

**REKLAME TAXES
CONTRIBUTION TO LOCALLY-
GENERATED REVENUE**

**(Study on the Implementation of Advertising Tax Policy
Based on Regional Regulation Number 1 of 2011
concerning Regional Taxes in North Sangatta
District East Kutai Regency)**

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ABSTRACT

The advertisement tax is one of the important sources of revenue that will be used to finance the implementation of Regional Government and regional development. It is hoped that the revenue from the tax sector in an area will increase the region's original income. However, in practice there are still some problems related to the implementation of the advertisement tax, including the many violations in the practice of the advertisement tax, as well as the large number of potential billboard tax revenues that have not been optimized. That's why this research was conducted with the aim of describing and analyzing the implementation of the advertisement tax policy based on Regional Regulation No. 1 of 2011 concerning Regional Taxes in Sangatta Utara District, East Kutai Regency. In addition, it aims to describe and analyze the supporting factors and inhibiting factors for the implementation of the advertisement tax policy based on Regional Regulation Number 1 of 2011 concerning Regional Taxes in Sangatta Utara District, East Kutai Regency. By using a qualitative approach, this study concludes that the implementation of the advertisement tax policy based on Regional Regulation No.1 of 2011 in Sangatta Utara District, East Kutai Regency can be said to be quite good. Supporting factors in the implementation of advertisement tax policies are the existence of good quality human resources / policy implementers, and the consistency and clarity of information provided by the implementer to taxpayers. The inhibiting factors for the implementation of the advertisement tax policy include the limited number of staff who handle the advertisement tax, and the absence of more focused socialization from the implementer given to taxpayers.

Keywords: Advertising Tax, Local Revenue, Policy Implementation.

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1. INTRODUCTION

In order to improve regional financial capacity in order to implement autonomy, the government has implemented various regional tax policies, including by enacting Law Number 28 of 2009 concerning Regional Taxes and Regional Levies. It is hoped that the granting of authority in the imposition of regional taxes and levies can further encourage the Regional Government to continue to strive to optimize local revenue, particularly those derived from regional taxes and levies.

Local taxes are one of the important sources of revenue that will be used to finance the implementation of Regional Government and regional development. Revenue from the tax sector in a region will increase the region's original income. What is meant by region is an autonomous region, namely a region that has the right and authority to regulate and manage its own household. Local taxes, hereinafter referred to as taxes, are compulsory contributions made for individuals or entities to regions without a balanced direct compensation, which can be enforced based on the prevailing laws and regulations which are used for government administration and regional development.

According to Suparmoko (2000: 96), in addition to being the main source of state revenue (budget function), taxes serve as a means of regulating and supervising private activities in the economy (regular), and taxes as a budgetary tool (budgetary), and taxes are used to raise funds to finance routine government activities. Various efforts or policies taken by the government and followed by increasing public awareness in fulfilling their tax obligations have been able to increase tax revenue from year to year.

In East Kutai Regency, based on Regional Regulation No.1 of 2011 concerning Regional Taxes, it consists of several types of taxes, including hotel tax, restaurant tax, entertainment tax, advertisement tax, street lighting tax, non-metal mineral and rocks tax, parking tax, water tax, land, wallet tax on bird's nest, and fees on acquisition of land and building rights.

One of the taxes that the East Kutai Regency government can collect is the advertisement tax. Advertisement Tax is a tax on the implementation of advertisements. Advertisements are objects, tools, actions, or media whose forms and patterns are designed for commercial purposes in introducing, recommending, promoting, or to attract general attention to goods, services, people, or bodies, which can be seen, read, heard, felt, and / or enjoyed by the public (Chapter I Regional Regulation Number 1 Year 2011).

Regional tax revenue in East Kutai Regency at the end of 2019 has increased from the expected target. The Head of Bapenda, Musyaffa, told Niaga.Asia: Media Economy and Business, on October 7, 2019), said that in the past 10 months the type of tax revenue has reached 98.59 percent, which was initially targeted at IDR 92,374,000,000. Although not all tax types have achieved the target, overall they have met the targets that have been previously announced. Nevertheless, the East Kutai Regional Revenue Agency (Bapenda) will continue to do its best, so that each type of tax can exceed the target. In particular, 11 types of tax objects have become regional authorities in terms of tax collection. Among them are advertisement tax 102.11 percent, restaurant tax 103.10 percent, hotel tax which reaches 97.28 percent, entertainment tax 72.23 percent, street lighting tax 86.08 percent, parking tax 89.10 percent, and water tax, underground 99.87 percent, swallow's nest tax 102.91 percent, non-metal mineral and stone tax 100.20 percent, land and village/ city building tax 91.91 percent. Finally, the tax on acquisition of land and building rights is 100.56 percent.

2. LITERATURE REVIEW

Theory of Public Policy Implementation

In this research, the main theory that will be used is the theory of public policy implementation. In order to provide an in-depth understanding of this theory, the following will describe (a) the concept of public policy and (b) the concept of public policy implementation.

a. Concept of Public Policy

Public policy has presented various definitions in the literature, both in broad and narrow terms. Dye (in Young & Quinn, 2002: 5) provides a broad definition of public policy, namely as what ever governments choose to do or not to do (what the government has chosen to do or not do).

b. Concept of Public Policy Implementation

Policy implementation is a crucial stage in the public policy process. A policy that is implemented is strived to always have the desired impact or purpose. In practice, policy implementation is a very complex process that often even has political implications with the intervention of various interests.

Community Participation Theory

In the study of the implementation of public policies regarding the billboard tax based on Regional Regulation No.1 of 2011 in Sangatta Utara District, East Kutai Regency, it is necessary to have a deep understanding of the concept of community participation. Community participation in the context of this research is the participation of the advertisement service business owner.

a. Participation Concept

Participation means taking part, or according to Hoofsteede, taking part in one or more phases of the process. Participation means taking part in a stage or more of a process (Khairuddin, 1992: 124). Mubyarto defines participation as a willingness to help every program according to the abilities of everyone who does not have self-interest (Ndraha, 1987:102).

Participation is classified into two types, social participation and political participation. Someone's involvement in social life is a type of social participation. Social participation is a process of interaction of people in organizations / community activities where it involves itself with several types of individuals and activities carried out regularly. Meanwhile, political participation is the activity of citizens carried out on behalf of individuals who serve the decision-making process by the authorities. Political participation can be individual or collective depending on the situation and conditions. Political participation is manifested through the process of presenting votes in general elections, participating in campaigns or becoming members of political parties. So it can be interpreted that political participation is the community in activities carried out by groups in social and political life.

There are three important ideas in the definition of participation, among others:

1) Mental and emotional involvement

Participation means mental and emotional involvement rather than physical activity. The person himself is involved, not just the skills. This involvement is psychological rather than physical. A person who participates is involved in his ego rather than in the task.

2) Contribution motivation

Participation is that it motivates people to make a contribution. They are given the opportunity to channel their sources of initiative and creativity in order to achieve organizational goals.

3) Responsibility

Participation encourages people to accept responsibility for group activities. The social process through which people become involved themselves in the organization and realize its success (Davis, 1985: 179).

In terms of motivation, the participation of community members occurs because:

1) Fear / forced

Participation that is carried out by force or fear is usually the result of strict orders from superiors, so that the community seems to be forced to carry out a predetermined plan.

2) Going along

Participating by joining is only driven by a high sense of solidarity among fellow members of the village community. Especially if the initiator is their leader, so that their participation is not due to impulse alone, but is a manifestation of togetherness alone, which is already a socio-cultural condition of the village community (for example: mutual cooperation).

3) Awareness

The third motivation for participation is awareness, namely participation arising from the will of the individual members of the community. This participation is based on encouragement that arises from one's own conscience (Khairuddin, 1992: 124).

3. Tax Theory

In this study, an understanding of tax theory is needed to provide insight in conducting studies on the implementation of the advertisement tax policy based on Regional Regulation Number 1 of 2011 concerning Regional Taxes in Sangatta Utara District, East Kutai Regency.

According to Law Number 6 of 1983 concerning General Provisions and Tax Procedures, as amended several times, the last time Law Number 28 of 2007 (UU KUP) Article 1 number 1, that "tax" is a mandatory contribution to a state payable by private persons or bodies that are compelling based on the law, without receiving direct compensation and used for state needs for the greatest welfare of the people.

4. Advertisement Tax

The advertisement tax is one of the most important sources of revenue for local governments. The following will provide a brief description of the billboard tax concept. Advertisements are objects, tools, actions, or media whose forms and patterns are designed for commercial purposes to introduce, recommend, promote, or to attract public attention to goods, services, people or bodies, which can be seen, read, heard, felt, and / or enjoyed by the public.

5. Regional Original Income (PAD)

Definition of Regional Original Income (PAD)

Original Regional Revenue (PAD) is regional income that comes from regional taxes, regional redistribution, the results of separated regional wealth management, and other legitimate regional original revenues, which aim to give graduation to daetahs in seeking funding in implementing autonomy regions as the embodiment of the principle of decentralization (Badrudin, 2011:99).

6. East Kutai Regency Regulation Number 1 of 2011 concerning Regional Taxes

With the enactment of Law Number 28 of 2009 which revokes Law Number 18 of 1997 concerning Regional Taxes and Regional Levies as amended by Law Number 34 of 2000 has consequences for collection, especially taxes in the regions. Regions are given greater authority in taxation in line with increasing regional responsibilities in administering governance and services to the community as well as increasing regional accountability to strengthen regional autonomy and to provide certainty for the business world regarding the types of regional taxes that are allowed to be collected. In addition, with the enactment of this law, regions are given the authority to set regional tax rates on the basis of regional tax rates as long as they do not exceed the maximum limit as stipulated in the law.

3. METHODS

Research Design

natural ones by utilizing various natural methods.

Research Location

This research was conducted in North Sangatta District, East Kutai Regency, East Kalimantan Province.

Research Focus

The focus in research that is the focus is as follows:

- a) Communication is the process of delivering information, clarity of information and consistency of information conveyed.
- b) Resources, concerning human resources and financial resources that support policy implementation.
- c) Disposition, is the executor's commitment to the program
- d) Bureaucratic structure, based on standard implementation procedures Supporting factors and policy inhibiting factors .:
 - a. Internal factors
 - b. External Factors.

Research Informants

The informants in this study consisted of: (1) Head of the Regional Revenue Agency (BAPENDA) of East Kutai Regency, (2) Head of the Office of Tax Counseling and Consulting Services (KP2KP), North Sangatta District, (3) Head of North Sangatta District, (4) Secretary of the District Head Sangatta Utara, (5) Advertising Tax Data Collection Officer in the field, and (6) Record Business Actors.

Data Collection Techniques

1. Observation

Observations are made by making direct observations of the object being observed. In this study, researchers used participatory observation methods. This is so that researchers can get complete and accurate data.

2. Interview

Interviews were conducted by submitting a number of statements orally to the informants who had been determined. In this study, the researcher used the free guided interview method, in which the interviewer carried a guide containing the things to be asked so that it was hoped that it would not deviate from the expected objectives.

3. Documentation

The documentation technique is carried out by examining various documents related to research problems, in the form of notes, transcripts, books, newspapers, magazines, meeting minutes, agendas, and so on.

Data Analysis Techniques

The data analysis technique used in this research is descriptive qualitative. In this study, data and information in the form of interviews and documentation about the implementation of the advertisement tax policy on local revenue were analyzed by means of 1. Data condensation, 2. Data presentation, 3. Conclusion / verification. 4. Data validity, according to the qualitative data analysis according to Miles, Huberman & Saldana (2014: 10-19).

The approach used in this study is a qualitative approach. Moleong (2005) explains that a qualitative approach is a research approach to understand the phenomenon of what research subjects experience in a holistic manner in a descriptive way in the form of words and language in a context, especially

4. RESULTS AND DISCUSSION

East Kutai Regency is one of the districts in East Kalimantan Province, Indonesia. The district capital is located in Sangatta. This district has an area of 35,747.50 km² [3] or 17% of the area of East Kalimantan Province and has a population of 253,847 people (results of the 2010 Indonesian Population Census) with a density of 4.74 people / km² and an average population growth over the last 4 years. 4.08% annually. With an area of 35,747.50 km², East Kutai is located on the equator with coordinates between 115 ° 56'26 " -118 ° 58'19" East Longitude and 1 ° 17'1 "LS-1° 52'39" North Latitude.

The Potential of Advertising Taxes The advertisement tax in Kutai Timur Regency, must obtain permission from the local regional head and its management is submitted to the Regional Revenue Service of East Kutai Regency. The advertisement tax is one of the potential supporting sectors for Regional Original Income, where the management is carried out by the local Regional Revenue Service. In this study the authors examined the Contribution of Advertising Tax to Regional Original Revenue in East Kutai Regency 2017-2019. Advertising tax is a regional levy on the implementation of advertisements. An advertisement organizer is an individual or legal entity that organizes advertisements both for and on behalf of itself or for and on behalf of other parties who are their responsibility. The potential of the advertisement tax object which is owned by Kutai Timur Regency as a source of PAD is very potential, this can be seen from the list of comparisons of the realization of PAD revenues each fiscal year, which later can be seen how much the contribution of an advertisement tax to the PAD of East Kutai Regency. The potential subjects of advertisement tax in East Kutai district are as follows: 1. Taxpayers. Taxpayers are individuals or entities who, according to the provisions of the regional tax laws and regulations, make payments due, including certain tax collectors or withholders. 2. Place for Installation of Advertisements. a. Place for installing advertisements. Advertising Tax Receipts for East Kutai Regency in 2017- 2019 amounting to 754,919,570, in 2018 amounting to 912,150,000, in 2019 amounting to 925,068,140 (Rupiah). 2019. This shows that the revenue from the advertisement tax always increases, although it has increased, Penenda always tries to increase the advertisement tax in the future along with regional autonomy. The potential for advertisements in Kutai Timur Regency is considered very large

considering the growing passion of business and trade. The object of the advertisement tax here is all advertisement organizers. Advertisement as intended:

1) Megatron billboard. Megatron billboards are billboards held by using an electronic audio-visual device in the form of a transmitter that displays several pictures / scripts of the billboard individually.

2) Billboards / billboards Billboards

/ billboards are advertisements held using wood, plastic, fiber glass, mica, plastic, glass, stone, metal, shining tools or other materials in the form of incandescent lights or other shining devices attached to them. the place provided independently or by hanging or affixed. 3) Cloth advertisement Cloth advertisement is a billboard which is held by using cloth material and or other similar materials. For example, cloth billboards are banners.

5. CONCLUSION

Based on the results of the analysis, it can be concluded that the Advertising Tax Contribution to the PAD of East Kutai Regency, from 2017 to 2019, continues to increase. To the East Kutai regional government, especially the Regional Revenue Service, East Kutai Regency, it is necessary to form an extension team to go directly to the field / the wider community in order to socialize the Regional Regulations, regarding the Advertising tax which is a source of Regional Original Revenue in East Kutai Regency so that public awareness can be built slowly.

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