ANALYSIS OF MOTOR VEHICLES TAX COLLECTION ACHIEVEMENT IN REGIONAL TAX AND RETRIBUTION MANAGEMENT AGENCIES NORTH SUMATERA PROVINCE

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ABSTRACT

This study aims to analyze the strategy for increasing the collection of motor vehicle tax in North Sumatra Province. The research was conducted at the Regional Tax and Retribution Management Agency of North Sumatra Province. The data used is secondary data in the form of motor vehicle tax revenue from North Sumatra Province over a period of six years, namely 2014 to 2018 issued by the Regional Tax and Retribution Management Agency of North Sumatra Province. Other data sources include articles, scientific journals, books, newspapers, magazines, and internet sites. The method used is a qualitative descriptive research method with SWOT analysis. The results shows in the SWOT matrix, twelve alternative strategies can be formulated which are the selected solutions which include: three alternatives for SO-Strategy, three alternatives for WO-Strategy, three alternatives for ST-strategy and three alternatives for WT-Strategy, namely: (1) Optimizing the intensification and extensification program of local taxes, (2) Carrying out data collection effectively, Utilizing information technology in the implementation, supervision and control of tax collection on motor vehicles, (3) Ordering systems and procedures for collecting motor vehicle tax, (5) Improving the quality of human resources inadequate by undertaking regular training in taxation and updating data, to improve capabilities and skills in order to provide optimal services, (6) There is a Tax Advisory Team in each Technical Implementing Unit (UPT), (7) Increasing taxpayer participation, (8) Improve monitoring and evaluation of taxpayers, (9) Making regional regulations clear and legally enforceable, (10) Coordination among officials, (11) Increase socialization, (12) Application of online taxes.
KEYWORDS: *Motor vehicle tax, Strategy, SWOT analysis*

1. INTRODUCTION

Implementing Law No. 23/2014 on Regional Government, regional autonomy is the right, authority, and obligation of an autonomous region to regulate and manage government affairs and the interests of local communities under statutory regulations. The sources of regional autonomy financing come from Regional Original Revenue (PAD), balancing funds, regional loans, and other legal income. PAD aims to give authority to local governments to finance the implementation of regional autonomy under the potential of their respective regions as a manifestation of decentralization.

PAD is a regional revenue arising from the implementation of the regional government's rights and responsibilities, as well as the use of regional potential or resources, both controlled by the regional government and located in the area concerned, where the collection is the responsibility of the regional government. Regional Original Revenue (PAD) consists of a) Regional Taxes, (b) Regional Levies, (c) Separate Regional Asset Management Results, and (d) Other Legal PAD's (including proceeds from the sale of non-separated regional assets, demand for

deposit services, interest income, foreign currency exchange rate differential earnings, and fees, discounts or other forms of payment)

Table 1
Target and Realization of Regional Original Revenue (PAD) of North Sumatra Province 2015 - 2019

Year	Target	Realization	%
2015	4.623.636.999.015	4.883.880.619.308	105,63
2016	4.691.493.452.883	4.949.272.102.622	105,49
2017	5.060.796.805.526	5.361.456.694.693	105,94
2018	5.732.425.486.154	5.861.237.725.098	102,25
2019	6.284.220.582.270.	5.756.303.676.494	91,60

Source: Data from the North Sumatra Province Regional Tax and Retribution Management Agency (2019)

Under Law Number 28 of 2009 concerning Regional Taxes and Regional Charges, amendments from Law No.34 of 2000 concerning Regional Taxes and Regional Levies, which state: "That local taxes and levies are one of the sources of regional income that are important to finance the implementation of the regional government. "

Table 2
Target and Realization of Regional Tax Revenues in North Sumatra Province in 2015 - 2019

Year	Target	Realization	%
2015	4.180.782.532.441	4.427.143.658.803	105,89
2016	4.131.917.714.565	4.446.422.014.271	100,73
2017	4.551.528.006.240	4.823.857.040.271	105,98
2018	5.214.897.141.497	5.219.369.124.912	100,09
2019	5.171.010.376.283	5.058.443.944.654.	97,82

Source: Data from the North Sumatra Province Regional Tax and Retribution Management Agency (2019)

Furthermore, the income from Motor Vehicle Taxes in North Sumatra Province can be seen in the following table:

Tabel 3
North Sumatra Province Motor Vehicle Tax (PKB) Target and Realization in 2015 - 2019

Year	Target	Realization	%
2015	1.487.852.149.076	1.493.759.066.260	100,40
2016	1.589.047.921.801	1.600.726.046.444	100,73
2017	1.702.482.587.800	1.835.216.475.836	107,80
2018	1.750.758.714.765	2.048.414.470.446	117,00
2019	1.986.414.422.977.	1.995.480.813.304	100,46

Source: Data from the North Sumatra Province Regional Tax and Retribution Management Agency (2019)

The insignificant increase in motor vehicle tax is due to the inability of the regions to develop a collection strategy and map the potential for motor vehicle tax. The technique used to measure potential is also often unrealistic based only on the desire to constantly increase the tax target of the motor vehicle without looking at other aspects that influence the decision. Given the large role of local taxes as one of the main sources of regional financial revenue in the PAD component, this makes it a very vital part. Based on this, it is necessary to conduct a study on the strategy to increase motor vehicle tax in North Sumatra Province.

2. RESEARCH METHODOLOGY

A qualitative descriptive study is this research according to the type of data and analysis. This study analyzes North Sumatra Province's realization of motor vehicle tax revenue by comparing it with the North Sumatra Province's vehicle tax revenue target. The research was performed at the North Sumatra Province Provincial Tax and Retribution Management Department. The data collection technique is carried out using literature analysis, secondary data in the form of motor vehicle tax revenue provided by the Regional Tax and Retribution Management Agency of the Province of North Sumatra for a period of six years, namely 2014 to 2018. Articles, scientific journals, books, newspapers, magazines, and Internet pages are other data sources. Using SWOT analysis, data analysis was carried out.

3. LITERATURE REVIEW

Based on Article 18 Paragraph (1) of the 1945 Constitution of the Republic of Indonesia, Indonesia is divided into provinces, and provinces are divided into regencies and cities. Provinces, districts, and cities have local governments which are regulated by Law no. 23 of 2014 concerning Regional Government. The regional government is the administration of government affairs by the Regional Government and the Regional People's Representative Council according to the principle of autonomy in the system and principles of the Unitary State of the Republic of Indonesia as referred to in the 1945 Constitution of the Republic of Indonesia.

According to Article 1(3) of Law No 23 of 2014 concerning the Regional Government, the Regional Government is defined by the Regional Head as an element of the Regional Government, which is the Autonomous Region's Authority, administering the implementation of government affairs. Based on Article 5(4) of Law No 23 of 2014, the principle of decentralization, the principle of deconcentration, and the principle of co-administration are the principles of government administration in Indonesia. There have been very basic implications of the concept of decentralization applied in Indonesia, especially concerning fiscal policy and state administrative policy.

Physical decentralization is an integral part of regional autonomy and its implementation is regulated through a Financial Balance between the Central Government and Regional Governments (Halim, 2009: 17). Design and Fiscal Balance between the Central and Regional Governments still focus on the sources of regional government revenue from the central government in the form of balancing funds, which consist of: the regional portion of the Land and Building Tax (PBB), Land Rights Acquisition Fees (BPHTB), Natural Resources (SDA), the General Allocation Fund (DAU), and the Special Allocation Fund (DAK).

According to Mardiasmo (2002) theoretically, two benefits can be expected from decentralization, namely: (1) Encouraging community participation, initiative, and creativity in the development and encouraging the equitable distribution of development results throughout the region by utilizing the resources and potential available in each region. (2) Improve the allocation of productive resources by shifting the role of public decision making to the lowest level of government that has the most complete information.

Nirzawan (2001: 75) states that the strategy that can be applied to increase local tax revenue is through intensification. Likewise expressed by Soemitro (1990: 8). Intensification efforts can be taken through three events, namely: (1) improving tax administration; (2) improving the quality of employees or collecting officers; and (3) revision of the Tax Law. While extensification is an effort to expand the subject and object of tax and tariff adjustments. Tax extensification, among others, can be achieved in three ways, including (1) expansion of taxpayers; (2) tariff improvement; and (3) expansion of the tax object. The Directorate General of Taxation, the Sunset Policy, is an example of an extension and intensification policy. Extensification for those who have not registered and intensification for those who have already registered.

The definition of tax according to Mardiasmo (2009) is the people's contribution to the state treasury based on the law (which can be enforced) without receiving lead services (counter-achievement) which can be directly demonstrated and which is used to pay for general expenses. Law Number 28 of 2009 concerning regional taxes and regional levies (PDRD), as a substitute for Law Number 18 of 1997 as amended by Law Number 34 of 2000 also further emphasizes the meaning of tax in lower levels of government, Regional taxes are compulsory contributions to regions that are owned by private persons or entities that are compelling based on law, without receiving direct compensation and used for regional needs for the greatest prosperity of the people..

The regional tax function can be divided into 2 (two) main functions, namely the budgetary function and the regulatory function. The main principle of a good tax is the principle of justice (Equity), the Principle of Certainty (Certainty), the Principle Convenience, According to the Official (2013), the tax collection system in Indonesia, both central and local taxes, adheres to three collection systems, namely: Official Assessment, Self Assessment, Withholding. The repressive system for supervising regional levies based on Law No.34 of 2000 was changed to a preventive and corrective system regulated in Law No.28 of 2009. Repressive

supervision has shifted to a preventive and corrective system carried out on regional legal products in the field of regional levies, namely regional regulations (Perda) on local taxes and levies.

The institution for supervising local tax regulations consists of two parties, namely the government and the community. Supervision of PDRD regulations by the Government is carried out formally both by the Central Government, namely the Minister of Home Affairs cq the Head of the Legal Bureau of the Ministry of Home Affairs, as well as by the Regional government, namely the Governor cq. Head of the Provincial Government Legal Bureau. General provisions for motor vehicle tax are based on the Regulation of the Governor of North Sumatra Number 25 of 2018.

4. RESULT AND DISCUSSION

RRI Law Number 22 the Year 1999 regarding Regional Government jo. Government Regulation of the Republic of Indonesia (PP RI) Number 84 of 2000 concerning Guidelines for the Organization of Regional Apparatus, the Provincial Government of North Sumatra issued Regional Regulation (Perda) Number 3 dated July 31, 2001, concerning Services as technical institutions, which assist the Provincial Government (Governor) in carrying out the tasks of decentralization, deconcentration, and co-administration. The North Sumatra Provincial Revenue Service (DIPENDASU), now transformed into the BP2RD. A UPTD/Technical Service Implementing Unit (formerly known as an office branch) was established because of the large working area of the BP2RD, which covers the entire North Sumatra region, for the efficiency and effectiveness of the implementation of its main duties and functions.

As the organizer of some governmental authority and deconcentration duties in the area of the regional revenue, the BP2RD has a very strategic role, namely: "as the main manager of the source of Regional Original Revenue (PAD) used to finance the expenditure of North Sumatra Province, guided by on the principles of accountability, transparency, efficient and effective". With this strategic role, the Regional Tax and Retribution Management Agency (BPPRD) is required to (1) be able to increase PAD continuously, especially revenue from Provincial Taxes, (2) Able to realize excellent service (excellent service) in implementing Provincial Tax administration to mandatory tax, (3) Able to improve the quality of human resources who manage taxes, (4) Able to optimize authority in the field of Provincial Tax.

Strategic Environmental Analysis.

The strategic environment that affects performance in the policy strategy to increase motor vehicle tax is divided into internal and external factors. Internal factors, including strength (S = Strengths) and weakness (W = Weakness). Meanwhile, those classified as external factors are opportunities (O = Opportunities) and threats (T = Threats). From the results of observations and interviews in the field, we obtained a list of internal and external factors in the policy strategy to increase motor vehicle tax at the Regional Tax and Retribution Management Agency of North Sumatra Province, as follows:

Internal factors

Internal factors are strength for the policy strategy to increase motor vehicle taxes by looking at the development of a large number of vehicles in North Sumatra Province, namely:
1. Tax Verification
2. Local regulation
3. Availability of human resources in tax collection
4. Transfer of central taxes to regions

Internal factors which are a weakness in the policy strategy to increase motor vehicle tax, are as follows:
1. Counseling units
2. There is still a lack of professionals in the taxation sector
3. Tax Service System Network
4. The structures and procedures for tax collection are not yet optimal.

External Factors

Several opportunities support the policy strategy to increase motor vehicle taxes by looking at the potential aspects in the regions, namely:
1. Total Population
2. Tax Potential
3. Online Transportation
4. Progress and utilization of science and technology

Environmental factors that are a threat in the policy strategy to increase motor vehicle tax arising from outside the Regional Tax and Retribution Management Agency of North Sumatra Province, namely:
1. Lack of IT Knowledge
2. Lack of law enforcement
3. Ineffective Tax Nominal
4. Lack of work unit coordination

Analysis of Internal and External Factors

Based on the identification data adjusted to the existing conditions of motorized vehicle tax, government policies, and their potential, it shows that there are interrelationships between the factors discussed, so that the elements obtained from each of these factors show similarities, then the elements are grouped between internal and external.

Also, the elements that are beneficial to the rise in the internal tax on motor vehicles are

classified as strengths and the elements that are less favorable to the internal tax on motor vehicles are classified as weaknesses. Whereas the elements that are beneficial to the increase in external motor vehicle tax are classified as opportunities and the elements that are less favorable to the increase in external motor vehicle tax are threats.

The factors of strengths, weaknesses, opportunities, and threats can be seen in Table 4

Table 4
SWOT Data on Efforts to Increase Motor Vehicle Taxes

Strengths	Weaknesses
1. Tax Verification 2. Local regulation 3. Availability of human resources in tax collection 4. Transfer of central taxes to regions	1. Counseling units 2. There is still a lack of professionals in the taxation sector 3. Tax Service System Network 4. The structures and procedures for tax collection are not yet optimal.
Opportunities	**Threats**
1. Total Population 2. Tax Potential 3. Online Transportation 4. Progress and utilization of science and technology	1. Lack of IT Knowledge 2. Lack of law enforcement 3. Ineffective Tax Nominal 4. Lack of work unit coordination

Source: Research 2020, data processed

Furthermore, based on Table 4, the weighting, rating, and score of each internal factor for the increase in motor vehicle tax are carried out which can be seen in Table 5.

Table 5
Analysis of Internal Factors for Increasing Motor Vehicle Taxes

Strategic Internal Factors	Weight	Rating	Score
Strengths			
1. Tax Verification	0,14	4	0,56
2. Local regulation	0,13	3	0,39
3. Availability of human resources in tax collection	0,13	2	0,26
4. Transfer of central taxes to regions			
Weaknesses	0,10	1	0,10
1. Counseling units			
2. There is still a lack of professionals in the taxation sector	0,11	1	0,11
3. Tax Service System Network	0,13	2	0,26
4. The structures and procedures for tax collection are not yet optimal	0,13	3	0,39
	0,13	4	0,52
Total	1,00		2,59

Source: Research 2020, data processed

The results of the above analysis indicate that the dominant internal factors are tax verification, the inadequate system and procedures for tax collection, regional regulations, tax service system networks, the availability of human resources in tax collection, there is still a lack of professional personnel in the field of taxation, the transfer of central taxes to regions and extension units.

The weighting, rating and score of each external factor to increase motor vehicle tax can be seen in Table 6.

Table 6
Analysis of External Factors on Increase in Motor Vehicle Taxes

Strategic External Factors	Weight	Rating	Score
Opportunities			
1. Total Population	0,14	4	0,56
2. Tax Potential	0,13	3	0,39
3. Online Transportation	0,12	2	0,24
4. Progress and utilization of science and technology	0,11	1	0,11
Threats			
1. Lack of IT Knowledge	0,11	1	0,11
2. Lack of law enforcement	0,13	3	0,39
3. Ineffective Tax Nominal	0,14	4	0,56
4. Lack of work unit coordination	0,12	2	0,24
Total	1,00		2,60

Source: Research 2020, data processed

The results of the above analysis indicate that the dominant external factors are: population, nominal ineffective taxes, tax potential, weak law enforcement, online transportation, lack of work unit coordination, advancement and utilization of science and technology, and weak IT knowledge.

After the four components (strengths, weaknesses, opportunities and threats) can be identified, then by using the SWOT matrix, efforts will be made to obtain alternative strategies based on logic by maximizing strengths and taking advantage of opportunities simultaneously must be able to minimize weaknesses. and anticipating threats. The complete SWOT matrix can be seen in Table 7.

Table 7
Motor Vehicle Tax Increase SWOT Matrix

	Strengths	Weaknesses
	1. Tax Verification 2. Local regulation 3. Availability of human resources in tax collection 4. Transfer of central taxes to regions	1. Counseling units 2. There is still a lack of professionals in the taxation sector 3. Tax Service System Network 4. The structures and procedures for tax collection are not yet optimal
Opportunities	**SO Strategy**	**WO Strategy**
1. Total Population 2. Tax Potential 3. Online Transportation 4. Progress and utilization of science and technology	1. Optimizing local tax intensification and extensification programs 2. Carry out data collection effectively 3. Utilization of information technology in implementing, supervising and controlling motor vehicle tax collection	1. Control of motor vehicle tax collection systems and procedures. 2. Improving the quality of human resources that are inadequate by undertaking regular training in taxation and updating data, to improve capabilities and skills to provide optimal service. 3. There is a Tax Development Team in each Technical Implementing Unit (UPT)

		4.
Threats	ST Strategy	WT Strategy
1. Lack of IT Knowledge 2. Lack of law enforcement 3. Ineffective Tax Nominal 4. Lack of work unit coordination	1. Increase taxpayer participation 2. Improve monitoring and evaluation of taxpayers 3. Making local regulations that are clear and have legal force	1. Coordination between apparatus 2. Increase socialization 3. Application of online taxes

Source: Research 2020, data processed

5. CONCLUSION

From the SWOT matrix above, twelve alternative strategies can be formulated which are the selected solutions which include: three alternatives for SO-Strategy, three alternatives for WO-Strategy, three alternatives for ST-strategy and three alternatives for WT-Strategy, namely:

1. Optimizing local tax intensification and extensification programs
2. Carry out data collection effectively
3. Utilization of information technology in implementing, supervising and controlling motor vehicle tax collection
4. Control of motor vehicle tax collection systems and procedures.
5. Meningkatkan kualitas SDM yang belum memadai dengan mengusahakan pelatihan bidang perpajakan secara berkala dan pemutakhiran data, untuk meningkatkan kemampuan dan keterampilan agar bisa memberikan pelayanan yang optimal.
6. There is a Tax Development Team in each Technical Implementing Unit (UPT)
7. Increase taxpayer participation
8. Improve monitoring and evaluation of taxpayers
9. Making local regulations that are clear and have legal force
10. Coordination between apparatus
11. Increase socialization
12. Application of online taxes

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