

The Government Strategies to Increase Local Tax (PAD) in Purwakarta

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Abstract. The local tax (PAD) in Purwakarta is still not optimal, because there are problems that occur in increasing the local tax (PAD) in Purwakarta, namely the lack of control and supervision of local assets. The Purwakarta Local Government lacks to explore potentials that can increase local tax (PAD).

This research aims to find out the objectives, environment, direction, actions, and learning of local government strategies, especially by the Regional Local Tax Department of Purwakarta to increasing the local tax (PAD) of Purwakarta. This study used the theory of government strategy according to Goeff Mulgan (2009:5). Where there are 5 strategy success indicators, which can be hosted by Purpose, Environments, Directions, Action, and Learning. The method of research used is a descriptive method with a qualitative approach. Data collection techniques through library studies and field studies are observations, interviews and documentation. The technique of determination of informant using Purposive technique. The data analysis techniques that researchers used in this study are SWOT, namely, Strengths, Weakness, Opportunies, and Threats. The results showed that the local government's strategy to increase the indigenous revenue of the region was seen from the goal indicator, environment, direction, action, learning was good enough. Realization of local tax (PAD) of Purwakarta increase annually, although it has not been optimally.

1. Introduction

The local government strategy is an aspect that is influenced by the success factors for regional income. These success factors can enable local governments to increase their effectiveness and efficiency. The Regional Government Strategy includes a series of indicative programs aimed at realizing the vision and mission, both directly and indirectly, which are strategic steps to realize the goals and objectives of the Regional Medium Term Development Plan (RPJMD) at the Regional Government. The purwakarta's is an area that has potential that can be developed as part of regional development. The potential that exists in Purwakarta is expected to increase local tax (PAD) of Purwakarta.

Based on public policy number 179 of 2016, the BAPENDA is the Agency for the Implementation of Government Affairs and Public Services in the field of regional income. Regional

revenues that are managed and regulated by the agency's policies include the management of local government affairs in the field of tax management originating from hotels, restaurants, entertainment, billboards, parking, street lighting, non-metallic minerals and rocks, groundwater, other income. legitimate regional originals (LLPADS) and fostering regional retribution, management of the Rural and Urban Sector Land and Building Tax (PBB P2) and the Customs Tax on Land and Building Rights Acquisition (BPHTB), which includes data collection and assessment activities, data and information management, as well as services and determination and collection of tax and other income management.

The problems that become obstacles are, first, the lack of independence in managing regional potential so that it is not optimal in increasing the original area. This is due to dependence on budget assistance provided by the central government. Then the second, the next problem is that the local government or authorized agency has not been able to identify the potential of the area that can be used as a source of income. Third, there is no firmness of the supervisory or controlling factor from the implementation aspect of taking regional taxes and levies to the related parties. This is correlated with the performance of the apparatus in managing regional wealth or assets. The next problem, which is more specific, is the existence of external and internal environmental factors. These environmental factors are certainly very influential, namely Human Resources, which can be identified from the community and institutions. The lack of coordination between agencies, the lack of public awareness in fulfilling their obligations to pay taxes. For more details, it can be seen through the projection table of the Purwakarta's APBD, as follows:

Table 1. Budget of Projection for 2019 – 2023 in Purwakarta

No	Uraian	Pertumbuhan (%)	Tahun 2019 (Rp)	Tahun 2020 (Rp)	Tahun 2021 (Rp)	Tahun 2022 (Rp)	Tahun 2023 (Rp)
1	PENDAPATAN	6,12	2.187.742.367.009	2.320.970.993.816	2.449.789.312.216	2.600.030.039.072	2.774.915.914.069
1 1	Pendapatan Asli Daerah	3,38	464.858.007.826	472.202.913.730	490.587.963.619	511.398.222.985	530.914.289.784
1 1 1	Pajak Daerah	4,6	270.102.995.000	282.484.798.645	295.434.197.112	308.977.209.542	323.141.047.819
1 1 2	Retribusi Daerah	10,98	29.175.230.560	31.895.422.136	36.148.571.806	40.183.566.815	44.243.318.217
	Hasil Pengelolaan						
1 1 3	Keuangan Daerah Yang Dipisahkan	7,70	5.998.000.000	6.425.000.000	7.010.000.000	7.540.000.000	8.070.000.000
1 1 4	Lain-lain PAD Yang Sah	(0,62)	159.581.782.266	151.397.697.949	151.995.194.701	154.697.446.628	155.459.923.748

(Source: RPJMD 2018-2023)

In 2019-2023 the projected growth of increase local tax (PAD) is 3.38%, the local government prepares a funding framework aimed at providing an overview of revenue performance projections that affect development policies that will take place over the next five years in Purwakarta. The government continues to strive for the optimization of local revenue, which includes intensification and extensification of regional income, increased coordination with local revenue generating SKPDs, increased control and supervision of regional asset management, improvement and development of management of regionally owned enterprises, increased professionalism of human resources managing regional revenues, development of facilities and infrastructure for the management of regional revenues and improvement of the administration system for sustainable management of regional revenues.

Based on the explanation of these problems, the government has a very important role in optimizing regional potential and local revenue. Quoted from Bagir Manan regarding the Government, as follows:

According to (Bagir Manan, 1997) argues about the government, namely: "Government in the broad sense (in the broad sense) includes all state apparatuses which basically consist of the executive, legislative and judicial branches of power and other state apparatuses acting for and on behalf of the state.

In the narrow sense (in the narrow sense), the government is a branch of executive power only. In the sense of state apparatus entrusted with the authority of the government to carry out the functions and duties of the government” (Manan, 1997).

According to the opinion above, the government means an institution that has the authority to do what should be done and what should not be done, such as in making a policy or regulation, besides that the government also has an important role, namely as a policy implementer. Another opinion regarding the Government is quoted from Mac Iver, namely: Government is an organization of people who have power, and how humans can be governed (Iver, 1947). Based on the above opinion, that the government which includes people who have power in the process of formulating policies to regulate and run the government, besides that the government must also guarantee the welfare and protect the people. In carrying out its actions, the government requires steps in carrying out its duties and functions, which requires a strategy that can optimize the success of a government policy. Strategy is a concept that must be applied and understood by every leader in compiling and developing a particular idea or idea for an interest in achieving a goal. internal strength and external strength become a consideration in adjusting existing and future opportunities and threats. In developing this strategy, it aims to take an existing opportunity.

According to Stephanie K. Marrus, quoted by (Sukristono, 1995), strategy is defined as a process to determine a plan by leaders that focuses on the long-term goals of the organization, as well as the preparation of a method or effort on how to achieve these goals. A good strategy lies in coordinating within a work team, having a theme and concept, identifying supporting factors according to the principles of rational implementation, efficient funding, and having a way to achieve a goal effectively and efficiently. Strategy is a concept that must be applied and understood by every leader in compiling and developing a particular idea or idea for an interest in achieving a goal. internal strength and external strength become a consideration in adjusting existing and future opportunities and threats. In developing this strategy, it aims to take an existing opportunity.

The recent research by Blom-Hansen, Jens, Martin Bækgaard, and Søren Serritzlew The literature on tax and expenditure limitations (TEs) shows how limiting the freedom of local governments to levy taxes may have considerable unexpected effects. Entities subjected to such limitations may, as their proponents hope, react by cutting expenditures and revenue, but they may also strategically change their revenue structure and increase reliance on income sources not subjected to limitations. However, these findings are overwhelmingly based on studies of state and local governments in the United States. Their relevance outside this empirical setting remains unclear. A study of Denmark, where the central government imposed tax limitations on municipalities in 2009, makes two contributions. First, it probes the empirical domain of the U.S. findings. (Blom-Hansen, Jens, Martin Bækgaard, and Søren Serritzlew, 2014).

Strategy in the field of government is a strategy used to develop a plan that will be taken by the government to carry out the functions of the government. For that every government has a strategic plan. According to (Goeff Mulgan, 2009), there are 5 main components of strategy success, namely: Purpose, Environments, Directions, Action, Learning. Based on the problems described above, the researchers used the theory for this research, namely to see how the local government strategy to increase local tax (PAD) in Purwakarta, using the theory of Goeff Mulgan. The variables that affect the success of the strategy include Purpose, Environments, Directions, Action, Learning. So it can be said that the local government strategy can be achieved if these variables can synergize with each other.

Another opinion on the government's strategy, quoted from Lin, Justin Yifu, and Peilin Liu, Development strategies can be broadly divided into two mutually exclusive groups: (i) the comparative advantage-defying (CAD) strategy, which attempts to encourage firms to deviate from the economy's existing comparative advantages in their entry into an industry or choice of technology; and (ii) the comparative advantage-following (CAF) strategy, which attempts to facilitate the firms' entry into an industry or choice of technology according to the economy's existing comparative advantages. (Lin, Justin Yifu, and Peilin Liu, 2006).

2. Method

The research used is a approach descriptive method, which combines qualitative approaches in terms of methodology. Qualitative research is a type that investigates and understands the meaning in a number of individuals or groups of people originating from social problems, (Creswell, 2016). Qualitative research can also be defined as research that has the aim of understanding the phenomenon of something that is experienced by the object of research in a holistic manner, and is described in the form of words and language (Sugiono, 2010). The technique of determining informants used by researchers is the technique of determining informants purposively. The technique of determining informants purposively is a technique of taking data samples with certain considerations, in which the person to be interviewed is considered as the person who knows best about the data the researcher needs, so that it can make it easier for researchers to get information about the object of the researcher. Arikunto (2006) states that purposive sampling is a technique of taking samples not based on random, regional or strata, but based on considerations that focus on specific objectives.

Data Collection Techniques

In this study, data collection techniques were carried out through two stages, namely:

1. Research desk study (desk study research), in this case the researcher collects data and information through examination and analysis of data and information that uses secondary data, both in the form of company internal / external documents, related government, local government, strategies government, local tax and regulations/ policy, reports, statistical data, literature studies, and so on.
2. Field research (field research), in this case only as supporting data in research to support and complete library studies, by conducting structured interviews (guided interviews) with relevant parties.

4. Data Analysis

All data obtained were analyzed descriptively qualitatively. In this case the analysis is carried out by The Government Strategies to Increase Local Tax (PAD) in Purwakarta through a qualitative descriptive analysis.

5. Research Location

The location of the study was carried out in Purwakarta, Badan Pendapatan Daerah (Bapenda), West Java Province.

3. Results and Discussion

The government strategies can be measured from the goal itself. Goals are the final results to be achieved within a period of 1 year to within 5 years. After setting the goals to be achieved, the next step is to describe the strategic direction and take a priority framework for achieving the mission. Objectives must also consider the resources available, the environment that affects them, and the capabilities they have. The short-term goal in a strategy is a goal taken by the Regency Regional Revenue Agency within the next 1 year during 2019. The short-term goal in 2019 was successfully achieved, although not optimal. In this short-term goal, it formulates several things that the Regional Revenue Agency wants to achieve in the next 1 year. Short-term goals in 2019, namely to achieve optimal office management, and increase revenue from local revenue.

This long-term goal is an outcome that will be achieved within the next 5 years from 2018-2023. This long-term goal is to increase regional revenue from the regional tax revenue sector, and improve the quality of excellent service in local tax services. Based on the explanation above, the researcher obtained results related to the data analysis technique that the researcher used SWOT analysis on the objective indicators in the local government's strategy to increase Purwakarta Regency's Original Revenue, the strength of which was to increase Regional Original Revenue, and to realize optimal office management. Meet the revenue target that has been set by the Regional Revenue and Expenditure Budget (APBD), while the weakness is that in the short-term goals taken by the Purwakarta Regency Regional Revenue Agency, the target achievement data from the year has not been achieved. There are several activity programs whose targets have not been achieved in 2019, while the opportunity is to be able to fulfill

regional and infrastructure expenditures. With the fulfillment of these regional expenditures, it can be said that the goal is successful, while the threat is that when the goal is not achieved, it will not be able to fulfill regional expenditures, and the office related to the Regional Original Revenue of Purwakarta is difficult to coordinate.

The external environment in this strategy is the community and agencies. The internal environment in the strategy is Human Resources of the Regional Revenue Agency of Purwakarta, facilities and infrastructure, and budget. The external environment of this strategy can be like related agencies that generate local revenue. As it is known that the Purwakarta Regional Revenue Agency only manages the Regional Original Revenue, local taxes and building land taxes, and the Purwakarta Regency Revenue Agency only coordinates regional retribution. The internal environment in this strategy is Human Resources, Facilities and Infrastructure. When Human Resources are good, supporting facilities and infrastructure, and the budget is there, it will be able to optimize increasing local tax.

Based on the explanation above, the researcher obtained results related to the data analysis technique that the researcher used SWOT analysis on the indicators of objectives in the local government strategy to increase Purwakarta Regency's Original Revenue, the strength of which was the internal environment such as capable enough human resources, work patterns and systems owned by the local government. The Regional Revenue Agency of Purwakarta Regency, while the weakness is in terms of a limited budget, the existing facilities and infrastructure at the Purwakarta Regency Regional Revenue Agency are limited, while the opportunity is that with the new Field of Potential Excavation, it will be able to explore the potentials of Regional Original Revenue in the Regency. Purwakarta, while the threat is the external environment, namely the community and related agencies. Lack of coordination with related agencies. Where income potential is all over the place, and there are still many taxpayers who have not reported their taxpayers.

To achieve a goal and results, the Regional Revenue Agency of Purwakarta must determine and plan the direction to be taken in carrying out a strategy. The strategic direction taken by the Regional Revenue Agency of Purwakarta is more likely to be in the development of Information Technology systems. Where in the development of this information technology system, it will be able to optimize in exploring the potentials of Regional Original Income and can also increase Regional Original Income. Intensification and extensification of taxes is a priority taken by the Regional Revenue Agency of Purwakarta. With this intensification and extensification priority, in order to optimize the Purwakarta's Original Revenue.

Based on the explanation above, the researcher obtained results related to the data analysis technique that the researcher used SWOT analysis on the direction indicators in the local government strategy to increase Purwakarta's Original Revenue, the strength of which was the direction taken and the priorities taken. The Regional Revenue Agency of Purwakarta has directions and priorities, namely intensification and extensification. With this intensification and extension, it becomes the strength of the Purwakarta Regency Regional Revenue Agency in increasing and optimizing Regional Original Revenue, the weakness is the regulation/policy of the Purwakarta Regency Regional Revenue Agency which is poswis, the opportunity is that the Purwakarta Regency Regional Revenue Agency must innovate even more in optimizing tax intensification and extensification. based on information technology, the threat is the lack of public understanding of technology development for the payment of Purwakarta's Original Regional Revenue.

The success of a strategy can be seen from the real actions of the Regional Revenue Agency of Purwakarta as the executor who is responsible for the strategy. An action will be said to be successful if there is an increase in the Original Regional Revenue of Purwakarta. The strategy carried out by the Purwakarta Regency Regional Revenue Agency through a technological approach and the Purwakarta Regency Regional Revenue Agency issued several applications to make it easier for taxpayers to pay taxes. by improving the technology system, there will be an increase in Regional Original Income. a program from the Regional Revenue Agency of Purwakarta, namely increasing the optimization of information technology-based taxes and levies.

The impact of this strategy of increasing Regional Original Income will have an impact on the development of infrastructure, facilities and infrastructure in the Purwakarta area. As is known and seen, the development in Purwakarta continues to improve every year. The results of the performance of the Purwakarta Regency Regional Revenue Board can be seen from the results it has achieved. When the results are achieved, it means that the performance is good. Improving the system during this pandemic is a corrective action taken by the Purwakarta Regency Regional Revenue Agency.

Based on the explanation above, the researchers obtained results related to the data analysis technique that researchers used SWOT analysis on learning indicators in local government strategies to increase Purwakarta Regency Original Revenue, the strength of which was the impact and performance of the Purwakarta Regency Regional Revenue Agency. The impact is that there is an increase, although the percentage is not too large, but it is increasing. What can be seen from Purwakarta, the results of the development can be seen from the evidence of facilities and infrastructure in Purwakarta, both roads, the environment, and infrastructure, while the weakness is that the Purwakarta Regency Regional Revenue Agency takes corrective action, in which this corrective action evaluates errors that have occurred. Occurs in the following year, but there is no possibility that the corrective action will lead to a new error in the following year, while the opportunity is that the Purwakarta Regency Regional Revenue Agency takes corrective action, in this corrective action it can produce a new innovation, while the threat is that in a pandemic situation like this hampers program of activities to be carried out by the Regional Revenue Agency of Purwakarta Regency. So that the Purwakarta Regency Regional Revenue Agency must continue to carry out regulatory corrections or stop first.

4. Conclusion

Based on the results of research in the field, there are findings the city of Purwakarta, the results of this study indicate the objectives of the Regional Government Strategy to Increase Regional Original Income/ local tax in Purwakarta has been able to achieve the goal. Although the tax potentials in Purwakarta have not been fully explored. But seen from every year there is an increase in Regional Original Income. The environment in the local government strategy to increase local revenue in Purwakarta is good but not optimal. Judging from the external environment, the Regional Revenue Agency of Purwakarta Regency coordinates with agencies that generate Regional Original Revenue (PAD). from the internal environment is quite good in terms of Human Resources. However, there are several obstacles, such as inadequate infrastructure, budget and people who are still late in paying taxes. Directions in the Regional Government Strategy to Increase Original Regional Revenues in Purwakarta have not been maximized in optimizing tax intensification and extensification. in optimizing the intensification and extensification of the Regional Revenue Agency of Purwakarta, it continues to innovate in Information Technology.

Actions in the Regional Government Strategy to Increase Regional Original Revenues in Purwakarta Regency are quite good, although not yet optimal in increasing Regional Original Revenues (PAD). However, the Purwakarta Regency Regional Revenue Agency continues to optimize taxes through intensification and extensification in order to achieve the target. The programs that have been carried out have been said to be good or successful. Lessons learned in the local government strategy to increase local revenue in Purwakarta have been good. Judging from the resulting impact in increasing Regional Original Income, it can be seen from the development of regional infrastructure. The results of the performance of the Regional Revenue Agency of Purwakarta Regency are good which can be seen from the realization of Regional Original Income (PAD) every year.

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