



EFFECTIVENESS AND CONTRIBUTION OF PUBLIC SERVICE RETRIBUTIONS TO REGIONAL REVENUE IN JOMBANG

Hadi Sucipto

STIE PGRI Dewantara Jombang

Correspondence: hadisucipto@stiedewantara.ac.id

Submitted: 20 March 2022, Revised: 15 March 2022, Published: 2 April 2022

Abstract

This study aims to determine the Effectiveness and Contribution of public service fees to receiving local revenue in Jombang Regency. This study uses a quantitative approach. The data used is secondary data originating from reports on the realization of Jombang regional revenue and expenditure budget for 2018-2020. The results showed that the level of Effectiveness of general service fees for the 2018 period was quite effective, with a percentage of 87%; in 2019, it was in the effective category with a percentage of 99%; in 2020, it was in the category quite effective with a percentage of 80%. Meanwhile, the Contribution of public service fees to local revenue receipts for 2018 to 2020 is very lacking, with the percentage in 2018 at 8%, in 2019 at 6%, and in 2020 at 3%.

Keywords: Effectiveness, Contribution, Public Service Retribution, Regional Original Revenue, Jombang

A. INTRODUCTION

Since the current reforms took place in Indonesia in 1998, it has provided a quality lesson that the center's dominance over the regions has caused inter-regional problems, thereby directing the decentralization apparatus toward more substantial regional autonomy. Autonomy stimulates regions to empower physical and non-physical resources in their area (Herry, 2015; Suci, 2016; Andini, 2018). The unequal distribution of financial results has triggered demands for the implementation of regional autonomy, especially in regions rich in natural resources (Suci, 2016; Surya, 2020). Granting regional autonomy is in the context of assisting the administration of the central government, especially in providing services to the community and implementing development programs (Christia, 2019; Sasana, 2011; Abjul, 2019). Regional governments are seen as partners by the central government in carrying out the tasks mentioned above, or the principle of granting regional autonomy is that the central government gives authority to each region in carrying out its administration in its area, including providing services to the community and implementing development, and also as a coach. Socio-political stability, economy, and national unity. In this regard, regions are required to be more active in efforts to increase their capacity and independence in exploring and developing potential economic resources to accelerate economic growth in their regions (Aulia, 2016; Basri, 2013; Abjul, 2019)

With regional autonomy, the local government must increase local revenue, including optimizing fundraising from regional revenue sources (Indrawati, 2017; Ratnawati, 2009; Saifudin, 2020). Regional levies, as a part of the formation of Regional Original Income, are a component that has the potential to be optimized (Cholifaturrosidah, 2021; Diarta, 2017; Taras, 2017). Regional levies, which are payments for services or the granting of special permits provided and granted by the local government (Pemda) to individuals/agencies, are expected to support regional

funding sources in regional development. Public service levies, as well as local taxes, are a component of regional levies that contribute to local revenue (Pakpahan, 2019; Prameka, 2013; Cholifaturrosidah, 2021; Diarta, 2017; Taras, 2017)

Jombang is one of the districts in East Java Province. There are many good potentials for Jombang in health, entertainment, tourism, culinary, and trade. In that case, it is not surprising that many public services are provided by both Jombang government and the private sector. It is evidenced by the development of health centers, minimarkets and supermarkets, telecommunication towers, and ownership of two-wheeled and four-wheeled vehicles by the community, which can show that the purchasing power of the people of Jombang has also increased. Moving on from these conditions, it appears that public service fees also have a role that cannot be underestimated by knowing how big the level of Effectiveness and Contribution from the results of receiving financial sources, especially those originating from public service fees, is expected to be able to meet the financing needs of the government and regional development through original regional income which can be used in carrying out governance and regional development according to their needs to minimize dependence on obtaining funds or subsidies from the top level of government.

This study aims to determine the Effectiveness and Contribution of public service fees to receiving local revenue in Jombang. From the results of this study, it will be known how significant the Contribution of public services is to develop of the Jombang.

B. LITERATURE REVIEW

1. Regional Autonomy

Autonomy comes from the Greek *auto*, meaning self, and *nomos*, meaning law. Autonomy means own law. The essence of autonomy is the willingness and ability to self-regulate. Based on Law No. 9 of 2015 Article 1 point 6, the definition of regional autonomy is the rights, powers, and obligations of an autonomous region to regulate and manage its government affairs and the interests of the local community within the system of the Unitary State of the Republic of Indonesia.

Quoted from the book *Decentralization and Regional Autonomy (2007)* by Syamsuddin Haris, there are several definitions of regional autonomy according to experts. F Sugeng Istianto stated that regional autonomy is a right and authority to regulate and manage a regional household. Ateng Syarifuddin stated that regional autonomy means freedom or independence but not independence, only limited freedom or independence that is realized as a provision of opportunities that must be accounted for. Syarif Saleh thinks that regional autonomy is a right to regulate and govern the region itself, where this is a right obtained from a central government. Kansil stated that regional autonomy is a regional right, authority, and obligation to regulate and manage its household or region according to applicable laws. Meanwhile, Widjaja stated that regional autonomy is a form of government decentralization that aims to fulfill a national interest. Mahwood argues that regional autonomy is the right of civil society to get equal opportunity and treatment, both in expressing and fighting for an interest and participating in controlling the performance of a local government.

2. Locally-Generated Revenue

According to Law No. 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments. Article 1 point 20 states that local

revenue is regional income derived from regional taxes, regional levies resulting from the management of separated regional assets, and other income of legal origin of the region following statutory regulations. Meanwhile, according to Carunia (2017), Regional Original Income is revenue obtained from sources within their territory. The higher the role of Regional Original Revenue in the regional financial structure, the higher the financial capacity owned by the region to carry out regional development activities.

Regional Retribution

According to the provisions of Article 1 Number 22 of Law no. 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, what is meant by regional levies are regional levies as payment for services or the granting of specific permits expressly provided and/or granted by the Regional Government for the benefit of individuals or entities. Meanwhile, according to Marihot P. Siahaan (2016), Regional Retribution is a regional levy as payment for services or specific permits expressly provided or granted by the local government to benefit individuals or entities.

3. Types of Public Service Retribution

Based on Jombang Regency Regional Regulation Number 5 of 2020 (Chapter 4, Article 4), General/public service fees regulated in this regional regulation consist of:

- a. Health Levies are payments for health services at central of society health, medical clinics, and regional public hospitals, excluding registration services.
- b. Garbage/Cleaning Retribution includes payments for collection, transportation, and disposal services as well as provision of locations for disposal or destruction of household waste, industrial waste, and trade waste, excluding cleaning services for public services, parks, and public spaces.
- c. Public Roadside Parking Retribution is a payment for the provision of public roadside parking determined by the local government.
- d. Market Service Retribution is a payment for traditional/simple market facility services managed by the local government and provided explicitly for traders.
- e. Motorized Vehicle Testing Retribution includes payments for motorized vehicle inspection services following applicable laws and regulations, which the regional government organizes.
- f. Telecommunications Tower Control Levies are levies imposed on the use of space for telecommunications towers, taking into account aspects of spatial planning, security, and public interest.
- g. Calibration/Re-calibration Service Retribution is a fee for testing services for measuring, measuring, and weighing instruments and their equipment; and testing of goods in a packaged condition which is required following the provisions of laws and regulations.
- h. Retribution for Provision / Desludging of Latrines is a levy for desludging services for latrines or latrines carried out by the regions. However, services for providing and/or desludging latrines managed by BUMD and the private sector are not included in the object of this levy.

From the definition of public service fees above, it can be stated several characteristics that are inherent in the notion of fees, namely: Retribution is collected by the state, there is economic coercion in the collection, Retribution is imposed on every person/entity

who uses services provided by the state, there is a reward directly when paying, used to replenish the state treasury.

4. Effectiveness

According to Beni (2016), Effectiveness is the relationship between output and goals. It can also be said to measure how far the level of output, policies, and procedures is from the organization. Effectiveness is also related to the degree of success of an operation in the public sector, so an activity is said to be effective if the activity has a major influence on the ability to provide community services, which is a predetermined target. Meanwhile, according to Mardiasmo (2017), Effectiveness is a measure of the success or failure of achieving an organization's goals. If an organization achieves its goals, it has been running effectively. The effectiveness indicator describes the range of consequences and the impact (outcome) of the program's output in achieving the program's objectives. The more significant the Contribution of the resulting output to the achievement of the specified goals or objectives, the more influential the work process of an organizational unit.

The classification criteria for the Effectiveness of financial performance in Indonesia according to the Ministry of Home Affairs, Kepmendagri Number 690,900,327 of 1996, are 1) Very effective if the percentage is > 100%; 2) Effective if the percentage is 90% – 100%; 3) Effective enough if the percentage is 80% – 90%; 4) Less effective if the percentage is 60% – 80%; and 5) Not effective if the percentage is < 60%

5. Contribution

According to Beni (2016), to measure the region's ability, there needs to be a regional original income contribution. The original regional income determines the regional budget for the following year if there is a sizeable current year. It is the actual ability of the region. Meanwhile, according to Wahyudi (2013), Contribution is a process of planning, organizing, directing, coordinating, and supervising in the form of donations and support or support for an activity.

Classification Criteria for the Contribution of financial performance in Indonesia according to the Ministry of Home Affairs, Kepmendagri Number 690,900,327 of 1996, are 1) Very Less if the percentage is 0.00% - 10%; 2) Less if the percentage is 10.10% - 20%; 3) Moderate if the percentage is 20.10% - 30%; 4) Fairly Good if the percentage is 30.10% - 40%; 5) Good if the percentage is 40.10% - 50%, and 6) Very Good if the percentage is above 50%

C. RESEARCH METHODS

This study uses a quantitative approach. The data used is secondary data originating from reports on the realization of Jombang regional revenue and expenditure budget for 2018-2020. Furthermore, data analysis was carried out, which consisted of data reduction, data presentation, and conclusions.

D. RESULTS AND DISCUSSION

1. Analysis of the Effectiveness Ratio of Public Service Charges

From the reduced data, the effectiveness ratio of general services and sub-levies for public services for Jombang for the 2018-2020 fiscal year is calculated using the following formula:

$$\frac{\text{Public Service Retribution Realization}}{\text{Public Service Retribution Target}} \times 100\%$$

From the results of data processing, it appears that the Effectiveness of Public Service Charges in Jombang for 2018-2021 looks like the following table:

Table 1: Effectiveness of Public Service Charges in Jombang For 2018-2020

Year	Realization of Public Service Retribution	Public Service Retribution Target	Efektivitas (%)	Criteria
1	2	3	4 = (2/3) x 100%	
2018	Rp 35,691,605,497	Rp 41,135,575,730	87%	Effective Enough
2019	Rp 27,809,979,493	Rp 27,963,047,330	99%	Effective
2020	Rp 16,170,655,200	Rp 20,310,575,846	80%	Effective Enough
Σ			266%	
Average			88,6%	Efectif Enough

Based on the results of research on the Effectiveness of general service fees during the period 2018 to 2020, it can be seen that the target and actual receipt of general service fees has increased from year to year; the average level for general service fees is 88.6%. Thus, based on table one, the Effectiveness of general service fees is quite effective, although the effectiveness ratio generally fluctuates yearly.

2. The Effectiveness Of Sub-Regional Levies

From the reduced data, the effectiveness ratio of general services and regional sub-levies in Jombang for the 2018-2020 fiscal year is calculated using the following formula:

$$\frac{\text{Realization of Public Sub - levy}}{\text{The target of Public Service Sub - Levy}} \times 100\%$$

Public service fees in Jombang consist of 1) Health Services, 2) Garbage/Cleaning Services, 3) Public Roadside Parking Services, 4) Market Services, 5) Motor Vehicle Testing, 6) Telecommunication Tower Control, 7) Legal Metrology and 8) Desludging of Toilets. In 2018 the level of Effectiveness in receiving public service fees was said to be very effective. The highest level of acceptance of the Effectiveness of public service charges resulted from the telecommunication tower control sub-levy of 146%. In comparison, the lowest level of Effectiveness of acceptance of public service fees came from the health sub-levy of 79%. The average level of acceptance of the Effectiveness of public service fees of 103% is said to be very effective due to the achievement of several existing subs. In 2018, the highest receipt of public service fees was generated from health service fees, while the lowest public service fee receipts came from garbage/cleaning service fees.

In 2018, it was a golden period for receiving public service fees; the influencing factor was public awareness of the obligation to charge fees related to the importance of consuming wifi and cellular towers which led to an increase in telecommunications tower fees. Socialization is often held as an effort to increase public awareness of the

government's payment of fees for garbage or cleaning services to developers, shop owners, coffee shops, restaurants, tourist attractions, hotels, supermarkets, and waste banks. Apart from that, a religious tourism area for Gus Dur's grave in Tebuireng contributed significantly to the receipt of parking fees; compared to last year, there was an increase of approximately 15%. In addition, there is also income from toilet fees. Existence of implementation of tests and results of motorized vehicle testing that can be accessed online. The effort to facilitate the public in paying motorized vehicle testing fees. The increase also influences this possibility in Jombang's Minimum Minimum Wage of around 8.25%; this is a reasonably high increase from time to time, so the economic levy is also increasing.

In 2019 the level of Effectiveness in receiving public service fees was said to be effective. The highest level of acceptance for the Effectiveness of public service charges was generated from the telecommunications tower control sub-levy of 122%. In comparison, the lowest level of acceptance for the Effectiveness of public service charges came from the garbage/cleaning services sub-levy of 69%. The average level of acceptance of the Effectiveness of public service fees of 98% is said to be effective due to the achievement of several existing subs. In 2019, the highest public service fees were generated from health service fees, while the lowest public service fees came from garbage/cleaning service fees.

In 2019, levy income is still quite good; this may be affected because the economy of some mandatory retribution is still good. This significant decrease was influenced or caused by the Covid-19 pandemic, which significantly impacted the absorption of regional Retribution. It could be that in 2019 people still have enough savings to pay for their lives, then the Work From Home phenomenon, but they still get total wages, and there haven't been many layoffs.

In 2020 the level of Effectiveness in receiving public service fees had increased from the previous year and was said to be very effective. The highest level of acceptance of the Effectiveness of public service charges resulted from the telecommunication tower control sub-levy of 535%. In comparison, the lowest level of acceptance of the Effectiveness of public service charges came from the garbage/cleaning service sub-levy of 42%. The average level of acceptance of the Effectiveness of public service fees of 159% is said to be very effective due to the achievement of several existing subs. In 2020, the highest receipt of public service fees was generated from public roadside parking service fees, while the lowest public service fee receipts came from garbage/cleaning service fees.

In 2020, it was like a downturn in mandatory Retribution and other economic sectors because of the prolonged PSBB. Many workers are only given 50% wages and rampant layoffs because the economy is increasingly difficult to rotate. In addition, objects of very influential fees, such as health service fees, garbage fees, and public roadside parking service fees, are sources of receipt of fees that are pretty influential in absorbing fees. However, with the Covid-19 pandemic, the absorption of the three fees has decreased quite drastically.

3. Analysis of Public Service Retribution Contribution Ratio

From the reduced data, the effectiveness ratio of general services and sub-levies for public services for Jombang for the 2018-2020 fiscal year is calculated using the following formula:

$$\frac{\text{Realization of Public Service Retribution}}{\text{Realization of Local Own Revenue}} \times 100\%$$

From the results of data processing, it appears that the contribution ratio for Public Service Levies in Jombang for 2018-2021 looks like the following table:

Table 2: Contribution of public service fees in Jombang for 2018-2020

Year	Realization of Public Service Retribution	Realization of Local Own Revenue	Contribution (%)	riteria
1	2	3	4 = (2/3) x 100%	
2018	Rp 35,691,605,497	Rp 438,197,175,439	8%	Very less
2019	Rp 27,809,979,493	Rp 476,662,933,476	6%	Very less
2020	Rp 16,170,655,200	Rp 468,627,918,704	3%	Very less
	Σ		17%	
	Average		5,6%	Very less

In 2018-2020 the level of Contribution of general service retribution revenue to local revenue had an average value of 5%, which means it is very lacking. It is because several sub-public service fees in 2018-2020 do not meet predetermined targets, such as health service fees, garbage/cleaning fees, legal metrology fees, motorized vehicle testing fees, and public roadside parking service fees.

Therefore it shows that the Jombang government pays little attention to, optimizes, and utilizes sources of revenue that are classified as objects of public service charges. So that the Contribution of public service levy receipts to Jombang local revenue in 2018-2020 is significantly less and continues to decline.

E. CONCLUSION

The results showed that the level of Effectiveness of general service fees for the 2018 period was quite effective, with a percentage of 87%; in 2019, it was in the effective category with a percentage of 99%; in 2020, it was in the category quite effective with a percentage of 80%. Meanwhile, the Contribution of public service fees to local revenue receipts for 2018 to 2020 is very lacking, with the percentage in 2018 at 8%, 2019 at 6%, and 2020 at 3%.

From the research results above, it is suggested to the government of Jombang through the authorized agencies to be even better in collecting public service fees so that future developments in receipt of fees always increase and are positive. Jombang Government must also work hard and professionally to collect public service fees so that the receipt of fees is carried out optimally and effectively. In addition, the government of Jombang must look for potential new sources of public service charges in their area so that the actual Contribution of public service charges revenue increases towards the realization of regional own-source revenue.

REFERENCES

- Abjul, R., Machmud, J., & Paramata, S. H. (2019). EFEKTIVITAS RETRIBUSI PASAR DALAMMENINGKATKAN PENDAPATAN ASLI DAERAH DI KABUPATEN GORONTALO. *JSAP: Journal Syariah and Accounting Public*, 2(2), 121-127.
- Andiny, P., & Akhir, B. Y. (2018). Analisis Alokasi Dana Desa Terhadap Pembangunan Wilayah di Desa Geudubang Jawa Kecamatan Langsa Baro. *Jurnal Penelitian Ekonomi Akuntansi (JENSI)*, 2(1), 1-9.
- Aulia, M. F. N. (2016). *Analisis Faktor-Faktor Yang Mempengaruhi Pertumbuhan Ekonomi Provinsi DI Yogyakarta Tahun 1996-2010* (Doctoral dissertation, Universitas Islam Indonesia).
- Basri, S. (2013). Pengaruh Output Daerah, Penerimaan Transfer Dan Desentralisasi Fiskal Terhadap Penerimaan Asli Daerah (PAD) Kota Pekanbaru. *Jurnal sosial ekonomi pembangunan*, 3(8), 165-178.
- Beni Pekei. 2016. *Konsep dan Analisis Efektivitas Pengelolaan Keuangan Daerah di Era Otonomi. Buku 1*. Jakarta Pusat: Taushia
- Carunia Mulya Firdausy. 2017. *Kebijakan dan Strategi Peningkatan Pendapatan Asli Daerah dalam Pembangunan Nasional*. Jakarta: Yayasan Pustaka Obor Indonesia
- Cholifaturrosidah, N. (2021). PENGARUH PAJAK DAERAH, RETRIBUSI DAERAH, BADAN USAHA MILIK DAERAH (BUMD) DAN JUMLAH USAHA TERHADAP PENDAPATAN ASLI DAERAH (PAD) DI KABUPATEN BLITAR (dalam Perspektif Ekonomi Islam).
- Christia, A. M., & Ispriyarso, B. (2019). Desentralisasi Fiskal dan Otonomi Daerah di Indonesia. *Law Reform*, 15(1), 149-163.
- Diarta, I. G. K. S., Prayudi, M. A., & Julianto, I. P. (2017). Analisis pengelolaan Pendapatan Asli Daerah (PAD) dalam pelaksanaan otonomi daerah di Kabupaten Klungkung. *JIMAT (Jurnal Ilmiah Mahasiswa Akuntansi) Undiksha*, 8(2).
- Fadli, F. (2014). Analysis of direct and indirect effect of fiscal decentralization and regional disparity (Case study provinces in East and West Indonesia Year 2006-2012). *Journal of Economics and Sustainable Development*, 5(18), 45-56.
- Herry, A. (2015). Kesiapan desa menghadapi implementasi undang-undang desa (Tinjauan desentralisasi fiskal dan peningkatan potensi desa). *CIVIS*, 5(1).

- Indrawati, L. R., Panggiarti, E. K., & Laut, L. T. (2017). Perspektif Pajak Daerah Bagi Pendapatan Asli Daerah Kota Magelang. *Jurnal REP (Riset Ekonomi Pembangunan)*, 2(1), 139-150.
- Nurfatriani, F., Sari, G. K., Saputra, W., & Komarudin, H. (2022). Oil Palm Economic Benefit Distribution to Regions for Environmental Sustainability: Indonesia's Revenue-Sharing Scheme. *Land*, 11(9), 1452.
- Pakpahan, M. V. (2019). Pengaruh Retribusi Daerah Terhadap Pendapatan Asli Daerah Pada Pemerintah Kabupaten Dairi.
- Peraturan Daerah No.05 Tahun 2020 Tentang Retribusi Jasa Umum
- Prameka, A. S., & Indrawati, N. K. (2013). Kontribusi Pajak Daerah Dan Retribusi Daerah Terhadap Pendapatan Asli Daerah (PAD) Kabupaten Malang. *Universitas Brawijaya. Jurnal. Malang*.
- Ratnawati, T. (2009). Upaya Meningkatkan Pendapatan Asli Daerah (PAD) dalam Era Otonomi Daerah. *Die*, 5(2), 241524.
- Saifuddin, R. (2020). Pemanfaatan Teknologi Informasi dalam Peningkatan Pendapatan Asli Daerah. *Inovasi Pembangunan: Jurnal Kelitbangan*, 8(02), 183-183.
- Sasana, H. (2011). Analisis determinan belanja daerah di kabupaten/kota Provinsi Jawa Barat dalam era otonomi dan desentralisasi fiskal. *Jurnal Bisnis dan Ekonomi*, 18(1).
- Siahaan, Marihot P. 2016. *Pajak Daerah dan Retribusi Daerah*. Edisi Revisi. Jakarta: Rajawali Pers.
- SUCI, J. P. (2016). "ANALISIS EFEKTIVITAS DAN KONTRIBUSI PENERIMAAN RETRIBUSI DAERAH DI KOTA BUKITTINGGI (Doctoral dissertation, Universitas Andalas).
- Sugiyono. 2012. *Metode Penelitian Kuantitatif Kualitatif*. Bandung : Alfabeta.
- Sugiyono. 2018. *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Bandung : Alfabeta.
- Sukmadinata, Nana Syaodih. 2017. *Metode Penelitian Pendidikan*, Cet.12. Bandung: Remaja Rosdakarya
- Surya, C. M. (2020). OTONOMI DAERAH DAN PROSPEKNYA DALAM PEMBANGUNAN EKONOMI REGIONAL. *Tahsinia*, 1(1).

Taras, T., Artini, S., & Gede, L. (2017). *Analisis pendapatan asli daerah (PAD) dalam upaya pelaksanaan otonomi daerah di Kabupaten Badung Bali* (Doctoral dissertation, Udayana University).

Undang – Undang Republik Indonesia Nomor 9 Tahun 2015 *Tentang Pemerintah Daerah*

Undang – Undang Republik Indonesia Nomor 1 Tahun 2022 *Tentang Hubungan Keuangan Antara Pemerintah Pusat Dengan Pemerintah Daerah*