

## Revenue Intensification Policy Implementation Restaurant Tax on Regional Revenue Agency City of Tidore Islands

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### Abstract

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The restaurant tax is one of the local taxes collected by the local government of the Tidore Islands City. The Tidore Islands City Regional Revenue Agency as an agency in increasing regional revenue receipts, one of which is from restaurant taxes based on the goals and objectives to be achieved each year, namely through the intensification of regional revenue sources in accordance with the duties of the department. The purpose of this study is to find out empirical butki about the Implementation of the Restaurant Tax Revenue Intensification policy in the Tidore Islands City Regional Revenue Agency. The data collection techniques carried out are observation, interviews and literature studies. The data analysis method used in this study is qualitative data. From the results of the research conducted, it shows that the implementation of the restaurant tax intensification policy at the Tidore Islands City Regional Revenue Agency has not been too optimal, this is evidenced by the fact that there are still restaurant owners who are in arrears in paying taxes and do not really understand the function of taxes due to lack of socialization from related agencies.

**Keywords:** Policy, Intensification, Restaurant Tax

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## INTRODUCTION

The Unitary State of the Republic of Indonesia consists of several provinces and regencies/cities, so to be able to increase development or equalize the development of a region, the regency/city government cannot rely entirely on the provincial government or the central government. That's why districts/cities are given the authority to manage and manage their own households, which we know as regional autonomy.

According to Law Number 32 of 2004 regional autonomy is the right, authority and obligation of an autonomous region to regulate and manage various matters related to government and community interests. Regional autonomy is a form of effort in realizing people's welfare and regional independence, where local governments can adjust development and demonstrate their ability to finance government activities themselves, development and services to the people who have paid taxes and fees as a source of income needed by the region.

The implementation of regional autonomy regarding governance and regional development can be realized if it is accompanied by effective and transparent financial autonomy. In this case it implies that the regional government financially must be independent from the central government by way of explore as many sources of Local Original Revenue (PAD) as possible such as Regional

Taxes, Regional Levies, Wealth Management Results and others. Financial independence of the regional government will shape the degree of regional fiscal autonomy in an even greater direction. The granting of regional autonomy is expected to increase the efficiency, effectiveness and accountability of the public sector in Indonesia. The increase in regional taxes will be in line with regional economic growth. One of the industrial sectors that affect economic growth is trade services, hotels and restaurants, therefore regional taxes must be managed professionally and transparent in the context of optimizing and trying to increase its contribution to Regional Original Revenue (PAD).

The City of Tidore Islands, especially in the Regional Revenue Agency, has 11 sources of regional income in the form of taxes which consist of hotel taxes, restaurants, entertainment, advertisements, street lighting, non-metallic and rock minerals, parking, ground water, swallow's nests, earth and rural buildings. and Urban and Land and Building Rights Acquisition Fees (PBB). From the 11 sources of regional income in the form of taxes, the researchers only focused on 1 tax, namely restaurant taxes.

There are so many restaurants in the City of Tidore Islands. However, the level of awareness of paying restaurant taxes is still very low. The data that researchers get from BAPENDA who pay restaurant taxes are only traders who sell during the day, while traders who sell at night do not pay taxes because BAPENDA did not collect data on traders selling at night from 2015 to 2017 and BAPENDA has just done data collection for traders at night in 2018, but BAPENDA has not been able to carry out a tax collection policy because it has not socialized the tax law regarding restaurant taxes and made an agreement with traders.

The Tidore Islands City Restaurant Tax revenue data can be seen in the table below

Table 1. Restaurant Tax Revenue from the City of Tidore Islands

Tahun	Pajak Restoran	(%)
2022	1.988.538.764	124,91%
2021	1.571.549.233	98,22%
2020	760.275.208	56,32%
2019	1.558.096.451	115,41%
2018	1.501.085.508	125,09%
2017	82.457.242	72%
2016	959.551.274	191%

Source: Regional Revenue Agency for the City of Tidore Islands 2022

Although local taxes are one of the sources of PAD, the obligation is 10% of restaurant management turnover. However, restaurant taxes in the Tidore Islands City area do not all pay taxes because many sellers selling at night cannot be reached by BAPENDA, which is regulated in the Tidore Islands City Regional Regulation number 14 of 2011. Another problem is the lack of outreach Regional regulations (PERDA) which cause low public knowledge about taxation, as a result many people who should pay taxes but do not pay taxes because they do not understand and do not want to try to understand tax regulations that are too complicated to understand, resulting in a low level of public awareness to pay taxes

## **LITERATURE REVIEW**

### **Definition of Policy Implementation**

According to Van Matter in (Ovani, et al. 2013: 3-4) explains that policy implementation is actions taken either by individuals, officials or government or private groups directed at achieving the goals that have been set. outlined in policy decisions. From the above understanding it can be said that the main essence of policy implementation is understanding what should happen after a program is declared valid or formulated. This understanding includes efforts to administer it or have a real impact on society.

### **Definition of Regional Tax Intensification**

According to the Circular of the Director General of Taxes Number SE-06/PJ.9/2001. Incentification is an activity to optimize tax revenue collection for objects and subjects that have been recorded or registered in the DGT administration and from results of implementation of tax payer extensification

### **Definition and Elements of Tax**

The definition of tax according to Law Number 16 of 2009 concerning the fourth amendment to Law Number 16 of 1983 which contains clear and structured contents regarding general provisions and procedures for taxation in Article 1 Paragraph 1 writes "tax is something that is coercive because based on laws and taxes, it is a mandatory contribution from society to the state that is stipulated by individuals or entities that are used for state purposes for the greatest number of people. the magnitude of the prosperity of the people with taxpayers not getting rewards directly.

### **Tax Function**

According to Langgeng, et al. (2016: 2-7) there are two tax functions, namely:

1. The function of the budget (budgetair): taxes serve as a source and for the government to finance its expenditures
2. Regulatory function (cregulerend): taxes have a function as a tool which is certainly useful for implementing and regulating government policies in this case in the social and economic fields.

## **RESEARCH METHOD**

### **Location and Time of Research**

#### **Research Locations**

The location of the research was carried out at the office of the Regional Original Revenue Agency (BAPENDA) where BAPENDA was given the authority to collect taxes, one of which was the restaurant tax.

#### **Research Time**

This research was carried out from July to August 2022

#### **Type of Research**

The type of research used in this research is qualitative research. namely to explain the phenomena in depth through the collection of data in depth (Kriyantono, 2006: 56)

While this type of research uses a qualitative descriptive type, in which the researcher describes or constructs in-depth interviews with the research subjects.

### **Data Source**

Sources of data used in this study are as follows:

1. Primary data, which according to Sunandar, et al. (2018: 72) explains that the data collected by the researchers themselves is directly from the first source. This data is like the results of observations and interviews with staff data collection, determination and billing (P3) at the Regional Revenue Agency of the City of Tidore Islands.
2. Secondary Data, which according to Sunandar, et al. (2018: 72) explains that data published or used by organizations that are not processing it. In this study, the secondary data used is a list of active tax payers, as well as reports of the Regional Original Revenue Budget for the period 2020 – 2022

### **Data Collection Techniques**

To obtain the data or information needed in this study, the data collection techniques are as follows:

#### **1. Observation**

Observation according to Sunandar, et al (2018: 91) explains that the data collection technique uses the five senses, so it's not just observation with the eye. Observations in this study were carried out directly at the agency by collecting data related to the preparation of this final project.

#### **2. Interview**

Interviews are data collection techniques where researchers directly dialogue with respondents to gather information from respondents. In this study, the researcher conducted a question and answer directly with the Head of the Sub-Division of Data Collection, Determination, Billing (P3) at the Tidore Islands City Regional Financial Agency.

#### **3. Documentation Study**

Documentation studies are theoretical studies and other references related to values, culture and norms that develop in the social situation under study. Literature study is very important in conducting research, this can support the preparation of the final project.

### **Data Analysis Techniques**

The data analysis technique used in this study is qualitative data. Which according to Sugiyono (2015: 8) explains that qualitative research as a research method based on post-positivism philosophy, is used to examine the conditions of natural objects, where the researcher is the key instrument, triangulation data repetition techniques, data analysis is inductive or qualitative and The results of this study emphasize meaning rather than generalization.

#### **1. Data editor (data reduction)**

Data reduction is summarizing, choosing the main things. Focusing on important things that are in accordance with the research topic, looking for themes and patterns, ultimately providing a clearer picture and making it easier to carry out further data collection. In reducing data, you will be guided by the goals to be achieved and predetermined, data reduction is also a critical thinking process that requires high intelligence and depth of insight. Thus the reduced data will provide a clearer picture and make it easier for researchers to carry out further data

collection and look for data reduction if needed assisted by electronic equipment such as computers/laptops by assigning codes to certain aspects.

## 2. Presentation of data (data display)

After the data is produced, the next step is presenting data in qualitative research. Presentation of data can be done in the form of brief descriptions, charts, relationships between categories, flowcharts, and so on, but what is often used to present data in qualitative research is with narrative text. Through the presentation of these data, the data is organized and structured so that it will be easier to understand.

## 3. Verify

The last step in analyzing qualitative research is drawing conclusions in qualitative research that can answer the formulation of the problem that was formulated from the start but maybe not, because as has been stated that the problems in qualitative research are still temporary and will develop after the research is in the field.

## **RESULT AND DISCUSSION**

### **A Brief History of the Regional Revenue Agency of the City of Tidore Islands**

Previously the Regional Revenue Agency was the Regional Revenue Service which was formed based on Regional Regulation of the City of Tidore Islands Number 19 of 2007 concerning the formation of the organization and work procedures of Regional Bodies of the City of Tidore Islands. After running for 15 years the Regional Revenue Agency carried out the task of assisting the mayor in implementing decentralization authority in the area of regional income, there was a change in the composition of the regional apparatus according to Government Regulation Number 18 of 2016 concerning the formation and composition of regional apparatus, the Regional Revenue Service changed to the Regional Revenue Agency.

### **Vision and Mission of the Regional Revenue Agency of the City of Tidore Islands**

#### • Vision

Building a prosperous society towards tidore jang folio

#### • Mission

1. Improving quality, just and sustainable infrastructure
2. Increasing economic growth by utilizing superior potential and area-based regional resource potential
3. Strengthening superior human resources, advanced education and quality health
4. Development of historical and cultural tourism as well as local wisdom values as social capital to accelerate development
5. Creating a government that performs, is innovative and serves.

### **Organizational Structure of the Tidore Islands Regional Revenue Agency**

Organizational structure is an arrangement and relationship between each part in terms of existing positions in companies or government agencies in establishing operational activities to achieve goals. The Tidore Islands City

Regional Revenue Agency has an organizational structure that includes all tasks and functions in their respective sections. The organizational structure of the Tidore Islands City Revenue Agency is as follows:

### **Position, Main Duties, and Functions of the Regional Revenue Agency for the City of Tidore Islands**

The Regional Revenue Agency is a supporting element for Government affairs which is the authority of the region, led by the Head of the Agency who is located under and is responsible to the Mayor through the Regional Secretary.

The Regional Revenue Agency has the main task of carrying out supporting functions in the Regional Revenue sector based on article 4 of Mayor Regulation Number 58 of 2016. To carry out its main tasks, the regional revenue agency carries out the following functions:

- a. Formulation of technical policies in accordance with the scope of work.
- b. Implementation of technical support tasks in accordance with the scope of work.
- c. Monitoring, evaluating and reporting on the implementation of technical support tasks in accordance with the scope of work.
- d. Technical guidance on the implementation of supporting functions for regional government affairs in accordance with the scope of their duties.
- e. Implementation of other tasks given by the mayor related to their duties and functions.
- f. In the elaboration of these functions operationally the following functions can be described:
- g. Planning which includes all efforts and activities to prepare, plan, process, review and formulate technical policy formulations in the field of regional original income.

### **Objectives and Targets of the Tidore Islands City Regional Revenue Agency**

#### **a. Objective**

Goals are conditions that the Tidore Islands City Regional Revenue Agency wants to realize within 5 years of planning, where these goals are aligned with the vision and mission. Formulation of goals describes the results and benefits that will be provided by the Regional Revenue Agency of the City of Tidore Islands. Based on the formulation of the strategic objectives of the Regional Revenue Agency for the City of Tidore Islands, it is to increase local revenue.

#### **b. Target**

Targets are results that will be achieved in a more specific, measurable, and short-term formulation (annual, semi-annual or monthly). While the target indicator is a measure of the level of success in achieving the target to be realized in the year concerned. The target for the development of the Revenue sector in the City of Tidore Islands to be achieved in 2020 as stated in the Strategic Plan for the Regional Revenue Agency for the City of Tidore Islands for 2016-2021 is to Increase Regional Original Revenue from the Regional Tax Sector.

## **CONCLUSION**

Based on the results of research on the Implementation of Restaurant Tax Revenue Intensification Policy at the Tidore Islands City Regional Revenue Agency, namely its implementation in the form of a program that will be implemented, it has gone well, the work program carried out by the Tidore Islands City Regional Revenue Agency in terms of restaurant taxes is carried out by carrying out data collection activities and registration in which the Tidore Islands City Regional Revenue Agency officers will collect and record data on regional tax/retribution objects, in this case collecting and recording restaurant data. Furthermore, the Tidore Islands City Regional Revenue Agency will collect taxes with a Self Assessment System, in which taxpayers calculate, pay and report the insured tax themselves to the Tidore Islands City Regional Revenue Agency by using a Regional Tax Notification Letter (SPTPD).

## **Suggestion**

Based on the results of the discussion and conclusions obtained above, the suggestions that can be set for the development of this restaurant tax intensification policy in managing regional revenue receipts are the Regional Revenue Agency of the City of Tidore Islands, in increasing the policy of intensifying regional tax collection, it is better to add resources

People (HR) such as Regional Tax Examiner Supervisors, Tax Collectors and Regional Tax Bailiffs and it is also appropriate to develop an online payment system to make it easier to pay taxes online.

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