

Effectiveness and Contribution of Regional Taxes and Retribution Towards Regional Original Income of Tanah Laut Regency

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Article Info	Abstract
Received Jan 14, 2024 Revised Jan 25, 2024 Published Feb 10, 2024	<i>This research was conducted to determine the effectiveness of regional tax collection and regional retribution, as well as their contribution to the Regional Original Revenue (PAD) in Tanah Laut Regency. Additionally, this study also reveals the growth rate of local taxes and regional levies. The data used are secondary data in the form of realization reports of local tax and regional levy revenues from 2015 to 2019, which are then projected for the year 2020. Based on the results of this research, it can be observed that over the past five years, the realization of local taxes and regional levies has consistently exceeded the targets, indicating a high level of effectiveness. However, their contribution to PAD is still considered insufficient. When examining the development of local tax revenues, the growth rate has not reached its maximum potential. The same applies to regional levy revenues. Therefore, in the coming years, the local government needs to make efforts to enhance local tax and regional levy revenues while adhering to existing regulations.</i>
Keywords : <i>Effectiveness, Contribution, Local Tax, Local Retribution</i>	

INTRODUCTION

Indonesia is an archipelagic country consisting of several provinces. Each province is further divided into regencies and cities, spread from Sabang to Merauke. In order to promote effective planning and governance, the Indonesian government has implemented a policy related to regional autonomy. Regional autonomy emerged after the reform era, transforming the initially centralized system of governance into decentralization. The implementation of decentralization in Indonesia is characterized by the delegation of authority from the central government to regional governments to manage and regulate their own affairs.

Based on Law No. 32 of 2004, Article 1, Paragraph 5, concerning Regional Government, regional autonomy is the right, authority, and obligation of autonomous regions to independently regulate and manage their own governance and community interests based on laws and regulations. Meanwhile, fiscal decentralization involves the delegation of authority in managing regional financial financing to regional governments for the purpose of conducting their own governance (Lianawati, 2015). The ultimate goal of regional autonomy policy is to maximize the efficiency and effectiveness of governance in terms of regional services and development (Pratama, 2010).

Optimal implementation of regional autonomy requires substantial funding. Therefore, each region is expected to manage and explore its sources of regional income (Atika & Sofya, 2020). According to Law No. 32 of 2004 on Regional Government, the components of regional government financial revenue include: a) Regional Original Revenue (PAD), b) Equalization Fund, and c) Other legitimate regional income. Meanwhile, revenue from the central government consists of: a) Government contributions, b) Other contributions regulated by laws and regulations, and c) Other legitimate income.

Even though regional governments receive income from the central government, it is still essential for them to be self-reliant and not overly dependent on the central government, as the goal of regional autonomy is to enhance regional independence. One way to achieve this is by maximizing Regional Original Revenue (PAD) (Putri, 2016). PAD is one of the indicators used to measure the performance of regional governments in managing their households. Additionally, this revenue reflects the success or failure of regional governments in implementing regional autonomy (Puspita, 2014). Therefore, it can be said that the greater the contribution from PAD, the higher the region's ability to finance its needs, and the lower its level of dependence on the central government. Conversely, the smaller the contribution from PAD, the lower the ability to finance its governance, and the higher the level of dependence on the central government (Suyadi & Utami, 2016).

In Law No. 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments, it is explained that Regional Original Revenue (PAD) is income obtained from sources within the region, collected in accordance with existing regional regulations. Components of PAD include local

taxes, regional levies, revenue from the management of separated regional wealth, and other legitimate PAD. Regional Original Revenue (PAD) will have a positive impact on regional finances if its collection is optimized. One effort to optimize this revenue is by increasing the collection or effectiveness of PAD components and exploring potential sources of income that can be taxed and levied.

Tanah Laut Regency is one of the regencies located in the Province of South Kalimantan. Similar to other regencies, Tanah Laut Regency is an autonomous region, meaning it has the authority to regulate and manage its own household financing sources. Therefore, to enhance Regional Original Revenue (PAD), the local government needs to manage, explore, and optimize the existing regional potential. The potential for local tax revenue in Tanah Laut Regency includes hotel tax, restaurant tax, entertainment tax, advertising tax, street lighting tax, non-metallic and rock mineral tax, parking tax, groundwater tax, swiftlet nest tax, land and building tax for rural and urban areas, and acquisition duty on land and buildings. Meanwhile, the types of regional retribution revenue include general service retribution, business service retribution, and specific licensing retribution. Considering the comprehensive types of local taxes and retributions as outlined in Law No. 28 of 2009, this presents an opportunity for Tanah Laut Regency to increase its PAD revenue significantly.

The opportunity to increase local taxes and regional levies can be obtained through the potential of trade, services, healthcare, tourism, and education. Currently, Tanah Laut is one of the regional tourist destinations, providing the potential for increased revenue for the region, provided there is effective and appropriate management.

The development of funding sources obtained from the region itself, or Regional Original Revenue (PAD), in Tanah Laut Regency in 2018 is considered not yet optimal. This can be observed from the amount of regional revenue, indicating that the proportion of regional income sources is still relatively low. The majority of funding comes from central government assistance, with the rest coming from other legitimate sources of income. The details of Regional Original Revenue (PAD) amount to 128,454,917,428.69 IDR with a proportion of 8.25%. Meanwhile, the amount of equalization funds is 1,177,983,858,093 IDR with a proportion of 75.61%, and the amount of other legitimate regional income is 251,519,326,411 IDR with a proportion of 16.14%.

Local taxes and regional levies are components of Regional Original Revenue (PAD) that contribute significantly to the increase in PAD and are considered crucial in the implementation of regional autonomy. As explained in Law No. 28 of 2009, local taxes and regional levies are essential sources of regional income to finance regional operations and development, establishing extensive, tangible, and responsible regional autonomy. The details regarding the realization of local tax and regional levy revenues in Tanah Laut Regency in 2018 were 32,602,101,845.60 IDR and 6,875,885,025 IDR, respectively, with proportions of 25.38% and 5.35%. Meanwhile, the total realization of revenues derived from the management of regional wealth and others dominated, amounting to 12,090,537,348 IDR and 76,866,393,210 IDR, with proportions of 9.41% and 59.86%, respectively.

Considering the current situation, local taxes and regional levies in Tanah Laut Regency still need to increase their collection to boost Regional Original Revenue (PAD). Revenue from various economic sectors is expected to contribute maximally to the regional development process. The magnitude of PAD revenue reflects the success of the regional government in collecting such income. Therefore, calculations regarding the growth rate of local taxes and regional levies are needed to observe the development of their collection from year to year. Additionally, estimations or forecasts regarding the revenue from these PAD components are required, enabling accurate planning for the subsequent year's income. This is related to the planned programs for the following year, which will align with budget allocation. If the budget is estimated accurately, the planned programs can be effectively implemented. Conversely, inaccurate budget allocation may result in delays in the government's program implementation.

The collection of local taxes and regional levies is closely related to their effectiveness and contribution to Regional Original Revenue (PAD). The success of the regional government in collecting local income can be assessed using the effectiveness ratio (Zainuddin, 2016). Effectiveness indicates the regional government's ability to realize local tax and/or regional levy revenue according to the targeted amount. The higher the effectiveness ratio, the better the performance of the regional government (Handoko, 2013).

All components of PAD play a role or have an influence on regional income. To understand the role of these components, the contribution ratio can be

calculated (Atika & Sofya, 2020). Regional contribution is a comparison between the realization of local tax and/or regional levy revenue to the realization of PAD revenue. According to Danied (in Mustoffa, 2017), the calculation of the contribution ratio aims to measure the influence of local tax and/or regional levy revenue on PAD, providing insights into the policies or actions needed by the regional government to enhance the role of all these revenue sources.

The benefit of increasing local taxes and regional levies is to stimulate regional economic growth (Sartika, Ulfa, & Ilyas, 2019). With a steady income, it will drive the development of infrastructure, expected to support the economy of Tanah Laut Regency. A growing economy can elevate the well-being of the local population (Sartika, Ulfa, & Ilyas, 2019).

METHODS

This research was conducted at the Regional Financial and Asset Management Agency (BPKAD) and the Regional Revenue Agency of Tanah Laut Regency, located at Jl. Ahmad Yani, Angsau Village, Pelaihari Sub-district, Tanah Laut Regency. The Regional Financial and Asset Management Agency (BPKAD) of Tanah Laut Regency was established following the issuance of Tanah Laut Regency Regional Regulation No. 6 of 2016 regarding the Formation and Structure of Regional Devices. In accordance with its duties and functions, BPKAD of Tanah Laut Regency is authorized to carry out regional government affairs in the field of financial and asset management based on the principles of autonomy and support duties.

The data required for this research is in the form of quantitative data, namely numerical data. The specific data includes:

- a. Target and realization data for local tax revenue in Tanah Laut Regency during the years 2015-2019.
- b. Target and realization data for local levy revenue in Tanah Laut Regency during the years 2015-2019.
- c. Regional Original Revenue (PAD) data in Tanah Laut Regency during the years 2015-2019.

Data sources used in this research are derived from secondary data, which is obtained indirectly. These secondary data consist of documents supporting the

research obtained from the Regional Financial and Asset Management Agency (BPKAD) of Tanah Laut Regency.

The data analysis technique employed in this research is a quantitative descriptive analysis method, which involves analyzing data using numerical values as a reference to draw conclusions from measurable events. The steps for analyzing the data include first determining the effectiveness, contribution, and growth rate of local taxes and regional levies. Subsequently, a discussion is conducted to describe the obtained results. The quantitative descriptive analysis method used includes:

a. Effectiveness Ratio

To determine the level of effectiveness of local taxes and local retributions along with their components, it is calculated using the formula:

1. Local Tax Effectiveness (Triyanti, K., & Latif, 2016)

$$\text{Effectiveness} = (\text{Realization of Regional Taxes/ Local Tax Targets}) \times 100\%$$

Description:

Local Tax Revenue: Actual collection of local taxes.

Target Local Tax: Planned revenue budget for local taxes.

2. Effectiveness of Local Retribution

$$\text{Effectiveness} = (\text{Local Retribution Realization/ Target for Local Retribution}) \times 100\%$$

Description:

Local Retribution Realization: The actual achievement of revenue from local retribution.

Target for Local Retribution: The planned revenue budget.

The results obtained from these calculations will be further interpreted to determine whether they meet the effectiveness criteria or not.

b. Contribution Ratio

The formula used to measure the contribution ratio of local taxes and local retributions to the Regional Original Revenue is as follows:

1. Contribution of Local Tax to Regional Original Revenue

$$\text{Contribution} = (\text{Local Tax Realization} / \text{Regional Original Revenue Realization}) \times 100\%$$

Description:

Local Tax Realization: Achievement of revenue from local taxes

Regional Original Revenue Realization: Achievement of revenue from the Regional Original Revenue

2. Contribution of Local Retribution to Regional Original Revenue

$$\text{Contribution} = (\text{Local Retribution Realization} / \text{Regional Original Revenue Realization}) \times 100\%$$

Local Retribution Realization: Achievement of revenue from local retribution

Regional Original Revenue Realization: Achievement of revenue from the Regional Original Revenue.

The results obtained from these calculations will be further interpreted to determine whether local taxes and local retributions have met the criteria for contributing or not contributing to the Regional Original Revenue.

c. Growth Rate Method

The formula for calculating the growth rate of local taxes and local retributions is:

$$gXi = \frac{Xi_t - Xi_{(t-1)}}{Xi_{(t-1)}} \times 100\%$$

Description:

gXi : Growth of local tax or local

Xi_t : Total revenue of local tax or local retribution in a specific year

$Xi_{(t-1)}$: Total revenue of local tax or local retribution in the previous year

t : Year

The results obtained from these calculations will be further interpreted to determine whether there has been growth or not.

d. Least Squares Method

The formula for the Least Squares Method is used to find the best-fitting line through a set of data points. In the context of your provided information, for a linear regression model, it can be expressed as follows:

$$Y = a + bX$$

The equation to find the values of a and b is:

$$a = \frac{\sum Y}{n}$$
$$b = \frac{\sum X.Y}{\sum X^2}$$

Explanation:

Y = Actual local tax or local retribution revenue

a = Trend over a specific period

b = Estimated growth rate of the value

X = Time unit calculated from a specific period

$\sum Y$ = Total of actual local tax or local retribution revenue

n = Number of data points

$\sum X.Y$ = Total of actual local tax or local retribution revenue multiplied by the time unit

RESULTS AND DISCUSSION

Regional Original Revenue (PAD) is one of the benchmarks for assessing the success of regional autonomy implementation. If the amount of revenue from PAD is high, it indicates the success of the regional government in implementing regional autonomy, characterized by the ability to finance its own regional needs (Puspita, 2014). Therefore, efforts to increase PAD are necessary to reduce the dependence on central government funding, and this can be achieved by optimizing revenue from local taxes and regional levies. As stated in Law No. 28 of 2009, local taxes and regional levies are essential sources of regional income to finance the administration and development of the region.

The assessment of the regional government's performance in collecting local taxes and regional levies can be seen through the level of effectiveness and its contribution to PAD. Based on the calculation results of the effectiveness of local taxes in Tanah Laut Regency, it can be said that during the years 2015 to 2019, it had a very good level of effectiveness as it exceeded 100%. The highest realization was in 2019, reaching 124.23%, while the lowest effectiveness level occurred in 2015, amounting to 105.15%.

Similarly, the components of local taxes, including hotel tax, restaurant tax, entertainment tax, advertising tax, street lighting tax, non-metallic mineral and rock tax, parking tax, groundwater tax, swiftlet nest tax, rural and urban land

and building tax, and land and building acquisition fee, on average, have achieved a good level of effectiveness. The targets set in the budget year have been successfully realized, indicating that the regional government's performance in collecting or achieving the targets for local tax revenue has been effective. Although its effectiveness fluctuates each year. The effectiveness level of local tax components can be seen in Table 1.

Table 1. Effectiveness Level of Local Tax Components

Description	2015	2016	2017	2018	2019	Average
Local tax	105,15%	110,57%	124,32%	123,75%	124,23%	117,61%
Hotel Tax	114,73%	124,61%	150,46%	120,47%	105,35%	123,12%
Restaurant tax	130,83%	117,13%	146,79%	124,95%	144,87%	132,91%
Entertainment Tax	112,25%	102,22%	103,16%	107,58%	120,58%	109,16%
Advertisement tax	114,47%	111,45%	144,16%	108,73%	132,21%	122,20%
Street Lighting Tax	106,07%	104,86%	107,93%	108,73%	109,60%	107,44%
Parking Tax	-	-	100,91%	102,09%	103,33%	102,11%
Groundwater Tax	103,95%	103,51%	122,88%	118,18%	149,24%	119,55%
Swallow's Nest Tax	-	-	-	279,33%	176,44%	227,89%
Tax on Non-Metal Minerals and Rocks	118,66%	135,75%	145,52%	118,27%	463,87%	196,41%
Rural and Urban Land and Building Tax	133,14%	137,11%	98,66%	120,51%	134,59%	124,80%
Land and Building Rights Acquisition Fee (BPHTB)	82,77%	96,51%	161,73%	134,59%	128,52%	120,82%

Source: Data processed (2023)

The findings of this research align with a study conducted by Mustoffa (2017), where the effectiveness for each local tax component falls into the category of very effective, i.e., exceeding 100%. The results of this research indicate that the highest effectiveness in tax collection is observed in the swiftlet nest tax. This tax was only collected starting in 2018, and its target setting was relatively low. The swiftlet nest tax is regulated by Regional Regulation No. 7 of 2012 concerning the Management and Utilization of Swiftlet Nests. The

utilization of swiftlet nests is carried out by individuals or entities, requiring approximately 4 to 5 years to yield results or become harvest-ready. This resulted in the swiftlet nest tax in Tanah Laut Regency not contributing to local tax revenue from 2015 to 2017.

The lowest effectiveness level among local tax components is found in the parking tax. This is because the tax is only collected for the management of parking spaces at beach resorts. To optimize the parking tax in 2020, the local government established regulations through Tanah Laut Regency Regent Regulation No. 85 of 2020 on the Implementation Guidelines for the Collection of Parking Tax in Tanah Laut Regency. With the enactment of this regulation, the parking tax is collected from various locations, including recreational sites, parking areas/modern retail stores, and other motor vehicle storage facilities. Another influencing factor is the illegal operation of parking spaces without permits, especially along public roads (Kaonang, 2010).

The effectiveness level for local levies during the years 2015 to 2019, on average, can be considered effective since the realization has exceeded the set targets, although in 2018, it did not surpass the target. This is because the realization of general service levies and business service levies did not fully materialize, reaching 94.28% and 90.69%, respectively. The following are the effectiveness levels of the local levy components in Tanah Laut Regency over the last five years.

Table 2. Effectiveness Level of Local Retribution Components

Description	2015	2016	2017	2018	2019	Average
Local Retribution	111,43 %	112,42 %	114,45 %	96,25%	119,01 %	110,71 %
Public Services Retribution	117,06%	122,07%	125,89%	94,28%	121,33%	116,13%
Business Services Retribution	96,26%	87,57%	106,06%	90,69%	109,22%	97,96%
Specific Permit Retribution	117,45%	119,92%	106,43%	107,74 %	122,93%	114,89%

Source: Data processed (2023)

The highest effectiveness level of local levies occurred in 2019, reaching 119.01%, surpassing the set target. This is attributed to the achievement of the effectiveness level of local levy components, exceeding the 100% mark. Even

though the collection of local taxes and levies has been realized successfully, the local government continues to encourage individuals and businesses to comply with their tax obligations.

The local government has implemented various efforts to surpass budget targets, including:

- a) Implementing intensification and extensification programs.
- b) Establishing the Tanah Laut Regency Revenue Optimization Team, consisting of several relevant Regional Work Units (SKPD), including the Regional Revenue Agency and the Investment Service.

In Circular Letter No. SE-06/PJ.9/2001, the Directorate General of Taxation explains that tax incentives are a program aimed at optimizing revenue from local taxes on registered taxpayers and objects under the Directorate General of Taxation (DJP). On the other hand, tax extensification is a program for adding and expanding taxpayers and tax objects in the DJP administration (Christover & Rondonuwu, 2016). If the collection of local taxes and levies can be realized successfully or surpass the target, the Tanah Laut Regency Government will raise its revenue targets for the following year, accompanied by an analysis of economic developments.

The contribution is used to determine the extent to which local taxes contribute to the revenue of the Regional Original Income (PAD). Based on the calculated results, the contribution level of local taxes in Tanah Laut Regency can be considered somewhat lacking for the past five years. This indicates that a significant portion of the PAD components comes from other legitimate PAD sources. This source of income consists of the sale of undivided regional assets, receipt of giro services, deposit interest receipts, and so on. The contribution level of local taxes from 2015 to 2019 has continuously increased, reaching 27.50% in 2019, classified as moderate. Thus, the contribution of local taxes to PAD in Tanah Laut Regency has been quite good. The following table shows the contribution of local tax components to PAD in Tanah Laut Regency from 2015 to 2019.

Table 3. The Level of Contribution of Local Tax Components to the Regional Original Revenue

Description	2015	2016	2017	2018	2019	Average
Local tax	13,71	12,72	15,35	25,38	27,50	18,93%
	%	%	%	%	%	
Hotel Tax	0,04%	0,04%	0,03%	0,05%	0,03%	0,04%
Restaurant tax	1,73%	2,06%	2,06%	3,40%	3,24%	2,50%
Entertainment Tax	0,03%	0,03%	0,05%	0,13%	0,06%	0,06%
Advertisement tax	0,14%	0,15%	0,23%	0,34%	0,31%	0,23%
Street Lighting Tax	6,09%	6,38%	6,63%	12,44%	12,26%	8,76%
Parking Tax	-	-	0 %	0,02%	0 %	0,01%
Groundwater Tax	0,07%	0,07%	0,07%	0,46%	0,53%	0,24%
Swallow's Nest Tax	-	-	-	0,01%	0,04%	0,03%
Tax on Non-Metal Minerals and Rocks	0,16%	0,23%	0,12%	0,18%	0,82%	0,30%
Rural and Urban Land and Building Tax	2,19%	2,18%	1,58%	3,28%	2,12%	2,02%
Land and Building Rights Acquisition Fee (BPHTB)	3,27%	1,58%	4,58%	5,06%	7,34%	4,37%

Source: Data processed (2023)

Based on the above table, it is evident that the highest contribution is provided by the street lighting tax to the Regional Original Income (PAD). This is due to an increase in customers/users of electricity from the state-owned electricity company (PLN), resulting in higher electricity billings. On the other hand, the lowest contribution is from the parking tax component, with an average contribution of 0.01% to PAD. In 2020, the Regional Revenue Agency of Tanah Laut Regency conducted a survey of potential parking tax objects and conducted socialization to taxpayers to encourage payment of local taxes for parking facility management. It is expected that the revenue from this tax will increase in 2020. Additionally, the contribution of the swallow's nest tax is also very low at 0.03%. One influencing factor is the lack of awareness among taxpayers to contribute to regional development through taxes. Moreover, instances of tax evasion contribute to a decline in tax revenue.

Based on the calculated results, the contribution of local levies to the Regional Original Income (PAD) of Tanah Laut Regency from 2015 to 2019 can be considered very insufficient, with an average percentage result of less than

10%, specifically 4.70%.

Table 4. The Level of Contribution of Local Retribution Components to the Regional Original Revenue

Description	2015	2016	2017	2018	2019	Average
Local Retribution	3,70%	4,71%	4,25%	5,35%	5,47%	4,70%
Public Services Retribution	1,62%	2,01%	1,94%	3,04%	3,23%	2,37%
Business Services Retribution	0,88%	0,95%	0,78%	1,08%	1,10%	0,96%
Specific Permit Retribution	1,20%	1,76%	1,53%	1,19%	1,15%	1,36%

Source: Data processed (2023)

The highest contribution occurred in 2019, supported by the increased utilization of services provided by the local government. Meanwhile, the lowest contribution of local levies was 3.70% to the Regional Original Income (PAD). This is due to the total revenue amounting to only 5,633,292,680 IDR compared to the total PAD revenue of 152,142,659,011.47 IDR.

Factors influencing the increase in the contribution of local taxes and levies to PAD include the growth in the number of taxpayers or users of local services, the addition of revenue sources categorized as local taxes and levies, setting targets adjusted to the potential of each local tax and levy component, and an increase in taxpayer awareness.

To assess the success of the development of local tax and levy revenue from year to year, the growth rate calculation is used. The growth rate of local tax revenue in Tanah Laut Regency from 2015 to 2019 experienced fluctuations and tended to decrease, ranging between 10% and 50%. Although the amount of local tax revenue tends to increase each year, the growth rate has not been entirely successful. Meanwhile, the growth rate in local levy revenue in Tanah Laut Regency is considered not entirely successful. This is because the percentage growth ranges from 10% to 40% each year. In fact, in 2018, there was a negative condition or a decrease in local levy revenue from the previous year.

The results from local tax and levy revenue will be utilized by the local government for:

- a) Financing government tasks and activities
- b) Improving income distribution
- c) Physical development, infrastructure, and public facilities for the benefit

of the community.

In determining the targets for local tax and levy revenue, the Tanah Laut Regency Local Government considers several factors, including:

- a) Considering the economic conditions of the region in previous years.
- b) Estimating the economic growth for the following year.
- c) The realization of local tax and levy revenue in the previous year.

In this study, an estimate of local tax and levy revenue is made using the least squares method, based on the realization of previous years' revenue. In 2020, the estimated amount of local tax revenue is 49,175,026,174.05 IDR. Meanwhile, the estimated revenue from local levies in 2020 is 9,510,264,555.60 IDR.

In the effort to increase local tax and levy revenue, the Tanah Laut Regency local government faces several challenges, with one common issue being the low level of awareness and compliance among taxpayers in fulfilling their tax obligations. This is the primary focus of the local government's continuous efforts to provide understanding through socialization about the significance of tax implementation, aiming to boost local revenue. Several factors influencing the level of local tax and levy revenue in the Tanah Laut Regency include:

- a) Optimization of the potential of local taxpayers and local levies.
- b) Awareness and compliance of taxpayers in fulfilling their obligations for local taxes and levies.

The economic conditions of the community and the stable financial capacity of the region, as well as the region's ability to manage its finances, also play a role in influencing local tax and levy revenue.

CONCLUSION

Based on the results of the research and discussions conducted earlier, the following conclusions can be drawn:

1. The effectiveness level of local tax collection in Tanah Laut Regency from 2015 to 2019, on average, falls within the highly effective criteria, as it exceeds 100%. Meanwhile, the effectiveness level of local retribution collection tends to increase except in 2018. On average, the effectiveness level of local retribution is considered highly effective. This indicates that the performance of the local government in collecting local taxes and

retributions in Tanah Laut Regency has been good.

2. The contribution of local tax revenue to the Regional Original Revenue of Tanah Laut Regency from 2015 to 2019 is 18.93%. This means that the contribution of local tax revenue to the Regional Original Revenue is considered relatively low. The highest contribution comes from the local tax component, specifically street lighting tax, while the lowest contribution comes from parking tax. Similarly, the revenue from local retribution has a very low contribution to the Regional Original Revenue, averaging 4.70%. The highest contribution is from the public services retribution component, while the lowest contribution is from the business services retribution.
3. The growth rate of local tax revenue in Tanah Laut Regency from 2015 to 2019 experienced fluctuations and was relatively unsuccessful, particularly in 2016. On the other hand, the realization of local retribution revenue tends to increase, except for 2018, which is considered not very successful. Therefore, there is a need for improvement in both local tax and retribution revenue collection.
4. The estimated potential local tax and retribution revenue for Tanah Laut Regency in 2020 are 49,175,026,174.05 IDR and 9,510,264,555.60 IDR, respectively.

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