

Nonmetallic Minerals and Rocks Tax: an Analysis of The Effect Contribution on The Original Income in The Malaka Regency

Marisa S B Seran^{1*}

Government Science Universitas Timor

Email: cucanseran@gmail.com

(Received: July 1-2022; **Revised:** November 1-2022; **Published:** November 9-2022)

ABSTRACT

This study aims to determine the contribution of Nonmetallic Minerals and Rocks Tax to the Regional Original Income (PAD) of Malaka Regency. Using secondary data obtained from BPKAD Malaka Regency in 2016-2020. The model used is an analysis of ratios related to the tax contribution of nonmetallic minerals and rocks. The results showed that the Contribution of Nonmetallic Minerals and Rocks Tax contributed significantly to the Regional Tax of Malaka Regency from 2017 to 2020 where in 2017 the ratio of the contribution of Nonmetallic Minerals and Rocks Tax to the Pad of Malaka Regency was 19.60% included in the Less category, in 2018 the Contribution of Nonmetallic Minerals and Rocks Tax to the PAD of Malaka regency was 5.13% included in the category of very less, The contribution of Nonmetallic Minerals and Rocks Tax to PAD in 2019 of 84.71% is in the Very Good category and in 2020 the Contribution of Nonmetallic Mineral and Rock Tax on PAD of Malaka Regency is 24.60% and is included in the Medium category.

Keyword: Contribution, Local Taxes, Local Original Income

INTRODUCTION

Regional development is one of the national development agendas that aims to improve the standard of living and welfare of the people in an area. In Indonesia, many regions continue to develop their regions so that they can become even better so that they can realize all the goals that have been set (Hastuti, 2018). Development can be carried out if there is availability of funds as future action appropriate (Yuliastati K, 2017). The availability of these sources of funds can be obtained through the excavation of potential sources owned by the regions (Zakaria & Syahputra, 2020). Regional Native Income (PAD) is one of the sources of regional revenue that has an important role in the development of an area (Nasir, 2019). The independence of an area that makes Regional Original Income as a benchmark can be reflected in the ability to develop every potential that exists and the role of the community through the payment of taxes and levies (Ilanoputri, 2020). During the current period of fiscal decentralization and regional autonomy, the function and role of taxation is one of the sources of regional revenue that is very important in helping the independence of a region (Juliarini, 2020).

One of the experts from the World Bank expressed his opinion regarding the limit on the acquisition of Regional Native Income. Devas (1989: 58) also says that it is sufficient if 20% of expenditure comes from the original sources of income of the region. In principle, regional taxes and their collection refer to Law Number 28 of 2009 concerning Regional Taxes and Regional Levies. The tax sector is not only the fulcrum for the main source of state revenue but also as a buffer in state financing, improving state development and public welfare. Indonesia's state

revenue is reflected in the State Budget as stated in Law No.17 of 2003 concerning State Finance. Where one of the sources of income for the state is from the tax sector.

Taxes play a huge role in the development of a country (Nahumuri, 2019). Taxes greatly contribute to state revenues, but the need for development in Indonesia is increasing day by day. For this reason, it requires large costs in increasing infrastructure development and public facilities (Wayan et al. 2021). Regional taxes (Roy et al., 2020), in reaching a measuring point and independence of their success in the implementation of regional autonomy and decentralization (Habibi, 2015) then in carrying out this regional development program in Indonesia, there must be an increase in terms of regional revenues (Temenggung et al., 2020). The source of revenue of the original income of the county does come from local taxes (Sudarmana & Sudiarta, 2020). The high or low level of independence in the area is also triggered by the receipt of Regional Native Income (PAD). As stated in Law Number 28 of 2009, concerning Regional Taxes and Levies essentially states that "Regional taxes are taxes that do contribute compulsorily. These contributions are both to the regions and those owed by private persons or entities of a coercive nature in accordance with the law, by not being directly rewarded and the necessities used as much as possible for the prosperity of the people.

Local taxes are mandatory contributions to areas owed by individuals and entities that are coercive in nature by not getting compensation directly and are used for regional purposes for the greatest prosperity of the people (Mardiasmo, 2011). The types of local taxes collected by local governments include Billboard Tax, Entertainment Tax, Hotel Tax, Restaurant Tax, Non-Metal and Rock Mineral Tax, Parking Tax, Swallow's Nest Tax, Groundwater Tax, Street Lighting Tax (PPJ), Land and Building Tax (PBB), Land and Building Rights Acquisition Tax (PPHTB). One of the local taxes that has a very important contribution to the Local Native Income (PAD) is the tax on nonmetallic minerals and rocks.

Non-metallic mineral and rock taxes which are one of the elements in local taxes that contribute to local revenues (PAD). But sometimes the element of local opinion in this case the tax on nonmetallic minerals and rocks sometimes lacks special attention from local governments. So that the management is still not maximized its function. Even though his contribution from this Tax is very large. For this reason, it is necessary to improve every regulation and governance of non-metal and rock mineral tax revenues, so that in the future this tax continues to provide increased income for the regions.

Referring to Article 1 number 3 of the Regulation of the Minister of Energy and Mineral Resources No. 5 of 2017, non-metallic minerals are minerals whose main elements consist of nonmetallics, for example bentonite, calcite (limestone / limestone), quartz sand, and others. In more detail, the types of nonmetallic minerals and rocks that are included in the MBLB tax object include asbestos, slate, half-gemstones, limestones, pumice, gemstones, bentonite, dolomite, feldspar, and rock salts (*halite*), graphite, granite/andesite, casts, calcite, kaolin, and leucite. In addition, magnesite, mica, marble, nitrate, opsidien, ocher, sand and gravel, quartz sand, perlite, and phospat, *absorbent soil (fullers earth)*, diatome soil, clay, alum (alum), tras, yarosif, zeolite, basalt, trachkit, and other nonmetallic minerals and rocks. The Nonmetallic Minerals And Rocks Tax is a tax on the activities of taking Nonmetallic Minerals and Rocks either from natural sources inside or the surface of the earth for use. Tax on the collection of class C excavated materials or Non-Metal And Rock Mineral Tax as one of the regional incomes from a tax of 25%, the Class C Excavated Material tax itself is based on the regional regulation of Malaka Regency Number 12 of 2016 concerning Regional Taxes.

Malaka Regency is one of the regions that has been transformed into one of the New Autonomous Regions in 2012. Malaka Regency has 12 sub-districts of which 12 sub-districts have become autonomous regions of Malaka Regency. In terms of the formation of an autonomous region, this is also inseparable from how a region's ability to manage finances, especially in matters related to Regional Native Income.

Table 1.1
 Realization of Tax Revenues for Nonmetallic Minerals and Rocks
 Malaka Regency in 2017 – 2020

| Year | Budget | Realization | Presentation |
|------|------------------|------------------|--------------|
| 2017 | 5,750,000,000.00 | 5,760,857,418.30 | 100.19 |
| 2018 | 5,750,000,000.00 | 2,923,982,058.11 | 50.85 |
| 2019 | 5,750,000,000.00 | 6,276,117,689.55 | 109.15 |
| 2020 | 2,000,000,000.00 | 2,676,988,111.88 | 133.85 |

Source: Regional Financial and Asset Management Agency (Data Processed), 2022

From the presentation of the table data above, it shows that from 2017 to 2020, it can be seen that the realization of non-metallic mineral and rock tax revenues has increased well. however, data shows that in 2018 there was a decrease in revenue realization on metal and rock minerals tax. This is because in 2018 Malaka Regency many projects failed that year. However, from 2019 to 2020, tax revenues continued to increase very well. Where in 2019 the presentation of receipts was 109.15% while in 2020 it experienced a fairly rapid increase of 133.85%. Or an increase of 24.7% from the previous year. It should be noted that the Nonmetallic Mineral and Rock Tax of Malaka Regency is one of the taxes that contributes significantly to the Original Income of the Malaka Regency.

METHOD

This research uses quantitative analysis methods. This study also used secondary data analysis from the Malaka Regency Regional Original Income data from 2017 to 2020. Where in this study is classified as quantitative research using Non-Parametric data analysis using ratio scale in the analysis technique of the data obtained.

The following is a table of The Interpretation of the Tax Value of Nonmetallic Minerals and Rocks To Local Revenues.

Table 1.2
Interpretation of the Tax Contribution Value of Nonmetallic Minerals and Rocks to PAD

| Percentage Financial Performance | Criterion |
|-------------------------------------|--------------|
| Ratio 0 - 10,00% | Very Lacking |
| Ratio 10,10 - 20% | Less |
| Ratio 20,10% - 30% | Keep |
| Ratio 30,10% - 40% | Enough |
| Ratio 40,10% - 50% | Good |
| Ratio above 50% | Excellent |

Source: Depdagri R&D Team – Fisipol UGM. 1991

The calculation of contributions in this study uses the following formula:

$$\text{Contribution} = \frac{\text{Realization of Tax Revenue for Nonmetallic Minerals and Rocks}}{\text{Total PAD}} \times 100\%$$

RESULTS AND DISCUSSION

Table 1.3
Tax Revenue Contribution of Nonmetallic Minerals and Rocks
Against Malaka regency pad in 2017 – 2020

| Year | Budget | Realization | Presentation (%) | Pad | Realization Pad | Contribution to PAD (%) |
|------|------------------|------------------|------------------|------------------|-------------------|-------------------------|
| 2017 | 5,750,000,000.00 | 5,760,857,418.30 | 100.19 | 26.482.643.921,- | 29.265.208.424,40 | 19,60 |
| 2018 | 5,750,000,000.00 | 2,923,982,058.11 | 50.85 | 53.308.478.854.- | 56.909.189.990,30 | 5,13 |
| 2019 | 5,750,000,000.00 | 6,276,117,689.55 | 109.15 | 24.431.081.507,- | 7.408.800.107,- | 84,71 |
| 2020 | 2,000,000,000.00 | 2,676,988,111.88 | 133.85 | 25.626.813.442,- | 10.879.384.996,41 | 24,60 |

Source: *Regional Financial and Asset Management Agency (Data Processed), 2022*

From the presentation of the table data above, it can be seen that the contribution of Non-Metallic Minerals and Rocks Tax for The Original Income of the Malaka Regency where in 2017 the realization of non-metallic mineral and rock tax revenues was Rp. 5,760,857,418.30 while the realization of the original regional income of Malaka Regency was Rp.29,265,208,424.40. So the amount of the 2017 non-metallic minerals and rocks tax contribution presentation was 19.6%. The contribution of Nonmetallic Minerals and Rocks Tax to the Original Income of the Malaka Regency where in 2018 the realization of non-metallic mineral and rock tax revenues was Rp.2,923,982,058.11 while the realization of the Regional Original Income of Malaka Regency was Rp.56,909,189,990.30 Then the amount of the presentation of the non-metal and rock mineral

tax contribution presentation in 2018 was 5.13%. This year, the contribution of taxes on nonmetallic minerals and rocks to the Regional Revenue of Malaka Regency is relatively small. This is due to the existence of many failed projects and many billing that did not have time to be fulfilled. The contribution of Nonmetallic Minerals and Rocks Tax to the Original Income of the Malaka Regency where in 2019 the realization of non-metallic mineral and rock tax revenues was Rp. 6,276,117,689.55 while the realization of the original regional income of Malaka Regency was Rp. 7,408,800,107,-. So the amount of the 2017 non-metallic minerals and rock tax contribution presentation was 84.71%. In 2019, the contribution of taxes on non-metallic minerals and rocks to the original income of the Malaka district was very high. Where the contribution of the tax on non-metallic minerals and rocks is the tax that contributes the largest to the original income of the Malaka regency. Meanwhile, in 2020 the contribution of Nonmetallic Mineral and Rock Tax for The Original Income of Malaka Regency where in 2020 the realization of non-metal and rock mineral tax revenues was Rp. 2,676,988,111.88 while the realization of regional original income of Malaka Regency was Rp. 10,879,384,996.41. Thus, the amount of the presentation of the non-metallic minerals and rocks tax contribution in 2020 was 24.60%.

From the presentation of table data related to the contribution of non-metallic minerals and rocks tax to the original income of the Malaka regency in simple terms, it can be seen from the graph below:

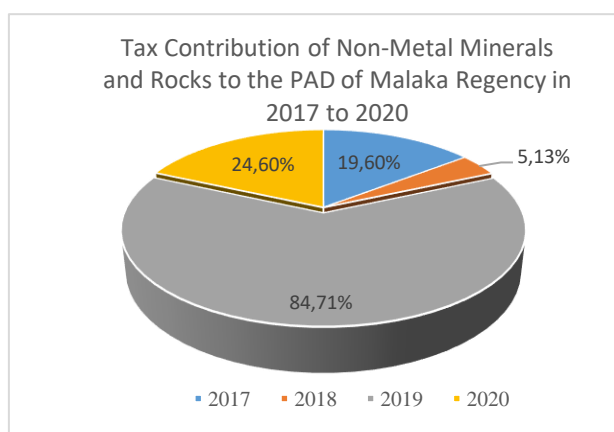


Figure 1.1
Graph of Tax Revenue Contribution of Nonmetallic Minerals and Rocks
Against Malaka regency pad in 2017 – 2020

From the presentation of the chart above, it can be concluded that the contribution of non-metallic minerals and rocks tax to the original income of the Malaka regency in 2019 is the year in which the contribution of non-metallic minerals and rocks tax contributes very largely to the original income of the Malaka regency. Where in 2018 to 2020 Malaka district experienced a little obstacle related to the many projects that failed in that year and as well as the existence of Mineral and Coal tax and the process of collecting data on Regional Tax Sources that have not been

completed. In this case, the tax on nonmetallic minerals and rocks contributed greatly in supporting the original income receipts of the Malaka district. So the mineral and nonmetallic tax is one of the taxes that contributes considerable to the original income of the Malaka district.

Table 1.4
Tax Revenue Contribution of Nonmetallic Minerals and Rocks
Against Malaka Regency pad in 2017 – 2020

| Year | Contribution to PAD (%) | Category |
|------|-------------------------------|--------------|
| 2017 | 19,60 | Less |
| 2018 | 5,13 | Very Lacking |
| 2019 | 84,71 | Excellent |
| 2020 | 24,60 | Keep |

Source: Regional Financial and Asset Management Agency (Data Processed), 2022

From the results of the analysis, it can be concluded that the contribution of Nonmetallic Minerals and Rocks Tax in 2017 was in the Less category, in 2018 the contribution of Nonmetallic Minerals and Rocks Tax was in the Very less category, in 2019 the contribution of Nonmetallic Minerals and Rocks Tax was in the Very Good category, while the contribution of Nonmetallic Minerals and Rocks Tax in 2020 was in the Medium category.

CONCLUSION

The collection of taxes on nonmetallic minerals and rocks in increasing the Regional Original Income of Malaka Regency from 2017 to 2020 can be categorized as good. Where in 2018 when the Original Income of the Malaka Regency Experienced a decrease in this case the Nonmetallic Minerals and Rocks Tax made a very large contribution to the Original Income of the Malaka Regency, which was 84.71%. From here, the researcher proposes suggestions. In order to increase local revenue by imposing a tax on non-metallic minerals and rocks, clearer rules are needed to collect a special tax for non-metallic mineral types as an increase and budget priority to meet the needs of developing facilities and infrastructure in the Regency as a supporter. access to other necessities that can boost economic flows while supporting green economic development.

ACKNOWLEDGMENT

The author would like to especially thank the Malacca Regency Government for being willing to provide data related to this research. And the author also thanked all those who have helped in this study.

REFERENCE

- Dewi, Ni Wayan Diah Mia Kusuma & Made Heny Urmila Dewi(2021), Pengaruh Belanja Daerah Dan Pembangunan Infrastruktur Terhadap Pertumbuhan Ekonomi Dan Kesejahteraan Masyarakat Kabupaten/Kota Provinsi Bali. E-Jurnal EP Unud. 10(1).334 – 360. <https://ojs.unud.ac.id/index.php/eep/article/view/67273>.
- Habibi,Muhammad Mujtaba(2015), Analisis Pelaksanaan Desentralisasi Dalam Otonomi Daerah Kota/Kabupaten. Jurnal Ilmiah Pendidikan Pancasila Dan Kewarganegaraan.28(2).117-124. DOI: <http://dx.doi.org/10.17977/jppkn.v28i2.5452>.
- Hastuti, Proborini(2018) Desentralisasi Fiskal Dan Stabilitas Politik Dalam Kerangka Pelaksanaan Otonomi Daerah Di Indonesia. Simposium Nasional Keuangan Negara : Kementerian Keuangan RI Tahun 2018. 784-799. <https://jurnal.bppk.kemenkeu.go.id/snkn/article/download/293/147/>.
- Ilanoputri,Salsabila Aufadhia(2020), Services Received By The Community As Taxpayers Based On Application Of Regional Tax Expenses Regulated In Law Of The Republic Indonesia Number 28 Year 2009 Concerning Local Taxes And Charges. Jurnal Cepalo. 4(2)143-156. DOI: [10.25041/cepalo.v4no2.2067](https://doi.org/10.25041/cepalo.v4no2.2067).
- Juliansyah Roy, Agus Iwan Kesuma, & Yesi Aprianti. (2020). Regional financial performance profile of East Kalimantan Province, Indonesia. Technium Social Sciences Journal, 13(1), 146–156. <https://techniumscience.com/index.php/socialsciences/article/view/1808>.
- Juliarini,Aniek(2020), Komparasi Penerimaan Pajak Daerah Kota Dan Kabupaten Di Indonesia Setelah Berlakunya Undang-Undang Pajak Daerah Dan Retribusi Daerah. Jurnal BPPK. 13(2) 1-10. DOI: <https://doi.org/10.48108/jurnalbppk.v13i2.227>.
- Mardiasmo. (2011). Taxation. Andi. Yogyakarta
- Malaka Regency Regional Regulation Number 12 of 2016 concerning Regional Taxes. <https://news.ddtc.co.id/apa-itu-pajak-mineral-bukan-logam-dan-batuan-26423#:~:text=SESUAI%20dengan%20Pasal%201%20angka,atau%20permukaan%20bumi%20untuk%20dimanfaatkan>. Retrieved 08 July 2022.
- Nahumuri,Luciana L.(2019),Esensi Dan Urgensi Pengeluaran Pemerintah Untuk Pembangunan Daerah. Jurnal Ilmu Pemerintahan Suara Khatulistiwa (JIPSK).4(1).1-12. <https://doi.org/10.33701/jipsk.v4i1.597>.
- Nasir,Muhammad Safar(2019),Analisis Sumber-Sumber Pendapatan Asli Daerah Setelah Satu Dekade Otonomi Daerah. JDEP.2(1).30-45. https://ejournal.undip.ac.id/index.php/dinamika_pembangunan/index.
- Nurhayati,Neni (2015), Intensifikasi Dan Ekstensifikasi Pajak Dan Retribusi Daerah Terhadap Peningkatan Pendapatan Asli Daerah Dengan Dimoderasi Pelaksanaan Good Governance Pada Kabupaten / Kota Di Wilayah Iii Cirebon. JRKA. 1(1). 49-61. <https://doi.org/10.25134/jrka.v1i01.1423>.
- Puspita,D., Merita Pahlevi, Yoga Madya Raharja, Sukma Hadi, Azhariant Latief Baroto, Aditya Widya Permana,Winarso Tri Rahayu (2021), Dua Dekade Implementasi Desentralisasi Fiskal di Indonesia. Badan Kebijakan Fiskal Kemenkeu dan USAID. 1-289. https://fiskal.kemenkeu.go.id/files/buku/file/1661139200_buku_dua_dekade_desentralisasi_fiskal.pdf.

- Pusat Kebijakan Anggaran Pendapatan dan Belanja Negara (2019), Evaluasi Pajak Daerah dan Retribusi Daerah Sebagai Sumber Pendapatan Daerah. <https://fiskal.kemenkeu.go.id/kajian/2019/12/20/164837617027956-evaluasi-pajak-daerah-dan-retribusi-daerah-sebagai-sumber-pendapatan-daerah>. Retrieved 08 July 2022.
- Sari, R. I., & Nuswantara, D. A. (2017). The Effect of *Perceived Tax Amnesty* Benefits. 2, 176–183. DOI: <http://dx.doi.org/10.15294/jda.v9i2.11991>.
- SARI, Mela et al. Efektivitas Pemungutan Pajak Mineral Bukan Logam Dan Batuan Dalam Meningkatkan Pendapatan Asli Daerah. *Mimbar : Jurnal Penelitian Sosial Dan Politik*, [S.l.], v. 10, n. 2, p. 122-136, dec. 2021. ISSN 2620-6056. Available at: <<https://journals.unihaz.ac.id/index.php/mimbar/article/view/2171>>. Date accessed: 23 sep. 2022. doi: <https://doi.org/10.32663/jpsp.v10i2.2171>.
- Sari, Y. (2020). Internal supervision of non-metallic and rock mineral tax revenues at the Garut Regency Regional Revenue Agency in 2014-2018. UIN Sunan Gunung Djati. Bandung. <http://digilib.uinsgd.ac.id/34833/>.
- Shawal, M. (2016). The Effectiveness of Tax Collection on Nonmetallic Minerals and Rocks at the Donggala Regency Regional Financial and Asset Management Revenue Service. *Katalogis*, 4(4). <http://download.garuda.kemdikbud.go.id/article.php?article=1324034&val=735&title=EF EKTIVITAS%20PEMUNGUTAN%20PAJAK%20MINERAL%20BUKAN%20LOGA M%20DAN%20BATUAN%20PADA%20DINAS%20PENDAPATAN%20PENGELOL AAN%20KEUANGAN%20DAN%20ASET%20DAERAH%20KABUPATEN%20DON GGALA>.
- SUDARMANA, I Putu Agus & SUDIARTHA, Gede Mertha. (2020), Pengaruh Retribusi Daerah Dan Pajak Daerah Terhadap Pendapatan Asli Daerah Di Dinas Pendapatan Daerah. *E-Jurnal Manajemen*, [S.l.], 9(4). 1338 - 1357. doi: <https://doi.org/10.24843/EJMUNUD.2020.v09.i04.p06>.
- Ismet Sulila (2022), The Effect of Intensification and Extensification of Tax and Retribution on Local Own-Source Revenue, *Central Asia And The Caucasus*. 23 (1). <https://doi.org/10.37178/ca-c.23.1.053>.
- Temenggung, Y. A., Moenek, R., Suwanda, D., & Mulyadi, M. (2020). The Fiscal Capacity of the New Autonomous Region (DOB) in Increasing Economic Growth and Eradication of the Poor. *Jurnal Bina Praja: Journal of Home Affairs Governance*, 12(1), 77-89. <https://doi.org/10.21787/jbp.12.2020.75-87>.
- Yuliastati K(2017), Urgensi Anggaran Pendapatan Belanja Daerah (APBD) Terhadap Perencanaan Pembangunan Daerah. *e Jurnal Katalogis*. 5(4) 160-171. <http://jurnal.untad.ac.id/jurnal/index.php/Katalogis/article/view/8974>.
- Zakaria, R. & Dede Kurnia Syahputra (2022), Optimalisasi Pendapatan Asli Daerah Provinsi Jawa Barat Sebagai Upaya Mewujudkan Kemandirian Fiskal. *Jurnal Pajak Indonesia*. 6(1)47-59. DOI: <http://dx.doi.org/10.31092/JPI.V6I1.1545>.
- Law Number 17 of 2003 concerning State Finance.
- Law Number 28 of 2009 concerning Regional Taxes and Regional Levies
- Law Number 32 of 2004 amends Law Number 22 of 1999 concerning Regional Government.
- Law Number 33 of 2004 concerning Financial Balance Between the Central Government and Regional Governments.