Strategy of the Regional Financial and Asset Management Agency in Increasing Bima City's Original Regional Income

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Abstract

This research aims to analyze the Strategy of the Regional Financial and Asset Management Agency in Increasing Bima City's Original Regional Income. The research method used in this research is descriptive qualitative. The research results show the strategy of the Regional Financial and Asset Management Agency in an effort to increase Regional Original Income, namely the strategy set by the Regional Financial and Asset Management Agency in increasing Regional Original Income is Intensity and Assistance where the Regional Financial and Asset Management Agency must first strengthen all forms of regulations regions related to their Regional Original Income as a reference in determining them. Carrying out data collection on all tax objects because some have already been recorded, but if there is a change in the value, the Regional Financial and Asset Management Agency automatically has to re-register the data again. Carrying out audits of taxpayers, namely issuing letters regarding tax assessments for collection. If there is no response from the taxpayer, they will carry out an inspection. Creating a digital channel called Regional Tax Transaction Electronification to make it easier and help the community, but unfortunately this strategy is still in process and has not yet been realized.

Keywords: Regional Revenue Management Agency; Strategi; Bima City
INTRODUCTION

Bima City is one of the cities that until now the area lying on the tip of Sumbawa Island is divided into two administrative and political regions, namely the Bima City Government and Bima Regency (Nailor, 2022). Bima City currently has 5 sub-districts and 38 sub-districts with an area of 437,465 Ha and a population of 419,302 people with an average density of 96 people/Km2. As a newly formed region, Bima City has characteristics of regional development, namely rapid infrastructure development, dynamic socio-cultural development and high population growth (Wagala, 2020). Therefore, the implementation of regional autonomy basically aims to realize a good governance system, and is characterized by increased regional independence, transparency and public accountability, increased community responsiveness, public participation in regional development, as well as increased efficiency and effectiveness of regional financial management and public service (Purnomo et al., 2023).

This has been stated in Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Government, so that the administration of regional government is carried out by providing the broadest possible authority, accompanied by the granting of rights and obligations to carry out regional autonomy within the unity of the State government administration system (Ossewaarde, 2019). Therefore, in efforts to improve the quality of public services, regional governments are obliged to allocate APBD budgets, namely capital expenditures that can be carried out by regional governments, including in the education, health and transportation sectors so that the community feels the benefits of economic development.

Efforts to realize autonomy and assistant duties. And one of the efforts to realize regional autonomy that is responsible and capable in financing and developing its regions is that which comes from Original Regional Income (PAD), Original Regional Income (PAD) is income obtained by regions by collection based on Law Number 22 of 1999 concerning Financial balance between Central and Regional governments. Aims to give authority to regional governments to fund the implementation of regional autonomy in accordance with its potential (Angelakis et al., 2023).

PAD is the main source of regional development and prosperity. PAD in Bima City comes from the collection of PBBP2 tax (Rural and Urban Land and Building Tax), hotel tax, restaurant tax, restaurants and billboards which are considered to have the
potential to contribute PAD (Widayat et al., 2023). Taxes determined by the regions are taxes collected in the APBD. Regional financial management has been regulated in the Minister of Home Affairs Regulation (Permendagri) Number 77 of 2020 concerning Technical Guidelines for Regional Financial Management containing procedures for preparing regional income and expenditure budgets, implementation and budget calculations. regional income and expenditure (Nungsari et al., 2023).

Financial management is reflected in the Regional Revenue and Expenditure Budget (APBD) such as the government's ability to increase its regional revenue receipts and be able to finance regional expenditures in development and social services for the community (Das, 2022). The APBD report for each region can be used as a benchmark in the regional development process. The government is obliged to report financial management accountability reports in running its regional government to the public, in order to achieve the principle of transparency in reporting (Mutua, 2022). The public can assess how the government's performance in managing regional finances is in accordance with the income received by the region and whether the allocation is in accordance with the needs of the community because it is considered profitable from a social and economic perspective that can benefit the people's welfare. This is so that regional independence can be established in terms of governance and regional development (Carré & Chen, 2021)

Regional taxes, which are regulated in Bima City Regional Regulation Number 17 of 2010 concerning regional taxes, hereinafter referred to as taxes, are contributions from regional taxpayers that are owed by individuals or bodies that compel them based on law, without receiving direct compensation and are used for their needs. areas for the greatest prosperity of the people. Effectiveness and efficiency is a goal to obtain rights and use of the system to increase regional income so that it can improve development and the economy as well as a good standard of living in urban and rural areas.

Community participation is expected in development implementation activities, especially in participation and awareness. community in paying Land and Building Tax (PBB). Improvement and structuring of administration and management which has an important role in the Bima City Regional Financial and Asset Management Agency (BPKAD) Office, especially in the Land and Building Tax (PBB) collection system so that it can provide information that is useful and effective for both leaders and for other
parties who need it (Wardani and Nursansiwii 2020). In Law No. 28 of 2009 Article 1 paragraph 10 concerning Regional Taxes and Regional Levies is a mandatory contribution to the region that is coercive based on the Law, with no direct compensation and is used for regional needs for the greatest prosperity of the people (Edita, 2019).

The importance of strategy for an organization is that an organization is able to plan, formulate and implement all the goals it wants to achieve, so that the strategy is able to achieve its vision and mission effectively and efficiently and excel in competing for good profits in the long term or continuously in the future (Luhwavi, 2019). The strategy concept implemented by the Bima City government to increase PAD is: (1) Active data collection, (2) Data updating, (3) Coordination or cooperation between agencies and "Online" based payments (Kolovou Kouri et al., 2020).

This strategy is used by local governments and BPKAD agencies to help the community with services. Because to optimize service and supervision of taxpayers, so far there have been obstacles in monitoring and billing taxpayers or the lack of officers directly in the field has caused various obstacles, making it difficult for officers to check the correctness of the amount of tax deposited, whether it is in accordance with what has been determined or not by the government to be paid by taxpayers in making payments. And taxpayer compliance is related to culture and society, namely that the culture of the people of Bima City is obedient to regulations (laws) so that it also influences their compliance with their obligations (Joelsson, 2021).

For example, the obligation to pay taxes, because it can be seen that the current development of Bima City has also influenced PAD over the last two years which comes from regional taxes, namely taxes on hotels, restaurants, billboards and PBBP2. The Bima City BPKAD agency is targeting Original Regional Income (PAD) in 2020 with an initial PAD target of IDR 19.72 billion but the realization is IDR 18.56 billion and affects several types of taxes that have been set, including, the PAD target for hotel taxes is IDR 18.56 billion. IDR 300.00 million but the realization was IDR 200.00 million with a presentation of 66.88% of the previously targeted PAD, while the restaurant tax was targeted at IDR. 700.00 million but realized Rp. 1 billion with a presentation of 179.54%, then entertainment tax of IDR 23,750 million and realized IDR 24,028 million with a presentation of 101.17%.
Furthermore, advertising tax was IDR 522,358 million and realized was IDR 593,788 million with a presentation of 113.67%, street lighting tax was IDR 9 billion but realized was IDR 8 billion with a presentation of 92.66%, parking tax was IDR. 60 million and realized at Rp. 92,195 million with a presentation of 153.66%, ground water tax amounted to Rp. 30 million and was realized at Rp. 46 million with a presentation of 154.69%, wallet bird's nest tax amounted to Rp. 15 million and could be realized at Rp. 31 million with a presentation of 210.00%, tax on non-metallic minerals and rocks amounting to Rp. 400 million and realized amounting to Rp. 361 million with a presentation of 90.49%, land and building tax for rural and urban areas amounting to Rp. 5 billion but realized amounting to Rp. 3 billion with a presentation 78.80%, Fees for acquiring rights to land and buildings amounting to Rp. 3,630 billion and realized Rp. 3.602 billion with a presentation of 99.24%. (BPKAD, Bima City 2020).

From the data for 2020 and 2021, there are certainly achievements from year to year, seen from the Regional Original Income in 2020 which reached Rp. 18.56 billion, while in 2021 the targeted Regional Original Income is IDR. 59 billion and realized Rp. 47 billion or 79.78 percent of the target. However, Bima City's Original Regional Income (PAD) in 2022 is considered low, because up to July the realization was only recorded at 29.26 percent, while the PAD target in 2022 was more than IDR 68 billion but the realization was IDR 20 billion, the realization up to July is still very low, this is due to the impact of Covid-19 (Chikarmame & Narayanan, 2023).

Looking at the existing facts regarding the increase and decrease in the regional original income target, a strategy concept is needed to increase the PAD target which is needed in management that is more modern, fast, responsive, accurate and has strategies and solutions so that it can be used as a benchmark for the region. other. Because the government has an obligation to fulfill it so that the sustainable development process is better and can improve the welfare of society. The strategy concept is expected to be able to solve problems that are obstacles for the Bima City BPKAD agency.

METHODS

The type of research used in this research is descriptive research with a qualitative approach. Descriptive research is a type of research that describes an event, object and situation as clearly as possible without affecting the object being studied (Kurniawan et
al., 2023). The qualitative approach is a research method based on post-positivism philosophy, used to examine the condition of natural objects. Researchers use qualitative research because researchers feel that this approach is more in line with reality (Kurniawan et al., 2022).

Apart from that, qualitative methods build direct relationships between researchers and informants. Because of this, in a qualitative approach, data is collected from manuscripts provided by researchers in the form of interview scripts, field notes, documentation, voice recordings and others. So this qualitative research aims to describe the reality in the field, through data collected in the form of documentation and notes obtained during research and matching it with the theory used. Based on the type of data used in this research, it can be concluded that the types of research data used are primary data and secondary data. The primary data source in this research is the results of the questionnaire given to respondents. Meanwhile, secondary data is obtained from information from other parties, such as documents.

RESULTS AND DISCUSSION

BPKAD Strategy for Increasing Bima City PAD

There are two types of strategies at the Bima City Regional Financial and Asset Management Agency, namely Intensity and Assistant, if Intensity is from within, first, it must be strengthened first through Regional Regulations, namely all Regional Regulations related to Regional Revenue must be made because they are the basis of reference for BPKAD in determining them. Second, collect data on all tax objects. Third, carry out audits of taxpayers, so BPKAD issues a tax assessment letter for collection if within 15 days after the letter is issued but the taxpayer does not heed it then the BPKAD will conduct an audit. BPKAD is also preparing new strategies and strategies.

In realizing this strategy, BPKAD carries out an action plan, which means that BPKAD prepares an action plan for what will be done, for example this year the 2nd quarter point 1 must be realized, therefore BPKAD prepares a plan for what will be done, including the Perwali, namely conducting employee training related to tax writing, then BPKAD is trying to create a digital channel for online payments. This implementation stage is a process where several strategies and policies are changed into actions through procedures, such as the strategy that is currently running at the BPKAD agency.
This strategy emerged from the Regional Government in order to later help and make it easier for the community to provide services, therefore this strategy will become reference for the Regional Financial and Asset Management Agency, because later the strategy will be stated in the form of Standard Operating Procedures, which means a set of written instructions that document routine activities or that are used as a reference for them, then the Regional Asset Financial Revenue Agency agency is also repeated and followed by an organization, so for each activity standard there is a Standard Operational Procedure, every field in the Regional Asset Finance Revenue Agency must refer to the Standard Operational Procedure, therefore the strategy is to create a Framework of Work Rules as a benchmark for carrying it out so that all actions taken must not be out of place, from Standard Operating Procedures.

So, judging from the strategy put forward by the Regional Asset Financial Revenue Agency, the types of income that are the source of its Original Regional Income are Regional Taxes, Regional Levies, other legitimate Regional Income, other Regional Income. Accurately, national is the source of Original Regional Income. there are 4 targets, but if you sort them out, there are 13 types of regional tax sources, but at the BPKAD agency there are 11 types of regional taxes, namely hotel tax, restaurant tax, entertainment tax, advertising tax, road building tax, parking tax, ground water tax, wallet bird's nest tax, non-metallic mineral tax, land and building tax and finally land and building rights acquisition tax. Meanwhile, legitimate regional income is like interest on demand deposits, so money saved in the bank is what goes into other legitimate regional income. Then, from regional levies there are parking levies, waste levies, shop levies, related to regional levies which become tax revenues, namely as follows

Table 1. Sources of Original Regional Income in Bima City Regional Taxes in 2022

<table>
<thead>
<tr>
<th>Types of Regional Taxes</th>
<th>Target</th>
<th>Realization</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Tax</td>
<td>736,000,000.00</td>
<td>911,452,444.30</td>
<td>123.84</td>
</tr>
<tr>
<td>Restaurant tax</td>
<td>2,012,886,948.00</td>
<td>2,103,232,173.38</td>
<td>104.49</td>
</tr>
<tr>
<td>Entertainment Tax</td>
<td>23,750,000.00</td>
<td>36,169,080.00</td>
<td>152.29</td>
</tr>
<tr>
<td>Advertisement tax</td>
<td>774,440,250.00</td>
<td>489,500,086.50</td>
<td>63.21</td>
</tr>
<tr>
<td>Street Lighting Tax</td>
<td>9,250,000,000.00</td>
<td>9,443,782,515.00</td>
<td>102.09</td>
</tr>
<tr>
<td>Parking Tax</td>
<td>150,000,000.00</td>
<td>132,915,500.00</td>
<td>88.61</td>
</tr>
<tr>
<td>Groundwater Tax</td>
<td>54,000,000.00</td>
<td>56,046,006.45</td>
<td>103.79</td>
</tr>
<tr>
<td>Swallow's Nest Tax</td>
<td>30,000,000.00</td>
<td>13,500,000.00</td>
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</table>
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From the data above, in 2022 regional taxes will increase, it can be seen that the amount of increase from the specified target is above average, this is due to the high realization value even though the wallet bird's nest tax is still below the target, namely around 45.00%. But at least there will be an increase in 2022. Meanwhile, the largest tax is entertainment tax with a percentage of 152.29%, followed by hotel tax with 123.8%, restaurant tax 104.49%, ground water tax 103.79%, street lighting tax 102.09%. This means that the taxes that are the biggest contributors to original regional income are located in the four sources of regional income in the city of Bima.

Table 2. Recap of Development of PAD Realization in the Last 3 Years (2020-2022)

<table>
<thead>
<tr>
<th>No</th>
<th>Types of Regional Taxes</th>
<th>Target</th>
<th>Realization</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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<td>736,000,000.00</td>
<td>911,452,444.30</td>
<td>123.84</td>
</tr>
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<td>2</td>
<td>Restaurant tax</td>
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<td>2,103,232,173.38</td>
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</tr>
<tr>
<td>3</td>
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<tr>
<td>4</td>
<td>Advertisement tax</td>
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<td>63.21</td>
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<tr>
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<td>Street Lighting Tax</td>
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<tr>
<td>6</td>
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<td>88.61</td>
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<tr>
<td>7</td>
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<td>54,000,000.00</td>
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<td>103.79</td>
</tr>
<tr>
<td>8</td>
<td>Swallow's Nest Tax</td>
<td>30,000,000.00</td>
<td>13,500,000.00</td>
<td>45.00</td>
</tr>
<tr>
<td>9</td>
<td>Non-Metal Mineral Rock Tax</td>
<td>500,000,000.00</td>
<td>350,043,239.18</td>
<td>70.01</td>
</tr>
<tr>
<td>10</td>
<td>UN</td>
<td>5,300,000,000.00</td>
<td>3,543,193,929.00</td>
<td>66.85</td>
</tr>
<tr>
<td>11</td>
<td>BPHTB</td>
<td>5,537,062,523.00</td>
<td>4,275,463,292.00</td>
<td>77.22</td>
</tr>
</tbody>
</table>

Source: BBima City PKAD 2022

From the data above, in 2022 regional taxes will increase, it can be seen that the amount of increase in the target set is above average, this is due to the high realization value even though the wallet bird's nest tax is still below the target, namely around 45.00%. But at least there will be an increase in 2022.
CONCLUSION

Based on the results of the study in this research, it can be concluded about the strategy of the Regional Financial and Asset Management Agency in an effort to increase Original Regional Income, namely the strategy set by the Regional Financial and Asset Management Agency in increasing Original Regional Income is Intensity and Assistant where the Regional Financial and Asset Management Agency must first strengthen all forms of regional regulations related to Original Regional Income as a reference in its determination. Carrying out data collection on all tax objects because some have already been recorded, but if there is a change in the value, the Regional Financial and Asset Management Agency automatically has to re-register the data again. Carrying out audits of taxpayers, namely issuing letters regarding tax assessments for collection. If there is no response from the taxpayer, they will carry out an inspection. Creating a digital channel called Regional Tax Transaction Electronification to make it easier and help the community, but unfortunately this strategy is still in process and has not yet been realized.

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