ABSTRACT

This research aims to analyze the factors that influence taxpayer compliance with the implementation of the PBB-P2 policy in the Regional Revenue Subdistrict of North Jakarta Administrative City and Seribu Islands Regency using descriptive qualitative data sourced from secondary data. The research results show that from the dimension of policy accuracy, it shows that the implementation of the PBB-P2 incentive policy from the realization of PBB-P2 revenues in the implementation of the incentive policy, there is a less than optimal contribution from the realization of PBB-P2 revenues in the Administrative City of North Jakarta and Thousand Islands Regency during the period 2021 and 2022 which indicates that the tax incentive policy has less influence in increasing PBB-P2 taxpayer compliance in the North Jakarta Administrative City and Seribu Islands Regency areas. Judging from the dimension of accuracy of implementation, problems were found related to PBB-P2 tax potential which had not been optimized, one of which was on Maju Island, which is on a reclamation island in the North Jakarta area. Implementation of the PBB-P2 policy was influenced by the socialization of taxation and digitalization of services. The wider tax socialization carried out through the implementation of optimal digitalization of services can increase PBB-P2 taxpayer compliance. Judging from the dimension of target accuracy in implementing the PBB-P2 incentive policy through socialization of taxation and digitalization of services together, it can influence the level of compliance of PBB-P2 taxpayers in the Regional Revenue Sub-Agency of North Jakarta Administrative City and Kepulauan Seribu Regency.

KEYWORDS

Incentive Policy, Tax Socialization, Digitalization of PBB-P2 Services
INTRODUCTION

Implementation of the PBB-P2 policy in DKI Jakarta in 2021 was based on Governor Regulation No. 23/2021, which provided benefits in the form of deductions for PBB-P2 payments that had been widely socialized. Additionally, in the same year, Governor Regulation No. 104/2021 was issued, providing a ten percent relief without requiring taxpayers without arrears or delays and waiving interest on overdue taxes. In 2022, Governor Regulation No. 23/2022 was issued, providing exemptions for PBB-P2 for residential categories with NJOP below Rp. 2 billion, with a ten percent discount. The incentive policy for PBB-P2 is expected to encourage taxpayer compliance. However, looking at the revenue realization compared to the planned collection of PBB-P2 in DKI Jakarta from 2017 to 2021, as shown in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Target (Rp)</th>
<th>Realization (Rp)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>71000000000000</td>
<td>7001144176545</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>80000000000000</td>
<td>760665190073</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>85000000000000</td>
<td>8893076195170</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>10000000000000</td>
<td>964956555778</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>94500000000000</td>
<td>895729158206</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bapenda DKI Jakarta, processed by Researcher, 2024

Table 1 shows that in 2017, although the target was set at Rp. 7.1 trillion, the realization did not reach the target of Rp. 7 trillion. In 2018, although the target was increased to Rp. 8 trillion, the realization did not reach the target of Rp. 7.6 trillion. In 2019, the target was again raised to Rp. 8.5 trillion, with revenue realization increasing to Rp. 9.6 trillion. In 2020, although the target was increased to Rp. 10 trillion, the realization did not reach the target of Rp. 9.6 trillion. In 2021, the target was lowered to Rp. 9.45 trillion, with realization not reaching the target of Rp. 8.9 trillion. This indicates that the incentive policy for PBB-P2 implemented was not optimal in achieving the set targets.

As for the target and realization of PBB-P2 revenue in the North Jakarta Administrative City and the Thousand Islands Regency from 2018 to 2022, the following table presents the data:

<table>
<thead>
<tr>
<th>Year</th>
<th>Target (Rp)</th>
<th>Realization (Rp)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2.092,017,000,000</td>
<td>2.145,944,248,602</td>
<td>102,58</td>
</tr>
</tbody>
</table>
Factors Influencing Taxpayer Compliance In The Implementation Of The Land And Building Tax (PBB-P2) Policy In The Revenue Office Districts Of North Jakarta Administrative City And The Thousand Islands Regency

Table 2 shows that the target and realization of rural and urban land and building tax (PBB-P2) revenue in the Revenue Office Districts of North Jakarta and Thousand Islands. In 2018, the achievement reached 102.58%, but in the following year, along with the Covid-19 pandemic, PBB-P2 tax revenue was always below target. In 2019, the revenue achievement was 97.10%, in 2020 it was 85.14%, in 2021 it was 86.54%, and in 2022 it was 77.88%. The failure to achieve the PBB-P2 revenue target was due to the pandemic. Based on the realization of PBB-P2 revenue, the Jakarta Provincial Government issued PBB-P2 incentive policies as an effort to increase revenue realization.

The governance of rural-urban land and building taxes in the capital city of Jakarta still faces challenging obstacles, such as taxes in arrears due to taxpayer non-compliance. Regarding the collection of PBB-P2 in DKI Jakarta, there are still obstacles such as duplicate tax payment letters (SPPT), unknown taxpayers, incorrect name entries, changes in taxpayer ownership, differences in the area of the tax object, and changes in taxpayer domicile. These challenges are due to low tax knowledge and public awareness of tax obligations, which need to be maximized through tax education and socialization. Socialization is one way to educate about tax rules and procedures to encourage taxpayer compliance. However, socialization alone does not fully impact taxpayer compliance in the capital city due to incomplete information delivery, leading to a lack of understanding of compliance among taxpayers.

In the implementation of the PBB-P2 policy, there are factors influencing taxpayer compliance, including incentive policies, tax socialization, and service digitalization. Based on the implementation of the PBB-P2 policy by the Revenue Office Districts of North Jakarta, findings from the Supreme Audit Agency (BPK) in the Internal Control System (SPI) Examination Report 2019 revealed problems with local taxes, including the failure to issue PBB-P2 tax notices for 2018-2019 on land and buildings in Pantai Maju. Therefore, UPPD Penjaringan stated that they had updated taxpayer data for Pulau Maju based on the building rights certificate (HGB) in the name of PT Kapuk Naga Indah (KNI) on May 18, 2020. PT KNI had submitted a letter to the Head of UPPPD Penjaringan regarding the issuance of PBB-P2 for Pantai Maju on May 26, 2020. The potential value of unpaid PBB-P2 for 2018-2019 by the DKI Jakarta Provincial Government reached Rp. 180.39 billion. Therefore, BPK recommended that the DKI Jakarta Provincial Government immediately determine the value of SPPT PBB-P2 for the Pulau Maju area for the 2018 and 2019 tax years in the name of PT KNI.

Tax incentive policies, according to Helmes & Goto (2017), are instruments whose effectiveness is determined by the balance of considerations in achieving policy objectives. Tax incentive policies are beneficial instruments to provide ease
and assist taxpayers in complying with their tax obligations. Tax incentive policies and tax digitalization from the research of Fitria, Finonasari & Sari (2022) are said to have an impact on taxpayer compliance. Tax incentive policies can be beneficial for taxpayers, and when incentives increase, they influence compliance. Digitalization, according to attribution theory, motivates taxpayers to submit their tax reports online, which can simplify the process of tax service procedures digitally. The increasing digital services in the tax sector affect taxpayer compliance. Socialization and understanding of tax incentives, according to Fazriputri, Widiastuti & Lastiningsih (2021), are stated to have a positive impact on tax compliance. Socializing tax incentives impacts taxpayers to comply with their tax obligations. Research by Wijaya & Yushita (2021) states that socialization has a significant impact on fulfilling land and building tax payment obligations in rural-urban sectors.

In essence, the effectiveness of policy implementation, according to Nugroho (2018), is determined by several indicators, including policy accuracy, implementation accuracy, and target accuracy. Therefore, the author is interested in analyzing these issues in scientific journal writing with the title "Factors Affecting Taxpayer Compliance in the Implementation of the PBB-P2 Policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency."

**RESEARCH METHOD**

This study belongs to the qualitative research type. Qualitative research, according to Cresswell (2019), is descriptive research where researchers focus on the process, meaning, and understanding obtained through an inductive process to draw conclusions. The descriptive qualitative research method was applied to analyze the factors influencing taxpayer compliance in the implementation of the PBB-P2 tax policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency.

The data source used is secondary data obtained from literature materials relevant to the research topic. The secondary data used are sourced from books, scientific papers, internet searches, and documents related to the implementation of the PBB-P2 tax policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency. To collect this secondary data, the literature study technique (library research) was employed.

**RESULT AND DISCUSSION**

**Accuracy of policy**

Accuracy of policy, according to Nugroho (2018), relates to the extent to which policies formulated are in line with the characteristics of the problems to be solved, and policies made by institutions with the authority corresponding to policy characteristics. The policy referred to in this study is the PBB-P2 tax incentive policy issued by the Jakarta Provincial Government in the form of the issuance of Jakarta Provincial Government Regulations for the years 2021 and 2022, which are seen in terms of the alignment between the implementation of the PBB-P2 tax incentive policy in the Revenue Office Districts of North Jakarta and Thousand
Islands Regency with the characteristics of the problems to be solved in achieving the predetermined targets for PBB-P2 tax revenue.

Tax incentives, according to Garner (2016), are defined as government offers of tax benefits. According to Raharja and Sandra (2014), tax incentives are a stimulus for taxpayers that motivate them to comply. Easson & Zolt, as cited in Selvi and Ramdhani (2022), define tax incentives as exemptions, deductions, reductions, or suspended tax rates. One form of tax incentive, according to Easson & Zolt (2002), as cited in Dewi (2020), is rate reduction, tax burden reduction, property tax reduction.

Tax incentive policies are classified into 4 (four) types, as explained by Suandy (2016), namely: (1) Tax incentives are provided by exempting from taxation, a type of incentive that is widely used; (2) Tax incentives are provided by reducing the tax base; (3) Incentives by providing a reduction in rates. This type of tax incentive is in the form of a reduction in rates from the general rate to a special rate as determined by the government. This type of incentive is commonly found in income tax; and (4) Tax incentives by providing deferment for a certain period.

In 2021, the Jakarta Provincial Government issued a policy in the form of Governor Regulation Number 23 of 2021 Regarding the Provision of Local Tax Collection Incentives to provide ease and incentives to all taxpayers in the form of exemption from motor vehicle tax penalties and discounts for payment of Rural and Urban Land and Building Tax (PBB-P2). To implement this Governor Regulation, a comprehensive socialization regarding the benefits of incentives has been conducted. Taxpayers who comply are constantly being encouraged by the Jakarta Provincial Government until the issuance of Governor Regulation No. 104/2021 and also granted a 10% (ten) relief. For the 2021 payment relief, it is given without requiring taxpayers who do not have arrears/lateness. In addition, the waiver of interest on overdue taxes is also provided. The PBB-P2 tax incentive policy in 2022 is based on DKI Jakarta Governor Regulation No. 23/2022, which provides incentives for exemption from rural-urban land and building taxes for residential categories in Jakarta with NJOP below two billion rupiahs. For NJOP above two billion rupiahs, a 10% (ten) percent PBB-P2 discount is provided, and the reduction is based on the minimum area of simple-healthy residential land and buildings, with a land area of 60m² and a building area of 36m². The provision of these incentives is part of securing the revenue of the DKI Jakarta Provincial Budget for 2022 from the PBB-P2 sector, which is expected to encourage compliance with PBB-P2 taxpayers.

The accuracy of the PBB-P2 tax incentive policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency implemented in 2021 and 2022 is intended to solve problems in order to increase taxpayer compliance and increase local tax revenue in the rural-urban land and building tax sector. Compliance as the willingness of taxpayers to fulfill their obligations where increasing taxpayer compliance has the potential to increase PBB-P2 revenue (Sugeha & Urumsah, 2022). According to Amelda (2022), the implementation of the PBB-P2 tax incentive policy must be in line with the ability to pay with the determination of compensation.
In terms of the realization of PBB-P2 revenue in the Revenue Office Districts of North Jakarta and Thousand Islands Regency compared to the realization of PBB-P2 revenue in the Jakarta Provincial Revenue Office in 2021 and 2022, it is as follows.

Table 3 Contribution of UN-P2 Revenue in Bapenda Tribe, Adm. City, North Jakarta & Thousand Islands Regency to UN-P2 Revenue in Bapenda, DKI Jakarta Province in 2021 – 2022

<table>
<thead>
<tr>
<th></th>
<th>Realization of Acceptance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
</tr>
<tr>
<td>Bapenda DKI Jakarta</td>
<td>8,355,107,181,208</td>
</tr>
<tr>
<td>Kota Adm. Jakarta Utara &amp; Kab. Kepulauan Seribu</td>
<td>2,162,224,363,599</td>
</tr>
<tr>
<td><strong>Contribution (%)</strong></td>
<td><strong>25.98%</strong></td>
</tr>
</tbody>
</table>

Source: Bapenda DKI Jakarta, processed by Researcher, 2024

Table 3 shows the contribution of PBB-P2 revenue in the Revenue Office Districts of North Jakarta and Thousand Islands Regency to the PBB-P2 revenue in the Jakarta Provincial Revenue Office when the PBB-P2 tax incentive policy was implemented in 2021 only contributed 25.98% and in 2022 only contributed 23.92%. This means that the accuracy of the PBB-P2 tax incentive policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency has not been optimal in addressing compliance issues with PBB-P2 taxpayers, as indicated by the decrease in the realization of PBB-P2 revenue from Rp. 2.1 billion in 2021 to Rp. 1.9 billion in 2022.

Based on the realization of PBB-P2 revenue during the implementation of the incentive policy, there is a suboptimal contribution from the realization of PBB-P2 revenue in North Jakarta Administrative City and Thousand Islands Regency during the period of 2021 and 2022, indicating that the tax incentive policy has had limited impact on improving compliance with PBB-P2 taxpayers in the areas of North Jakarta Administrative City and Thousand Islands Regency.

Implementation accuracy

Implementation accuracy, according to Nugroho (2011), refers to the extent to which policy implementers adhere to the policy being implemented. The implementation of the PBB-P2 tax incentive policy relates to the alignment of the implementers in executing the PBB-P2 tax incentive policy issued by the Jakarta Provincial Government through the issuance of Governor Regulations in 2021 and 2022 in the Revenue Office Districts of North Jakarta and Thousand Islands Regency.

Land and building tax governance, as explained by Plimmer and McCluskey (2016) cited by Mardona (2021), encompasses policies, processing, and institutional management of the managed objects. Taxation of land and buildings has the potential to increase local government revenue significantly. This taxation depends on specific administrative processing, such as monitoring land use and
comprehensive, effective, and efficient tax collection policies for land and buildings used to finance local government needs.

Several reasons land and building taxation can be collected and managed by local governments, according to Plimmer and McCluskey (2016) cited by Mardona (2021), are: (a) Generating adequate revenue with proper administration; (b) Efficient taxation because properties do not easily transfer, allowing a connection between those benefiting from services funded by taxes and those bearing the tax burden; (c) Highly equitable, especially in developing countries where land is the primary source of wealth; and (d) Relatively easy to administer. Properties can be easily identified and cannot be hidden. Properties also serve as collateral for payment subject to seizure and eventual sale in case of non-compliance, further simplifying administration.

Based on Governor Regulation Number 23 of 2021 Concerning the Provision of Local Tax Collection Incentives aimed to provide convenience and incentives to all taxpayers in the form of waiving motor vehicle tax fines and deductions for payment of Urban and Rural Land and Building Taxes (PBB-P2). Seen from the objective of issuing Governor Regulation No.104/2021, a 10% (ten percent) relief is provided. For the relief of payment in 2021, it is given without requiring objects with no arrears/delays. In addition, interest on late payment of tax principal is also waived. Governor Regulation No.23/2022 of 2022 provides incentives for exemption from land and building taxes for residential properties in Jakarta with NJOP below two billion rupiahs. For NJOP above two billion rupiahs, a 10% (ten percent) PBB-P2 discount is provided, and the reduction is based on the minimum area of simple-healthy residential land-building categories, with an area of 60m2 for land and 36m2 for buildings.

The scheme of land and building tax policies for rural-urban sectors, according to Safitra & Hanifah (2022), highly depends on the characteristics of the Region to plan for an increase in the tax base of land-building in the rural-urban sector and tax incentives that do not burden the people. The implementation of the PBB-P2 policy in DKI Jakarta, according to Pamungkas & Satispi (2022), shows consistency and clarity in achieving goals implemented by implementing officers in coordinating according to the organizational structure applied in accordance with Standard Operating Procedures (SOP).

The accuracy of implementation officers in implementing the PBB-P2 tax incentive policy can be seen, among other things, from the growth rate of PBB-P2 taxpayers against the number of services provided by the Jakarta Provincial Revenue Office. It was recorded that in 2020, the number of objects increased by 2,107,012 with a growth of 25,626 compared to 2019, with the number of services reaching 138,364. The number of PBB-P2 objects increased in 2021 by 2,120,277, with a growth of 13,265 compared to 2020, and the number of services reached 103,461. This means that the implementation officers are deemed optimal in achieving the goals of implementing the PBB-P2 incentive policy applied according to SOP, as evidenced by the increased growth of PBB-P2 tax objects in 2021 compared to 2020.

On the other hand, problems related to the potential of PBB-P2 taxes that have not been optimized were found, one of which is on Pulau Maju, located in the
reclamation area in North Jakarta. Pulau Maju is one of the reclamation islands opened to the public, and its management is assigned to one of the regional-owned enterprises owned by the Jakarta Provincial Government through Governor Regulation No. 153/2018. Socialization as one way to educate about tax rules and procedures until now to pay tax obligations by taxpayers. The increasing intensity of socialization has an impact on increasing understanding and awareness to comply with them (Zagita & Marlinah, 2022). Digitalization from attribution theory motivates taxpayers to submit their tax reports online, which can facilitate the digital tax service procedure. The increasing digital service in the tax sector affects taxpayer compliance (Fitria et al., 2022). This indicates the problem found related to the potential of PBB-P2 taxes that have not been optimized, one of which is on Pulau Maju, located in the reclamation island area in North Jakarta, in the implementation of the PBB-P2 policy is influenced by tax socialization and service digitalization. The broader tax socialization carried out through optimal digital service implementation can increase PBB-P2 taxpayer compliance.

**Accuracy of Targets**

Accuracy of targets, according to Nugroho (2018), relates to the extent to which the intervened targets align with the planned ones and do not overlap, with targets being ready for intervention and supporting the implementation of the policy being carried out. The targets referred to in this study are the PBB-P2 taxpayers in the Revenue Office Districts of North Jakarta and Thousand Islands Regency as the target group of the policy intervention through socialization and online-based PBB-P2 tax services in order to promote compliance with PBB-P2 taxpayers.

Tax socialization is an educational activity aimed at ensuring that the community, especially taxpayers, is aware of tax regulations and procedures using appropriate methods (Rimawati cited in Ristyani & Dewi, 2021). Tax socialization and services have a positive impact, making PBB-P2 taxpayers in DKI Jakarta compliant (Zagita & Marlinah, 2022). The implementation of information technology is seen to increase productivity levels related to tax collection and administration, especially in the online submission and reporting of tax returns by taxpayers, which is inversely related to tax planning and implementation by tax administrative agencies. The application of information technology in registering eligible and potential taxpayers can provide insights into efficiency in tax planning and implementation, ultimately ensuring ease in tax collection (Olatunji & Ayodele, 2017).

Based on records from Bapenda DKI, it can be seen that an increase in the determination of PBB-P2 may occur due to the determination of the Tax Object Sales Value (NJOP) of PBB-P2 conducted each tax year, resulting in increased tax payment obligations. This is reflected in the number of PBB-P2 tax bills (SPPT) from the tax years 2015 to 2019, as shown below.
Table 4 Determination of PBB-P2 in Tax Years 2015 – 2019

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Number of SPPT</th>
<th>Amount of PBB-P2 Determination</th>
<th>Percentage SPPT Determination of PBB-P2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,976,102</td>
<td>7,782,004,047.722</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>2,007,344</td>
<td>8,148,616,549.939</td>
<td>1,58% 4,71%</td>
</tr>
<tr>
<td>2017</td>
<td>2,024,680</td>
<td>8,997,129,723.036</td>
<td>0,86% 10,41%</td>
</tr>
<tr>
<td>2018</td>
<td>2,069,976</td>
<td>10,674,463,421,626</td>
<td>2,24% 18,64%</td>
</tr>
<tr>
<td>2019</td>
<td>2,088,865</td>
<td>11,701,015,582,161</td>
<td>0,82% 10,85%</td>
</tr>
</tbody>
</table>

Source: Bapenda DKI Jakarta, processed by the Researcher, 2024

Table 4 shows the number of manually printed SPPTs until 2019, which amounted to 2,088,865 SPPTs, with a growth rate of 0.82% compared to 2,069,976 SPPTs in 2018. The total determination of PBB-P2 in 2019 was Rp. 11,701,015,582,161, with a growth rate of 10.85% compared to Rp. 10,674,463,421,626 in 2018. With the growth in the number of SPPTs and the total determination of PBB-P2, monitoring and control of the online tax registration submissions, initiated by the Jakarta Provincial Government, must be conducted to avoid adverse effects on tax collection planning and implementation. Local governments responsible for tax collection must consider eligible and potential taxpayers regarding the online tax registration process and its suitability to enhance quality performance in tax administration and encourage increased online tax reporting activities (Olatunji & Ayodele, 2017).

The accuracy of targets intervened through the implementation of the PBB-P2 tax incentive policy shows that PBB-P2 taxpayers as the intervened targets can support the optimization of achieving the objectives of the PBB-P2 tax incentive policy. This is evident from the increasing number of manually printed SPPTs until 2019, which will continue to increase in 2021 and 2022. This indicates that the targets are ready for intervention through socialization and online services to achieve the objectives of the PBB-P2 tax incentive policy in DKI Jakarta, particularly in the Revenue Office Districts of North Jakarta and Thousand Islands Regency. This signifies that the implementation of the PBB-P2 tax incentive policy through tax socialization and digitalized services together can impact the level of compliance of PBB-P2 taxpayers in the Revenue Office Districts of North Jakarta and Thousand Islands Regency.

CONCLUSION

Based on the analysis and discussion results, it can be concluded that the factors influencing taxpayer compliance in the implementation of the PBB-P2 policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency, viewed from the dimension of policy accuracy, indicate that the application of the PBB-P2 incentive policy lacks optimal contribution from the realization of PBB-P2 revenue during the implementation of the incentive policy in the Revenue Office Districts of North Jakarta and Thousand Islands Regency during the period of 2021 and 2022. This suggests that the tax incentive policy has limited impact on
increasing taxpayer compliance with PBB-P2 in the Revenue Office Districts of North Jakarta and Thousand Islands Regency.

Looking at the dimension of implementation accuracy, problems related to the untapped potential of PBB-P2 taxes, one of which is in Pulau Maju located in the reclamation area of North Jakarta, are found in the implementation of the PBB-P2 policy influenced by tax socialization and service digitalization. The broader the tax socialization conducted through optimal service digitalization, the higher the compliance of PBB-P2 taxpayers. Viewing from the dimension of target accuracy, in the implementation of the PBB-P2 incentive policy through tax socialization and service digitalization together, it can affect the level of compliance of PBB-P2 taxpayers in the Revenue Office Districts of North Jakarta and Thousand Islands Regency.

REFERENCES


Factors Influencing Taxpayer Compliance In The Implementation Of The Land And Building Tax (Pbb-P2) Policy In The Revenue Office Districts Of North Jakarta Administrative City And The Thousand Islands Regency