

Contribution Of Regional Taxes And Regional Levies To Regional Original Income In Buol District

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Abstract

This research aims to determine the contribution of regional taxes and regional levies to original regional income in Buol Regency. This research uses quantitative research. The data source is secondary data, namely data obtained through observation, interviews and documentation related to this research. The data analysis method used is Growth Rate Analysis. Based on the research results, it was concluded that according to the data obtained, the contribution of regional tax revenues increased in 2019 and 2021, while in 2018, 2020 and 2022 there were symptoms of fluctuation in each type of tax. Then the contribution of Regional Levies experiences fluctuating changes every year. Therefore, regional tax revenues contribute to original regional income, while regional levies contribute less to original regional income.

Keywords: *Contribution; Regional Tax; Regional Levy; Original Regional Income.*

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INTRODUCTION

Since it was implemented, the implementation of regional autonomy, which focuses on Regency and City Regions, began with the handover of a number of authorities (affairs) from the central government to the regional governments concerned. The handover of various authorities within the framework of decentralization must of course be accompanied by the handover and transfer of financing. The most important source of financing is the source of financing known as Regional Original Income (PAD) where the main component is revenue originating from regional taxes and regional levies. Regional Autonomy is the empowerment of regions in making regional decisions more freely to manage their resources in accordance with the potential and interests of the region itself. With broad, real and responsible regional autonomy, each region is required to increase its independence. One of the benchmarks to see regional readiness is to measure the extent of regional financial capacity to implement regional autonomy. One of these financial sources comes from Regional Original Income (Siti Rahmawati Hidayah, 2012).

Original Regional Income is income obtained by the region and collected based on regional regulations in accordance with statutory regulations (Siahaan, 2015). According to Law no. 34 of 2004, regional income is revenue obtained by a region from sources within its own territory which is collected based on regional regulations in accordance with applicable laws and regulations (Rozak Yomara, 2016).

The government, in running its government organization, needs a source of income that will be used to finance its activities. One of the government revenues comes from regional original income. Original Regional Income is all regional revenue originating from original regional economic sources. Optimizing local revenue by improving the quality of public services (Mardiasmo, 2002).

The Buol Regency Government is given authority in regional financial affairs which gives it the right to empower all regional economic potential which causes the regional government to try to explore regional economic sources that can be used as regional income for regional development. One of them is income from regional taxes and regional levies, where regional taxes are determined based on each regional regulation by considering and considering the region's ability to collect taxes for regional revenue.

Buol Regency regional tax revenue can be obtained from provincial taxes consisting of Motor Vehicle Tax, Motor Vehicle Title Transfer Fee, Motor Vehicle Fuel Tax, Cigarette Tax. Meanwhile, Regency/City Taxes include Hotel Tax, Restaurant Tax, Entertainment Tax, Street Lighting Tax, Parking Tax, Bird's Nest Tax.

Apart from regional taxes, regional levies are also an important component of PAD. These include Health Service Levy, Waste/Cleaning Service Levy, Reimbursement Fee for Printing KTPs and Civil Registry Deeds, Funeral Service Levy, Parking Service Levy on the edge of public roads. Apart from PAD which comes from regional taxes and levies, Buol regional income comes from BLUD, DAU, DAK and DBH.

Based on the description explained above, the author has the desire to conduct research entitled "The Contribution of Regional Taxes and Regional Levies to Original Regional Income in Buol Regency"

METHODOLOGY

This research analyzes Regional Taxes and Regional Levies on Buol Regency's Original Regional Income. In preparing this research, the author conducted quantitative descriptive research, namely an attempt to describe and interpret data regarding regional tax revenue patterns and regional levies which have implications for PAD contribution. Specifically, regional tax revenues and regional levies received by the Regional Government of Buol Regency as a research option.

According to Halim (2004:163) Growth rate shows the ability of regional governments to maintain and increase regional levies that have been achieved from one period to the next. Knowing the growth of each type of tax and levy can be used to evaluate potentials that need to be improved.

The formula for calculating the growth rate is as follows (Mahmudi, 2016):

$$Gx = \frac{X_t - X(t-1)}{X(t-1)} \times 100\%$$

Information:

Gx = Regional Tax Growth Rate

X_t = Realization of Regional Taxes in a Certain Year

X_(t-1) = Realization of Regional Taxes in the Previous Year

RESULTS AND DISCUSSION

The growth rate of regional tax revenue in Buol Regency from 2018 to 2022 has increased. This can be seen in 2019 with a regional tax growth rate of 23.52% with unsuccessful criteria. In 2019 the realization of regional tax revenue was IDR. 6,138,373,828.00, while in 2021 the growth rate of regional taxes has increased as seen from the percentage of 39.38% which is classified as unsuccessful. This year regional tax revenues amounted to Rp. 6,062,175,431.92, while the previous year it was Rp. 4,349,169,353.32, an increase from the previous year, namely Rp. 1,713,006,078.69. This is due to revenue from regional tax sources, such as non-metal and rock taxes and hotel taxes.

previously Rp. 4,969,438,914.00, a slight increase from the previous year Rp. 1,168,934,914.00. Even though there was an increase from the previous year, the performance of regional government in increasing local taxes was considered unsuccessful with a growth rate of 23.52%. This is due to arrears and non-compliance with paying taxes as well as several new policies regarding regional tax collection that have not been properly implemented.

In 2020 the growth rate of regional taxes will be IDR. 29.14% with unsuccessful criteria. This year regional tax revenues amounted to Rp. 4,349,169,353.32, while the previous year it was Rp. 6,138,373,828.00, a decrease from the previous year, namely Rp. 1,789,204,474.77. This year the regional government was also unsuccessful in increasing tax revenues because there was still a lack of awareness in paying taxes.

In 2021 the growth rate of regional taxes will increase as seen from the percentage of 39.38% which is classified as unsuccessful. This year regional tax

revenues amounted to Rp. 6,062,175,431.92, while the previous year it was Rp. 4,349,169,353.32, an increase from the previous year, namely Rp. 1,713,006,078.69. This is due to revenue from regional tax sources, such as non-metal and rock taxes and hotel taxes.

In 2022 the regional tax growth rate will be -16.78% with unsuccessful criteria. This year regional tax revenues amounted to Rp. 5,044,471,796.55, while the previous year Rp. 6,062,175,431.92, experienced a decrease of Rp. -1,017,703,635.37. This is caused by several regional tax revenues from several types of taxes, due to not being able to pay taxes due to the impact of the COVID19 pandemic.

The growth rate of regional levy revenues in Buol Regency from 2018 to 2022 has decreased quite drastically. This can be seen in 2019, the growth rate of regional levies was 10.62% with unsuccessful criteria. In 2019, the realization of regional levy receipts amounted to IDR 854,428,780.00, whereas in the previous year regional levy receipts amounted to IDR 955,957,150.00, experiencing a slight decrease from the previous year of IDR. -101,528,370.00. Due to a fairly drastic decline, the regional government's performance in increasing regional levies was deemed unsuccessful with a growth rate of 10.62%. This is due to the fact that people/entities who need regional levy services cannot be determined each year and there are several new policies regarding the collection of regional levies that have not been properly realized.

In 2020 the growth rate of regional levies was 01.84% with unsuccessful criteria. This year, regional levy revenues amounted to Rp. 870,167,887.00, while the previous year it was Rp. 854,428,780.00 experienced a slight increase from the previous year, namely Rp. 15,739,107.00. This year the regional government was also unsuccessful in increasing regional levy revenues. Due to the lack of revenue from several types of levies each year, some types of levies even have no revenue.

In 2021 the growth rate of regional levies will experience a very large increase with a percentage of 3.934% which is classified as successful. This year, regional levy revenues amounted to Rp. 4,293,809,400.00, while the previous year it was Rp. 870,167,887.00, a very large increase from the previous year, namely Rp. 3,423,641,513.00. This is because this year the receipt of regional levies is quite large, seen from the receipt of levies from several types of regional levies, such as health service levies, which have quite large revenues and port levies.

In 2022 the growth rate of regional levies will be -30.59% with less successful criteria. This year, regional levy revenues amounted to Rp. 2,980,133,578.00, while the previous year it was Rp. 4,293,809,400.00 experienced a decrease of Rp. -1,313,675,822.00. This was caused by a decrease in levy revenues from several types of levies such as market service levies, port levies, house levies, terminal levies and building permits.

As a result of regional tax revenues from 2019, the contribution to PAD of Buol Regency has increased over the years, where the highest contribution of regional taxes to PAD in 2019 was only 79.04% and the lowest contribution of regional taxes to PAD occurred in 2020, namely 50.14%. When viewed in nominal terms, there was an increase in regional tax realization in 2019 amounting to Rp. 6,138,373,828.00 compared to 2018 amounting to Rp. 4,696,438,914.00 but the level of contribution to PAD fell to 50.14% lower in 2020 compared to 2018 which was 60.00% while in 2021-2022 also experienced a slight increase of 60.22% and 72.29%. The decrease in the percentage level of regional tax contribution to PAD in 2020 was due to planning

estimates, too high income from tax sources. Based on the explanation above, it can be seen that the highest contribution of regional taxes to Buol Regency's PAD occurred in 2019 with a contribution value of 79.04%. The high value of regional tax contributions to Buol Regency PAD in 2019 was due to the high realization value of revenue items (sources) from the regional tax sector such as restaurant tax, street lighting tax, non-metal and rock tax and property tax.

Shows that the results of regional levies from 2018 to 2022 contribute to Buol Regency's PAD sources which have decreased quite drastically each year. Where the lowest contribution of regional levies to PAD occurred in 2020 at only 10.03% and the highest contribution was in 2022 with an amount of 43.12%. When viewed in nominal terms, the realization of regional levies in 2020 amounted to Rp. 870,167,887.00 and then increased in two consecutive years, namely in 2021-2022, with percentage values of 42.65% and 43.12%. The decrease in the percentage level of regional levy contributions was caused by the PAD target being too high. Based on the explanation above, it can be seen that the highest contribution of regional levies to Buol Regency PAD will occur in 2022 with a contribution value of 43.12%. The contribution value of regional levies in 2022 is due to the source of regional levy revenue, namely the receipt of health service levies and port service levies.

From the explanation above, it can be concluded that the percentage of regional taxes in 2019 compared to the percentage of regional levies on Regency PAD increased, in 2022 the percentage of regional tax revenues was higher compared to the percentage of regional levies. This could be due to planning for PAD achievements in determining income from levy taxes. Buol, whereas in 2020 the percentage decreased. But in 2021 the percentage of regional levies.

Regional tax revenues from 2018-2022 contributed to Buol Regency's PAD sources fluctuating, where the lowest contribution of regional taxes to PAD occurred in 2020, only 50.14% and the highest contribution of regional taxes to PAD occurred in 2019, namely 79.04 %. If seen in nominal terms, there was an increase in regional tax realization in 2019 amounting to Rp. 6,138,373,828.00, but the level of contribution to PAD fell to 50.14% lower in 2020 compared to 2021 of 60.22%. Then it will increase in 2022 with a nominal value of IDR. 5,044,471,796.55. The size of the realization of regional tax revenue towards Buol Regency's original regional income is due to the fact that the level of tax revenue has increased every year from the percentage criteria above, in terms of the contribution of regional tax revenue it has decreased significantly.

Regional levy revenues over a period of 5 years starting from 2018 - 2022 experienced an increase in 2019 - 2022 although in 2020 there was a decrease of 10.03%. However, in the previous year 2018-2019 there was a decline of 12.21%, 11.00%, after that there was a high increase in 2021 of 42.65% then an increase in 2022 of 43.12%. This shows that the contribution of regional levies to the Buol District's original regional income has fluctuated in several years because the level of realization of regional levy revenues has decreased.

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