

Effectiveness of Land and Building Tax Collection in Region Palu City, Republic of Indonesia

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Abstract

The purpose of this study is to determine and analyze the Effectiveness of Land and Building Tax Collection at the Palu City Regional Revenue Agency Office. This type of research is quantitative research. The data analysis technique used is effectiveness analysis. The results of this study conclude; (1) Land and Building Tax Collection at the Palu City Regional Revenue Agency Office is in the very effective criteria. (2) Supporting factors in the Land and Building Tax Collection of Palu City are: (a) Investment development in Palu City continues to increase so that Land and Building Tax Collection revenues continue to increase every year. (b) Supporting facilities are in accordance with taxation standards. (3) Inhibiting Factors in Land and Building Tax Collection Revenues are: (a) There is no awareness of all taxpayers to pay Land and Building Tax Collection which is their obligation as citizens of the Unitary State of the Republic of Indonesia. (b) There is no similarity in Land and Building Tax Collection data at several agencies such as the Samsat Office, Regional Revenue Agency, Land, District Offices and Village Offices in the Palu City Area. (c) Limited human resources in terms of quantity.

Keywords: *Effectiveness, Tax, Collection, Land and Buildings.*

Introduction

Regional development in the Unitary State of the Republic of Indonesia is an inseparable part of national development. The success of a nation's development cannot be separated from the success of the region in managing the potentials owned by the region. In addition, regional development is also part of the ability to manage regional economic resources that contribute to regional revenues to finance the government and regional development for the welfare of the people.

Public welfare can be realized if there is regional income. The largest regional income comes from the taxation sector. Tax is one of the largest sources of regional income so that tax has a very important role in the Indonesian economy. According to Rochmat Soemitro (2018), Tax is a contribution from the people to the state treasury based on law (which can be enforced) without receiving direct reciprocal services and which are used to pay for general expenses. The results of tax payments are then used for regional financing. This tax collection has been regulated in Article 23 A of the 1945 Constitution which reads "Taxes and other levies that are mandatory for state needs are regulated by law".

The management of regional potential in Indonesia is carried out by the Regency and City which have a function in seeking the welfare and prosperity of its people. In order to realize this, all existing potential and resources must be allocated effectively and efficiently continuously. One of the sources of regional income is the Land and Building Tax (PBB) which is used as financing for the development of these regions. Regional income that plays a large role is Regional Tax.

One of the regional taxes that is a potential source of regional income is PBB which is categorized as State Tax. Since 2011, PBB has been transferred by the Central Government to the Regional Government in accordance with the Joint Regulation of the Minister of Finance and the Minister of Home Affairs No.: 213/PMK/07/2010, Number 58 of 2010 concerning the Preparation Stages for the Transfer of PBB as a Regional Tax.

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Formulation of the Problem

Based on the background, the formulation of the problem in this study is as follows:

- How Effective is Land and Building Tax Collection at the Palu City Regional Revenue Agency ?
- What are the supporting factors in the collection of the Effectiveness of Land and Building Tax Collection at the Palu City Regional Revenue Agency ?
- What are the inhibiting factors in the collection of effective land and building tax collection at the Palu City Regional Revenue Agency ?

Research Purposes

Based on the formulation of the problem, the objectives of this research are as follows:

- Knowing and analyzing Effectiveness of Land and Building Tax Collection at the Regional Revenue Agency of Palu City.
- Knowing and analyzing supporting factors in the collection of the Effectiveness of Land and Building Tax Collection at the Palu City Regional Revenue Agency.
- Knowing and analyzing the inhibiting factors in the collection of the effectiveness of land and building tax collection at the Palu City Regional Revenue Agency.

Uses of Research

- *Scientific Aspect*

This research is expected to be useful for the development of science, especially in relation to Land and Building Tax Management.

- *Applied Aspects*

This research is expected to provide input as a consideration for the Palu City Regional Revenue Agency. regarding Land and Building Tax Collection.

Literature Review

As a reference for this research, the results of previously conducted research are presented, namely:

Antum, Alwy Alfiah (2022 article) , Sub-district Head's Strategy in Increasing Target Achievement and Realization of Rural and Urban Land and Building Tax (P BB -P2) in Kota Tengah District, Gorontalo City. Thesis, Institute of Home Affairs . Tax is one of the Regional Original Income which has quite large potential to be explored and developed. The importance of taxes for state revenue and increasing regional finances, so to achieve these goals the Government makes various efforts. One of the ways carried out by the Regional Government, especially Gorontalo City, is by appointing the Village Head/Lurah as the person in charge and the Sub-district Head as the supervisor in order to optimize the collection of Rural and Urban Land and Building Tax (PBB-P2) in each sub-district, including Kota Tengah Sub-district. The purpose of this study is to describe and analyze how the sub-district head's strategy is to increase the achievement of the Rural and Urban Land and Building Tax target, the inhibiting factors of the sub-district head's strategy in increasing the achievement of the Land and Building Tax target. This type of research is qualitative descriptive with an inductive approach. The results of the study show that the sub-district head's strategy in increasing the achievement of the Land and Building Tax target in Kota Tengah Sub-district is not

optimal, so the Sub-district Head renews the strategy in increasing the achievement of the Land and Building Tax target. Obstacles encountered in its implementation include constrained access for tax object owners in paying taxes due to the implementation of PPKM, tax object owners who live outside the region, lack of coordination from the sub-district regarding PBB collection, facilities and infrastructure that support the provision of services to the community, the level of community compliance in paying PBB. Therefore, the strategy carried out by the sub-district head to overcome these obstacles is to use 6 (six) pros, namely: professional, procedural, proportional, proactive, progressive and productive. The similarity of the research is that both examine Land and Building Tax. The difference in the research is the strategy for achieving the predetermined target.

Mugawe, *at.all* (article 2022) Analysis of Realization of Rural and Urban Land and Building Tax Revenue (Pbb-P2) as One of the Sources of Original Regional Income of Sangihe Islands Regency (Study on the Regional Revenue and Financial Management Agency of Sangihe Islands Regency). Thesis, De La Salle Catholic University Manado . Rural and urban land and building tax (PBB-P2) revenues in the Sangihe Islands Regency have a significant contribution to regional development. But only a few people understand the importance of paying rural and urban land and building tax (PBB-P2) for development in the Sangihe Islands Regency. Based on data obtained from the Regional Revenue and Financial Management Agency of the Sangihe Islands Regency in 2018-2021, the source of income in the rural and urban land and building tax (PBB-P2) sector has increased. However, the realization each year is not as expected by the Sangihe Islands Regency Government. The purpose of this study was to examine the factors causing the failure to achieve the target of rural and urban land and building tax (PBB-P2) and the efforts of the local government in optimizing the realization of rural and urban land and building tax (PBB-P2) in Sangihe Islands Regency. The informants used in the study were 5 employees in the revenue sector and 3 taxpayers in Sangihe Islands Regency. Furthermore, the method used to analyze the research results was qualitative research using a descriptive approach. The results of the study showed that the factors causing the failure to achieve the target of rural and urban land and building tax (PBB-P2) consisted of: economic factors, taxpayer awareness factors, service quality factors, and factors of delays and inconsistencies in tax payable notification letters (SPPT). Meanwhile, the efforts of the local government in optimizing the realization of rural and urban land and building tax (PBB-P2) revenues were by conducting socialization, recording new taxpayers, and maintaining the system by updating taxpayer data. The similarity of the study is Land and Building Tax. The difference in the study is Regional Original Income.

A driansyah *a t all* (Article 2021) , Effectiveness and Contribution of Rural and Urban Land and Building Tax (P BB P2) in Efforts to Increase Local Original Income of OKU Regency . The results of the study show (1) . Effectiveness of Rural and Urban Land and Building Tax (PBB P2) in efforts to Increase Local Original Income of OKU Regency for the 2016-2020 Period. The cause of the increase and decrease in PBBP2 receipts in OKU Regency from 2016 to 2020 was because PBB-P2 collection had not been fully implemented by the government. (2) . Rural and Urban Land and Building Tax (PBB P2) contributed lowly to efforts to Increase Local Original Income of OKU Regency for the 2016-2020 Period. This is because the local government is not yet optimal in collecting taxes, and there is still a lack of awareness among taxpayers to pay PBB. The similarity of the research is that both research Land and Building Tax, while the difference in the research is effectiveness and Regional Original Income.

Nany Ariany; *at all* (2020) Analysis of Land and Building Tax (PBB) Progressivity for Individual Taxpayers in South Jakarta and Its Relationship with Inability to Pay PBB . This thesis discusses the progressivity of Land and Building Tax (PBB), which is better known to the world as property and natural resource tax in Indonesia, especially for Taxpayers who experience an increase in the Taxable Object Sales Value (NJOP) of their homes. The purpose of this study is to explain whether PBB is progressive towards the economic capacity of Taxpayers in South Jakarta. In addition, this study also wants to explain whether the ratio of PBB burden to the economic capacity of Taxpayers affects the inability of Taxpayers to pay PBB and what actions are taken by Taxpayers in South Jakarta if they have problems with the inability to pay PBB. The research method used in writing this thesis is the multiple linear regression analysis method, with a data

collection technique in the form of a questionnaire distributed to 100 Taxpayer respondents who live in the South Jakarta area with sampling based on the Taxpayer's income level. From the regression analysis, it is known that there is a positive correlation between PBB burden and net wealth of 0.667 and a negative correlation with net income of -0.021, but there is no strong correlation between the ratio of PBB burden to wealth and net income with the inability of Taxpayers to pay. However, the number of Taxpayers who complain about the inability to pay PBB is quite high (60% of the total respondents) and there is a clear income gap between Taxpayers who live in locations with high property values. There are still many Taxpayers who want to apply for a PBB reduction but do not understand the mechanism, namely 18 people (30%) out of 60 respondents who have problems with the inability to pay, indicating a lack of socialization of tax regulations. The results of the study suggest that the Regional Government as the party that will carry out the authority to collect Rural and Urban PBB can create a tax limitation program that responds to the problem of Taxpayers' inability to pay, prepare data integration and administration to support the tax system and expand socialization and tax education for the community, especially tax relief programs for low-income Taxpayers.

Syamsuddin Saleh, (Thesis 2017), Evaluation of Land and Building Tax Management in Rural and Urban Sectors in Enrekang Regency . In the delegation of authority to manage Land and Building Tax (PBB) in rural and urban sectors according to Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions, its implementation has experienced various obstacles. Therefore, in order to be systematic, this study focuses on the problem of How is the Evaluation of Land and Building Tax Management (PBB) in Rural and Urban Sectors in Enrekang Regency. The purpose of this study is to evaluate the Management of Land and Building Tax (PBB) in Enrekang Regency. The approach method used is a qualitative approach, namely research that uses primary data and secondary data by conducting data mining directly from the source with several informants who according to the researcher are people who are directly involved and know about the Land and Building Tax management process at the Enrekang Regency Financial and Regional Asset Management Service, namely 11 people. The focus of qualitative research is initially the problem to be studied is still general and vague, it will become clearer and get focus after the researcher is in the field. The data collection method uses several instruments, namely direct observation, interviews, documentation, and literature studies. The results of the study indicate that the Land and Building Tax (PBB) management policy after being fully managed by the Enrekang Regency Government is not optimal because it is not supported by implementing regulations, Standard Operating Procedures, there is no special institution for managing PBB and minimal support for resources, both human resources, equipment and budgeting have a direct impact on the efficiency and effectiveness of land and building tax management in Enrekang Regency so that the implementation of tax SOPs cannot be carried out optimally. The previous research matrix is clearer in the following table.

Table 1. Previous Research Matrix

No	Researcher Name	Title Study	Research result	Research Equation	Research Differences
1	Antum, Alwy Alfiah (article 2022)	Sub-district Head's Strategy in Increasing Target Achievement and Realization of Rural and Urban Land and Building Tax in Kota Tengah District, Gorontalo City.	The sub-district head's strategy in increasing the achievement of Land and Building Tax targets in Kota Tengah District is not yet optimal,	and Urban Land and Building Tax	Sub-district Head's Strategy in Increasing Target Achievement
2	Thank you, <i>at.all</i> (article 2022)	Analysis of Realization of Rural and Urban Land and	The factors causing the failure to achieve the	and Urban Land and Building Tax	Economic factors in Rural and Urban Land and Building Tax

		Building Tax Revenue (Pbb-P2) in the Sangihe Islands	target for land and building tax revenue in rural and urban areas are economic		
3	A driansyah <i>at all</i> (Artkel 2021)	Effectiveness and Contribution of Rural and Urban Land and Building Tax (P BB P2)	collection .	and Urban Land and Building Tax	Effectiveness
No	Researcher Name	Title Study	Research result	Research Equation	Research Differences
4	Nany Ariany; <i>at all</i> (2020)	Progressive Analysis of Land and Building Tax (PBB) for Individual Taxpayers in South Jakarta and Its Relationship	There is a positive correlation between PBB burden and net wealth of 0.667 and a negative correlation with net income of -0.021, but there is no strong correlation between the ratio of PBB burden to wealth and net income with the inability of Taxpayers to pay.	Land and Building Tax (PBB)	Progressiveness
5	Syamsuddin Saleh, (Thesis 2017)	Evaluation of Land and Building Tax Management in Rural and Urban Sectors in Enrekang Regency	The management of Land and Building Tax (PBB) after being fully managed by the Enrekang Regency Government has not been optimal because it is not supported by Standard Operating Procedures,	property tax	Rural and urban land and building tax

Source: Researcher's processed results, 202 5

Literature Review

Effectiveness

Effectiveness is basically related to the time of achieving the objectives or targets of the policy (utility). Effectiveness is the relationship between output and the objectives or targets that must be achieved. Operational activities are said to be effective if the activity process achieves the objectives and final targets of the policy (Mardiasmo, 2012). Effectiveness basically indicates the level of achievement of results, and is always associated with efficiency, although there are differences between the two. Effectiveness emphasizes the results achieved, while efficiency looks more at how to achieve the results achieved by comparing the input and output (Siahaan, 2011).

Mahmudi (2010) stated that effectiveness is the relationship between output and goals or targets that must be achieved. It is said to be effective if the activity process achieves the goals and final targets of the policy (spending wisely). The greater the output produced towards achieving the goals and targets determined, the more effective the work process of an organizational unit. Regional taxes can be categorized in terms of effectiveness as follows: (a) Achievement level above 100% means very effective. (b) Achievement level between 90%-100% means effective. (c) Achievement level between 80%-90% means quite effective. (d) Achievement level between 60%-80% means less effective. (e) Achievement level below 60% means ineffective.

Effectiveness is the achievement of predetermined goals, whether in the form of targets, long-term goals or organizational vision. However , the achievement of these goals must also refer to the vision of the organization (Atik, 2015). According to SP. Siagian (2012) Effectiveness is the achievement of various suggestions that are determined at the right time by using certain resources that have been allocated to carry out various certain activities. According to Gibson (2011) Effectiveness is the achievement of agreed goals and targets to achieve joint business goals. The level of goals and objectives indicates the level of effectiveness. The achievement of goals and objectives will be determined by the level of sacrifice that has been made.

Effectiveness Measurement

Effectiveness here is a comparison between input and output on Land and Building Acquisition Tax in Palu City. The amount of tax effectiveness according to Abdul Halim (2014:93) is calculated using the following formula:

$$\text{Efektivitas} = \frac{\text{Realisasi PBB}}{\text{Target PBB}} \times 100 \%$$

Tax Concept

Law Number 28 of 2009 concerning Taxes and Levies defines tax as a mandatory contribution to the Region owed by individuals or bodies that is mandatory based on the Law, without receiving direct compensation and is used for the needs of the Region for the greatest prosperity of the people. According to Soeparman (2009) tax is a mandatory contribution, in the form of money or goods, which has been collected by the authorities based on legal norms, in order to cover the production costs of goods and collective services in achieving public welfare.

According to Rochmat (2014), tax is: Community contribution to the State Treasury based on the law that has been enforced without receiving reciprocal services (counter-performance), which can be directly directed and used to pay general expenses. According to Andriani (2012), tax is a community contribution to the State (which can be enforced), which is owed by those who are required to pay it according to regulations without receiving reciprocal performance, which can be directly designated, and which is used to finance general expenses for the implementation of government and the state.

Tax has elements, namely the things that form it, according to Pudyadmoko (2010) the elements of tax consist of:

There is a society

For the emergence of taxes, society must exist, because taxes are held to fulfill the common interests of society or public interests. Without society, there would certainly be no taxes, therefore society is seen as an arena for the emergence of taxes.

There is a law

The existence of laws and other regulations reflects the existence of democratic values in social, national and state life.

There are tax collectors

Tax is seen as a transfer of wealth from one party to another, namely from the people as taxpayers to the government. So naturally there is a party that collects or receives the transfer of wealth. In this case, it is the government which is the organizer of public interests as well as the ruler.

There are tax subjects or taxpayers

Tax subjects are individuals or entities that meet subjective requirements, namely requirements attached to individuals or entities in accordance with what is determined by law. Taxpayers are individuals/entities that have met subjective and objective requirements, thus tax subjects are not necessarily taxpayers but taxpayers are definitely tax subjects.

In making regional tax regulations, it must be based on general tax collection, namely to improve public welfare. As much as possible to the state treasury, but it must also have a regulatory nature to improve the standard of living of the community. The income of money to improve public welfare needs to be increased again and its collection must be based on and implemented according to applicable norms. Taxes seen from their function according to Ilyas (2014) have two functions, namely

The Budget function is a function that is located in the public sector, namely the function of collecting as much tax money as possible in accordance with the applicable laws at the time which will be used to finance state expenditures, namely routine expenditures and development expenditures and if there is a remainder (*surplus*) it will be used as government savings for investment.

government.

Regular Function

The Regular function is a function that the taxes will be used as a tool to achieve certain goals outside the financial sector. This regular function can generally be seen in the private sector.

Function of Democracy

The function of democracy is a function that is one of the manifestations or forms of the mutual cooperation system, including government and development activities for the sake of human welfare. The function of democracy today is often associated with a person's right to receive services from the government. If a person has fulfilled his obligation to pay taxes to the state in accordance with applicable provisions, then he also has the right to receive good service, taxpayers can protest (*complain*) to the government by saying that he has paid taxes, why not get the service he should.

Distribution Function

Distribution Function is a function that emphasizes more on the elements of equality and justice in society. This can be seen from the existence of progressive rates that impose higher taxes on people with high incomes and lower taxes on people with lower (small) incomes.

The tax function above is often referred to as an additional function because it is not the main purpose of tax collection. However, with the development of modern society, the third and fourth functions have become very important functions, inseparable, in the context of human welfare and balance in realizing the rights and obligations of society.

Principles of Tax Collection

Principles are something that can be used as a basis, foundation and support to explain a problem. Usually a tax collection must be based on principles which are the measure to determine whether a tax collection is fair or not. Adam Smith in (Bohari, 2011) stated that there are four principles of tax collection, namely:

Principle of Equity

This principle emphasizes that citizens or taxpayers of each country should contribute in proportion to their respective abilities, namely in relation to the benefits they receive under the protection of the state. What is meant by benefits here is the amount of income obtained under the protection of the state. In this principle of *equality*, a country is not allowed to discriminate between taxpayers.

Principle of Certainty

This principle emphasizes that taxpayers must be clearer and more certain about the time, amount and method of tax payment. In this principle, legal certainty is very important, especially regarding the subject and object of tax.

Fun Principle (conveniency of payment)

Taxes should be collected at the time and in the manner that is most convenient for taxpayers, for example land and building tax for farmers should be collected when they have money, namely at harvest time.

Principle of Efficiency (Low cost of Collection)

This principle emphasizes that the cost of tax collection should not be more than the tax revenue to be received. Tax collection must be adjusted to the needs of the State Budget.

The tax collection system is a set of procedures or methods that can be used to collect a tax. In general, the tax collection system is divided into four, namely:

Official Assessment System

Official Assessment System is a tax collection system that states that the amount of tax owed by taxpayers is calculated and determined by the tax authorities or *tax authorities*. In this system, tax debts arise when there has been tax accuracy from *the tax authorities* (in accordance with formal teachings on the emergence of tax debts). So, in this case, taxpayers are passive.

Semi Self Assessment System

A tax collection system that gives authority to the tax authorities and taxpayers to determine the amount of tax a person owes.

Self Assessment System

Self Assessment System is a tax collection system where the authority to calculate the amount of tax owed by taxpayers is handed over by *the tax authorities* to the taxpayers concerned, so that with this system, taxpayers must be active in paying, calculating, and reporting to the Tax Service Office (KPP), while *the tax authorities* are tasked with providing information and supervision.

With Holding System

With Holding System is a tax collection system that states

that the amount of tax owed is calculated by a third party (who is not a taxpayer and also not a tax official/*fiscus*).

Property Tax

Land and Building Tax (PBB) is a State Tax imposed on land and/or buildings based on Law Number 12 of 1985 concerning Land and Building Tax as amended by Law Number 12 of 1994. Land and Building Tax is a tax that is material in nature in the sense that the amount of tax owed is determined by the condition of the object, namely land/land funds or buildings. The condition of the subject (who pays) does not determine the amount of tax (Hanum et al., 2018).

Based on the Law of the Republic of Indonesia Number 28 of 2009 concerning Regional Taxes and Regional Retributions. Rural and Village Land and Building Tax is a Tax on land and/or buildings owned, controlled, and/or utilized by individuals or Agencies, except for areas used for plantation, forestry, and mining business activities. Based on the Sigi Regency Regent Regulation Number 10 of 2017 concerning Rural and Urban Land and Building Tax, Land and Building Tax is a tax on land and/or buildings owned, controlled, and/or utilized by individuals or bodies for the rural and urban sectors except for areas used for plantation, forestry, and mining business activities.

Land and Building Tax Objects

Based on the Sigi Regency Regent Regulation, the objects of Land and Building Tax are as follows:

Land and Building Tax Objects are Land and/or Buildings owned, controlled, and/or utilized by individuals or bodies, except for areas used for plantation, forestry, and mining business activities.

Included in the definition of Buildings are:

Neighborhood roads located in a building complex

Toll roads;

Swimming pool;

Luxury fence;

Sports venues;

Shipyards, docks;

Luxurious gardens;

Oil, water and gas storage/refinery, oil pipes;

Tower .

According to (Hanum et al., 2018) the amount of land and building tax rates is as follows:

For NJOP of Rp. 0,- (zero rupiah) up to Rp. 500,000,000,- (five hundred million rupiah) it is set at 0.100% (zero point one hundred percent) per year.

For NJOP of Rp. 500,000,000,- (five hundred million rupiah) up to Rp. 1,000,000,000,- (one billion rupiah) it is set at 0.150% (zero point one hundred fifty percent) per year.

Framework

Tax revenue plays an important role for local governments in financing the governance and development of a region. One source of regional income is regional taxes. Regional taxes Tax is a mandatory contribution to the state owed by individuals or bodies that is mandatory based on legislation. (Law Number 28 of 2009). One of the Regional Taxes at the Palu City Regional Revenue Agency is the Land and Building Tax (PBB). Land and Building Tax is a tax on land and/or buildings owned, controlled, and/or utilized by individuals or bodies for the rural and urban sectors except for areas used for plantation, forestry, and mining business activities.

The Palu City Regional Revenue Agency has a target that must be achieved in the realization of PBB revenue. In the receipt of Land and Building Tax (PBB) will be used to implement the costs of government and regional development of Palu City. The basis for collecting Advertising Tax in districts or cities is (1) Law Number 34 of 2000 which is an amendment to Law Number 18 of 1987 concerning Regional Taxes and Regional Retributions (2) Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions. (3) Government Regulation Number 65 of 2001 concerning Regional Taxes and (4) Regency/City Government Regulations governing Land and Building Taxes .

The researcher compiled a framework of thought through the creation of a scheme with the aim of facilitating the process of analyzing targets and realization of PBB in Palu City, Central Sulawesi Province. The research scheme carried out by the researcher below is to describe the mechanism of the research. Based on the description in above, then the Framework The thoughts are described in the following image

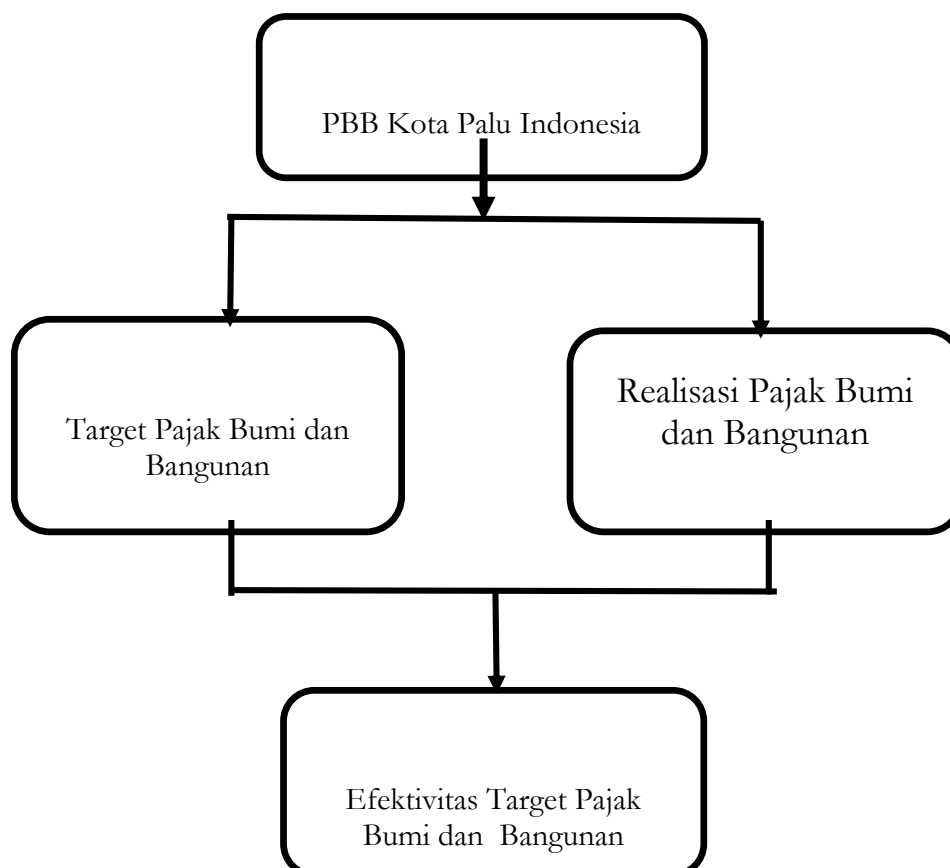


Figure 1

Framework

Figure 1. Framework of Thought**Research Methods**

Research methods are basically scientific ways to obtain data with specific purposes and uses. Scientific methods mean that research activities are based on scientific characteristics, namely , rational , empirical and systematic. Rational means that research activities are carried out in reasonable ways, so that they are accessible to human reasoning. Empirical means that the methods used can be observed by human senses, so that others can observe and know the methods used. Systematic means that the process used in the research uses logical steps. Sugiyono , (2016: 1).

Types of Research

This type of research is descriptive and quantitative research. Quantitative research is research that conducts testing of PBB data to determine the effectiveness of tax collection. The descriptive approach is used to provide a description of the object being studied through the results of interviews with informants and observations as they are. Arikunto (2011).

Operational Definition

To facilitate analysis in this research, the author describes the operational definition as follows:

- Land and Building Tax is a tax on land and/or buildings owned, controlled and/or utilized by individuals or bodies, except for areas used for plantation, forestry and mining business activities.
- Law Number 28 of 2009 concerning Taxes and Levies defines tax as a mandatory contribution to the Region owed by individuals or bodies which is of a mandatory nature based on the Law, without receiving direct compensation and is used for the needs of the Region and utilized for the greatest possible prosperity of the people.
- The basis for imposing Land and Building Tax is : (a) The basis for imposing Land and Building Tax is NJOP (taxable object sales value). (b) The amount of NJOP is determined every 3 (three) years, except for certain taxable objects which can be applied every year in accordance with the development of the region. (c) The determination of the amount of NJOP is carried out by the Regional Head.

*Types and Sources of Data**Data type*

The types of data used in this study are:

- *Qualitative Data*

Qualitative data is data obtained by researchers from the results of interviews with research informants.

- *Qualitative Data*

Quantitative data is data in the form of numbers, such as the realization of Land and Building Tax the number of Land and Building Tax tax objects obtained from the Palu City Regional Revenue Agency.

Data Sources

- *Primary Data*

Primary data is the main data analyzed in this research. The primary data is in the form of informant answers when conducting interviews with research informants regarding Land and Building Tax .

- *Secondary Data*

Secondary data is supporting research data, obtained from research objects and from various literatures. This data includes: The number of targets and realization of Land and Building Tax at the Palu City Regional Revenue Agency.

Data Collection Technique

The data collection required in this research was carried out using several techniques as follows:

- Observation is a data collection technique by systematically observing and recording symptoms or phenomena that exist in the research object.
- Interviews are a data collection technique carried out by conducting direct question and answer sessions with informants (*personal face to face interviews*). Sambas & Maman (2017: 21).
- Documentation, namely taking data related to research, for example amount of Land and Building Tax.

Data Analysis Techniques

Data analysis techniques focus on data obtained through interviews and other documents. Data processing focuses on data obtained through interviews and other documents. Data analysis is carried out during data collection in the field and after all data is collected using interactive model analysis techniques. Restu (2010:) stated that data analysis is the process of collecting, modeling and transforming data with the aim of highlighting and obtaining useful information, providing suggestions, conclusions, and supporting decision making. The following are data analysis techniques used in this study, namely using descriptive analysis and trend analysis. The steps in analyzing data in this study are as follows.

Collecting data information regarding targets and realization of P B B revenues at the Palu City Regional Revenue Agency . .

Conducting calculations of the level of effectiveness by comparing the target and realization of P BB revenue at the Palu City Regional Revenue Agency .

Analyzing the effectiveness of P BB in the Regional Revenue Agency of Palu City . based on the criteria obtained with the formula:

$$\text{Efektivitas} = \frac{\text{Realisasi PBB}}{\text{Target PBB}} \times 100 \%$$

Analyzing the inhibiting and supporting factors in the collection of P BB at the Palu City Regional Revenue Agency .

Conduct discussions and draw conclusions.

Effectiveness guidelines in this study are shown in the following table.

Results and Discussion

Based on data obtained from the Palu City Regional Revenue Agency, both in documentation. So every year the Land and Building Tax revenue has a target that has been set as a source of Regional Original Income, but the realization of its revenue fluctuates, some reach the target that has been set. More clearly the development of Land and Building Acquisition Fees can be seen in the following table:

Table 2. and Building Tax Targets and Realization Palu City

Year	B Target (Rp)	Realization of P BB (Rp)	Information (Rp)
2024	17,950,000,000	19,419,333,805	1 . 469,333 . 8 05
2023	12,850,000,000	17,116,723,347	4 . 266 . 7 23 . 347
2022	8,000,000,000	13,382,520,915	5 . 382 . 520 . 915
2021	7,000,000,000	14,409,810,489	7.409 . 810 . 4 89

Source: Palu City Regional Revenue Service, 2025

Based on Table 2, it shows that the target for Land and Building Tax revenue is Palu City in 2021 amounting to Rp. 7,000,000,000 while the realization was Rp. 14,409,810,489 in other words the target that had been set was achieved and exceeded the target of Rp. 7,409,810,489 . Then in 2022 the target for Land and Building Tax revenue Palu City of Rp. 8,000,000,000 while the realization was Rp. 13,382,520,915 , in other words the target that had been set was achieved and exceeded the target of Rp . 5,382,520,915

2023 target for Land and Building Tax revenue target Palu City in 2023 amounted to Rp. 12,850,000,000 while the realization was Rp . 17,116,723,347, in other words the target that has been set has been achieved and exceeded the target of Rp. 4,266,723,347 . Then in 2024 the target for Land and Building Tax revenue Palu City is Rp. 17,950,000,000 while the realization is Rp. 19,419,333,805 , in other words the target that has been set has been achieved and exceeded the target of Rp. 1,469,333,805 . Based on the description above, it can be concluded that the lowest target is Land and Building Tax Palu City occurred in 2021, which was IDR 7,000,000,000 and the highest realization exceeding the target also occurred in 2019, which was IDR 14,409,810,489 or it can be said that there was an excess target of IDR. 7.409 . 810 . 4 89.

Discussion

and Building Tax Analysis in this study, the realization always exceeds the target that has been set. To analyze the Realization of Land and Building Tax in Palu City , the author describes the level of effectiveness of Land and Building Tax revenue as follows:

$$\text{Efektivitas} = \frac{\text{Realisasi PBB}}{\text{Target PBB}} \times 100 \%$$

$$\text{Efektivitas PBB Tahun 2021} = \frac{14.409.810.489}{7.000.000.000} \times 100 \%$$

$$= 205.85\%$$

$$\text{Efektivitas PBB Tahun 2022} = \frac{13.382.520.915}{8.000.000.000} \times 100 \%$$

$$= 167.28 \%$$

$$\text{Efektivitas PBB Tahun 2023} = \frac{17.116.723.347}{12.850.000.000} \times 100 \%$$

$$= 133.20 \%$$

$$\text{Efektivitas PBB Tahun 2024} = \frac{19.419.333.805}{17.950.000.000} \times 100 \%$$

$$= 108.18 \%$$

Measurement of the ability of the Palu City region in realizing and implementing the collection of Land and Building Tax , an effectiveness analysis is carried out by assessing the level of effectiveness of Land and Building Tax receipts. The ability of the region in carrying out its duties and objectives is categorized as effective if the ratio reaches 100%. The development of the effectiveness of the Land and Building Tax Target and Realization is presented in the following table:

Table 3. Effectiveness of Targets and Realization of PBB in Palu City

Year	UN Targets (Rp)	Realization of the UN (Rp)	Percentage (%)	Criteria
2024	17,950,000,000	19,419,333,805	205.85	Very effective
2023	12,850,000,000	17,116,723,347	133.20	Very effective
2022	8,000,000,000	13,382,520,915	167.28	Very effective
2021	7,000,000,000	14,409,810,489	101.45	Very effective

Source: BPD Palu City, Data processed 2025

Table 3 shows that the target for Land and Building Tax revenue for Palu City can be seen in 2024 at IDR. 17,950,000,000 while the realization was Rp. 19,419,333,805 with a percentage of 205.85 % so that it is included in the very effective criteria. Then in 2023 the target for Land and Building Tax revenue for Palu City is IDR 12,850,000,000 while the realization is IDR 17,116,723,347 with a percentage of 133.20 %, so it is included in the very effective criteria. Then in 2022 the target for Land and Building Tax revenue for Palu City is IDR 8,000,000,000 while the realization is IDR 13,382,520,915 with a percentage of 167.28 %, so it is included in the very effective criteria. Furthermore, in 2021 the target for Land and Building Tax revenue for Palu City is IDR 7,000,000,000 while the realization is IDR 14,409,810,489 with a percentage of 101.45 %, so it is included in the very effective criteria.

Overall, from the results of the description of the level of effectiveness of Land and Building Tax revenue in Palu City in Table 3, it can be concluded that the level of effectiveness of Land and Building Tax revenue in Palu City from 2019 to 2022, the percentage of revenue is more than 100%, so it can be said that the level of effectiveness of Land and Building Tax revenue is included in the **very** effective criteria. .

Land and Building Tax Collection in Palu City

Based on the results of this study, supporting factors were found in the Collection of Land and Building Tax in Palu City. which allows the entire series of activities to be carried out well can be described as follows:

Investment development in the city of Palu continues to increase so that the receipt of Land and Building Tax in the City of Palu continues to increase;

facilities are in accordance with tax standards

The collection of Land and Building Tax in Palu City has been designed in accordance with regional government policies and in accordance with what is needed by participants to be actualized by taxpayers.

Implementation of training for Palu City Land and Building Tax Collection participants .

There is data from the Palu City Regional Revenue Agency.

There are already several taxpayers who have reported data on Land and Building Tax owned by taxpayers.

Online System Palu City Regional Revenue Agency Integrated and Centralized

With an integrated and centralized system, the development of other systems in the future will be much easier for better, reliable and transparent services, one of which is the online information service on the official website of the Palu City Regional Revenue Agency, Central Sulawesi Province. Photo of Land and Building Tax payment services using a system that has been fully online at the Palu City Regional Revenue Agency office below; Analysis of Inhibiting Factors in Land and Building Tax Collection in Palu City

In relation to the inhibiting factors in the collection of Land and Building Tax in Palu City, the results of this study found that the inhibiting factors in the collection of Land and Building Tax in Palu City are as follows. :

There is no awareness of all taxpayers to pay the Land and Building Tax of Palu City which is their obligation as citizens of the Republic of Indonesia .

There is no uniformity in data on Land and Building Tax Collection in Palu City at several agencies such as the Agency Regional Revenue, Land, Sub-district Office, Village Office and Notary Office in Palu City Area.

Limited human resources in terms of quantity.

There are still many payment procedures in Palu City that taxpayers are not aware of.

Taxpayer data for Land and Building Tax of Palu City is not yet accurate, which is caused by taxpayers dying, changing addresses and taxable objects being sold.

The absence of authority from the Palu City Land and Building Tax Collection officers to carry out repressive actions.

Conclusion

Based on the results of research and analysis conducted by researchers regarding the Effectiveness of Land and Building Tax Collection at the Palu City Regional Revenue Agency, it is concluded that as follows:

Land and Building Tax Collection at the Palu City Regional Revenue Agency Office is in the very effective criteria. This is because the effectiveness value exceeds 100 percent.

Supporting factors in the collection of land and building tax in Palu City that is :

Investment development in the city of Palu continues to increase so that Land and Building Tax revenues continue to increase every year .

facilities are in accordance with tax standards

Land and Building Tax Collection has been designed in accordance with regional government policies and in accordance with what is needed by participants to be actualized by taxpayers.

Implementation of training for Land and Building Tax officers.

There is data from the Palu City Regional Revenue Agency.

There have been several taxpayers who have reported data on land and buildings owned by taxpayers.

Inhibiting factors in land and building tax receipts are:

There is no awareness among all taxpayers to pay Land and Building Tax which is their obligation as citizens of the Unitary State of the Republic of Indonesia.

There is no uniformity in Land and Building Tax data at several agencies such as the Samsat Office, Regional Revenue Agency, Land, Sub-district Office and Village Office in the Palu City area.

Limited human resources in terms of quantity .

Payment procedures Land and Building Tax at the Regional Revenue Agency of Palu City, there are still many things that taxpayers do not know.

Data on Land and Building Tax payers at the Palu City Regional Revenue Agency is not yet accurate, due to taxpayers dying, changing address and selling taxable objects.

Electrical facilities are inadequate (power often goes out) so that it disrupts work at the Palu City Regional Revenue Agency Office .

Suggestion

Based on the conclusions above, some suggestions in this research are as follows:

To the Palu City Regional Revenue Agency to increase the realization of the Palu City Regional Revenue Agency's collection by providing adequate facilities and infrastructure such as complete applications, operational vehicles in the field so that the public as taxpayers can easily access Land and Building Tax services at the Palu City Regional Revenue Agency .

To the Regional Revenue Agency of Palu City to improve the capacity of human resources both in terms of quantity by adding employees and in terms of quality through formal education, training related to taxation, improving the service performance of officers when collecting Land and Building Tax.

Further researchers are advised to develop this research by examining the collection of land and building tax throughout Central Sulawesi Province so that comprehensive conclusions can be obtained.

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