International Journal of Current Economics & Business Ventures, 6 (1) 2026, 17-34
International Journal of Current Economics & Business Ventures
https://scholarsnetwork.org/journal/index.php/ijeb

EFFECTIVENESS AND CONTRIBUTION OF LOCAL TAXES TO REGIONAL ORIGINAL REVENUE IN PURWOREJO REGENCY

Khansa Imtinan[1], Etty Gurendrawati[2], Marsellisa Nindito[3]
[123]Faculty of Economy and Business, State University of Jakarta
khansaimtinan06@gmail.com

Abstract:
This study aims to analyze the effectiveness and contribution of regional taxes as a whole and each type of regional tax in Purworejo Regency during the 2020-2024 period. This study uses a quantitative descriptive approach with secondary and primary data. The analysis conducted in this study is an analysis of regional tax effectiveness, regional tax contributions, contributions of regional tax types, analysis of obstacles or barriers to regional tax collection and factors that influence the effectiveness and contribution of regional taxes, as well as efforts that have been and can be made by the BPKPAD of Purworejo Regency to increase the effectiveness and contribution of regional taxes and PAD of Purworejo Regency. The results of the study indicate that: the level of regional tax effectiveness is in the Very Effective category, the level of regional tax contribution is in the Moderate category and the average level of contribution of each type of regional tax is in the Very Low category. Various obstacles such as suboptimal infrastructure development, invalid data, the absence of bailiffs, and difficulty in contacting taxpayers outside the region, as well as impacting factors such as internal factors such as the quality of human resources, data quality, cross-OPD collaboration, public communication and external factors such as taxpayer behavior, economic conditions, weather conditions, statutory regulations. However, efforts have been made such as service infrastructure with easy payments, regular scheduling in the context of implementing regional tax supervision, installation of online transaction recording devices, and collection activities by opening payment counters and service counters. Therefore, efforts that can be undertaken by the Purworejo Regency BPKPAD, based on the SWOT analysis, include: optimizing the potential for infrastructure and tourism development, improving public education with the support of regional apparatus organizations (opd) and central policy, developing a technology-based tax collection system, digitizing and integrating taxpayer data, improving human resource capacity.

Keywords: Effectiveness, Contribution, Local Taxes, Regional Original Revenue

BACKGROUND

Regional development is an integral part of national development; therefore, adequate funding is required to finance development activities. Sufficient regional revenue sources are crucial to the successful implementation of regional autonomy. Regional autonomy grants local governments the authority to independently manage their financial resources in order to finance development and public services. According to Law Number 23 of 2014 concerning Regional Government, there are three sources of regional revenue, namely Regional Original Revenue (PAD), Transfer Revenue, and Other Legitimate Revenue (Government of the Republic of

Indonesia, 2014). One effort to enhance the success of an autonomous region is through increasing Regional Original Revenue (PAD).

Regional Original Revenue (PAD) plays an important role in maintaining regional financial sustainability and improving public services. In Central Java Province, although fiscal independence shows a positive trend, optimization at the regency/municipal level still varies, particularly in the southern coastal areas such as Cilacap Regency, Kebumen Regency, and Purworejo Regency. Purworejo Regency, which is located along the southern cross-route, has significant potential in the agricultural, tourism, and micro, small, and medium enterprise (MSME) sectors. However, PAD optimization remains constrained by weak governance, promotion, and the digitalization of tax services. The following figure presents the percentage of PAD achievement in Cilacap Regency, Kebumen Regency, and Purworejo Regency.

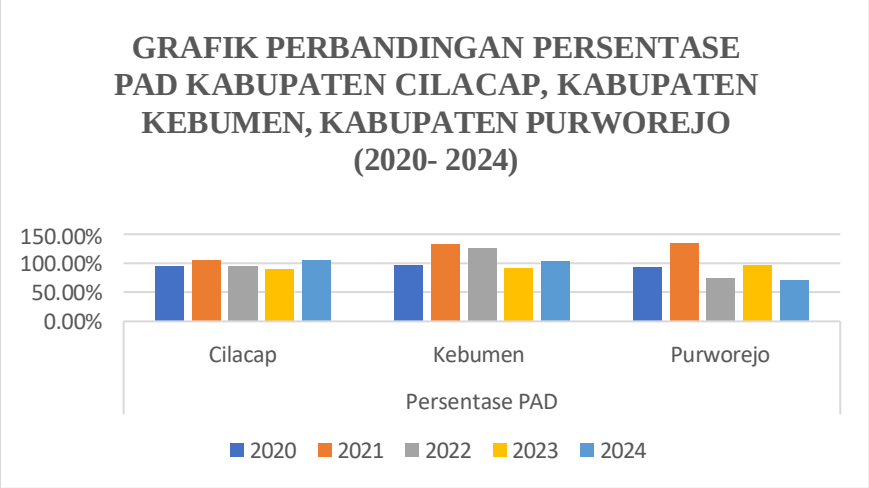


Figure 1. Presents the percentage of PAD achievement in Cilacap Regency, Kebumen Regency, and Purworejo Regency

Regional Original Revenue (PAD) plays an important role in maintaining regional financial sustainability and improving public services. In Central Java Province, although fiscal independence has shown a positive trend, optimization at the regency/municipal level still varies, particularly in the southern coastal areas such as Cilacap Regency, Kebumen Regency, and Purworejo Regency. Purworejo Regency, which is located along the southern cross-route, has significant potential in the agricultural, tourism, and micro, small, and medium enterprise (MSME) sectors. However, the optimization of PAD remains constrained by weak governance, promotion, and the digitalization of tax services. The following figure presents the percentage of PAD achievement in Cilacap Regency, Kebumen Regency, and Purworejo Regency.

From the figure, it can be observed that the PAD achievement of Purworejo Regency experienced relatively sharp fluctuations compared to the two neighboring regencies. In 2022 and 2024, the percentage of PAD achievement declined to 74.23% and 71.50%, respectively, indicating challenges in revenue stability. Therefore, further efforts are still required to enhance PAD potential, one of which is through optimizing revenue from the local tax sector.

Local taxes play an important role in increasing Regional Original Revenue, as they serve as an indicator of regional financial performance. In practice, the tax targets that have been set are

often not fully achieved. Although some taxpayers, both individuals and business entities, have fulfilled their obligations, obstacles remain—particularly due to limited understanding of the tax system, which is now technology-based and continuously evolving. In addition, the low level of taxpayer compliance is also caused by the lack of socialization and education provided by local governments. Insufficient awareness of the importance of taxes for regional development further hinders the increase in tax revenue.

The following figure presents the realization and target of local tax revenue in Purworejo Regency.

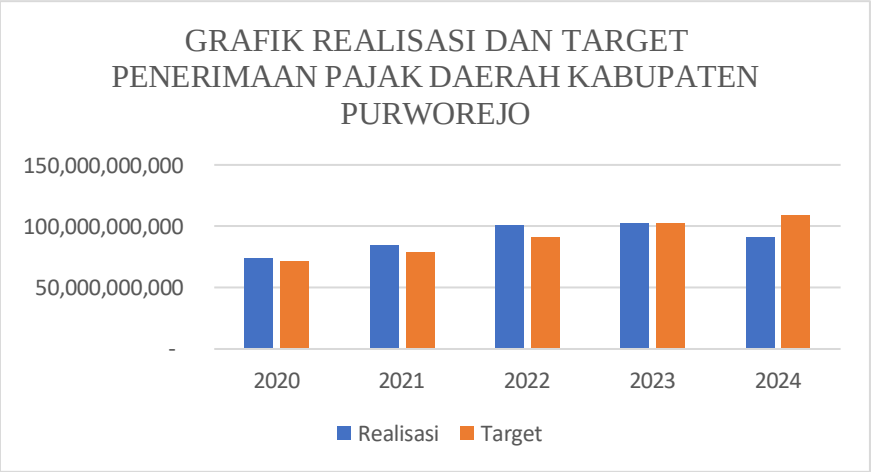


Figure 2. Presents the realization and target of local tax revenue in Purworejo Regency

The Regional Financial, Revenue, and Asset Management Agency (BPKPAD) of Purworejo Regency (DJPK APBD Data Portal, 2025) recorded the realization and targets of local tax revenue in 2020. The tax target set for that year was higher than the previous year, amounting to IDR 71.71 billion, as tax revenue in the preceding year had reached IDR 77.65 billion. However, due to unfavorable conditions resulting from the impact of the COVID-19 pandemic, tax revenue in 2020 declined. Nevertheless, the realization still exceeded the target, reaching IDR 74.19 billion with an achievement percentage of 103.45%.

In the subsequent years (2021–2023), local tax revenue experienced a significant increase, with both targets and realizations continuing to rise. In 2021, tax revenue realization amounted to IDR 84.23 billion, exceeding the established target of IDR 78.89 billion, with an achievement rate of 106.76%. In 2022, tax revenue realization also surpassed the target, reaching IDR 100.65 billion against a target of IDR 90.77 billion, with a percentage of 110.89%. Meanwhile, in 2023, realization increased compared to the previous year to IDR 102.28 billion, with an achievement percentage of 99.89%; however, this realization did not fully meet the target of IDR 102.39 billion. According to the official website of Statistics Indonesia (BPS) Purworejo Regency, this significant increase in revenue was driven by the high economic growth rate in the Purworejo Regency area. Unfortunately, in 2024, local tax revenue realization failed to meet the established target, reaching only IDR 103.99 billion against a target of IDR 108.89 billion, with an achievement percentage of

95.50%. One of the factors contributing to this shortfall was the presence of unethical tax collectors at the village level (Ansori, 2024). In response, the Purworejo Regency Government, through the Head of the Regional Financial, Revenue, and Asset Management Agency, implemented several measures throughout 2024, one of which was a tax penalty waiver (2013–2023) for the payment period of August–September 2024, whereby taxpayers were required to pay only the principal amount. This effort was undertaken to increase public participation in paying local taxes (Pemkab Purworejo, 2024).

The failure to achieve revenue targets and the fluctuations in tax revenue—characterized by both increases and decreases—constitute an interesting issue for further research. This study aims to gain a deeper understanding of the actual conditions that led to the suboptimal achievement of local tax targets and Regional Original Revenue. Based on the background described above, the researcher considers it necessary to analyze the effectiveness and contribution of local taxes, the obstacles encountered, and the efforts or optimization strategies that can be undertaken by the Regional Financial, Revenue, and Asset Management Agency of Purworejo Regency to enhance local tax revenue and Regional Original Revenue.

THEORETRICAL FRAMEWORK

Regional Original Revenue

Regional Original Revenue (PAD) is one of the components of the Regional Revenue and Expenditure Budget (APBD). Based on Article 1 of Law Number 33 of 2004, Regional Original Revenue, hereinafter referred to as PAD, is defined as revenue obtained by a region from sources within its own territory, which is collected based on Regional Regulations in accordance with the prevailing laws and regulations.

According to Law Number 32 of 2004 concerning Regional Government, Regional Original Revenue consists of: (1) proceeds from local taxes, (2) proceeds from regional retributions, (3) proceeds from the management of separated regional assets, and (4) other legitimate PAD. The management of PAD involves a series of activities carried out by regional governments to plan, formulate policies, collect, supervise, and report legitimate sources of revenue, such as local taxes, regional retributions, and other income.

Local Taxes

According to Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, local taxes, hereinafter referred to as taxes, are mandatory contributions owed to regional governments by individuals or entities, which are coercive in nature based on law, without direct compensation, and are used for regional needs for the greatest possible welfare of the people.

Local taxes have the following characteristics: 1) Local taxes originate from national taxes delegated to regions as local taxes; 2)Such delegation is carried out based on law; 3)Local taxes are collected by regional governments based on the authority of law or other legal regulations; and 4)The proceeds from local tax collection are used to finance the administration of regional household affairs or to finance regional expenditures as a public legal entity (Mahfudh et al., 2022).

In terms of authority over tax collection on objects within a region, local taxes are divided into two categories: (1) local taxes collected by provincial governments, and (2) local taxes

collected by regency or municipal governments. In Purworejo Regency, there are 12 types of local taxes regulated under Purworejo Regent Regulation Number 54 of 2024 concerning Guidelines for the Implementation of Local Tax Collection, as follows: 1)Rural and Urban Land and Building Tax (PBB-P2); 2)Duty on the Acquisition of Land and Building Rights (BPHTB); 3)Certain Goods and Services Tax (PBJT) on: a) food and/or beverages, b) electricity services, c)hotel services, d)parking services, and e)arts and entertainment services; 3)Advertisement Tax; 4)Groundwater and Surface Water Tax; 5)Non-Metallic Mineral and Rock Tax; 6)Swiftlet Nest Tax; 7)Motor Vehicle Tax Surcharge (Opsen PKB); and 8)Motor Vehicle Transfer Fee Surcharge (Opsen BBNKB).

Obstacles in Local Tax Collection

According to Prof. Dr. Mardiasmo, MBA., Akt., QIA., CFrA., CA., CSFA (Mardiasmo, 2023), obstacles in tax collection can be classified into: 1)Passive Resistance, where the public is reluctant to pay taxes, which may be caused by: a)the level of intellectual and moral development of society; b)tax systems that may be difficult for the public to understand; and c)control systems that cannot be properly implemented or enforced; and 2)Active Resistance, which includes all efforts and actions undertaken by taxpayers with the intention of avoiding taxes. These take the form of: a)Tax avoidance, namely efforts to reduce the tax burden without violating the law; and b)Tax evasion, namely efforts to reduce the tax burden by violating the law (tax evasion).

Effectiveness of Local Taxes

The effectiveness of local taxes reflects the comparison between a region's ability to realize the planned Regional Original Revenue (PAD) and the targets established based on the actual potential possessed by the region. The following calculations are used with the formula (Kurnia & Gunarto, 2024)

$$\text{Efektivitas Pajak Daerah} = \frac{\text{Realisasi Penerimaan Pajak Daerah}}{\text{Target Penerimaan Pajak Daerah}} \text{ x } 100\%$$

Table 1. Interpretation of Effectiveness

Percentage	Criteria	Interpretation
>100%	Very Effective	Tax revenue realization exceeds the target.
90–100%	Effective	The government is able to achieve the tax revenue target well.
80–90%	Moderately Effective	Tax collection is close to the target, but there are still several obstacles.
60–80%	Less Effective	Indicates fairly significant weaknesses in the collection process.
<60%	Ineffective	The implementation of tax collection is far below the target.

Source: (Pradana et al., 2022)

Contribution of Local Taxes

The contribution of local taxes is an analysis intended to measure the extent to which tax revenue contributes to Regional Original Revenue (PAD). The following calculations are used

with the formula.(Kurnia & Gunarto, 2024)

$$\text{Kontribusi Pajak Daerah} = \frac{\text{Realisasi Penerimaan Pajak Daerah}}{\text{Realisasi Penerimaan PAD}} \text{ x } 100\%$$

Table 2. Classification of Contribution Criteria

Percentage	Criteria	Interpretation
>50%	Very Good	Local taxes are highly dominant and play an important role in PAD.
40.10–50%	Good	Local taxes constitute one of the main sources of PAD.
30.10–40%	Fairly Good	Local taxes make a fairly significant contribution to PAD.
20.10–30%	Moderate	The contribution of local taxes begins to be noticeable, but is not dominant.
10.10–20%	Low	Local taxes have not yet become one of the main sources of PAD.
<10%	Very Low	Local taxes provide a very low contribution.

Source: (Pradana et al., 2022)

Factors Influencing the Effectiveness and Contribution of Local Taxes

The success of local tax collection is inseparable from various influencing factors. In general, these factors can be classified into two main categories: internal factors, which originate from tax collection officials, and external factors, which stem from taxpayers and their surrounding environment.

METHOD

This study was conducted at the Regional Financial, Revenue, and Asset Management Agency (BPKPAD) of Purworejo Regency in September 2025, employing a qualitative approach with a case study research design. The study utilized both secondary and primary data sources. Data were collected through direct interviews with tax officers of the Regional Financial, Revenue, and Asset Management Agency (BPKPAD) of Purworejo Regency in the Local Tax Division, as well as through documentation related to local tax targets and realizations, Regional Original Revenue (PAD) realization, realization and targets of each type of local tax, and observations.

Data analysis in qualitative research is a dynamic stage carried out by the researcher throughout the research process, including before, during, and after the study is conducted. This process begins when the researcher formulates the research problem and continues until the stage of writing the research findings (Mertha Jaya, 2020). The data analysis process conducted in this study involved analyzing the effectiveness and contribution of local taxes using the following formulas:

$$\text{Efektivitas Pajak Daerah} = \frac{\text{Realisasi Penerimaan Pajak Daerah}}{\text{Target Penerimaan Pajak Daerah}} \text{ x } 100\%$$

$$\text{Kontribusi Pajak Daerah} = \frac{\text{Realisasi Penerimaan Pajak Daerah}}{\text{Realisasi Penerimaan PAD}} \text{ x } 100\%$$

This was followed by data reduction, data presentation, and drawing conclusions, and concluded with a SWOT analysis consisting of IFAS (Internal Strategic Factors Summary), which includes strengths and weaknesses, and EFAS (External Strategic Factors Summary), which includes opportunities and threats. This was then complemented by an analysis of SWOT strategy formulation to enhance the effectiveness and contribution of local taxes and Regional Original Revenue (PAD), comprising S–O strategies, W–O strategies, S–T strategies, and W–T strategies.

RESULTS AND DISCUSSION

Effectiveness of Local Taxes in Purworejo Regency

Based on the results of the analysis of the effectiveness of local taxes in Purworejo Regency during the 2020–2024 period, the findings are presented in the following table.

Table 3. Results of the Analysis of Local Tax Effectiveness in Purworejo Regency, 2020– 2024

Year	Realization (IDR)	Target (IDR)	Effectiveness Percentage (%)	Criteria
2020	74,189,987,143	62,000,142,000	119.66%	Very Effective
2021	84,227,368,780	75,444,264,359	111.64%	Very Effective
2022	100,654,070,739	90,776,108,033	110.88%	Very Effective
2023	102,276,349,264	102,388,108,887	99.89%	Effective
2024	104,218,544,345	108,888,556,465	95.71%	Effective
Average			107,78%	Very Effective

Source: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

Based on the analysis in Table 3, it was found that from 2020 to 2024, the effectiveness rate showed a decreasing percentage each year, but overall, it remained at a very effective level with a ratio exceeding 100%. The following is an explanation:

1. In 2020, tax collection performance exceeded 100% with a percentage of 119.66%, making it fall into the very effective category.
2. In 2021, tax collection performance exceeded 100% with a percentage of 111.64%, making it fall into the very effective category. However, the percentage decreased from the previous year.
3. In 2022, tax collection performance exceeded 100% with a percentage of 110.88%, making it fall into the very effective category, but the effectiveness rate decreased again. This achievement reflects the BPKPAD's ability to exceed its established revenue targets.
4. In 2023, tax collection performance nearly reached 100%, with only 99.89% reaching, making it fall into the effective category.
5. In 2024, regional tax collection performance declined again, reaching only 95.71%, but the category still demonstrated effectiveness.

Based on the presentation of the regional tax effectiveness rate for the 2020-2024 period, the average was 107.78%. Therefore, based on the effectiveness criteria, the regional tax effectiveness rate in Purworejo Regency is categorized as very effective. This was also confirmed by an interview with the Head of the Regional Tax Division, which revealed that the target was achieved in 2020-2022, while the target was not achieved in 2023-2024 due to several types of taxes not meeting their targets.

This aligns with the opinion Hermisa et al. (2017), which states that effectiveness is a measure of an organization's success in achieving predetermined goals based on the region's real potential. In this case, the goal of the regional government is to ensure that regional taxes are realized according to targets to support Regional Original Revenue (PAD). Therefore, when regional tax targets are achieved or even exceeded, it indicates that the regional government's performance is effective. Purworejo Regency's tax performance demonstrates that the budgetary function is performing quite well, as taxes can be a key source of regional financing. However, the decline in effectiveness in recent years also indicates that the government needs to re-align its collection strategy to maintain balance with the community's economic conditions.

Overall, based on the analysis of the effectiveness of Purworejo Regency's regional taxes for the 2020–2024 period, it can be concluded that regional tax collection performance is generally very effective, although there has been a downward trend in effectiveness for some types of taxes and in certain years. This reflects the regional government's ability to manage local revenue (PAD) remains quite strong, but evaluation and optimization of collection strategies are necessary to maintain and even increase its effectiveness. The decline in effectiveness is caused by various factors, such as low taxpayer compliance, technical challenges in data collection, and fluctuations in economic activity in certain sectors. Therefore, future efforts to improve the effectiveness of regional tax collection need to focus on strengthening the data collection system, increasing taxpayer awareness, and adjusting tax targets more realistically to reflect the region's real potential.

Contribution of Local Taxes to Regional Original Revenue in Purworejo Regency

To assess the contribution of local taxes to the Regional Original Revenue (PAD) of Purworejo Regency, this analysis compares local tax realizations with PAD realizations over the 2020–2024 period. The contribution of local taxes to PAD is presented in the following table.

Table 4. Analysis of the Contribution of Local Taxes to the Regional Original Revenue (PAD) of Purworejo Regency, 2020–2024

Year	Local Tax Realization (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	74,189,987,143	304,800,202,905	23.53%	Moderate
2021	84,227,368,780	438,264,776,270	18.00%	Low
2022	100,654,070,739	330,274,511,807	27.48%	Moderate
2023	102,276,349,264	379,937,451,349	26.95%	Moderate
2024	104,218,544,345	448,851,158,304	35.34%	Fairly Good
Average			26.26%	Moderate

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

Based on Table 4, it can be seen that local tax revenues in Purworejo Regency increased each year. However, the contribution of local taxes declined in 2021 to 18.00%, before increasing again in 2022. In the previous year, the contribution level had exceeded 20%, reaching 23.53%. Subsequently, in 2022, the contribution of local taxes rose to 27.48%, then slightly decreased in 2023 to 26.95%, and finally increased significantly in 2024 to 35.34%.

Contribution of Each Type of Local Tax to Regional Original Revenue (PAD) in Purworejo Regency

The following presents the contribution of each type of local tax in Purworejo Regency.

1) **PBJT on Food and/or Beverages**. Based on Table 5, it can be seen that the contribution of PBJT on Food and/or Beverages experienced an increase. The highest contribution occurred in 2023, amounting to 2.57%, while the lowest occurred in 2020, at 1.43%. The average contribution of PBJT on Food and/or Beverages was 2.048%, which falls into the Very Low category.

Table 5. Contribution of PBJT on Food and/or Beverages, 2020–2024

Year	Realized Revenue from PBJT on Food and/or Beverages (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	4,345,444,075	304,800,202,905	1.43%	Very Low
2021	6,701,487,003	438,264,776,270	1.53%	Very Low
2022	7,432,657,382	330,274,511,807	2.25%	Very Low
2023	9,759,372,345	379,937,451,349	2.57%	Very Low
2024	11,032,021,515	448,851,158,304	2.46%	Very Low
Average			2,048%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

2) **PBJT on Electricity Services**. Based on Table 6, the contribution of PBJT on Electricity Services fluctuated over the period. The highest contribution occurred in 2022, reaching 8.32%, while the lowest occurred in 2020, at 6.97%. The average contribution of PBJT on Electricity Services was 7.04%, which is classified as Very Low.

Table 6. Contribution of PBJT on Electricity Services, 2020–2024

Year	Realized Revenue from PBJT on Electricity Services (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	21,236,292,043	304,800,202,905	6.97%	Very Low
2021	22,672,435,198	438,264,776,270	5.17%	Very Low
2022	27,467,864,318	330,274,511,807	8.32%	Very Low
2023	29,306,638,427	379,937,451,349	7.71%	Very Low
2024	31,656,800,110	448,851,158,304	7.05%	Very Low
Average			7,04%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

3) **PBJT on Hotel Services**. Based on Table 7, the contribution of PBJT on Hotel Services showed fluctuations. The highest contribution occurred in 2023, at 0.16%, while the lowest was in 2021, at 0.09%. The average contribution of PBJT on Hotel Services was 0.13%, which is categorized as Very Low.

Table 7. Contribution of PBJT on Hotel Services, 2020–2024

Year	Realized Revenue from PBJT on Hotel Services (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	439,283,714	304,800,202,905	0.14%	Very Low
2021	399,711,813	438,264,776,270	0.09%	Very Low
2022	470,810,335	330,274,511,807	0.14%	Very Low
2023	624,574,001	379,937,451,349	0.16%	Very Low
2024	621,714,159	448,851,158,304	0.14%	Very Low
Average			0.13%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

4) **PBJT on Parking Services**. Based on Table 8, the contribution of PBJT on Parking Services increased over time. The highest contribution occurred in 2023, amounting to 0.07%, while the lowest occurred in 2020 and 2021, each at 0.02%. The average contribution was 0.04%, which falls into the Very Low category.

Table 8. Contribution of PBJT on Parking Services, 2020–2024

Year	Realized Revenue from PBJT on Parking Services (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	69,237,465	304,800,202,905	0.02%	Very Low
2021	71,802,745	438,264,776,270	0.02%	Very Low
2022	182,276,044	330,274,511,807	0.06%	Very Low
2023	273,412,802	379,937,451,349	0.07%	Very Low
2024	209,771,001	448,851,158,304	0.05%	Very Low
Average			0,04%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

5) **PBJT on Arts and Entertainment Services**. Based on Table 9, the contribution of PBJT on Arts and Entertainment Services fluctuated. The highest contribution was recorded in 2023, at 0.05%, while the lowest occurred in 2021, at 0.01%. The average contribution was 0.03%, categorized as Very Low.

Table 9. Contribution of PBJT on Arts and Entertainment Services, 2020–2024

Year	Realized Revenue from PBJT on Arts and Entertainment Service (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	63,338,750	304,800,202,905	0.02%	Very Low
2021	49,386,300	438,264,776,270	0.01%	Very Low
2022	125,102,700	330,274,511,807	0.04%	Very Low
2023	180,726,950	379,937,451,349	0.05%	Very Low
2024	190,172,575	448,851,158,304	0.04%	Very Low
Average			0,03%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

6) **Advertisement Tax**. Based on Table 10, the contribution of advertisement tax fluctuated during the period. The highest contribution occurred in 2023, at 0.33%, while the lowest occurred in 2021, at 0.23%. The average contribution of advertisement tax was 0.27%, which

is considered Very Low.

Table 10. Contribution of Advertisement Tax, 2020–2024

Year	Realized Revenue from Advertisement Tax (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	798,530,317	304,800,202,905	0.26%	Very Low
2021	995,448,181	438,264,776,270	0.23%	Very Low
2022	940,179,798	330,274,511,807	0.28%	Very Low
2023	1,259,029,240	379,937,451,349	0.33%	Very Low
2024	1,078,328,432	448,851,158,304	0.24%	Very Low
Average			0,27%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

7) **Groundwater Tax**. Based on Table 11, the contribution of groundwater tax showed fluctuations. The highest contribution occurred in 2023, amounting to 0.18%, while the lowest occurred in 2021, at 0.11%. The average contribution was 0.15%, which falls into the Very Low category.

Table 11. Contribution of Groundwater Tax, 2020–2024

Year	Realized Revenue from Groundwater (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	470,149,088	304,800,202,905	0.15%	Very Low
2021	482,796,735	438,264,776,270	0.11%	Very Low
2022	539,046,914	330,274,511,807	0.16%	Very Low
2023	684,148,147	379,937,451,349	0.18%	Very Low
2024	736,520,536	448,851,158,304	0.16%	Very Low
Average			0.15%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

8) **Mineral Non-Metal and Rock Tax**. Based on Table 12, the contribution of the mineral non-metal and rock tax fluctuated. The highest contribution occurred in 2022, reaching 1.24%, while the lowest occurred in 2024, at 0.22%. The average contribution was 0.53%, categorized as Very Low.

Table 12. Contribution of Mineral Non-Metal and Rock Tax, 2020–2024

Year	Realized Revenue from MNMR Tax (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	1,662,184,274	304,800,202,905	0.55%	Very Low
2021	1,564,848,125	438,264,776,270	0.36%	Very Low
2022	4,105,831,250	330,274,511,807	1.24%	Very Low
2023	962,811,250	379,937,451,349	0.25%	Very Low
2024	965,635,000	448,851,158,304	0.22%	Very Low
Average			0.53%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

9) **Swiftlet Nest Tax**. Based on Table 13, the contribution of the swiftlet nest tax fluctuated. The highest contribution occurred in 2020, at 0.012%, while the lowest occurred in 2023, at 0.007%. The average contribution was 0.009%, which is classified as Very Low.

Table 13. Contribution of Swiftlet Nest Tax, 2020–2024

Year	Realized Revenue from Swiftlet Nest Tax (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	36,645,000	304,800,202,905	0.012%	Very Low
2021	35,675,000	438,264,776,270	0.008%	Very Low
2022	32,184,500	330,274,511,807	0.010%	Very Low
2023	26,660,000	379,937,451,349	0.007%	Very Low
2024	37,702,500	448,851,158,304	0.008%	Very Low
Average			0.009%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

10) **Rural and Urban Land and Building Tax (RULB)**. Based on Table 14, the contribution of PBB-P2 fluctuated over the period. The highest contribution occurred in 2022, at 11.25%, while the lowest occurred in 2021, at 7.72%. The average contribution of PBB-P2 was 9.52%, which is included in the Very Low category.

Table 14. Contribution of Rural and Urban Land and Building Tax (RULB), 2020–2024

Year	Realized Revenue from RULB Tax (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	29,926,784,696	304,800,202,905	9.82%	Very Low
2021	33,828,273,528	438,264,776,270	7.72%	Very Low
2022	37,156,293,463	330,274,511,807	11.25%	Very Low
2023	38,128,426,437	379,937,451,349	10.04%	Very Low
2024	39,472,372,052	448,851,158,304	8.79%	Very Low
Average			9.52%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

11) **Land and Building Rights Acquisition Duty Tax (LBRAD)**. Based on Table 15, the contribution of BPHTB fluctuated. The highest contribution occurred in 2022, reaching 6.72%, while the lowest occurred in 2024, at 4.00%. The average contribution of BPHTB was 5.04%, which falls into the Very Low category.

Table 15. Contribution of Land and Building Rights Acquisition Duty Tax (LBRAD), 2020–2024

Year	Realized Revenue from LBRAD Tax (IDR)	PAD Realization (IDR)	Contribution Level (%)	Criteria
2020	15,142,097,721	304,800,202,905	4.97%	Very Low
2021	17,425,504,152	438,264,776,270	3.98%	Very Low
2022	22,210,824,035	330,274,511,807	6.72%	Very Low
2023	21,070,549,665	379,937,451,349	5.55%	Very Low
2024	17,976,432,474	448,851,158,304	4.00%	Very Low
Average			5.04%	Very Low

Sumber: BPKPAD of Purworejo Regency (2025), data processed by the researcher.

Based on the results of the data analysis, it can be concluded that the contributions of all individual types of local taxes to PAD fluctuated, and their average contribution levels fall into the very low category. As shown in Table 25, PBB-P2 provided the largest contribution, with an average percentage of 9.52%. Meanwhile, the type of local tax that contributed the least was the swiftlet nest tax, with an average contribution over the five-year period of 0.009%.

Constraints or Obstacles in Local Tax Collection

Based on interviews with three officials from the Purworejo Regency Financial and Revenue Agency (BPKPAD), several obstacles or barriers to regional tax collection exist, including:

1. Suboptimal infrastructure development. Limited infrastructure, such as road access, communication networks, and information technology systems, results in ineffective tax data collection and service delivery. Difficulty in reaching areas makes it difficult for officials to collect taxable data and provide outreach to taxpayers. Furthermore, limited information technology facilities hinder the implementation of a digital-based tax administration system that could improve the efficiency and transparency of the tax collection process.
2. Invalid data. Inaccurate data can lead to discrepancies between potential tax revenues and actual revenues. This occurs due to a lack of regular data updates, weak coordination between agencies, and a minimal data integration system. As a result, much tax potential remains untapped, impacting the effectiveness of regional tax collection policies. Data validity is key to ensuring that tax revenues align with actual potential on the ground.
3. Lack of bailiffs. The absence of tax bailiffs in Purworejo Regency also hampers the enforcement of regional tax law. Bailiffs play a crucial role in following up on taxpayers who are delinquent or non-compliant with their tax obligations. Without bailiffs, local governments lack a firm enforcement tool against delinquent taxpayers, resulting in low levels of tax compliance. Consequently, tax collection effectiveness declines and local revenue (PAD) targets are difficult to achieve.
4. Difficulty contacting taxpayers outside the region. Many taxpayers have taxable assets in Purworejo Regency but reside outside the region, making communication and coordination in the tax payment process ineffective. This situation leads to delays or even non-compliance in tax payments. Furthermore, the lack of an optimal online communication and reporting system exacerbates the situation, as sending tax returns or warning letters must be done manually.

Overall, these findings indicate that the obstacles or barriers faced by the Regional Revenue and Asset Management Agency (BPKPAD) can contribute to low effectiveness and contribution to regional taxes, both institutionally and technically, and in terms of community behavior. This situation requires efforts to improve the administrative system, increase human resource capacity, and strengthen infrastructure to overcome these obstacles or barriers, which can ultimately contribute significantly to regional tax revenue collection.

Factors Affecting the Effectiveness and Contribution of Local Taxes

From the interview results, internal and external factors clearly influence the effectiveness and contribution of regional taxes.

Internal Factors

a) Quality of Human Resources in Tax Collection

The limited number of employees and the need for high mobility to monitor tax objects constitute major constraints. The competence and adequacy of human resources are crucial components of effectiveness. An imbalance between the number of personnel and the number

of tax objects has resulted in slow tax collection and data verification processes.

b) Administrative System and Database

Informants stated that data validity has a significant impact on the region's ability to minimize tax avoidance. Data accuracy and completeness are essential elements in local tax management. However, local tax data still face various challenges, particularly with regard to accuracy and integration among taxpayers and government agencies. One of the main problems is that for several types of local taxes, some taxpayers refuse to be recorded, and others are unwilling to pay taxes because the collected data do not accurately reflect actual conditions—for example, in the case of Rural and Urban Land and Building Tax (PBB-P2).

c) Inter-Agency (OPD) Collaboration and Socialization

Limited cross-agency collaboration and insufficient public outreach contribute to low taxpayer compliance. The effectiveness of local taxes is strongly influenced by synergy among relevant regional agencies (OPD), such as the Regional Revenue Agency (Bapenda), the Licensing Office, and the Trade Office. Weak collaboration and coordination result in poor integration of tax object data and potential revenue. In addition, tax socialization and education activities for the public remain limited in terms of both frequency and coverage. A lack of understanding among taxpayers regarding their rights and obligations leads to low compliance levels. Effective public communication strategies—such as tax campaigns through social media, educational workshops, and proactive outreach services—can enhance taxpayer awareness and participation.

d) Suboptimal Law Enforcement

Law enforcement plays a vital role as a control instrument within the taxation system. However, interview results indicate that local law enforcement remains weak due to a shortage of tax bailiffs, a lack of firm action against violations, and an ineffective active collection system. According to tax compliance behavior theory, strict sanctions can increase the deterrence effect and ultimately encourage compliance. Therefore, optimizing law enforcement is necessary through improvements to local regulations, the establishment of tax enforcement units, and cooperation with law enforcement authorities to ensure taxpayer compliance.

External Factors

a) Taxpayer Compliance

Public tax literacy regarding the importance of timely tax payment remains relatively low. Many taxpayers delay payments or do not consider it mandatory for their tax objects to be recorded, which negatively affects data accuracy, collection effectiveness, and the contribution of local taxes.

b) Regional Economic Development

Tax potential increases alongside development and economic growth, indicating that economic conditions affect taxpayers' ability to pay and tax awareness. Regional economic conditions and growth directly influence tax potential and community purchasing power. When economic sectors grow, business activities increase, automatically expanding the tax base. Conversely, economic slowdowns or declining purchasing power can reduce tax revenue. Increased regional investment, infrastructure development, and growth in the tourism sector are indicators that strengthen the contribution of taxes to Regional Original Revenue

(PAD). Thus, the effectiveness of local taxes depends not only on internal systems but also on local economic dynamics.

c) Laws and Regulations

Regulatory harmonization is a crucial prerequisite for effective local tax implementation. Interview findings indicate that overlapping regulations between ministries or across levels of government often cause confusion in implementation at the local level. Inconsistencies between central and regional regulations—particularly regarding tax types, rates, and collection mechanisms—hinder legal certainty and reduce taxpayer trust. Therefore, synchronization of fiscal policies between central and local governments is necessary to create certainty and fairness within the taxation system.

Efforts That Can Be Undertaken by BPKPAD to Improve the Effectiveness and Contribution of Local Taxes and Regional Original Revenue (PAD)

To increase the effectiveness and contribution of regional taxes and local revenue (PAD), efforts to address obstacles and factors occurring in the field are crucial. Some common obstacles and factors frequently encountered by the Purworejo Regency BPKPAD include suboptimal infrastructure development, invalid data, the absence of bailiffs, and difficulty contacting taxpayers outside the region. These factors also impact internal factors such as human resource quality, data quality, cross-regional collaboration, public communication, and external factors such as taxpayer behavior, economic conditions, weather conditions, and laws and regulations.

Based on interviews with informants, to address these obstacles and factors, the Purworejo Regency BPKPAD has undertaken the following efforts:

1. Infrastructure development in the form of payment facilities, a program of the Purworejo Regency BPKPAD, specifically in the tax sector, is used to facilitate taxpayers in making payments. Therefore, we continue to implement payment facilities so that taxpayers can easily pay their taxes using Qris.
2. Regularly scheduling activities for regional tax oversight (tax control activities) is also carried out to improve compliance. This involves two methods: office and local oversight. Quarterly oversight is conducted using data or background data for compliance risk analysis.
3. Installing online transaction recording devices and implementing a one-day service at the Land and Building Tax (PBB), known as "SAPU PAK RW," a collection activity involving the opening of PBB payment counters and service counters. Residents are invited to pay their taxes and are also served with assistance in case of data changes, including changes to PBB data. Furthermore, advertising data collection is also carried out through a one-day service.

Through these various efforts, researchers concluded that the Purworejo Regency BPKPAD (Regional Revenue and Asset Management Agency) not only relies on administrative tax collection optimization but also implements a strategic approach that is innovative, preventative, and participatory. Digital service innovations such as QRIS payments, strengthening the risk analysis-based oversight system, and direct public service through the one-day service program demonstrate BPKPAD's commitment to improving ease of access, transparency, and taxpayer compliance. These efforts reflect that increasing regional tax

revenues is not solely focused on revenue targets, but also on improving the quality of public services and building sustainable public tax awareness.

Based on the previously conducted SWOT analysis, the following efforts can be implemented by the Purworejo Regency Regional Revenue and Asset Management Agency (BPKPAD) to increase the effectiveness and contribution of regional taxes and PAD.

1. Optimizing Potential for Infrastructure and Tourism Development
   Infrastructure development and the tourism sector are key drivers of the regional economy. Optimization is carried out by improving transportation, accommodation, and public facilities that support tourist accessibility. With adequate infrastructure, investment and local economic activity increase, thus directly impacting increased regional tax revenues.
2. Improving Public Education with Support from Regional Apparatus Organizations (OPD) and Central Government Policies
   Public education aims to raise public awareness of tax obligations and their benefits for development. This activity can be carried out through integrated outreach between Regional Apparatus Organizations (OPD) and policy support from the central government. With this synergy, public understanding of the importance of paying taxes can be increased, thereby encouraging tax compliance.
3. Developing a Technology-Based Tax Collection System
   Utilizing information technology in the tax collection system can improve the efficiency, transparency, and accuracy of the tax collection process. This system enables real-time monitoring of taxpayers, minimizes potential revenue leakage, and makes it easier for the public to make payments.
4. Digitizing and Integrating Taxpayer Data
   Digitizing taxpayer data allows local governments to have a more accurate and easily accessible database across agencies. This data integration is crucial for identifying untapped tax potential and preventing data duplication or manipulation. This step also supports data-driven policy.
5. Improving Human Resources Capacity
   The quality of human resources (HR) significantly influences the effectiveness of regional tax policy implementation. Capacity building can be achieved through technical training, professional certification, and strengthening digital competencies. With competent HR, public services and tax oversight can be carried out professionally and with integrity.
6. Building Inter-Agency Cooperation
   Inter-agency cooperation, both vertical and horizontal, strengthens coordination in the implementation of regional fiscal and tax policies. This collaboration can include data exchange, law enforcement, and tax compliance improvement programs. Good synergy between institutions will accelerate the achievement of regional revenue targets.
7. Leveraging Institutional Strengths
   Regional institutions or agencies possess structural strengths that can be optimized to support tax policy. Institutional strengthening can be achieved through improving governance systems, increasing independence, and developing efficient work procedures. Strong institutions will be able to implement policies more effectively and credibly.
8. Using Regional Development Data

Utilizing regional development data allows for more targeted analysis of economic and tax potential. This data can be used to map leading sectors, determine incentive policies, and design strategies to optimize tax revenue based on real-world conditions.

9. Developing Flexible Regional Policies
   Regional policies need to be adaptive to social, economic, and technological changes. With flexible policies, local governments can quickly respond to economic dynamics and community needs, without being hampered by rigid regulations. This approach also encourages innovation in tax governance and public services.
10. Developing Stricter Internal Regulations
    Strong internal regulations are needed to ensure compliance and accountability in the implementation of tax policies. Strengthening regulations includes internal oversight mechanisms, standard operating procedures (SOPs), and a transparent audit system. This can prevent irregularities and increase public trust.
11. Developing an Online Taxpayer Reporting System
    An online reporting system makes it easier for taxpayers to report their obligations without time and place constraints. This innovation not only improves compliance but also speeds up administrative processes and minimizes the possibility of human error. Data transparency is also increased through an integrated online system.
12. Reforming the Regional Tax Organization
    Tax organization reform aims to improve institutional effectiveness and efficiency. These reforms could include restructuring work units, updating procedures, and implementing a performance-based incentive system. With a more modern and adaptive organization, public services and tax oversight will be optimized.

CONCLUSION

1. The effectiveness of Purworejo Regency's regional taxes for 2020–2024 indicates that overall tax collection performance is in the Very Effective category, with an average effectiveness of 107.78%.
2. The contribution of regional taxes to Regional Original Revenue (PAD) for 2020–2024 is generally in the Moderate category, with an average contribution of 26.26%.
3. The contribution of each type of regional tax to Regional Original Revenue (PAD) for 2020–2024 is generally in the Very Low category, with a percentage below 10%. The following is the order of regional taxes, from highest contribution: Land and Building Tax (PBB-P2), Electricity Tax (PBJT), Land and Building Tax (BPHTB), Food and/or Beverage Tax (PBJT), Hotel Services Tax (PBJT), Parking Tax, Arts and Entertainment Tax (PBJT), Advertising Tax, Groundwater Tax, Non-Metallic Mineral and Rock Tax, and Bird's Nest Tax.
4. Obstacles or barriers to regional tax collection in Purworejo Regency include suboptimal infrastructure development, invalid data, the absence of bailiffs, and difficulty contacting taxpayers outside the region. Meanwhile, tax effectiveness and contribution are also influenced by internal factors such as human resource quality, administrative systems, coordination between regional government agencies (OPD), and outreach, as well as external factors such as taxpayer compliance, regional economic conditions, and

inconsistent regulations.

5. Efforts made by the Purworejo Regency BPKPAD (Regional Revenue and Asset Management Agency) to improve the effectiveness and contribution of regional taxes and PAD include infrastructure development in the form of payment facilities, routine scheduling for regional tax oversight (tax control activities), and the installation of online transaction recording devices. A one-day service at the PBB (land tax) office, known as "SAPU PAK RW," is a collection activity involving the opening of PBB payment counters and service counters. Therefore, efforts that can be undertaken by the Purworejo Regency BPKPAD, based on the SWOT analysis, include: optimizing the potential for infrastructure and tourism development, improving public education with the support of regional apparatus organizations (RAO) and central policy, developing a technology-based tax collection system, digitizing and integrating taxpayer data, improving human resource capacity.

REFERENCES

Ansori, M. (2024). Pemungut Nakal di Tingkat Desa Hambat Penerimaan Pajak, BPKPAD Purworejo Tetap Optimis Capai Target. *Sorot Purworejo*.

Hermisa et al. (2017). Analisis Efektivitas dan Kontribusi Penerimaan Pajak Reklame, Pajak Bumi dan Bangunan Terhadap Pendapatan Asli Daerah Kabupaten Siau Tagulandang Biaro. *Going Concern : Jurnal Riset Akuntansi*.

Kurnia A. & Gunarto T. (2024). Analisis Efektivitas dan Kontribusi Pajak Daerah Terhadap Pendapatan Asli Daerah Provinsi Lampung. *Jurnal Ekonomika Dan Bisnis (JEBS)*, *4*(5), 1071–1076. https://doi.org/10.47233/jebs.v4i5.2080

Mahfudh, Saleh, H., & Saleh, M. Y. (2022). *Analisis Peningkatan Pendapatan Asli Daerah* (M. Ruslan & S. Suriani, Eds.). Pustaka Almaida.

Mardiasmo. (2023). *Perpajakan*. ANDI. https://books.google.co.id/books?id=7bLsEAAAQBAJ&printsec=copyright&hl=id#v=onepage&q&f=false

Mertha Jaya, I. M. L. (2020). *Metode Penelitian Kuantitatif dan Kualitatif (F. Husaini, Ed.)*. Quadrant.

Pemkab Purworejo. (2024, August 1). Pemkab Purworejo Hapuskan Denda Pajak Daerah untuk Periode Pembayaran di Bulan Agustus dan September 2024. *Berita Purworejo*, 1–1. https://www.purworejokab.go.id/web/read/3394/pemkab-purworejo-hapuskan-denda-pajak-daerah-untuk-periode-pembayaran-di-bulan-agustus-dan-september-2024.html

Pradana, J. A., Sabijono, H., & Tirayoh, V. Z. (2022). Kontribusi dan Efektivitas Pajak Reklame Terhadap Pendapatan Asli Daerah Kota Tidore Kepulauan Provinsi Maluku Utara. *Jurnal LPPM Bidang EkoSosBudKum (Ekonomi, Sosial, Budaya, Dan Hukum)*, *Vol. 5 No. 2 (2022)*, 1029–1038.