

CHAPTER I

INTRODUCTION

1.1 Background

Indonesia's national development has a goal: the welfare of the community through a fair and equitable standard of living and intelligence. Therefore, the implementation of development must be evenly distributed to all levels of society throughout Indonesia, which cannot be separated from the existence of regional development, which is one of the important factors of national development. In order to achieve this, it is unlikely that the central government will be able to directly regulate and supervise the affairs and needs of each region, especially the vast territory of Indonesia. Therefore, the central government makes a decentralized system aiming to regulate, implement, and supervise all regional affairs directly by each regional government.

Decentralization is government authority handed over by the central government to regional governments to regulate and manage their affairs within the Unitary State System of the Republic of Indonesia (UU No. 32 of 2004). Decentralization creates effectiveness and efficiency in all government and development affairs evenly distributed in all regions of Indonesia (Handayani, 2020). The existence of decentralization is considered to be able to influence regional economic growth, which can directly increase national development. The analysis results reveal that the decentralization policy positively impacts economic growth in the regions (Apriliyanti *et al.*, 2021). National development efforts certainly include regional development, where a region must manage its resources to increase regional income. This development activity certainly requires a lot of money, so to achieve regional development goals, it is necessary to have funds from regional income.

Regional revenue is a right owned by the region and is recognized as an addition to the value of net assets in the relevant fiscal year period (Law No. 23 of 2014). Regional income in the form of Original Local Government Revenue (PAD), Pendapatan Transfer, and other legal income. One of the regional revenues is sourced from regional taxes, which is Original Local Government Revenue. According to Apriliyanti *et al.* (2021), local taxes are the biggest contributor to forming Original Local Government Revenue. Based on Law no. 28 of 2009, regional taxes are mandatory contributions to regions owed by individuals or entities that are coercive under the law by not receiving direct compensation and used for regional needs for the greatest prosperity of the people.

Taxes are a vital source of revenue that can help improve national development, where the taxes received to determine the budget's capacity to finance expenditures such as development. The community also indirectly contributes to national and regional development efforts, namely by paying local taxes. According to Ikhsan (2016), the tax sector as a form of embodiment of active community participation is certainly expected to be able to fully support the implementation of national and regional development so that they inevitably cannot avoid taxation. The community is considered active and obliged to pay taxes to finance national and regional development (Kakunsi *et al.*, 2017 in Qorina, 2019).

One of the contributions that the community can make to regional development is by paying motor vehicle taxes. Motor Vehicle Tax (PKB) is one of the regional taxes and sources of regional revenue that has the largest contribution to PAD. Motor vehicle tax collection is generally carried out by SAMSAT and will be collected by the Badan Pendapatan Daerah (BAPENDA). The reason is that the level of community mobility is increasing every year. By 2020, motorized vehicles in Indonesia increased by 5.3% or 133,617,012 units in 2018. In 2018, the motorized vehicle had 5.9% or around 126,508,776 units (Central Bureau of Statistics, 2019). Likewise, the number of vehicle owners in Kalimantan Barat is increasing every year, as shown in the following table:

Tabel 1.1
Number of Motorized Vehicles in Kalimantan Barat Province in 2016 – 2020

Year	Number of Motorized Vehicles (Unit)
2016	2.102.174
2017	2.230.396
2018	2.392.540
2019	2.528.200
2020	2.581.368

Source: Badan Pusat Statistik (2021)

The table above shows a rapid increase in the number of motorized vehicles every year. In 2017 there was an increase of 128,222 units of motorized vehicles from 2016. In 2018 there was also a significant increase of 162,144 units of motorized vehicles from 2017. Likewise, in 2019 there was an increase in the number of motorized vehicles of 135,600 units. An increase in the number of motorized vehicles also occurred in 2020, although the increase was not as much as in previous years, namely as many as 53,168 units of motorized vehicles.

There are several types of motorized vehicles, namely motorized vehicles operated on land, motorized vehicles operated on water, deformed motor vehicles, and engine replacement. Motorized vehicles operated on land roads include two-wheeled vehicles, four-wheeled vehicles (passenger cars), buses, goods cars, three-wheeled cars, and three-wheeled motorcycles (Regulation of the Governor of Kalimantan Barat Province). The rapid increase and offset by the increasing population yearly shows that community mobilization is vital as a daily need. Several factors that encourage the increase in the number of motorized vehicles each year include people's ability to buy motorized vehicles is high, transportation facilities have become a primary need for society, and the demand for owning a motorized vehicle is very easy (Awaluddin & Tamburaka, 2017).

Tabel 1.2
Number Of Motorized Vehicles By Type (2-Wheeled & 4-Wheeled Vehicles)
in Kalimantan Barat Province 2016 – 2020

Regency/City	Year					
	2016	2017	2018	2019	2020	2021
Pontianak	37.784	42.810	54.127	49.084	31.443	44.877
Bengkayang	3.239	3.714	4.497	4.323	3.907	5.603
Kapuas Hulu	3.671	3.837	5.086	5.038	4.108	5.702
Kayong Utara	1.294	2.012	2.537	2.148	1.786	2.213
Ketapang	9.288	15.166	20.316	17.663	13.393	18.652
Kubu Raya	4.029	3	0	0	2	0
Landak	3.753	4.933	5.175	5.133	4.150	7.071
Melawi	3.334	4.297	5.376	5.077	3.944	6.056
Mempawah	3.588	3.573	5.559	5.991	3.608	4.879
Sambas	9.515	11.564	14.743	14.314	9.728	14.445
Sanggau	8.900	10.663	13.486	11.921	8.346	14.017
Sekadau	3.210	5.178	6.570	5.788	3.771	6.308
Singkawang	5.566	6.533	8.161	8.224	5.424	7.325
Sintang	7.888	10.015	12.482	12.395	9.293	13.009
TOTAL	105.059	124.298	158.115	147.099	102.903	150.157

Source: Badan Pendapatan Daerah Provinsi Kalimantan Barat (2022)

The table on the number of two-wheeled motorized vehicles by type described above shows that there has been a rapid increase in the number of two-wheeled and four-wheeled motorized vehicles, especially in the Pontianak area.

Purchasing motorized vehicles, especially motorcycles and cars, requires very easy terms, and dealers offering mortgages with low-interest rates are also increasing, making it easier for people to buy motorized vehicles, especially two-wheelers, even on credit (Awaluddin & Tamburaka, 2017). From this phenomenon, of course, there is an increase in vehicle owners with KB license plates in the Kalimantan Barat region, especially Pontianak, which should positively impact the amount of motorized vehicle tax revenue. The number of motorized vehicles that increases every year differs from the increase in the number of motorized vehicles that re-register at the Kantor SAMSAT Pontianak. Gania (2017) in Nurlela *et al.* (2018) argues that taxpayer compliance, especially for motorized vehicles, vehicle tax has decreased with an increase in the number of vehicles that do not re-register (KTMDU), indicating low taxpayer compliance. Therefore, many people still need an awareness of paying Motor Vehicle Tax. This is evidenced by the high arrears of Motor Vehicle Tax in Pontianak, Kalimantan Barat.

Table 1.3
Motor Vehicle Tax In Arrears at Kalimantan Barat Province 2019-2021

NO	Regency/City	2019	2020	2021	TOTAL
1	Pontianak	Rp68.151.982.018,50	Rp72.196.624.276,00	Rp31.366.059.245,00	Rp 171.714.665.539,50
2	Bengkayang	Rp4.243.113.250,50	Rp4.433.857.097,00	Rp2.207.568.244,00	Rp 10.884.538.591,50
3	Kapuas Hulu	Rp5.321.477.789,00	Rp6.007.275.742,00	Rp2.518.089.842,00	Rp 13.846.843.373,00
4	Kayong Utara	Rp2.180.232.915,00	Rp2.300.096.253,00	Rp1.033.023.890,00	Rp 5.513.353.058,00
5	Ketapang	Rp23.801.516.508,50	Rp24.019.775.784,00	Rp10.496.565.754,00	Rp 58.317.858.046,50
6	Kubu Raya	Rp2.967.912.286,00	Rp2.952.143.854,00	Rp1.376.023.618,00	Rp 7.296.079.758,00
7	Landak	Rp7.496.053.746,00	Rp7.132.455.626,00	Rp3.120.919.258,00	Rp 17.749.428.630,00
8	Melawi	Rp4.884.796.541,00	Rp5.629.539.372,00	Rp2.241.999.814,00	Rp 12.756.335.727,00
9	Mempawah	Rp5.444.980.453,00	Rp6.282.547.996,50	Rp2.620.272.993,00	Rp 14.347.801.442,50
10	Sambas	Rp9.020.249.873,00	Rp9.166.979.566,00	Rp4.806.904.243,00	Rp 22.994.133.682,00
11	Sanggau	Rp13.899.328.425,00	Rp13.582.901.096,50	Rp5.855.999.095,00	Rp 33.338.228.616,50
12	Sekadau	Rp5.056.180.473,00	Rp5.183.290.310,00	Rp2.287.936.274,00	Rp 12.527.407.057,00
13	Singkawang	Rp7.245.305.584,00	Rp7.653.883.637,50	Rp3.750.274.863,00	Rp 18.649.464.084,50
14	Sintang	Rp11.849.056.066,00	Rp13.482.568.234,00	Rp6.252.884.290,00	Rp 31.584.508.590,00
	TOTAL	Rp171.562.185.928,50	Rp180.023.938.844,50	Rp79.934.521.423,00	Rp 431.520.646.196,00

Source: Badan Pendapatan Daerah Provinsi Kalimantan Barat (2022)

Arrears can occur due to work factors. There is a possibility that someone with a high salary will also be less likely to be in arrears of taxes and tend to be obedient in paying taxes. According to Qorina (2019), someone who works at a low level of employment and has a low salary will prioritize spending for daily needs compared to paying taxes whose benefits are unclear.

The factor of tax payment facilities can also affect the amount of tax arrears. Tax payment facilities in this context include facilities and infrastructure and supporting technology in tax payment services. In addition, the ease of reaching a place to pay taxes is a consideration for taxpayers in fulfilling their tax obligations.

The service quality factor is said to be able to influence the behavior of tax arrears. Inadequate quality, such as officers who are less responsive in responding, less reliable in meeting the needs of taxpayers, and complicated pressures can be factors supporting the existence of delinquent behavior because taxpayers will be reluctant to fulfill their tax obligations. Implementing services that can provide optimal satisfaction for taxpayers is related to service quality. Service to taxpayers is said to be of high quality if it meets or exceeds the expectations of taxpayers, or the smaller the gap between the fulfillment of promises and customer expectations, the closer to the quality measure.

The tax socialization factor is the influence of delinquent behavior by taxpayers. The lack of socialization given to taxpayers makes them unaware of the obligation to pay motor vehicle taxes even though the obligation to pay taxes aims to help their regional development. The existence of tax socialization carried out by local governments can prove the existence of good service quality.

Previous research conducted by Rosidi (2013), who had a sample of Motor Vehicle Taxpayers in Riau Province, and Ikhsan (2016) with a sample of Motor Vehicle Taxpayers at SAMSAT Tambusai, showed the result that the level of salary and service could influence the factor in the amount of arrears of Motor Vehicle Tax provided given by SAMSAT officers. Alfiani & Subadriyah (2018) researched the causes of motorized vehicle tax arrears in Jepara, where the factors of distance to the residence, quality of service, awareness, education, and tax understanding are viewed. This study shows that salary has a positive effect on arrears, but service quality has a negative effect on arrears.

Research conducted by Oktavia *et al.* (2019) found that salary and the tax service system have a negative effect on motor vehicle tax in arrears. Meanwhile,

according to research by Oktavia *et al.* (2019), the age factor positively affects motor vehicle tax in arrears. However, education, salary, and the tax service system have a negative effect on motor vehicle tax in arrears (PKB) in Tungal Ilir District.

Desiva & Kholis (2022) researched the effect of socialization, facilities, service quality, and tax sanctions on the compliant behavior of Motor Vehicle Taxpayers. The sample for this study was obtained online, where motorized vehicles must be over 17 years old. From this study, it was found that these four factors have a positive influence on the level of taxpayer compliance. This is different from the research conducted by Sarlina *et al.* (2019), where access to taxes, facilities, service quality, and rewards perceptions can affect vehicle taxpayers' compliance levels. The results of this study indicate that tax access, service quality, and tax compliance influence the level of compliance. However, the facility factor does not influence Motor Vehicle Taxpayers' compliant behavior.

This research is a modification of the research above. The author raises this topic because there is a research gap in the results of previous studies. Therefore, researchers are interested in doing research again related to this topic. Based on the journals found by the author, no research has discussed this topic using an independent variable in the form of facilities as a benchmark for knowing the causes of arrears behavior. In addition, the research object used by the researcher is also different, namely, taking the object of research at the Badan Pendapatan Daerah Provinsi Kalimantan Barat, especially in Pontianak.

Based on the description of the phenomena and background that the authors describe, therefore the authors are interested in conducting research with the title **"The Influence of Salary, Tax Payment Facilities, Service Quality, and Tax Socialization on Motor Vehicle Tax in Arrears (Case Study in Pontianak, West Kalimantan)"**.

1.2 Research Problem Formulation

1.2.1 Problem Statement

There are many factors that influence the behavior of tax arrears by taxpayers which are influenced by external and internal factors. From the research that has been done on this delinquent behavior, this research seeks to find out the cause of the problem, solve the problem, and to improve previous research in terms of different variables. Therefore, researchers want to analyze the tax arrears factor by taxpayers when viewed from the factors of salary, facilities for tax payments, service quality, and tax socialization carried out by related agencies.

1.2.2 Research Question

Based on the background show above, there are some problems in this research which are:

1. How does the salary factor of the Taxpayer affect the amount of Motor vehicle tax in arrears?
2. How does the tax payment facilities factor affect the amount of motor vehicle tax in arrears?
3. How does the quality of tax services affect the amount of motor vehicle tax in arrears?
4. How does the tax socialization factor affect the amount of motor vehicle tax in arrears?
5. How does the salary, tax payment facilities, tax services, service quality, and tax socialization factors affect the amount of motor vehicle tax in arrears?

1.3 Research Objectives

The objective of this research are as follows:

1. To find out and analyze whether the factor of the Taxpayers' salary affect the amount of motor vehicle tax in arrears
2. To find out and analyze whether the factors of tax payment facilities affect the amount of motor vehicle tax in arrears
3. To find out and analyze whether the factor of the service quality affects the amount of motor vehicle tax in arrears

4. To find out and analyze whether the tax socialization factor affects the amount of motor vehicle tax in arrears
5. To find out and analyze whether the salary, tax payment facilities, service quality, and tax socialization factor affects the amount of motor vehicle tax in arrears.

1.4 Research Contribution

There are several contributions from this research based on the research objectives above, either directly or indirectly:

1.4.1 Theoretical Contribution

The result of this study is expected to be able to provide scientific contributions in the form of new knowledge breakthroughs in knowing the root causes of the occurrence of arrears in Motor Vehicle Taxes in Pontianak, Kalimantan Barat when viewed from salary, tax payment facilities, service quality as well as tax socialization. In addition, this research is expected to be used as a reference for further research.

1.4.2 Practical Contribution

The results of this study are expected to provide practical contributions to agencies and taxpayers in the form of:

1. For Agencies

The results of this study are expected to help agencies to find solutions to reduce arrears of Motor Vehicle Tax (PKB) when viewed from the causal factors, namely salary, tax payment facilities, service quality, and tax socialization.

2. For Taxpayers

The results of this study are expected to provide insight to taxpayers so that they have a high level of awareness in paying Motor Vehicle Tax (PKB) to reduce the occurrence of PKB arrears in the Pontianak area, Kalimantan Barat.