

THE IMPACT OF THE NON-OIL AND GAS SECTOR'S TAX REVENUE ON ECONOMIC GROWTH IN INDONESIA

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ABSTRACT

Economic growth is a long-term economic problem that must be faced by every country, including Indonesia. National development and economic growth are two things that cannot be separated, because national development is carried out to support people's economic activities and increase the rate of economic growth. Tax revenue, especially from income tax, is currently the largest source of state revenue. Therefore researchers want to conduct research on the impact of the non-oil and gas sector tax revenue on economic growth, with the object of research being Value Added Tax (VAT), Corporate Income Tax (CIT), Final Income Tax, Customs Tax (CED), and certain Building Land Tax as independent variables, and Economic Growth as measured by Gross Domestic Product at constant prices as the dependent variable. This research is a clausal study research, quantitative method, research instrument in the form of financial report data from the Ministry of Finance for the last 8 years, namely from 2013 to 2020. The results of this study show that VAT, PPhB, PPhF, PBC, and PBB-P3 receipts are the same. equally positive effect on economic growth in Indonesia. This can be seen from the significant results of each variable. VAT has a significant value (0.0248), CIT (0.0010), Final Tax (0.0051), CED (0.0000), and Building Land Tax (0.0196). So it can be concluded that tax revenues from the non-oil and gas sector have a positive effect on economic growth in Indonesia. equally positive effect on economic growth in Indonesia. This can be seen from the significant results of each variable. VAT has a significant value (0.0248), CIT (0.0010), Final Tax (0.0051), CED (0.0000), and Building Land Tax (0.0196). So it can be concluded that tax revenues from the non-oil and gas sector have a positive effect on economic growth in Indonesia. equally positive effect on economic growth in Indonesia. This can be seen from the significant results of each variable. VAT has a significant value (0.0248), CIT (0.0010), Final Tax (0.0051), CED (0.0000), and Building Land Tax (0.0196). So it can be concluded that tax revenues from the non-oil and gas sector have a positive effect on economic growth in Indonesia.

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1. INTRODUCTION

The phrase "economic growth" is used to describe the economic problems that hit almost all countries. According to Sukirno (Sukirno, 2013), economic growth is defined as a process of growth in people's economic activities, increasing the output of goods and services produced, and accompanied by increasing people's welfare. People's welfare which is reflected in the increase in per capita output provides many choices for the people in consuming goods or services and is also accompanied by an increase in people's purchasing power (Syahputra, 2017). Indonesia as a developing country, until now has continued to carry out national development in a planned and progressive manner, not prioritizing speed or efficiency over equality and stability. The process of national development can be carried out well, when accompanied by increasing state revenue, it is the duty and responsibility of the government to pay close attention to state revenue, because state revenue is an important determinant of economic growth anywhere (Malima, 2013). State revenue itself is income received by the state which is then used to finance and run government programs aimed at increasing people's welfare. Revenue from the taxation sector is the largest source of state revenue for Indonesia (Administrator, 2020). State revenue itself is income received by the state which is then used to finance and run government programs aimed at increasing people's welfare. Revenue from the taxation sector is the largest source of state revenue for Indonesia (Administrator, 2020). State revenue itself is income received by the state which is then used to finance and run government programs

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aimed at increasing people's welfare. Revenue from the taxation sector is the largest source of state revenue for Indonesia (Administrator, 2020).

Indonesia's economic growth rate from 2013-2020 continues to fluctuate. The average economic growth over a period of 8 years was 4.21%. The highest growth was recorded in 2013 of 5.78% (Kinerja et al., 2013), whereas the lowest economic growth of -2.07% occurred in 2020 (Ministry of Finance, 2021a). The low rate of economic growth in 2020 was due to the Covid-19 virus pandemic which hit Indonesia as well as most countries in the world, resulting in a global economic crisis. The Ministry of Finance said that the economic crisis and the global economic atmosphere continued to be uncertain due to the Covid-19 virus pandemic, had a huge effect on some entrepreneurs in carrying out their business activities,

Income tax has an influence on economic growth, because it has an important position in the realization of tax revenue from year to year (Nurhidayah, 2022). Corporate and final income tax are included as a component of total income tax revenue. The increase in the proportion of corporate and final income tax revenue indicates that people's welfare has increased, and with an increase in people's welfare, it is one of the indicators of economic growth.

The increase in income tax revenue is expected to encourage increased tax revenue from other sectors such as Value Added Tax, Customs Tax and Land and Building Tax. VAT and PBC are related taxes closely related to the level of public consumption of goods and services both domestically and internationally, because there are buying and selling transactions for individual taxpayers, business entities, and the government (Rokhman, 2022). The high level of public consumption and increased import-export activity and stable inflation rates and interest rates are factors that affect VAT and PBC revenues (Mawarni, 2021). In addition, Land and Building Tax also has a high potential for state revenue, because the tax object from PBB covers all land and buildings located in Indonesian territory. PBB-P2 for rural and urban areas and PBB-P3 for plantations, mining, forestry and other sectors both have an important role in supporting national development for both local and central government (Widyanti, 2022).

Previous literature conducted by Estro Dariatno Sihaloho regarding "Analysis of the effect of tax revenue on Indonesia's economic growth: a vector autoregressive approach" shows that value added tax and income tax have a positive effect on economic growth (Sihaloho, 2020). Another study by Lesfandra regarding "The Effects of Exports, Investment, and Tax Revenue on Economic Growth in Indonesia" resulted that export-import activities had a positive effect on economic growth in Indonesia (Lesfandra, 2021).

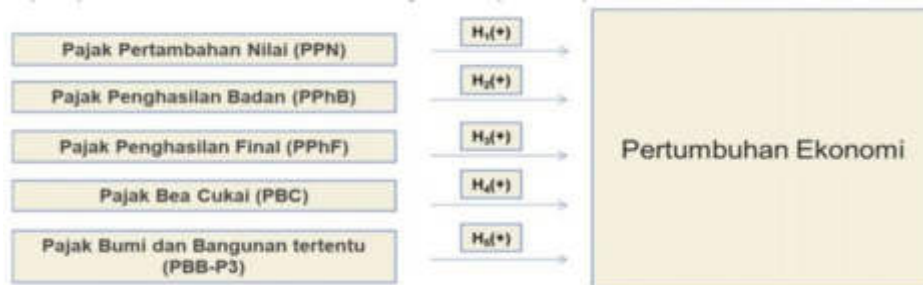
This research refers to the research of Khadijat Adenola Yahaya and Kabir Yusuf who studied "The impact of non-oil and gas tax revenues on economic growth in Nigeria". This research proves that Value Added Tax and Corporate Income Tax contribute positively to economic growth in Nigeria, while Customs Tax has a negative effect on economic growth in Nigeria (Yahaya & Yusuf, 2019)

The purpose of this research is to prove the contribution of tax revenues, especially from the non-oil and gas sector, to economic growth in Indonesia. It is hoped that the findings from this study can be used as a comparison and reference for subsequent studies, and can add to the knowledge of taxpayers in assessing the contribution of tax revenues to economic growth in Indonesia. So that it is expected to increase public compliance as taxpayers in paying their tax obligations.

Based on the above understanding, the difference in this study is the independent variables and the research samples used by current researchers and previous researchers.

2. METHODS

Economic growth (GDP) is the dependent variable, and there are five independent variables, namely Value Added Tax (PPN), Corporate Income Tax (PPhB), Final Income Tax (Final Income Tax), Customs and Excise Tax (PBC) and Certain Land and Building Taxes (PBB-P3). The research model is as follows:



Figures 1 Research Model

This section contains a description of research procedures and the development of hypotheses that are used by researchers to respond to problems in research. This research is a causal research that uses quantitative methods with research instruments in the form of data from the Ministry of Finance's financial reports on tax revenues. Secondary data and time series are used in this study. The independent variables in this study consist of Value Added Tax (VAT), Corporate Income Tax (PPhB), Final Income Tax (PPhF), Customs Tax (PBC) and certain Land and Building Tax (PBB-P3).

Secondary data for this research comes from the official website of the Central Bureau of Statistics and the Financial Report of the Ministry of Finance. The research period is 8 years, namely from 2013 - 2020. This study uses the Autoregressive Distributed Lag (ARDL) technique, this technique describes a model that utilizes past and present data times (Gujarati, 2015). The analysis in this research uses Descriptive Statistics analysis test, Stationarity test (Unit Root Test), Cointegration test, Classical Assumption test, Optimum Lag Test, and Hypothesis Test.

The regression equation in the study is as follows:
 $HPDBt = \beta_0 + \beta_1 \cdot 437688t + \beta_2 \cdot 147405t + \beta_3 \cdot 500322t + \beta_4 \cdot 003977t + \beta_5 \cdot 451415t + \mu t$
 GDP: :Gross Domestic Product measured as real GDP;
 VAT::Value Added Tax;
 PPhB: : Corporate Income Tax;
 PPhF: : Final Income Tax
 PBC : Customs and Excise Tax
 PBB-P3: Certain land and building taxes

3. RESULTS AND DISCUSSION

By calculating the maximum, average and minimum values as well as the standard deviation of each dependent and independent variable in the sample, descriptive statistical analysis is used to provide an overview of the distribution and behavior of the data (Ghozali, 2018).

Table 1 Descriptive Statistics Results

	Y(GDP)	X1(VAT)	X2(PPhB)	X3(PPhF)	X4(PBC)	X5(UN-P3)
Means	9643686.	421014.5	190114.9	107048.3	181000.5	21973.64
Median	9673771.	425085.5	175985.7	113812.0	182175.7	21049.76
Maximum	10949155	520383.1	252162.0	126219.2	209948.9	29250.05
Minimum	8156498	256169.3	148719.2	71569.83	140073.6	16770.30
std. Dev.	1028869.	86189.93	42541.34	18459.01	25756.19	3926093
Skewness	-0.120958	-0.654366	0.620839	-1.004150	-0.412219	0.632760
kurtosis	1.614424	2.751967	1.792232	2.692661	1.888313	2.575460
Jarque-Bera	0.659448	0.591433	1.000157	1.375908	0.638515	0.593926
probability	0.719122	0.743998	0.606483	0.502603	0.726688	0.743072
sum	77149485	3368116.	1520919.	856386.7	1448004.	175789.1
Sum Sq. Dev.	7.41E+12	5.20E+10	1.27E+10	2.39E+09	4.64E+09	1.08E+08
Observations	8	8	8	8	8	8

Based on the table above, it can be described if the amount of data (n) is 8 where researchers take research samples from 2013 to 2020. The mean X1 (VAT) is 421014.5, the minimum value is 256169.3 obtained in 2014, the maximum value is 520383.1 obtained in 2019, and the standard deviation is 86189.93 with the amount of data (n) being 8. The mean value is 4 21014.5 is greater than the standard deviation, which means that VAT contributes 42.10% during the observation period. The mean X2 (PPhB) is 190114.9, the minimum value is 148719.2 obtained in 2014, the maximum value is 252162.0 obtained in 2019, and the standard deviation is 42541.34 with a total of 8 data (n). observation. The mean X3 (PPhF) is 107048.3, the minimum value is 71569.83 obtained in 2013, the maximum value is 126219.2 obtained in 2019, and the standard deviation is 18459.01 with a total of 8 data (n). The mean value of 107048.3 is greater than the standard deviation indicating that PPhF contributed 10.70% during the observation period. The mean X4 (PBC) is 181000.5, the minimum value is 140073.6 obtained in 2013, the maximum value is 209948.9 obtained in 2019, and the standard deviation is 25756.19 with a total of 8 data (n). The mean value of 181000.5 is greater than the standard deviation indicating that PBC contributed 18.10% during the observation period. Mean X5 (PBB-P3) is worth 21973.64, minimum value is worth 16770.30 obtained in 2017, maximum value is worth 29250.05 obtained in 2015,

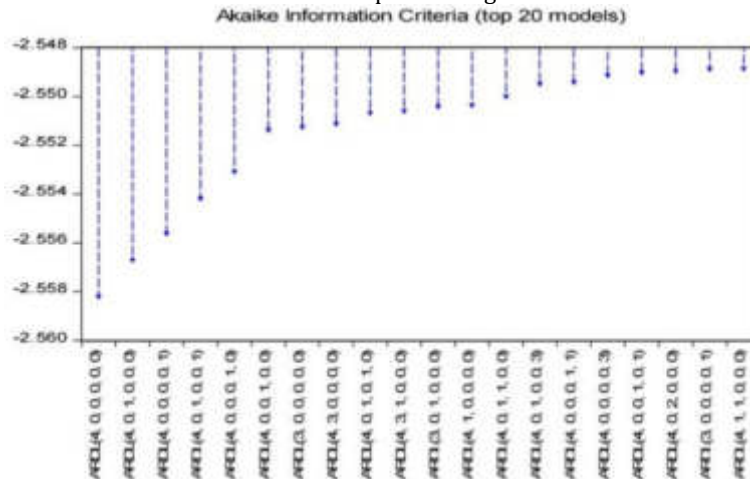
The stationarity test is carried out as a first step in the ARDL technique by carrying out a unit root test. This test is carried out to determine the stability and stationarity of the data. The test uses the Augmented Dickey-Fuller (ADF) method. If the H_0 test results, the data is said to be non-stationary and contains unit roots, whereas if it is H_a , the data is stationary and does not contain unit roots.

Table 2. First Difference Level Stationarity Test Results

Variable	P-Value	Critical Value	Information
Y(GDP)	0.000	0.05	stationary
X1(VAT)	0.000	0.05	stationary
X2(PPhB)	0.000	0.05	stationary
X3(PPhF)	0.000	0.05	stationary
X4(PBC)	0.000	0.05	stationary
X5(UN-P3)	0.000	0.05	stationary

The test results for each variable have a P-Value > of 0.05. This result shows that each variable is stationary, so the Autoregressive Distributed Lag (ARDL) method can be continued. After carrying out the stationarity test, the next step is to perform the optimum lag test. Determination of the optimum lag is carried out to see the number of lags or time lags contained in the research variables (Gujarati & Damodar, 2004). The optimum lag test uses the Akaike Information Criterion (AIC) model.

Table 3 Optimum lag



Judging from the optimum lag test results above, the best lag results for testing the Autoregressive Distributed Lag (ARDL) model are located at lag (4,0,0,0,0) because it has the smallest error value compared to other models.

Before continuing to test the ARDL technique, a diagnostic test is needed to see more clearly whether the resulting ARDL model is perfect. The cointegration bound test is carried out to ascertain how much significance can be used as a reference for the results estimation of the ARDL model and also to ascertain whether the dependent variable has a long-term relationship or not with the independent variable in testing the ARDL technique. The results of the F-count test for the bound test are $20.76578 > I(0)$ and $I(1)$ so that H_0 is rejected, and it means that the ARDL estimation results can use a sig level reference of up to $\alpha = 1\%$ and show that there is a long-term relationship between variables, namely between VAT, PPhB, PPhF, PBC, and PBB-P3 have a long-term relationship to GDP.

Furthermore, the classical assumption test is carried out in which there are normality, heteroscedasticity, and autocorrelation tests. The purpose of the normality test is to find out whether the residuals of the regression model are normally distributed if there are confounding factors (Ghozali, 2017). Researchers used the Jarque-Bera test to perform a normality test. If the test result (sig) is greater than 5% then the data is normally distributed, whereas if (sig) is lower than 5% then the data is not normally distributed. The results of the H_0 normality test are accepted, because the probability is $0.55 > 0.05$,

indicating that the data is normally distributed. Heteroscedasticity test was carried out to determine whether there is an inequality of variance between individual observation residues. If the value of $\text{Obs}^*R\text{-squared Chi-Square} > \alpha$ is more than the set value ($\alpha=0.05$), then it is concluded that there is no heteroscedasticity in the data. Heteroscedasticity testing using the Breusch-Pagan-Godfrey method yielded a prob value of $\text{Obs}^*R\text{-squared Chi-Square} > \alpha$ ($\alpha=0.05$), indicating that there was no heteroscedasticity in the data. The autocorrelation test is used to find out whether there are confounding errors in a linear regression model in period t with errors in period $t-1$ (Ghozali, 2017). Autocorrelation occurs when two or more variables show a statistically significant relationship. Of course, a good regression model is a regression in which there is no autocorrelation. The autocorrelation test uses the Breusch-Godfrey Serial Correlation LM test technique. Where if the value of $\text{Obs}^*R\text{-squared Chi-Square} > \alpha$ ($\alpha=0.05$), is more than the specified number, then it is concluded that there is no autocorrelation.

After testing the classical assumptions, then proceed with Testing the Estimation Results of Autoregressive Distributed Lag (ARDL), using lag in the test process. Testing the ARDL estimation results uses the Eviews 12 software application to assess, and this test uses the Akaike Information Criterion (AIC) method. The results of the ARDL model selection are (4,0,0,0,0). This means that the GDP variable is at lag 4. The PPN, PPhB, PPhF, PBC and PBB-P3 variables are at lag 0. The results show that if the ARDL estimation test results the prob-t value is $D(Y(-1))$, $D(Y(-2))$, $D(Y(-3))$ is smaller than 5% or 0.05 and the coefficient value is negative, meaning that GDP 1 year ago, GDP 2 last year, GDP 3 years ago had a negative effect on GDP for the current year (2020). While $D(X2)$ on PPhB has a positive coefficient value and prob-t is smaller than 0.05, This means that PPhB has a positive effect on GDP for the current year. Meanwhile, if you look at the Prob value (F-statistic) which is less than 5% or 0.05, all X Variables (PPn, PPhB, PPhF, PBC, PBB-P3) affect Variable Y (GDP).

Next, a partial test of the hypothesis test was carried out t . The aim is to ensure the degree of influence between independent and partially dependent factors assuming other things are constant during the analysis. The results of the H_0 study were rejected because the test results for the coefficient value of the variable $D(Y(-1))$ or the previous year's GDP were -0.293483 with a probability of 0.0000 lower than a 5%. This means that the previous year's GDP fluctuations had a negative impact on the current year's GDP growth. In the variable $D(Y(-2))$ or GDP two years earlier, H_0 was rejected, because the result is a coefficient of -0.232742 and a probability value of 0.0003 which is less than a by 5%. This means that the GDP variable in the previous two years has a negative effect on the current year's GDP. The coefficient value of Variable $D(Y(-3))$ or GDP three years earlier was -0.199579 and the probability of 0.0018 is lower than α by 5%, it is concluded that H_0 is rejected. This shows that the GDP variable in the previous three years had a negative effect on the current year's GDP. The coefficient value of the test results for Variable $D(Y(-4))$ or GDP four years earlier was -0.118743, the probability value of 0.0577 was higher than a by 5%, it was concluded that H_0 was accepted. This means that the GDP variable in the previous four years will not affect the current year's GDP. The coefficient value of the test results for Variable $X1$ or VAT is 0.437688, the probability value is $0.0248 < \alpha$, indicating that H_0 is rejected. These results show that the VAT variable has a positive contribution to GDP. The coefficient of variable $X2$ or PPhB has a result of 0.147405 from the test, the probability value of 0.0010 is smaller than α , interpreted if H_0 is rejected. This means that the PPhB variable has a positive influence on GDP. The result of the coefficient value of the variable $X3$ or PPhF is 0.500322, the probability value of 0.0051 is lower than α , indicating rejecting H_0 . This shows that the PPhF variable has a positive influence on GDP. The coefficient value of the $X4$ or PBC variable test results is 0.003977, the probability value of 0.0000 is lower than α , then H_0 is rejected. The results show that the PBC variable has a positive influence on GDP. The coefficient of the variable $X5$ or PBB-P3 from the test results is 0.451415, the probability value is 0.0000 which is smaller than α , then it rejects H_0 . These results show that PBB-P3 has a positive effect on GDP. probability value of 0.0051 is lower than α , indicating rejecting H_0 . This shows that the PPhF variable has a positive influence on GDP. The coefficient value of the $X4$ or PBC variable test results is 0.003977, the probability value of 0.0000 is lower than α , then H_0 is rejected. The results show that the PBC variable has a positive influence on GDP. The coefficient of the variable $X5$ or PBB-P3 from the test results is 0.451415, the probability value is 0.0000 which is smaller than α , then it rejects H_0 . These results show that PBB-P3 has a positive effect on GDP. probability value of 0.0051 is lower than α , indicating rejecting H_0 . This shows that the PPhF variable has a positive influence on GDP. The coefficient value of the $X4$ or PBC variable test results is 0.003977, the probability value of 0.0000 is lower than α , then H_0 is rejected. The results show that the PBC variable has a positive influence on GDP. The coefficient of the variable $X5$ or PBB-P3 from the test results is 0.451415, the probability value is 0.0000 which is smaller than α , then it rejects H_0 . These results show that PBB-P3 has a positive effect on GDP. The results show that the PBC variable has a positive influence on GDP. The coefficient of the variable $X5$ or PBB-P3 from the

test results is 0.451415, the probability value is 0.0000 which is smaller than α , then it rejects H_0 . These results show that PBB-P3 has a positive effect on GDP. The results show that the PBC variable has a positive influence on GDP. The coefficient of the variable X5 or PBB-P3 from the test results is 0.451415, the probability value is 0.0000 which is smaller than α , then it rejects H_0 . These results show that PBB-P3 has a positive effect on GDP.

Lastly, the results of the Coefficient of determination Test to see the effect of the independent variables on the dependent variable. The test results are expressed by looking at the R-squared number and this test produces an R-Squared of 0.87 or it can be interpreted if 87% of the GDP variable is influenced by the independent variables, namely VAT, PPhB, PPhF, PBC and PBB-P3. While 13% is influenced by other factors outside the model.

Table 4 Summary of Tests and Results

	hypothesis	B	Sig.	Results
H1	VAT matters positive to economic growth	0.437688	0.0248	Hi accepted
H2	PPhB has an effect positive to economic growth	0.147405	0.0010	H2 is accepted
H3	PPhF effect positive to economic growth	0.500322	0.0051	H3 is accepted
H4	PBC effect positive to economic growth	0.003977	0.0000	H4 is accepted
Hs	PBB-P3 has a positive effect on economic growth	0.451415	0.0196	HS accepted

DISCUSSION

Effect of Value Added Tax (VAT) on Economic Growth in Indonesia

Based on the results of the t partial test, it shows that VAT has a significant value on economic growth, then H_1 , that VAT receipts have a positive effect on economic growth is accepted. sig. value 0.0248 < 0.05 with a positive coefficient indicating a directly proportional relationship so that if VAT increases by one unit it will increase GDP by 0.437688 units. Increased public consumption of products and services is an indicator that can affect increased VAT receipts (Pratiwi, 2022), besides that stable interest rates and inflation are also indicators that can affect VAT receipts (Mawarni, 2021). VAT rates have increased in April 2022, namely to 11% from 10% previously, and are planned to be 12% for 2025, this is stated in HPP Law No. 7 of 2021 (Lathifa, 2023). The government's program to increase VAT rates is expected to increase VAT revenues, but must be accompanied by other policies that can reduce inflation due to an increase in VAT rates, bearing in mind that VAT is a tax imposed on every value added product or service circulating in society.

The results of this study agree with Khadijat Adenola Yahaya and Kabir Yusuf (Yahaya & Yusuf, 2019) and Estro Dariatno Sihalo (Sihalo, 2020) which shows that value added tax revenue has a positive impact on economic growth in Indonesia.

The Effect of Corporate Income Tax (PPhB) on Economic Growth in Indonesia

The results of the t test analysis confirm the importance of PPhB on economic growth, therefore H_2 is accepted that PPhB positively influences economic growth. This can be seen from the sig. 0.0010 < 0.05 with a positive coefficient indicating a directly proportional relationship so that if PPhB increases by one unit it will increase GDP by 0.147405 units. Corporate Income Tax is imposed on increasing the economic capacity of companies, both domestic companies or foreign companies domiciled in Indonesia (Entrepreneur, 2022). Companies carry out business activities to be able to meet market demand, so that the increasing demand for products or services in the market makes companies increase their business activities in order to meet market needs. Along with increasing business activity, then it can increase revenue, so that the profit earned by the company will also increase, and the acquisition of tax payable figures on company profits will also increase (Sumarta, 2020). However, the high corporate income tax rate is a separate burden for business entity taxpayers, therefore it is important for the government to be able to implement a corporate income tax rate adjustment program, in order to stimulate business entity taxpayers to carry out their tax obligations (Dewi, 2020). Increasing the compliance of corporate taxpayers in carrying out their tax obligations is considered to have an effect on Final Income Tax revenue and total tax revenue so that the level of state revenue realization can be achieved according to the target and national development can run smoothly. and the acquisition of tax payable figures on corporate profits has also increased (Sumarta, 2020). However, the high corporate income tax rate is a separate burden for business entity taxpayers, therefore it is important for the government to be able to implement a corporate income tax rate adjustment program, in order to stimulate business entity taxpayers to carry out their tax obligations (Dewi, 2020). Increasing the compliance of corporate taxpayers in carrying out their tax

obligations is considered to have an effect on Final Income Tax revenue and total tax revenue so that the level of state revenue realization can be achieved according to the target and national development can run smoothly. and the acquisition of tax payable figures on corporate profits has also increased (Sumarta, 2020). However, the high corporate income tax rate is a separate burden for business entity taxpayers, therefore it is important for the government to be able to implement a corporate income tax rate adjustment program, in order to stimulate business entity taxpayers to carry out their tax obligations (Dewi, 2020). Increasing the compliance of corporate taxpayers in carrying out their tax obligations is considered to have an effect on Final Income Tax revenue and total tax revenue so that the level of state revenue realization can be achieved according to the target and national development can run smoothly. therefore it is important for the government to be able to implement a Corporate Income Tax rate adjustment program, in order to stimulate business entity taxpayers in carrying out their tax obligations (Dewi, 2020). Increasing the compliance of corporate taxpayers in carrying out their tax obligations is considered to have an effect on Final Income Tax revenue and total tax revenue so that the level of state revenue realization can be achieved according to the target and national development can run smoothly. therefore it is important for the government to be able to implement a Corporate Income Tax rate adjustment program, in order to stimulate business entity taxpayers in carrying out their tax obligations (Dewi, 2020). Increasing the compliance of corporate taxpayers in carrying out their tax obligations is considered to have an effect on Final Income Tax revenue and total tax revenue so that the level of state revenue realization can be achieved according to the target and national development can run smoothly.

The results of this study agree with Khadijat Adenola Yahaya and Kabir Yusuf (Yahaya & Yusuf, 2019) and Estro Dariatno Sihalo (Sihalo, 2020), whose research also shows that income tax has a positive effect on economic growth in Indonesia.

Effect of Final Income Tax (PPhF) on Economic Growth in Indonesia

From the results of the t test analysis it is concluded that PPhF has a significant value on economic growth, therefore H3 that PPhF has a positive effect on economic growth is accepted. This is indicated by the sig. $0.0051 < 0.05$ with a positive coefficient indicating a directly proportional relationship so that if PPhF increases by one unit it will increase GDP by 0.500322 units. Final Income Tax is imposed on income earned not only due to business activities, but also from other income such as interest on deposits, prizes from lottery prizes, and others, and what is related to business activities is income from construction services business, land and building rental, shipping, and others regulated in Law no. 36 of 2008 (Online Tax, 2023). Several government policies in adjusting the Final Income Tax rates for MSMEs and Construction Services are expected to ease the tax burden for MSME taxpayers and construction service providers, so that the relief obtained can be used to develop their businesses. Although there is a rate adjustment that tends to decrease, Final PPh tax revenue can increase along with the increasing number of MSME business actors and the development of the construction service business. Therefore it is very important for the government to continue the policy and evaluation of the Final Income Tax rate, which is also balanced with other policies that can help MSMEs and construction service entrepreneurs and other businesses in increasing their annual income so that the total Final Income Tax revenue can increase.

In previous research conducted by Khadijat Adenola Yahaya and Kabir Yusuf (Yahaya & Yusuf, 2019) they did not discuss the Final Income Tax variable.

The Effect of Customs and Excise Tax (PBC) on Economic Growth in Indonesia

From the results of the t test it is concluded that PBC acceptance has a significant value on economic growth, therefore H4 that PBC has a positive contribution to economic growth is accepted. This can be seen from the sig. $0.0000 < 0.05$ with a positive coefficient indicating a directly proportional relationship so that if PBC increases by one unit it will increase GDP by 0.003977 units. The high activity of exports and imports is the main factor affecting customs revenue. This is also inseparable from the demand for certain products both from the domestic and international markets. In addition, increased supervision of products subject to illegal customs also helps increase excise revenues because it can secure state revenue rights. Several efforts and policies made by the government and the Director General of Customs and Excise to be able to stimulate international trade activities need to be continued, including evaluating import duty, export duty and excise tariffs. But not only that, but it is hoped that government policies can also protect and control public consumption of excisable products such as liquor and cigarettes, bearing in mind that these products are considered to have a negative impact on society.

The results of this study do not agree with the research conducted by Khadijat Adenola Yahaya and Kabir Yusuf (Yahaya & Yusuf, 2019) which shows that customs tax revenue has a negative impact on

economic growth, but agrees with research conducted by Lesfandra (Lesfandra, 2021) which states that export activities affect economic growth.

The Effect of Land and Building Tax - Certain (PBB-P3) on Economic Growth in Indonesia

The results of the t test show that PBB-P3 acceptance has a significant value on economic growth, so the H_0 that PBB-P3 has a positive effect on economic growth is accepted. This can be seen from $\text{sig. } 0.0196 < 0.05$ with a positive coefficient indicating that if PBB-P3 increases by one percent it will increase GDP by 0.451415. PBB-P3 is PBB for plantations, mining, forestry, and other sectors such as pipelines, toll roads, telecommunications cables, and capture fisheries. The calculation of the basis for imposing taxes on PBB depends on the market price and the size of the area of the object. The increase in PBB-P3 revenue is inseparable from the obedience and ability of tax subjects as owners in carrying out their tax obligations, in addition to government policy in determining tax limits. NJOPTKP and tariff adjustments are expected to help increase PBB-P3 revenue. Therefore it is important for the government to evaluate the determination of the NJOPTKP limit and the tariff on NJOP, so that taxpayers do not feel burdened with the amount of tax owed on the land and buildings they own.

In previous research conducted by Khadijat Adenola Yahaya and Kabir Yusuf (2019) they did not discuss the variable Land and Building Tax.

4. CONCLUSION

In this study, researchers used secondary data, specifically data on tax revenue reports from the Ministry of Finance's 2013-2020 annual report which is available on the Ministry of Finance's official website. This study finds the conclusion that tax revenues, both VAT receipts, Corporate Income Tax (PPhB), Final Income Tax (PPhF), Customs and Excise Tax (PBC), and certain Land and Building Tax (PBB-P3), both have a positive effect on economic growth in Indonesia, as measured by using GDP at constant prices. Basically economic growth, national development and state income are related and cannot be separated because of their interrelationships. Because if the state income increases, it can help the process of national development to be carried out, so that it can help support people's economic activities so as to create economic growth, but conversely if state income decreases, the process of national development will also be hampered, so that the rate of economic growth decreases. Therefore, state revenue (APBN) is considered the key to achieving national development and the growth of the country's economy. The obstacle of this study is that the amount of data needed to conduct the research is not optimal, because in the Ministry of Finance's annual reports published under 2012 there are differences in how to convey details regarding the realization of tax revenues. And for the ministry of finance's 2021 annual report, at the time the researchers conducted the research it was still not final, so the data could not be used as a sample in the research. In addition, not many researchers have studied the effect of tax revenue in detail from various taxation sectors on economic growth. The findings of this study are expected to be a reference for further research such as research on how income tax influences value added tax, bearing in mind that income tax is closely related to people's economic capacity and is closely related to people's welfare, and can also affect people's consumption levels. In addition, it is hoped that the findings from this study can also assist the public in understanding the importance of state revenue, especially from the tax sector for economic growth in Indonesia. It is hoped that this will also increase taxpayer compliance in paying taxes.

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