

## Evaluation Of Effectiveness And Contribution Of Household Tax Receptions For Regional Government Revenue

Nasrullah Dali, Emillia Nurdin, Intihana, Adinda Putri Rinintha

Faculty of Economics and Business, Halu Oleo University

**Abstract:** This study aims to determine the effectiveness level of boarding house tax revenue and the contribution level of boarding house tax revenue on local revenue of Kendari city during period year 2013-2015. In this research data source used is secondary data. The research method used is descriptive method that describes the effectiveness level of the boarding house tax revenue and the contribution level of the boarding house tax revenue of local revenue of Kendari city during the period from 2013 to 2015 year. Based on the result of the study concluded that in the study period, the boarding house tax revenues in Kendari city constantly increase every year but the effectiveness level of boarding house tax revenue in Kendari city is slightly decrease. This is because the difference between the realization and the target of boarding house tax revenue decrease every year. Nevertheless, the overall level of effectiveness of boarding house tax revenue is classified as very effective criteria because it is above 100%. In addition, the overall contribution of boarding house tax revenues is still very less contribute to local revenue. These seen from the average contribution rate during the study period that did not reach 1%.

**Keywords** - Tax Effectiveness, Tax Contribution, Boarding House Tax, Local Revenue

Date of Submission: 22-08-2018

Date of acceptance: 04-09-2018

### I. Introduction

The Government made various local taxation policies in order to improve the financial capacity of the regions in order to implement autonomy, among others by determining the Law of the Republic of Indonesia Number 28 Year 2009 on Regional Tax and Levy. Regional Tax is a compulsory duty made by an individual or entity to a region without equal direct repayment, which may be imposed under applicable legislation, which is used to finance the administration of a local government.

Hotel tax is one of the taxes levied by the local government. The hotel consists of various levels, including there is a boarding house business. According to Kendari City Regional Regulation No. 2 of 2011, Article 6 which states that the hotel tax rate is set at 10% and special boarding house is set at 5%.

Business kos-kosan is one of the most stable business in Indonesia, this business opportunity is very promising. Increased population inflows that every year to the city of Kendari is certainly directly affect the number of demand for shelter. Kos-kosan is also very interested by people from outside Kendari who want to study and work but do not have enough money to buy a place to live. The property developers take advantage of the large number of migrant communities to make business, one of them by setting up a boarding house business. The number of home boarding business is very appropriate to get the attention of local governments as a means to make local regulations on home boarding taxes.

**Table 1: Kost Home Owners Listed as Taxpayers Home 2013-2015**

No.	Year	Taxpayer
1	2013	94
2	2014	125
3	2015	117

Data Source: Kendari City Revenue Service (processed) Year 2017

The table above shows the number of boarding house owners who are registered as a taxpayer boarding house at Kendari City Revenue Office. It is noted that in 2013 there are 94 Taxpayers (WP), in 2014 the number of taxpayers boarding houses increased from the previous year of 125 WP, and in 2015 the number of taxpayers boarding house owners decreased from the previous year of 117 WP.

Based on the description above, then the formulation of the problem in this study is how the level of effectiveness of home tax revenue boarding? And what is the rate of contribution of home tax revenues on the receipt of local government of Kendari City Year 2013-2015 ?. This study aims to determine the level of effectiveness of home tax revenue and to determine the level of tax contribution contribution homeowner acceptance of local government Kendari City.

## **II. Literature Review**

### **1. Understanding Tax**

According to Soemitro in the book Mardiasmo (2016: 3), "Taxes are the contribution of the people to the State Treasury under the Act (which can be enforced) with no lead services (counter-achievements) that can be directly demonstrated and used to pay public expenditures .

According to Law Number 28 Year 2007 concerning General Provisions and Tax Procedures Article 1 paragraph 1, "Taxation is the contribution of the taxpayer to a state owed by an individual or a coercive body under the law, by not obtaining direct and used for the purposes of the state for the greatest prosperity of the people ".

### **2. Locally-generated revenue**

Law of the Republic of Indonesia Number 33 of 2004 on the Financial Equilibrium between the Central and Regional Governments, Article 1 Paragraph 18 states that "Original Revenue is income derived by the regions and levied according to local regulations in accordance with the laws and regulations " . Law of the Republic of Indonesia Number 33 Year 2004 regarding Financial Equilibrium between Central and Regional Government, Pa sal 6 paragraph 1, there are four sources of Local Original Income that is the result of local taxes, the results of regional retribution , the results of regional-owned companies and other regional wealth processing separated and other legitimate PAD.

### **3. Boarding house**

According to Wikipedia the Free Encyclopedia of Indonesian, "Boarding house or boarding house is a house that has room or place to live with certain amount of payment for certain period (usually monthly payment)". Based on Kendari City Regional Regulation No. 2 Year 2011 About Tax Daerah , Article 6 states that the special tax boarding house set a tariff of 5% of the amount received by the boarding house owner .

### **4. Effectiveness and Contributions**

Mahmudi (2010: 143) states that effectiveness is the relationship between the output with goals or targets to be achieved. It is said to be effective if the activity process reaches the ultimate goals and objectives of the policy . The greater the output generated towards achieving the goals and objectives determined, the more effective the work process of an organizational unit.

Contributions are used to find out the extent to which taxes on homeowner tax revenues contribute to local revenue. In knowing the contribution is done by comparing the realization of home tax revenues on a certain period of time with the realization of local revenue in a certain period too. The greater the result means the greater the tax contribution homeowner to the original revenue area.

### **5. Previous Research**

Previous research was conducted by Indah Puji Astuti (2009) under the title "The Effectiveness of Tax Collection of the Category of Kos House and its Contribution to the Surrounding Original Revenue of Surakarta City". The results of this study indicate that tax revenues of boarding houses in Surakarta from 2006-2008 always increased by an average of 28.57%. Ratio of tax house income contribution to Local Revenue in Surakarta City 2006-2008 always increased.

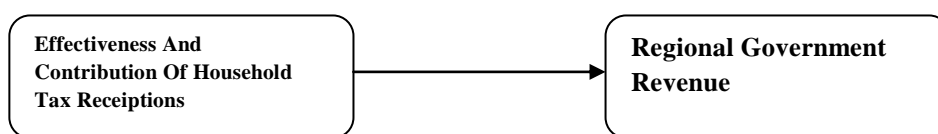
Further research conducted by Edward W. Memah (2013) with the title of research "The Effectiveness and Contribution of Hotel and Restaurant Tax Receipts Against PAD Manado City ". The result of the research shows that the effectiveness level of hotel tax and restaurant taxes conducted by Manado Regional Revenue Service in 2007-2011 varies greatly. Overall, hotel and restaurant tax contribution in 2007-2011 give good contribution to PAD so that it can influence the amount of PAD be accepted.

Putu Intan Yuliantini and Ni Luh Supadmi (2015) under the title "The Effectiveness of Tax Collection of Hotels and Restaurants in Local Government of Denpasar City". The study shows the average effectiveness rate of hotel and restaurant tax collections in Denpasar City from 2009-2013 which measured the effectiveness ratio is 113.53 percent and is categorized as very effective. The average contribution of hotel and restaurant tax collection during 2009-2013 is 32.27 percent and is categorized as good enough.

### **6. Framework Think**

This study examines the level of effectiveness and contribution of home tax revenue boarding because based on existing data there is a problem that is the acceptance of a boarding house tax that always increases and exceeds the target set. This resulted in increased local tax revenues.

Figure 1: Framework Think



### III. Methodology

The object in this study is effectiveness and contribution of home board tax revenues as well as the realization of local revenue. This research was conducted at Kendari Regional Revenue Service. The type of data used in this study is quantitative data. Quantitative data in this study is data on the target and realization of boarding house taxes as well as target data and realization of local revenue. Source data in this research that is derived from one source ie secondary data. Secondary data from this research is taking documentation data at Local Revenue Service of Kendari City.

Data collection methods used in this elitist pen are: (1) Field Research is a visitation activity and data collection activities are placed or objects that have a source of data in accordance with the research, the data obtained through documentary that is how to collect data by using archives or documents that are written from the relevant institution, (2) Library research, collecting by collecting data from the theories obtained and learned from books, journals, and other information materials as the theoretical basis for the author. The method of data analysis in this research is de s analyst analysis. Y aitu collect data, compile and process data, analyze data, interpret data, so that can be drawn conclusion.

Calculation of Effectiveness:

$$\text{Effectiveness} = \frac{\text{Actual tax revenue home boarding to n}}{\text{Target home tax revenue To n}} \times 100\%$$

( Source: Halim, 2007)

Table 2: Effectiveness Criteria

Classification of Effectiveness	Criteria
> 100%	Very effective
100%	Effective
9 0% - 9 9 %	Effective enough
75 % - 8 9 %	Less effective
< 75 %	Ineffective

Source: Mahmudi (2010: 143)

Contribution Calculation:

$$\text{Contribution} = \frac{\text{Realization of tax revenue Boarding house year n}}{\text{Realization of PAD year n}} \times 100\%$$

(Source: Halim, 2007)

Table 3: Contribution Criteria

Contribution Classification	Criteria
0 - 0.9 %	Very Less Contributed
1 - 1.9 %	Less Contributed
2 - 2.9 %	Simply Contribute
3 - 3.9 %	Contribute
Above 4 %	Strongly Contributed

Source: Fuad Bawasir (1999: 103)

This study uses several related variables, among others:

1. The Effect of Household Tax Tivities is the realization of the tax revenue of the boarding house divided by the target of home tax receipt.
2. The contribution of the boarding house tax is the tax revenue of the boarding house divided by the total revenue of the original income in Kendari City.
3. The Kost House tax is a levy on one room rental from a boarding house picked up by the local government.

4. Revenue Original is revenue received by the region from sources within its own territory which are levied on the basis of regional regulations in accordance with applicable laws and regulations .

#### IV. Result and Discussion

##### a. Calculation of Kost House Tax Effectiveness

The effectiveness of house taxes kost can be known by comparing the realization of home tax revenue with the target of receiving tax home boarding .

**Table 4: The Effectiveness of Kost Home Tax Kendari City Year 2013 - 2015**

Year	Target House Boarding Tax (Rp)	Acceptance of Kost Home Tax (Rp)	Difference (Rp)	Effectiveness (%)	Criteria
2013	195,000,000	239,396,250	44,396,250	122.77	Very effective
2014	350,000,000	368.330.750	18.330.750	105.24	Very effective
2015	375,000,000	389,677,000	14,677,000	103.91	Very effective
Average				110.64	Very effective

Source: Kendari City Revenue Service (processed) Year 2017

In the year 2013 until the year 2015 tax house tax revenue to reach the target city of Kendari has exceeded the target set by the Regional Revenue Office Kendari. In the year 2013 the realization of home tax revenue exceeds the target set of Rp.44.396.250. The level of effectiveness of home board tax revenues in Kendari City in the year 2013 which amounted to 122.77% included in the category very effective. In the year 2014 the realization of home tax revenue exceed the target of Rp.18.330.750 set. The level of effectiveness of home board tax revenues in the city of Kendari in 2014 which amounted to 105.24% included in the category very effective. Then p there in 2015 the realization of home board tax revenue also exceeded the set target of Rp.14.677.000. The level of effectiveness of home board tax revenues in the city of Kendari in 2015 that is equal to 103.91% and included in the category very effective.

Realization of the largest home board tax revenue occurred in the year 2013 that is 122.77% and the realization of the lowest boarding house taxes occurred in 2015 that is 103.91%. From the calculation of effectiveness, obtained the average effectiveness of home tax revenue in Kendari city of 110.64%.

##### b. Calculation of Kost House Tax Contribution

The contribution of the boarding house tax can be determined by comparing the realization of the tax revenue of the boarding house with the realization of the original income of the region .

**Table 5: Contribution of Kost Home Tax Revenue on Kendari District's Original Revenue**

Year	Kost Home Tax (Rp)	PAD (Rp)	Contribution (%)	Criteria
2013	239,396,250	94.863.574.284,80	0.25	Very Less Contributed
2014	368.330.750	167.470.392.685,25	0.22	Very Less Contributed
2015	389,677,000	170.624.038.880,64	0.23	Very Less Contributed
Average			0.23	Very Less Contributed

Source: Kendari City Revenue Service (processed) Year 2017

From the table above can be seen that in 2013 until the year 2015 the contribution rate of homeowner tax revenue on PAD every year has increased and decreased . In 2013 the contribution rate of home board tax revenue on PAD is 0.25% and categorized as very less contribute. In the Year 2014 the contribution rate of home board tax return on PAD is 0.22% and categorized as very less contribute. In the year 2015, the contribution rate of home board tax revenue on PAD is 0.23% and categorized as very less contribute.

The average contribution rate of homeowner tax revenues on local revenue is 0.23% and is also categorized as very less contribute. This means that although based on the criteria of measuring the effectiveness of the average financial performance of the effectiveness of home tax revenues kost categorized very effective, but when compared with PAD , the tax revenue of boarding houses still very less contribute to PAD Kendari .

#### V. Discussion

##### a. The effectiveness of Tax Revenue House Kost Kendari

The acceptance of house board tax in Kendari City from 2013 to 2015 always increases every year and always exceeds the set target. Nevertheless, the number of boarding house owners who are registered as a

boarding house taxpayer at the Regional Revenue Service in 2015 experienced a decline from the previous year. This is because there are several boarding houses that have stopped for rent. But this does not result in tax revenues of boarding houses in the city of Kendari in that year has decreased and actually increased. This is because the number of rooms rented in a boarding house in the year has increased which resulted in tax revenue home in the city of Kendari also increased even in 2015 the number of boarding house owners who registered as taxpayers at the Regional Revenue Office Kendari decreased.

There are several things that led to an increase in the realization of home boarding tax revenues, among which are: increasing the number of people using boarding house facilities which resulted in the acceptance of boarding owners increased so that tax revenue home boarding also increased. Although the level of effectiveness of home tax revenues in Kendari City in the study period is categorized as very effective, but there are still some obstacles in tax collection boarding house. These obstacles include: the low awareness of the boarding house owner to provide reports on boarding house, the low level of accuracy of the report of the boarding house owner for the residence of his boarding house, and the residence of the different boarding house owner of the city with the location of the boarding house.

#### **b. Contribution of Kost Home Tax Revenue on Local Own Revenue**

The acceptance of house boarding tax and original income of Kendari Municipality during the study period always increase every year but the contribution of home tax revenue on PAD every year has increased and decreased. The resulting increase and decrease in the contribution rate is due to the difference in the difference between the tax revenue of the boarding house and the realization of local income in each study period. This explains that the acceptance of the boarding house tax in the study period contributed very less to increase the PAD in Kendari City. The thing that causes the tax revenue is very less contribute to the PAD, although the acceptance of taxes on boarding house in Kendari city has been very effective ie setting a tax target of boarding house based only taxpayers homeowners who registered at the Regional Revenue Service and home tax revenue is still very few when compared with the original revenue area in Kendari City . In other words, home boarding tax is only one of the many sources of local revenue in the city of Kendari.

### **VI. Conclusion And Recommendation**

The conclusion of this study is the level of effectiveness of tax accumulation of boarding house in Kendari City during the study period always decreased in every year even though the acceptance of home boarding tax always exceeds the target set by the Regional Revenue Service and the effectiveness of home board tax revenue classified as very effective. This is because the difference between the realization of the target of homeowner tax revenues that always decline in every year. Nevertheless, the overall effectiveness of home board tax revenue is categorized as very effective because it is above 100%. And the increment of home board tax revenue is still very less contribute to local revenue. This is seen from the average contribution rate of home tax revenue on PAD during the study period that did not reach 1%.

As for suggestions and recommendations submitted by the author based on these conclusions and h as il namely b agi further research is expected to be used as a data source does research Based on other variables and different places that keep in touch with tax boarding house.

### **References**

- [1] Astuti Indah P., 2009. Efektivitas Pemungutan Pajak Hotel Kategori Pajak Rumah Kost Dan Kontribusinya Terhadap Pendapatan Asli Daerah Kota Surakarta. Skripsi UNS F.Ekonomi Surakarta.
- [2] Bawasir Fuad. Peranan dan Strategi Keuangan di Daerah. Jakarta. 1999.
- [3] Dinas Pendapatan Daerah Kota Kendari., Laporan Pendapatan Asli Daerah SKPD Tahun 2013-2015
- [4] Dinas Pendapatan Daerah Kota Kendari., Realisasi Pajak Rumah Kost dan Pendapatan Asli Daerah Kota Kendari Tahun 2013-2015.
- [5] Erly Suandy. Hukum Pajak Edisi 5 2011. Jakarta : Penerbit Salemba Empat. 2011
- [6] Edward W. Memah., 2013. Efektivitas dan Kontribusi Penerimaan Pajak Hotel dan Restoran Terhadap PAD Kota Manado. Jurnal EMBA Volume 1 Nomor 3 Fakultas Ekonomi, Jurusan Akuntansi, Universitas Sam Ratulangi, Manado.
- [7] Faradhi Loly., 2013. Kontribusi Pajak Hotel Atas Rumah Kost Terhadap Pendapatan Asli Daerah Kota Palembang. Fakultas Ekonomi, Jurusan Akuntansi, STIE MDP, Palembang.
- [8] Halim Abdul., 2007. Akuntansi Keuangan Daerah., Buku Edisi Ketiga. Jakarta.
- [9] Mahmudi. Analisis Laporan Keuangan Pemerintah Daerah Edisi Kedua. Yogyakarta: Sekolah Tinggi Ilmu Manajemen YKPN. 2010.
- [10] Mardiasmo. Perpajakan Edisi Terbaru 2016. Yogyakarta : Penerbit Andi. 2016.
- [11] Maulana Ahmad Syahrir., 2013. Analisis Potensi Pemungutan Pajak Hotel dalam Peningkatan Pendapatan Asli Daerah Kota Palu. Fakultas Ekonomi dan isnis, Jurusan Akuntansi, Universitas Hasanuddin, Makassar
- [12] Pemerintah Daerah Kota Kendari. (2011). Perda Kota Kendari Nomor 2 Tahun 2011 Tentang Pajak Daerah. Kendari: Pemkot Kendari.
- [13] Pemerintah Daerah Provinsi Sulawesi Tenggara. (2011). Perda Provinsi Sulawesi Tenggara Nomor 5 tahun 2011 Tentang Pajak Daerah.
- [14] Pemerintah Republik Indonesia. (2004). Undang-Undang Nomor 32 Tahun 2004 Tentang Pemerintahan Daerah. Jakarta: Pemerintah RI.

- [15] Pemerintah Republik Indonesia. (2004). Undang-Undang Nomor 33 Tahun 2004 Tentang Perimbangan Keuangan antara Pemerintah Pusat dan Pemerintah Daerah. Jakarta: Pemerintah RI.
- [16] Pemerintah Republik Indonesia. (2007). Undang-Undang Nomor 28 Tahun 2007 Tentang Ketentuan Umum dan Tata Cara Perpajakan. Jakarta: Pemerintah RI.
- [17] Pemerintah Republik Indonesia. (2009). Undang-Undang Nomor 28 Tahun 2009 Tentang Pajak Daerah dan Retribusi Daerah. Jakarta: Pemerintah RI.
- [18] Sulistyio Dian Indra,. 2013. Potensi dan Efektivitas Pajak Hotel di Kabupaten Semarang. Fakultas Ekonomi, Jurusan Ekonomi Pembangunan, Universitas Negeri Semarang
- [19] Wikipedia Bahasa Indonesia, Ensiklopedia Bebas,. Kost atau Indekos. <https://id.wikipedia.org/wiki/Indekos>. Diakses pada tanggal 8 Maret 2017
- [20] Yuliantini Putu Intan, Supadmi Ni Luh,. 2015. Efektivitas Pemungutan Pajak Hotel dan Restoran Pada Pemerintah Daerah Kota Denpasar Tahun 2009-2013. E-jurnal Akuntansi 10.2, Fakultas Ekonomi dan Bisnis, Jurusan Akuntansi, Universitas Udayana, Bali.

Nasrullah Dali. " Evaluation Of Effectiveness And Contribution Of Household Tax Receipts For Regional Government Revenue." *IOSR Journal of Economics and Finance (IOSR-JEF)* 9.4 (2018): 34-39.