

DETERMINANTS OF ORIGINAL LOCAL GOVERNMENT REVENUE OF REGENCY/CITIES AT WEST SUMATRA PROVINCE IN 2020-2021

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ABSTRACT

Regions that are considered advanced are regions that have high Original Local Government Revenue (PAD). The high PAD received by a region is an assessment of the level of regional government dependence on the central government in terms of APBD funding. Regional Original Income consists of several revenues including Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB). This research aims to determine the effect of Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD). This type of research is quantitative research. The population of this research is all regency/cities in West Sumatra. The sampling technique used was total sampling. The data used is the 2020-2021 West Sumatra Province Regency/City Regional Revenue and Expenditure Budget Realization Report. The research results show that Rural and Urban Land and Building Tax (PBB-P2) has an effect on Original Local Government Revenue (PAD). Meanwhile, receipt of fees for the Acquisition Duty of Right on Land and Building (BPHTB) has no effect on Original Local Government Revenue (PAD). And simultaneously, Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) influence Original Local Government Revenue (PAD).

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1. INTRODUCTION

Regional governments are required to be wiser in making decisions relating to the rights of their people, in other words regional governments must act fairly collection regional taxes and regional levies to all citizens [1]. Apart from that, regional governments are also required to be able to allocate the proceeds from regional taxes and levies to realize development and support needs government the area itself. Law no. 23 of 2014 concerning Regional Government [2], states that all regional government affairs are handed over to the regional government, currently regions are given full authority to plan, implement, supervise, control and evaluate regional policies. Wider, real and responsible authority for autonomous regions to regulate and manage government affairs themselves and exercise authority on their own initiative in accordance with the interests of local communities and the potential of each region based on statutory regulations. Regional autonomy gives regions the right to determine their own direction and development goals in their region. This occurs as a consequence of the central government's complete transfer of authority to regional governments to manage their own regional households. Development in the regions is considered capable if the regions themselves handle it.

To reduce the intensity of central government donations to regional governments, increase development and maximize regional autonomy. Regional governments must further increase regional income. One source that influences regional income is the tax sector. To make regional autonomy independent of transfer funds from the central government, what regional governments need to do is optimize the resources available in their regions, one of which is through fiscal policy. Fiscal policy means the use of taxes, public loans, public spending by the government for stabilization or development purposes. The use of fiscal policy with the aim of promoting economic development is a policy that has only emerged recently.

Taxes are an important source of revenue that will be used to finance state expenditure, both routine expenditure and development expenditure [3]. One of the roles of tax payments is to increase the

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development of a region and finance the expenditure needed by the region. One indicator of improving the development process, taxes have an important meaning and guide society to be orderly in paying taxpayers. Regional development is an effort to utilize existing resources to improve people's welfare both in terms of income, employment opportunities, business opportunities, access to competitive policy making and the ability to increase the human development index.

Original Local Government Revenue (PAD) is income obtained by a Region from sources within its own territory which is collected based on Regional regulations in accordance with existing laws and regulations [4]. Original Local Government Revenue (PAD) is regional income sourced from regional taxes, regional levies, separated regional wealth management results, and other legitimate regional original income, which aims to provide flexibility to regions in exploring funding in the implementation of regional autonomy as embodiment of the principle of decentralization. Sources of Original Local Government Revenue (PAD) are regional taxes, regional levies, separate regional wealth management rights and other legal PAD. Regional taxes consist of hotel tax, restaurant tax, entertainment tax, advertising tax, street lighting tax, swallow's nest tax, rural and urban land and building tax (PBB-P2), non-metallic mineral and rock tax and tax on the acquisition duty of rights on land and buildings (BPHTB) [5].

Regional Tax is a tax managed regional government (both managed by level 1 government and level 2 government) and the results are used to finance routine expenditure and regional development. The higher the role of regional income in the Regional Revenue and Expenditure Budget (APBD), reflects business success or the level of regional capability in financing and implementing development and governance. One type of regional tax is Urban and Rural Land and Building Tax (PBB-P2) which is a tax on land and buildings, whether owned, benefited from or controlled.

Since the enactment of Law Number 28 of 2009 dated 15 September 2009 concerning Regional Taxes and Regional Levies, the authority to collect Rural and Urban Land and Building Tax (PBB-P2) has been handed over to the district or city government. The handover of the management of Rural and Urban Land and Building Tax (PBB-P2) to the Regency/City government begins January 1 2011 and is no later than January 1 2014 [6]. Areas that are considered developed are areas that have high PAD. The high PAD received by a region is an assessment of the level of regional government dependence on the central government in terms of APBD funding.

West Sumatra is a province in Indonesia which is located in the western part of Sumatra Island with a population of 5,640,629 people. Regency/Cities in West Sumatra Province have various cultures and their own characteristics in each region. This is what makes each Regency/City in West Sumatra Province have quite a lot of tourist areas which have the potential to generate quite large regional taxes and regional levies, one of which comes from the trade sector and other taxes related to regional taxes, besides that every year Regional tax and levy revenues do not contribute to the same influence on Original Local Government Revenue (PAD).

West Sumatra's economy in the fourth quarter of 2021 grew positively, continuing the trend of economic recovery. West Sumatra's economy in the fourth quarter of 2021 recorded an increase of 4.38% compared to the third quarter of 2021 which grew 3.31%. West Sumatra's economic growth in 2021 grew by 3.29%, an increase compared to the previous year's contraction of -1.62%. This increase was mainly driven by better economic activity in line with the easing of activity restriction policies following more controlled COVID-19 cases in 2021. Based on expenditure, economic growth was driven by all components of expenditure, especially household consumption, foreign exports and investment as with the progress of the COVID-19 vaccination program and improving domestic and global economic activity, this has increased the confidence of the public and business actors to carry out consumption and investment activities. In terms of business fields, the easing of policies restricting community activities has encouraged the majority of business fields, especially trade businesses and transportation businesses. In addition, the increase in demand for CPO and rubber as well as a significant increase in prices in 2021 will also boost the performance of the agricultural business field and the processing industry business field. In 2022, the economic growth of West Sumatra province increased quite significantly, reaching 4.36% or an increase of 1.07% compared to 2021. In general, the economic structure in West Sumatra is supported by a number of main business fields, namely agriculture, forestry and fisheries, wholesale trade and retail as well as transportation and warehousing.

Table 1. Realization of Original Local Government Revenue West Sumatra Province 2020-2021

Regency/City	Year	Prediction	Realization	%
Mentawai Islands Regency	2020	45,391,516,623.78	34,905,673,555.51	76.90%
	2021	45,340,441,160.00	31,638,013,029.37	69.78
Pesisir Selatan Regency	2020	152,636,474,688.00	132,752,560,092.45	86.97
	2021	138,018,992,714.00	145,028,893,600.10	105.08
Solok Regency	2020	76,295,793,596.55	70,572,545,436.33	92.50
	2021	75,264,756,698.00	75,855,094,773.31	100.78
Sijunjung Regency	2020	85,857,321,812.00	92,474,357,995.88	107.71
	2021	89,396,835,041.00	91,773,374,352.42	102.66
Tanah Datar Regency	2020	122,967,860,890.00	122,247,542,343.03	99.41
	2021	113,609,995,994.00	121,384,958,232.34	106.84
Padang Pariaman Regency	2020	112,189,712,837.00	105,893,926,039.99	94.39
	2021	122,828,896,489.00	116,902,688,648.95	95.18
Agam Regency	2020	110,526,600,179.00	107,162,961,554.53	96.96
	2021	117,299,191,415.00	129,154,679,029.57	110.11
Fifty Cities District	2020	86,666,035,373.00	77,429,483,703.61	89.34
	2021	111,968,130,125.00	79,852,144,928.96	77.74
Pasaman Regency	2020	89,465,228,904.00	92,578,810,299.66	103.48
	2021	75,645,162,192.00	89,388,525,997.49	118.17
South Solok Regency	2020	70,333,349,257.00	76,864,310,841.81	109.29
	2021	85,332,160,294.00	80,459,853,847.00	94.29
Dharmasraya Regency	2020	84,181,605,330.00	82,877,841,653.12	98.45
	2021	84,352,675,707.00	82,829,461,520.87	98.19
West Pasaman Regency	2020	112,846,255,188.64	108,856,844,190.82	96.46
	2021	121,007,454,132.00	136,994,002,380.38	113.21
Padang city	2020	664,266,307,878.00	499,895,722,726.67	75.26
	2021	808,184,679,649.00	538,933,660,166.30	66.68
Solok City	2020	37,184,206,989.00	40,546,983,369.47	109.04
	2021	42,182,038,866.00	42,410,154,725.27	100.54
Sawahlunto City	2020	57,525,368,782.00	59,537,385,897.66	103.50
	2021	50,495,594,425.00	51,475,336,271.45	101.94
Padang Panjang City	2020	67,181,021,098.66	79,428,802,696.06	118.23
	2021	87,875,303,281.00	93,078,598,622.15	105.92
Bukittinggi City	2020	77,233,207,530.00	79,428,802,696.06	108.88
	2021	92,110,528,556.00	93,078,598,622.15	99.65
Payakumbuh City	2020	98,325,518,029.00	115,996,425,752.00	117.97
	2021	93,427,968,867.00	90,291,310,165.00	96.64
Pariaman City	2020	54,783,919,177.00	32,961,765,488.86	60.17
	2021	46,451,454,431.00	38,032,040,569.97	81.87

Source: West Sumatra Regional Revenue and Expenditure Budget Realization Report

Based on the data above, West Sumatra Province in 2021 the PAD that was successfully realized was IDR 4,679.17 billion or 95.07 percent of the target of IDR 4,921.69 billion. For 2022, the PAD that was realized was IDR 5,116.74 billion or 95.65 percent of the target of IDR 5,349.69 billion. Rural and Urban Land and Building Tax (PBB-P2) which reaches the target has a big influence on increasing Original Local Government Revenue (PAD). The greater the revenue from Rural and Urban Land and Building Tax (PBB-P2), the Original Local Government Revenue (PAD) received will also increase. The size of the Rural and Urban Land and Building Tax (PBB-P2) revenue will greatly influence the size of the amount of Original Local Government Revenue (PAD). Rural and Urban Land and Building Tax (PBB-P2) is an amount of money charged to PBB-P2 taxpayers as a source of Original Local Government Revenue (PAD). The results of Sobri's research [7] state that Land and Building Tax (PBB) has a significant effect on Original Local Government Revenue (PAD). Meanwhile, research conducted by Sugito [8] states that Land and Building Tax (PBB-P2) has a negative influence on Original Local Government Revenue (PAD).

Another factor in receiving Original Local Government Revenue (PAD) is Acquisition Duty of Right on Land and Building (BPHTB). Acquisition Duty of Right on Land and Building (BPHTB) is a tax imposed

on the basis of the acquisition of land and building rights. Acquisition Duty of Right on Land and Building (BPHTB) that reach the target greatly affect Original Local Government Revenue (PAD). The higher the receipt of Acquisition Duty of Right on Land and Building (BPHTB), the greater the amount of Original Local Government Revenue (PAD). Revenue from Acquisition Duty of Right on Land and Building (BPHTB) is further increased, especially from a tightened billing system, which will increase Original Local Government Revenue (PAD). Receipt of Acquisition Duty of Right on Land and Building (BPHTB) is an amount of money charged to BPHTB taxpayers as a source of Original Local Government Revenue (PAD). The results of Alfatarisya's research [9] state that the Acquisition Duty of Right Land and Building (BPHTB) has a partial and significant effect on Original Local Government Revenue (PAD). Meanwhile, Sugito's research [8] states that Acquisition Duty of Right on Land and Building (BPHTB) does not have a significant effect on Original Local Government Revenue (PAD).

Literature Review

Tax

According to Sobri [7], tax is a transfer of assets and economic resources from the private sector to the government sector. The transfer is not due to fines or punishment but can be forced, the rules have been determined in advance, additional special compensation for those who pay, the purpose is to achieve state goals in the economic and social fields. Tax is an achievement owed to the government through general norms, can be enforced, without any counter-performance that can be shown individually, the meaning is to finance government expenditure.

Local Tax

According to Republic of Indonesia Government Regulation Number 65 of 2001 Article 1 paragraph 1 concerning Regional Taxes [10], what is meant by regional tax, hereinafter referred to as tax, is a mandatory contribution made by an individual or body to a region without compensation for a balanced contribution which can be enforced based on statutory regulations. valid invitations that are used to finance the administration of regional government and regional development. According to Siahaan [11], regional taxes are levies from the community by the state (government) based on law which can be enforced and are payable by the obligation to pay them with no immediate return (contra-performance/remuneration), the proceeds of which are used to finance expenses. state in governance and development. From the definition of regional tax explained above, it can be concluded that regional tax is a levy made by the Regional Government based on applicable laws and regulations determined through regional regulations.

Original Local Government Revenue (PAD)

According to Wulandari et. al. [12], Original Local Government Revenue (PAD) is all financial receipts of a region, where the financial receipts are sourced from existing potentials. in the are a such as regional taxes, regional levies, etc., and these financial revenues are regulated by regional regulations. PAD aims to provide authority to regional governments to fund the implementation of regional autonomy in accordance with regional potential as an embodiment of decentralization. One manifestation of the implementation of fiscal decentralization is the provision of revenue sources for regions that can be explored and used themselves according to their respective potential. In carrying out the authority as mandated by Law Number 1 of 2022 concerning Financial Relations between the Central and Regional Governments, regions must maximize regional income. Maximizing PAD in the sense that the flexibility possessed by regions can be utilized to increase PAD and be able to explore new sources of income.

Rural and Urban Land and Building Tax (PBB-P2)

According to Law Number 28 of 2009 [13], tax on land and/or buildings owned, controlled and/or utilized by individuals or entities, except for areas used for plantation, forestry and mining business activities. Rural Urban PBB is basically a type of central tax, which is collected by the central government through the Directorate General of Taxes. According to Mardiasmo [14], Land and Building Tax is a material tax, meaning that the amount of tax payable is determined by the condition of the object, namely land and/or buildings. The earth is the surface of the earth which includes land and inland waters as well as regional seas. Buildings are technical constructions that are planted or permanently attached to land and/or inland waters and/or sea.

Acquisition Duty of Right on Land and Building (BPHTB)

In discussing fees for the acquisition of land and building rights, a standard understanding is found. This definition is contained in Law Number 28 of 2009 concerning Regional Taxes and Regional Levies [13]:

- Land and Building Rights Acquisition Fee is a tax on the acquisition of land and building rights.
- Acquisition of Rights to Land and Buildings is an act or legal event that results in the acquisition of rights to land and/or buildings by an individual or entity.
- Land and Building Rights are rights to land, including management rights, along with buildings thereon, as intended in the Law in the field land and buildings.

Owners or those who obtain land and building rights hand over part of the economic value obtained to the government through payment of a tax called Acquisition Duty of Right on Land and Building (BPHTB) [15]. Based on the description listed, the author concludes that Acquisition Duty of Right on Land and Building (BPHTB) is a tax imposed on the acquisition of land and/or building rights which must be paid to the government by the taxpayer.

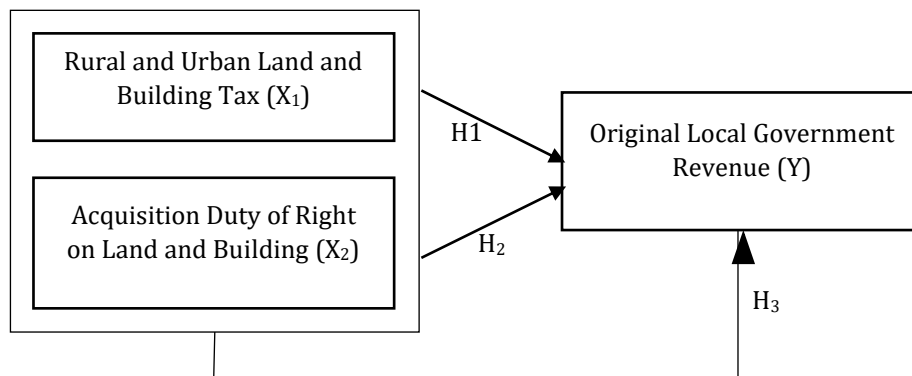


Figure 1 Research Conceptual Framework

Research Hypothesis

The hypothesis in this research is as follows.

- The Effect of Rural and Urban Land and Building Tax (PBB-P2) on Original Local Government Revenue (PAD)

Urban and Rural Land and Building Tax (PBB-P2) is one part of the source of Original Local Government Revenue (PAD). The high or low amount of Rural and Urban Land and Building Tax (PBB-P2) will greatly influence the high or low amount of Original Local Government Revenue (PAD). Research conducted by Sobri [7] shows the results that Rural and Urban Land and Building Tax influential significant impact on Original Local Government Revenue (PAD). Meanwhile, research conducted by Sugito [8] concluded that Rural and Urban Land and Building Tax (PBB-P2) has a negative influence on Original Local Government Revenue (PAD).

H1 : Rural and Urban Land and Building Tax Revenue (PBB-P2) influences Original Local Government Revenue (PAD)

- The Effect of Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD)

Acquisition Duty of Right on Land and Building (BPHTB) is a tax imposed due to activities that result in the legal transfer of land and building rights based on law. The transfer from central tax to regional tax means that the Acquisition Duty of Right on Land and Building (BPHTB) plays a role in generating Original Local Government Revenue (PAD), which is one source of financing for regional development. With this transfer, data collection activities and collection of Acquisition Duty of Right on Land and Building (BPHTB) are fully carried out by the regional government based on applicable regional regulations. This is in accordance with research Alfatarisya [9] showing the results that the Acquisition Duty of Right on Land and Building (BPHTB) partially has a positive and significant effect on Original Local Government Revenue (PAD). Meanwhile, research conducted by Sugito [8] concluded that Acquisition Duty of Right on Land and Building (BPHTB) has no significant effect on Original Local Government Revenue (PAD).

H2 : Acquisition Duty of Right on Land and Building (BPHTB) affects Original Local Government Revenue (PAD)

- c. The Effect of Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD)

One source of regional income is regional taxes. Regional tax is a tax whose collection is determined in regional regulations, taxpayers' funds do not receive compensation directly from the regional government. One of the regional taxes is the Urban and Rural Land and Building Tax (PBB-P2). Urban and Rural Land and Building Tax (PBB-P2) is one part of the source of Original Local Government Revenue (PAD). The high or low amount of land and building tax revenue in the urban and rural sectors (PBB-P2) will greatly influence the high or low amount of PAD revenue. High or low Original Local Government Revenue (PAD) is greatly influenced by the amount of Rural and Urban Land and Building Tax (PBB-P2). Acquisition Duty of Right on Land and Building (BPHTB) also plays a role in generating Original Local Government Revenue (PAD), which is one source of financing for regional development. This is in accordance with research conducted by Kunarto [16] which revealed that Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) simultaneously have the same effect influence on Original Local Government Revenue (PAD).

H3 : Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) simultaneously influence Original Local Government Revenue (PAD)

2. METHOD

The type of research used in this research is quantitative research. The population in this research is all regencies/cities in West Sumatra Province in 2020-2021. The sampling technique used was total sampling, namely using the entire existing population as a research sample. And the sample for this research is all regencies/cities in West Sumatra. The data used is the 2020-2021 West Sumatra Province Regency/City Regional Revenue and Expenditure Budget Realization Report. The variables used in this research include: 1) Dependent Variable, namely Original Local Government Revenue (PAD) (Y); 2) Independent variables, namely Rural and Urban Land and Building Tax (PBB-P2) (X1) and Acquisition Duty of Right on Land and Building (BPHTB) (X2).

Table 2 Definition of Operational Research

Research variable	Operational definition	Measurement	Unit
Rural and Urban Land and Building Tax (PBB-P2) (X1)	Rural and Urban Land and Building Tax (PBB-P2) is a tax on land and/or buildings owned, controlled and/or utilized by individuals or entities, except for areas used for plantation, forestry and mining business activities [13].	Total Land and Building Revenue [13]	Rupiah
Acquisition Duty of Right on Land and Building (BPHTB) (X2)	Acquisition Duty of Right on Land and Building (BPHTB) is a tax imposed on the acquisition of land and building rights. Fees for the acquisition of rights to land and/or buildings, are legal actions or events that result in the acquisition of rights to land and/or buildings by individuals or entities [13].	Total Revenue from Fees for Acquisition of Land and Building Rights [13]	Rupiah
Original Local Government Revenue (PAD) (Y)	Original Local Government Revenue (PAD) is income obtained by the region which is collected based on regional regulations in accordance with statutory regulations [17].	PAD = Regional Tax + Regional Levy + Results of Separated Regional Wealth Management + Other Legal PAD. [18]	Rupiah

The data analysis techniques used in this research are as follows:

1. Classic assumption test
This classic assumption test consists of a normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test.
2. Multiple Linear Regression Analysis
Multiple regression analysis is used to predict causal relationships between one dependent variable and two or more independent variables [19].
3. Hypothesis testing
This test consists of the t test and F test. The t test or partial test is used to see the influence between one independent variable and one dependent variable. Meanwhile, the F test or simultaneous test is used to see the influence of one or two or more independent variables together with one dependent variable.
4. Coefficient of Determination Test
This test is carried out to see the percentage of the independent variable that influences the dependent variable.

3. RESULT AND DISCUSSION

Based on the data that has been collected, an analysis is carried out to determine the research statement or results in carrying out this analysis. Statistical calculations use the Statistical Package for Social Science (SPSS) version 26 program.

Analysis of Research Results

Classic assumption test

- a. Normality test

Table 3 Normality Test Results Using Kolmogorov-Smirnov Test
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		38
Normal Parameters, b	Means	,0000054
	std.	27918991952,86842300
	Deviation	
Most Extreme Differences	absolutely	,094
	Positive	,094
	Negative	-.061
Test Statistics		,094
Asymp. Sig. (2-tailed)		,200 ^{c,d}

Based on the table above, it is known that the significance value of Asymp. Sig (2-tailed) of 0.200 is greater than 0.05. So in accordance with the basis for decision making in the Kolmogorov-Smirnov normality test above, it can be concluded that the data is normally distributed. In this way, the normality assumptions or requirements in the regression model have been met and the data can be processed to the next stage.

- b. Multicollinearity Test

Table 4 Multicollinearity Test Results

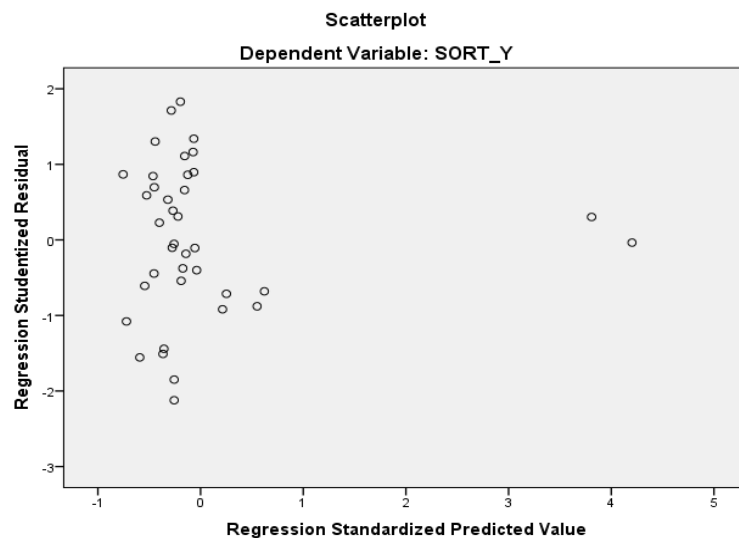
		Coefficients ^a	
		Collinearity Statistics	
Model		Tolerance	VIF
1	PBB_P2	,180	5,547
	BPHTB	,180	5,547

- a. Dependent Variable: PAD

The VIF value obtained from the table above shows the independent variable, namely Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) have a VIF value of 5.547 which is small out of 10 and a Tolerance Value of 0.180 which is above 0.10. This shows that there is no correlation or relationship between the independent variables, namely Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) in the regression model were formed.

c. Heteroscedasticity Test

Figure 2 Test results Heteroscedasticity by using Chart Scatter Plots



Based on the picture above, a good regression model usually does not experience heteroscedasticity. Through the scatterplot graph, it can be seen whether a regression model experiences heteroscedasticity or not. If there is a certain pattern in the graph, it indicates that heteroscedasticity has occurred. From the picture above, it can be seen that the points are spread randomly and are spread both above and below the number 0 on the Y axis. So it can be concluded that heteroscedasticity does not occur in the regression model in this study. So it can be concluded that there are no problems or symptoms heteroscedasticity.

d. Autocorrelation Test

Table 5 Autocorrelation Test Results

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,962 ^a	,926	,922	28705596334,204	2,262

Based on the table above, the Durbin-Watson value is 2.262. This value will be compared with the table value using a significance value of 0.05, a sample size of 38 (n=38) and an independent variable of 2 (k=2). And it can be concluded that there is no autocorrelation in the results of the Durbin-Watson Test. Because the value of $dU < DW < 4-dU$ or $1.5937 < 2.262 < 2.4063$.

Multiple Linear Regression Analysis

Table 6 Results of Multiple Linear Regression Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	72615862408,280	5975265601,574		12,153	,000
	PBB_P2	4,803	1,377	,789	3,488	,001
	BPHTB	1,300	1,674	,176	,777	,443

a. Dependent Variable: PAD

Based on the table above, the regression equation can be prepared as follows:

$$Y = 72615862408,280 + 4,803X_1 + 1,300X_2 + e$$

The interpretation of the multiple linear regression equation above is as follows:

1. The constant value of 72615862408,280 explains that the independent variable is Rural and Urban Land and Building Tax (PBB-P2) (X1), Acquisition Duty of Right on Land and Building (BPHTB) (X2) is zero (0) or fixed, so the value of Original Local Government Revenue (Y) is positive at 72615862408,280 Rupiah.
2. The coefficient value of Rural and Urban Land and Building Tax (PBB-P2) (X1) of 4.803 indicates that if Rural and Urban Land and Building Tax (PBB-P2) (X1) increasing by 1 rupiah will result in

an increase in Original Local Government Revenue (PAD) (Y), namely 4,803 Rupiah, assuming the Acquisition Duty of Right on Land and Building (BPHTB) (X2) is of fixed value.

- The coefficient value of the Acquisition Duty of Right on Land and Building (BPHTB) (X2) is 1,300, indicating that if the Acquisition Duty of Right on Land and Building (BPHTB) increases by 1 rupiah, it will result in an increase in the Acquisition Duty of Right on Land and Building (BPHTB). Assuming that the Rural and Urban Land and Building Tax (PBB-P2) (X1) is a fixed value.

Hypothesis testing

- t Test (Partial Test)

Table 7 t Test Results (Partial)

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	72615862408,280	5975265601,574		12,153	,000
PBB_P2	4,803	1,377	,789	3,488	,001
BPHTB	1,300	1,674	,176	,777	,443

- Dependent Variable: PAD

From the table above, it can be seen that the influence of the independent variables partially on the dependent variable is in the following description:

- Rural and Urban Land and Building Tax (PBB-P2) influences Original Local Government Revenue (PAD). Hypothesis testing is done by comparing t count with t table. The hypothesis is accepted if $|t \text{ count}| > t \text{ table}$ and significant value < 0.05 . The t count value of 3.488 is greater than t table ($dk = n - k = 38 - 2 = 36$) at the 5% significance level, namely 2.028, so $3.488 > 2.028$ and the significant probability value is ($0.001 < 0.05$). This proves that the first hypothesis is accepted, namely Rural and Urban Land and Building Tax (PBB-P2) have a significant effect on Original Local Government Revenue (PAD).
- Acquisition Duty of Right on Land and Building (BPHTB) affects Original Local Government Revenue (PAD). Hypothesis testing is done by comparing t count with t table. The hypothesis is accepted if $|t \text{ count}| > t \text{ table}$ and significant value < 0.05 . The t count value of 0.777 is greater than t table ($dk = n - k = 38 - 2 = 36$) at the 5% significance level, namely 2.028, so $0.777 < 2.028$ and the significant probability value is ($0.443 > 0.05$). This proves that the second hypothesis is rejected, namely that the Acquisition Duty of Right on Land and Building (BPHTB) has no effect and is not significant on Original Local Government Revenue (PAD).

- F Test (Simultaneous Test)

Table 8 F Test Results (Simultaneous)

Model	ANOVA ^a				
	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	36072928597368300000000	2	1803646429868415000000	218,88	,000
Residuals	28840394131580240000000	35	8240112609022926000000	6	,000
Total	38956968010526325000000	37			

- Dependent Variable: PAD

- Predictors: (Constant), PBB_P2; BPHTB

Based on the table above, it can be seen that the F test results show that the F count value is $218.886 > F \text{ table}$ is 3.245 ($dk1 = 2$ and $dk2 = 38 - 2 - 1$), or a significant value of $0.000 < 0.05$, so that the Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) together have a joint influence on Original Local Government Revenue (PAD). So the hypothesis formulated in accordance with the research results is accepted.

Coefficient of Determination Test (R²)

Table 9 Test results Coefficient Determination

Summary Model ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,962 ^a	,926	,922	28705596334.204

a. Predictors: (Constant), PBB_P2; BPHTB

b. Dependent Variable: PAD

Based on the table above, it can be seen that the R Square value is 0.926. This indicates that the contribution of the variable Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD) is 92.6% while 7.4% is determined by other factors outside the model which were not detected in this research such as: Restaurant Tax, Hotel Tax, Entertainment Tax, etc.

Discussion of Research Results

The Influence of Rural and Urban Land and Building Tax (PBB-P2) on Original Local Government Revenue (PAD)

Based on the results of statistical analysis calculations that have been carried out, it is known that Rural and Urban Land and Building Tax (PBB-P2) has a significant effect on Original Local Government Revenue (PAD). This is supported by conditions strategic regency/cities in West Sumatra have good development in the industrial sector so that many immigrants from outside the area are looking for work and quite a few even live permanently, this will of course have an impact on population growth, there by encouraging them to own assets in the form of land and buildings. Of course, this will have an impact on the amount of Rural and Urban Land and Building Tax (PBB-P2) with good management while still paying attention to and ensuring the level of Rural and Urban Land and Building Tax (PBB-P2) from taxpayers is carried out well and in accordance with regulations. Of course, land and building tax Rural and Urban Land and Building Tax (PBB-P2) will be a potential source of revenue for increasing local revenue in regency/cities in West Sumatra.

The Effect of Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD)

Based on the results of statistical analysis calculations that have been carried out, it is known that the Acquisition Duty of Right on Land and Building (BPHTB) does not have a significant effect on Original Local Government Revenue (PAD). This could happen because in 2020 and 2021 the Covid-19 pandemic is occurring, causing a reduction in economic activity in regency/cities in West Sumatra in almost all fields. In terms of management and receipt of Acquisition Duty of Right on Land and Building (BPHTB) in Regencies/Cities in West Sumatra, it has been carried out well and in accordance with applicable regulations with the necessary matters still remaining. Noticed related to increasing revenue from Acquisition Duty of Right on Land and Building (BPHTB) thus encouraging an increase in Original Local Government Revenue (PAD) in Regencies/Cities in West Sumatra.

The Influence of Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) on Original Local Government Revenue (PAD)

Based on the results of the statistical analysis carried out, in this study it was found that the third hypothesis (H3) was accepted. This means that the variables Rural and Urban Land and Building Tax (PBB-P2) (X1) and Acquisition Duty of Right on Land and Building (BPHTB) (X2) together have a significant influence on Original Local Government Revenue (PAD) (Y). In regency/cities in West Sumatra, the management of PBB-P2 and BPHTB still needs to be optimized in terms of policy or operational mechanisms so that it can encourage higher tax revenues and have an impact on increasing Original Local Government Revenue (PAD).

4. CONCLUSION

Based on the results of the analysis and discussion described in the previous chapters and the tests carried out, the following conclusions can be drawn: Rural and Urban Land and Building Tax (PBB-P2) has a significant effect on Original Local Government Revenue (PAD) in Regency/City in West Sumatra. Acquisition Duty of Right on Land and Building (BPHTB) has no effect and is not significant on Original Local Government Revenue (PAD) in Regency/City in West Sumatra. Rural and Urban Land and Building Tax (PBB-P2) and Acquisition Duty of Right on Land and Building (BPHTB) are simultaneously or together influence on Original Local Government Revenue (PAD) in Regency/City in West Sumatra.

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