Restaurant Tax Collection and Contribution Mechanism to Regional Original Income in Cilegon City

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Abstract:
Cilegon City is a city in Banten Province. Cilegon City has a fairly high level of economy in the management of industry, trade, and other management. The Regional Financial and Asset Management Agency (BPKAD) of Cilegon City stipulates various types of taxes and one of the taxes that provides a fairly high revenue is the restaurant tax. The increasing number of restaurants in Cilegon City can be used as potential in an effort to increase regional revenues from restaurant taxes. Although the number of restaurant taxpayers continues to increase every year, there are still taxpayers who are in arrears on their taxes so that they get a warning letter as a form of sanction, while the number of taxpayers who receive a warning letter is 235 restaurant taxpayers. The purpose of this study was to find out how the mechanism for collecting restaurant taxes at the Regional Financial and Asset Processing Agency (BPKAD) of Cilegon City and to determine the contribution of restaurant taxes to Cilegon City's Original Regional Revenue. The mechanism for collecting restaurant taxes at the Regional Financial and Asset Management Agency of Cilegon City has been carried out with a self-assessment system in accordance with Mayor Regulation Number 50 of 2011 concerning Collection of Restaurant Taxes. The percentage of the contribution obtained falls into the small criteria but is sufficient to provide a small contribution to Cilegon City's Original Regional Revenue (PAD). The small contribution is due to several influencing factors, such as entrepreneurs or restaurant owners closing their businesses due to the COVID-19 pandemic, lack of public awareness,

Introduction

Regional Original Income (PAD)is the income obtained by a region from sources that exist within the area, which is collected based on regional regulations in accordance with applicable laws and regulations. One source of PAD that is expected to make a significant contribution to the region in advancing regional government and development is to collect regional taxes and regional levies in accordance with Law Number 28 of 2009 concerning Regional Taxes and Regional Taxes.

When trying to explore the potential for local tax revenues, it turns out that there are still many regions that are not adequate in estimating the potential for local tax revenues. Regional tax revenue targets are often set based on the results of the previous year, without distinguishing the type of tax object, certainty of possibility, and accuracy of the previous year's target value, and reflecting the actual situation. . In many cases, local governments increase their local tax revenue targets constantly compared to the previous year, so the realization rate can be higher than the target. Big realization may be due to low sales target setting.

There are several types of local taxes, one of which is a hotel tax and a restaurant tax. Restaurant tax is a form of local tax, and its potential is increasing as more attention is paid to the supporting elements: the service sector, development and tourism in policies to promote regional development. Regional development has a fundamental active role in its implementation by the government, the private sector, and community groups to improve the welfare of the local community by continuously analyzing the situation and implementing what is developing. Therefore, wider, more authentic, developed, and accountable regional autonomy means that regions have better control over their own budgets.(Candrasari & Ngumar, 2016).

Cilegon City is a city in Banten Province. Cilegon City has a fairly high level of economy in the management of industry, trade, and other management. The Regional Financial and Asset Management Agency (BPKAD) of Cilegon City stipulates various types of taxes and one of the taxes that provides a fairly high revenue is the restaurant tax. Restaurant tax in Cilegon City has the potential to continue to increase along with the development of development and culinary tourism destinations. It is proven that in the last 5 years the number of restaurants in Cilegon City has increased. In addition, restaurant taxes contribute to increasing Regional Original Income (PAD) as evidenced by the achievement of the restaurant tax realization target from 2017 to 2021.

Table 1 .Target and Realization of Restaurant Tax in Cilegon City in 2017-2021

Year	Target (Rp)	Realization (Rp)	%
2017	15,000,000,000	18,263,612,105	121.76
2018	19,150,000,000	23,883,033,469	124.72
2019	24,876,000,000	32,119,241,400	129.12
2020	20,000,000,000	21,725,555,744	108.63
2021	24,000,000,000	26,321,364,000	109.67

Source: DPKAD Cilegon City in 2022

From table 1 it can be seen how large the effectiveness of Cilegon City restaurant tax collection in 2017-2021 is unstable in the sense of fluctuations. There was an increase in the percentage of effectiveness from 2017 to 2019 and from 2019 to 2020 there was a decrease in the percentage of effectiveness but the realization always exceeded the target, therefore the effectiveness of Cilegon City restaurant tax collection in 2017-2021 has very effective criteria.

Although the target and realization of the restaurant tax in Cilegon City have been met, there are still taxpayers who still do not fulfill their obligations in paying tax debts. Based on data from the Regional Financial and Asset Management Agency of Cilegon City, the recapitulation of the number of restaurant taxpayers who are active as restaurant taxpayers is

Table 2. Number of Restaurant Taxpayers in Cilegon City in 2017-2021

Year	Taxpayer
2017	123
2018	266
2019	410
2020	582
2021	757

Source: DPKAD Cilegon City in 2022

Based on table 2 above, the number of restaurant taxpayers has increased every year in 2017 as many as 123 taxpayers and in 2021 the number has increased to 757 restaurant taxpayers. The increasing number of restaurants in Cilegon City can be used as potential in an effort to increase regional revenues from restaurant taxes. Although the number of restaurant taxpayers continues to increase every year, there are still taxpayers who are in arrears on their taxes so that they get a warning letter as a form of sanction, while the number of taxpayers who receive a warning letter is 235 restaurant taxpayers.

Along with the rapid development of sophistication of technology and information, it motivates the Directorate General of Taxes to carry out digitalization in tax services for all taxpayers, especially individuals. The government program innovation in the tax sector facilitates taxpayers to be able to make online tax payments, taxpayers who have businesses with digital

systems. The problem that occurs in the Cilegon City BPKAD is that there are still taxpayers who do not know and do not understand the change in the tax collection system which originally used a manual system to an online system, namely using the E-SPTPD system. In addition, the lack of public understanding of the restaurant tax collection system will have an impact on the Regional Financial and Asset Management Agency such as the emergence of fines payable and judgment receivables will appear. This is due to the lack of socialization from the Cilegon City BPKAD in providing understanding and information about the mechanism for collecting restaurant taxes.

Lack of socialization from the DGT regarding the application to the public, resulting in the minimal level of understanding of taxpayers regarding e-SPTPD. The mindset that considers the use of the e-SPTPD system is more difficult in reporting the Annual SPT, in fact e-SPTPD is easier to use and more time efficient for individual taxpayers in their tax reporting(Avianto et al., 2016)

Understanding the existence of timely tax payments every year is a form of awareness of obedient and obedient taxpayers in supporting the progress of the country. Although not all individual taxpayers fully understand taxation, the government provides compensation for individual taxpayers who have carried out their tax obligations. Besides that, the government also stipulates Taxation Regulations to be easily understood by the whole community, in fact the people completely ignore these regulations. DGT has also carried out socialization, where the socialization of tax regulations is carried out massively in classrooms, and in open spaces. However, due to limited time and space, DGT was unable to carry out the socialization as a whole to the entire community.(Solichah et al., 2019)

Factors that hinder the effectiveness of restaurant tax revenues in Baubau City are Internal Factors Lack of monitoring or data collection by field officers on taxpayers or tax objects in Baubau City, Lack of supervision over the application of restaurant tax rates, and External factors lack of awareness taxpayers, there is no awareness of taxpayers in complying with regional regulations or provisions that have been set, and the Baubau City Financial, Asset and Regional Revenue Management Agency has not been firm in giving sanctions(Mahyudin et al., 2021).

Research on the efficiency and effectiveness of local taxes on local revenue has been carried out byJulastiana & Suartana, (2012)andEnggar et al., (2011)they researched in different places, namely Klungkung (Bali) and Jambi. They have just researched the efficiency and effectiveness of local taxes and local levies on local revenue. However, there is a limitation in this study, namely that the study only calculated the effectiveness of regional taxes and regional levies globally, which were not calculated in more detail. Therefore, the authors conducted this study with the aim of perfecting previous research, namely by calculating the effectiveness of local taxes, namely restaurant taxes in more detail.

The purpose of this study was to find out how the mechanism for collecting restaurant taxes at the Regional Financial and Asset Processing Agency (BPKAD) of Cilegon City and to determine the contribution of restaurant taxes to Cilegon City's Original Revenue.

Based on the description above, the authors are interested in conducting further research with the title of the mechanism for collecting restaurant taxes in Cilegon City and the contribution of restaurant taxes to Regional Original Income (PAD) in the Regional Financial and Asset Management Agency of Cilegon City "

Research methods

In compiling the writing of the final project method, the method that will be used is descriptive method. Descriptive method is a problem formulation related to the question of the existence of independent variables, either only on one or more variables (stand-alone variables or the variables themselves) and look for relationships with other variables.(Sugiyono, 2019).

The types and sources of data used in this paper are secondary data, which are sources of data obtained by reading, studying and understanding through other media sourced from literature, books, and agency documents. Sources of data are generally evidence, records, or historical reports arranged in archives such as the Cilegon City Restaurant Tax Revenue Realization Table. The data obtained are general in nature, such as the profile of the Regional Financial and Asset Management Agency of Cilegon City, including the vision and mission, the organizational structure of the office by explaining the function of each organizational structure.

Result and Discussion

1. Restaurant Tax Collection Mechanism in Cilegon City

The restaurant tax collection mechanism that exists at the Regional Financial and Asset Management Agency (BPKAD) of Cilegon City has implemented a self-assessment system, the self-assessment system is a system where taxpayers calculate and deposit their own taxes through a bank that has been determined to the Cilegon City treasury. In this system, the government only plays a role in overseeing whether taxpayers are obedient or not.

The description of the Cilegon City restaurant tax collection mechanism is as follows:

1) Taxpayer Registration and Data Collection

Taxpayers come to the Cilegon City BPKAD office with the specified requirements, then the officer prepares registration and data collection forms, then gives them to taxpayers.

2) Taxpayer Confirmation

Based on the form that has been recorded by the tax officer into the Taxpayer's Master Book, the Cilegon City Regional Financial and Asset Management Agency issues a Taxable Entrepreneur Confirmation Letter and NPWPD. After being confirmed as a restaurant taxpayer, the officer will provide a USER ID and PASSWORD to access the E-SPTPD

3) Electronic Issuance of Regional Tax Return (E-SPTPD)

Furthermore, Taxpayers who already have NPWPD at the beginning of each Tax Period are required to make sales reports and fill out E-SPTPD through the page //http:e-

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sptpd.cilegon.go.id clearly, completely and correctly. Taxpayers follow the flow or stages in the E-SPTPD online application until they get a payment code or billing id. Generally, this E-SPTPD is submitted by the Taxpayer to the Regional Financial and Asset Management Agency of Cilegon City no later than 15 (fifteen) days after the end of the Tax Period. The delay in filling out the E-SPTPD after being reprimanded will be subject to administrative sanctions in the form of interest of 2% (two percent) a month calculated from the amount of tax that is underpaid or late. If the obligation to submit the E-SPTPD is not fulfilled, tax payable is imposed on an exemplary basis plus an administrative sanction in the form of an increase of 25% (twenty five percent) of the tax principal and an administrative sanction in the form of an interest of 2% (two percent) a month. E-SPTPD is filled in based on the total turnover/income for 1 (one) calendar month during the tax period of that month.

4) Restaurant Tax Payment

Depositing Restaurant Tax can be done by the Taxpayer through the bank that has been determined by bringing the billing id or payment code. Tax payments must be all at once or in full. But with the approval of the local government, payments can be made in installments. The proceeds from the tax payment must be deposited into the regional treasury no later than 1 x 24 hours.

Based on the results of the author's observations in the field, there are several problems that occur at the Cilegon City BPKAD, namely there are still taxpayers who do not know and do not understand the change in the tax collection system which originally used a manual system to an online system, namely using the E-SPTPD system. This problem occurs because restaurant taxpayers need time to understand the current E-SPTPD system, then not all restaurant taxpayers have facilities in carrying out their obligations through the E-SPTPD system.

2. Restaurant Tax Contribution to Cilegon City's Original Regional Revenue (PAD)

Restaurant tax realization revenue is a measure of achievement in the collection and contribution of restaurant taxes. The higher the number of restaurant tax contributions to PAD. To find out the contribution of restaurant tax to PAD in Cilegon City, the author performs an analysis of the contribution of restaurant tax to local revenue:

Table 3 Contribution of Restaurant Tax to Regional Original Income (PAD) Cilegon City

Year	Realization (Rp)	Realization of PAD (Rp)	%	Contribution Criteria
2017	18,263,612,105	567,453,107,619	3.21%	Small
2018	23,883,033,469	578,335,346,296	4.12%	
2019	32,119,241,400	634,781,996,732	5.05%	
2020	21,725,555,744	717,400,455,564	3.02%	
2021	26,321,364,000	630,935,131,545	4.17%	

Source: DPKAD Cilegon City in 2022

Based on the percentage of restaurant tax contributions to PAD at BPKAD Cilegon City for five consecutive years, it can be seen that the percentage obtained based on the criteria can be concluded to be small but sufficient to provide a small contribution to Cilegon City's Original Regional Revenue (PAD).

From the results of analysis and field observations that have been carried out by the author at the Regional Financial and Asset Management Agency (BPKAD) of Cilegon City, the author summarizes several factors that make the restaurant tax contribution to PAD relatively small, namely as follows:

1. Entrepreneurs or restaurant owners close their business because of the unfavorable economic situation and condition of their business, in a business we may be faced with a condition where the profit we get is not as big as the routine costs that must be paid, besides that in 2020 the Covid pandemic will occur. -19 which caused many restaurant businesses to close and economic conditions to decline.
2. There is still a lack of public awareness or taxpayers' obligations to pay taxes.
3. The tax awareness socialization carried out by the Cilegon City BPKAD has not been optimal, due to the lack of awareness of taxpayers in paying taxes besides that there are still taxpayers who have medium to small scale restaurants who still do not know how to pay the restaurant tax.
4. The supervisory system is minimal by Cilegon City BPKAD employees because it is inconsistent to go directly to the field to monitor restaurant tax objects and the turnover obtained by restaurant managers and establish good coordination between taxpayers and tax collectors.

There are still many things that must be done by the Cilegon City government in order to increase Cilegon City's Original Regional Revenue. Awareness in paying taxes will greatly assist the local government through the Cilegon City Financial and Asset Management Agency (BPKAD) in realizing the restaurant tax target as set out in the Cilegon City APBD. In addition to the awareness of taxpayers, the Regional Financial and Asset Management Agency (BPKAD) of Cilegon City must conduct field supervision on restaurants that are collected or subject to restaurant taxes.

Conclusion

Based on the description above, the following conclusions are the mechanism for collecting restaurant taxes at the Regional Financial and Asset Management Agency of Cilegon City has been carried out with a self-assessment system in accordance with Mayor Regulation Number 50 of 2011 concerning Collection of Restaurant Taxes. Restaurant taxpayers report turnover via E-SPTPD, if the taxpayer has received a payment code or billing id, the taxpayer pays the restaurant tax through the specified bank. The percentage of the contribution obtained falls into the small criteria but is sufficient to provide a small contribution to Cilegon City's Original Regional Revenue (PAD). The small contribution is due to several influencing factors, such as

entrepreneurs or restaurant owners closing their businesses due to the COVID-19 pandemic, lack of public awareness, not yet optimal socialization of tax awareness by the Cilegon City BPKAD and minimal supervision system by Cilegon City BPKAD employees.

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