



The Effectiveness of Motor Vehicle Tax Contribution on Regional Original Income

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Abstract. Every motorized vehicle owner who uses his car on public highways is required to pay the motor vehicle tax. This study seeks to ascertain the extent to which the collection of motor vehicle taxes will contribute to local income in South Sulawesi province between 2017 and 2020 as well as the challenges that will face Makassar city in South Sulawesi province in collecting motor vehicle taxes. The methodology utilized in this study is an empirical legal approach of data collection, where writing evaluates issues using a combination of secondary legal facts and primary data gathered in the field. The findings of this study suggest that although the tax target and actual collection of motor vehicle taxes tend to rise, the income from these taxes in PAD Region II Makassar city does not necessarily decrease. The challenges faced by tax officers in doing their duties, one of which is the general lack of information regarding timely payments.

Keywords: Effectiveness · Contribution · Motor Vehicle Tax

1 Introduction

It is highlighted that the imposition of burdens on the people, such as taxes and other levies that are coercive in character, are governed by legislation, which is based on the 1945 Constitution of the Republic of Indonesia, which lists taxation as one of the expressions of the state. Regional autonomy is a challenge in today's developing world for each region to utilize the opportunities of authority acquired as well as a challenge to explore the potential of the region it possesses, in order to support regional financial capabilities like financing capital and local government administration. A plan is therefore required to boost municipal revenue. Motor vehicle tax reform has been implemented with the implementation of a self-assessment system with new provisions imposed by the government.

All-wheeled vehicles with trailers that are propelled by a motor or other technical device that transforms an energy source into the motion power of the motorized vehicle in question, including heavy machinery and tools, are referred to as motorized vehicles. They are used on all types of land roads. Large machinery that operates with wheels and motors but is not permanently attached, as well as water-propelled motorized vehicles. In this situation, the Regional Revenue and Expenditure Budget (APBD), which is used to fund the execution of normal local government duties, is influenced significantly by

the tax collection carried out by the government on motor vehicle taxes, a sort of tax that has existed for a long time.

Economic growth is one of the key indications when taking action since it demonstrates an increase in the economy's ability to produce products and services. Analysis of economic development. However, in reality, economic growth is not always followed by adequate equity. As for the economy of Makassar, which is developing, has a large regional income, one of the largest sources of revenue for Makassar City is from the tax sector.

The South Sulawesi Provincial Government has also supported local government revenues through the distribution of central taxes to support local revenues. Among them, through Motor Vehicle Tax, Land and Building Tax (PBB), Land and Building Acquisition Fee (BPHTB), Hotel Tax, Restaurant Tax, Advertising Tax, Street Lighting Tax, Groundwater Tax, Swallow's Nest Tax. But there are still many taxes that are not effectively collected for a reason that hinders the opinion of the region. As an autonomous region, Regional Original Income from the Regional Tax sector is one of the regional sources because it provides a fairly large contribution. Development is an obligation of local governments to be financed from local revenue and expenditure budget sources, illustrating the ability of the region to see its financial potential.

The Regional Revenue Service Office is tasked with collecting taxes from the community to finance expenditures made by the government to carry out government duties or serve the interests of the community. The motor vehicle tax growth rate is used to describe the level of the Makassar City government's ability to increase the success of motor vehicle tax collection from each period. If the growth rate of motor vehicle tax revenue increases, it can be said that a government is doing its job well.

The goal of this study is to determine how much the collection of motor vehicle taxes contributes to the provincial government of South Sulawesi's local revenue and to identify the challenges that arise when trying to collect these taxes for Makassar, South Sulawesi.

2 Research Method

This research is an example of empirical juridical research, where the author evaluates the issues by integrating secondary legal materials and first-hand information from the field. Primary and secondary data sources, respectively, are employed in this paper. Direct interviews with those engaged in the decision that the author reviewed at the Makassar Sudiang Samsat II Office allowed for the collection of primary data. Secondary data is obtained in the form of documents, books, papers, as well as laws and regulations and written materials that are closely related to the object being discussed. The data collection technique uses research methods in the form of library research which is carried out to obtain secondary data, namely data obtained by reviewing books, legislation, papers, papers and data obtained from searches through internet media other than It also uses field research which is carried out directly by interview and question and answer with the legal apparatus concerned with the case. For data analysis, qualitative analysis is carried out, namely descriptive analysis, namely by explaining, describing and describing problems and solving them related to the formulation of problems in writing.

3 Result and Discussion

3.1 Contribution of Motor Vehicle Tax Collection to Regional Original Income

Contribution comes from English, namely contribute, contribution. Contributions are defined as contributions to associations, donations. In general, contribution is participation, involvement, involvement in the form of donations. Contributions are defined as donations or support money. The contribution of tax collection to PAD is very influential, especially in supporting development programs in the province of South Sulawesi, both in the short term and development plans in the long term. Regional Original Income is all revenues originating from regional original economic sources. Local taxes are levied by local governments at level I (Provincial Tax) and level II (Regency/City Tax), and they're utilized to fund the regional households in each region.

The South Sulawesi Provincial Original Revenue Agency, the Regional Police Office, and PT Jasa Raharja work together to manage the motor vehicle tax at the Samsat office. An organization's effectiveness can be used to assess whether it is succeeding or failing in accomplishing its objectives. The impact of motor vehicle tax contributions on regional income is significant. If tax revenue grows, the provincial government will likewise see an increase in revenue. The Act and the Governor's Regulation serve as the foundation for the regulation of motor vehicle tax computation.

The UPTD is making an attempt to increase the amount of Motor Vehicle Taxes collected using the One-Stop One-Stop Administration System (SAMSAT) by implementing the PKB policy. Continuous efforts are made in this direction in order to hit the revenue objective for motor vehicle taxes. The implementation is divided into six (6) parts, namely service procedures for collecting motor vehicle taxes, providing service facilities, re-collecting data on subjects and objects of motorized vehicle taxes, improving the quality of the apparatus through education and training, and motor vehicle tax results, conducting periodic raids.

3.2 Obstacles in Collecting Motor Vehicle Taxes on Regional Original Revenues for Region II Makassar City

In an organization, both in government and non-government, every work program carried out often encounters problems. These various obstacles also occur in the process of collecting motor vehicle taxes carried out by the Regional II Samsat of Makassar City. The other obstacles faced by the Makassar City Samsat Region II office, among others:

1. Community capacity is still low

With the development of technology, there are many new vehicles with more attractive facilities and shapes and now it is easy for people to get with a low down payment, people can own a motorized vehicle. With this, people only think about owning the vehicle but are not afraid to pay taxes from the vehicle. The low ability of the community is not matched by a great desire to own a motorized vehicle. Not to mention the demands of today's needs to have a motorized vehicle, for example, in the past we did not see

schoolchildren using motorized vehicles but now all school children use motorized vehicles which sometimes for the sake of the times must have a motorized vehicle regardless of ability, including the ability to pay. Motor vehicle tax.

2. Lack of public awareness in paying motor vehicle taxes on time

Taxpayer compliance is significantly influenced favorably by tax awareness. The general public ought to be aware of the purpose of the tax and the recipients of its proceeds. As long as it is properly handled, the vehicle tax that is received from motor vehicle owners is put toward regional development with a focus on community welfare. The role of the community is very important in the income tax, the local government cannot work alone in that there must be a collaboration between the local government and the community. This culture of being aware of paying motor vehicle taxes is very important to form.

3. Lack of action in the field

Realizing the need to take action in the field as an effort to confirm motor vehicles that have been in arrears of tax so that the data collection can be carried out, because sometimes just waiting will be difficult due to the low level of public awareness. Enforcement is actually one of the effective efforts in collecting motor vehicle taxes that are in arrears rather than just waiting to make payments that are in arrears at the office.

4. Lack of public knowledge

There are people who still do not know where to pay taxes, besides that there are many buying and selling vehicles in the city of Makassar outside the city of Makassar, this directly has an impact on the process of receiving motorized vehicle taxes, because administratively the transfer of vehicle owners to third parties and subsequently will be himself pays taxes at the place where he resides.

5. Lack of Socialization

Another obstacle felt by the Makassar II Sudiang Samsat Office in carrying out motor vehicle tax collection services was the lack of information about obligations regarding motor vehicle taxes so that taxpayers still lacked understanding in managing motor vehicle taxes.

In an effort to increase local revenue from motor vehicle tax, Samsat Region II Makassar carried out various innovations, including by providing various supporting fleets in the form of Samsat outlets, mobile Samsat, Samsat Care and also Samsat shops. This innovation is made so that the obstacles that have been a factor in reducing public interest in paying vehicle taxes can be overcome. In addition, cooperation between tax collectors and taxpayers is also needed, public awareness in paying taxes is the key to achieving tax achievement targets vehicles, with the achievement of the vehicle tax target, it will directly have an impact on the development of the city of Makassar in the future.

Based on some of these obstacles, there are several ways that the tax authorities can do to improve taxpayer compliance in paying taxes, including:

1. Carry out door to door activities, namely from house to house reminding the public to be on time in paying taxes;
2. The public can come to pay taxes at various tax payment services, including at the nearest Samsat office or at outlets that have been provided in seven sub-districts;
3. If the taxpayer concerned is not on time in making tax payments, he will be subject to a fine of 2%, in addition, if he is not paid during the time lag, confiscation will be carried out.

4 Conclusion

The PAD's motor vehicle tax revenue II Region The city of Makassar demonstrates that the motor vehicle tax's local revenue aim is more than acceptable. This is evident from the percentage of motor vehicle tax revenue collected over the last four years, from 2017 to 2020, at the Makassar City SAMSAT Office. The community's limited capacity, a lack of public awareness regarding timely payment of motor vehicle taxes, a lack of action in the field, a lack of public understanding, and a lack of socialization are the challenges tax authorities face in doing their duties.

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