



## Implementation of Regional Regulation of Bungo Regency Number 7 of 2012 Concerning Entertainment Tax To Increase Regional Tax Deposits

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### **Abstract**

This research aims to determine implementation of Regional Regulation of Bungo Regency Number 7 of 2012 Concerning Entertainment Tax To Increase Regional Tax Deposits. This research was conducted to 53 people involved in the Bungo Regency Tax and Retribution Management Agency in Jambi Province with Descriptive methods through a Qualitative approach with the aim of knowing the extent to which the Implementation of Bungo Regency Local Regulation Number 7 of 2012 concerning Entertainment Taxes to Increase Regional Tax Payment. Research results obtained Implementation of Regional Regulation has been implemented but not optimal and needs to be improved, considering there are several obstacles. Obstacles found were the existence of entertainment venues / in late tax payments, Lack of socialization from BP2RD concerning Tax Determination, there was public entertainment that was not deposited in the area in this case the night market. Sanctioning taxpayers who are late in depositing their taxes, Increasing the Socialization of the Bungo Regency BP2RD concerning Determination of entertainment taxes, conducting supervision and data collection of public entertainment (night markets) that do not pay taxes.

**Keywords:** *Implementation; Regional Regulations; Regional Taxes*

### **Introduction**

The Preamble of the 1945 Constitution mandates that the purpose of the establishment of the Republic of Indonesia, among others, is to advance public welfare and educate the nation's life. To achieve this goal, through the implementation of government and development tasks, the state needs supporting elements and one of them is the availability of adequate sources of revenue.

Establishment of Law Number 23 of 2014 concerning Regional Government, automatically correlates with the formation of Law Number 33 of 2004 concerning Financial Balance between the Central Government, Provincial Governments and Regency / Municipal Governments, Provincial Governments and Regency / Municipal Governments, in order support the smooth implementation of regional government tasks.

With the enactment of Law Number 23 Year 2014, regions have broad authority to take care of all aspects of government and development, including in terms of exploring the potential of the region's

resources for the broadest possible use for the interests of the people. Local governments must be creative and work hard to manage the potential of these resources, especially the potential of natural resources to increase Local Revenue (PAD), the target of which is to develop the region itself.

The Bungo regency government planned the development program for adequate facilities and infrastructure as a means of service to the community but it was difficult to realize the development planning by the government concerned because the regional budget volume was insufficient to meet the needs of the area.

The regional government of Bungo Regency until now still expects central funds for governance and development, while it has not yet been seen as having gained significant local own revenues through efforts to utilize its resources.

Implementation is the implementation in a policy that there are actions and activities in this case implementation is an important side in a deep policy process the level of success of a program can be reviewed according to implementation its implementation (Grindle, 1980; Thomas & Grindle, 1990). That the task of implementation is to build a network that is possible public policy objectives are realized through the activities of government agencies that are involving various interested parties (Van Meter & Van Horn, 1975; Van Horn & Van Meter, 1977). Improved performance of the collection and improvement of policies in the collection need to be prioritized so that local revenue increases (Santosa & Rahayu, 2005; Mosal, 2013). Policy evaluation is needed to increase the effectiveness of a work program that can contribute to the interests of the community (Akbar, 2017).

In particular, when the author conducted pre-research, problems in the Implementation of the Bungo Regency Local Regulation Number 7 of 2012 concerning Entertainment Taxes to Increase Regional Tax Payments found several phenomena including: There is an entertainment place / in late tax payment. Lack of socialization from BP2RD regarding entertainment tax stipulation. There is public entertainment that is not deposited in the area in this case the night market. This research aims to determine implementation of Regional Regulation of Bungo Regency Number 7 of 2012 Concerning Entertainment Tax To Increase Regional Tax Deposits.

### ***Methods***

The research method used in this research is descriptive qualitative approach method. This study took place on the Bungo Regency Regional Tax and Retribution Management Agency in Jambi Province. The number of samples is 53 people. In the implementation of this research used several data collection, namely by interview, observation, questionnaire.

### ***Results and Discussion***

Implementation of the Bungo Regency Local Regulation Number 7 of 2012 concerning Entertainment Taxes to Increase Regional Tax Payments.

The opening of the 1945 Constitution mandates that the purpose of the establishment of the Republic of Indonesia, among others, is to promote public welfare and to educate the lives of the nation. In order to achieve these goals, through the implementation of the tasks of government and development, the state needs supporting elements and one of them is the availability of adequate sources of income.

These sources of revenue are very important to carry out the activities of each level of government because without sufficient acceptance the government program will not run optimally. The wider the area, the greater the population, the more complex the needs of the community, the greater the funds needed to finance all government and development activities for the community. Therefore, the implementation of regional autonomy will be more successful if it is accompanied by a strong ability from the region to optimally increase the potential of financial resources. Regional governments are required to be more independent in financing their household operations.

Based on the results of an interview with Mr. Bambang Rodianto, stated that: Local revenue (PAD) is income obtained by regions collected based on local regulations in accordance with the legislation. Regional Original Revenue which is the source of regional revenue itself needs to be continually improved so that it can bear some of the expenditure burden required for the administration of government and development activities that increase every year so that the independence of broad, real and responsible regional autonomy can be implemented.

The implementation of the Bungo Regency Local Regulation Number 7 of 2017 has run quite well, but needs to be improved. Based on the results of an interview with Mr. M. Hilal, which stated that: One of the sources of regional income that the city government relied on for financing development was Entertainment Tax. Bungo District, which is one of the tourist districts at the moment, where there are many entertainment places such as malls, karaoke places, night markets and so on. The existence of this phenomenon should be able to make the entertainment tax as a potential source of regional revenue for the Regional Original Revenue in Muara Bungo City in accordance with the Bungo Regency Local Regulation Number 7 of 2012 concerning Entertainment Taxes.

Based on the results of an interview with Mr. Saptalius, said that: The tax collection system (self assessment) is quite understandable. Because basically the BP2RD has given confidence to users of the self-assessment system to provide reports, make reports and deposit reports by themselves. To Analyze and Explain Obstacles faced by the Bungo Regency Regional Tax and Retribution Management Agency Jambi Province on the Implementation of Regional Regulation Number 7 of 2012 concerning Entertainment Taxes in order to Increase regional tax payments.

### **Late payment of tax**

Places of entertainment that are found to be disobedient in paying taxes. Eventhough the tax is required for the subject and tax object, according to the authority given by the central government to the regional government. The tax subject is someone who is a taxpayer. Based on records, many entertainment entrepreneurs are late paying taxes.

The problems faced by the Region in general in relation to extracting local tax sources and regional retributions which are one component of Regional Original Revenue (PAD) are not yet contributing significantly to overall regional revenues. Many entertainment places that exist today are many who are stubborn in fulfilling their obligations as taxpayers.

### **Lack of socialization from BP2RD concerning Tax Determination**

Awareness of citizens to pay taxes is still low. This can be seen from the still low number of taxpayers, both personal and companies, who pay taxes. Tax is the largest source of state revenue. Its contribution reaches 70 percent between natural resources, and state-owned enterprises (BUMN) and foreign loans. The tax is also one of the tools to realize economic justice in the community because taxpayers pay according to income. Thus, taxes have an important role in the national economy, especially reducing unemployment and poverty. But paying taxes is still not fully realized by the public.

This is a result of the lack of socialization from the Bungo Regency Regional Tax and Retribution Management Agency.

The object of the Entertainment Tax is entertainment services with a fee for watching movies; arts, music, dance, and / or fashion performances; beauty contests, bodybuilding, and the like; exhibition; discotheques, karaoke, nightclubs, and the like; circus, acrobatics, and magic; billiards, golf and bowling games; massage parlors, reflections, steam baths or spas, and fitness centers; and sports matches.

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### **Public entertainment that is not deposited in the area in this case the night market**

A warning for night market entrepreneurs to comply with regulations that have been made. Because the activities carried out must contribute to local revenue (PAD) including the night market that must be levied in it. Entertainment tax collection, of course, cannot be done carelessly must be in accordance with applicable regulations.

Regional taxes and regional retribution are one of the forms of community participation in the implementation of regional autonomy. Regional taxes and regional levies are important sources of regional income to finance governance and regional development, this is important for deciding policies in terms of regional financial management (Dixon & Hakim, 2009; Amir, 2020). The problems faced by the regions in general in relation to extracting sources of local taxes and regional retributions, which are one component of PAD, have not contributed significantly to overall regional income.

### **Conclusion**

Implementation of Regional Regulation Number 7 of 2012 concerning Entertainment Tax in order to increase local tax payments in the Bungo District Tax and Retribution Management Agency has been implemented but not optimal and needs to be improved, considering there are several obstacles. Obstacles found were the existence of entertainment venues / in late tax payments, Lack of socialization from BP2RD concerning Tax Determination, There was public entertainment that was not deposited in the area in this case the night market. Efforts are made as follows sanctioning taxpayers who are late in depositing their taxes, Increasing the Socialization of the Bungo Regency BP2RD concerning Determination of entertainment taxes, Conducting supervision and data collection of public entertainment (night markets) that do not pay taxes. The Bungo District Tax and Retribution Management Agency to impose sanctions on taxpayers who are late in depositing their taxes.

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