



The Influence of Hotel Tax and Restaurant Tax on the Original Regional Income of Garut Regency

Dida Farida¹; Latipatul Hamdah¹; Resa Sri Wahyuni²

Universitas Garut

didafaridalh@uniga.ac.id

Abstract

This review is intended to research the reaction of accommodation rates and dining rates on the regional income of Garut Regency throughout 2015-2022. The information in this research was obtained from the Garut Regency Regional Revenue Office regarding the record of the implementation of accommodation rates and dining rates. The quantitative system is the system applied to this research. To collect data in this research, an interrogation and document verification system is applied. Furthermore, the steps used in this research include, multiple linear regression analysis, R-Squared and hypothesis test with the help of F test and t test. The findings of this research confirm that accommodation rates and dining rates simultaneously have an impact on regional income. However, personally, the rate of accommodation has no impact on regional income while the rate of accommodation has an impact on regional income.

Keywords: Lodging Tax, Dining Tax, Regional Original Revenue

1 Introduction

One of the financing models needed to support the implementation of regional policies is regional original income. Regional authorities are consistent in increasing the amount of original regional income through various means, such as fixing and maximizing various opportunities that can then be demanded for official fees. Tax revenue and levies are a staple part of regional income. (Astuti, 2019)

In order to realize regional income in Garut Regency, local authorities must optimize and take advantage of the various opportunities they have. Garut Regency or commonly known as "Kota Intan" has natural beauty that has a great opportunity to become a recreational area that can attract many people. The high level of visits of tourists to the City of Diamonds, so accommodations such as places to stay and places to eat are often used and visited by many people. Tourists who use the accommodation will be charged a tariff.

Accommodation rates and dining rates are included in the type of regional tax managed by the Garut Regency regional revenue agency. The accommodation and dining sector is seen as having a very large opportunity, therefore it must be controlled and maximized so that later it will contribute to the original income of the Garut Regency area. An area can be called an independent area by considering the level of original income of the area obtained. (Biringkanan & Tammu, 2021)

2 Literature Review

2.1 Tax

Soemitro in Mardiasmo (2019) revealed, "Taxes are financial contributions from citizens to the public treasury based on legal provisions, can be enforced by not receiving rewards that can be directly accounted for, and used to fund public financing".

2.2 Hotel Tax

Wulandari & Iryanie (2018) revealed that, "A stay tax is a rate charged on services provided by the accommodation to guests, which includes fees for various support services as an integral part of the accommodation facilities, aiming to maximize guest comfort and satisfaction".

2.3 Restaurant taxes

Wulandari & Iryanie (2018) revealed that, "A restaurant tax is a fee imposed on services provided by a restaurant".

2.4 Regional Original Revenue

Warsito in Wulandari & Iryanie (2018) explained that, "Regional income is income generated and collected by the regional authorities themselves".

2.5 Frame of Mind

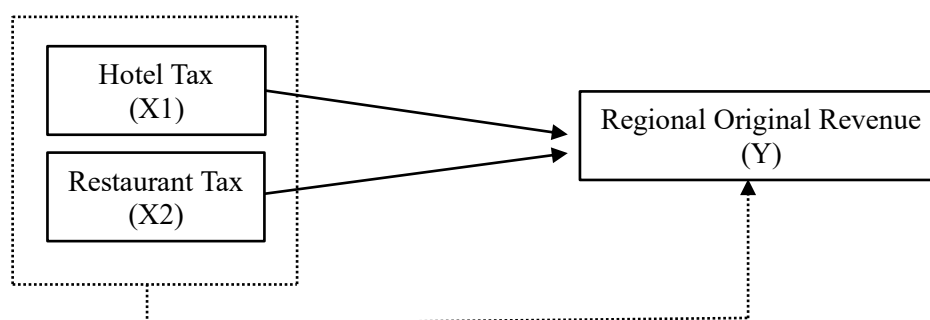


Figure 1: Frame of Mind

3 Research Methods

The quantitative system is the system applied to this research. To collect data in this research, an interrogation and document verification system is applied. The realization of income in the Garut Regency region in 2015-2022 is secondary data used in this research. The SPSS program version 26 for windows was used in this research to perform data calculations Furthermore, the steps used in this research include, multiple linear regression, R-Squared and hypothesis test with the help of the F test and t. The regression model used in this research uses the regression model presented by Duli (2019) as below:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$

Explanation:

Y : Variable dependency

A : Konstanta
X1 : Independent variable 1
X2 : Independent variable 2
B : Regression coefficient
and : Residual value

This hypothesis experiment highlights the existence of personal or simultaneous consequences between independent variables (accommodation and dining rates) and dependent variables (regional income).

In general, the f test is used to describe the degree to which independent variables have a simultaneous effect on dependent variables. The determination of the results in this f-test, is displayed as follows. The importance number < the probability number 0.05 symbolizes H0 denied Ha is agreed, this shows that independent factors simultaneously have a meaningful effect on dependent variables.

a) The number of importance > the probability number 0.05 symbolizes H0 agreed Ha is denied, this shows that independent factors simultaneously have no significant effect on dependent variables.

Generally, the T-Test is used to describe the degree to which independent variables have an effect on dependent variables personally. Amnesty of the results on the t-test, namely.

a) The importance number < the probability number 0.05 symbolizes H0 denied Ha is agreed, this indicates that the independent factor personally has an effect on the dependent variable.

b) The number of importance > The probability number 0.05 represents H0 agreed Ha is denied, this indicates that the independent factor personally has no effect on the dependent variable.

4 Research and Discussion Results

4.1 Research Results

Analysis of the Regresi Linier Berganda

The technique used to understand the effect of independent factors on dependent variables is to use multiple linear regression techniques. The following presentation of the results can be seen in the following table 4.2.

Table 4.2: Analysis of the Regresi Linier Berganda

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Itselt f.
		B	Std. Error	Beta		
1	(Constant)	96515014699,021	21071870369,985		4,580	,006
	Hotel Tax	-8,173	4,129	-,382	-1,979	,105
	Restaurant Venue Tax	6,806	1,051	1,250	6,478	,001

a. Dependent Variable: Original Regional Revenue

(Source: Interpretation of data from SPSS, 2023)

Referring to the data that has been displayed, it can be observed that the constant value is 96515014699,021 on the other hand, the value of the accommodation tariff is -8,173 and the dining tariff is 6,806. As a result, statistical modeling can be seen below.

$$Y = 96515014699,021 - 8,173X_1 + 6,806X_2$$

Explanation of the multiple linear regression equation above.

1. The fixed number of the region's original income (Y), which is 96515014699.021, indicates that when the independent variables, namely the rate of accommodation and places to eat, are equal to zero, the region's original income will remain 96515014699.021.
2. The regression coefficient X_1 has a negative number of -8.173, indicating an opposite transformation. This means that when the accommodation rate increases by 1 rupiah, then the regional income will decrease by 8,173 and when the accommodation rate decreases by 1 rupiah, then the regional income will increase by 8,173.
3. The regression coefficient X_2 has a positive number of 6.806, indicating a unidirectional transformation. This means that when the tariff of a place to eat rises by 1 rupiah, then regional income will also increase by 6,806 and when the tariff of a place to eat decreases by 1 rupiah, then regional income will also decrease by 6,806.

Coefficient of Determination

In order to observe that independent variables have an effect on dependent variables, the tool used is the determination value. The conclusions drawn from this analysis are presented in table 4.3.

Table 4.3: Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,967 ^a	,936	,910	8077636751,237
a. Predictors: (Constant), Restaurant Premises Tax, Hotel Tax				

(Source: Interpretation of data from SPSS, 2023)

Referring to table 4.3, R-Square has a value of 0.936 or 93.6%. It indicates that independent variables have an effect of 93.6% for dependent variables, of which the remaining 6.4% are affected by other factors that are not discussed in this research.

Pengujian Hypothesis

Simultaneous Testing (F Test)

The tool to determine the variables of accommodation rates (X_1) and dining rates (X_2) simultaneously has an effect /not on the original income of the region (Y). The conclusions of the simultaneous tests (F test) are presented in Table 4.4.

Table 4.4: Simultaneous Testing (F Test)

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Itself.
1	Regression	475734702364675200 0000,000	2	2378673511823376 000000,000	36,456	,001b
	Residual	326241077424699200 000,000	5	6524821548493984 6000,000		
	Total	508358810107145000 0000,000	7			
a. Dependent Variable: Original Regional Revenue						
b. Predictors: (Constant), Dining Tax, Stay Tax						

(Source: Interpretation of data from SPSS, 2023)

Referring to the data above, it is understandable that F_{cal} 36.456 is in the importance number of 0.001. The F-number is calculated $> F_{table}$ which is $36.456 > 5.14$ and the number of importance $< \alpha$ number $0.001 < 0.05$. Therefore, the final decision-making, namely H_0 is denied and H_a is agreed, meaning that simultaneously the accommodation rate and the dining rate, have a good and significant effect on the original income of the region.

Partial Testing (t-test)

A tool that is applied to understand the personal effects between independent variables on dependent variables. The results of the personal analysis of the t-test are presented in table 4.5 below.

Table 4.5: Partial Testing (t-test)

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Itselt f.
		B	Std. Error	Beta		
1	(Constant)	96515014699,021	21071870369,985		4,580	,006
	Hotel Tax	-8,173	4,129	-,382	-1,979	,105
	Restaurant Venue Tax	6,806	1,051	1,250	6,478	,001
a. Dependent Variable: Original Regional Revenue						

(Source: Interpretation of data from SPSS, 2023)

Referring to the data above, it is understandable that the t-table number is 2.571 and the alpha number (α) is 0.05. The conclusion of the t-test analysis is presented below.

1. The t-calculated value of the accommodation tariff (X_1) is $-1.979 < 2.571$ and the interest number is $0.105 > 0.05$, indicating that H_0 is also agreed H_a is denied, meaning that the accommodation tariff does not have a significant effect on the original income of the region.
2. The t-calculated value of the dining place tariff (X_2) is $6.478 > 2.571$ and the importance figure is $0.001 < 0.05$, indicating that H_0 is denied and H_a is agreed, meaning that the dining place tariff has a significant effect on the original income of the region.

4.2 Discussion

The Impact of Lodging Levy on Original Regional Revenue

The final findings in this research show that personal accommodation rates do not have an effect on the original income of the Garut Regency area. This is proven by the results of the t-test and obtaining a t-count of $-1.979 < t\text{-table of } 2.571$ and an interest figure of $0.105 > 0.05$. This achievement implies that the rate of accommodation in Garut Regency has not developed and its role for regional income is still low. The unstable development of places to stay and the lack of compliance of tax contributors in paying taxes are one of the triggers for low tax income for places to stay in Garut Regency.

The findings of the results of this research are the same as the research conducted by Permadi & Asalam (2022) and it is concluded that accommodation rates do not have a significant effect on the original income of the region. The same research was also done by Biringkanae & Tammu (2021) and concluded that accommodation rates do not have a significant effect on the region's original income.

The Impact of the Dining Levy on Regional Revenue

The final findings in this research show that personal dining rates have an effect on the regional income of Garut Regency. This is proven by the conclusion of the t-test and obtaining a t-count of $6.478 > t\text{-table of } 2.571$ and an importance figure of $0.001 < 0.05$. This achievement implies that the fare of the dining place has succeeded in fulfilling its role in increasing the original income of the region. The stable development of places to eat every year is one of the supporting factors for increasing the tax on places to eat in Garut Regency.

The findings of the results of this research are the same as the research carried out by Willy (2020) and it is concluded that the tariff of places to eat has an effect on regional income. The same research was also done by Biringkanae & Tammu (2021) and concluded that restaurant tariffs have an effect on regional income.

The Impact of Lodging Levy and Dining Levy on Regional Original Revenue

The final findings in this research show that accommodation rates and dining rates have a simultaneous impact on the region's original income. This is proven by the conclusion of the F test and the F-calculation of $36.456 > F\text{-table } 5.14$ and the importance number $0.001 < 0.05$. This achievement implies that the rate of accommodation and the rate of eating place simultaneously have an impact on the original income of the Garut Regency area for the 2015-2022 period. The high effect of lodging rates and meal rates on regional income was 0.936 (93.6%), while the rest were affected by other elements that were not included in this study.

The findings of this research are the same as the research conducted by Biringkanae and Tammu (2021) and it is concluded that accommodation rates, dining rates, and performance rates simultaneously have an impact on the region's original income. The same research was also done by Permadi & Asalam (2022) and concluded that accommodation rates, dining rates, and performance rates simultaneously share the region's original income.

5 Conclusions and Suggestions

5.1 Conclusion

The impact of accommodation rates and meal rates on the original income of the Garut Regency area:

- a. Accommodation rates and dining rates simultaneously have a regional effect on the original income of the Garut Regency area.
- b. 1) The rate of accommodation has no effect on the original income of the Garut Regency area.
2) The tariff of places to eat has an effect on the original income of the Garut Regency area.

5.2 Suggestion

Based on the above conclusions, to be used as information that will be considered by the Garut Regency BAPENDA in an effort to increase the original income of the region and as a reference for researchers in the future, it can be suggested as follows.

1. The Garut Regency regional revenue agency is expected to further improve and explore every potential that the region has, especially from the sector of accommodation rates and meal rates so that later it can increase the regional income of Garut Regency.
2. The Garut Regency Regional Revenue Agency is wanted to be able to strengthen supervision and impose penalties on violating taxpayers.
3. In the future as a researcher, it is recommended to increase the period of the study year and research additional factors that have an impact on the income of the Garut Regency area.

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