM-PLS) with the SmartPLS 4 analysis tool. This method was chosen because it can simultaneously test complex relationships between variables, handles relatively small sample sizes, and does not require multivariate normality assumptions. The population consisted of 380 home buyers in Perumnas Semarang City, with a sample of 123 respondents taken using convenience sampling techniques.

This research is crucial for assessing the impact of changes in VAT rates, income levels, and lifestyle on purchasing interest, given that VAT policies directly impact prices and purchasing power. This study differs from previous research in that it specifically examines the impact of changes in VAT rates, income levels, and lifestyle on purchasing interest among Generation Z in the real estate sector.

2. Literature Review

2.1. Purchase Interest

Purchase Interest is the action of someone buying something to fulfill their desires and in the purchasing process it can influence their actions to make purchases in the future. (Pektas & Hassan, 2020). According to Hoxha & Zeqiraj (2020) Purchase interest is an indicator of a person's willingness to engage in certain behaviors, reflected in their assessment of whether to purchase a product/service. Purchase interest is related to a consumer's plan to purchase a particular product and the number of units of the product needed within a given period. (Purbohastuti & Hidayah, 2020).

Kotler & Armstrong (2020), identified several factors that influence consumer purchasing interest, namely: (a) level of awareness and strength of brand image, (b) influence of social environment and lifestyle, (c) contextual factors such as economic conditions, and (d) customer attitudes towards price. In this study, purchasing interest is positioned as a dependent variable influenced by changes in VAT rates, income levels, and lifestyle.

2.2 Changes to VAT Rates

Based on Law Number 42 of 2009 concerning Value Added Tax, VAT is defined as a tax on the consumption of goods and services in the Customs Area which is imposed in stages at each production and distribution channel. Abdul Rahman (2022), also stated that Value Added Tax is a tax imposed on the increase in the value of goods or services in their circulation from producers to consumers. According to (Selfiani, 2024) Value Added Tax is a tax imposed on every added value that arises because there are production elements used in the production process up to the distribution of goods to customers.

Previous research shows different results from studies conducted by Ayem et al., (2021), Dewi et al., (2024), And Anggraeni & Mudiarti (2022) found that changes in VAT rates had a positive and significant impact on purchasing interest.

2.3 Income Level

Samuelson's (1998) theory in the book "Economic" states that income is the amount of money received by individuals or households in a certain period of time that affects their ability to purchase goods and services. Revenue is the inflow of cash assets and/or settlement of liabilities from the delivery or production of goods, the rendering of services, and other profit-making activities that constitute the major or major operations that are ongoing during a period. (Kieso et al., 2019).

Previous research conducted Anggraeni & Mudiarti (2022) And Amelia (2025) found that increasing income has a positive and significant effect on purchase intention. This indicates that the higher a person's income, the greater their interest in making a purchase.

2.4 Lifestyle

Theory of Kotler & Keller (2016) Lifestyle is a person's pattern of life as expressed in activities, interests, and opinions. It describes the whole person interacting with his environment. According to Setiadi (2010) Lifestyle is defined as a way of life that is defined by how people spend their time, what they think about themselves and also the world around them. According to Sutisna (2010) Lifestyle can be identified as a person's pattern of life in spending his time (activities), interests (interests) and behavior in daily activities (opinions).

Previous research conducted Muniarty et al. (2021) & Fabella et al. (2023) found that lifestyle has a positive and significant influence on purchase intention. This indicates that if a person's lifestyle improves or becomes better, their purchase intention will also increase.

3. Materials and Method

This study uses a quantitative approach with a survey method to analyze the effect of changes in VAT rates, income levels, and lifestyle on property purchase interest among Generation Z in Semarang City. The quantitative approach was chosen because it can empirically test the relationship between variables through statistical analysis using Structural Equation Model Partial Least Squares (SEM-PLS).

The population in this study is the purchase of housing units in Perumnas Semarang City, which is 380 units obtained from data from PT. Propernas Griya Utama Semarang. The characteristics of the population to be selected in this study are respondents born in 1997 - 2012 or aged 13 - 28 years in 2025. The data used is primary data with a questionnaire distribution method. The sampling technique used is non-probability sampling with a convenience sampling method (accidental sampling) using the Slovin formula calculation (5% margin of error) so that a sample of 195 respondents is obtained. However, in the implementation of the questionnaire distribution, the number of questionnaires returned and can be processed completely is 123 respondents, the number of samples has also met the minimum requirements in the use of the SEM-PLS method.

This study uses the Structural Equation Model Partial Least Square (SEM – PLS) using SmartPLS 4 software. Testing is carried out in two stages, namely:

- Measurement Model Testing (Outer Model): Convergent Validity (Outer Loading & AVE), Discriminant Validity (Cross Loading, Fornell-Larcker, & Heterotrait Monotrait Ratio (HTMT)), Construct Reliability Test (Cronbach Alpha and Composite Reliability (rho_c)).
- Structural Model Testing (Inner Model): Converting Path Diagrams to Systems of Equations, Model Evaluation and Hypothesis Testing (Resampling Bootstrapping).

4. Results and Discussion

4.1. Demographic Analysis

Table 1. Demographic Profile of Respondents.

	Division	Frequency	Percentage (%)
Gender	Man	54	43.9%
	Woman	69	56.1%
	Total	123	100%
Age	17 – 19 Years	22	17.89%
	20 – 22 Years	41	33.33%
	23 – 25 Years	28	22.76%
	26 – 28 Years	32	26.02%
	Total	123	100%
Income	Rp. 1,000,000 - Rp. 2,000,000	26	21.14%
	Rp. 2,000,000 - Rp. 3,000,000	17	13.82%
	Rp. 3,000,000 - Rp. 4,000,000	31	25.20%
	Rp. 4,000,000 - Rp. 5,000,000	20	16.26%

> Rp. 5,000,000	29	23.58%
Total	123	100%

Source: SMART PLS 4 Data Processing, 2026.

Respondents in this study numbered 123 people, with a gender composition dominated by women as many as 69 people (56.1%), while men numbered 54 people (43.9%). In terms of age, respondents were spread across the range of 17–28 years, with the largest group being 20–22 years old as many as 41 people (33.33%), followed by 26–28 years old 32 people (26.02%), 23–25 years old 28 people (22.76%), and 17–19 years old 22 people (17.89%). In terms of monthly income, respondents are divided into five categories, namely IDR 1,000,000–2,000,000 (26 people; 21.14%), IDR 2,000,000–3,000,000 (17 people; 13.82%), IDR 3,000,000–4,000,000 (31 people; 25.20%), IDR 4,000,000–5,000,000 (20 people; 16.26%), and more than IDR 5,000,000 (29 people; 23.58%), which shows that most respondents are in the middle to upper middle income group..

4.2. Measurement Model Testing (Outer Model)

Convergent Validity

According to Ghozali (2018), The convergent validity test aims to assess the extent to which reflective indicators are able to represent the construct being measured. The testing criteria are an outer loading value above 0.70 & an Average Variance Extracted (AVE) value exceeding 0.50. The following is the calculation of the convergent validity test:

Table 2. Outer loading value results.

	VAT Change (X1)	Income Level (X2)	Lifestyle (X3)	Purchase Interest (Y)	Information
X1.1	0.819				Valid
X1.2	0.835				Valid
X1.3	0.869				Valid
X2.1		0.862			Valid
X2.2		0.844			Valid
X2.3		0.819			Valid
X2.4		0.817			Valid
X3.1			0.812		Valid
X3.2			0.767		Valid
X3.3			0.851		Valid
Y1.1				0.786	Valid
Y1.2				0.835	Valid
Y1.3				0.852	Valid
Y1.4				0.809	Valid

Source: SMART PLS 4 Data Processing, 2026.

Based on table 2. above, it shows that the results of the loading factor values of each variable indicator have met the criteria of > 0.70. It can be concluded that all indicators/questions have fulfilled the correlation between the indicator/question scores and their constructs/variables so that they have fulfilled convergent validity. After the loading factor test has fulfilled the criteria, then the Variance Extracted (AVE) / Latent Variable Correlation Value test is carried out:

Table 3. Latent Variable Correlation Value Results.

Variables	Changes in VAT Rates	Income Level	Life- style	Pur- chase Inter- est	AVE	√AVE	Informa- tion
Changes in VAT Rates	1,000	0.680	0.685	0.699	0.708	0.841	Valid

Income Level	0.680	1,000	0.697	0.733	0.698	0.836	Valid
Lifestyle	0.685	0.697	1,000	0.699	0.658	0.811	Valid
Purchase Interest	0.699	0.733	0.699	1,000	0.674	0.821	Valid

* Source: SMART PLS 4 Data Processing, 2026.

The Latent Variable Correlation value can be seen by comparing the $\sqrt{\text{AVE}}$ value. The $\sqrt{\text{AVE}}$ value must be greater than the correlation value between latent variables in the same row/column. Based on Table 2, the test results show:

- The VAT Rate Change has an $\sqrt{\text{AVE}}$ value of 0.841: all correlation values of 0.680; 0.685 & 0.699 are smaller than 0.841. Therefore, it can be concluded that it is valid.
- Income Level has $\sqrt{\text{AVE}}$ 0.836: all correlation values of 0.680; 0.697; & 0.733 are smaller than 0.836. Therefore, it can be concluded that it is valid.
- Lifestyle has $\sqrt{\text{AVE}}$ 0.811: all correlation values of 0.685; 0.697; & 0.699 are smaller than 0.811. Therefore, it can be concluded that it is valid.
- Purchase Interest has an $\sqrt{\text{AVE}}$ of 0.821: all correlation values of 0.699; 0.733; & 0.699 are smaller than 0.821. Therefore, it can be concluded that it is valid.

Discriminant Validity

According to Ghazali (2018), the discriminant validity test aims to ensure that each construct is distinct from other constructs. The test criteria are: the cross-loading value of one construct > the other constructs, the Fornell-Larcker value > the correlation between constructs, and the HTMT value < 0.90. The following is the calculation of the Discriminant Validity test:

Table 4. Cross Loading Test Results.

Instrument	Change in VAT Rate (X1)	Income Level (X2)	Lifestyle (X3)	Purchase Interest (Y)	Information
X1.1	0.819	0.554	0.563	0.570	Valid
X1.2	0.835	0.547	0.505	0.573	Valid
X1.3	0.869	0.613	0.655	0.620	Valid
X2.1	0.483	0.862	0.577	0.621	Valid
X2.2	0.602	0.844	0.615	0.635	Valid
X2.3	0.629	0.819	0.624	0.634	Valid
X2.4	0.557	0.817	0.505	0.555	Valid
X3.1	0.579	0.562	0.812	0.533	Valid
X3.2	0.454	0.503	0.767	0.511	Valid
X3.3	0.620	0.623	0.851	0.644	Valid
Y1.1	0.516	0.579	0.622	0.786	Valid
Y1.2	0.592	0.647	0.524	0.835	Valid
Y1.3	0.647	0.629	0.583	0.852	Valid
Y1.4	0.535	0.549	0.569	0.809	Valid

Source: SMART PLS 4 Data Processing, 2026

Based on Table 4, each indicator in the research variable has the highest cross-loading value compared to the cross-loading values in other variables. This can be concluded that the indicators used have good discriminant validity values. Therefore, the results of the convergent validity and discriminant validity tests show consistent figures, with all indicators declared valid. This indicates that the model in this study has a good fit and is able to differentiate between different constructs effectively. The next test is the Fornell-Larcker test:

Table 5.Fornell – Larcker Test Results.

	Changes in VAT Rates	Income Level	Lifestyle	Purchase Interest	Information
Changes in VAT Rates	0.841				Valid
Income Level	0.680	0.836			Valid
Lifestyle	0.685	0.697	0.811		Valid
Purchase Interest	0.699	0.733	0.699	0.821	Valid

Source: SMART PLS 4 Data Processing, 2026

Based on table 5. above, it can be seen that:

- The value in the VAT Rate Change row $\sqrt{\text{AVE}}$: 0.841, while the correlation value with other variables, namely Income Level (0.680), Lifestyle (0.685), and Purchase Interest (0.699) has a value smaller than 0.841 so it is said to be valid.
- The value in the Income Level $\sqrt{\text{AVE}}$ row: 0.836, while the correlation value with other variables, namely Lifestyle (0.697), and Purchase Interest (0.733) has a value smaller than 0.836 so it is said to be valid.
- The value in the Income Level row $\sqrt{\text{AVE}}$: 0.811, while the correlation value with another variable, namely Purchase Interest (0.699), has a value smaller than 0.811 so it is said to be valid.

The next test is the Heterotrait – Monotrait Ratio (HTMT) test as follows:

Table 6.Heterotrait – Monotrait Ratio (HTMT) Test Results.

	Change in VAT Rate (X1)	Income Level (X2)	Lifestyle (X3)	Purchase Interest (Y)
Change in VAT Rate (X1)				
Income Level (X2)	0.824			
Lifestyle (X3)	0.884	0.868		
Purchase Interest (Y)	0.855	0.862	0.881	

Source: SMART PLS 4 Data Processing, 2026

Based on table 6. above, it can be seen that the Heterotrait - Monotrait Ratio value of each variable correlation is below 0.90, therefore it can be concluded that the indicators of each variable have met discriminant validity or are valid for use.

Reliability Test

Reliability test according toGhozali (2018)The aim is to measure the extent to which the questionnaire, as a construct indicator, is able to provide consistent or stable results over time. The testing criteria are if the Cronbach's Alpha value is > 0.70 and the Composite Reliability (rho_c) value is > 0.70.

Table 7. Reliability Results.

	Cronbach's alpha	Composite reliability (rho_c)	Information
Change in VAT Rate (X1)	0.793	0.879	Reliable
Income Level (X2)	0.856	0.902	Reliable

Lifestyle (X3)	0.740	0.852	Reliable
Purchase Interest (Y)	0.839	0.892	Reliable

Source: SMART PLS 4 Data Processing, 2026

Based on table 7. above, it can be seen that the Cronbach's alpha value of each variable has a value > 0.70 , where the VAT Rate Change variable has a value of 0.793; Income Level 0.856; Lifestyle 0.740; Purchase Interest 0.839 where the value of the variable is more than 0.70. The Composite reliability (ρ_c) value for the VAT Change variable is 0.879; Income Level 0.902; Lifestyle 0.852; and Purchase Interest 0.892 where the value exceeds 0.70, it can be concluded that each variable in this study has met the criteria or good reliability.

4.2 Structural Model Testing (Inner Model)

Path Diagram

The research model in this study can be seen in the image below:

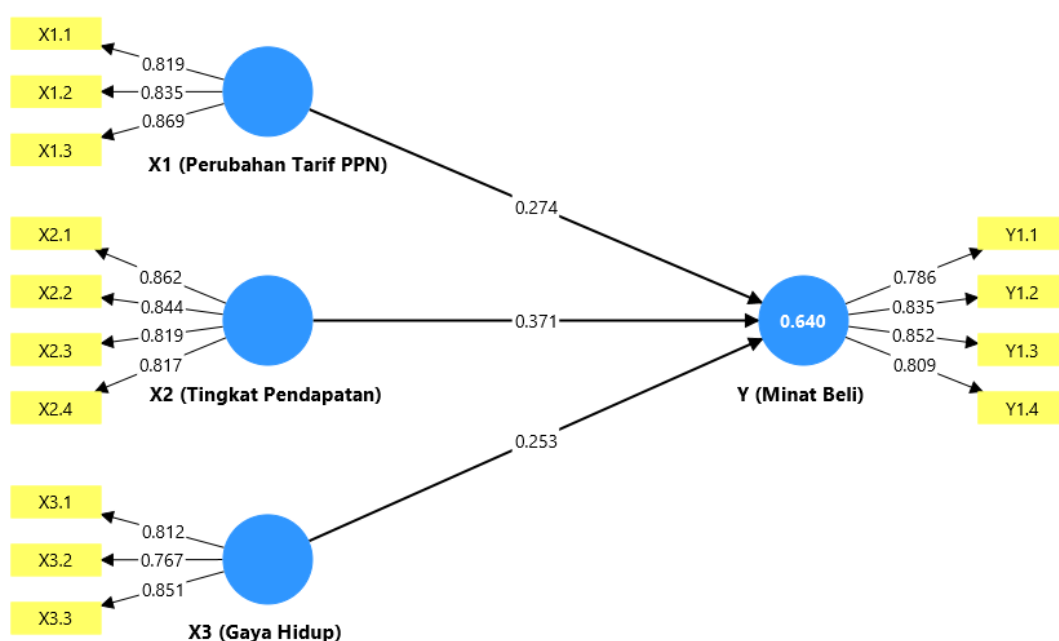


Figure 1. Research Estimation Results.

From Figure 1. above, it can be seen that the loading factor value of each variable indicator has met the criteria of > 0.70 . It can be concluded that all indicators/questions have fulfilled the correlation between the indicator/question scores and the construct/variable.

Model Evaluation

R – Square

Table 8. R-Square Test Results.

	R-square	R-square adjusted
Purchase Interest (Y)	0.640	0.631

Source: SMART PLS 4 Data Processing, 2026

Based on table 8. above, the R-Square value of 0.640 for the Purchase Intention variable indicates that 64% of the variation in this variable can be explained by the independent variables in the model, while the remaining 36% is influenced by other factors outside the model, so the relationship between the independent variables and Purchase Intention can be considered moderate. This value indicates that the model relationship is able to explain most

of the factors that influence Purchase Intention, although there are still many influences from outside the model.

Statistical Collinearity (VIF)

Table 9. Statistical Collinearity Test Results (VIF).

	VIF
X1.1	1,583
X1.2	1,683
X1.3	1,835
X2.1	2,209
X2.2	2,004
X2.3	1,812
X2.4	1,921
X3.1	1,533
X3.2	1,379
X3.3	1,543
Y1.1	1,644
Y1.2	1,951
Y1.3	2,025
Y1.4	1,815

Source: SMART PLS 4 Data Processing, 2026

Based on table 8 above, it shows that the value of each variable has a value <5 so it can be concluded that this study does not experience multicollinearity.

F – Square

Table 10. F-Square Test Results.

	X1 (VAT Rate Change)	X2 (Income Level)	X3 (Lifestyle)	Y (Purchase Interest)
X1 (VAT Rate Change)				0.094
X2 (Income Level)				0.167
X3 (Lifestyle)				0.076
Y (Purchase Interest)				

Source: SMART PLS 4 Data Processing, 2026

Based on table 4.6 above, it shows that:

- The VAT Rate Change variable has a value of 0.094, so it can be said that it has a small influence on purchasing interest because its value is $0.02 < 0.094 < 0.15$. This indicates that the VAT Rate Change variable makes a small contribution in explaining the Purchase Interest variable in the structural model. Nevertheless, the VAT Rate Change variable still contributes to the structural model.
- The Income Level variable has a value of 0.167, or $0.02 < 0.167 > 0.15$, indicating a fairly strong influence on purchase intention. This indicates that the Income Level variable makes a significant contribution to explaining the Purchase Intention variable in the structural model.
- The Lifestyle variable has a value of 0.076, or $0.02 < 0.076 < 0.15$, indicating that it has little influence on purchase intention. This indicates that the Lifestyle variable makes a small contribution in explaining the Purchase Intention variable in the structural model.

Fit Model**Table 11.** Model Fit Value Results.

	Rule of Thumb	Estimated model	Information
SRMR	Less than 0.10	0.070	Fit
d_ULS	> 0.05	0.522	Fit
d_G	> 0.05	0.292	Fit
Chi-square	χ^2 statistics > χ^2 table	203,431 > 23,685	Fit
NFI	Approaching the value 1	0.796	Fit
GOF	0.1 (Small GOF), 0.25 (Moderate GOF), 0.36 (Strong GOF)	0.657	Fit
Q2 Predictive Relevance	Q2 > 0 : Has predictive relevance Q2 < 0 Lacks predictive relevance. 0.02 (Weak), 0.15 (Moderate), 0.35 (Strong)	0.625	Fit

Source: SMART PLS 4 Data Processing, 2026

Based on table 10. above, which has been carried out in this study, data was obtained that this model can be used to analyze the relationship between latent variables with the belief that the model reflects the data accurately and has relevant predictive capabilities with the following explanation:

- a. SRMR (Standardized Root Mean Square Residual): The SRMR value of 0.070, which is smaller than the maximum limit of 0.10, indicates that the model has a good fit between the observed data and the hypothesized model. This means that the difference between the observed covariance matrix and the model covariance matrix is small, so the model.
- b. d-ULS (Unweighted Least Square Discrepancy): The d-ULS value of 0.552, which is above the upper limit of 0.05, indicates that the model structure has no significant deviations and is acceptable. This indicates that the model approaches the ideal relationship expected from the data.
- c. d_G (Geodesic Discrepancy): A d_G value of 0.299 > 0.05 indicates that the model has good global fit, and the relationship in the model does not show significant differences compared to the actual data.
- d. Chi-Square: The Chi-Square statistical value of 203.431 is greater than the Chi-Square table value of 23.685, indicating a good fit for the model. This indicates that the model significantly fits the sample data, and the model structure adequately explains the relationships between variables.
- e. NFI (Normed Fit Index): An NFI value of 0.79, which is close to the ideal value of 1, indicates that the model has a fairly good level of fit, although not optimal. This indicates that the model is still acceptable for describing the data.
- f. GoF (Goodness of Fit): A GoF value of 0.658, which is above the threshold of 0.36, indicates that the model has a very good level of global fit. This value places the model in the strong goodness of fit category, meaning the model is very suitable for explaining the relationship between the latent variables in the study.
- g. Q2 Predictive Relevance: A Q2 value of 0.625 indicates very strong predictive ability. This indicates that the model can relevantly predict latent variables based on their structural relationships.

PLS Predict

Table 12. PLS Predict Results.

	Q ² pre-dict	PLS-SEM_RMSE	PLS-SEM_MAE	LM_R MSE	LM_MAE	IA_R MSE	IA_M AE
Y1.1	0.394	0.681	0.520	0.683	0.516	0.875	0.661
Y1.2	0.425	0.665	0.507	0.707	0.543	0.877	0.631
Y1.3	0.462	0.645	0.484	0.706	0.511	0.879	0.659
Y1.4	0.358	0.650	0.497	0.701	0.526	0.812	0.550

Source: SMART PLS 4 Data Processing, 2026

Based on Table 11. above, it shows that the Root Mean Square Error (RMSE) and Mean Absolute Error (MAE) values in the PLS model are lower than those of the LM model (linear regression) for almost all indicators of the Purchase Intention construct (Y). Although there is a slightly higher PLS-SEM MAE value for the Y1.1 indicator compared to the LM model, the difference is relatively small and does not affect the overall conclusion. This indicates that the PLS model predictions in this study have good predictive power overall.

The Q2 predict value for all endogenous construct indicators (Y) shows a positive value, which indicates that the model has good predictive relevance. According to Hair et al., (2021) A Q2 predict value above zero indicates that the model is able to accurately reconstruct the observed data and has relevant predictive power for new data. Thus, the results of this study demonstrate that the PLS-SEM model is not only descriptive but also has adequate predictive power.

Bootstrapping Test (Hypothesis)

Table 13. Bootstrapping Test Results.

	Original sample (O)	P values	95% Path Coefficient Confidence Interval Lower Limit	Upper Limit	F Square
Change in VAT Rate (X1) -> Purchase Interest (Y)	0.274	0.003	0.091	0.453	0.094
Income Level (X2) -> Purchase Interest (Y)	0.371	0.000	0.140	0.548	0.167
Lifestyle (X3) -> Purchase Interest (Y)	0.253	0.010	0.074	0.463	0.076

Source: SMART PLS 4 Data Processing, 2026

Based on the path coefficient test above, it can be concluded:

- The first hypothesis (H1) is accepted, namely that changes in VAT rates have a positive and significant influence on purchase interest with a path coefficient (0.274) and p-values (0.003 < 0.05). A positive coefficient value indicates that every change in the VAT rate is followed by an increase in consumer purchase interest. At 95% confidence, the influence of changes in VAT rates in increasing purchase interest lies between 0.091 and 0.546, strengthening evidence that the relationship between changes in VAT rates and purchase interest is stable and consistent. However, the existence of changes in VAT rates in increasing purchase interest has a small effect at the structural level (f square = 0.094). This means that although changes in VAT rates have a significant influence on purchase interest, there are still other factors that have a stronger influence on purchase interest.
- The first hypothesis (H2) is accepted, namely that income level has a positive and significant influence on purchasing interest with a path coefficient (0.371) and p-values (0.000 < 0.05). A positive coefficient value indicates that every increase in income level will be followed by an increase in consumer purchasing interest. At 95% confidence, the influence of changes in VAT rates in increasing purchasing interest lies between 0.140 and 0.548, strengthening evidence that the influence is stable and consistent.

However, the existence of income level in increasing purchasing interest has a moderate influence at the structural level ($f^2 = 0.167$). This means that although there are other factors that influence purchasing interest, income remains one of the variables that plays a significant role in explaining purchasing interest. This indicates that purchasing interest is strongly influenced by a person's economic condition, reflecting that a person's financial ability is a fundamental factor in shaping consumption behavior.

- c. The first hypothesis (H3) is accepted, namely that income level has a positive and significant influence on purchase interest with a path coefficient (0.253) and p-values ($0.010 < 0.05$). A positive coefficient value indicates that any increase in lifestyle will be followed by an increase in consumer purchase interest. At 95% confidence, the influence of changes in VAT rates in increasing purchase interest lies between 0.74 and 0.463, strengthening evidence that the influence is stable and consistent. However, the existence of income level in increasing purchase interest has a small effect in the structural level ($f^2 = 0.076$). This means that although lifestyle has a significant influence, its contribution is relatively smaller compared to other independent variables, so that purchase interest is not only determined by lifestyle, but is also influenced by other factors that have a stronger influence on purchase interest.

4.3 Discussion

The Impact of Changes in VAT Rates on Purchasing Interest

Based on the bootstrapping test results, the p-value of $0.003 < 0.05$ and the path coefficient of 0.274 indicate that the VAT Rate Change variable has a positive and significant effect on Purchase Intention. The results of this study indicate a positive direction of influence, meaning that people have high purchase interest despite the VAT rate change. This can be explained by the primary need for housing that cannot be postponed (Pramita et al., 2023), as well as the public perception that owning a home is a stable, long-term investment. This perception makes consumers willing to bear additional costs, including increased VAT, for the potential of future investment returns. This investment intention is a major driver of property demand (Salma et al., 2024). The results of this study are in line with the results of research conducted by Ayem et al. (2021), Dewi et al. (2024), and Anggraeni & Mudiarti (2022) which states that changes in VAT rates have a positive and significant effect on purchasing interest.

The Influence of Income Level on Purchase Intention

Based on the results of the bootstrapping test, the p-value of $0.000 < 0.05$ and the path coefficient of 0.371 indicate that the Income Level variable has a positive and significant effect on Purchase Intention. This indicates that the higher a person's income level, the greater their interest in making a purchase. This finding is in line with consumer behavior theory, which states that income is one of the main factors determining a person's ability to purchase goods and services. Consumers with high incomes tend to have greater purchasing power, flexibility in meeting needs and desires, and tend to be less sensitive to price changes (Marsasi & Yuanita, 2023). The results of this study are in line with the results of research conducted by Anggraeni & Mudiarti (2022) and Amelia (2025) which states that income level has a positive and significant effect on purchasing interest.

The Influence of Lifestyle on Purchase Intention

Based on the results of the bootstrapping test, the p-value of $0.010 < 0.05$ and the path coefficient of 0.253 indicate that the Lifestyle variable has a positive and significant effect on Purchase Intention. This indicates that lifestyle reflects consumers' values, habits, and aspirations in meeting their needs, including in terms of home ownership. Consumers who have a stable lifestyle, are comfort-oriented, and follow current trends usually have a stronger motivation to own a home that suits their social status and lifestyle (Marsasi & Yuanita, 2023). This can be seen from the increasing public interest in modern, fully equipped, and strategically located housing types. The results of this study align with those conducted by Muniarty et al. (2021) and Fabella et al. (2023) which states that lifestyle has a positive and significant influence on purchase intention. Thus, lifestyle is an important psychological factor that contributes to the perception of value of housing products and increases purchase intention.

5. Comparison

The results of this study indicate that changes in VAT rates ($\beta = 0.274$; $p = 0.003$; $f^2 = 0.094$), income levels ($\beta = 0.371$; $p = 0.000$; $f^2 = 0.167$), and lifestyle ($\beta = 0.253$; $p = 0.010$; $f^2 = 0.076$) have a positive and significant effect on Generation Z's property purchase interest in Semarang City. This finding is consistent with the results of research conducted by Ayem et al., (2021), Dewi et al., (2024), Anggraeni & Mudiarti (2022); Amelia (2025); (Shofi & Mundzhir, 2025); Fabella et al., (2023); And Muniarty et al., (2021) which emphasizes that fiscal policy, individual economic factors, and psychological factors play an important role in shaping consumption behavior. However, these results differ from Cristina and Magdalena (2023) and Putri et al., (2023) which has an insignificant influence, which indicates differences in the demographic characteristics of respondents, industrial sectors, and the dynamics of economic conditions during the research period.

Comparison with current conditions shows that Generation Z in Semarang City is increasingly adapting to changes in fiscal policy and has higher financial awareness, making economic and lifestyle factors important determinants in shaping property purchase interest. Thus, this study provides a relevant empirical contribution in explaining Generation Z's consumption behavior amidst economic dynamics and changes in VAT policy.

6. Conclusion

This study aims to analyze the effect of changes in VAT rates, income levels, and lifestyles on property purchase interest at PT. Propernas Griya Utama in Semarang City among Generation Z. The results of the Structural Equation Model Partial Least Square (SEM - PLS) analysis show that changes in VAT rates, income levels, and lifestyles have a positive and significant effect on property purchase interest at PT. Propernas Griya Utama in Semarang City so that all hypotheses in this study are accepted.

These findings indicate that changes in VAT rates influence price perceptions and cost considerations, income levels determine purchasing power, and lifestyles reflect housing preferences and needs that align with the characteristics of the younger generation. Therefore, these results support the research objectives and strengthen the hypothesis that fiscal, economic, and psychological factors simultaneously play a significant role in shaping purchasing intentions.

Theoretically, this study contributes to the development of taxation science and consumer behavior through empirical evidence regarding the influence of changes in VAT rates, income levels, and lifestyles on property purchase interest in Generation Z. Practically, the results of the study provide practical implications for PT. Propernas Griya Utama to develop marketing strategies, segmentation, and financing schemes that are more aligned with the income and lifestyle characteristics of Generation Z in Semarang City. However, this study is limited to one company and a specific region, so the results cannot be generalized widely. Therefore, further research is recommended to expand the scope of the region, increase the number of samples, and add other variables such as interest rates, risk perception, and financial literacy to obtain more comprehensive results.

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