

The effect of hotel tax and restaurant tax contributions on local original revenue in Tolitoli regency from 2016 to 2020

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ABSTRACT

The central government's policy on regional finance aims to improve the ability of local governments to finance government affairs and development. The main source of funds is the Regional Own Revenue (PAD) and taxes and local levies are sources of revenue that can be developed. Local governments must be aware of the potential for taxes and levies and use the proper collection systems and procedures. Hotel and restaurant taxes play an important role in Regional Own Revenue and are used to finance government expenditures such as administration, infrastructure, education and health facilities, and local government activities. This phenomenon shows that local taxes are crucial in financing regional development.

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1. Introduction

The regional finance policy is taken by the central government so that regional governments can improve their ability to finance government affairs and development in their respective regions. Own Regional Revenue (PAD) becomes a very important factor, where Own Regional Revenue (PAD) will become a source of funding from the region itself.

From various alternative sources of revenue that may be collected by the region, the Law on Regional Government and Financial Balance between the Center and the Region regulates regional taxes and levies as one source of revenue that originates from within the region and can be developed according to the conditions of each region. To increase regional tax and levy revenue, regional governments must understand the actual potential of regional taxes and levies and use the appropriate and appropriate collection systems and procedures for tax and levy in their respective regions. Tax and levy revenue are two different things. The potential and realization of tax and levy revenue are linked by regional revenue systems and procedures. Regardless of the quality of regional revenue systems and procedures, if the potential is not determined accurately, revenue realization will also be low.

Hotel and restaurant taxes are two types of regional taxes that have the potentials that are growing in line with increased attention to the supporting component, namely the service and tourism sector in regional development policies. Initially, according to Law No. 18 of 1997, taxes on hotels are equalized with restaurant taxes under the name of hotel and restaurant taxes. Hotel and restaurant taxes play an important role in Own Regional Revenue (PAD). With the presence of hotels and restaurants that have already been established in the Tolitoli Regency, it will increase Own Regional Revenue (PAD) for the Tolitoli Regency regional government. This income is obtained from the regional tax and levy collection sector, especially hotel and restaurant taxes, in addition to other regional tax sectors. Sometimes the target and realization of revenue do not match the

budgeted by the Tolitoli Regency government. This is due to various constraints or obstacles in the collection of hotel and restaurant taxes.

Tax as one of the regional revenue sources is used to finance government expenditures, such as financing government administration, building and improving infrastructure, providing educational and health facilities, financing police members, and financing regional government activities in providing public goods that cannot be provided by the private sector. The research problem in this study is to determine the influence of hotel tax, restaurant tax, and the combination of hotel and restaurant tax on the original revenue of the Tolitoli regency government from 2016 to 2020. The concept of influence will be analyzed using data and statistics to determine whether there is a correlation between these taxes and the original revenue of the Tolitoli regency government. This study aims to provide an overview of how hotel tax, restaurant tax, and their combination affect the original revenue of the Tolitoli regency government.

The purpose of this research is to investigate the impact of hotel tax, restaurant tax, and the combination of both on the local government's original income of Tolitoli Regency during the period of 2016-2020. This goal will be achieved by performing data and statistical analysis to determine the correlation between the taxes and the local government's original income of Tolitoli Regency. The results of this research are expected to provide an overview of how hotel tax, restaurant tax, and the combination of both affect the local government's original income of Tolitoli Regency. This research is expected to provide theoretical benefits for the development of science and a reference for future research, as well as practical benefits by providing information to the community about the growth rate of hotel and restaurant tax revenue, the effectiveness and efficiency of tax collection, and its contribution to the Original Regional Revenue of Tolitoli Regency so that they understand that the collection of restaurant tax is a source of funding for regional development.

2. Research Method

This type of research is a quantitative analysis approach research. (Sugiyono, 2018:7) This research is descriptive, which is a research method carried out through observation to obtain information. The population in this research is the local government organization that produces Original Regional Revenue (PAD) in Tolitoli Regency. The data collection technique in this research uses secondary time series data, which is obtained from the Regional Financial Office (BKD) of Tolitoli Regency. The data collected is from 2016 to 2020 (5 years).

As known, the administration of regional households, always requires a large amount of cost, therefore, to meet the needs of the relevant regional administration, financing is needed as stipulated in the regional revenue and expenditure budget (APBD) in each region, Original Regional Revenue (PAD) is a collection carried out based on regional revenue. To determine the extent of Tolitoli Regency's government in managing the sources of Original Regional Revenue (PAD), and the development in supporting the implementation of development and the smooth running of government in Tolitoli Regency. Here is the table of annual PAD revenue in Tolitoli Regency.

Table 1. Revenue of the Regional Original Revenue of Tolitoli Regency in 2016-2020

Year	Target	Realisasi	Persentase
2016	74.528.962.972	63.623.624.337	85,37%
2017	105.086.457.910	100.514.205.655	95,65%
2018	87.804.626.352	80.312.115.617	92,22%
2019	112.679.346.499	91.724.082.741	81,40%
2020	117.937.727.245	96.204.344.700	82 %
Maximum	105.086.457.910	100.514.205.655	95,65%
Minimal	74.528.962.972	63.623.624.337	85,37%
Average amount per year	99.607.424.196	86.475.674.610	86,82%

The definition of a hotel is a facility that provides lodging or rest services, including other related services, and is charged a fee that also includes motels, boarding houses, tourist huts, inns, boarding houses, and similar, as well as boarding houses with more than 10 rooms. Another definition of a hotel is a building symbolizing a company or business entity that provides lodging services, food and beverage services, and other services, where all of these services are intended for the general public, both those who stay at the hotel and those who only use certain facilities owned by the hotel. The local government has the right to impose levies on the community. Based on the 1945 Constitution of the Republic of Indonesia, which places taxation as one

manifestation of statehood, it is emphasized that the imposition of burdens on the people, such as other compulsory taxes, is regulated by law. The collection of hotel taxes must be based on local regulations.

Table 2. Income from Hotel Tax, the Year 2016-2020

Year	Target	Realisasi	Growth	
			Rp	%
2016	141.000.000,00	168.300.320,00	27.300.320	19,36%
2017	259.288.000,00	240.621.723,00	(18.666.277)	(7,20)%
2018	255.500.000,00	217.101.403,00	(38.398.597)	(15,03)%
2019	255.500.000,00	302.128.111,00	46.628.111	18,25%
2020	233.800.000,00	311.825.598,00	78.025.598	33,37%
Maximum	233.800.000,00	311.825.598,00	78.025.598	33,37%
Minimal	259.288.000,00	240.621.723,00	18.666.277)	(7,20)%
Average amount per year	229.017.600,00	247.995.431,00	18.977.831	8,29%

A restaurant tax is a tax on services provided by hotels. According to the Indonesian Republic Law No. 28 of 2009 on Regional Taxes and Retributions, Article 37 explains that the object of restaurant tax is the services provided by restaurants, which includes the sale of food and/or drinks consumed by buyers, both on-site and elsewhere. And the taxpayer of the restaurant tax is an individual or entity running the restaurant. Then Article 39 explains the basis for levying restaurant tax is the amount of payment received or should be received by the restaurant. And Article 40 explains that the restaurant tax rate is set at a maximum of 10% and the restaurant tax rate is determined by Regional Regulation. To optimize revenue from the tax and retribution sector itself, there are two things most often used by some regional governments to carry out effective and efficient revenue collection processes in the tax and retribution sector itself. Here is the contribution of hotel tax for the last 5 years.

Table 3. Income from Restaurant Tax Year 2016-2020

Year	Target	Realisasi	Growth	
			Rp	%
2016	750.000.000,00	1.016.409.409,00	266.409.409	35,52%
2017	717.381.000,00	932.123.209,00	214.742.209	29,93%
2018	1.507.000.000,00	1.159.983.449,00	(347.016.551)	(23,03)%
2019	2.830.661.880,00	2.049.102.574,00	(781.559.306)	(27,61)%
2020	1.699.384.900,00	1.384.856.641,00	(314.528.259)	(18,51)%
Maximum	750.000.000,00	1.016.409.409,00	266.409.409	35,52%
Minimal	1.699.384.900,00	1.384.856.641,00	(314.528.259)	(18,51)%
Average amount per year	1.500.855.000,00	1.308495.056,00	(192.390.500)	8,29%

3. Results And Discussions

3.1 Normality Test

The classical assumption test confirms that the multiple linear models used in the research meets three requirements, including the Normality Test, which checks for a normal distribution of dependent or independent variables or both. A good regression model has data with a normal or near-normal distribution. Normality can be seen from the distribution of data on the source diagonal graph. If the data is distributed around the diagonal line and follows the direction of the diagonal line, then the model meets the normality assumption. However, if the data spreads far from the diagonal line, the model does not meet the normality assumption.

Normal P-P Plot of Regression Standardized Residual

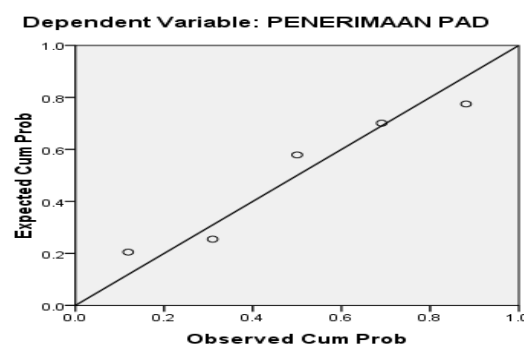


Figure 1. Regresi Standardized Residual

1. Multicollinearity Test

This test is intended to find out whether the free variables are not correlated with each other or if there is no significant relationship between the variables. A good regression model should not occur multicollinearity between independent variables. Multicollinearity can be detected from the tolerance value and variance inflation factor (VIF) value. If the tolerance value of the free variable > 0.10 and the VIF value < 10 , then multicollinearity does not occur, on the other hand, if the tolerance value < 0.10 and the value of the VIF > 10 then multicollinearity occurs.

Table 4. Multicollinearity Test

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
	(Constant)	90556.952	16901.064					5.358
Hotel	-3130.035	617.415	1.039		5.070	.037	.853	1.172
Restoran	34.338	14.413	.488		2.383	.060	.853	1.172

a. Dependent Variable: Penerimaan PAD

Source: Data Processed in 2022

Based on the table above, the VIF value of the independent variables in the regression model used is less than 10 while the tolerance value is greater than 0.10 which means that there is no correlation between independent variables. So it can be concluded that there is no multicollinearity in this study, which means that the regression model is good and feasible to use because there is no correlation between independent variables.

3.2 Autocorrelation Test

The Durbin Watson value can be seen in the regression output in the summary model table (durbin watson column) of 1,461, while from the dw table with a significance of 0.05 and the number of data $n=66$ and $k=2$ obtained a DL value of 1.539 and a DU value of 1.664 Because the dw value of 1.461 is in the $> dl$ area, then h_0 is accepted and it can be concluded that there is no autocorrelation problem

Table 5. Autocorrelation Test

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. The error in the Estimate	Durbin-Watson	
1	.964a	.928	.857	1,803.263	1.461	

a. Predictors: (Constant), Restoran, Hotel

b. Dependent Variable: Penerimaan Pad

3.3 Heteroskedasticity Test

The results of the heteroskedasticity test of the formed equation model are presented in figure 2 below:

Histogram

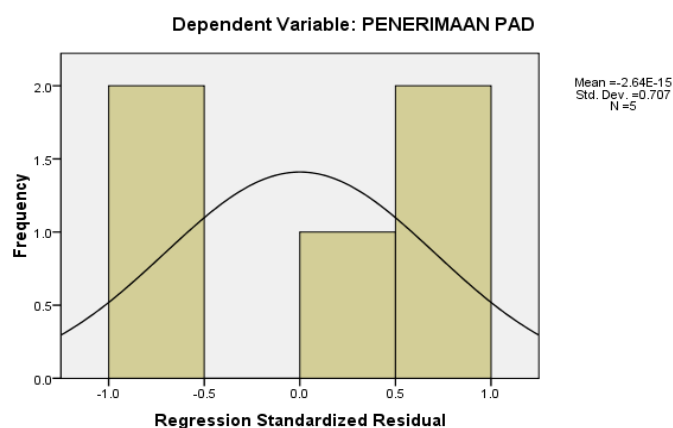


Figure 2. Standardized residual regression

Based on figure 2, it is seen that it does not form a certain pattern that is clear and scattered both above and below the number 0 on the Y axis, this means that the equation model meets the assumption of heteroskedasticity.

3.4 Multiple Regression Analysis

The results of the multiple linear tests in this study can be seen in the table below.

Tabel 6 Analisis Regresi Berganda

Model	Coefficients ^a					Collinearity Statistics	
	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Tolerance	VIF
	B	Std. Error	Beta				
1 (Constant)	90556.952	16901.064		5.358	.033		
Hotel	-3130.035	617.415	1.039	5.070	.037	.853	1.172
Restoran	34.338	14.413	.488	2.383	.060	.853	1.172

a. Dependent Variable: penerimaan PAD

Source: Data processed in 2022

Based on the results of the coefficients^a above, it can be developed using the multiple linear regression equation models as follows:

$$Y = 90,556 + -3,130 X_1 + 34,338 X_2$$

1. A constant of 90,556 means that if hotels and hotels do not exist then the original revenue of the area is 90,556.
2. The regression coefficient X1 is -3.130. This shows that the hotel does not affect the original revenue of the area.
3. The regression coefficient X2 is 34.338. This shows that the restaurant has a positive effect on the original income of the area.

3.5 Coefficient of Determination Analysis (R²)

Based on the results of the adjusted R2 test in this study, a value of 0.857 was obtained. This shows that the performance of local revenue was influenced by the variable Hotel tax and restaurant tax of 85.7%, while the remaining 14.3% was influenced by other factors not intended in this study.

Table 7. Coefficient of Determination Results (R²)

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. The error in the Estimate	Durbin-Watson
1	.964a	.928	.857	1,803.263	1.461

a. Predictors: (Constant), Restoran, Hotel
b. Dependent Variable: Penerimaan PAD

Source: Data processed in the year 2022

3.6 Test the Hypothesis t (Partial)

Testing is partially included to see how each free variable affects the bound variable. The t-test is used to prove whether Occupational Health and Safety have an effect or not on employee performance.

Table 8. Partial Test Results (t-test)

Model	Coefficients ^a					Collinearity Statistics	
	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Tolerance	VIF
	B	Std. Error	Beta				
1 (Constant)	90556.952	16901.064		5.358	.033		
Hotel	-3130.035	617.415	1.039	5.070	.037	.853	1.172
Restoran	34.338	14.413	.488	2.383	.060	.853	1.172

a. Dependent Variable: Penerimaan PAD

Source: Data processed in the year 2022

Based on the results of the adjusted R^2 test in this study, a value of 0.857 was obtained. This shows that the performance of local revenue was influenced by the variable Hotel tax and restaurant tax of 85.7%, while the remaining 14.3% was influenced by other factors not intended in this study.

3.7 F test (simultaneous)

A simultaneous test is a test to find out whether the independent variable (X) studied has an influence on the dependent variable (Y) means all variables, namely Hotel Tax (X_1) and Restaurant Tax (X_2) with variables tied to Regional Original Income (PAD) (Y) at the Tolitoli Regency BKD Office.

Table 9. Simultaneous Test (F Test)

		ANOVA ^b				
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.431E7	2	4.215E7	12.963	.052a
	Residual	6503517.727	2	3251758.863		
	Total	9.081E7	4			

a. Predictors: (Constant), Restoran, Hotel

b. Dependent Variable: Penerimaan PAD

Based on the results of the simultaneous test (F) that it is known that the ANOVA table obtained F_{count} , amounting to 12.963 with a significance value of 0.052. $F_{value_{calculate}} > F_{table}$ with sample (n) = 30 number of free variables (k)=2: significance level $\alpha = 5\%$, $df=n-(k+1) = 2$, so that F_{table} F is obtained by 3.35. F values are $calculated > F_{table}$ ($12.963 > 3.35$) with a significance level smaller than the level of distrust ($0.52 < 0.05$). These results give the meaning that the Hotel Tax and Restaurant Tax simultaneously have a significant effect on the original income of the area, so the third hypothesis is acceptable.

The Effect of Hotel Tax on The Original Revenue of Tolitoli Regency in 2016-2020 Based on the results of research conducted using regression from multiple linear taxations using a partial test (T-test) obtained the results of the hotel count T produced a value of 5,070 and it is known that the table T value is 0.037, which means that the $T_{count} > T_{table}$, as well as in the significant value of 0.037 Or less than 0.05 (5%) so it can be concluded that the hotel tax (X_1) affects the original regional income (Y) during the period 2016-2020.

Effect of Restaurant Tax on Tolitoli District Original Income 2016-2020 The restaurant tax variable where the SPSS output results show a calculated T of 2,383 Which means $T_{count} < T_{table}$ and obtained a significance value of 0.60 or greater than 0.05 so it can be concluded that H_{o2} is accepted and H_{a2} is rejected, which means that restaurant tax (X_2) does not affect Regional Original Income (Y) during the period 2016-2020.

4. Conclusion

Based on the results of the data research and discussion, researchers obtained about the effect of the contribution of Hotel Tax and Restaurant Tax on Regional Original Income in Tolitoli Regency in 2016-2020, the following conclusions can be drawn: Hotel tax is one of the most important components in increasing the Regional Own Revenue (PAD) for economic development in Tolitoli Regency. According to the results of a multiple linear regression analysis, it can be stated that hotel tax (X_1) has an impact on the Tolitoli Regency's revenue in 2016-2020. The results of the restaurant tax (X_2) variable test show that the restaurant tax does not affect the Regional Own Revenue in Tolitoli Regency in 2016-2020. The tax administration carried out in the collection of restaurant taxes in Tolitoli Regency is not effective and efficient. The low compliance and responsibility of restaurant taxpayers in paying taxes and tax fraud in reporting actual sales are hindrances to the receipt of restaurant taxes. The simultaneous F-test results state that hotel and restaurant taxes together have an impact on Tolitoli Regency's revenue in 2016-2020. It can therefore be concluded that the regression model in this research is suitable for research with the title "The Influence of Hotel Tax and Restaurant Tax Contributions on Tolitoli Regency's Revenue in 2016-2020".

The results of this research provide several suggestions for improving local original income. First, the Local Revenue Agency is recommended to increase supervision and guidance and to be actively involved in promoting the importance of paying taxes. The government should also carry out monitoring and build facilities and infrastructure that can facilitate transactions for tourists. Second, the community should actively participate in managing tourist objects and business owners should improve good tourism services. The community should

also pay taxes obediently to provide feedback on the results of development. Finally, the results of this research are expected to be a reference for further research and future researchers can add other variables to provide better results.

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