INDONESIAN JOURNAL OF MULTIDISCIPLINARY SCIENCE

P-ISSN: 2808-5957
E-ISSN: 2808-6724

Legal aspects of hotel tax collection using the online system in Badung District government

I Gede Ari Putra Wiranata[*], Universitas Mahendradatta, Indonesia

[*]Email for Correspondence: ariputra2009@gmail.com

ABSTRACT

The aim of this study is to discuss the legal aspects of hotel tax collection using an online system in the Badung Regency Government. The study provides insights into how digitalization of tax systems can impact local governance, compliance, and efficiency, offering a valuable case study for other regions considering similar implementations. The results of the study show that there is a significant increase in tax revenues from 2022 to 2023, mainly due to the post-pandemic recovery of the tourism sector in Badung. With the right strategy, this system can become an important component in modern public financial management and is responsive to future challenges. With sustainable technological infrastructure development and strict supervision, online tax collection can become a tool in encouraging economic growth and community welfare. Comparative studies between regions that have implemented similar online tax systems could provide valuable insights into best practices, challenges, and scalability.

Keywords:

legal aspects

hotel tax collection

online system

This is an open access article under the CC BY-SA license.

INTRODUCTION

Regional taxes are compulsory levies imposed by the government, as mandated by Article 23A of the 1945 Constitution of Indonesia, which requires that all coercive levies for state needs be regulated by law. These taxes not only serve as a source of regional revenue but also symbolize the autonomy of local governments in managing their affairs. The collection of regional taxes must be conducted responsibly and legally, aimed at enhancing Original Regional Income (PAD), which reduces regional dependency on central government funding (Kurniawan et al., 2024; F. A. Sari et al., 2022; Soeksin, 2023; Syafei et al., 2024; Wujarso et al., 2023). Optimizing PAD can be achieved through improved tax management, professional collection practices, accurate data, robust infrastructure, and active community participation (Aneta et al., 2024; Aryansyah et al., 2023; Engin & Treleaven, 2019; Jabid et al., 2023; Mandiri et al., 2024). According to Law No. 28 of 2007, taxes are mandatory contributions from individuals or entities to finance government administration and development, with the goal of benefiting the public's welfare.

The taxation sector plays a crucial role in state revenue, and increasing tax income contributes positively to a nation's financial stability. Higher public awareness and an increasing number of taxpayers reflect greater public trust in government and stronger nationalistic attitudes (Mudzakkir, 2011). The efficiency of tax collection largely depends on the system a country adopts, with three common systems: Self Assessment, where taxpayers calculate their own tax liability; Official Assessment, where the tax authorities determine the amount owed; and the Withholding System, where a third party is responsible for tax calculation, deduction, payment, and reporting (Sutedi, 2008).

One of the types of taxes included in the Regency/City tax authority is hotel tax, hotel tax is one of the contributors to a region's revenue/income (Farvacque-Vitkovic & Kopanyi, 2014; Kayame et al., 2017; Mohan & Strobl, 2024; Neuts, 2020; D. Sari & Qibthiyyah, 2022). Hotel Tax in Article 1 number 20 of Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, states that hotel tax is a tax on services provided by hotels. Meanwhile, hotels according to Law Number 28 of 2009 Article 1 number 21, hotels are facilities that provide lodging/rest services including other related services for a fee, which also includes guesthouses, tourist guesthouses, guest houses and the like. Hotel tax is a tax collected by the Regional Government, both City and Regency.

Based on Article 32 of Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, the object of hotel tax is services provided by hotels for payment, which include supporting services as hotel

accessories that provide convenience and comfort, including sports and entertainment facilities. Apart from that, supporting services include telephone, fax, telecommunication, internet, photocopying, washing, ironing, transportation and other similar facilities provided or managed by the hotel.

Regarding online tax collection, it is a series of data collection on tax objects and subjects, determining the amount of tax owed to monitoring deposits which are connected by one subsystem to another electronically, integrated and in real time. Government Regulation Number 82 of 2012 concerning the Implementation of Electronic Systems and Transactions, states in Article 3 paragraph (2) that "the implementation of electronic systems can be carried out for public services", so from the explanation in this Article it follows that online hotel tax collection is a public service provided by the government, especially regional governments, to make it easier for taxpayers to carry out their tax obligations and to emphasize tax transparency and accountability for both taxpayers and the tax authorities. This online hotel tax collection system is also a form of fulfilling supervision in terms of compliance with tax obligations carried out by taxpayers, so that this can increase taxpayer compliance.

Based on Government Regulation Number 82 of 2012 concerning the Implementation of Electronic Systems and Transactions, Article 3 paragraph (2) online hotel tax collection is a public service provided by the government, especially regional governments to make it easier for taxpayers to carry out their tax obligations and emphasize tax transparency and accountability. both for taxpayers and for the tax authorities. Therefore, the author discusses two problem formulations. What are the implications of collecting hotel taxes using an online system for the Badung Regency Government? What are the obstacles experienced in the implications of collecting hotel tax using an online system for the Badung Regency Government?

The study would like to discuss the legal aspects of hotel tax collection using the online system in Badung District government. This study contributes to the understanding of the legal framework and implications of hotel tax collection through an online system, specifically in the context of the Badung District government. It provides insights into how digitalization of tax systems can impact local governance, compliance, and efficiency, offering a valuable case study for other regions considering similar implementations.

METHOD

The type of research used in writing this thesis is a type of normative legal research which is supported by empirical research, namely by conducting research through observations in the field where the research is then compared with the concepts contained in the library materials used and statutory regulations. invitation as a legal basis for solving problems.

RESULTS AND DISCUSSION

Implications of Hotel Tax Collection with an Online System

Based on Law no. 28 of 2009 concerning Regional Taxes and Regional Levies, regions are given independence in terms of increasing regional income potential, so that regional taxes in this case are managed by the Regional Government, both Provincial and Regency/City. Regional taxes are carried out by the local Regional Revenue Service Office, regional taxes namely hotel tax, cigarette tax, motor vehicle tax, entertainment tax, advertising tax, street lighting tax and swallow's nest tax.

Taxes are divided into several types, namely based on the authority that collects them, class and nature. Tax law is a public law tax because tax law is general in nature, so that authority in public law is the authority that gives rise to legal consequences of a public law nature such as making decisions, issuing regulations and/or establishing a plan with legal consequences (Hadjon, 2005).

The authority to collect hotel taxes online is the Mayor or Regent where this authority is delegated to regional officials, the delegated regional apparatus is the Regional Revenue Service which carries out service duties in the area of regional taxes. Regarding the installation of equipment or systems, the revenue department has the authority to install such equipment or systems to hotel taxpayers. The following is a comparison of the results of hotel tax collection in Badung Regency for 2022 and 2023, as follows:

Table 1. Comparison of Hotel Tax Collection Results

No	Year	Amount
1	2022	Rp 1,51 trillion
2	2023	Rp 654 milion

Source: Badung Bapenda

Based on the table above, in 2022, the realization of hotel taxes will reach around IDR 1.51 trillion until December 28 2022. The initial target for hotel taxes this year is IDR 1.08 trillion, so the realization exceeds the target set. In 2023, in the first quarter of 2023, hotel tax revenue has reached IDR 654 billion, exceeding

the target set at IDR 467 billion. Overall, there is a significant increase in tax revenues from 2022 to 2023, mainly due to the post-pandemic recovery of the tourism sector in Badung.

Badung Regency, in Regional Regulation Number 2 of 2016 concerning Online Regional Tax Systems, regulates online systems using tools or systems for recording business transaction data. The authority to connect business transaction data recording devices and/or systems is the Regent through the Badung Regency Regional Revenue Service as explained in Article 11. Business transaction data recording devices record every payment transaction made by hotel tax subjects to hotel taxpayers in real time, Furthermore, the regulation regulates the online SPTPD system, in this case the Badung Regency revenue office provides online SPTPD facilities by submitting it via the website, apart from that, the regional regulation also explains regarding deposits/payments made through a cooperation agreement between the government and Perception Bank, Perception Bank can provide tax payment and deposit facilities via automated teller machines (ATM), internet banking, mobile banking, cash management service (CMS) and other facilities.

Hotel taxpayers carry out payments and deposit hotel taxes using an online system through Perception Bank which can be done by cash deposits, transfers and using payment facilities provided by Perception Bank such as ATMs, internet banking, mobile banking, cash management service (CMS). Proof of payment and tax reporting by transfer or by facility.

Legal Elements of Online Tax Collection Policy

Government Regulation of the Republic of Indonesia Number 55 of 2016 concerning General Provisions and Procedures for Collecting Regional Taxes explains that the regulations in this government regulation are to provide clarity regarding special tax collection arrangements, support tax implementation, guarantee the implementation of taxpayers' rights and obligations and strengthen the law. regional tax enforcement. So with the regulations regarding Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, the KUP Law concerning General Provisions and Procedures for Taxation, and Government Regulation of the Republic of Indonesia Number 55 of 2016 concerning General Provisions and Procedures for Collecting Regional Taxes the rules The Regional Government can implement online local tax collection, especially hotel tax, because this is to strengthen law enforcement and hotel tax is one source of local revenue to increase the state's financial capacity and people's prosperity. Online hotel tax collection is in the context of optimizing hotel tax collection using an online system for tax imposition.

Government Regulation Number 82 of 2012 concerning the Implementation of Electronic Systems and Transactions, states in Article 3 paragraph (2) that "the implementation of electronic systems can be carried out for public services", so from the explanation in this Article it follows that online hotel tax collection is a public service provided by the government, especially regional governments, to make it easier for taxpayers to carry out their tax obligations and to emphasize tax transparency and accountability for both taxpayers and the tax authorities. This online hotel tax collection system is also a form of fulfilling supervision in terms of compliance with tax obligations carried out by taxpayers, so that this can increase taxpayer compliance.

Consideration of online tax collection policies is an important aspect in adapting the tax system in the digital era. Here are some considerations to keep in mind:

1. Tax Fairness: Online tax collection policies must ensure fairness for all taxpayers. This includes the same treatment for online and offline business actors
2. Convenience and Efficiency: The online tax collection system must be designed to make it easier for taxpayers to fulfill their tax obligations. Complicated processes can reduce compliance.
3. Transparency: Policies should promote transparency in tax collection and use. Taxpayers need to understand how their taxes are used for development and public services.
4. Technology and Infrastructure: The use of appropriate information technology and adequate infrastructure is very important to support an online tax collection system. This includes data security and privacy protection.
5. Tax Compliance: Online tax collection policies must consider ways to increase tax compliance, such as through education, outreach and incentives for compliant taxpayers.
6. International Tax: In the digital era, many transactions involve business actors from various countries. Policies must consider aspects of international taxation and cross-border tax avoidance.
7. Innovation and Adaptation: Policies must be flexible and able to adapt quickly to technological changes and evolving business models.
8. Stakeholder Participation: Involving various parties, including business actors, the community and tax experts in the policy formulation process to obtain constructive input.
9. Regulation and Law Enforcement: Policies must be accompanied by clear regulations and firm law enforcement to address violations.
10. Education and Outreach: It is important to provide education to the public and business actors regarding tax obligations and the benefits of paying taxes

By considering the aspects above, it is hoped that the online tax collection policy can run effectively and contribute to increasing state revenue and social justice.

The implementation of the online tax collection policy in Badung Regency involves a number of legal elements that ensure the policy can be implemented legally and effectively. These legal elements include several important aspects that must be considered so that the online tax system can run in accordance with applicable regulations. First, online tax policies must have a strong legal basis. In Indonesia, the legal basis for collecting regional taxes is regulated in Law Number 28 of 2009 concerning Regional Taxes and Regional Levies. This law gives regional governments the authority to collect taxes, including hotel tax, which is one of the sources of local revenue. This legal basis is important to provide legitimacy and legal certainty for the implementation of online tax policies. In addition, regional governments can make regional regulations (Perda) to regulate tax collection according to the characteristics and needs of the region. Regional regulations must be in harmony with higher laws and regulations and must not conflict with national policies. In Badung Regency, there is a regional regulation that specifically regulates hotel tax collection, which is a reference in implementing the online tax system.

To support the implementation of online tax policies, detailed implementing regulations are also needed, such as regent regulations or decisions of heads of related departments. This regulation includes reporting procedures, payment mechanisms, and sanctions for violations. With clear implementing regulations, the implementation of the online tax system can run more orderly and controlled.

Data protection and privacy are other important legal elements in online tax policy. Online systems that manage taxpayers' financial and personal data must comply with regulations regarding data protection and privacy, as regulated in Law Number 27 of 2022 concerning Personal Data Protection. This is important to ensure that taxpayers' personal data is protected from misuse and leakage, so as to maintain public trust in the tax system. Monitoring and law enforcement mechanisms must also be properly regulated in this policy. Effective supervision is needed to ensure compliance by taxpayers and tax officials. Law enforcement must be carried out consistently to crack down on violations and ensure system integrity. This is important so that online tax policies can run according to the expected goals.

In Badung Regency, there are several articles in the Regional Regulations that regulate hotel tax collection. Badung Regency Regional Regulation Number 2 of 2011 concerning Hotel Tax stipulates that every hotel business operator is obliged to pay hotel tax. This regional regulation also regulates the basis for tax imposition, namely the amount of payment received or should be received by the hotel as compensation for the services provided. In addition, hotel operators are required to register their businesses and report income periodically to the Regional Revenue Service.

Badung Regency Regional Regulation Number 1 of 2020 concerning Amendments to Regional Regulation Number 2 of 2011 adds provisions regarding the use of an online tax collection system to increase efficiency and accuracy. This regional regulation also contains provisions regarding administrative sanctions for taxpayers who do not carry out tax obligations in accordance with the regulations. This shows the regional government's commitment to supporting the modernization of the tax system through digital technology. Apart from the Regional Regulation, there is also a Badung Regent Regulation which regulates the online tax collection system. This regulation regulates registration procedures and use of the online system for hotel taxpayers. All hotel tax transactions are required to be carried out through the online system provided by the local government. With this regulation, it is hoped that the implementation of the online tax system can run more smoothly and in a coordinated manner.

Overall, the online tax collection policy in Badung Regency is supported by a comprehensive legal framework. The implementation of this system not only aims to increase efficiency and transparency, but also to ensure that the tax collection process is carried out in accordance with applicable legal provisions. With a strong legal basis, it is hoped that this policy can run effectively and provide benefits to local governments and the community.

Local governments need to ensure that this policy is supported by appropriate regulations, as well as providing incentives for taxpayers to participate in this system. Continuous education and outreach about the benefits and how to use the online tax system is also important to increase public understanding and trust. With the right strategy, this system can become an important component in modern public financial management and is responsive to future challenges.

CONCLUSION

Online tax collection in Badung Regency is a strategic move that can boost efficiency, transparency, and regional income. It offers convenience for taxpayers through faster reporting and payment processes. However, challenges like digital literacy and data security need government commitment and community support. With sustainable technological infrastructure and strict supervision, online tax collection can encourage economic growth and community welfare. Future research should explore the impact of digital

literacy programs and cybersecurity measures on the success of online tax collection systems, as well as compare similar systems to understand best practices, challenges, and scalability. Examining the long-term effects on regional economic growth and public trust in governance will provide a deeper understanding of the system's broader societal impact.

REFERENCES

Aneta, Y., Lakoro, I., Aneta, A., Akib, H., & Podungge, A. W. (2024). Smart Strategies for Managing Regional Assets: Best Practices in Increase Local Revenue. *KnE Social Sciences*, *9*(7). https://doi.org/10.18502/kss.v9i7.15469

Aryansyah, J. E., Lionardo, A., Budiyanto, M. N., & Putra, R. (2023). E-Government in The Implementation of T-Tax System in Palembang City. *Iapa Proceedings Conference*. https://doi.org/10.30589/proceedings.2023.881

Engin, Z., & Treleaven, P. (2019). Algorithmic Government: Automating Public Services and Supporting Civil Servants in using Data Science Technologies. *Computer Journal*, *62*(3). https://doi.org/10.1093/comjnl/bxy082

Farvacque-Vitkovic, C. D., & Kopanyi, M. (2014). *Municipal Finances: A Handbook for Local Governments*. World Bank Publications. https://books.google.co.id/books?id=Zm8FBAAAQBAJ

Hadjon, P. M. (2005). *Pengantar Hukum Administrasi Indonesia*. Universitas Gadjah Mada.

Jabid, A. W., Suwito, S., & Darwis, H. (2023). Optimization of receiving tax and retribution in Ternate, North Maluku, Indonesia. *International Journal of Research in Business and Social Science (2147- 4478)*, *12*(7). https://doi.org/10.20525/ijrbs.v12i7.2844

Kayame, H., Arie, M., Razak, A., & Patittingi, F. (2017). The Increase of Region Own Source Revenue in Realizes the Prosperity of Papua Communities. *IOSR Journal of Humanities and Social Science*, *22*(04). https://doi.org/10.9790/0837-2204044552

Kurniawan, A., Akbar, B., & Sinurat, M. (2024). Regional Tax Management Optimization Model to Realize Regional Financial Independence in Pekanbaru City, Riau Province. *INFLUENCE: INTERNATIONAL JOURNAL OF SCIENCE REVIEW*, *6*(1).

Mandiri, P., Alfitri, , Thamrin, M. H., & Najib, A. (2024). Digital Transformation of Land and Building Tax Stimulus Granting Policy in Palembang City. *KnE Social Sciences*, *9*(17). https://doi.org/10.18502/kss.v9i18.16338

Mohan, P., & Strobl, E. (2024). Tourism and tax revenue: evidence from stay-over tourists in the Eastern Caribbean. *Current Issues in Tourism*, *27*(8). https://doi.org/10.1080/13683500.2023.2202307

Mudzakkir, M. (2011). Pengaturan Hukum Pidana Di Bidang Perpajakan Dan Hubungannya Dengan Hukum Pidana Umum Dan Khusus. *Jurnal Legislasi Indonesia*, *8*(2).

Neuts, B. (2020). Tourism and urban economic growth: A panel analysis of German cities. *Tourism Economics*, *26*(3). https://doi.org/10.1177/1354816619833553

Sari, D., & Qibthiyyah, R. M. (2022). Tax Revenue and Income Inequality in Indonesia : A Provincial Level Evidence. *Jurnal Perencanaan Pembangunan: The Indonesian Journal of Development Planning*, *VI*(2).

Sari, F. A., Nur, M. A., & Yunani, A. (2022). STRATEGIES TO INCREASE THE RATIO OF REGIONAL ORIGINAL INCOME IN BALANGAN REGENCY. *International Journal Political, Law, and Social Science*, *3*(1).

Soeksin, S. D. (2023). Analysis of the Effectiveness of Regional Tax Collection and its Contribution to the Local Original Revenue (Pad) of Tarakan City for the 2017-2021 Period. *IJEBD (International Journal of Entrepreneurship and Business Development)*, *6*(6). https://doi.org/10.29138/ijebd.v6i6.2592

Sutedi, A. (2008). *Hukum Pajak dan Retribusi Daerah*. Ghalia Indonesia.

Syafei, M., Hamdani, H., Haryadi, H., & Yenny, O. (2024). The impact of Additional Tax Collection implementation for regional government and taxpayer. *Asian Journal of Management, Entrepreneurship and Social Science*, *4*(1).

Wujarso, R., Sianipar, A. Z., Andhitiyara, R., & Napitupulu, A. M. P. (2023). *Improving Local Government Performance Through Tax Optimization*. Amazon Digital Services LLC - Kdp. https://books.google.co.id/books?id=4MbKEAAAQBAJ