
The Role of Village Government in Increasing Land and Building Tax Revenue in Pagaran Lambung III Village, Adiankoting Sub-District, Tapanuli Utara District

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ABSTRACT

This study aims to find out and describe how the role of the village government and what are the factors of the role of the village government in increasing land and building tax revenues in Pagaran Lambung III village. This study uses qualitative descriptive methods with key, main, and additional informants, as well as observation, interview, and documentation techniques. Data analysis is carried out interactively through reduction, display, and drawing conclusions until it reaches the saturation point, so that the results are easy to understand. The results of the study show that the Pagaran Lambung III Village Government plays an important role in increasing Land and Building Tax (PBB) revenues in order to achieve the targets set by North Tapanuli Regency. The main obstacles include the low economic condition of the community, lack of knowledge about taxes, and a manual payment system. To overcome this, the village government conducts tax education, door-to-door collection, and improves payment facilities. With this step, it is hoped that community awareness and compliance in paying taxes will increase, supporting sustainable village development.

KEYWORDS: *The Role; Village Government; Increasing Land; Building Tax Revenue*

INTRODUCTION

The state of Indonesia is a developing country, which has income from various sources, one of which comes from tax collection, both state taxes and regional taxes which are the largest sources of our state revenue (Hendrawan et al., 2018; Rahayu Hs et al., 2022; Tumanggor et al., 2023). Although tax collection is the largest source of state treasury revenue in the collection process, it is not uncommon to experience obstacles such as the lack of public knowledge about tax collection, the problem of public awareness to become wise taxpayers by paying taxes to the state, and the problem of arrears in paying taxes in our country has occurred a lot in recent years (Fahmi et al., 2019; Mohd. Ibn Afandi, 2011; Simamora et al., 2022).

The level of smooth payment of Land and Building Tax (PBB) in Pagaran Lambung III village, explains the target condition and realization of PBB-P2 revenue in Pagaran Lambung III village for the 2019-2022 fiscal year (12.5% - 11). According to the available data, it can be seen that from 2019-2022 no tax revenue meets the set target (Purba et al., 2022; Ritonga & Masitho Batubara, 2021; S et al., 2019). In 2019-2022, the realization of revenue continues to decline, the causes range from data that has not been validated to the maximum, the low community economy, the payment system is still manual, people's tax knowledge is still low, to less strict regulations (Rajali, 2015; Sitompul & Lubis, 2013). Land and building tax (PBB) is a type of central tax whose collection authority is delegated to local governments (Haeba et al., 2021; Kadir, 2018; Sianipar et al., 2023), as one of the types of central tax, the legal basis for the regulation of the United Nations so far is the law of the Republic of Indonesia Number 12 of 1994 on the amendment of law number 12 of 1985 concerning land and building taxes (Mohd. Ibn Afandi, 2011; Siregar et al., 2023), but after the transition to local government, the legal basis for collection for regions is Law number 28 of 2009 concerning regional taxes and regional levies as well as their respective regional regulations (Aprilia et al., 2022; Husni et al., 2022; Munthe et al., 2018). Originally, central taxes were diverted to regional taxes, managed by the regions so that they become one of the sources of income, in this case the taxpayer community has a great role and responsibility in implementing the tax law with all its implementing regulations (Fachrizal et al., 2023; Silangit, 2014). If the contribution of domestic taxes continues to increase, domestic development itself will run according to expectations (Kadir, 2018, 2018; Sianipar et al., 2023).

Pagaran Lambung III Village is a highland where most of the residents are farmers, Pagaran Lambung III village. Pagaran Lambung III Village is the lowest land and building tax revenue compared to other villages in Adiankoting District, also has not reached the target determined by the sub-district government, lack of government attention to Pagaran Lambung III village which has not received a taxpayer letter, has not been registered as a taxpayer even though it is feasible to pay taxes as well as the lack of public understanding about land and building taxes, and the existence of several community members who do not pay land and building taxes resulting in low land and building tax revenues in Pagaran Lambung III village. The problem faced by Pagaran lambung III village, Adiankoting District, North Tapanuli Regency is the role of the village government that has not been implemented optimally. while we know that the United Nations has a considerable role for the continuity and smooth development.

Therefore, there are several weaknesses of the role of the Pagaran Lambung III village government in increasing land and building tax revenues, namely not reaching the target set by the local government, the causes of which range from data that has not been validated optimally, the low community economy, the payment system is still manual, the community's tax knowledge is still low, to less strict regulations, with the above problems, the role of the government is needed village that is good in carrying out its functions and obligations as a village government in striving for tax revenue targets set by the local government, Adiankoting District, North Tapanuli Regency.

The purpose of the research conducted by the author is to find out and describe the role of the village government and what are the factors of the role of the village government in increasing land and building tax revenues in Pagaran Lambung III village.

RESEARCH METHODS

This study uses a descriptive method with a qualitative approach. This approach was chosen to understand phenomena scientifically under natural conditions. This research involved three types of informants: key informants, main informants, and additional informants. The data collection techniques used include observation, interviews, and documentation.

The data analysis technique in this study is qualitative descriptive analysis, which follows a systematic procedure in compiling data obtained from interviews, field notes, and documentation. The collected data is organized into specific categories, elaborated in relevant units, synthesized, arranged in patterns, and selected which ones are important to conclude. These stages aim to make the results of the research easy to understand, both by the researcher himself and by the reader.

Furthermore, the data analysis in this qualitative research is carried out interactively and continuously until it reaches the saturation point, as outlined by Miles and Huberman. The steps in data analysis include data collection, data reduction, data presentation (display), and conclusion drawn, all of which are designed to ensure the analysis is in accordance with the research objectives.

RESULTS AND DISCUSSION

The Role of the Village Government in Increasing Land and Building Tax Revenue in Pagaran Lambung III Village, Adiankoting District, North Tapanuli Regency

The Village Government as the spearhead in the local government system will be in direct contact with the community. The actions taken by the village government will affect the community. Therefore, the system and mechanism for implementing the village government are strongly supported and determined by the village government, in this case what is meant is the village head who is assisted by the village apparatus. The role of village government officials in carrying out their duties and functions, especially in handling building land tax affairs is very important in terms of increasing building land tax revenues in Pagaran Lambung III Village. In accordance with the local government regulation of North Tapanuli Regency number 4 of 2012 concerning the provision of regional tax incentives and regional levies article 3 number 2a collectors of land and building taxes at the village level.

The level of smooth payment of Land and Building Tax (PBB) in Pagaran Lambung III village, explains the target condition and realization of PBB-P2 revenue in Pagaran Lambung III village for the 2019-2022 fiscal year (12.5% - 11). low tax revenue to solve the description of the research results and discussions related to the problem of low land and building tax revenues, researchers use the theory according to Ryaas Rasyid in Labolo, The role of the government is to provide guidance to the community according to the functions and obligations it holds to achieve goals, in order to create welfare, therefore an optimal role of the government is needed in building society.

A. Village government as a regulator

As a regulator, the village government is tasked with providing basic guidelines to the community to encourage an increase in UN revenue. In carrying out this function, the village government plays an active role in socializing the importance of PBB payments and conveying information related to tax benefits for village development. The counseling was carried out to provide a clear understanding to taxpayers regarding the tax obligations and burdens they must bear. This step aims to make the community aware of their important role in supporting village development through tax payments.

Village governments can make use of various media, such as village meetings, banners, and circulars, to disseminate information regarding tax payments and due dates. By providing adequate information, it is hoped that the public will be more prepared and motivated to actively participate in tax payments. This is also supported by the local government regulation of North Tapanuli Regency Number 4 of 2012, which provides tax incentives and emphasizes the role of villages in PBB collection.

B. Village government as a dynamizer

As a dynamist, the village government plays an important role in mobilizing community participation, especially when facing obstacles in the tax payment process. This role is realized through intensive guidance and direction to the community to maintain the dynamics of village development. In this context, the village government can hold counseling or form a special team tasked with collecting data and collecting taxes directly from house to door (door-to-door).

This door-to-door approach is very effective for reaching people who may not understand the importance of the UN or who do not have easy access to make payments. In addition, the village government can re-collect data on residents who have not been registered as taxpayers, especially in Sitapayan Hamlet. Accurate data collection will help the village government in knowing the exact number of taxpayers, so that the next steps can be carried out more effectively.

In addition to direct collection, village governments must also identify factors that may hinder the community from paying taxes, such as a lack of understanding of the payment process or financial inadequacy. By recognizing these constraints, village governments can develop more targeted strategies to increase public awareness and compliance with tax obligations.

C. Government as Facilitator

As a facilitator, the village government plays a role in creating conducive conditions for the implementation of development, including in terms of increasing tax revenue. The village government can provide support in the form of facilities and assistance needed by the community in the PBB payment process. For example, the village government can regularly distribute PBB Tax Payable Returns (SPPT) to taxpayers so that the community has clear documents related to the amount of tax that must be paid.

In addition, the village government can also improve the facilities and infrastructure of the village office to support tax services. This includes the provision of adequate equipment and training for village staff so that they can provide efficient and informative services. With more complete facilities and skilled staff, people will feel more comfortable and helped in making tax payments.

Village governments can also use promotional media, such as banners and circulars, to remind the community of tax payment obligations and payment deadlines. With constant reminders, it is hoped that the community will be more disciplined in paying taxes on time, so that village PBB revenues can increase significantly.

Factors inhibiting the role of the village government in PBB revenue in Pagaran Lambung III village

In an effort to increase Land and Building Tax (PBB) revenues in Pagaran Lambung III Village, the Village Government faces several inhibiting factors that affect the effectiveness of the tax collection process. The existence of this obstacle causes the realization of tax revenue not to reach the target set by the government. These inhibiting factors include the economic condition of the community, low knowledge about the importance of taxes, and the limitations of payment system facilities. Here is an in-depth description of these factors.

A. Low Community Economy

Taxes are a very vital source of state revenue, because they are used to finance various public expenditures such as infrastructure development, health services, education, and security. Taxes paid by the public, both individuals and business entities, are mandatory contributions based on the law, which are then used for the common good. In Pagaran Lambung III Village, awareness to pay taxes actually exists, but it is often constrained by the community's economic factors which are still relatively low.

Most of the residents of Pagaran Lambung III Village are farmers with fluctuating incomes and depend on crop yields. When crop yields are not satisfactory or the price of agricultural commodities decreases, people's income decreases, so their ability to pay taxes is also affected. In a difficult economic situation, people tend to prioritize basic and daily needs over paying taxes, so the obligation to pay PBB is often neglected.

This low economy not only has an impact on people's ability to pay taxes but also on their attitude towards taxes. For people who have a mediocre income, taxes can be considered a heavy additional burden, and as a result, the motivation to pay taxes becomes very low. Village governments need to respond to this condition by developing a more inclusive strategy, for example by providing education related to tax benefits directly for village development, or providing incentives for people who are able to pay taxes on time.

B. Lack of Public Tax Knowledge

Low knowledge of taxes is also a major obstacle in increasing UN revenues. Most of the people of Pagaran Lambung III Village have not fully understood the importance of taxes for village and state development. Awareness of the importance of taxes has not been embedded in the mindset of the public, so there are some of them who are reluctant or even postpone tax payments.

This low tax knowledge is closely related to the limited level of public education. Many people in this village do not have adequate access to information about the importance of taxes and the benefits resulting from the taxes they pay. For example, they may not understand that UN payments contribute directly to improving the quality of village infrastructure, such as roads, public facilities, and health services. This lack of understanding causes people not to prioritize PBB payments and tend to delay them.

As an effort to overcome this, the Village Government can hold regular socialization programs to provide understanding to the community about the importance of taxes. The village government can also collaborate with the sub-district or district to provide counseling on the importance of taxes for village development and community welfare. With this increase in understanding, it is hoped that public participation in paying taxes can increase.

C. Payment System That Is Still Manual

The limitations of village office facilities and manual tax collection methods are also obstacles in increasing PBB revenue in Pagaran Lambung III Village. The small village office and minimal facilities make the community not have an adequate place to pay taxes directly at the village office. This causes village officials to have to collect by visiting residents' homes one by one, which requires more time and energy.

This manual approach has some drawbacks. In addition to requiring large resources, this system is also inefficient and does not support transparency in the tax collection process. Tax officers have to spend more operational costs to visit people's homes, which of course reduces the efficiency of public fund management. Additionally, manual systems are vulnerable to the risk of reporting delays and the possibility of inaccurate data.

To overcome this problem, the village head is expected to strive to improve village office facilities, so that people can come directly to the village office to pay taxes. This not only makes it easier for the community to fulfill their tax obligations but also supports the creation of a sense of responsibility and awareness of the importance of their contribution in the form of taxes for village development. Village governments can also consider implementing a more modern payment system, for example by providing technology-based payment services that allow people to pay PBB online or through banks.

CONCLUSION

The role of the village government in increasing Land and Building Tax (PBB) revenues in Pagaran Lambung III Village is very important to achieve the target set by the local government of North Tapanuli Regency. As regulators, dynamists, and facilitators, village governments have a responsibility to provide guidance, socialize the importance of the United Nations, and mobilize the active participation of the community in fulfilling their tax obligations. Various efforts such as tax education, door-to-door collection, and improvement of village office facilities need to be carried out to overcome obstacles such as low public tax knowledge, limited economic capabilities, and manual payment systems. With these strategic steps, the village government is expected to increase public awareness and compliance in tax payments, so that PBB revenues can increase sustainably and support better village development.

Factors hindering the role of the village government in increasing Land and Building Tax (PBB) revenue in Pagaran Lambung III Village. The main obstacles faced include the low economic condition of the community, lack of knowledge about the importance of taxes, and a payment system that is still manual. Weak economic conditions reduce people's ability to pay taxes on time, while lack of tax understanding causes people to prioritize these obligations less. In addition, manual payment systems add challenges, both in efficiency and transparency. For this reason,

strategic steps are needed, including tax education, improving village facilities, and implementing technology-based payment systems, to support efforts to optimize tax revenues for sustainable village development.

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