

UNLOCKING THE INCREASE OF LAND AND BUILDING TAX REVENUE IN BANTUL REGENCY

Rina Mawarti Muji Astuti^{a,1*}

^a Politeknik API, Yogyakarta, Indonesia

¹ rina@poltekapi.ac.id*

Abstract

National development is an activity that continuously occurs and aims to improve human quality and social welfare; capital is needed to finance this process. One of the sources of capital in the implementation of development in Indonesia is the Rural-Urban Land and Building Tax, among the taxes collected from the community. This research discusses the obstacles to increasing land and building tax revenues. This research was conducted in the Bantul Regency. Efforts to increase tax revenues include conducting PBB monitoring, innovating the Bantul LaPak application, holding the Bantul Tax Award event, and holding mobile car innovations. Among the programs mentioned above, the mobile car program is a program that plays a significant role in increasing land and building taxes in the Bantul Regency. With this mobile car, the services carried out can be closer to people who live far from the city where they live, called the ball pick-up system. In its development, the mobile car program can increase Land and Building Tax revenue from 2017 to 2019. Land and Building Tax revenue reached a predetermined target, where out of 933 hamlets in Bantul Regency, 777 hamlets have been served increase in revenue, namely in 2017 it increased by 78%, then in 2018 it became 82% or 36.5 billion in 2017, then experienced an increase in 2018 amounting to 39.3 billion, then in 2019 it reached 54.7 billion.

Keywords: Building Taxes, Land Taxes, Obstacles, Rural-Urban Area.

I. INTRODUCTION

National development is an ongoing and sustainable activity to improve human quality and the welfare of the Indonesian people. In order to achieve this goal, it is necessary to pay attention to the problems in development financing. One effort to make this happen is by increasing state/regional revenue from within the country through taxes.

Tax is one of the most important instruments from the source of income received by the state to finance state development expenditures. Income from tax sources covers various taxation sectors, among others, obtained from Land and Building Tax (PBB). Land and Building Tax is one of the potential income factors for the state and contributes to state revenue. The strategic land and building tax is none other than because the object covers all land and buildings within the territory of the Unitary State of the Republic of Indonesia (NKRI).

The tax consists of two types, namely Central Tax and Regional Tax. One tax area is Tax Earth and Building Countryside and Cities, after this, known as PBB- P2. Land Tax and Building Rural and Urban (PBB-P2) is a tax on land and buildings owned, controlled, and used by individuals or entities except for areas used for plantation, forestry, and mining business activities. Every land and building owned or controlled by an individual or entity must be paid during the tax period following the provisions of the regional tax laws and regulations.

Effectiveness collection of land and building tax is how far the potential target of land and building tax previously set by Bantul Regency is achieved with realizing Land and Building Tax revenue. Simply put, the land and building tax potential and targets Bantul Regency has set have been implemented properly.

This tax is a potential that must be continuously explored in increasing regional revenues because the object of this tax is land and buildings, which most people own. It is just that PBB collection often encounters obstacles, ranging from poor socialization to the public, narrow public understanding of taxes to less effective and efficient collection methods. Land and Building Tax need to be done to make better service to the public and mandatory tax.

For this reason, tax collection must run effectively through the correct tax collection system and procedures. It is intended so that local revenue from the tax sector, especially Land and Building Tax (PBB), can be maximized. So that development in the area concerned can be carried out properly.

II. LITERATURE REVIEW

A. Tax

According to Soemitro [1], what is meant by taxes are contributions to the state treasury based on laws (which can be enforced) with no reciprocal remuneration which can be shown directly and used for public expenditure. According to Mardiasmo [2], taxes are mandatory contributions in the form of money or goods, which are collected by the authorities based on legal norms in order to cover the production costs of goods and services in achieving general welfare. From the two definitions of tax before, it can be concluded that tax is a mandatory contribution

from the community to the state that can be forced without direct benefit, and if there are people who do not pay it, they are subjected to sanctions by the state.

B. Tax Function

1. Acceptance Function (Budgeter)
Taxes function as a source of funds intended for financing government expenditures.
2. Regulating Function (Regular)
Taxes function as a regulatory tool or implement policies in the social and economic fields.

C. Tax Type

According to the official [3], there is a division of types of taxes divided into several tax groups. According to the class, the type of tax can be divided into two (2), namely:

1. Tax Direct
Example: Income tax and land and building tax.
2. Tax No Direct
Example: Value-added tax

According to its nature, the type of tax can be divided into 2 (two), namely:

1. Subjective Tax
Example: Income Tax (PPh)
2. Objective Tax
Example: VAT and Sales Tax on luxury goods.

D. Land and Building Tax

Based on Law number 12 of 1985 concerning Land and Building Tax as amended by Law number 12 of 1994, PBB is a material tax in that the amount of tax payable is determined by the object's condition, namely land/land, and buildings. The state of the subject (who pays) does not determine the amount of tax.

As for the definition of Land and Building Tax, as stated by Prawoto [4], namely: Land and building tax is a material tax, and the amount of tax owed is determined by the state of the tax object, namely land/land, and buildings.

Definition of Land and Building tax according to Mardiasmo [2] The earth is the surface of the earth and the body of the earth that is in it. The earth's surface includes land and inland waters (including swamps, ponds, waters, and the territorial sea of the Republic of Indonesia. Buildings are those planted or permanently attached to land and or waters. Included in the definition of buildings are:

1. Toll road
2. Swimming pool
3. Sports venues
4. Luxurious fence
5. Other facilities that provide benefits

The basis for imposing Land and Building Tax is the Sales Value of Tax Objects (NJOP), namely the average price obtained and the sale and purchase transactions that occur fairly. Suppose there is no sale and purchase transaction. In that case, the value of the tax object is determined by comparing the price with other tax objects of the same type and function, and the selling price, then the new acquisition price, or the selling price of a replacement tax object is known.

The object of Land and Building Tax is Land and or Building (article 2 paragraph (1) of Law No. 12 of 1985 as amended by Law No. 12 of 1994) [5]:

1. Earth/ Soil
2. Building

Those who are excluded or not subject to the collection of land and building tax are as follows:

1. Land or buildings that are used solely to serve the public interest in the field of worship, social, health, and education and which are intended not to acquire the interest
2. Land or buildings used by diplomatic representatives or consulates are based on the principle of lead treatment coming back.
3. Land or buildings used for public graves, ancient relics, or the like
4. Land which is a protected forest, nature reserve forest, development land controlled by the village, and state land that has not been burdened with any right
5. Buildings used by representatives of international organizations determined by the minister of finance

According to Article 4 paragraph (1) of Law no. 12 of 1985 as amended by Law no. 12 of 1994 [5], a tax subject is a person or entity that has an obligation or has a right to the land and obtains benefits from the land, and owns, controls, and obtains benefits from the building.

III. RESEARCH METHODS

This study uses qualitative research methods, namely research methods used to examine the condition of natural objects, where the researcher is the key instrument [6]. This research departs from data, utilizes existing theory as explanatory material, and ends with a theory. Qualitative research intends to understand phenomena about what is experienced by research subjects such as behavior, perceptions, motivations, and actions holistically and employing descriptions in the form of words and language, in a special natural context, and by utilizing natural methods. According to Saryono (2010), qualitative research is used to investigate, find, describe, and explain the qualities or features of social influence that cannot be explained, measured, or described through a quantitative approach.

According to Sugiyono [6], a qualitative research method is based on the post-positivism philosophy used to discover natural object conditions (as opposed to experiments) where the researcher is the key instrument. Sampling of data sources is done purposively, and the snowball collection technique with tri-angulation (combined) and data analysis is inductive or qualitative. The results of this study emphasize meaning rather than generalization. The research material that will be discussed in this study is the efforts made by the local government, in this case, the Bantul Regency, in overcoming obstacles in collecting land and building taxes P2. With the data that the researcher has, what will be discussed is only the obstacles faced and the efforts made to increase the collection of PBB taxes in the Bantul Regency.



FIGURE 1. RESEARCH FRAMEWORK

IV. RESULTS AND DISCUSSION

A. *Obstacles Affecting Withdrawal of Land and Building Tax P2 in Bantul*

In implementing the withdrawal of Land and Building Tax, there are still many obstacles for the taxpayer. Obstacles in the implementation of land and building tax collection in Bantul Regency include the following:

1. Many taxpayers still need to pay attention to their obligations to pay taxes and a need for knowledge and understanding in paying taxes.
2. Sometimes the SSPT must be conveyed because they need to know the resident's house or the house's owner has moved.
3. The place for PBB payments has yet to reach people who live in rural areas, especially people who live in mountainous areas and remote areas.
4. The PBB payment service is only available during business hours.
5. Correspondent banks charge administrative fees for taxpayers who will pay PBB.

B. *Efforts to Overcome Obstacles in Withdrawing Land and Building Tax Revenue*

In order to smooth the collection of land and building tax, efforts are needed to overcome the obstacles that often occur in the process of collecting land and building tax. The efforts made by the Bantul Regency are as follows:

1. Conduct UN Monitoring
BKAD Bantul conducts monitoring of taxpayers by providing counseling about taxation. Tax counseling is a very important tool to increase taxpayers' awareness and compliance in fulfilling their tax obligations and to increase knowledge and understanding of taxation. Taxation. Not infrequently, BKAD Bantul also distributes prizes for the best taxpayers to increase their enthusiasm for paying.
2. Organizing Mobile Car Innovations
The BKAD of Bantul Regency held a ball pick-up service using a mobile tax car to make paying Land and Building Tax easier.
3. Innovate the LaPak Bantul Application.
LaPak Bantul is an Android application for the Bantul Regency Regional Tax Information Service where PBB-P2 taxpayers can obtain SPPT payment history information, object/taxpayer information, and mobile tax car schedules.
4. Organized the Bantul Tax Award Event
The Bantul Tax Award is a medium of appreciation for Regency Regional Taxpayers to help those who have participated in building Bantul through tax payment contributions. The award is given to the best taxpayers who are orderly in paying their tax obligations, both timely and orderly in number, not only for the best taxpayers but also for village government officials who have good performance regarding PBB

P2. Of the various efforts made by the government to increase land and building tax revenue, the mobile car innovation is a program innovation that significantly increases land and building tax revenue.



FIGURE 2. LAPAK BANTUL APPLICATION

5. Sightseeing Car Service

Mobile car service innovation Bantul tax is an adaptation of the mobile Samsat service. The modifications made include using a car with a smaller size so that it can reach areas with smaller access roads. The service location area varies according to the location the hamlet and village head agreed upon. Planning for the design of the car service system and the application programs used are carried out independently by BKAD Bantul [7], [8].

On February 7, 2018, BKAD innovated by providing PBB payment pick-up services through the Bantul tax-mobile car service with the main objective of increasing PBB payment compliance by improving the quality of PBB services that are closer, easier, and cheaper. Initially, there were only 2 cars around the Bantul tax in February 2018, but due to an increase in PBB revenue, the cars around the Bantul tax were added by 5 cars in March 2019, which means that until now, there have been 8 cars around the Bantul tax.

This innovation is the first time carried out at the district government level in the city of Yogyakarta. Even though several public services are already carried out by traveling cars and picking up balls at the airport, only a few serve outside working hours.

The main uniqueness of the Bantul touring car is the service hours, which are not only working hours but also at night and on holidays. In addition, another advantage is the location of services that reach rural areas that are not covered by bank or payment services and do not incur administrative fees, while correspondent banks or places of payment charge fees.

The main consideration in preparing service schedules and locations is using a citizen-centric approach, where the community needs to be served. The mobile tax car routinely cooperates with village officials such as the Lurah and the Hamlet Head to make PBB withdrawals by visiting and meeting the residents in person.

Apart from that, the LaPak Bantul application makes it easier for residents who will pay PBB because the LaPak Bantul application already has a schedule where the mobile tax car posts are located.

There are three areas involved in BKAD Bantul in this service, namely the field of billing as the initiator of the service system as well as executor in PBB payment services, the budget sector as the coordinator of access to budgeting activities, and the asset sector as the executor of car procurement.

The number of PBB tax objects registered by BKAD Bantul is 630,000 objects spread across 75 villages and 933 hamlets. The potential for BBB is 70 billion or 38.6% of the total targeted local tax revenue in Bantul Regency in 2019 [9].

The car around the Bantul tax in 2019 has served 777 out of 933 hamlets in Bantul Regency. Public compliance in paying taxes increased from 78% in 2017 to 82% in 2018, and PBB revenues increased from 36.5 billion in 2017 to 39.3 billion in 2018. 1.7m came from the first quarter of the Bantul tax mobile car. UN realization in 2018 was 6.7m.

Land and Building Tax is a material tax in that the amount of tax payable is determined by the object's condition, namely land/land and buildings. Table I is data on the realization of the 2019 Bantul Regency Land and Building Tax.

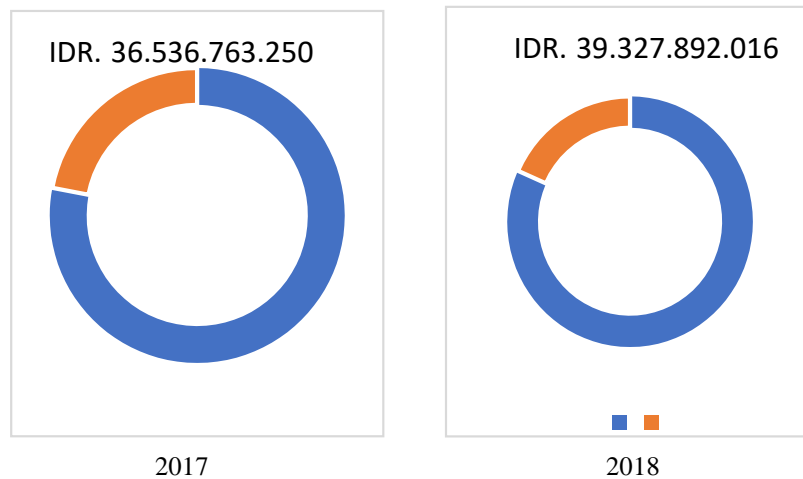


FIGURE 3. PBB REVENUES

TABLE I. DATA ON REALIZATION OF LAND AND BUILDING TAX IN BANTUL REGENCY IN 2019

Code	Sub-district	SPPT	Amount (IDR)
010	Srandakan	19,408	1,359,047,122
020	Sanden	26,985	1,870,155,391
030	Kretek	24,307	1,589,413,105
040	Pundong	33,534	1,274,628,043
050	Bambanglipuro	32,461	1,356,530,607
060	Pandak	37,928	2,125,753,250
070	Bantul	35,173	4,157,931,004
080	Jetis	40,099	2,063,388,423
090	Imogiri	32,422	1,630,513,833
100	Dlingo	23,807	956,060,017
110	Pleret	21,681	1,651,820,874
120	Pyongan	29,491	3,792,897,040
130	Banguntapan	39,481	9,741,345,582
140	Sewon	43,371	7,867,332,904
150	Kasihlan	39,376	7,812,497,063
160	Pajangan	24,851	1,457,700,954
170	Sedayu	29,943	4,078,736,968
Total		534,318	54,785,752,180

Table II show that Land and Building Tax receipts in 2019 through mobile cars auxiliary tax have reached the targetbut still need to cover the existing potential. The highest achievement was inthe Regency of Bambanglipuro, with revenues of IDR 1.461.920.468 and with SPPT 7,406. Meanwhile, the lowest achievement was in the Dlingo Regency, with an income of IDR. 10.000. 176. Four hundred twenty-five with SPPT totaling 239. Forthe overall revenue of IDR. 9,908,849,796 with an SPPT of 137,292. So for the effectiveness of land and building tax revenue in BantulRegency in 2019 through cars around Bantul tax has reached the revenue target.

TABLE II. BUILDING TAX USES IN THE 2019 BANTUL TAX ROVING CAR

Districts	Total	
	SPPT	Amount (IDR)
Bambanglipuro	9,435	366,966,453
Banguntapan	7,406	1,461,920,468
Bantul	2,771	275,597,604
Dlingo	239	10176425
Imogiri	13,661	609,791,861
Jetis	17.115	772,979,069
Kretek	9.108	564,601,340
Kasihan	7,499	936,018,737
Pajangan	3,069	156,210,470
Pandak	14,315	721,242,829
Piyungan	11,723	1,239,538,489
Pleret	6,413	382,115,740
Pundong	13,192	498,198,864
Sanden	4,220	293,626,028
Sedayu	2,314	240,667,246
Sewon	8,542	1,008,267,671
Srandakan	6,270	370,930,502
Total	137,292	IDR. 9,908,849,796

V. CONCLUSION

Land and Building Tax Revenue in 2019 through the Bantul tax mobile car has reached the target set but has yet to cover the existing potential. Obstacles affecting Land and Building Tax receipt in Bantul Regency are 1) the need for awareness and understanding of taxpayers, 2). SPPT is not submitted to taxpayers, 3) places for PBB payments that do not yet reach residents in remote areas, 4) services that are only available during working hours, 5) administrative costs on payments at Correspondent Banks. Efforts to overcome obstacles that affect Barriers that affect the receipt of Land and Building Tax in Bantul Regency are: 1) holding PBB Monitoring, 2) holding mobile car innovations, 3) innovating the Bantul LaPak application, 4) holding the Bantul Tax Award event.

This research recommends BKAD of Bantul Regency further enhance outreach to the public/taxpayers so taxpayers can pay taxes on time. The following steps can be applied to overcome the obstacles in withdrawing PBB: 1) BKAD provides convenience to taxpayers by adding payment services other than through Mobile Tax Cars, namely by m-banking, 2) Improving PBB Mobile Tax Car services by adding service locations that reach areas far from correspondent banks.

REFERENCES

- [1] R. Soemitro, "Azas dan Dasar Perpajakan Erosco." Bandung, 2008.
- [2] M. Mardiasmo, "Perpajakan," *Yogyakarta: Penerbit Andi*, 2016.
- [3] S. Resmi, "Perpajakan teori dan kasus," 2018.
- [4] A. Prawoto, "Penilaian Pajak Bumi Bangunan Perdesaan & Perkotaan," *BFPFE, Yogyakarta*, 2011.
- [5] *Law No. 12/1994 Amendment to Law Number 12 Year 1985 regarding Land and Building Tax*. 1994.
- [6] D. Sugiyono, "Metode penelitian pendidikan pendekatan kuantitatif, kualitatif dan R&D," 2013.
- [7] "Profil - Kabupaten Bantul," 2020. <https://bkad.bantulkab.go.id/hal/profil> (accessed Jan. 15, 2020).
- [8] "Kabupaten Bantul," 2020. https://id.wikipedia.org/wiki/Kabupaten_Bantul (accessed Jan. 15, 2020).
- [9] "Pajak Bumi dan Bangunan (PBB) - Kabupaten Bantul," 2020. <https://bkad.bantulkab.go.id/hal/pajak-bumi-dan-bangunan-pbb> (accessed Jan. 15, 2020).