

## CHAPTER IV

### RESULTS AND DISCUSSIONS

#### A. The Role of Hotel Tax for Increasing Local Revenue in The City of Yogyakarta

Based on the results of interviews with the head of Local Tax division of DPDPK of the City of Yogyakarta Tugiyarta, SIP., M.Si, it was obtained that the source of local revenues is derived from four sources namely:

1. Local Tax
2. Levy/ Retribution
3. The results of the separated wealth of the region
4. Other Legitimate sources of revenues

Among the four sources of local revenue above, the Hotel Tax have played main role in increasing the revenue in the City of Yogyakarta. It had been in the first position since last 5 years in increasing the revenue of Yogyakarta City.

Mr RM Kisbiyantoro,.SH, the Head of Section of Registration and Document section of DPDPK of the City of Yogyakarta says that the growth of Local Revenue from hotel sector in Yogyakarta is due to increasing of the number of hotels of their every classifications as seen in the table below:

#### 4.1 Number of Hotel in 2011-2015

source: Financial and Management Agency of the city of Yogyakarta, 2015

From the table above it can be interpreted that the number of hotel in the City of Yogyakarta is increasing every year, for example, the number of 5 stars hotel in Yogyakarta was only 2 in 2011, then it increased into 4 in 2012, and 8 in 2013, and that number increased again in 2014 into 10 and lately increased to 14 in 2015.

Type of Hotel	year (Number of Hotel)				
	2011	2012	2013	2014	2015
Melati 1	200	345	545	779	1434
Melati 2	46	101	-	124	236
Melati 3	35	55	-	79	134
Melati 4	-	-	-	-	-
Melati 5	-	-	-	-	-
Bintang 1	6	7	13	23	33
Bintang 2	3	6	9	14	20
Bintang 3	6	11	26	41	60
Bintang 4	4	12	20	24	30
Bintang 5	2	4	8	10	14
TOTAL	302	541	621	1094	1752

The impact of the increasing hotel was the realizations of hotel tax which was also significant during the period of 2010 to 2014. The realization of local taxes especially Hotel Tax has increased and became the first position of contributors to the local revenues in the City of Yogyakarta as shows in the following table:

#### 4.2. Realization of Local Tax during the Period 2010-2014

(source:

Descriptions	2010	2011	2012	2013	2014

Financial and Management Agency of the city of Yogyakarta, 2015)

Local Tax	71.852.539.011	78.254.529.242	120.457.515.127	207.703.488.720	227.748.852.523
-Hotel Tax	30.788.901.395	32.515.281.932.	37.859.535.936	55.611.097.144	69.154.540.532
-RestaurantTax	12.002.777.974	13.313.057.154	13.817.217.336	16.168.131.719	18.645.297.546
-Entertainment tax	3.727.950.479	4.646.317.241	4.686.884.336	4.638.727.719	7.350.819.532
-Adverstiment taz	5.030.452.373	4.639.213.808	5.439.731.728	6.271.342.373	7.000.639.462
-street lighting taz	19.736.631.310	22.461.182.048	23.857.657.675	26.167.953.923	31.362.813.320
-parking tax	565.825.480	679.527.059	776.411.843	976.194.465	1.388.513.517
-ground water tax			318.039.903	822.210.617	761.130.684
-swallow nets tax			3.050.000	2.950.000	7.925.000
-land & building tax				44.116.129.338	42.397.474.325
-duty on acquisition of land & building			33.698.986.634	52.928.751.819	50.679.970.231

The table above shows the realization of Local Tax continue increasing from year 2010-2014 with an increase of 8.91%, 67.65%, 189.07%, 216.97% with average growth of 120.65%.

The sources of local revenues derived from local taxes such as hotel tax, restaurant tax and other local taxes, local taxes become one of the dominant source of local revenue to increasing revenue in the city of Yogyakarta. It can be seen from the following table:

#### 4.2. Percentage of Local Tax

Descriptions	2010	2011	2012	2013	2014
Local Tax	100%	100%	100%	100%	100%
-Hotel Tax	43%	42%	31%	27%	30%
-RestaurantTax	17%	17%	11%	8%	8%
-Entertainment tax	5%	6%	3%	2%	3%
-Adverstiment tax	7%	6%	4%	3%	3%
-street lighting tax	27%	29%	20%	13%	13%
-parking tax	1%	1%	1%	1%	1%
-ground water tax	-	-	1%	1%	1%
-swallow nets tax	-	-	1%	1%	1%
-land & building tax	-	-	-	21%	18%
-duty on acquisition of land & building			28%	25%	22%

The Table above indicates that the highest percentage of Local Tax is Hotel Tax with a percentage of 43%, 42%, 31%, 27%, 30% as the source of local revenue from the year 2010-2014.

#### **B. The Supporting and Obstacles Factors of Hotel Tax Collection Process in The City of Yogyakarta**

Some of the important factors related to the hotel tax collection process are supporting and obstacles factors. The Supporting factors in Hotel Tax collection process in the City of Yogyakarta, namely:

1. The Number of Hotel
2. The Number of Tourist

3. Awareness of taxpayers especially from the star hotel that regularly pay taxes either online or directly
4. The sufficient facilities and infrastructure such as computers to manage data from the collection of Hotel Tax and others

Among four factors above, the factor that most support is the awareness of taxpayer. If the taxpayer has not been optimal in implementing their obligations, the target of hotel tax revenue can not be reached. The awareness of taxpayers in the City of Yogyakarta is optimal, however there are some jasmine class hotels which still have less awareness in paying taxes every month according to the Head of Section of Registration and Document section of DPDPK of the City of Yogyakarta

In addition, there are some obstacle factors in the collection process of Hotel Tax such as:

1. The lack of awareness of jasmine-class hotel taxpayers in particular, because the owners of the jasmine-class hotel say the Hotel Tax is very burdening.
2. Internal factors such as limited of human resources (HR) due to the moratorium of civil servants has impact the shortage of personnel for the relevant institutions. Normally requires 86 people but now there are only 72 people.
3. To issue online hotel tax payment, the factor that greatly inhibit the problem is the system or unstable internet connection, it makes the apparatus or the tax officer difficult to collect data online hotel tax payment..
4. The obligation of the taxpayer in carrying out their obligation to pay the tax if the taxpayer is not optimal to perform their obligations, the local revenue target will

not be achieved, for example the taxpayers is not pay the tax to deadline or the taxpayer with intentionally to not pay the tax.