



Optimization of Restaurant Tax Revenue in The Era of Covid-19 at The Regional Revenue Agency of Serang Regency

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Abstract:

This study aims to analyze the optimization of restaurant tax collection, especially during the Covid-19 Pandemic, describe the inhibiting factors for collecting restaurant taxes, and find out what efforts are made by the Serang Regency Regional Revenue Agency in optimizing restaurant tax revenues. The method used in this research is descriptive with an inductive approach and data collection techniques using observation, interviews, and documentation. The results of this study are the realization of the Restaurant Tax in Serang Regency is still not optimal, especially in 2020 and 2021, it has not yet reached the target, and it is even said to be very far from reaching the target. The Covid-19 pandemic limits human activities which has an impact on the decline in the economy in Indonesia. Restaurants are one of the things that have been affected by Covid-19. The enactment of the PSBB has caused restaurants to experience a decrease in visitors and even restaurants have gone out of business. This has an impact on the decline in restaurant turnover so that the amount of tax paid also decreases.



Introduction

The covid-19 pandemic is currently engulfing the world, including Indonesia. The phenomenon of the covid-19 pandemic has brought many changes to the country, such as social, economic, and community behaviour changes (Sumarni, 2020). Huge impact, especially in the economic field. The economic is one of the important concerns for Indonesian people and government, from MSMEs to large companies affected by this pandemic. Many new policies have been issued by the government to face in this pandemic. One of them is the implementation of Restrictions on Community Activities in Indonesia (PPKM). This policy is a regulation issued by the Ministry of Health in minimizing and tackling the spread of the covid-19 virus.

The effect of this policy is that the economy has stalled due to reduced community economic activity due to PPKM. One example that is disadvantaged in this case is the tourism sector. Tourist attractions, hotels, and restaurants were forced to stop their operations due to a lack of visitors as a result of PPKM and the absence of tourists both from within and outside the country. This current phenomenon requires people to stay at home and not engage in outdoor activities. However, the restaurants in Serang Regency continue to open their business and serve takeaway food, which is one of the efforts to continue to meet their daily needs (Nurbaity, 2021).

The largest source of revenue for Serang Regency's Original Local Government Revenue (PAD) comes from local taxes, which are a source of financing for government administration and regional development to improve people's welfare. The ability of local taxes owned by each region is one indicator of the government's readiness to carry out regional autonomy (Sinaga, 2022). According to Pertiwi & Purwanti (2014), Serang Regency is a regency in Banten Province whose local government is trying to increase its regional income from year to year. It shows that Serang Regency is a strategic area to invest and open a business that can be a source of income in Serang Regency. The trade and tourism sector is a potential sector in Serang Regency. One of tax whose potential is growing along with the increase in the recreational or tourism business is the restaurant tax. So, it is hoped that the contribution made can spur economic development in Serang Regency. The higher the revenue received by the region, the higher the opportunity to build the economy, which will ultimately improve the welfare of the community.

Restaurant taxes have good prospects for local revenue because with the current developments in the tourism sector, the tourism sector is increasing and well-organized. Therefore, the community also sees this as a business opportunity to establish a restaurant in the tourism area so that the taxes paid by the restaurant owner become a large enough source of regional revenue. Based on data from Regional Revenue Agency at the Serang Regency in 2022, the list of restaurant taxpayers in the Serang Regency area that should be able to become a potential source of restaurant tax revenue is catering/catering services (33 taxpayers), cafe (9 taxpayers), food house (88 taxpayers), and restaurant (50 taxpayers). The following table shows the percentage of Serang Regency Regional Tax in 2017 to 2021:

Table 1. Local Taxes in Serang District

Type of Tax	Percentage of Target to Realization (%)				
	2017	2018	2019	2020	2021
Hotel Tax	100,35	101,40	100,88	101,38	74,07
Restaurant Tax	104,28	101,36	103,99	88,41	50,43
Entertainment Tax	105,75	113,88	100,03	62,94	36,68
Advertisement Tax	106,46	102,71	102,67	101,14	112,45
Street Lighting Tax	105,12	114,77	101,05	100,18	101,52
Non-Metal and Rock Mineral Tax	94,84	115,07	111,50	57,23	27,01
Parking Tax	126,96	104,09	103,36	100,34	92,51
Underground Water Tax	103,71	102,66	93,51	104,45	104,21
Land and Building Tax	100,40	102,66	100,85	109,65	107,93
BPHTB	150,77	117,02	93,72	73,09	115,28
Other Revenue	120,80	144,74	310,53	146,28	1,58

Source: Regional Revenue Agency in Serang Regency

Table 1 shows that from 2020 to 2021 when cases of the COVID-19 pandemic increased, there were three types of tax items that decreased by 50%, namely restaurant taxes, entertainment taxes, and taxes on non-metallic minerals and rocks. This research sees that Serang Regency has very good potential in the tourism sector. This is evidenced by the number of hotels located in Serang Regency, which in their business require a restaurant as one of the business opportunities for running the hotel business. One of the restaurant tax problems lies in setting the realization target and the collection that has been set is not following restaurant tax receipts by the Serang Regency Regional Revenue Agency. Restaurant tax needs to be optimized in terms of revenue for the Regional Government of Serang Regency because from 2017 to 2021, local tax revenue data there is a tendency that restaurant tax will decrease.

It is known that the realization of income derived from restaurant tax receipts, especially in 2020 and 2021, decreased dramatically due to the Covid-19 pandemic, which became an obstacle to restaurant tax receipts. It makes the local government require new policies to maximize revenue from the restaurant tax sector. Local governments must have the ability to increase regional revenues on an ongoing basis through managing and exploring existing potentials, so that the revenues received by local governments, especially restaurant taxes, will be more effective from year to year.

Optimization of restaurant tax collection needs to do to improve the ability of regional finance. Therefore, it is necessary to intensify and extend the objects and subjects of the collection. In the short term, intensifying existing objects or restaurants is the easiest activity and can be done immediately. Furthermore, tax extensification can also be carried out through local government policies to explore and record potential local taxes to increase future income (Azman & Farida, 2013). This study aims to determine the optimization of restaurant tax revenues at the Regional Revenue Agency of Serang Regency, the factors that

hinder restaurant tax receipts in Serang Regency, and the efforts of the local government in overcoming restaurant tax revenue barriers during the Covid-19 pandemic in Serang Regency.

Research Method

This research uses a qualitative approach to obtain an overview of the optimization of restaurant tax collection in Serang Regency. Qualitative research is research that aims to understand the phenomena experienced by research subjects. For example, behavior, perception, motivation, actions, and so on, holistically in a way descriptive in a special context that is natural without there is human intervention and by utilizing optimally as the usual scientific method used (Sidiq & Choiri, 2019). Data collection in this research is by doing documentation, observation and interviews.

Result and Discussion

Restaurant tax is one of the sub-sectors of regional taxes that need to be managed properly so that it can support economic growth and can increase the Regional Original Income of Serang Regency. There are many tax objects in Serang Regency, but awareness of the importance of paying taxes is still lacking. Therefore, the local government of Serang Regency is actively trying to increase and explore sources from regional revenue, especially those from taxes and levies in the area. The following is restaurant tax receipts from 2017 to 2021:

Tabel 2. Restaurant Tax Receipt (Rp)

Year	Budget	Realization	Percentage of Realization
2017	7.570.000.000	7.894.135.815	104,28%
2018	8.532.000.000	8.651.754.682	101,36%
2019	8.000.000.000	8.319.420.174	103,99%
2020	7.000.000.000	6.188.802.887	88,41%
2021	17.000.000.000	8.572.960.787	50,43%

Source: Regional Revenue Agency in Serang Regency

Based on table.2, in 2017-2019 the percentage of the target for realization is above 100%, meaning that the target set by the Regional Revenue Agency has been well realized. In 2019, when the Covid-19 first appeared, restaurant tax revenues reached a percentage of 103.99%, which means that it was optimal because, in 2019, the covid-19 pandemic occurred at the end of the year, so restaurant tax revenues were still stable.

In 2020 when the peak of the Covid-19 pandemic occurred, the Indonesian government imposed Large-Scale Social Restrictions (PSBB) and Work From Home (WFH). The impact of PSBB resulted in a decrease in restaurant visitors and the impact of WFH, namely the lack of human resources in the implementation of restaurant tax collection which resulted in tax collection being less than optimal and it can be seen from the percentage of the target to realize that it was at 88.41%, which means it is still not optimal. In 2021 the COVID-19

pandemic has begun to decrease, but sometimes PSBB is applied from time to time. The situation and condition of the COVID-19, which had improved considerably from the previous year, made the Serang district government set a restaurant tax target of IDR 17 billion. However, in practice, the percentage of the target for the realization in 2021 has decreased drastically and the percentage is 50.43%, which means it is still not optimal.

Restaurant Tax has a very good potential for optimizing regional revenue, because, with the development of the times, the tourism sector is now increasing and is well organized, so the taxes paid by the restaurant manager become a source of revenue for the region which is quite large. Based on the results of the meeting held at the Regional Revenue Agency of Serang Regency, the capacity of restaurant tax revenue is calculated so that it can be compared every year so that if it experiences a decline, problems and solutions can be sought. It aims to increase local tax revenue in Serang Regency.

Based on interviews conducted at the Regional Revenue Agency (BAPENDA) of Serang Regency regarding restaurant tax receipts during the COVID-19 pandemic, several factors affect the realization of Serang Regency's regional tax revenues. The first is the Covid-19 pandemic which resulted in the implementation of Large-Scale Social Restrictions (PSBB) in various countries and even some regions in Indonesia which affected the economy of the community, especially in Serang Regency where many stopped restaurant operations due to lack of visitors. Second, taxpayers (WP) prefer to delay paying taxes to meet their daily needs. This is an obstacle to carrying out the obligation to pay taxes, especially Restaurant Tax. Third, the lack of knowledge of Taxpayers (WP) regarding the imposition of fines for late payment of taxes, where taxpayers think that the number of late fees must be paid, resulting in taxpayers being reluctant to pay the following month if they are late in paying taxes. Tax knowledge is closely related to taxpayer compliance. Taxpayers are said to have good tax knowledge if they are not confused and able to apply the applicable system (payment, calculation, and reporting) (Machfuzhoh & Puspanita, 2021).

The efforts made by the Regional Revenue Agency of Serang Regency are as follows:

1. The Clarity and Certainty of Tax Regulations

Clarity and Certainty of Tax Regulations Formally, taxes must be collected based on the law to achieve justice in tax collection. However, the existence of laws is not enough. The law must be clear, simple, and easy to understand, both by the tax authorities and by taxpayers. The emergence of conflicts regarding interpretation or transparency regarding tax collection will result in delays in paying the tax itself. Of course, in the collection of Regional Taxes, a Regional Regulation is needed which is used as the legal basis for the implementation of tax collection. As with Serang Regency, the local government makes regulations regarding local tax collection, namely Serang Regent Regulation Number 32 of 2020 concerning the Collection of Hotel Taxes, Restaurant Taxes, and Entertainment Taxes. During the current Covid-19 pandemic, the Serang Regency government-issued Serang Regent Regulation Number 14 of 2021 concerning the Provision of Elimination of Regional Tax Administration Sanctions in the Context of Handling Economic Impacts Due to Non-Natural Disasters Spreading Corona Virus Disease 2019 in Serang Regency in 2021.

2. Expanding Revenue Base

Actions taken to expand the revenue base in economic calculations are considered potential, including identifying new/potential tax payments and the total amount of tax payments, improving the object database, improving valuations, and calculating the revenue capacity of each type of levy. The Regional Revenue Agency of Serang Regency also calculates the capacity of restaurant tax revenues so that it can be compared every year so that if it decreases, a solution can be found which aims to increase the Regional Original Income of Serang Regency.

3. Improve Service

The Covid-19 pandemic has not prevented the Serang Regency Regional Revenue Agency from providing good service. Even though the Work From Home policy was enforced, Serang Regency Regional Revenue Agency employees were able to handle it and provide good service. The services provided by restaurant tax collectors in Serang Regency are not only in terms of collection. Tax collectors in Serang Regency also monitor and help guide the new policy, namely the abolition of administrative sanctions for restaurant taxes. The abolition of tax administrative sanctions during the pandemic has greatly helped the community in Serang Regency, this is reinforced by the Serang Regent Regulation Number 14 of 2021 concerning the Provision of Elimination of Regional Tax Administration Sanctions in the Context of Handling Economic Impacts Due to Non-Natural Disasters Spreading Corona Virus Disease 2019 in Serang Regency 2021.

4. Ease of Access to Tax Administration for Taxpayers

The amount of restaurant tax revenue obtained through tax collection is also influenced by how the tax collection is carried out. This can be done by increasing coordination with relevant agencies in the regions. The Regional Tax and Retribution Management Agency has collaborated with the Tax Service Office and with Banks, Minimarkets, and Post Offices in Serang Regency. This is done so that the tax payment process, tax registration, and everything related to tax services become more effective and efficient in terms of time and cost and do not make it difficult for taxpayers to make tax payments. In addition, the development of online tax payments is to deal with changing circumstances now where the Covid-19 pandemic requires the public to minimize interactions. The purpose of this innovation is to make it easier for taxpayers when it comes to tax services to provide benefits for the Regional Revenue Agency because with this, there will be an increase in new taxpayers in Serang Regency.

Based on the description above, it can be concluded that the efforts made by the Serang Regency Regional Revenue Agency in overcoming the obstacles to restaurant tax receipts during the COVID-19 pandemic are making policies based on the regent's regulations. This policy is carried out by eliminating administrative sanctions in the context of handling the economic impact due of the COVID-19 pandemic, expanding the potential revenue base, and improving services in facilitating administrative access for taxpayers.

Conclusion

Restaurant tax revenue in 2017-2019 was quite optimal, but in 2020-2021 it decreased by 50% due to the covid-19 pandemic, which became an obstacle to restaurant tax receipts. The inhibiting factors for restaurant tax receipts during the COVID-19 pandemic were the enactment of the PSBB, which resulted in restaurants being empty of visitors and taxpayers reluctant to carry out the obligation to pay restaurant taxes. Efforts made by the Regional Revenue Agency of the Serang Regency in overcoming obstacles to restaurant tax receipts during the COVID-19 pandemic are that the regional government makes policies by the regent's regulations. The policy is the abolition of administrative sanctions in the context of handling the economic impact due to the COVID-19 pandemic, expanding the potential revenue base, and improving services in facilitating administrative access for taxpayers.

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