

INDEPENDENCE OF A REGION REVIEWED FROM THE CONTRIBUTION OF REGIONAL LEVIES ON REGIONAL OWN REVENUE IN TOLITOLI DISTRICT

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Abstract

This type of research is descriptive quantitative, which aims to determine the independence of a region through the contribution of regional levies to regional own revenue in Tolitoli Regency. This contribution provides an illustration of how much of the revenue aspect through local levies is on local revenue. The formulation used is the ratio of the realization of regional retribution and local revenue. The results of the study show that comprehensively, the trend of the contribution of regional retribution to regional own revenue income has increased every year. The contribution of regional levies to regional own revenue was 5.94% in 2016, 4.01% in 2017, 5.60% in 2018 and by 5.63% in 2019. However, in 2017 it decreased by 1, 93%. Based on its composition, the trend of these achievements fluctuated, decreased by 9% in 2016-2017 but the rest in the next two years increased, namely in 2017-2018 by 7% and in 2018-2019 by 1%. It can be concluded that the independence of the local government of Tolitoli Regency is quite good.

Keywords: Levies; Regional Own Revenue

1. INTRODUCTION

The benchmark for regional financial performance is assessed from the ability (independence) in exploring and utilizing the natural resources they have. This can be seen from the revenue structure of Regional Original Revenue. The greater the level of acceptance, the greater the level of independence of a region. It can be interpreted that in carrying out or managing the Regional Revenue and Expenditure Budget, regional governments allocate more budgets using funds sourced from regional original revenues. (Syamsiin Herisistam, 2015: 33).

Based on Law No. 33 of 2004, local revenue is income earned by the region which is collected based on local regulations in accordance with statutory regulations. This element of revenue is a manifestation of the principle of decentralization and is a source of regional income. This indicates that it is important to manage and maximize it from the planning stage to the

implementation stage.

In fact, this element of revenue contributes more to the progress of a region and the development of infrastructure and public services. For this reason, it is a part or effort in equalizing development in the regions with the central government. Furthermore, this income contributes to an increase in the human development index. This is indicated by the results of the research achieved, that local revenue has a positive and significant impact on the human development index in districts/cities in Central Sulawesi. (Yanto dkk, 2020). The results of this study provide an indication of the role of this income for the progress of development of a region both in terms of economy, education and health.

One of the components of PAD is regional retribution, the revenue is obtained through direct remuneration for local government services in the public services provided. In general, this levy is a levy that legally becomes a regional levy which is divided into three types, namely general service levies, business services and certain permits.. In line with that, Marihot (2016: 616) explained that regional retribution is a regional levy as a reward (payment) for services or the granting of certain permits specifically provided and granted by the regional government for personal or corporate interests.

Mega Ersita and Inggriani Elim (2016) found that the contribution of regional levies to the PAD of North Sulawesi Province from 2011-2015 was moderate with a tendency for the ratio to increase every year. Then it is different from the results of the research by DessyAyuni M. Toduho, David Paul Elia Saerang and Inggriani Elim (2014) who found that the level of effectiveness of retribution on PAD in the Tidore Islands was still low. This is also what Juanda Elia Rembet, Jantje J, Tinangon and TresesjeRuntu (2018) found, the contribution of waste retribution in Tomohon City is still very small for the last three years. This paper is different from previous research where the location that is the object of writing is in the 3T (Front, Remote and Lagging) area of Tolitoli Regency so that it aims to be able to determine its ability or independence through the contribution of regional levies to regional original income.

In terms of levies, Tolitoli Regency has the characteristics of a fairly large area, with various natural resources in it, of course, it is a potential for local governments. To observe revenue through local revenue and regional retribution during the 2016-2019 period, the following table can be seen:

Table 1. Realization of Regional Revenue by Type

No.	Description	Target			
		2016 (IDR)	2017 (IDR)	2018 (IDR)	2019 (IDR)
1	Regional Own Revenue	63,624,000,000	100,514,000,000	80,307,000,000	91,458,000,000
2	Local Tax	9,610,000,000	12,514,000,000	16,544,000,000	18,038,000,000
3	Regional Levies	3,777,000,000	4,028,000,000	4,495,000,000	5,151,000,000

Source: Regional Revenue Realization Data by Type (BPS, Tolitoli in Numbers, 2020)

2. LITERATURE REVIEW

2.1 Regional Own Revenue

Regional Own Revenue is revenue obtained by the region through resources collected based on regional regulations based on applicable laws and regulations (Abdul Halim (2004: 94). In line with that, Mardiasmo (2011:1) explained that the revenue is income derived from the regional tax sector, regional levies from regionally owned companies, the results of separated regional wealth management and other legitimate regional original income.

2.2 Regional Levies

Regional Levies is a regional levy as a reward (payment) for services or the granting of certain permits specifically provided and granted by the regional government for personal or corporate interests (Marihot, 2016: 616).

3 RESEARCH METHODS

The type of research in this research is descriptive quantitative, namely the type of research conducted through explanations or descriptions of a condition or state of a variable being studied and the variables studied are related to data in the form of numbers to be explained more specifically, so as to produce the right conclusions. The location of the research in this study was carried out or carried out at the Tolitoli District Government. Technically, it is related to the receipt of regional levies at the Tolitoli Regency Environmental Service. The research time is planned for three to four months starting from March to July 2021. The generalization area which is the population of this research is the overall data on the report on the realization of the PAD revenue budget at the Tolitoli Regency Government. Through purposive sampling technique, namely the sampling method through the considerations and characteristics applied by the researcher/author. For this reason, the authors set a sample in the form of Data on Realization of PAD Receipts for the Tolitoli Regency Government in 2016-2019.

Data collection techniques used in this study were documentation and interviews. The documentation in question is in the form of main supporting documents for research data, namely Data on Realization of Tolitoli Regency Government Revenue for the last 4 (four) years, namely 2016-2020. As for the data from the interviews, it is used to describe descriptively the development and contribution of PAD receipts through retribution. The research instrument needed is the Regional Revenue Realization Data by type at the Tolitoli Regency Regional Government for 2016-2019. Specifically, the data needed is data on the realization of PAD receipts and also its component in the form of regional retribution receipts for 2016-2019.

The data analysis technique used in this research is the acceptance effectiveness formulation. The effectiveness of revenue is a calculation of how much the achievement of results or realization is compared to the target set by an entity at the beginning. To find out how big the contribution of the waste/cleaning service retribution to PAD, it is done with the following contribution calculation formulation:

$$P_n = \frac{QX_n}{QY_n}$$

Source : Darise (2009)

Description :

P_n = Contribution of regional levies to Regional Own Revenue
 QX_n = Retribution Target/Realization
 QY_n = Regional Own Revenue Target/Realization

4 RESULTS AND DISCUSSION

Based on Law Number 28 of 1959, Buol-Tolitoli Regency was designated as a Level II Region in the Province of Central Sulawesi. After that, the Buol region underwent regional expansion and until now the Tolitoli area has become Tolitoli Regency which consists of 10 sub-districts and 110 villages or sub-districts. The total population in Tolitoli Regency is 235,800 people (2019).

The progress of the realization of PAD receipts and regional levies for Tolitoli Regency can be seen through the realization table below:

Table 2. Realization of Tolitoli Regency Regional Revenue for the 2016-2019 Period

No.	Description	Realization				Total (IDR, 000)	Average (IDR, 000)
		2016 (IDR, 000)	2017 (IDR, 000)	2018 (IDR, 000)	2019 (IDR, 000)		
1	Regional Own Revenue	63,624,000	100,514,000	80,307,000	91,458,000	335,903,000	83,975,750
3	Regional Levies	3,777,000	4,028,000	4,495,000	5,151,000	17,451,000	4,362,750
4	Total	67,401,000	104,542,000	84,802,000	96,609,000	353,354,000	88,338,500
5	Average	33,700,500	52,271,000	42,401,000	48,304,500		

Source: Regional Revenue Realization Data by Type (BPS, Tolitoli in Numbers, 2020)

Seen in the table, the amount of PAD receipts and Tolitoli Regency Regional Retribution for the period of 2016-2019 is IDR 353,354,000,000 with an average annual amount of IDR 88,338,500,000. The following is a graph that can describe the level of achievement.

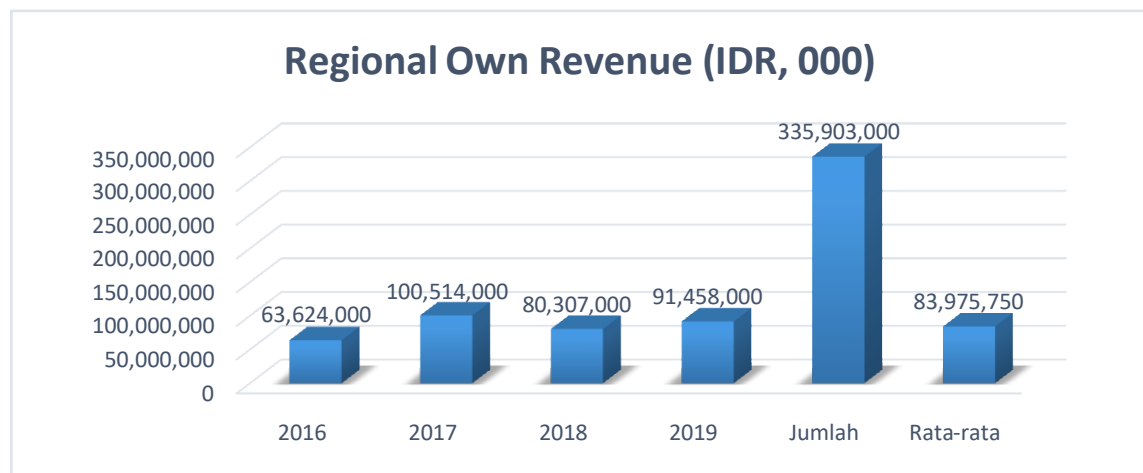


Figure 1. Regional Own Revenue in 2016-2019

It can be seen, Regional Own Revenue items have increased every year, except in 2018 which decreased by Rp. 20,207,000,000 (IDR. 100,514,000,000 - IDR. 80,307,000,000). Based on trend analysis, this indicates that the achievement of financial performance is quite good for the Tolitoli Regency Government during the period 2016 – 2019. However, the note is that the increase in 2019 has not been able to exceed the achievement in 2017. Next is to look at the achievement of observable regional levies through the image below.

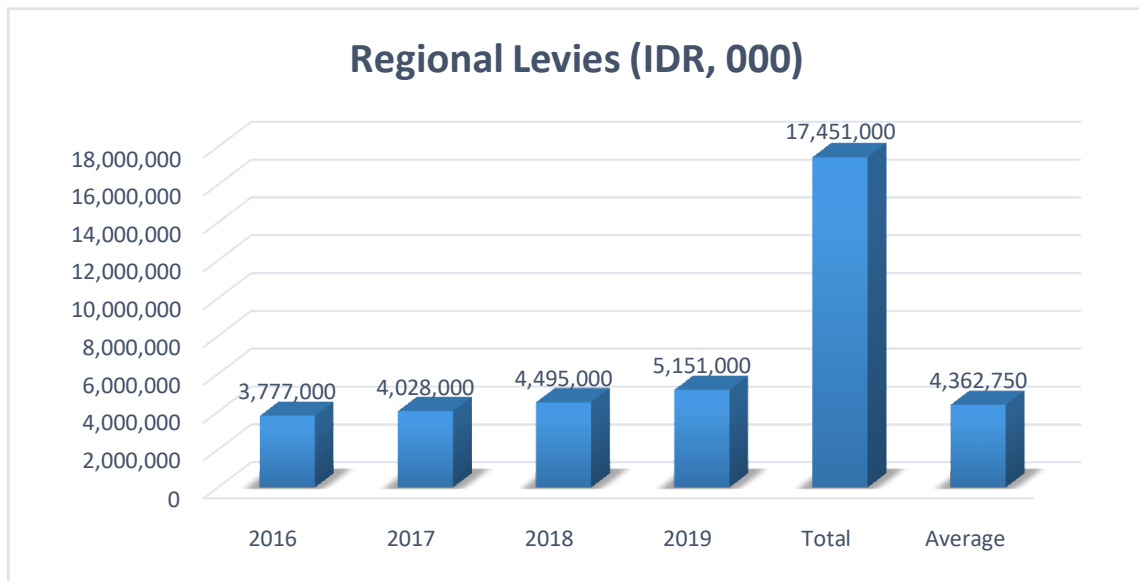


Figure 2. Regional Levies in 2016-2019

The achievement of regional retribution revenues during 2016-2019 has increased every year and tends to be stable. This shows that the revenue from regional retribution in Tolitoli Regency is getting more optimal from time to time.

With the achievement of financial performance obtained, it is necessary to see how the state of the contribution of regional levies to PAD is. The following is the analysis table.

Table 3. Ratio of Regional Retribution Contributions to PAD for the 2016-2019 Period

No.	Description	Realization			
		2016 (%)	2017 (%)	2018 (%)	2019 (%)
1	Contribution Of Regional Levies On Regional Own Revenue	5.94	4.01	5.60	5.63

Source: Processed data, in 2021

Based on the table, the contribution of regional levies to Regional Own Revenue shows an increasing trend. This is in accordance with the data presented, seen in 2016 the contribution of Regional Levies to PAD was 5.94% while in 2017 it was 4.01%, decreased by 1.93%. The decrease in the contribution ratio only occurred in one period, namely in 2017. In 2018 the contribution of regional levies to PAD was 5.60% while in 2019 it was 5.63%, an increase of 0.03%. To further clarify, the following can be seen in the following image.

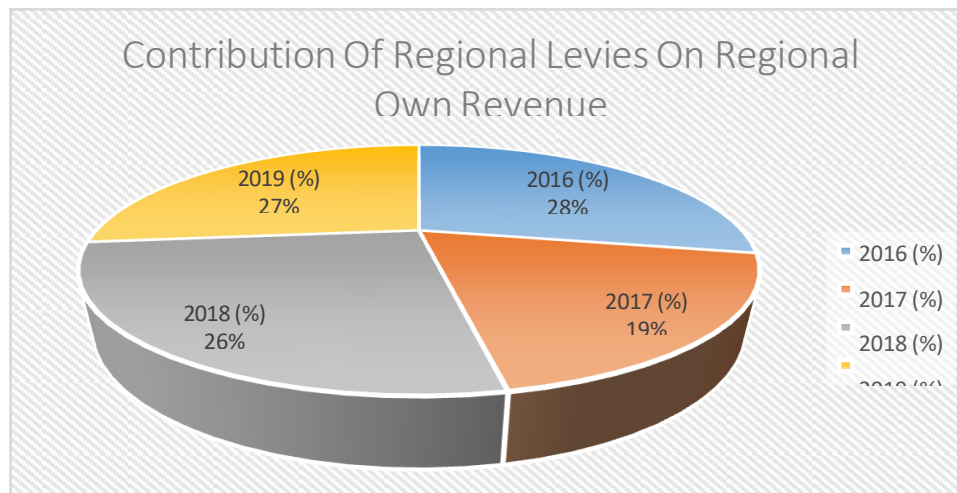


Figure 3. Percentage Contribution Of Regional Levies On Regional Own Revenue in 2016-2019

Through Figure 3, it can be observed that the composition of the trend in the achievement of regional retribution contributions to PAD has fluctuated, decreased by 9% (28%-19%) in 2016-2017 but the rest in the next 2 (two) years increased by 7% each. (26%- 19%) in 2017-2018 and 1% (27%-26%) in 2018-2019. The data focuses on emphasizing the consistency of the management and receipt of regional retributions to support PAD so that it has an impact on the independence of a region.

The independence of an area through the contribution of Tolitoli Regency retribution revenue can be seen based on the percentage of annual achievement trends. The trend of fluctuations in the ratio of regional retribution contributions to local revenue shows a fairly good development, in accordance with research obtained by Mega Ersita and Inggriani Elim (2016) who found that the contribution of regional levies to the PAD of North Sulawesi Province from 2011-2015 was moderate with the ratio tends to increase every year. In contrast to the results of research from Dessy Ayuni M. Toduho, David Paul Elia Saerang and Inggriani Elim (2014) who found that the level of effectiveness of retribution on PAD in the Tidore Islands was still low. Likewise with Juanda Elia Rembet, Jantje J, Tinangon and TresesjeRuntu (2018) which show that the contribution of waste retribution in Tomohon City is still very small over the last three years. Thus, this shows the need for consistency and increased revenue in supporting PAD revenues, so that it has an impact on the regional independence of Tolitoli Regency

CONCLUSION

Through the results obtained, it can be concluded that the independence of the local government of Tolitoli Regency is still quite good. The ratio of the contribution of regional retribution revenues to regional original income (PAD) for the 2016-2019 period has increased, although conditions in 2017 have decreased from 2016 (the initial year). In detail, the ratio of the contribution of regional levies to PAD for the 2016-2019 period is 5.94% (in 2016), 4.01% (in 2017), 5.60% (in 2018) and 5.63% (in 2019).

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