

The Influence of Hotel Tax, Entertainment Tax and Parking Tax toward Local Original Income in Bandung

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Abstract. This Research to find out the influence of Hotel Tax, Entertainment Tax and Parking Tax toward Local Original Income in Bandung (2011-2016). This research uses quantitative research method and descriptive research type. Using classical assumption test among them test correlation test, a coefficient of determination test, multiple linear regression test, and hypothesis test partially and simultaneously. Show that the test of F test $0,004 < 0,05$, which means there is influence between hotel tax, entertainment tax and parking tax toward Local Original Income.

1. Introduction

Tax is a compulsory obligation for the people of a country. Through this tax, local government can dig sources of local opinion that can be used to increase the original revenue. Tax sharing according to the tax collection authority is separated into two, namely the central tax and local taxes. Central government tax collected consists of income tax and value-added tax. The local taxes are paid by the local government itself. Regional Government is the implementation of government affairs by the Regional Government in accordance with the principle of autonomy and the principle of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia (Law Number 28 the Year 2009 on Regional Tax and Retribution). Local taxes are an important source of local income to finance local government expenditures. This could be a major buffer in financing regional development activities. Among the types of local tax revenues are hotel tax, restaurant tax, advertising tax, entertainment tax, street lighting tax, parking tax, groundwater taxes, land and property tax, wallet nest tax and land and/or buildings etc. All types of local taxes have great potential to contribute to local revenue. This revenue will be used for the regional development process so as to promote the economy of the community.

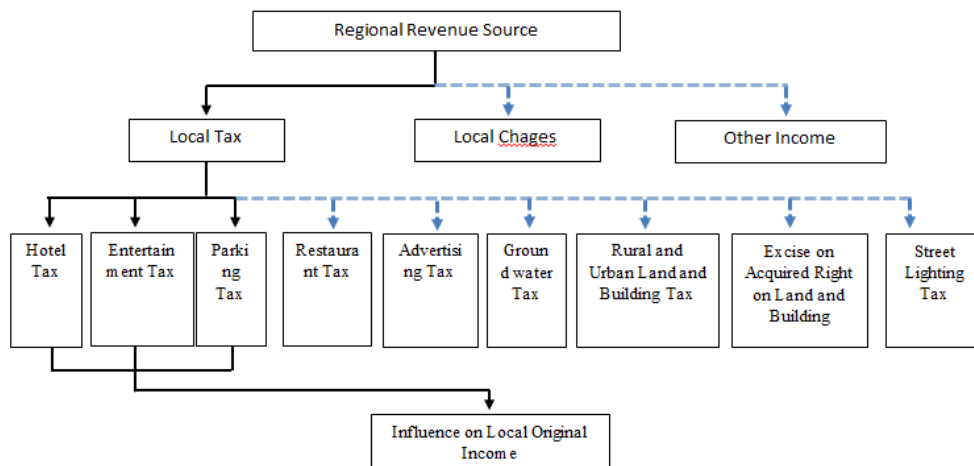
2. Theoretical Framework

Tax is a mandatory fee for taxpayers. The Taxpayer is an individual and an entity, including taxpayers, tax cutters, who have the right and obligation of taxation in accordance with the provisions of the laws and regulations of taxation of Law No.28 of 2009. "Taxes are dues to the (enforceable) state owned by those obliged to pay under general rules (law) by not obtaining a direct re-eligible achievement and whose use is to finance general expenses related to state duties which organized the government "[1] Local Original Income is regional income derived from local taxes, regional retributions, the results of separated regional government management, which aims to provide flexibility to regions in exploring funding in the implementation of regional autonomy as a manifestation of the principle of decentralization. As explained in the Law No.33 of 2004 on the Balance obtained by the regions levied according to the Regional Regulation in accordance with the laws and regulations. [2] "Local Original Income is revenue sourced and levied by the local government. The original source of indigenous people consists of local taxes, regional levies, profits from regionally owned enterprises, and other valid Local Original Income ".

According to Law No.28 Year, 2009 hotel tax is a tax on hotel services. The definition of the hotel is the facility of lodging/lodging service providers including other related services with free of

charge, which includes motels, guesthouses, tourism huts, tourist homes, guesthouses, lodging houses and the like, as well as boarding houses with more than 10 (ten) rooms. Local Regulations for local taxes are contained in Regional Regulation No. 27 of 2009. For Bandung according to Local Regulation no. 27 of 2009 Article 6 hotel tax rates are set at ten percent (10%). According to Law No.28 of 2009 entertainment tax is a tax on the administration of entertainment. Entertainment is all kinds of spectacle, performances, games, and/or crowds that are enjoyed with free of charge. Entertainment Tax rates are highest thirty-five percent (35%). Especially for Entertainment in the form of the fashion show, beauty contest, discotheque, karaoke, nightclub, game agility, massage parlor, and steam/spa bath, entertainment tax tariff can be set at most seventy-five percent (75%).

Special entertainment art folk / traditional charged entertainment tax rates set at the highest of 10 percent (10%). The entertainment tax rate is determined by local regulation. According to Law no. 28 The Year 2009 parking tax is a tax on the provision of off-street parking spaces, whether provided in connection with the principal business as well as provided as a business, including the provision of motorized daycare. Parking is a non-moving vehicle of a temporary nature. The parking tax rate is the highest thirty percent (30%). The tariff of parking tax is determined by local regulation.



Keterangan:

———— = Section Under Study

----- = Part Of Which Is Not Researched

Figure 1. Framework

Under Law No.28 of 2009, the sources of regional income are derived from regional tax, regional retributions, and other income. The original revenue of the region is a regional income derived from pure regional revenue sources. Local original revenue is used to finance the implementation of regional autonomy. Original revenue should be sought to always increase. Local governments are responsible for the implementation of development and fulfillment of services to the community in the region. In connection with the implementation and fulfillment of services to these communities, local taxes are expected to be a solution. In financing the implementation of regional autonomy, local governments can utilize several local sources of opinion such as regional taxes, regional levies, and other revenues.

Among local revenue sources, local taxes have a very important role to sustain local government revenue. Among the Regional Taxes, there are some local taxes that are the source of Local Original Income. Hotel tax, entertainment tax, and parking tax are part of local taxes which have the significant effect on Local Original Income. In this research will discuss the influence of hotel tax,

restaurant tax, advertising tax, parking tax to Local Original Income so as to help the local government of Bandung to know the importance of tax hotel, restaurant tax, entertainment tax, parking tax to government administration. Thus, in the hotel tax collection, restaurant tax, advertising tax, parking tax must be done well.

3. Methodology

This research uses a quantitative method using descriptive statistic and using classical assumption test consisting of a normality test, multicollinearity test, heteroscedasticity test and autocorrelation test to get the best result from data obtained. In addition, the test used is the correlation coefficient test, multiple linear regression test, the coefficient of determination test and hypothesis test partially and simultaneously.

4. Result and Discussion

Income Hotel tax Bandung city in 2011-2016 can be known through the target and its realization in the following table:

Table 1. Hotel Tax Target and Hotel Tax Realization In Bandung 2011-2016

Tahun	Hotel Tax Target	Hotel Tax Realization	(%)
2011	92.000.000.000	112.007.259.932	0
2012	131.000.000.000	142.732.317.105	27,43%
2013	148.000.000.000	177.490.303.830	24,35%
2014	202.850.000.000	204.674.481.155	15,32%
2015	260.000.000.000	215.285.361.236	5,18%
2016	260.000.000.000	274.809.381.603	27,65%

Source: PPID Bandung 2018

The realization of hotel tax minimum 2011 amounting to Rp.112.007.259.932. The realization of the hotel tax 2012 amounted to Rp.142.732.317.105 or an increase of 27.43% from the previous year. Realization hotel tax 013 amounted to Rp.177.490.303.830 or an increase of 24.35% from the previous year. Realization Hotel tax 2014 amounted to Rp.204.674.481.155 or an increase of 15.32% from the previous year. Realization hotel tax city 2015 amounted to Rp.215.285.361.236 or an increase of 5.18% from the previous year. Realization hotel tax maximum is the year 2016 amounted to Rp.274.809.381.603 or an increase of 27.65% from the previous year. The average realization hotel tax from 2011-2016 amounted to Rp.187.833.184.144.

Hotel tax Bandung City from 2011-2016 in its development continues to experience a significant increase. Researchers assume that this increase is influenced because the number of hotels in the city of Bandung in the period 2011-2016 experienced some increase, so that in the tax revenue also increased. The lowest achievement of hotel tax was obtained in 2011 amounting to Rp.112.007.259.932. Researchers assume the small achievement of tax hotel this year is influenced because the number of new hotel reached 289 points based on information obtained from the Central Bureau of Statistics of West Java Province in 2011.

While the highest hotel tax achievement obtained in 2016 amounted to Rp.274.809.381.603. In this case, researchers assume that the increase is obtained because of the national event Pekan Olahraga Nasional (PON) XIX and Pekan Paralimpiade Nasional (PEPARNAS) XV which was held in West Java Province. This national event affects the income of Bandung hotel tax which in this case was chosen as the place of the conductor of several sports.

4.1 Entertainment Tax

Reception Entertainment Tax Bandung in 2011-2016 can be known through the target and its realization in the following table:

Table 2. Entertainment Tax Target and Entertainment Tax Realization In Bandung 2011-2016

Tahun	Entertainment Tax Target	Entertainment Tax Realization	(%)
2011	28.000.000.000	31.223.414.896	0%
2012	33.000.000.000	34.553.186.144	10,66%
2013	35.500.000.000	37.767.188.531	9,30%
2014	45.000.000.000	40.980.498.102	8,51%
2015	60.000.000.000	50.449.101.884	23,11%
2016	68.000.000.000	69.831.106.484	38,42%

Source: PPID Bandung 2018

The realization entertainment tax minimum is in 2011 amounting to Rp.31.223.414.896. Realization entertainment tax 2012 amounted to Rp.34.553.186.144 or an increase of 10.66% from the previous year. Realization entertainment tax 2013 amounted to Rp.37.767.188.531 or an increase of 9.30% from the previous year. Realization entertainment tax in 2014 of Rp. 40,980,498,102 or an increase of 8.51% from the previous year. Realization of Hotel tax 2015 amounting to Rp. 50.449.101.884 or an increase of 23.11% from the previous year. Realization entertainment tax maximum is the year 2016 of Rp. 69.831.106.484 or an increase of 38.42% from the previous year. The average realization of Entertainment Tax Bandung from 2011-2016 amounted to Rp.187.833.184.144.

Entertainment tax Bandung city from 2011-2016 in its development continues to increase. The increase is influenced because the number of entertainment in the city of Bandung in the period 2011-2016 experienced some increase, so that in the acquisition of taxes also experienced an increase. The lowest achievement of entertainment tax was obtained in 2011 amounting to Rp.31.223.414.896. Researchers think the small achievement of entertainment tax this year is influenced because the number of entertainment venues in 2011 is not as much in the following years. While the highest entertainment tax achievement is obtained in the year 2016 of Rp. 69.831.106.484.

4.2 Parking Tax

Acceptance Parking Tax Bandung in 2011-2016 can be known through the target and its realization in the following table:

Table 3. Parking Tax Target and Parking Tax Realization In Bandung 2011-2016

Tahun	Parking Tax Target	Parking Tax Realization	(%)
2011	6.000.000.000	6.016.891.600	0%
2012	7.000.000.000	7.135.692.799	18,59%
2013	7.500.000.000	7.796.908.376	9,27%
2014	12.000.000.000	12.198.543.998	56,45%
2015	30.000.000.000	20.234.816.571	65,88%
2016	26.000.000.000	29.289.132.387	44,75%

Source: PPID Bandung 2018

Minimum parking tax realization Bandung is the year 2011 amounted to Rp. 6.016.891.600. Realization parking tax Bandung in 2012 amounted to Rp.7.135.692.799 or an increase of 18.59% from the previous year. Realization parking tax Bandung in 2013 amounted to Rp.7.796.908.376 or an increase of 9.27% from the previous year. Realization parking tax Bandung in 2014 amounted to Rp.12.198.543.998 or an increase of 56.45% from the previous year. Realization parking tax Bandung in 2015 amounted to Rp.20.234.816.571 or an increase of 65.88% from the previous year. Realization parking tax Bandung maximum is the year 2016 of Rp. 29,289,132,387 or an increase of 38.42% from

the previous year. The average realization of parking tax Bandung from 2011-2016 amounted to Rp.187.833.184.144.

Parking tax Bandung from 2011-2016 in its development continues to experience a significant increase. The increase in the number of parking is influenced by the number of hotels and entertainment venues in the city of Bandung. hotel and places of entertainment in question are those using parking gate facilities or paid parking that are levied on taxes. The lowest achievement of parking tax was obtained in 2011 amounting to Rp.6.016.891.600. The small achievement of parking tax in 2011 is affected because the number of parking gate facilities collected is not as much in the following years. While the highest parking tax achievement obtained in the year 2016 amounted to Rp.29.289.132.387.

4.3 Local Original Income

Local Original Income Reception of Bandung in 2011-2016 can be known through the target and its realization in the following table:

Table 4. Local Original Income Target and Local Original Income Realization in Bandung 2011-2016

Tahun	Local Original Income Target	Local Original Income Realization	(%)
2011	719.988.881.243	793.663.513.485	0%
2012	933.920.994.572	1.001.806.364.114	26,23%
2013	1.407.759.106.133	1.194.159.468.709	19,20%
2014	1.808.509.055.075	1.762.952.227.000	47,63%
2015	2.066.246.830.526	2.093.200.000.000	18,73%
2016	2.767.404.903.304	2.751.416.770.000	31,45%

Source: PPID Bandung 2018

Real Local Original Income Bandung minimum is in 2011 amounted to Rp.793.663.513.485. Realization Local Original Income Bandung in 2012 amounted to Rp. 1,001,806,364,114 or an increase of 26.23% from the previous year. Realization Local Original Income Bandung in 2013 amounted to Rp. 1,194,159,468,709 or an increase of 19.20% from the previous year. Realization Local Original Income in 2014 for Rp. 1,762,952,227,000 or an increase of 47.63% from the previous year. Realization Local Original Income Bandung in 2015 amounted to Rp. 2.093.200.000.000 or an increase of 18.73% from the previous year. Realization of Local Original Income of Bandung maximum is 2016 Rp. 2,751,416,770,000 or an increase of 31.45% from the previous year. The average realization of Local Original Income Bandung from 2011-2016 amounted to Rp. 1.599.533.057.218.

Local Original Income Bandung 2011-2016 in its development continues to experience a significant increase. This increase was influenced by local tax revenues in the city of Bandung in the period 2011-2016 continued to experience an increase, so that the acquisition of Local Original Income Bandung also experienced an increase. The lowest achievement Local Original Income Bandung was obtained in 2011 amounting to Rp. 793,663,513,485. The small achievement of Local Original Income this year is influenced by low local tax revenues, regional retribution and balance funds. Whereas the highest Local Original Income Bandung was obtained in 2016 of Rp. 2,751,416,770,000.

4.4 Hotel tax, Entertainment Tax and Parking Tax and Local Original Income

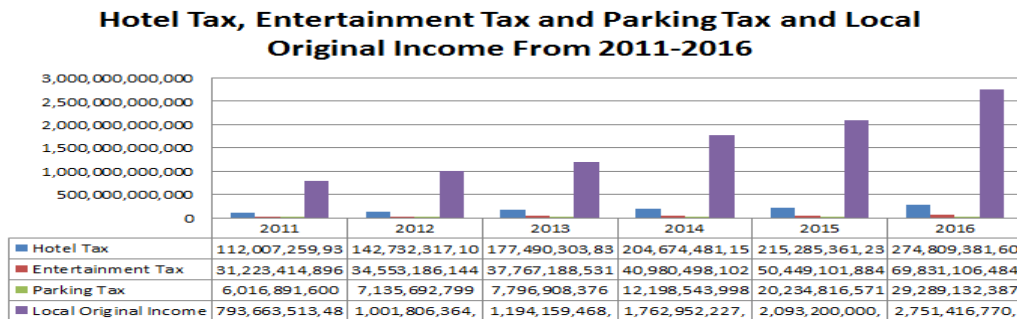


Figure 2. Local Original Income Realization

Based on the data shown can be seen from local tax revenues and from Local Original Income in 2011-2016 continues to increase every year. The increase in tax revenues from 2011-2016 is an effort of hard work of related departments in conducting a vigorous socialization as well as efforts in raising public awareness of taxes and taxpayer compliance every year. Test results classic assumption for normally distributed test, multicollinearity test is found in hotel tax only, heteroscedasticity test does not show clear pattern shape and for auto test correlation does not occur.

Hotel tax correlation test results of 0.977, entertainment tax of 0.963 while parking tax correlation test of 0.975 indicating a very strong relationship. Test the correlation simultaneously obtained a number of 0.999 which means the relationship is very strong. The result of multiple linear regression test $Y = 358.074 + 8.121 X_1 - 31.211 X_2 + 79.367 X_3$, if Local Original Income = 358.074, if there is an increase in hotel tax of 8,121 then Local Original Income increased by 366.195 units. If entertainment tax decreased by -31.211 then Local Original Income also decreased by 326,863 units. Meanwhile, if there is an increase in parking tax of 79,367 then Local Original Income increased by 437.441 units. The value of R Square is 0.997 or 99.7% while the remaining 0.3% is influenced by other factors outside the model.

Hotel tax has a significant effect on Local Original Income can be seen from the significance value of hotel tax of 0.029 which is < 0.05 and also the value of table $t < \text{value } t$ is $2.776 < 5.752$. From the analysis of data partially entertainment tax no significant effect on Local Original Income. This can be seen from the value of entertainment tax significant of $0.051 > 0.05$ and also the value of equation $t \text{ table} > \text{value } t$, that is $2.776 > -2.326$. While from result of partial data analysis obtained that parking tax no significant effect to Local Original Income can be seen from significance value of parking tax of $0.051 > 0,05$ and also table $t > \text{value } t$ that is $4,303 > 4,241$.

From the data analysis simultaneously hotel tax, entertainment tax, and parking tax have an effect on Local Original Income. This is based on the significant level of 0.004 which is < 0.05 and also the equation value $F > F \text{ table}$ $238,083 > 9,55$ which means there is influence between hotel tax, entertainment tax, and parking tax to Local Original Income.

5. Conclusion

The result of the research has been done, after going through the data collection stage, data processing, data analysis, and interpretation of the analysis result about the influence of hotel tax, entertainment tax and parking tax to Local Original Income, using normal distributed data, there is multicollinearity in hotel tax, there is no problem heteroscedasticity, and also free from autocorrelation, then the following conclusions are obtained. From the result of partial data analysis, it is found that hotel tax has significant effect to Local Original Income can be seen from the significant value of Hotel Tax of 0,029 which is $< 0,05$ and also table $t < \text{value } t$ $2,776 < 5,752$. From the results of partial data analysis of entertainment tax information obtained that entertainment tax has no effect on Local Original Income.

This can be seen from the value of entertainment tax significant of $0.051 > 0.05$ and also the value of equation table $t >$ value t , that is $2.776 > -2.326$. While from result of partial data analysis obtained that Parking Tax no significant effect to Local Original Income can be seen from significant value of parking tax of 0.051 which is $> 0,05$ and also table table $t >$ value t that is $4,303 > 4,241$. From the data analysis simultaneously hotel tax, entertainment tax, and parking tax have an effect on Local Original Income. It is based on a significance level of 0.004 which is < 0.05 and also the equation table $F >$ value F , $238,083 > 9,55$.

6. Acknowledgments

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7. Biographies

Reza Kurniawan was born in Bandung who is a lecturer at Universitas Nurtanio Bandung in Accounting Studies Program Faculty of Economics, has conducted several studies published at international conferences published in international conferences. The competencies are in accounting and financial management.