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Determining Factors of Regional Original Income in the Tourism Sector in the Province Of North Kalimantan Indonesia

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Abstract
This study aims to determine the effect of tourists, the number of tourist attractions, hotels, government spending in the tourism sector and regional gross regional income on local revenue. This research was conducted in the newest province in Indonesia, namely the province of North Kalimantan. The tourism sector has a contribution to local revenue by providing direct and indirect effects in North Kalimantan. The model that is suitable for use in this study is the random effect model approach. The data is taken from the Central Bureau of Statistics of North Kalimantan covering districts/cities in the province of North Kalimantan in 2013-2019. The results of the study conclude that the number of tourists has a negative and significant influence on Regional Original Income, the number of tourist objects shows an insignificant effect on Regional Original Income. The variable number of hotels, government spending in the tourism sector and gross regional income have a significant positive effect on Regional Original Income in the province of North Kalimantan.

Keywords: *regional income; regional expenditure; panel data; traveler*
JEL Classification: *F43 O11 Z32*

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I. Research Background

National development is an effort to improve all aspects of life in society, the nation and the state as well as a process of developing the entire system of state administration in realizing national goals. National development in a country can be accelerated through increasing national income. National income can be obtained from various sources, including oil and gas and non-oil and gas. One of the sources of income from non-oil and gas, for example, is income from the tourism sector. The tourism sector which has a strategic position in development policies, the Indonesian state has tourism assets that can be strengthened and empowered in supporting the country's economy. Indonesia as a unitary state and a country that has a very wide archipelago, has good tourism potential to be developed. Currently, Indonesia has 17,504 islands with a coastline of 95,181 km. Indonesia also has other potentials, namely the potential of nature, diverse flora and fauna, historical heritage, and arts and culture that can be used as resources and capital in increasing and developing the tourism sector. The tourism sector is a sector whose activities include all economic activities related to tourism, especially in the service sector, the hotel and restaurant sector, and the industrial sector, so that the role of tourism in the economy can affect all economic activities (Pratama, et al. 2019).

To support the development of the tourism sector, several efforts can be made, namely by increasing accessibility, by paying more attention to the condition of facilities and infrastructure that support tourism objects in order to attract tourists to come to visit these attractions. The number of tourists visiting both domestic and foreign tourists can potentially increase local revenue from the tourism sector so that the number of tourists can make a positive contribution to Regional Original Income. North Kalimantan Province was formed since the issuance of Law no. 20 of 2012 and became the 34th Province in Indonesia. North Kalimantan Province consists of 4 regencies and 1 city, namely Bulungan Regency, Nunukan Regency, Malinau Regency, Tana Tidung Regency, and Tarakan City. Previously, the entire area was part of the province of East Kalimantan. North Kalimantan is the youngest province and has abundant natural resources. Therefore, North Kalimantan has various sectors that can affect regional growth, one of which is the tourism sector. The tourism sector is one of the sectors being developed in North Kalimantan. Various tourist attractions in North Kalimantan such as the Mangrove and Proboscis Monkey Forest Conservation Area, Malingkit Coral, Amal Beach, Bulungan Sultanate Museum, and so on. Efforts to improve the tourism sector are carried out in the hope of attracting tourists, both domestic and foreign tourists, so that they can directly or indirectly affect Regional Original Income (Tangkilisan, et al. 2019).

Based on Law Number 33 of 2004 concerning Financial Balance between the Central and Regional Governments, it gives authority to regions to improve their regional economy and increase the acquisition of regional original income. According to Kurniawan, et al. (2017) regional original revenue is one source of regional revenue that can be used as capital to finance regional development. Meanwhile, according to Pratama, et al. (2019) regional original revenue is a description of the potential of regional finances which generally depend on regional levies and local taxes. Therefore, local revenue can be explored for its regional potential through retribution from natural resources, namely tourism objects. The current regional government continues to strive to increase its regional income in order to show the level of independence in the region. To support regional revenue, the government can optimize the tourism sector in the region.

Theoretical Framework and Previous Research

A region is required to have its own finances sourced from its territory, at least it can cover the routine budget in the region so that it is not too dependent on subsidies and contributions from the central and provincial governments. For this reason, local governments must be able to utilize Regional Original Revenue (PAD) in their territory, because if management is carried out properly and successfully, it can meet the needs of the Regional Revenue and Expenditure Budget (APBD), so that it can be used to finance development.

Mardiasmo (2002) reveals that Regional Original Income is income that can show the ability of a region to collect sources of income in financing development and routine activities. So it can be assumed that the notion of Regional Original Revenue can be explained as income that is obtained regularly in the efforts carried out by the regional government to take advantage of the potential of the region as a source of regional finance and is used to finance its duties and responsibilities.

Based on Law Number 33 of 2004 Regional Original Revenue, hereinafter referred to as PAD, is the income obtained by the region which is collected based on regional regulations in accordance with statutory regulations. PAD is sourced from regional taxes, regional levies, the results of processing separated regional assets and other legitimate PAD. From the many sources of local revenue, there are components whose revenues have the potential, so that they are used as the main source of regional original income, namely regional taxes and regional levies. This means that if the regional revenue sourced from regional taxes, regional levies, wealth management results, and other income is greater, the PAD will also increase. On the other hand, if the revenue is getting smaller then PAD will also decrease.

Leiper (1995) states that the presence of tourists can have a positive effect on the economy such as income from foreign exchange, income from tourism or business businesses, employment opportunities, a healthy foreign trade balance, and government income from taxes that must be paid. It can be assumed, the more tourists who visit and the longer the stay, the more money will be spent because of the needs during the trip. This will lead to consumptive activities for domestic tourists and foreign tourists which will have an impact on the income that will be received by the tourism industry owners so that later it can increase the amount of tax revenue and levy receipts which are part of the Regional Original Income component such as restaurant taxes, hotel taxes, parking fees and so on. Therefore, with the increasing number of tourist visits, the income coming from the tourism sector will also increase.

According to Solot (2018) in the tourism sector, hotels or other accommodations have an important role in increasing tourist arrivals, both foreign and domestic tourists. This can affect regional income due to an increase in people's income and the availability of jobs such as the travel agent sector, tourist information services, tour guides, transportation and household crafts.

An area in reflecting its economic growth and increase in people's income can be seen based on the Gross Regional Domestic Product (GRDP). This is because if a person's income is higher, then one's ability to pay fees set by the government is also higher. Based on the macro concept, it can be assumed that the greater the GRDP obtained, the greater the potential for regional revenues. Therefore, with an increase in GRDP, it can encourage Regional Original Income to increase (Hertanto & Sriyana, 2011).

Based on research conducted by Solot (2018) with the title "The Influence of Number of Hotels on Regional Original Income through Hotel Taxes as Intervening (Case Study in Yogyakarta City in 2013-2016)". The analytical technique used is descriptive analysis, classical assumption test, and path analysis. The results showed that the number of hotels and hotel taxes had a positive and significant effect on PAD. Then the results of this study also show that the number of hotels has a significant effect on PAD through hotel taxes. This research has similarities and differences. The research equation is using the number of hotels as a variable. The difference lies in the descriptive analysis technique, classical assumption test, and path analysis with a case study in Yogyakarta City, while the author uses panel data analysis and case studies in North Kalimantan Province.

Based on research conducted by Kurniawan, et al. (2017) with the title "The Influence of Private Investment and Government Expenditures and Labor on Regional Original Income and Economic Growth". The analytical technique used is path analysis. The results show that private investment has a direct but not significant effect on local revenue, while government spending and labor have a positive and significant effect on local revenue. The results of this study also show that investment, government spending and labor have a positive and significant effect on economic growth. This research has similarities and differences. The similarity lies in the government expenditure variable. The difference lies in the path analysis technique and case study in West Kutai Regency, while the author uses panel data analysis and case studies in North Kalimantan Province.

Based on research conducted by Hertanto & Sriyana (2011) with the title "Regency and City Original Revenue Sources". The analysis technique used is panel data regression. The results showed that the number of industry, population, and GRDP had a positive and significant effect on Regional Original Income. This research has similarities and differences. The similarity lies in the panel data regression analysis technique and the GRDP variable. The difference lies in the case studies in the Regency/City in West Java Province, while the case study authors in North Kalimantan Province.

Research conducted by Kristiana, et al. (2020) with the title Tourism and Original Local Government Revenue in Indonesia Tourism Provinces: The Java Island Experience. The results showed that the variable number of tourists and hotel occupancy had a significant effect on local revenue in the provinces of West Java, Central Java, Yogyakarta Special Region, and East Java.

Research conducted by Auzea, et al. (2018) with the title Analysis of Tourism Sector to Revenue Original Region Padang City. The results showed that the number of tourists and the number of hotels had a positive and significant relationship with local revenue in Padang City. However, the GRDP variable in the trade sector has a positive but not significant relationship to the local revenue of Padang City.

Research conducted by Ribeiro, et al. (2016) with the title Tourism and regional Development in The Brazilian Northeast. The results of his research show that tourism expenditure variables, taxes have a positive and significant effect on GDP. The labor variable is not significant to GDP.

Research conducted by Amir, et al. (2015) with the title Sustainable tourism development: A study on community resilience for rural tourism in Malaysia. The results of his research show that there is a significant relationship between the number of tourist objects and local income in Malaysia.

Research conducted by Holik (2016) with the title Relationship of Economic Growth with Tourism Sector. The results of the research show that the variables of income, tourist arrivals, number of tourists and exchange rates have a positive and significant relationship to GDP in 5 ASEAN member countries.

Research Models and Methods

The method chosen by the researcher to analyze the data in this study is the panel data regression analysis method. Panel data regression analysis can allow researchers to determine the characteristics between time and between individuals in variables where there may be differences. Panel data regression model is used in the simplification of calculations with econometric methods. The panel data regression model in this study is as follows:

$$PAD = \alpha + \beta_1 JW_{it} + \beta_2 JOW_{it} + \beta_3 JH_{it} + \beta_4 PPSP_{it} + \beta_5 PDRB_{it} + \varepsilon \text{ ………. (1)}$$

Then convert it into logarithmic form

$$LogPAD = \alpha + \beta_1 LogJW_{it} + \beta_2 LogJOW_{it} + \beta_3 LogJH_{it} + \beta_4 LogPPSP_{it} + \beta_5 LogPDRB_{it} + \varepsilon \text{ ……………………………………………………………………. (2)}$$

Information:

PAD = Regional Original Income
α = Constant
JW = Number of Tourists
JOW = Number of Attractions
JH = Number of Hotels
PPSP = Tourism Sector Government Expenditure
GRDP = Gross Regional Domestic Product
(1…5) = Regression coefficient of each independent variable
e = Error term
t = Time (2013, 2014, 2015 … 2019)
i = Regency (Bulungan, Nunukan, Malinau, Tana Tidung, Tarakan)

The estimation method of panel data regression model can be done through three approaches, namely as follows: Common Effects Model (CEM) is the simplest panel data model approach because it combines time series and cross section data. This model does not pay attention to the dimensions of time or individuals, so it is considered the behavior of data from similar companies in various time periods. Fixed Effects Model (FEM) assumes that differences between individuals can be accommodated from differences in intercepts. To estimate the panel data, the Fixed Effects model uses a dummy variable technique to capture the difference in the intercept. And the Random Effects Model (REM) estimates panel data in which disturbance variables may be related over time and between individuals. In REM there are differences in intercepts accommodated by the error terms of each variable. The advantage of using this model is to eliminate heteroscedasticity.

According to Gujarati, et al. (2004) to choose the most appropriate model in managing panel data, there are three tests that can be done with the Chow Test, which is a test to determine the most appropriate fixed effect or random effect model used in estimating panel data. Hausman test is a statistical test to choose whether the Fixed Effect or Random Effect model is the most appropriate to use. And the Lagrange Multiplier Test is a test to find out whether the Random Effect model is better than the Common Effect (OLS) method. Classic assumption test. After the model is selected in panel data regression, not all classical assumption tests in the OLS method are used, only multicollinearity and heteroscedasticity are needed.

Data Analysis Results

In selecting the panel data model, there is the best analysis test of three approaches, namely common effect, fixed effect, and random effect. By using these three approaches, it is possible to find out the best approach or model for estimating panel data. The results of the panel data analysis approach will be explained in table 1 below:

TABLE 1 Estimation Results of Common Effects, Fixed Effects and Random Effects

Variable Dependent: LOG(PAD)	**Model**		
	Common Effect	**Fixed Effect**	**Random Effect**
Constant (C)	4.273367	6.689703	4.273367
Standart Error	1.714144	1.196713	1.714645
T-statistic	2.493004**	5.590065***	2.492275**
LOG(JW)	-0.295884	-0.120469	-0.295884
Standart Error	0.098994	0.053831	0.079343
T-statistic	-2.988908***	-2.237895**	-3.729177***
LOG(JOW)	0.108538	0.259384	0.108538
Standart Error	0.125590	0.082799	0.105065
T-statistic	0.864228	3.132709**	1.033061
LOG(JH)	0.490243	0.798793	0.490243
Standart Error	0.248547	0.198723	0.55359
T-statistic	1.972440*	4.019629***	1.919823*
LOG(PPSP)	0.213541	0.133611	0.213541
Standart Error	0.096934	0.071399	0.102984
T-statistic	2.202952**	1.871327*	2.073538**
LOG(PDRB)	0.652964	0.100959	0.652964
Standart Error	0.331369	0.214775	0.294351
T-statistic	1.970503*	0.470067	2.218320**
R^2	0.753031	0.934940	0.753031
F-statistic	15.85524***	26.12825***	15.85524***
Durbin-Watson stat	0.871670	0.563485	0.871670

Source: Processed Data, 2021

Selection of the best model in managing panel data, there are three types of approaches that can be used to select estimation techniques. First, the Chow test is used to choose between fixed effect or common effect models. Second, Hausman test is used to choose between fixed effect or random Effect models. Third, the Lagrange Multiplier (LM) test is used to choose between random effect or common effect models.

Table 2 Best Model Selection Test

Chow Test				Hausman Test			
Effects Test	Statistic	df	Prob.	Test Summary	Chi-Sq. Stat	Chi-Sq. df	Prob.
Period F	2.4905	(6,20)	0.058	Period Random	0.000000	5	1.00

Source: Processed Data, 2021

Based on Table 2, the best model selection test was carried out using two analyzes, namely the Chow test and the Hausman test, it can be concluded that the results of each test are mutually supportive (all are not significant). From the results of the Chow test, it is recommended to use the random effect model and the results of the Hausman test suggest to use the random effects model. Thus, the Lagrange Multiplier test was not carried out because both tests, namely the Chow test and the Hausman test, refused to use the fixed effect model, so the best model that can be used in estimating the effect of the number of tourists, the number of tourist attractions, the number of hotels, government spending in the tourism sector and GDP on PAD in North Kalimantan Province in 2013-2019 is a random effect model. Furthermore, the classical assumption test is carried out, the tests used in this research include the heteroscedasticity test and the multicollinearity test.

Heteroscedasticity test is a test used to determine the residuals in the model whether there is a constant variance or not. In a study, good data that there is no heteroscedasticity. Heteroscedasticity usually occurs in cross section data. Based on Table 3, it can be seen that the probability value of the F statistic is greater than 0.05, meaning that the model avoids the problem of heteroscedasticity.

Table 3 Heteroscedasticity Test

Variable	Coefficient	Std. Error	t-Statistic
LOG(JW)	1.950450	0.894032	2.181633
LOG(JOW)	2.885256	1.227566	2.350388
LOG(JH)	3.295812	2.066056	1.595219
LOG(PPSP)	0.167983	0.879907	0.190910
LOG(PDRB)	-7.447980	2.959747	-2.516425
C	21.26603	14.96763	1.420802
Weighted Statistics			
R-squared	0.289701	Mean dependent var	
Adjusted R-squared	0.153105	S.D. dependent var	
S.E. of regression	2.278173	Sum squared resid	
F-statistic	**2.120857**	Durbin-Watson stat	
Prob(F-statistic)	**0.094785**		

Source: Processed Data, 2021

Multicollinearity test is a test used to determine the correlation between independent variables in the regression model. Looking at Table 4, it can be concluded that among the independent variables there is no multicollinearity problem. This is indicated by the absence of a correlation coefficient greater than 0.85.

TABLE 4 Correlation Results between Independent Variables

	PAD	JW	JOW	JH	PPSP	PDRB
PAD	1.000	0.0042	0.0145	0.6170	0.1602	0.3912
JW	0.0042	1.000	-0.3756	0.6054	0.3828	0.7928
JOW	0.0145	-0.3756	1.000	-0.2687	-0.3545	-0.1143
JH	0.6170	0.6054	-0.2687	1.000	0.2024	0.8318
PPSP	0.1602	0.3828	-0.3545	0.2024	1.000	0.1298
PDRB	0.3912	0.7928	-0.1143	0.8318	0.1298	1.000

Source: Processed Data, 2021

Based on the data in Table 4 above, the results of the multicollinearity test showed no multicollinearity. Where the value of the correlation coefficient of the independent variable is below 0.85, so that the model does not occur multicollinearity. Based on the model specification test that has been carried out, the regression model used in this study is a random effect model. In the random effects model approach, it is assumed that the estimation of panel data in which the disturbance variables may be related to each other over time and between individuals. In the random effect model, the difference in the intercept is accommodated by the error terms of each variable. The random effect model is also known as the Error Component Model (ECM). The OLS method cannot be used to obtain an efficient estimator for the random effect model. So the right method for estimating the random effect model is Generalized Least Squares (GLS) with homoscedastic assumptions and no cross-sectional correlation.

It can be seen from the results of the data processing in Table 1 random effect model. The number of tourists variable produces negative and significant results on local revenue which is -0.295884. That is, if there is an increase in the number of tourists by 1 percent, it will reduce the Regional Original Income by -0.29 percent in North Kalimantan Province in 2013-2019 significantly, assuming there is no change in the number of independent variables. These results are not in accordance with the hypothesis in this study.

The results of the data that have been processed are not in accordance with the theory and previous research written on the theoretical basis in this study, namely when the number of tourists increases, the Regional Original Income also increases. The results of this study indicate that the number of tourists has a negative and significant effect on Regional Original Income in North Kalimantan Province in 2013-2019 statically. This is presumably because the sum of the number of tourists in 2013-2019 in North Kalimantan Province came from the number of tourist arrivals that entered through North Kalimantan Province not for tourism but as a transit point before going to the destination area so that there was no consumptive activity for tourists. Where the longer the tourist stays in the area or area, it causes more money to be spent to meet the needs during the trip. This can increase the amount of tax revenue and levy receipts which are part of the Regional Original Income component, such as restaurant taxes, hotel taxes, parking fees and so on.

The results of this study are in accordance with research conducted by Sabrina & Mudzhalifah (2018), namely the large number of tourists who come to visit not all of them traveling for tourism purposes, but there are tourists who travel for business or trade purposes only. The results of this study are also supported by research conducted by Amerta & Budhiasa (2014), namely the number of tourist visits has a negative and significant effect on PAD in Badung Regency and this research is supported by Tangkilisan, et al (2019) where the influence of the number of domestic tourists on PAD is - 8.8%, which means that if the number of domestic tourists increases by 1%, PAD will decrease by 8.8%.

It can be seen from the results of the data that has been processed in this study, that the variable number of tourist objects produces positive and insignificant results on Regional Original Income, which is 0.108538. That is, if there is an increase in the number of tourist objects, it will increase the Regional Original Income by 0.108538% in the Province of North Kalimantan in 2013-2019 insignificantly, assuming there is no change in the number of independent variables. These results are not in accordance with the hypothesis in this study.

The results of the data that have been processed are not in accordance with the theory and previous research written on the theoretical basis in this study, namely when the number of tourist objects increases, the Regional Original Income also increases significantly. The results of this study indicate that the number of tourist objects has a positive but not significant effect on Regional Original Income in North Kalimantan Province in 2013-2019 statically. This is thought to have happened because in 2013-2019 tourism objects were not the main supporter in increasing Regional Original Income in North Kalimantan Province. As it is known that North Kalimantan Province is the youngest province in Indonesia and has quite abundant natural potential. However, based on the Central Statistics Agency of North Kalimantan, North Kalimantan still has around 41.65% of roads that are in a fairly large condition of severe damage. Mursid (2006) states that the existence of a tourist attraction is required to be designed, built and managed professionally in accordance with the potential of the tourist area. Generally, tourist objects are built based on high accessibility, but in North Kalimantan not all regencies/cities have adequate road access so that tourists who will visit have to pay more to go to tourist attraction locations and lack of information to tourists about the existence of tourist attraction locations, and the lack of adequate facilities at tourist attractions.

The results of this study are in accordance with research conducted by Alyani & Siwi (2020), namely the number of tourist objects has a positive and insignificant effect. The study explains that to increase Regional Original Income it is not enough to just build and facilitate tourist objects. Because by building tourist objects and facilitating but not being followed by demand and supply in accordance with the wishes of tourists, it cannot increase the desire of tourists to come back to visit existing tourist objects. The results of this study are also in accordance with research conducted by Nusa & Khoirudin (2020), namely the number of tourist objects does not have a significant effect on Regional Original Income, this is because there are many new tourist objects that have emerged in the form of natural and artificial tourist objects, while the access used to get to the tourist attraction is not good and the lack of facilities and infrastructure. However, the results of research by Amir, et al. (2015) yield different results and are not in accordance with this study, namely the number of tourist objects has a positive and significant effect on Regional Original Income.

It can be seen from the results of the data that has been processed in this study, that the variable number of hotels produces positive and insignificant results on Regional Original Income which is 0.4902. That is, if there is an increase in the number of hotels by 1 percent, it will increase the Regional Original Income by 0.49 percent in North Kalimantan Province in 2013-2019 which is not significant, assuming there is no change in the number of independent variables.

The results of the data that have been processed are not in accordance with the theory and previous research written on the theoretical basis in this study, namely when the number of hotels increases, the Regional Original Income will also increase through hotel taxes. The results of this study indicate that the number of hotels has a positive but not significant effect on Regional Original Revenue in 2013-2019 statically. This is thought to have happened because in 2013-2019 the number of hotels and other accommodations was not the main supporter in increasing Regional Original Income in North Kalimantan Province. Tourists who come to visit North Kalimantan only as a temporary transit place before going to their destination. In addition, the distribution of hotels in North Kalimantan is uneven because investors will be attracted to invest in areas that are considered profitable. The lack of effective preparation of infrastructure such as roads is needed to attract investors, so investors will choose to invest with infrastructure considerations. The effect of the insignificant number of hotels can also be predicted because this study only measures the number of hotels available, not based on how many hotels are sold or measured by the occupancy rate of hotel rooms.

The results of this study are in accordance with research conducted by Dewi, et al. (2020), namely the number of hotels has a positive and insignificant effect on PAD because the occupancy rate of hotel rooms is still relatively low even though hotel construction shows an increasing trend. If more people use the facilities at the hotel, the income at the hotel will also increase, although the effect of the increase on PAD is not significant. However, this is different from the research conducted by Auzea, et al. (2018) and Solot (2018) where the results show that the number of hotels has a positive and significant effect on Regional Original Income.

It can be seen from the results of the data that has been processed in this study, that the variable of government expenditure in the tourism sector produces positive and significant results on Regional Original Income which is 0.213. That is, if there is an increase in government spending in the tourism sector by 1%, it will increase the Regional Original Income by 0.213% in the Province of North Kalimantan in 2013-2019 significantly, assuming there is no change in the number of independent variables. These results are in accordance with the hypothesis in this study.

The results of the data that have been processed in accordance with the theory and previous research written on the theoretical basis in this study, namely when government spending increases, the Regional Original Income will also increase. The positive and significant relationship between government spending in the tourism sector and Regional Original Revenue in North Kalimantan Province is static because the development of government spending is used to achieve targets in government programs that have been set and increase every year.

When government spending in the tourism sector is used optimally for the development of the tourism sector in North Kalimantan, such as building infrastructure and facilities in tourism objects and surrounding areas, it will have an effect on increasing Regional Original Income. If the existing facilities and infrastructure in the tourism sector are adequate, tourists will be attracted and feel safe and comfortable when visiting, then this can attract investors to open businesses in the area, so that it will have an impact on productivity and increase local revenue.

The results of this study are in accordance with research conducted by Kurniawan, et al. (2017), namely government spending has a positive and significant effect on local revenue. According to him, in creating the independence of a region, the regional government will also be required to optimize the revenue potential of the region and one of them is to provide a larger proportion of development spending which is then used for the development of productive sectors in the region, so that in turn it will be able to increase local revenue. The results of this study are also in accordance with research conducted by Susanti, et al. (2017), namely government spending has a positive and significant effect on local revenue, where if the Aceh government's spending increases by 1%, it will increase Aceh's original regional income after the tsunami by 0.338. %.

It can be seen from the results of the data that has been processed in this study, that the GRDP variable produces positive and significant results on Regional Original Income (PAD), which is 0.653. That is, if there is an increase in GRDP of 1%, it will increase the Regional Original Income by 0.653% in the Province of North Kalimantan in 2013-2019 significantly, assuming there is no change in the number of independent variables. These results are in accordance with the hypothesis in this study.

The results of the data that have been processed in accordance with the theory and previous research written on the theoretical basis in this study, namely when the GRDP has increased, the Regional Original Income will also increase. The positive and significant relationship between GRDP and Regional Original Income is due to a functional relationship, where GRDP is a function of regional original income. An increase in GRDP will increase government revenue in terms of local taxes. Then with the addition of government revenues, it will encourage an increase in government services to the community which will have an impact on increasing community productivity. Likewise with the increase in economic growth and per capita income, it will encourage people's ability to pay taxes and other levies. The higher one's income, the higher one's ability to pay taxes or levies set by the government. This means that GRDP is one of the important component parts to determine the potential of the region as an effort to receive Regional Original Income.

The results of this study are in accordance with research conducted by Hertanto & Sriyana (2011), namely GRDP has a positive and significant effect on Regional Original Income. According to him, when viewed from the side of income, GRDP is the amount of income received by the production factors owned by residents who are in the area and participate in the production process at a certain time. The results of this study are also in accordance with research conducted by Ariyani, et al (2018), namely the occurrence of a positive and significant relationship between GRDP and Regional Original Income, where GRDP is a benchmark for community income with regional original income. Within a certain level of fixed income distribution, the higher the real GDP per capita in an area, the greater the community's ability to finance routine expenditures and government development expenditures.

II. Conclusion

The number of tourists has a negative and significant effect on Regional Original Income. The government must be serious in handling tourists who are not registered at immigration, especially at the gates of unofficial arrivals. The government can develop tourism potential and tourist objects that are already available and improve access to tourist objects so that it will attract tourists who come to North Kalimantan Province not only for temporary transit but also for sightseeing.

The number of tourist objects has a positive but not significant effect on Regional Original Income. Local governments need to consider supporting factors such as accessibility to tourist objects. In addition, the government must further increase promotion of tourist destinations by using technology that is currently developing to make it easier to provide information to tourists who are outside the region. The government must be able to manage and develop tourism objects located in remote areas and not yet known by the public and tourists so that they can be used as tourist objects that can increase the source of local revenue in North Kalimantan Province.

The number of hotels has a positive but not significant effect on Regional Original Income. The construction of hotel accommodation must be able to improve tourism facilities, especially the construction of five-star hotels, because the existence of five-star hotels can be used as a support for competitiveness and make it easier for tourists to visit and increase local revenue.

Government spending in the tourism sector has a positive and significant effect on Regional Original Income. By improving facilities, namely facilities and infrastructure in the tourism sector, the tourism sector can also assist in creating jobs for the local community which can help increase economic growth. The local government supports the steps and policies in the preparation of tourism object development programs, hotels and restaurants to increase consumer interest in visiting North Kalimantan Province.

Gross Regional Domestic Product has a positive and significant effect on Regional Original Income. The local government continues to develop the available potential and establish policies that can encourage increased regional economic growth and also improve local government services to the community in the hope of increasing productivity in North Kalimantan Province.

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