Analysis of the Influence of Restaurant Tax, Entertainment Tax, Hotel Tax on Regional Financial Performance in Tangerang City

Armi Bakar, Nasrulloh
Universitas Indraprasta PGRI Jakarta Indonesia, SMP Mawaddah Indonesia
Email: armi.bakar@unindra.ac.id, nasrulloh59@gmail.com

ABSTRACT
Regional Governments have relatively broad authority over all matters related to regional development. Regional concern is the freedom to manage their own financial matters. In this case local governments are also required to have the ability to generate their own income so that development in their respective regions can proceed according to plan. The purpose of this study is to empirically prove the effect of restaurant taxes on regional financial performance in the city of Tangerang for the 2012-2016 period. To prove empirically the effect of the entertainment tax on regional financial performance in the city of Tangerang for the 2012-2016 period. And to prove empirically the effect of hotel taxes on regional financial performance in the city of Tangerang for the 2012-2016 period. The basis for imposing hotel tax is the amount paid or should be paid to the hotel. The hotel tax rate is set at 10% (ten percent). The principal amount of hotel tax owed is calculated by multiplying the rate of 10% by the amount paid or that should be paid to the hotel. Hotel operators must add hotel tax to hotel service payments using a 10% tax rate. This research was conducted at the Tangerang City Regional Financial Management Service (DPKD) office which is located at Jalan Satria Sudirman No. 1 Tangerang. For the period 2012-2016. The population in this study is data on restaurant tax, entertainment tax and hotel tax in Tangerang City from 2012-2016. The sampling technique used is saturated sampling, which is a sampling technique when all members of the population are used as samples. And the data analysis technique used is descriptive statistical analysis, classic assumption test, hypothesis testing (F test, determination test, t test) and multiple linear regression analysis. Based on the results of data analysis and discussion, it is concluded that restaurant taxes have a significant positive effect on regional financial performance. Entertainment Tax receipts have no effect on Regional Financial Performance. Hotel Tax has no effect on Regional Financial Performance. As well as the receipt of Restaurant Tax, Entertainment Tax, and Hotel Tax simultaneously (simultaneously) have a significant effect on Local Government Financial Performance.
INTRODUCTION

The basic consideration for the need for regional autonomy to be implemented is the development of conditions within and outside the country. Conditions in the country indicate that the people want openness and independence (decentralization). On the other hand, the situation abroad shows the increasing globalization which demands the competitiveness of local governments. It is hoped that the competitiveness of the local government will be achieved through increasing the independence of the local government through regional autonomy (Halim, 2007).

Through regional autonomy, the regional government has the authority to extract regional income with the main force being Regional Original Revenue (PAD). This is in accordance with two aspects of financial performance in regional autonomy. The first aspect is that the regions are given the authority to manage their own regional financing with the main strength being Regional Original Revenue. The second aspect is on the regional expenditure management side, that regional financial management must be more accountable and transparent, of course demanding that the regions be more effective and efficient in regional expenditure (JATMIKO, LARAS, & WIJAYANTI, 2020).

Regional autonomy according to No. 32/2004 concerning Regional Government which is a renewal of Law Number 22 of 1999 is the authority of an autonomous region to regulate and manage the interests of the local community according to their own initiative based on the aspirations of the people in accordance with the law. With regional autonomy, it means that most of the authority that was in the central government has been transferred to autonomous regions, so that autonomous regional governments can respond more quickly to the demands of the local community according to their capabilities.

Every local government has an obligation to improve public service and welfare in a democratic, fair, equitable and sustainable manner (Patriati, 2010).

Regional Governments have relatively broad authority over all matters related to regional development. Regional concern is the freedom to manage their own financial matters. In this case local governments are also required to have the ability to generate their own income so that development in their respective regions can proceed according to plan (Supriyanti & Yadnyana, 2015). As a result of the extent of authority given to the regions, there will be greater demands in terms of providing services to the community (Puspitaningrum, 2019).

The development of the city of Tangerang continues to run followed by various types of development related to tourism, such as restaurants, hotels, shopping centers and entertainment venues. Not only providing entertainment, lodging and culinary services in the buffer zones of the capital are growing rapidly.

Tangerang City has a very big opportunity to become a city based on the entertainment business, restaurant business, and hotel business. At least, being flanked by DKI Jakarta and close to Soekarno Hatta Airport is a distinct advantage for the Tangerang city government in increasing local revenues originating from local taxes.

https://journal.worldofpublication.com/index.php/jibmfs/
Apart from the fact that the city of Tangerang is flanked by DKI Jakarta, Tangerang is a city that has many restaurants, entertainment centers and also hotels. At least according to the Central Bureau of Statistics for the city of Tangerang there are 986,702 hotel visitors staying at various types of hotels in Tangerang, both foreign guests and Indonesian citizens (https://tangerangkota.bps.go.id). So that there are many potential users of hotel services in Tangerang City and can affect hotel tax revenues in Tangerang City.

To find out more clearly about the target growth and realization of Regional Original Income (PAD) for the city of Tangerang in 2012-2015 can be seen from the following table:

**Table 1**

<table>
<thead>
<tr>
<th>Year</th>
<th>Target (Rp)</th>
<th>Realisasi (Rp)</th>
<th>Performance Achievement (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>461,383,233,872,66</td>
<td>631,519,353,723,00</td>
<td>136,88</td>
</tr>
<tr>
<td>2013</td>
<td>653,182,027,244,00</td>
<td>815,733,580,158,00</td>
<td>124,89</td>
</tr>
<tr>
<td>2014</td>
<td>1,156,097,821,081,00</td>
<td>1,258,788,809,993,00</td>
<td>108,88</td>
</tr>
</tbody>
</table>

Source (reprocessed data)

At a glance, we can see that the overall PAD revenues for the city of Tangerang during the 2012-2014 period continued to increase and exceeded the set target. The increase in PAD is not only in terms of targets but also in terms of revenue realization. The increase in realized PAD in 2012 amounted to 26.40% from the previous year, the realization in 2013 the increase reached 29.17%, the realization in 2014 the increase reached 54.31% from 2013. When viewed from the movement, the structure of the receipt of PAD in the city of Tangerang has a growth positive. With the amount of PAD obtained, it will improve the regional financial performance of the city of Tangerang.

Measuring agency performance needs to improve the quality of decision-making and accountability in assessing the success and implementation of activities, in accordance with predetermined goals and objectives in realizing the vision and mission of government agencies (Sugiyono, 2009).

Mardiasmo (2002) in Ratri Patriati states that performance measurement is carried out to fulfill three purposes. First, to help improve government performance. Second, to allocate resources and make decisions. Third, to realize public accountability and improve institutional communication. According to Mardiasmo (2007) the essence of measuring the performance of government organizations is Value For Money. Value for money is a concept of a performance measurement approach that is usually expressed by the level of economy, efficiency and effectiveness. Economical is careful management without waste, while efficiency is comparing the amount of output produced to the input used, and effectiveness is the relationship between output and the goals achieved.

**METHODS**

This study uses quantitative research methods, because the data in the research are in the form of numbers and use statistical analysis. Quantitative research method is a research method based on the philosophy of positivism. This method is a scientific / scientific method because it fulfills scientific principles, namely concrete / empirical, objective, measurable, rational and
systematic. Used to examine certain populations or samples, data collection using research instruments, data analysis is quantitative / statistical, with the aim of testing the hypotheses that have been set (Sugiyono, 2009).

In this study there are two variables, namely the independent variable and the dependent variable. The independent variables in this study are restaurant taxes, entertainment taxes, and hotel taxes. While the dependent variable uses regional financial performance. The definition and measurement of each variable in this study will be explained as follows:

A. Research Variables

research variable is an attribute or trait or value of a person, object or activity that has certain variations determined by the researcher to be studied and then drawn conclusions (Sari & Sugiyono, 2016).

a. Dependent Variable

According to (Sari & Sugiyono, 2016) The dependent variable is also known as the dependent variable, which is a variable whose value is affected, or which is the result of the existence of a free or independent variable. In this study, the dependent variable or dependent variable is the Regional Government Financial Performance.

b. Independent Variable

According to (Sugiyono, 2016: 39) Independent variables are also known as independent variables. Independent variables are variables that affect or cause changes or the emergence of the dependent variable (dependent variable). The independent variables in this study are restaurant taxes, entertainment taxes and hotel taxes.

B. Operational Definition

This study uses four research variables. One variable, namely regional financial performance, is the dependent variable. Three variables, namely restaurant tax, entertainment tax, and hotel tax, are independent variables. These variables will then be tested systematically.

Table 2
Operational Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant tax (X1)</td>
<td>According to Tangerang City Regional Regulation No. 7 of 2010 concerning Regional Taxes, restaurant tax is a tax levied on services provided by restaurants.</td>
<td>Tax payable = Tax Rate multiplied by the Tax Base (the amount of payment received or should be received by the restaurant).</td>
<td>Ratio</td>
</tr>
<tr>
<td>Entertainment Tax (X2)</td>
<td>Based on the Regional Regulation of the city of Tangerang Number 7 of 2010 concerning Regional Tax, what is meant by Entertainment Tax is a tax on the organization of entertainment.</td>
<td>Tax payable = Tax Rate multiplied by the Tax Imposition Basis (the amount of money received or should have been received by the entertainment organizer).</td>
<td>Ratio</td>
</tr>
</tbody>
</table>
Hotel Tax (X3) | Based on the Regional Regulation of the city of Tangerang Number 7 of 2010 concerning Regional Tax, what is meant by hotel tax is a tax on services provided by hotels. | Tax payable = Tax Rate multiplied by the Tax Base (amount paid or payable to the hotel).

Regional Financial Performance (Y) | Regional Government Financial Performance is the ability of a region to explore and manage regional original financial sources in meeting its needs to support the running of the government system, community services and regional development without being fully dependent on the central government and having flexibility in using funds for the benefit of the regional government, local communities within the boundaries determined by laws and regulations. | Effectiveness Ratio, namely the realization of PAD revenue compared to the PAD target set based on the real potential of the region (Halim, 2007 in Ratri Patriati, 2010).

RESULTS AND DISCUSSION

Tangerang City is a city located at 106°36'-106°42' East Longitude (BT) and 6°6' - 6°13' South Latitude (LS). In the north it is bordered by Teluk Naga sub-district and Sepatan sub-district, Tangerang Regency, after the south it is bordered by Curug District, Serpong District with DKI Jakarta, while in the west it is bordered by Cikupa District, Tangerang Regency. The location of Tangerang City is very strategic because it is between the State Capital of DKI Jakarta and Tangerang Regency. The position of the City of Tangerang makes its growth rapid. On the one hand, the Tangerang City area is an area overflowing with various activities in the State Capital, DKI Jakarta. On the other hand, Tangerang City can become a collector area for developing the Tangerang Regency area as an area with productive natural resources.

The rapid growth of the City of Tangerang was also accelerated by the existence of the Soekarno-Hatta International Airport, some of which are included in the administrative area of the City of Tangerang. The gateway to Indonesia’s air transportation has opened up opportunities for the development of trade and service activities broadly in the City of Tangerang.

The city of Tangerang used to be called Tanggeran. According to the oral tradition that became the knowledge of the people of Tangerang, the name of the Tangerang area was formerly known as Tanggeran which comes from Sundanese, namely tengger and war. The word "tengger" in Sundanese means "sign", namely in the form of a monument which was erected as a sign of the boundaries of the territory of Banten and the VOC, around the middle of the 17th century. Meanwhile, the term "war" refers to the notion that the area in the course of history became a
battlefield between the Sultanate of Banten with VOC troops. Then based on Law no. 2 of 1993 the Municipal Municipality of the Level II Region of Tangerang was formed, precisely on February 28, 1993 and was inaugurated by the Minister of Home Affairs Rudini on behalf of the President of the Republic of Indonesia.

Descriptive statistics are statistics that are used to analyze data by describing or describing the data that has been collected as it is without intending to make general conclusions or generalizations (Sugiyono, 2009).

Before further analyzing the estimated effect of restaurant taxes, entertainment taxes, and hotel taxes on local government financial performance, it is necessary to first describe the description of the data for each variable used in this study. Description of statistical data for all variables used in this study are as follows:

**Table 3**  
Descriptive statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Sum</th>
<th>Mean (statistic)</th>
<th>Std. Error</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Financial Performance</td>
<td>60</td>
<td>2.09</td>
<td>.46</td>
<td>2.55</td>
<td>71.71</td>
<td>1.1952</td>
<td>.50864</td>
<td>.259</td>
</tr>
<tr>
<td>Pajak_Restaurant</td>
<td>60</td>
<td>1.73</td>
<td>22.25</td>
<td>23.98</td>
<td>1400.04</td>
<td>23.3340</td>
<td>.43257</td>
<td>.187</td>
</tr>
<tr>
<td>Tajak_Entertainment</td>
<td>60</td>
<td>2.10</td>
<td>19.90</td>
<td>22.00</td>
<td>1255.18</td>
<td>20.9196</td>
<td>.47671</td>
<td>.227</td>
</tr>
<tr>
<td>Pajak_Hotel</td>
<td>60</td>
<td>2.34</td>
<td>20.57</td>
<td>22.90</td>
<td>1300.97</td>
<td>21.6828</td>
<td>.48609</td>
<td>.236</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS Processing Results 24

Based on the table above, it can be seen that the n (amount of data) used in this study is 60, and from the results table the descriptive statistics can be explained:

A. Table 4.13 shows that the dependent variable (Financial Performance) has a minimum value of 0.46 which occurred in January 2015, with a target of Rp. 107,534,299 and a realization of Rp. 49,256,984. The maximum value is 2.55 which occurred in August 2016, with a target of Rp. 120,091,820 and a realization of Rp. 305,736,751. The average value of financial performance during the 2012-2016 period was 1.1952 and the standard deviation was 0.50864.

B. Table 4.13 shows that the Restaurant Tax variable (X1) has a minimum value of 22.25 or Rp. 4,598,360 which occurred in January 2012. The maximum value is 23.98 or Rp. 26,048,716 which occurred in December 2014. The average value is 23.3340 and the standard deviation is 0.43257.

C. Table 4.13 shows that the entertainment tax variable (X2) has a minimum value of 19.90 or Rp. 438,349 which occurred in March 2012. The maximum value is 22.00 or Rp. 3,588,373 which occurred in July 2012. The average value is 20.9196 and the standard deviation is 0.47671.

D. Table 4.13 shows that the Hotel Tax variable (X3) has a minimum value of 20.57 or Rp. 854,352 which occurred in January 2012. The maximum value is 22.90 or Rp. 8,854,804 which occurred in March 2016. The average value is 21.6828 and the standard deviation is 0.48609.

Before testing the hypothesis using multiple regression tests, it is first tested whether there are deviations from the classical assumptions, namely through testing for normality, autocorrelation, multicollinearity and heteroscedasticity.
a. Normality test

The normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution (Ghozali, 2016). Good data is data that is normally distributed. The following is the normality test output:

**Table 4**

Normality test

**One-Sample Kolmogorov-Smirnov Test**

<table>
<thead>
<tr>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal Parameters&lt;sup&gt;ab&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Most Extreme Differences</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Test Statistic</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
</tr>
</tbody>
</table>

<sup>a</sup> Test distribution is Normal.

<sup>b</sup> Calculated from data.

<sup>c</sup> Lilliefors Significance Correction.

<sup>d</sup> This is a lower bound of the true significance.

Source: SPSS Processing Results 24

Based on the table above, it can be seen that the asymp.sig value in the Kolmogorov Smirnov test indicates that the significance level is at 0.200. This value is above the research significance of 5% or 0.05 so that all variables used as samples in this study are normally distributed.

b. Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding errors in period t and the confounding errors in the t-1 (previous) period, (Ghozali, 2016). This test is used to determine whether there is a deviation from the classical assumptions using the Durbin-Watson (DW) test. The following is the output of the autocorrection test:

**Table 5**

Autocorrelation Test

<table>
<thead>
<tr>
<th>Model Summary&lt;sup&gt;b&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted R Square</td>
</tr>
<tr>
<td>d. Error of the Estimate</td>
</tr>
<tr>
<td>Durbin-Watson</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), LN_Pajak_Hotel, LN_Pajak_Hiburan, LN_Pajak_Restoran
Dependent Variable: Kinerja Keuangan Daerah
Source: SPSS Processing Results 24

From the table above, it can be seen that the Durbin-Watson value is 2.099. With a significance of 0.05, the number of data (n) = 60, and the number of independent variables (k) = 3, the dl value is 1.4797 and the du value is 1.6889. This means that the DW value is greater than the du limit (1.6889 < 2.099) and less than 4-du (4-1.6889 = 2.3111). So it can be concluded that there is no positive or negative autocorrelation or it can be concluded that there is no autocorrelation.

c. Multicollinearity Test

The multicollinearity test aims to test whether the regression model found a correlation between independent (independent) variables (Ghozali, 2016). This test will be carried out with the Variance Inflation Factory (VIF) and the tolerance value. If there is a correlation, then there is a multicollinearity problem. A good regression model should not have a correlation between the independent variables. If multicollinearity occurs, then one of the independent variables must be removed from the regression model. The results of the multicollinearity test in the SPSS output in table 4.13 are as follows:

<table>
<thead>
<tr>
<th>del</th>
<th>Collinearity Statistics</th>
<th>Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
<td>VIF</td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LN_Pajak_Restoran</td>
<td>.582</td>
<td>1.717</td>
</tr>
<tr>
<td>LN_Pajak_Hiburan</td>
<td>.616</td>
<td>1.625</td>
</tr>
<tr>
<td>LN_Pajak_Hotel</td>
<td>.507</td>
<td>1.971</td>
</tr>
</tbody>
</table>

Based on the results obtained from table, the restaurant tax tolerance value (X1) is 0.582 and the VIF value is 1.717. This shows that the variable X1 has fulfilled the conditions that have been applied, namely the tolerance value above 0.1 and the VIF value below 10, so it can be concluded that the variable X1 does not have a multicollinearity problem (Agoes & Trisnawati, 2016).

The entertainment tax tolerance value (X2) is 0.616 and the VIF value is 1.625. This shows that X2 has fulfilled the specified conditions, namely the tolerance value above 0.1 and the VIF value below 10, so it can be concluded that the variable X2 does not have a multicollinearity problem.

Furthermore, the hotel tax tolerance value (X3) is 0.507 and the VIF value is 1.971. This shows that X3 has fulfilled the specified conditions, namely the tolerance value above 0.1 and the VIF value below 10, so it can be concluded that the variable X2 does not have a multicollinearity problem. Because there is no multicollinearity in the three variables, the hypothesis testing can be continued (Patriati, 2010).
CONCLUSION

Based on the results of statistical and hypothesis testing as well as the discussion that has been carried out, the following conclusions can be drawn:

Effect of restaurant tax revenue on regional financial performance From the results of the explanation in the previous chapter, it can be concluded that restaurant tax has a significant positive effect on regional financial performance. It is known from the significance value of 0.007 which is smaller than 0.05, with a coefficient value of 0.538. Thus, H1 is accepted.

The influence of entertainment tax revenue on regional financial performance From the calculation results, the results of the t-test for entertainment tax show a significance value of 0.252 > 0.05, with a coefficient of -0.195. This means that entertainment tax revenue does not affect regional financial performance. Thus feeding H2 is rejected.

The influence of hotel tax revenue on regional financial performance Hotel Tax t test results show a significance value of 0.683 > 0.05, with a coefficient value of -0.075. This means that hotel taxes have no effect on regional financial performance. Thus eating H3 is rejected.

The influence of restaurant tax revenue, entertainment tax, and hotel tax on the financial performance of local governments in the city of Tangerang. The results of the F test of Restaurant Tax, Entertainment Tax, and Hotel Tax show a probability result of 0.039 < 0.05, with the F-statistic (2.976). This can be interpreted that the receipt of Restaurant Tax, Entertainment Tax, and Hotel Tax simultaneously (simultaneously) has a significant effect on Regional Government Financial Performance.

REFERENCES

Halim, Abdul and Theresia Damayanti. 2007. Pengelolaan Keuangan Daerah, Edisi 2, UPP STIM YKPN.
Indra, Bastian. 2006, Akuntansi Sektor Publik: Suatu Pengantar, Jakarta. Erlangga

https://journal.worldofpublication.com/index.php/jibmfs/
https://www.tangerangkota.bps.go.id