

The Effectiveness of Local Tax Law in Increasing

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The Effectiveness of Local Tax Law in Increasing Regency/City Regional Tax Revenue in Central Java Province

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Abstract. To improve services to the community and regional independence, a policy that can encourage increased regional revenues is needed. Law Number 28 of 2009 concerning regional taxes and regional levies contains new regional tax objects which are expected to increase local government revenues. This study aims to evaluate whether local tax revenues originating from new tax objects provide a significant contribution to overall local tax revenues. This research was conducted in the province of Central Java which consists of 35 autonomous regions, namely 29 regencies and 6 cities. The secondary data used are sourced from the Central Statistical Agency and the Directorate General of Balance of the Ministry of Finance for three years from 2017 to 2019. This study succeeded in finding: 1. On average in three years the land and building tax was Rp. 5,506,719,679 and its contribution to revenue local tax of 27.07 percent; 2. Revenues from the acquisition of land and building rights on average in three years amounted to 34,070,867,725 rupiah and its contribution to local taxes was 20.05 percent; 3. The average groundwater tax revenue in three years is 1,213,370,136 rupiah and contributes to local taxes 0.81 percent; 4. The total regional revenue from new tax objects on average in three years is 73,800,284,775 rupiah and contributes to regional tax revenue of 47.94 percent. From these findings, it can be concluded that local tax laws are effective in increasing local tax revenues and encouraging increased regional independence.

Keywords: Local Tax Laws, Local Taxes, Regional Independence

1 Introduction

One of the agendas in the 2020-2024 National Mid-Term Development Plan is to develop regions to reduce inequality and ensure equity. Included in this gap is the gap in financial capacity both vertically, namely between the central government, provincial government and district / city governments, and the horizontal gap, namely the gap between provinces and between districts / cities throughout Indonesia. Several policies have been taken to reduce this gap, among others, by issuing Law No. 29 of 2009 concerning regional taxes and regional levies which provide additional sources of income for the provinces and districts/cities in the form of additional new types of local taxes. With this additional source of regional revenue, it is hoped that the provinces and districts/cities will increase their financial capacity so that the administration of government for the welfare of the community can be improved. In addition, there is a policy that shifts the responsibility for managing senior high schools from the

responsibility of the district / city government to the responsibility of the provincial government. This policy will certainly increase the burden of spending on the provincial government and on the contrary ease the burden on the expenditure of the district/city government.

Nurjanah et al. [1] found that in Mojokerto district the average contribution of local taxes to local revenue (PAD) during the 2014-2015 period each month was 53.33%, which means the contribution of local taxes is very good. In Bantul district from 2013 – 2017 the contribution of local taxes to local revenue is quite good on average 32.645% [2]. The contribution of local taxes to the original revenue of districts and cities in Central Java province fluctuated on average, where in 2016 it was 27.05 percent, in 2017 it was 25.84 and in 2018 it was 32.01 percent [3]. Juliarni [4] found that 1) the development of district tax revenues is smaller than that of the city; 2) the development of the contribution of local taxes to PAD in districts is smaller than in cities.

This study aims to analyze the effectiveness of Law No. 29 of 2009 concerning regional taxes and regional levies, especially for district / city governments in increasing their financial capacity with sources of revenue in the form of additional new types of local taxes. In this law, additional types of new local taxes for district/city governments consist of four types of local taxes, namely: 1. Urban and rural land and building tax (PBB); 2. Fees for the acquisition of land and building rights (BPHTB); 3. Ground water tax; 4. Swallow's nest tax. To measure the effectiveness of the law, it will be measured by how much revenue the district / city receives from the new local tax and its contribution to the overall district / city tax revenue. The large amount of local tax revenue and its large contribution to the overall local tax means that this new type of tax has a major role for the district/city concerned. On the other hand, if the revenue from the new type of regional tax is small or the contribution is small to the total regency/city regional tax revenue, it indicates that the new type of regional tax is not or less significant for increasing the financial capacity of the regency/city. Finally, to measure the effectiveness of Law No. 28 of 2009 concerning regional taxes and regional levies by measuring the contribution of all types of new local taxes to the total local taxes received by district/city governments. If the contribution of the new regional tax is high, it can be concluded that the law is effectively able to increase the financial capacity of the district / city by increasing its local tax revenue, on the contrary if the contribution of the new type of tax revenue is low, it can be concluded that the law is lacking or not. effective in improving the financial capacity of the district / city.

2 Method

This type of research is descriptive research that aims to explain how the effectiveness of Law No. 28 of 2009 concerning regional taxes and regional levies in increasing district / city regional revenues from new local tax sources consisting of urban and rural land and building taxes, fees for the acquisition of rights to land and assistance, groundwater tax, and swallow nest tax. The population consists of 35 districts / cities in Central Java Province with a full sample (census). The observation year for three years from 2017 to 2019 used secondary data sourced from the Central Statistics Agency and the Directorate General of Fiscal Balance, Ministry of Finance [5][6][7] in the form of published reports.

3 Results and Discussion

3.1 Rural and Urban Land and Building Tax (PBB)

Objects of Rural and Urban Land and Building Tax are land and/or buildings that are owned, controlled, and/or utilized by private persons or entities, except for areas used for plantation, forestry, and mining business activities. Land and building tax revenues in districts / cities in Central Java province on average have increased from year to year. The average land and building tax in 2017 was 33,557,257,143 rupiah. In 2018 it was 38,184,465,458 rupiah. In 2019 it was 43,778,436,435 rupiah. For three consecutive years, the city of Semarang as the capital of Central Java province has always received the largest land and building tax revenue with a very large amount which is up to ten times the average land and building tax revenue for all districts / cities in Central Java. The city of Magelang for three consecutive years received the lowest land and building tax revenue in Central Java. Apart from Magelang, rural and urban land and building tax revenues are also low, namely Salatiga, Pekalonga and Tegal. The amount of land and building tax is the land and building tax rate multiplied by the selling value of the tax object, so that areas that have land and buildings with a high selling value of tax objects will receive high land and building taxes as well, on the other hand areas with low land and building values will also receive a tax on land and buildings. receive low land and building taxes. The four cities in Central Java that receive low land and building taxes in rural and urban areas are because these cities have a very small area so that the selling value of the tax object is also low.

The contribution of district/city land and building taxes in the province of Central Java to the overall local tax revenue is quite high. It is shown that the contribution of land and building taxes in three years, namely in 2017 was 27.50 percent, in 2018 it was 26.89 percent, and in 2019 it was 26.81 percent. This shows that the role of land and building taxes for district / city regional revenues originating from their regional potential is quite encouraging. Overall land and building tax revenues for districts / cities in Central Java have increased from year to year. The increase in land and building taxes can be a stable source of revenue for the district / city government and can even increase periodically in line with the increase in the selling value of tax objects in the form of increases in land and buildings.

Table 1. Rural and Urban Land and Building Tax (PBB) 2017 – 2019

No	District / City	PBB		
		2017	2018	2019
1	Kabupaten Cilacap	54.031.722.375	59.045.588.539	72.771.009.597
2	Kabupaten Banyumas	49.427.525.188	50.998.303.333	52.138.775.937
3	Kabupaten Purbalingga	17.926.194.639	18.806.865.663	19.641.820.930
4	Kabupaten Banjarnegara	19.148.458.842	22.338.520.114	22.833.280.607
5	Kabupaten Kebumen	34.003.478.227	42.248.611.770	48.222.131.277
6	Kabupaten Purworejo	22.292.886.848	26.652.901.596	27.918.084.577
7	Kabupaten Wonosobo	18.554.306.787	18.580.858.910	19.226.331.747
8	Kabupaten Magelang	25.764.291.495	25.807.217.483	33.057.309.182
9	Kabupaten Boyolali	28.837.002.640	40.294.974.253	33.827.411.018
10	Kabupaten Klaten	25.661.809.510	26.909.314.060	28.053.778.197
11	Kabupaten Sukoharjo	36.104.224.831	36.005.474.311	36.659.981.705
12	Kabupaten Wonogiri	14.211.642.161	21.676.459.558	22.937.846.654
13	Kabupaten Karanganyar	25.744.985.410	25.236.032.616	26.905.026.458

No	District / City	PBB		
		2017	2018	2019
14	Kabupaten Sragen	18.602.158.685	19.406.584.757	26.126.243.891
15	Kabupaten Grobogan	26.105.102.068	25.811.223.931	30.204.255.369
16	Kabupaten Blora	17.342.411.428	17.327.833.231	17.810.827.577
17	Kabupaten Rembang	11.221.983.586	14.819.014.513	14.771.533.286
18	Kabupaten Pati	19.995.312.337	20.402.579.687	20.327.943.458
19	Kabupaten Kudus	20.175.738.220	23.911.343.590	25.497.514.802
20	Kabupaten Jepara	21.760.525.958	23.606.012.668	34.677.164.975
21	Kabupaten Demak	48.496.584.016	53.392.750.520	71.688.199.238
22	Kabupaten Semarang	41.486.751.862	44.320.941.680	46.444.707.602
23	Kabupaten Temanggung	12.926.054.468	13.354.560.268	13.731.503.708
24	Kabupaten Kendal	17.797.002.224	21.222.445.542	33.834.362.901
25	Kabupaten Batang	20.765.889.866	21.061.026.730	27.932.836.915
26	Kabupaten Pekalongan	11.962.667.128	14.805.399.517	18.162.981.124
27	Kabupaten Pemalang	13.849.665.106	16.479.138.572	21.477.063.428
28	Kabupaten Tegal	25.541.523.528	25.443.644.371	35.411.948.381
29	Kabupaten Brebes	27.455.796.388	32.689.752.345	36.890.272.047
30	Kota Magelang	6.257.673.488	6.222.937.224	6.686.654.782
31	Kota Surakarta	59.507.595.975	81.691.529.917	88.359.046.254
32	Kota Salatiga	7.635.889.379	8.647.886.272	9.525.295.403
33	Kota Semarang	348.354.499.317	410.965.561.484	480.106.015.003
34	Kota Pekalongan	12.388.376.852	12.977.362.631	14.212.332.279
35	Kota Tegal	13.166.269.170	13.295.639.391	14.173.784.901
Average		33.557.257.143	38.184.465.458	43.778.436.435

(Directorate General of Fiscal Balance, Ministry of Finance)

3.2 Tax on Acquisition of Rights on Land and Buildings (BPHTB)

The object of the tax on the acquisition of land and building rights is the acquisition of land/building rights from buying and selling transactions or others as regulated by law. Tax receipts from the acquisition of land and building rights for three years from 2017 to 2019 show fluctuating figures. On average, tax revenues from the acquisition of land and building rights in 2017 amounted to 32,614,970,267 rupiah, in 2018 it was 32,326,926,524 rupiah and in 2019 it was 37,270,706,393 rupiah. For three years, the city of Semarang has always received a tax on the acquisition of the highest land and building rights in Central Java. The development of cities and regencies with the construction of housing, industry and other properties such as hotels, shopping centers and offices will encourage an increase in the receipt of fees for the acquisition of land and building rights, the City of Magelang and Salatiga in three years receiving the lowest taxes on the acquisition of land and building rights. The low acceptance of fees for the acquisition of land and building rights is of course due to the low sales and purchase transactions of land and buildings in the area due to the narrowness of the area so that it can no longer be developed.

The contribution of the tax on land and building rights to the overall regional tax received by districts/cities in the province of Central Java is 20.47 percent. In 2018 it was 19.37 percent and in 2019 it was 20.31 percent. The tax contribution to the acquisition of land and building rights in Central Java is certainly high, even though it is below the land and building tax in rural and urban areas. From this figure, it can be concluded that the tax on the acquisition of

land and building rights plays a major role for district/city governments in obtaining local revenue from local tax sources.

Table 2. Tax on Acquisition of Rights on Land and Buildings (BPHTB) 2017 - 2019

No	District / City	BPHTB		
		2017	2018	2019
1	Kabupaten Cilacap	15.854.295.355	18.779.161.840	23.164.618.369
2	Kabupaten Banyumas	53.159.664.642	49.288.308.640	51.333.064.430
3	Kabupaten Purbalingga	6.924.439.017	5.861.758.444	7.064.714.607
4	Kabupaten Banjarnegara	3.187.123.712	4.567.675.367	4.695.662.209
5	Kabupaten Kebumen	8.585.214.775	10.110.054.468	12.944.778.964
6	Kabupaten Purworejo	9.376.100.749	13.656.672.882	14.962.840.165
7	Kabupaten Wonosobo	4.142.780.985	5.569.512.415	5.360.442.545
8	Kabupaten Magelang	12.469.652.066	14.617.498.190	20.556.496.942
9	Kabupaten Boyolali	24.290.526.993	36.465.975.988	52.403.579.757
10	Kabupaten Klaten	21.292.423.135	23.284.687.519	27.808.793.025
11	Kabupaten Sukoharjo	81.583.927.206	76.121.645.386	90.195.537.575
12	Kabupaten Wonogiri	7.390.753.200	5.337.411.277	6.879.014.243
13	Kabupaten Karanganyar	48.635.412.069	55.288.461.533	63.401.389.306
14	Kabupaten Sragen	15.273.566.692	14.928.922.400	19.126.913.435
15	Kabupaten Grobogan	8.718.601.731	10.730.804.252	19.825.623.890
16	Kabupaten Blora	6.807.198.999	7.353.231.218	10.490.799.513
17	Kabupaten Rembang	11.268.038.067	9.981.091.157	11.896.948.533
18	Kabupaten Pati	11.850.177.666	10.412.521.397	16.120.613.579
19	Kabupaten Kudus	24.580.807.320	24.250.048.010	29.001.692.597
20	Kabupaten Jepara	20.313.464.015	26.851.974.455	28.167.081.442
21	Kabupaten Demak	28.863.321.631	27.969.246.448	23.828.651.972
22	Kabupaten Semarang	61.856.232.741	29.509.337.715	11.896.948.533
23	Kabupaten Temanggung	8.593.088.330	9.012.090.184	19.014.475.009
24	Kabupaten Kendal	37.126.046.163	36.930.862.772	28.058.778.997
25	Kabupaten Batang	12.785.444.139	13.289.775.997	14.005.089.533
26	Kabupaten Pekalongan	4.011.009.133	13.270.159.529	17.960.491.619
27	Kabupaten Pemalang	15.029.008.462	19.921.114.643	24.695.865.973
28	Kabupaten Tegal	21.189.696.649	23.831.346.631	25.137.992.747
29	Kabupaten Brebes	8.081.052.176	9.022.960.387	16.837.446.416
30	Kota Magelang	6.741.697.345	6.497.375.307	9.261.659.580
31	Kota Surakarta	82.601.011.250	85.710.318.834	74.094.177.000

No	District / City	BPHTB		
		2017	2018	2019
32	Kota Salatiga	15.219.582.056	17.723.396.672	25.116.629.794
33	Kota Semarang	416.395.327.140	384.109.332.739	464.118.368.011
34	Kota Pekalongan	13.280.259.467	14.914.803.273	19.493.498.933
35	Kota Tegal	14.047.014.277	16.272.890.018	15.554.044.513
Average		32.614.970.267	32.326.926.514	37.270.706.393

3.3 Groundwater Tax (PAT)

The object of the groundwater tax is the extraction or utilization of ground water, while the subject of the groundwater tax is an individual or entity that carries out the extraction or utilization of ground water. For three years from 2017 to 2019 it shows that on average district / city revenues from groundwater taxes have increased. In 2017 the average groundwater tax revenue was 834,007,638 rupiah, in 2018 it was 1,233,568,158 rupiah and in 2019 it was 1,572,534,613 rupiah. In those three years, the city of Semarang has always been the area with the highest groundwater tax revenue, while the district of Blora has always been the area with the lowest groundwater tax revenue. The high groundwater tax received by the district / city government indicates the high use of groundwater either by individuals or entities by extracting groundwater to meet their needs. Meanwhile, for district/city governments whose groundwater tax revenue is relatively low, it could be because there are not many individuals or entities that utilize groundwater in meeting their needs due to the availability of water sources from springs or because of the weak application of groundwater taxes.

The contribution of groundwater tax to the overall regional tax for districts / cities in Central Java province on average is 0.68 percent in 2017, 0.83 percent in 2018, and 0.93 percent in 2019. Although the amount of groundwater tax revenue and its contribution to local tax revenues is relatively small, it is still important to regulate it in the law considering that groundwater extraction or use needs to be monitored by the local government so that excessive extraction or use does not occur or that can damage the environment.

Table 3. Groundwater Tax (PAT) 2017 - 2019

No	District / City	PAT		
		2017	2018	2019
1	Kabupaten Cilacap	620.836.590	693.847.277	757.686.451
2	Kabupaten Banyumas	811.077.551	1.183.155.955	1.386.870.756
3	Kabupaten Purbalingga	1.022.330.526	600.999.955	569.254.200
4	Kabupaten Banjarnegara	451.388.080	400.603.689	437.301.962
5	Kabupaten Kebumen	123.503.430	226.617.498	386.505.350
6	Kabupaten Purworejo	296.735.425	400.115.689	435.118.435
7	Kabupaten Wonosobo	181.101.592	228.558.173	281.429.670
8	Kabupaten Magelang	1.284.019.023	656.793.041	879.678.828
9	Kabupaten Boyolali	829.412.828	1.457.388.283	2.396.655.936

No	District / City	PAT		
		2017	2018	2019
10	Kabupaten Klaten	1.247.618.100	1.779.267.765	3.114.192.655
11	Kabupaten Sukoharjo	1.488.815.771	4.383.982.809	4.244.100.783
12	Kabupaten Wonogiri	457.625.900	754.626.600	1.200.256.850
13	Kabupaten Karanganyar	904.583.400	2.504.304.900	3.163.255.096
14	Kabupaten Sragen	818.228.762	762.548.120	821.257.350
15	Kabupaten Grobogan	112.053.150	350.495.166	379.958.000
16	Kabupaten Blora	49.410.719	53.341.230	186.568.801
17	Kabupaten Rembang	181.252.591	389.209.789	400.038.220
18	Kabupaten Pati	687.112.767	872.036.122	1.257.608.065
19	Kabupaten Kudus	1.104.657.223	1.974.330.668	2.787.144.603
20	Kabupaten Jepara	434.020.436	587.095.178	638.430.851
21	Kabupaten Demak	327.204.600	352.872.000	1.210.845.750
22	Kabupaten Semarang	1.990.755.633	5.284.765.430	400.038.220
23	Kabupaten Temanggung	265.325.408	142.066.110	188.164.850
24	Kabupaten Kendal	1.055.356.300	1.343.844.000	1.628.847.736
25	Kabupaten Batang	664.049.026	614.244.046	659.704.946
26	Kabupaten Pekalongan	432.804.146	454.391.154	2.057.155.114
27	Kabupaten Pemalang	112.424.725	138.966.640	151.028.400
28	Kabupaten Tegal	280.475.935	351.565.000	404.626.840
29	Kabupaten Brebes	229.440.494	343.253.583	399.768.772
30	Kota Magelang	334.209.700	340.191.320	272.280.200
31	Kota Surakarta	1.260.519.090	3.648.008.660	4.913.139.600
32	Kota Salatiga	421.012.502	420.597.865	475.528.100
33	Kota Semarang	8.114.245.075	8.871.473.962	14.853.585.407
34	Kota Pekalongan	296.433.125	341.490.800	1.436.884.068
35	Kota Tegal	300.227.700	267.837.052	263.800.600
Average		834.007.638	1.233.568.158	1.572.534.613

3.4 Swallow's Nest Tax (PSW)

Unlike other types of local taxes where every district / city has its tax potential, the swiftlet nest tax is only found in a few districts / cities in the province of Central Java. Of the 35 districts/cities, only about half of them have data on swallow nest tax revenues. On average, swallow nest tax revenue in 2017 was 16 million rupiah, in 2018 it was 18 million rupiah and in 2019 it was 15 million rupiah. However, the existence of this law has provided legal certainty in relation to the swallow nest tax levy.

Although the swallow's nest tax revenue in districts / cities in Central Java is relatively low, it does not mean that Law No. 28 of 2009 is not functioning properly. With this law, the district/city governments in Indonesia have a strong legal footing in relation to the swallow's nest tax. With this law, it means that it has been able to regulate so that there is no uncertainty that can interfere with the continuity of the swallow's nest business.

3.5 Total Receipts of New Regional Taxes

The total revenue from the new type of regional tax is the sum of the land and building tax revenues in rural and urban areas, land and building rights acquisition fees, groundwater tax, and swallow nest tax. On average, the amount of local taxes received by districts / cities in Central Java from new types of local taxes in 2017 was 67,015,772,098 rupiah, in 2018 it was 71,754,444,552 rupiah and in 2019 it was 82,630,637,675 rupiah. From the three-year data, it shows that there is a very good trend where local tax revenues have increased which has an impact on increasing regional financial capacity so that it is expected to be used to improve people's welfare. In those three years, the amount of local tax from the new type of local tax, Semarang city received the highest tax and Magelang city received the lowest tax.

The contribution of local tax revenues from new types of local taxes to local taxes in total district / city governments in Central Java was on average 48.66 percent in 2017, 47.10 percent in 2018, and 48.06 percent in 2019. This contribution is certainly very large because it is almost half of the total district / city tax revenue in Central Java. The contribution of new types of local tax revenues shows that local tax revenues that were previously not regulated in Law No. 28 of 2009 which include: hotel tax, restaurant tax, entertainment tax, advertisement tax, parking tax are relatively low. However, both districts/cities whose contribution from the new type of regional revenue is low, showing the opposite, namely that the revenue from the types of regional taxes that have not been regulated in the new regional tax law and levies is relatively high. The high contribution of this new type of regional tax can be concluded that Law No. 28 of 2009 concerning regional taxes and regional levies is effective. With the high district/city blood revenue from the new type of local tax, it increases the original local revenue thereby increasing the capacity of regional finance and regional independence.

Table 4. Total Receipts of New Regional Taxes (JPDB) 2017 – 2019

No	District / City	JPDB		
		2017	2018	2019
1	Kabupaten Cilacap	70.516.906.320	78.528.815.816	96.700.023.497
2	Kabupaten Banyumas	103.398.267.381	101.469.767.928	104.858.711.123
3	Kabupaten Purbalingga	25.872.964.182	25.269.624.062	27.275.789.737
4	Kabupaten Banjarnegara	22.790.820.634	27.310.349.170	27.969.844.778
5	Kabupaten Kebumen	42.716.511.932	52.594.633.736	61.563.465.591
6	Kabupaten Purworejo	31.998.774.022	40.741.966.167	43.354.982.677
7	Kabupaten Wonosobo	22.878.189.364	24.378.929.498	24.868.203.962
8	Kabupaten Magelang	39.517.962.584	41.081.508.714	54.493.484.952
9	Kabupaten Boyolali	53.956.942.461	78.218.338.524	88.627.646.711
10	Kabupaten Klaten	48.201.850.745	51.973.269.344	58.976.763.877
11	Kabupaten Sukoharjo	119.176.967.808	116.511.102.506	131.099.620.063

No	District / City	JPDB		
		2017	2018	2019
12	Kabupaten Wonogiri	22.060.021.261	27.768.497.435	31.017.117.747
13	Kabupaten Karanganyar	75.284.980.879	83.028.799.049	93.469.670.860
14	Kabupaten Sragen	34.697.154.139	35.098.055.277	46.074.414.676
15	Kabupaten Grobogan	34.985.947.949	36.949.132.349	50.473.753.259
16	Kabupaten Blora	24.199.021.146	24.734.405.679	28.488.195.891
17	Kabupaten Rembang	22.680.884.244	25.197.712.959	27.076.637.539
18	Kabupaten Pati	32.547.511.470	31.708.085.081	37.725.505.552
19	Kabupaten Kudus	45.898.039.063	50.176.985.994	57.297.225.177
20	Kabupaten Jepara	42.515.163.409	51.045.082.301	63.483.577.268
21	Kabupaten Demak	77.699.835.247	81.728.913.968	96.740.066.960
22	Kabupaten Semarang	105.333.740.236	79.115.044.825	58.749.811.855
23	Kabupaten Temanggung	21.784.468.206	22.508.716.562	32.934.143.567
24	Kabupaten Kendal	56.007.578.687	59.523.327.314	63.549.914.634
25	Kabupaten Batang	34.272.208.031	35.016.221.773	42.650.256.394
26	Kabupaten Pekalongan	16.432.180.407	28.554.950.200	38.205.127.857
27	Kabupaten Pemalang	29.005.698.293	36.552.869.855	46.335.457.801
28	Kabupaten Tegal	47.014.296.112	49.629.556.002	60.957.767.968
29	Kabupaten Brebes	35.770.289.058	42.056.266.315	54.127.487.235
30	Kota Magelang	13.344.505.533	13.071.428.851	16.231.519.562
31	Kota Surakarta	143.372.186.565	171.054.804.911	167.366.362.854
32	Kota Salatiga	23.276.483.937	26.791.880.809	35.117.453.297
33	Kota Semarang	772.865.091.532	803.946.493.185	959.077.968.421
34	Kota Pekalongan	25.965.069.444	28.233.656.704	35.142.715.280
35	Kota Tegal	27.513.511.147	29.836.366.461	29.991.630.014
Average		67.015.772.098	71.754.444.552	82.630.637.675

4 Conclusions and Recommendations

- Rural and urban land and building taxes have been proven to make a high contribution to district / city tax revenues in the province of Central Java
- Fees for the acquisition of land and building rights are proven to provide a high contribution to district / city tax revenues in the province of Central Java
- Groundwater tax is proven to provide a relatively low contribution to district/city local tax revenues in the province of Central Java

- d) Swallow nest tax is proven to provide a very low contribution to district / city tax revenues in the province of Central Java
- e) Law number 28 of 2009 concerning regional taxes and regional levies has proven to be effective in increasing district / city regional revenues in the province of Central Java, which are sourced from local taxes.
- f) Recommendations for further research agendas can be carried out with a wider sample, for example districts / cities in Java, Sumatra, Kalimantan, Sulawesi, or even the whole of Indonesia.

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