East Asian Journal of Multidisciplinary Research (EAJMR)
Vol. 4, No. 6, 2025: 2821 - 2830

Analysis of Rural and Urban Land and Building Tax Billing Based on Mayor Regulation Number 63 of 2017 at the Regional Revenue Agency of Bitung City

Yumisia Vanda Honandar[1*], Dr. Jessy D. L. Warongan[2], Sonny Pangerapan[3]
Universitas Sam Ratulangi Manado, Indonesia
Corresponding Author: Yumisia Vanda Honandar yumisia03@gmail.com

ARTICLEINFO

Keywords: Rural and Urban Land and Building Tax, Regional Revenue Agency, Regional Income, Mayor Regulation, Tax

Received : 15, May
Revised : 30, May
Accepted: 21, June

ABSTRACT

One of the sources of Regional Revenue is Rural and Urban Land and Building Tax. Other regional revenues in Bitung City had significant increases, but the same did not happen for this tax, thus prompting the author to conduct research at the Regional Revenue Agency of Bitung City. This research is qualitative, and data is taken from interviews with three informants: the Head of the Agency, a Policy Analyst, and one employee, based on the Mayor of Bitung Regulation Number 63 of 2017. Results reveal that tax collection has been carried out according to applicable laws, but sanctions cannot yet be imposed on taxpayers who had not paid taxes, causing suboptimal tax collection.

DOI prefix: https://doi.org/10.55927/eajmr.v4i6.215
ISSN-E: 2828 – 1519 (Online)
https://mtiformosapublisher.org/index.php/eajmr

INTRODUCTION

In order to run a government, resources are needed that can support the running of the government properly. Resources such as taxes are needed in efforts to achieve in all areas of development. The development and progress of a country can be reflected in the existence of development, especially in the economic sector. If the economic development of a country is going well, then it can be said that the country will have resources that can later be used for various development activities. The economic development of a country is reflected in the increase in economic growth which is marked by increasing income, increasing people's welfare, decreasing unemployment, and progress in the standard of living, education, and technology. In implementing the development of a country, sources of state revenue are needed such as Taxes, Non-Tax Revenues, Loans or Debts, Money Creation, and Foreign Aid. Of these sources, Taxes are the largest source for financing and developing the nation and state.

In addition to Central Tax revenue, to support tax revenue, tax revenue from the regions is also needed. Regional Tax Revenue is related to the authority of a region to manage its own tax revenue. This can be realized with regional autonomy. Regional Autonomy is the right, authority, and obligation of autonomous regions to regulate and manage their own government affairs and the interests of the local community in the system of the Unitary State of the Republic of Indonesia. In order to provide broad autonomy to regions where all government affairs are the affairs of the regional government, except for foreign policy, defense, security, justice, national finance and taxation, and religion which are the absolute authority of the central government, the Government issued Law Number 22 of 1999 concerning Regional Government. This law was later replaced by Law Number 32 of 2004 which in Part 3 contains Rights and Obligations. Article 21 of the Law states that in implementing autonomy, regions have the right to manage regional assets and collect regional taxes and regional levies. Regions are required to be able to regulate and manage their own households while still upholding the principles of democracy in the unitary state of Indonesia (Huda, 2021).

In order for Law Number 32 of 2004 to be implemented properly by regional governments to implement regional autonomy, the Government issued Law Number 28 of 2009 concerning Regional Taxes and Regional Retribution. In this Law, there is an expansion of regional tax objects along with the authority to set tax rates by regions. The government has also begun to provide freedom for regions to manage resources in their regions, especially in the field of regional taxes and regional retributions. Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions has been replaced by Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments. This Law simplifies the types of regional taxes and regional retributions that have been regulated in Law Number 28 of 2009. One of them that is still a regional tax is the Rural and Urban Land and Building Tax. The tax plays a very important role because it is one of the sources of Regional Original Income that will be used for the development of the region itself.

Its tax revenue in Bitung City is quite constant, but the percentage becomes smaller from year to year due to an increase in Regional Original Income. There has been a drastic increase in the receipt of Regional Original Income, but the Rural and Urban Land and Building Tax does not appear to have made a significant impact on this increase. Thus, research was done based on the laws that apply, Mayor of Bitung Regulation Number 63 of 2017, to see whether the Agency has truly billed all possible applicable taxes or if the billing process itself has not yet been done fully according to the law.

THEORETICAL REVIEW

Accounting Concept

Accounting is the identification, recording, classifying, summarizing, and reporting of transactions in such a way and systematically based on generally recognized standards so that interested parties can know the financial position of the entity and the results of operations at any time needed and can make decisions or choose various alternative actions in the economic field (Bahri, 2020).

Accounting can be concluded as a discipline that evaluates activities in an agency in the form of financial information to be used as a basis for decision making.

Tax

Tax is a contribution of Taxpayers to the state owed by individuals or entities that are mandatory based on the law without receiving direct compensation and used for state needs for the greatest prosperity of the people.

Taxes are generally classified into: Direct Taxes and Indirect Taxes, Subjective Taxes and Objective Taxes, and Central Taxes and Regional Taxes. (Anggoro and Agusti, 2019)

Tax Accounting

According to Arifai et al. (2024), Tax Accounting is a special branch in the field of accounting that has developed due to tax regulations that require special knowledge. Meanwhile, according to Maulamin and Sartono (2021), Tax Accounting is a set of principles, standards, complete accounting treatments used by Taxpayers as a basis for fulfilling their tax obligations. Tax Accounting also helps in corporate tax planning and as a tool for assessing corporate performance.

Regional Original Income

According to Law No. 1 of 2022 concerning Financial Relations Between the Central Government and Regional Governments, Regional Original Income is regional income obtained from regional taxes, regional levies, results of management of separated regional assets, and other legitimate Regional Original Income in accordance with laws and regulations.

Regional Original Income can be defined as a source of regional income obtained through the potential of the region itself in accordance with applicable regulations, including Regional Taxes, Regional Retribution Income, Results of Management of Separated Regional Assets, and Other Regional Original Taxes.

Regional Tax

According to Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, Regional Tax is a mandatory contribution to the region owed by individuals or entities that is mandatory based on the Law, without receiving direct compensation and is used for regional needs for the greatest prosperity of the people.

Urban and Rural Land and Building Tax (PBB-P2)

Urban and Rural Land and Building Tax is a tax on land and/or buildings that are owned, controlled, and/or utilized by individuals or entities. Land subject to the tax also includes the surface of the earth resulting from reclamation activities, namely the process of creating new land in the sea, or dredging, namely the activity of moving land from one location to another.

The objects of Rural and Urban Land and Building Tax are land and/or buildings owned, controlled, and/or utilized by individuals or entities, except for areas used for plantation, forestry, and mining business activities that are subject to Plantation, Forestry, and the Mining Sector (Anggoro, Indriani, and Hikmat, 2023). Payments are not always charged to the landowner, but can also be charged to the party that utilizes the land and/or building.

Bitung Mayor Regulation Number 63 of 2017 concerning PBB-P2 Collection Procedures

Regulations are needed as a basis for tax collection. In this case, the basis for collecting Rural and Urban Land and Building Tax in Bitung City is Bitung Mayor Regulation Number 63 of 2017 concerning Provisions for the Implementation of Rural and Urban Land and Building Tax Collection in Bitung City.

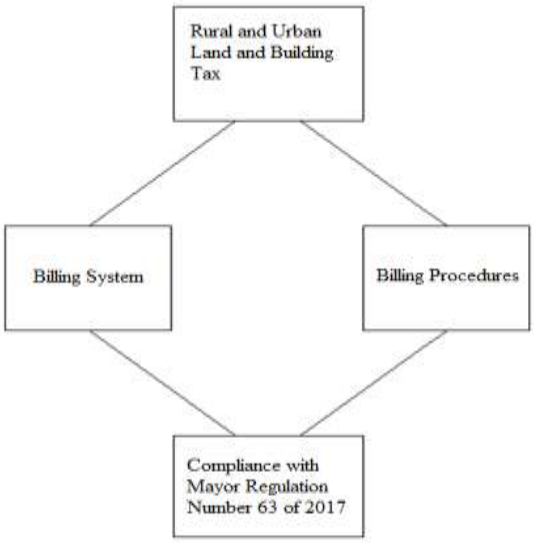

Figure 1. Conceptual Framework

METHODOLOGY

This research is qualitative research with a descriptive approach. The location of this research is at the Bitung City Regional Revenue Agency. The researcher chose this location because the collection of Rural and Urban Land

and Building Tax in Bitung City is carried out by the Agency. The location of the Agency is at Jalan Sam Ratulangi No. 45, Central Bitung, Maesa District, Bitung City, North Sulawesi. The research was carried out from August 2024 - February 2025.

The types of data used in this study are quantitative data and qualitative data, while the data sources used in this study are primary data and secondary data. The data collection method used in this study is the documentation method. Primary data was taken from interviews with the Agency members who are responsible for managing and carrying out the billing of taxes then documented, while secondary data was taken from literature studies through books and the laws that currently apply.

The informants in this study were those involved or who carried out the duties/activities of collecting Rural and Urban Land and Building Tax at the Bitung City Regional Revenue Agency, namely the Head of the Bitung City Regional Revenue Agency, the Policy Analyst, and one employee, while the questions asked in this interview were based on Bitung Mayor Regulation Number 63 of 2017 as summarized in the results below.

This study uses a descriptive analysis method. The analysis process of this research is carried out by collecting and processing data, then the data was analyzed and presented in a more summarized form, and finally conclusions were drawn based on the results obtained. Data collection was carried out directly by contacting sources/informants at the Bitung City Regional Revenue Agency.

RESULTS

No.	Mayor Regulation	Actual Execution	In Accordance/Not in Accordance
1.	Taxpayers can pay taxes at a bank, another place designated by the Mayor, or through a tax collection officer.	Billing/Collection can be done by the Agency, Sub-district, and Village. In addition, direct payment can also be made by Taxpayers. All payments must be made at the Bank appointed by the Mayor.	In Accordance

2	Taxpayers are required to be given a receipt after making payment, and the payment is reported.	Proof of Deposit Slip from the Bank can be used as a substitute so that a receipt is no longer issued by BAPENDA specifically, but BAPENDA can issue Payment Notes to Agencies/Companies that require receipts. In addition, every payment made by Taxpayers to the Bank is reported to the Agency.	Not in Accordance
3	Tax Collectors are required to deposit the money deposited by Taxpayers within one day at the latest. Receipts must also be provided as proof of payment.	The Tax Collection Officer is obliged to deposit/pay the collected PBB-P2 to the bank as soon as possible depending on the collection time and is obliged to provide a receipt or other evidence that can be equated to it.	In Accordance
4	The Agency has the authority to issue letters for the purposes of debt collection, from letters for debt collection to letters of instruction.	There are only Tax-Notice Letters and Notification Letter of Arrears for the purposes of collecting tax.	Not in Accordance
5	The Agency collects taxes amounting to Rp4,999,999.00 and above. The sub-district collects taxes amounting to Rp999,999.00-Rp4,999,999.00. The village collects taxes amounting to Rp999,999.00. and below.	The agency is responsible for collecting taxes amounting to Rp4,999,999.00 and above, while letters amounting to Rp999,999.00 to Rp4,999,999.00 are the responsibility of the District. The Village is responsible for letters with bills amounting to Rp1.00 to Rp999,999.00.	In Accordance

6	Billing is carried out by considering the amount of the determination, proximity to the location of the object, and the condition of the subject and object.	In the Agency, a Land Value Zone map has been created that shows the amount of tax for each region according to existing conditions. This Land Value Zone Map is continuously updated by conducting routine field checks.	In Accordance
7	A Compulsory Letter is issued if the taxpayer does not pay off his tax debt.	There is no Compulsory Letter issued by the Agency.	Not in Accordance

DISCUSSION

PBB-P2 Tax Collection

Initially, tax collection at the Bitung City Regional Revenue Agency was carried out by first printing a list of Taxpayers to be billed. The Head of the Intensification, Extension and Information Sub-Division submitted the Agency arrears data to the Head of the Collection Sub-Division. The Head of the Collection Sub-Division then examined the Agency arrears data to issue a list of Taxpayers for whom an Agency Arrears Billing Letter would be made. The list was then used in making a letter for tax collection, namely the Tax Payable Notification Letter. As the name implies, the Tax Payable Notification Letter contains the taxes that need to be paid by the Taxpayer in that payment period. In addition, a special Arrears Notification Letter was also printed for Taxpayers who had not paid their taxes from previous periods. The Arrears Notification Letter contains the amount of tax that has not been paid by the Taxpayer from year to year, along with the amount of interest for each tax per year because the Taxpayer was late in paying taxes. After the letters are printed, the Executor makes a Letter of Assignment for the implementation of the distribution of the Arrears Billing Letter and submits it to the Head of the Collection Sub-Division, Head of the Tax Division, and the Head of the Regional Revenue Agency to be signed. After that, the Executor distributes the Arrears Billing Letter.

Implementation of PBB-P2 Tax Collection

After the Tax-Notice Letter is submitted to the Taxpayer, the Taxpayer pays the tax through the Tax Collector or Bank. For the Sub-district, most people pay their taxes through the Village Head to then be deposited into the Bank, but residents of the sub-district can also choose to pay their taxes to the Bank. For taxes that are given a letter by the District and the Regional Revenue Agency, Taxpayers can choose to pay their own taxes through the Bank or through the Tax Collector who is on duty at the Bitung City Regional Revenue Agency, namely the Regional General Treasurer. The Bitung City Regional Revenue Agency has also created a third-party application called 'SmartGov' to make it easier for Taxpayers to pay taxes directly to the Regional Revenue Agency through the application. Then, the Proof of Payment will be submitted to the Taxpayer as proof of having paid the tax. The Bitung City Regional Revenue Agency no longer issues a Deposit Receipt Letter to Taxpayers because the Bank Deposit Slip can be used as proof of payment. However, when there are Taxpayers or Agencies/Companies that require it, the Bitung City Regional Revenue Agency will issue a Payment Note recorded in the Bank's payment system and the Collection Officer will then report to the Regional Revenue Agency the taxes that have been paid.

Implementation of PBB-P2 Collection Results Documentation

All taxes paid by Taxpayers will eventually be collected in the Regional General Cash Account located at Bank SulutGo Bitung. Then, the Bank will carry out Data Reconciliation with the BAPENDA Revenue Treasurer and the Regional General Treasurer to ensure that the amount deposited is in accordance with that reported to the Regional Revenue Agency. This reconciliation is carried out every month. After the reconciliation is carried out, the Regional Revenue Agency will hold an evaluation together with the Mayor of Bitung. The implementation of the Realization Achievement Evaluation Meeting is carried out once a month in the second week of the current month. The Bitung City Regional Revenue Agency also makes a Realization Report which is carried out every second week and at the end of the month, along with inventorying the Receivables Realization every month (closing books).

CONCLUSIONS AND RECOMMENDATIONS

Based on research conducted at the Bitung City Regional Revenue Agency, it can be concluded that the implementation of tax collection at the Regional Revengue Agency of Bitung City is in accordance with Bitung Mayor Regulation Number 63 of 2017. There is a division of collection based on the amount of the bill. The Agency is responsible for collecting taxes amounting to IDR 4,999,999.00 and above, while letters amounting to IDR 999,999.00 to IDR 4,999,999.00 are the responsibility of the District. The Village is responsible for letters with bills amounting to IDR 1.00 to IDR 999,999.00. Taxpayers have been shown to pay taxes at the Bank and an application has been provided for easy tax payments. The Agency has also created a Land Value Zone map showing the amount of tax for each region according to existing conditions and routine field inspections are carried out, so that the amount of tax collected is in accordance with the condition of the Taxpayer's land.

The implementation of PBB-P2 Payment is not in accordance with Bitung Mayor Regulation Number 63 of 2017. Taxpayers are given proof of having paid their taxes in the form of a Deposit Slip. The Deposit Receipt Letter is only given to parties who specifically need it.

The letters used by the Bitung City BAPENDA for the purpose of collecting tax are not in accordance with the provisions in Bitung Mayor Regulation Number 63 of 2017. The letters used in collecting taxes are only Tax-Notice Letter and Notification of Arrears. However, there are no letters that function to force Taxpayers to pay unpaid tax arrears, so that tax collection at the Regional Revenue Agency of Bitung City is not optimal.

Suggestions that can be given are: It is necessary to conduct socialization in relation to the Mayor's Regulation so that Taxpayers know what their obligations are, pay attention to the management of letters/permits for Taxpayers who have not paid PBB-P2 in full, follow up on Tax Letters for Taxpayers who have not fulfilled their obligations, namely paying PBB-P2, and implement programs that function to motivate Taxpayers to pay taxes, such as providing discounts if taxes are paid early.

FURTHER STUDY

For future researches, it is recommended to take data about laws from the establishment you are researching, since it is not guaranteed that laws, specifically regional laws, published on the internet would be up-to-date. The law used in this research was from the year 2017 while research was done during the year 2024. During interviews, it was revealed that there was already a new law that was being followed by the Agency instead of the 2017 law. Unfortunately, it is impossible to find a more recently updated regional law through the internet since it has not yet been uploaded by the Agency. Hence it is recommended to ask the establishment for the applying law directly. Furthermore, during this research a possibility was found of a discrepancy between regional laws and central laws which was not implemented into this text due to it not being the subject of research. Future researchers may try to consider it as their future study topic.

ACKNOWLEDGMENT

I would like to thank my guidance professors, Dr. Jessy D. L. Warongan, SE., M.Si., Ak., CA., CWM and Drs. Sonny Pangerapan, MM., Ak., CA., QIA for all their guidance during the writing of this paper.

I am grateful to the University of Sam Ratulangi Manado, their professors and staffs, for giving me the opportunity to study in the establishment as well as giving me all my newfound knowledge.

I would like to thank my friends and fellow peers in the University of Sam Ratulangi Manado for their support and assistance, company, and friendship.

Finally, special thanks to my family, my parents and siblings, who have always been my source of courage and motivation. I would not have been able to reach this step if not for them.

REFERENCES

Anggoro, D. D., Indriani, Hikmat, A. A. A.. (2023). Pajak Daerah dan Retribusi Daerah. Malang: UB Press.

Arifai, M., Meilvinasvita, D., Inuzula, L., Surbakti, A. B., Alfianti, J. (2024). Akuntansi Perpajakan. Yogyakarta: Penerbit Andi.

Bahri, S. (2020). Pengantar Akuntansi Berdasarkan SAK ETAP dan IFRS (Edisi III). Yogyakarta: CV Andi Offset.

Huda, N. (2021). Kilas Balik Implementasi Pengalihan Pajak PBB-P2 Di Daerah. Bogor: Guepedia.

Bitung City. (2017). Peraturan Walikota Bitung Nomor 63 Tahun 2017 tentang

Ketentuan Pelaksanaan Pemungutan Pajak Bumi dan Bangunan

Perdesaan dan Perkotaan di Kota Bitung. https://peraturan.infoasn.id/kota/peraturan-walikota-bitung-nomor-63-tahun-2017/

Maulamin, T., Sartono. (2021). Akuntansi Perpajakan. Tangerang: PT Human Persona Indonesia.

Republic of Indonesia. (2022). Undang-Undang Nomor 1 Tahun 2022 tentang Hubungan Keuangan Antara Pemerintah Pusat dan Pemerintah https://peraturan.bpk.go.id/Details/195696/uu-no-1-tahun-2022Daerah.

Republic of Indonesia. (2021). Undang-Undang Nomor 7 Tahun 2021 tentang Harmonisasi Peraturan Perpajakan.

https://peraturan.bpk.go.id/details/185162/uu-no-7-tahun-2021

Republic of Indonesia. (2024). Peraturan Daerah Nomor 1 Tahun 2024 tentang Pajak Daerah dan Retribusi Daerah tentang Ketentuan Umum Pajak Daerah dan Retribusi Daerah.

https://peraturan.bpk.go.id/Details/279709/perda-prov-dki-jakarta-no-1-tahun-2024