



Research Paper

Effectiveness, Efficiency, and Contribution of Tax Revenues to Regional Original Income And Strategies in Increasing Regional Original Income in North Toraja Regency

Andriani Padang, Musran Munizu, Amanus Khalifah Fil' ardy Yunus

- 1) Faculty of Economics and Business, Hasanuddin University
- 2) Department of Management, Faculty of Economics and Business, Hasanuddin University
- 3) Department of Economics, Faculty of Economics and Business, Hasanuddin University

ABSTRACT: This study aims to determine the effectiveness, efficiency, contribution, and strategy of increasing tax revenue to increase the Regional Original Income (PAD) of North Toraja Regency. Data were analyzed using descriptive analysis with tools for calculating effectiveness, efficiency and contribution, as well as SWOT strategy analysis ((Strengths, Weaknesses, Opportunities, and Threats). The results of the study show that: 1) The effectiveness of tax revenue on the Regional Original Revenue (PAD) of North Toraja Regency is carried out quite effectively in a fluctuating manner with a declining trend ratio; 2) The efficiency of tax revenue on the Regional Original Revenue (PAD) of North Toraja Regency is carried out very efficiently; 3) The contribution of tax revenue to North Toraja Regency's Original Regional Revenue (PAD) is quite good, but from the total PAD tax revenue the most contributing is the tax on non-metallic minerals and rocks; and 4) The strategy of increasing tax revenue on North Toraja Regency's Original Regional Revenue (PAD) by increasing the human resources of taxpayers and tax officials, using: a) SO (Strength-Opportunities) Strategy, namely optimizing the Regional Tax Intensification and Extensification Program, conducting Collecting data effectively, and building cooperation with the community in the collection of Regional Taxes. b) WO strategy (taking advantage of opportunities) namely the existence of a Tax Supervisory Team in the sub-Regency, increasing human resources for taxpayers and local tax officials, and increasing administrative efficiency and reducing collection costs, c) ST strategy (to overcome threats) namely increasing community participation, improve supervision and evaluation of taxpayers, and make clear regional regulations with legal force, and d) WT strategy (minimize errors and avoid threats from the external environment) namely good coordination between officials, increase socialization, conduct training, and online tax application.

KEYWORDS: Effectiveness, Efficiency, Contribution, Strategy, Local Revenue

Received 27 September, 2021; Revised: 08 October, 2021; Accepted 10 October, 2021 © The author(s) 2021. Published with open access at www.questjournals.org

I. INTRODUCTION

One of the efforts to increase PAD is to increase the effectiveness of collecting taxes and levies by optimizing existing potential and continuing to explore new sources of income with good potential, so that taxes and levies can be collected. However, if an area has less potential resources, then the autonomy policy in that area will be less profitable (Norregard, 2013). Calculation of effectiveness, efficiency, contribution and analysis of strategies related to local tax collection can assist local governments in measuring the success of local tax collection. One of the supporting local revenue is local tax. Regional taxes, hereinafter referred to as taxes, are mandatory contributions to regions owed by individuals or entities that are coercive under the law, without receiving direct compensation and are used for regional purposes for the greatest prosperity of the people. The targets and realization of the North Toraja Regency Regional Tax for 2011-2020 are in the table below:

Table 1.1 Target and Realization of Regional Tax Revenue of North Toraja Regency Year 2011-2020

Year	Regional Taxes		%
	Target	Realization	
2011	Rp 12.714.888.450,00	Rp 14.591.747.810,85	114,76
2012	Rp 18.088.401.950,00	Rp 16.437.523.831,20	90,87
2013	Rp 20.331.609.250,00	Rp 19.824.778.307,00	97,50
2014	Rp25.345.877.930,00	Rp32.113.888.542,00	126,70
2015	Rp39.203.596.900,00	Rp33.808.406.730,00	86,23
2016	Rp44.045.099.325,00	Rp34.896.616.655,00	79,22
2017	Rp66.508.803.000,00	Rp44.165.976.209,00	66,40
2018	Rp58.220.028.100,00	Rp41.975.878.751,00	72,09
2019	Rp56.220.028.000,00	Rp51.867.651.798,00	92,25
2020	Rp77.433.903.735,00	Rp55.672.229.593,00	71,89

The realization of local taxes in 2011 and 2014 has increased with an effective achievement which is above 90%. Whereas in 2017 to 2018 and 2020 it decreased with achievements in 2017 which were less effective, namely 66.40% and in 2018 and 2020 were quite effective, namely 72.09% and 71.89%. By looking at the table above, it can be concluded that the picture of the PAD of North Toraja Regency has experienced a very significant decline in the last 2 years. This can reduce regional income for development in all sectors, which results in the economic growth of North Toraja Regency. Based on the description of the background that has been described, the researchers are interested in conducting research with the title "Effectiveness, Contribution Efficiency, and Tax Revenue Strategies on Regional Original Income (PAD) in North Toraja Regency"

II. THEORETICAL AND LITERATURE REVIEW

2.1. Regional Original Income (PAD)

Based on Law Number 33 of 2004 concerning the Financial Balance between the Center and the Regions Article 1 point 18, that regional original income, also known as PAD, is income obtained by a region which is collected based on regional regulations in accordance with statutory regulations. Financial sources originating from Regional Original Income (PAD) in the implementation of regional autonomy are more important than sources outside of regional original income, because regional original income can be used in accordance with regional initiatives and initiatives while the form of government grants (non PAD) is more bound.

2.2. Tax

Tax is a mandatory public contribution that has been determined by law, and for this payment the people do not directly receive reciprocal services, where the contribution is used for financing or spending on State households.

2.3. Effectiveness, Efficiency, Contribution, and Strategy of Regional Taxes

2.3.1. Effectiveness of Regional Tax

Effectiveness is a certain activity/process that must be carried out as a form/effort to achieve predetermined goals. The objectives as referred to in this study are the goals of the agencies in the Lamongan Regency government, then the process of achieving these goals is the success of the implementation of programs or activities in accordance with the authorities, main tasks and functions of the agency.

2.3.2. Efficiency of Regional Tax

Efficiency is related to the relationship between the output in the form of goods or services produced and the resources used to produce the output (Mahmudi, 2011). Efficiency in taxes, can be interpreted as what the government looks like in managing tax revenues so that it can be used efficiently in making wise expenditures and accompanied by tax revenues that continue to increase and are on target.

2.3.3. Contribution of Regional Tax

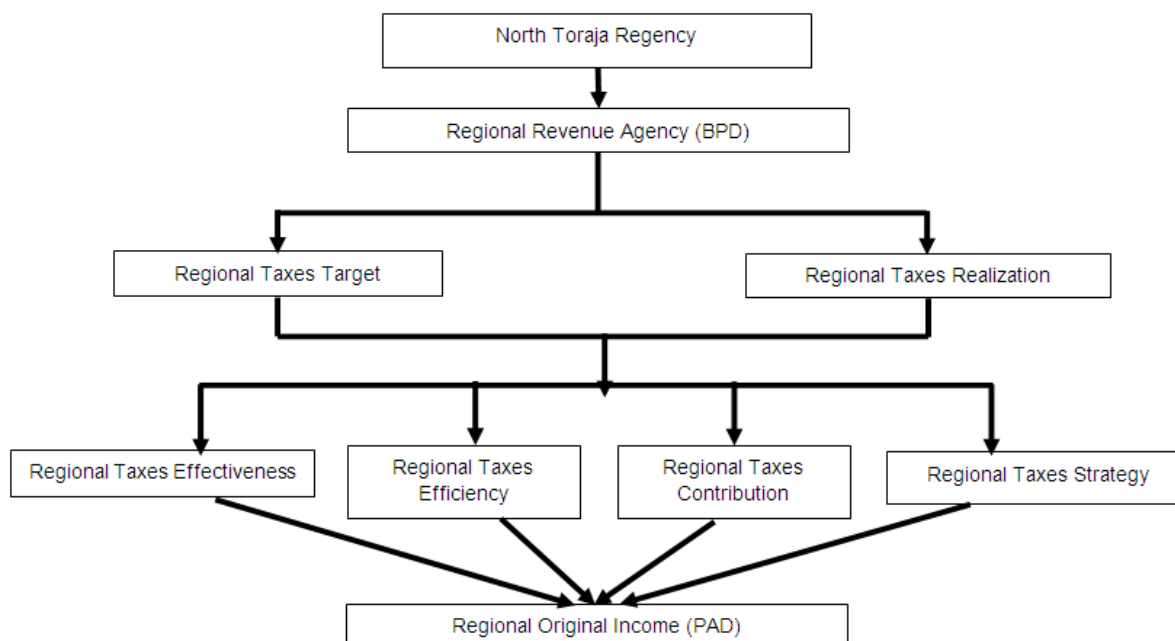
Contribution is a way to measure or find out how much contribution is given by regional taxes, especially Land and Building Taxes to the realization of Regional Original Revenues.

2.3.4. Strategy of Regional Tax

The purpose of this strategy is to increase local taxes in order to obtain maximum revenue in the form of regional income (Mardiasmo, 2000:51).

III. CONCEPTUAL FRAMEWORK

3.1. Conceptual Framework



Hypothesis

1. The effectiveness of tax revenue on North Toraja Regency's Original Regional Revenue (PAD) in the 2011-2020 period is quite effective.
2. The efficiency of tax revenue on North Toraja Regency's Original Regional Revenue (PAD) in the 2011-2020 period was carried out very efficiently.
3. The contribution of tax revenue to North Toraja Regency's Original Regional Revenue (PAD) in the 2011-2020 period was carried out quite well.
4. The strategy to increase tax revenue for North Toraja Regency's Original Regional Revenue (PAD) in the 2011-2020 period is by increasing the human resources of taxpayers and tax officials, and looking for new tax objects.

IV. RESEARCH METHOD

4.1. Research Design

The method used by the researcher is a quantitative descriptive method. This study tries to explain the existing problems by using numbers to show the research results. Researchers will try to find out the effectiveness, efficiency, contribution, and strategy of tax revenue to increase PAD in North Toraja Regency.

4.2. Research Time and Location

This research was conducted at the Regional Financial and Asset Management Agency (BPKAD) of North Toraja Regency. This research was conducted for six months from March to September 2021.

4.3. Population and Sample

1. Population

The population in this research consist of Regional Financial and Asset Management Agency (BPKAD) of North Toraja Regency and Tax Actors in North Toraja Regency.

2. Sample

There are 10 samples (people) in this research, those are: 1) Five people from the Regional Financial and Asset Management Agency (BPKAD) of North Toraja Regency, and 2) Five people from tax actors in North Toraja Regency are taxpayers who have been randomly selected.

4.4. Data Types and Source

1. Data Types

The types of data used in this study are qualitative data and quantitative data. Qualitative data are generally in the form of variations in perceptions from respondents or customers. Quantitative data, is in the form of absolute

numbers or numbers that can be collected and read relatively easily. By looking at the number of each number a researcher can make a perception.

2. Data Source

Sources of data used in this study are primary and secondary data. Primary data is data that is directly obtained from the original source. The primary data referred to in this study are data obtained directly from informants through interviews and observations of researchers as well as documents published by the object of research. Secondary data is data obtained and recorded by other parties. Secondary data is intended to deepen understanding of the problems studied. The secondary data referred to in this study are in the form of laws and regulations and data obtained from documents issued by the North Toraja Regency government.

4.5. Data Gathering Method

1. Field Research

Field research is a research method to describe and describe conditions and phenomena that are clearer about the situation that occurs. In collecting data, the methods used by researchers are interviews, observation and documentation. The interview guide used by the researcher is only in the form of general themes or an outline of the main issues to be asked.

2. Library Research

Library Research is a research method carried out by reading literature books in order to obtain, collect data and assess more accurate data to assist authors in developing discussion topics related to the author's chosen title.

4.6. Variable Operational Definition

1. Effectiveness

Effectiveness is a measure of the success or failure of an organization in achieving its goals.

2. Efficiency

Efficiency is calculating the allocation of tax income used to cover the related tax collection costs.

3. Contribution

Contribution is a contribution given by a system of taxes and levies that are used to implement sustainable governance and development.

4. Strategy

Strategy is a comprehensive plan formulation of how a company will try to achieve its mission and goals by maximizing competitive advantage and minimizing competitive limitations.

5. Regional Original Income (PAD)

Regional Original Revenue (PAD) is the realization of income obtained by the Regional Government of North Toraja Regency which is sourced from Regional Taxes, Regional Levies, Separated Regional Assets Management Results, and Other Legitimate Regional Original Income (PAD). Regional Original Revenue (PAD) is measured based on the amount of Regional Original Revenue (PAD) that can be realized in the realization report of the North Toraja Regency Regional Revenue and Expenditure Budget.

6. Regional Tax

Regional Tax is a mandatory contribution to the Region that is owed by an individual or entity that is coercive in nature based on the Law, without receiving direct compensation and is used for the purposes of the Region for the greatest prosperity of the people.

7. Regional Tax Effectiveness

The effectiveness of local taxes shows the ability of local governments to collect local taxes in accordance with the targeted amount of local tax revenues.

8. Regional Tax Efficiency

Regional Tax Efficiency relates to the amount of collection costs with the realization of local tax revenues.

4.7. Data Analysis Method

This research uses descriptive analysis method. Descriptive analysis is research conducted to provide an overview of a symptom or phenomenon. In addition, descriptive research is research that seeks to describe current problem solving based on data, presenting data, analyzing data and interpreting it.

4.7.1. Regional Tax Effectiveness Analysis

The analysis used is the calculation of effectiveness analysis. This analytical tool is useful to determine the level of effectiveness of local taxes on PAD. The effectiveness analysis can be formulated by Alviana (2016) as follows:

$$Effectiveness = \frac{Regional\ Tax\ Revenue\ Realization}{Regional\ Tax\ Revenue\ Target} \times 100\%$$

The measurement of the effectiveness value is measured on an ordinal scale according to the Ministry of Home Affairs in Alviana (2016) is as follows.

Percentage	Criteria
< 100%	Very Effective
90-100%	Effective
80-90%	Adequately Effective
60-80%	Less Effective
Less than 60%	Not Effective

4.7.2. Regional Tax Efficiency Analysis

In addition to the effectiveness analysis, an efficiency calculation analysis will also be used in order to determine the amount of PAD collection costs used. The formula for the analysis of regional tax efficiency according to Elfayang (2014) is as follows:

$$Efficiency = \frac{Local\ Tax\ Collection\ Fee}{Regional\ Tax\ Revenue\ Realization} \times 100\%$$

The measurement of the efficiency value is measured on an ordinal scale according to the Ministry of Home Affairs in Elfayang (2014) is as follows:

Percentage	Criteria
0-20%	Very Efficient
21-40%	Efficient
41-60%	Adequately Efficient
61-80%	Not Efficient
> 80%	Very Not Efficient

4.7.3. Regional Original Income Contribution Analysis

This calculation is used to find out how big the contribution of local taxes to PAD according to Alviana (2016) is with the following formula:

$$Contribution = \frac{\Sigma Regional\ Tax\ Revenue\ Realization}{\Sigma Regional\ Original\ Income\ Realization} \times 100\%$$

The measurement of contribution value is measured on an ordinal scale according to the Ministry of Home Affairs in Alviana (2016) as follows.

Percentage	Criteria
0,00-10%	Very Less
10,10-20%	Less
20,10-30%	Normal
30,10-40%	Adequately Good
40,10-50%	Good
above 50%	Very Good

4.7.4. Regional Tax Increase Strategy Analysis

In the analysis of strategies for increasing PAD revenue, one method that is often used is SWOT analysis, which is a strategic planning method to measure strengths, weaknesses, opportunities, and threats in knowing the PAD revenue strategy. SWOT analysis is applied by analyzing and categorizing various things that affect the four factors and then these are applied in the form of a SWOT matrix.

V. RESEARCH RESULT

5.1. Data Description

The data used to analyze the effectiveness, efficiency, contribution and strategy of local tax revenue to North Toraja Regency's Original Revenue is data obtained from the Regional Financial and Asset Management Agency (BPKAD) of North Toraja Regency from 2011-2020.

Table 5.1 Target and Realization of Regional Tax Revenue (Rp)

Year	Regional Tax Revenue Target	Regional Tax Revenue Realization
2011	3.626.719.000	3.964.225.312
2012	4.543.500.000	4.441.615.195
2013	6.409.925.500	6.589.276.945
2014	8.911.827.775	8.718.949.610
2015	10.540.390.225	10.300.489.724,98
2016	12.289.685.375	11.040.040.061
2017	19.443.593.000	16.208.700.402,38
2018	21.034.818.100	18.403.534.804,74
2019	23.139.049.100	19.572.426.271
2020	25.549.021.000	19.004.505.370

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

Table 5.2 Local Tax Collection Fee (Rp)

Year	Local Tax Collection Fee
2011	338.560.500
2012	338.560.500
2013	268.000.000
2014	340.885.900
2015	303.264.000
2016	258.622.800
2017	201.333.330
2018	605.117.764
2019	531.460.226
2020	571.986.500

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

Table 5.3 Realization of Regional Original Income (Rp)

Year	Realization of Regional Original Income
2011	14.591.747.810,85
2012	16.437.523.831,20
2013	19.824.778.307,37
2014	32.113.888.542,94
2015	33.808.406.730,57
2016	34.896.616.655,55
2017	44.165.976.209,12
2018	41.975.878.751,30
2019	51.867.651.798,99
2020	55.672.229.593,93

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

5.2. Data Analysis

5.2.1. Effectiveness of Tax Revenue on Regional Original Income (PAD) of North Toraja Regency

Year	Pajak Daerah		Effectiveness Ratio	Criteria
	Target	Realization		
2011	3.626.719.000	3.964.225.312	109,30	Very Effective
2012	4.543.500.000	4.441.615.195	97,75	Effective
2013	6.409.925.500	6.589.276.945	102,79	Very Effective
2014	8.911.827.775	8.718.949.610	97,83	Effective
2015	10.540.390.225	10.300.489.724,98	97,72	Effective
2016	12.289.685.375	11.040.040.061,60	89,83 %	Adequately Effective
2017	19.443.593.000	16.208.700.402,38	83,36 %	Adequately Effective
2018	21.034.818.100	18.403.534.804,74	87,49 %	Adequately Effective
2019	23.139.049.100	19.572.426.271	84,58 %	Adequately Effective
2020	25.549.021.000	19.004.505.370	73,38 %	Less Effective

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

5.2.2. Efficiency of Tax Revenue on Regional Original Income (PAD) of North Toraja Regency

Year	Local Tax Collection Fee	Regional Tax Revenue Realization	Contribution Ratio	Category
2011	338.560.500	3.964.225.312	8,54 %	Very Efficient
2012	338.560.500	4.441.615.195	7,62 %	Very Efficient
2013	268.000.000	6.589.276.945	4,06 %	Very Efficient
2014	340.885.900	8.718.949.610	3,90 %	Very Efficient
2015	303.264.000	10.300.489.724,98	2,94%	Very Efficient
2016	258.622.800	11.040.040.061	2,34 %	Very Efficient
2017	201.333.330	16.208.700.402,38	1,24 %	Very Efficient

2018	605.117.764	18.403.534.804,74	3,28 %	Very Efficient
2019	531.460.226	19.572.426.271	2,71 %	Very Efficient
2020	571.986.500	19.004.505.370	3,09 %	Very Efficient

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

5.2.3. Tax Revenue Contribution towards Regional Original Income (PAD) of North Toraja Regency

Year	Regional Tax Revenue Realization	Regional Original Income Realization	Contribution Ratio	Category
2011	3.964.225.312	14.591.747.810,85	27,16 %	Normal
2012	4.441.615.195	16.437.523.831,20	27,02 %	Normal
2013	6.589.276.945	19.824.778.307,37	33,23 %	Good Enough
2014	8.718.949.610	32.113.888.542,94	27,15 %	Normal
2015	10.300.489.724,98	33.808.406.730,57	30,46 %	Good Enough
2016	11.040.040.061	34.896.616.655,55	31,63 %	Good Enough
2017	16.208.700.402,38	44.165.976.209,12	36,69 %	Good Enough
2018	18.403.534.804,74	41.975.878.751,30	43,84 %	Good
2019	19.572.426.271	51.867.651.798,99	37,73 %	Good Enough
2020	19.004.505.370	55.672.229.593,93	34,13 %	Good Enough

Source: Regional Financial and Asset Management Agency (BPKAD) North Toraja Regency

5.2.4. Strategi Peningkatan Penerimaan Pajak terhadap Pendapatan Asli Daerah (PAD) Kabupaten Toraja Utara

Internal External	Strength	Weakness
	1. Tax Verification 2. Regional Regulation 3. Transfer of Central Tax to Local Tax	1. Extension Units 2. Human Resources 3. Tax Service Information System Network
Opportunity	Strategi S-O	Strategi W-O
1. Large population 2. Economic growth 3. Tax Potential 4. Regional Authority	1. Optimizing the Local Tax Intensification and Extensification Program 2. Perform data collection effectively 3. Building cooperation with the community in the collection of Regional Taxes	1. The existence of a tax advisory team in the Regency 2. Improving Human Resources of Taxpayers and Local Tax Apparatus 3. Improve Administrative Efficiency and reduce collection costs
Threat	Strategi S-T	Strategi W-T
1. Lack of implementation of counseling or socialization 2. Weak IT knowledge 3. Weak Law Enforcement 4. Ineffective Tax Amount	1. Increasing Community Participation 2. Improving supervision and evaluation of taxpayers 3. Making local regulations that are clear and have legal force	1. Good coordination between officials 2. Increase socialization 3. Conducting training 4. Online Tax Application

5.2.4.1. Strength Analysis

1. Tax Verification

Kinerja dari kegiatan ini adalah verifikasi kegiatan lapang dengan proses pengawasan atau monitoring untuk menghindari hal-hal yang tidak sesuai dengan aturan yang berlaku. Verification of tax object data can be carried out by:

- a. Data collection is by matching the object and tax subject data with the conditions in the field
 - b. Matching the classification of tax objects with the actual Sales Value of Tax Objects (NJOP) in the field
 - c. Data entry to be used as the implementation of activities
 - d. Reporting to the Head of Section.
2. Regional Regulations

This Regional Tax Law provides an opportunity for local governments to collect 11 types of taxes (Closed List) with the aim of giving greater authority to regions in the field of taxation, for government administration and services to the community, and is also expected to provide certainty for the business world regarding the types of local levies as well as strengthening the legal basis for local tax collection.

3. Transfer of Central Tax to Local Tax

Improving the accountability of the implementation of regional autonomy provides new opportunities for regions to impose new levies (adding types of regional taxes and regional levies), giving greater authority in taxation by expanding the regional tax base, giving authority to regions in determining regional tax rates, and delegating functions. taxes as an instrument of budgeting and regulation in the regions.

5.2.4.2. Weakness Analysis

1. Extension Units

Cooperation between local governments is still low, especially in the provision of services and counseling in remote areas, borders between regions, and areas with high levels of urbanization and economic growth.

2. Human Resources

The level of public awareness in paying taxes is still relatively low. This can be proven from the fact that there are still many taxpayers who avoid or delay paying taxes and the realization of local tax revenue targets is not achieved.

3. Tax Service Information System Network

The science and technology intermediation mechanism is not yet optimal, which bridges the interaction between the capacity of science and technology providers and the needs of users. This problem can be seen from the unorganized science and technology infrastructure, including institutions that process and translate the results of science and technology development into technological prescriptions that are ready to be used in the tax system.

5.2.4.3. Opportunity Analysis

1. Large population

It is expected that there will be an increase in the number of taxpayers in North Toraja Regency to carry out control over the targets, targets and realization. With proper and accurate data collection it will be easier.

2. Economic Growth

The types of local taxes collected by the Regional Government of North Toraja Regency experience ups and downs in accordance with applicable laws and regulations. In accordance with efforts to encourage regional economic growth, the Regional Government of North Toraja Regency has added various types of local tax levies that can have a positive impact on the regional economy.

3. Tax Potential

One of the elements in improving regional financial management is exploring the potential of the region to carry out general government, service to the community and regional development. Regional taxes in North Toraja Regency have the potential as regional revenues that can support regional financing.

4. Regional Authority

The autonomy policy regulated in Law Number 32 of 2004 is basically the authority of the autonomous region to regulate and manage the interests of the local community according to its own initiative based on the aspirations of the community in accordance with the laws and regulations. This can provide opportunities for local governments to increase regional independence.

5.2.4.4. Threat Analysis

1. Lack of implementation of counseling or socialization

The government continues to provide guidance to taxpayers to anticipate the development of irregularities in the implementation of regional regulations in the field and anticipate a tendency to decrease PAD.

2. Weak IT knowledge

So far, the use of Information Technology in the form of a website is still less than optimal. With the use of the web, it is hoped that it can provide information to the public about local taxes, as well as the utilization of these local tax funds for development in Jember Regency.

3. Weak Law Enforcement

The enforcement of tax law is carried out in the form of imposing sanctions on violators of tax law to protect the interests of the State to obtain financing from the tax sector considering that tax law does not protect the interests of taxpayers but even protects the source of state income which is focused on fulfilling the taxpayer's obligations to pay off taxes owed.

4. Ineffective Tax Amount

Economically, the cost of collection and the cost of fulfilling tax obligations for taxpayers is expected to be minimal, as well as the burden borne by taxpayers. Changes in local tax legislation have in regions collecting ineffective taxes so that tax collection becomes a very large burden

VI. DISCUSSION

6.1. Regional Tax Revenue Effectiveness

The results showed that North Toraja Regency's local tax revenue from 2011-2020 was carried out in a fluctuating manner (a downward trend), which was implemented very effectively in 2011 and 2013 with a ratio of above one hundred percent, effectively implemented in 2014 and 2015 with a ratio of 90-90 percent. 100%, implemented quite effectively dominantly from 2016 to 2019 with a ratio of 80-90%, and implemented less effectively in 2020 with a ratio below 80%. This is because in 2020 the world experienced a national disaster of

the covid-19 virus so as to maximize the lack of awareness and discipline of taxpayers in reporting their tax obligations, the declining economy caused by covid-19 also led to low tax revenues and a lack of socialization to the public regarding taxation. Of the nine regional taxes that the North Toraja Regency Government collects, namely Hotel Tax, Restaurant Tax, Entertainment Tax, Advertising Tax, Street Lighting Tax, Class C Extraction Tax, Underground Water Tax, Land and Building Rights Acquisition Tax (BPHTB) as well as the Land and Building Tax for the P2 sector, the Street Lighting Tax and the Land and Building Tax for the P2 sector are the great potential for regional tax revenue for North Toraja Regency from 2011 to 2020.

Based on the results of interviews with five respondents from the BPKAD of North Toraja Regency and the taxpayer community of North Toraja Regency, that the Street Lighting Tax and Land and Building Tax in the P2 sector represent a large potential for regional tax revenue in North Toraja Regency from 2011 to 2020 because of the road lighting. is one of the supporting factors for society in achieving a more advanced life. Street lighting is said to be supporting because without street lighting the community will find it difficult to carry out their daily activities. The subject of the Street Lighting Tax is an individual or entity that can use electricity. The basis for the imposition of the Street Lighting Tax is the Selling Value of Electricity. What is obtained from the total bill of charge or fixed charges plus the cost of kwh/variable usage that is billed in the electricity account in the event that the electricity is self-generated, the selling value of electricity is calculated based on the available capacity, level of electricity usage, period of electricity usage, and the unit price of electricity. applicable in North Toraja Regency.

This is in line with the research of Zakia Mufliha and Selvi (2018) which shows that the level of effectiveness of the Rural and Urban Land and Building Tax in 2015-2018 is quite effective, and is in line with the research of Felia Lintong, Harijanto Sabijono and Meily Y. B Kalalo (2018) which shows that the effectiveness of land and building income taxation in villages and cities of South Minahasa Regency is 88.12% (quite effective).

6.2. Regional Tax Revenue Efficiency

The results showed that from an efficient point of view, local tax revenue in North Toraja Regency from 2011-2020 was very efficient. From the indicators used as an efficient assessment of local tax revenues, the efficient level of local taxes obtained is zero percent or in other words less than ten percent, which means it is very efficient. Based on the results of interviews with five respondents from the BPKAD of North Toraja Regency and the taxpayer community of North Toraja Regency that local tax revenues in North Toraja Regency from 2011-2020 have been very efficient because revenues from the nine regional taxes in North Toraja Regency are subject to fees. low tax collection. The less costs incurred to collect taxes, the more efficient tax revenue.

This is in line with the research conducted by Vincentia Putri Kusumastuti (2010) with the results showing that the efficiency of Regional Original Revenue in the Special Region of Yogyakarta for 5 years is classified as very efficient from 2004-2008.

6.3. Regional Tax Revenue Contribution

The results showed that the contribution of local taxes to local revenue for ten consecutive years from 2011-2020 in North Toraja Regency showed moderate, fairly good and good results. The category contribution was occurring in 2011, in 2012, and in 2014 with a ratio of 20.10-30%. The contribution of the fairly good category dominated in 2013, 2015, 2016, 2017, 2019, and 2020 with a ratio of 30.10-40%. And good contributions occurred in 2018 with a ratio of 40.10-50%. Based on the results of interviews with five respondents from the BPKAD of North Toraja Regency and the taxpayer community of North Toraja Regency, that the level of regional tax contributions obtained is quite good due to the realization of revenues from the nine regional taxes in North Toraja Regency and the realization of PAD receipts in the Regency of North Toraja. North Toraja is quite large than the target, the highest amount of PAD tax revenue that contributes is the tax on non-metallic minerals and rocks, while the restaurant tax is a fairly low contribution. The greater the realization of local tax revenues and the realization of PAD revenues, the contribution of tax revenues is quite good.

This is in line with research conducted by Taufik Wibisono and Yani Sri Mulyani (2019) whose research results show that the contribution of land and building taxes to local revenue is in a fairly good category in other words that the level of land and building tax contributions is at 35 ,43%. The results obtained are very influential because the income from PBB to PAD exceeds the target.

6.4. Strategy to Increase Regional Tax Revenue

The results showed that the strategy of increasing tax revenue on Regional Original Income (PAD) of North Toraja Regency with a SWOT strategy using the SO (Strength-Opportunities) strategy includes Optimizing the Regional Tax Intensification and Extensification Program, Performing Data Collection effectively, and Building cooperation with the community in local tax collection.

This is in line with research conducted by Uly Suliswati (2013) which shows the results of research that the improvement of human resources is developed by SWOT analysis, namely by increasing the human resources of taxpayers and tax officials.

VII. CONCLUSION

7.1. Conclusion

1. The effectiveness of tax revenue on the Regional Original Revenue (PAD) of North Toraja Regency is carried out quite effectively in a fluctuating manner with a declining trend ratio.
2. The efficiency of tax revenue on North Toraja Regency's Original Regional Revenue (PAD) is carried out very efficiently.
3. The contribution of tax revenue to North Toraja Regency's Original Regional Revenue (PAD) is quite good, but from the total PAD tax revenue the most contributing is the tax on non-metallic minerals and rocks.
4. The strategy of increasing tax revenue on North Toraja Regency's Original Regional Revenue (PAD) by increasing the human resources of taxpayers and tax officials, using:
 - a. The S-O (Strength-Opportunities) strategy is optimizing the Regional Tax Intensification and Extensification Program, conducting effective data collection, and building cooperation with the community in collecting regional taxes.
 - b. The W-O strategy (taking advantage of opportunities) is the existence of a Tax Supervisory Team in the sub-Regency, increasing the human resources of taxpayers and local tax officials, and increasing administrative efficiency and reducing collection costs.
 - c. The S-T strategy (to overcome the threat) is to increase public participation, increase supervision and evaluation of taxpayers, and make clear regional regulations with legal force.
 - d. The W-T strategy (minimizing errors and avoiding threats from the external environment) is good coordination between officials, increasing socialization, conducting training, and applying online taxes.

7.2. Suggestion

1. To increase the PAD of North Toraja Regency for the next period, the North Toraja Regency Government must take policies in the implementation of the APBD that can increase, explore potential and increase PAD sources, such as the Development of Public Infrastructure and Tourism in North Toraja Regency.
2. For the Regional Financial and Asset Management Agency (BPKAD) of North Toraja Regency, it is better to determine the target of local tax revenue and PAD using the entire potential of North Toraja Regency, not only using the budget in the previous year, so as to maximize the potential in the field.
3. It is necessary to develop an online system in the implementation of local tax deposits, so that all types of local taxes can make payments online.
4. For further researchers should expand the scope of research and not only see in terms of effectiveness, efficiency, contribution and local tax revenue strategies.

REFERENCES

- [1]. Abadi, Alma Arif. 2018. *Analysis of the Effectiveness, Efficiency, and Contribution of Regional Taxes on Regional Original Income in Sidenreng Rappang Regency*. Department of Accounting, Faculty of Economics and Business, Hasanuddin University Makassar.
- [2]. Adelina, Rima. 2017. *Analysis of the Effectiveness and Contribution of Land and Building Tax Revenue (PBB) to Regional Income in Gresik Regency*. Surabaya State University.
- [3]. Al Firdaus, Bachrul Ulum., Utomo, Supri Wahyudi., dan Marwani, Juli. 2018. *Effectiveness and Contribution of Land and Building Tax Receipts to Increase Madiun City's Original Regional Revenue*. The 14th FIPA Accounting Education Scientific Forum Accounting Education Study Program-Fkip University PGRI Madiun.
- [4]. Alviana, Natsir. 2016. *Analysis of the Effectiveness and Contribution of Regional Taxes to the Regional Original Revenue of Maros Regency*. Makassar: Faculty of Economics and Business, Hasanuddin University.
- [5]. Damayanti, Ni Putu Dian. 2014, *Analysis of the Effectiveness and Contribution of TAX Revenue (PBB) to Denpasar City PAD*, Journal of Economics and Business, Vol 7 No.09.
- [6]. Devas, Nick, dkk. 1987. *Local Government Finance in Indonesia*. Jakarta: University of Indonesia (UI-Press).
- [7]. Dwihandoko, Toto Heru. 2020. *The Effectiveness of Land and Building Tax Revenue on Increasing Lamongan Regency's Original Regional Revenue (Case Study at the Lamongan Regency Government Office for the 2014-2018 Period)*. Majapahit Islamic University.
- [8]. Elfayang, Puspitasari. 2014. *Analysis of the Effectiveness, Efficiency, and Contribution of Regional Taxes and Levies to PAD in Blora Regency*. Semarang: Faculty of Economics and Business, Diponegoro University.
- [9]. Fajar, C. M. (2013). *The Effect of Tax Audit Implementation on Corporate Taxpayer Compliance Based on Tax Audit Perceptions and Taxpayers*. Journal of Economics, Management and Business (Ecodomica, 1 no 3. Retrieved from <https://ejournal.bsi.ac.id/ejurnal/index.php/ecodemica>.
- [10]. Febrianti, Ryska dan Supatmoko, Djoko. 2016. *Analysis of the Effectiveness of Rural and Urban Land and Building Tax Revenue (PBB-P2) on Increasing Regional Original Revenue (PAD) in Lumajang Regency*. Student Scientific Articles. Department of Accounting, Faculty of Economics and Business, University of Jember (UNEJ).
- [11]. Ferdiansyah, Fery, Delamat, Harun dan Aryanto. 2018. *Analysis of the Effectiveness of Regional Tax Revenue, Regional Levies and Their Contribution to Increasing Regional Original Income (Study on the Regional Tax Management Agency of Palembang City 2012-2016)*. Undergraduate thesis, Sriwijaya University.

- [12]. Fitriani, A. P., Handayan, S. R., & Z.A. Z. (2015). *The Effectiveness of Hotel Taxes as a Source of Regional Tax Revenue (Study at the Kediri City Regional Revenue Service)*. Journal of Business Administration S1 Universitas Brawijaya, 21(2), 1–6.
- [13]. Grisorio, M.J. & Prota, F., 2015. *The Short And The Long Run Relationship Between Fiscal Decentralization and Public Expenditure Composition In Italy*. Economics Letters, 130, pp.113-16.
- [14]. Gondor, M. & Ozpence, O., 2014. *An Empirical Study On Fiscal Policy In Crises Time: Evidence From Romania And Turkey*. Procedia Economics and Finance , 15, pp.975 - 984.
- [15]. Hunger D. J dan Wheelen T. L. 2003. *Strategy Management*. Yogyakarta: ANDI.
- [16]. Kadir, S. 2017. *Effectiveness of Hotel and Restaurant Tax Collection and Development Strategy in Kotabaru Regency*. Journal of Business and Development ISSN 2541-178X, 6(1).
- [17]. Kaplan R.S. dan Norton D.P. 2000. *Balanced Scorecard Implementing Action Strategy*. Jakarta: Erlangga.
- [18]. Kompas.com. 2020. *Due to COVID-19, local revenue has declined Rp. 3.388-Trillion*. Media Online.
- [19]. Halim, A. 2012. *Regional Financial Management*. Yogyakarta: UPP STIM YKPN.
- [20]. Halim, Abdul. 2004. *Regional Financial Accounting*. Jakarta: Salemba Empat.
- [21]. Juriko Chichi, Grace B. Nangoi, S. P. 2017. *Analysis of the Effectiveness and Contribution of Rural and Urban Land and Building Taxes (PBB-P2) as a Source of Local Revenue for Minahasa Regency, North Minahasa Regency, and Manado City*. 12(2), 742–753.
- [22]. Lintong, Felia., Sabijono, Harijanto., dan Kalalo, Meily. 2018. *Analysis of the Effectiveness and Contribution of Rural and Urban Land and Building Taxes (PBB-P2) on Increasing Regional Original Revenue in South Minahasa Regency and Manado City*. Journal of Accounting Research Going Concern 13(4), 2018, 200-209.
- [23]. Lubis, Fahrurrozi. 2018. *Analysis of the Effectiveness of Land and Building Tax Revenue (PBB) on the Medan City Regional Revenue and Expenditure Budget (APBD)*. Development Economics Study Program, Faculty of Economics and Business, University of North Sumatra, Medan.
- [24]. Luciana, Spica dan Briliantien, Irmaya. 2007. *Factors Affecting the Performance of Accounting Information Systems at Government Commercial Banks in the Surabaya and Sidoarjo Regions*. Journal. STIE Perbanas Surabaya.
- [25]. Mardiasmo. 2004. *Regional Autonomy and Financial Management*. Yogyakarta.
- [26]. Mardiasmo. 2000. *Sources of Regional Revenue*. Jakarta: PT. Raja Grafindo Persada.
- [27]. Mentari, D., & Rahayu, S. 2013. *The Effectiveness and Contribution of Hotel and Restaurant Tax Revenues to Regional Original Income (Case Study on the Bandung City Government for Fiscal Year 2009-2013)*. Effectiveness and Contribution Receipts Hotel Tax And. 2(2), 1–8.
- [28]. Moleong, Lexy. 2014. *Qualitative Research Methods, Revision Edition*. PT Remaja Rosdakarya, Bandung.
- [29]. Muffliha, Zakia dan Selvi. 2021. *The Effectiveness of Collecting Rural and Urban Land and Building Taxes in Increasing Regional Original Income (Case Study at Bappenda Bogor Regency) 2018*. Scientific Journal of Public Administration. Vol 1 , No. 1, Januari 2021, pp. 01 – 13.
- [30]. Norregard, J. (2013). *Taxing Immovable Property Revenue Potential and Implementation Challenges*. IMF Working Papers, 13 (129). <https://doi.org/10.5089/9781484369050.001>.
- [31]. Prathiwi, Ida, Apsari, Ayu Metha dan Nerawati, Nyoman Trisna. 2015. *Analysis of Rural and Urban Land and Building Tax Revenue Strategy (P2 Land and Building Tax) and the Effectiveness of its Revenue in Denpasar City Government*. Accounting Journal, Vol XII No.12.
- [32]. Putra, R. S. 2014. *The Effectiveness and Contribution of Hotel Taxes to Regional Original Income (Study in Semarang City Government)*. (2), 476–486.
- [33]. Rahayu, Siti Kurnia (2010). *Indonesian Taxation*. Graha Ilmu, Yogyakarta.
- [34]. Rahmadani, Ika dan Hadi, Fajri. 2015. *The Effectiveness of Land and Building Taxes in Increasing Local Taxes in West Aceh Regency*. Teuku Umar University – Meulaboh.
- [35]. Resmi, Siti. 2017. *Tax Theory & Cases*. 10th Edition, Salemba Empat, Jakarta.
- [36]. Saputro, Rudi., Sudjana, Nengah., dan Azisah, Devi Farah. 2016. *The Effectiveness of Rural and Urban Land and Building Tax Revenue (PBB P2) on Increasing Regional Original Revenue (PAD) (Study at the Surabaya City Revenue and Financial Management Office)*. PS Taxation, Department of Business Administration, Faculty of Administrative Sciences Universitas Brawijaya.
- [37]. Siahaan Marihot P. 2010. *Regional Taxes and Levies*. Jakarta: Rajawali Press.
- [38]. Sedana, I. K. A., Artana, M., & Suwena, K. R. 2013. *The Effectiveness and Contribution of Hotel Tax and Restaurant Tax to Regional Original Income (Pad) in Gianyar Regency in 2008-2012*. Journal of Economics Education Department, 1–12. Retrieved from <http://ejournal.undiksha.ac.id/index.php/IJPE/article/view/1285>.
- [39]. Sofjan Assauri, 2011. *Strategic Management Sustainable Competitive Advantages*. Jakarta, PT Raja Grafindo Persada.
- [40]. Suandy, Erly. 2013. *Tax law. Fifth Edition*. Salemba Empat, Jakarta Selatan.
- [41]. Sugiyono. 2015. *Combination Research Method (Mix Methods)*. Bandung : Alfabeta.
- [42]. Tarigan, Kharisma Wanta (2013). *Analysis of the Effectiveness and Contribution of Land and Building Taxes to Tax Revenue at KPP Pratama Manado City*, EMBA Journal, Vol.1 No. 3 June Edition 2013 282-291.
- [43]. Law of the Republic of Indonesia Number 28 of 2009 concerning Regional Taxes and Regional Levies. 2011. Jakarta Selatan: Visi Media.
- [44]. Law of the Republic of Indonesia Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments. 2004. Jakarta: Direktorat Jenderal Otonomi Daerah.
- [45]. Law of the Republic of Indonesia Number 12 of 1994 concerning Land and Building Tax.
- [46]. Law of the Republic of Indonesia Number 32 of 2004 concerning regional government. 2004. Jakarta: Directorate General of Regional Autonomy.
- [47]. Vorontsov, D., Shikhalev, A. & Ksenia Semushina, 2015. *Using Of Cultural Heritage In The SocioEconomic Development Strategy Of The Eu Regions*. Procedia-Social and Behavioral Sciences, 188, pp.163-69
- [48]. Waluyo dan Ilyas Wirawan B. 2002. *Indonesian Taxation: Discussion in accordance with the Implementation Provisions of the Latest Tax Laws*. Jakarta: Salemba Empat.
- [49]. Waluyo. 2014. *Tax Accounting. Fifth Edition*, Salemba Empat, Jakarta.
- [50]. Wardani, R., & Fadhlia, W. 2017. *Analysis of the Effectiveness of Rural and Urban Land and Building Tax Revenue and Its Contribution to Regional Original Income in Aceh Besar Regency*. Scientific Journal of Unsyiah Accounting Economics Students, 2(3), 10–17. Retrieved from <https://www.neliti.com/publications/188014/analisis-efektivitas-penerimaan-pajak-bumi-dan-bangunan-perdesaan-dan-perkotaan>.

- [51]. Wibisono, Taufik dan Mulyani, Yani Sri. 2019. *The Effectiveness of Rural and Urban Land Building Tax on Regional Original Income (PAD) in Tasikmalaya Regency*. *Ecconomica Journal*, Vol. 3 No. 2 September 2019.
- [52]. Wicaksono, Itok dan Haerah, Kahar. 2008. *Efforts to Increase Regional Taxes in Supporting the Implementation of Regional Development (Study at the Regional Revenue Service Office of Jember Regency)*. *Journal of Politico*, Faculty of Social and Political Sciences, University of Muhammadiyah Jember, ISSN:1829-6696, Volume VIII Nomor 1 Maret 2008.
- [53]. Widi, Restu Kartiko. 2010. *Principles of Research Methodology*. Yogyakarta: Graha Ilmu.