
ADVOCACY PROCESS FOR RURAL AND URBAN LAND AND BUILDING TAX POLICIES IN KURIPAN VILLAGE, PURWODADI DISTRICT

Faiq Najib Hasan^{1*}, Retno Sunu Astuti², R. Slamet Santoso³
FISIP, Universitas Diponegoro^{1,2,3}
Email: faiqnh12@gmail.com, faiqnh12@students.undip.ac.id

ABSTRACT

Regulations regarding Land and Building Tax (PBB) have been regulated in Law Number 12 of 1985 which was later amended by Law Number 12 of 1994 concerning Land and Building Tax. PBB-P2 is a tax imposed on land and/or buildings owned, controlled, or utilized by individuals or entities, except for the plantation, forestry, mining, and public facilities sectors. Awareness of paying taxes is considered a form of commitment from the community as taxpayers. This study analyzes the PBB-P2 policy advocacy process in Grobogan Regency and analyzes its supporting and inhibiting factors, with a special focus on Kuripan Village. This study uses a qualitative descriptive method with an inductive approach, through direct observation, in-depth interviews and analysis of supporting documents. Interviews were conducted with related parties such as the Purwodadi Sub-district Head, the Head of Kuripan Village, PBB-P2 Collecting Officers, and Taxpayers. The results of the study show that although this policy has yielded positive results, there are still challenges such as lack of communication and socialization, delays in the distribution of SPPT and low level of public understanding. Innovations such as payments by mobile banking, PBB-P2 Payment Posts, and PBB-P2 intensification have been implemented, but they are still not optimal. Intensive communication with stakeholders, continuous socialization, and policy support can improve the optimization of PBB-P2 and contribute to increasing the Realization of PBB-P2 Revenue in Kuripan Village and contribute to the Regional Original Revenue (PAD) in Grobogan Regency.

KEYWORDS

PBB-P2, Policy Advocacy, Revenue Realization



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How to cite:

E-ISSN:

Published by:

Faiq Najib Hasan, Retno Sunu Astuti, R. Slamet Santoso. (2024). Advocacy Process for Rural and Urban Land and Building Tax Policies in Kuripan Village, Purwodadi District. Journal Eduvest. *Vol 4* (12): Page 11896-11904

2775-3727

<https://greenpublisher.id/>

INTRODUCTION

Rural and Urban Land and Building Tax (PBB-P2) is one of the fundamental components in the tax system in Indonesia (Akmal et al., 2022). This tax is imposed on land and/or buildings owned, controlled, or utilized by individuals or legal entities, with exceptions for land and buildings used for plantations, forestry, mining, and public facilities (Hughes et al., 2020). The existence of PBB-P2 is very important because it is the backbone of regional original revenue (PAD), which plays a significant role in supporting regional development (Kurniawan et al., 2024). The government views PBB-P2 as a strategic instrument to increase regional revenue to finance various development programs, especially in the provision of infrastructure and public services (Momongan et al., 2021). In this context, public understanding and compliance with tax obligations is crucial to achieve this goal (Susilawati et al., 2023).

The implementation of PBB-P2 requires a land registration system or cadastral that covers various aspects, both fiscal, social, economic, legal, and environmental related to land and its owners (Kalkuhl et al., 2018). Thus, this tax not only has a fiscal nature, but also serves as a tool for managing and regulating land use (Putra & Mahiswara, 2024). In the context of regional development, community involvement as taxpayers (WP) is very necessary to support smooth tax payments, so that all development activities can run well (Indriasih et al., 2023). The success of the implementation of PBB-P2 can be seen from how effectively the public understands and implements their obligations, as well as how well the government manages the existing tax system.

The increase in the population and the increasing need for housing also have an impact on PBB-P2 revenues. The increase in the selling value of land and buildings is in line with the increase in population, reflecting the potential for greater tax revenue (Kosasi & Barus, 2017). However, to achieve this potential, it is necessary to increase public awareness and compliance with tax obligations. The PBB-P2 collection mechanism uses *the Official Assessment System*, where the amount of tax payable is calculated and determined by the tax officer (Budhiartama & Jati, 2016). Community involvement in understanding this mechanism is the key to increasing the realization of regional tax revenues.

Regulations on PBB-P2 have been regulated in Law Number 12 of 1985 and its amendments in Law Number 12 of 1994, the implementation of PBB-P2 still faces various challenges. In Grobogan Regency, for example, the level of community compliance with PBB-P2 payments is still not optimal. Some of the obstacles that cause this include a low level of awareness, a lack of effective socialization, and weak incentives for tax collectors. This condition resulted in tax revenues not reaching the expected target. In this case, a more structured and systematic approach in conveying information to the public about PBB-P2 is urgently needed (Ayuningsekar et al., 2023).

Kuripan Village, as one of the urban areas that has a significant target for the realization of PBB-P2 revenues, also faces similar challenges. To overcome this problem, more intensive policy advocacy efforts are needed, both through education to the public and improvements in the tax law management and enforcement system (Rosenbloom et al., 2022). This advocacy must be carried out

with a participatory approach, where the community is involved in the policy formulation process related to PBB-P2 (Saputra et al., 2022). With the right advocacy, it is hoped that the implementation of PBB-P2 in Kuripan Village and Grobogan Regency in general can run more effectively and make a maximum contribution to regional development.

Policy advocacy plays an important role in every stage of the public policy process, from formulation to evaluation, and is greatly influenced by social, political, and economic dynamics (Kraft & Furlong, 2019). According to Thomas R. Dye (1969), public policy is any action that the government chooses, both done and not done, to regulate various aspects of people's lives. This advocacy process aims to fight for the interests of the community by actively influencing the decision-making process. Therefore, it is important to understand how the advocacy process can increase public awareness and participation in tax obligations (Thelma, 2024). In the context of policy advocacy, there are various supporting factors that can increase the effectiveness of these advocacy efforts (Chhetri & Zacarias, 2021). One of the main factors is public support, which includes public awareness and participation in the decision-making process. In addition, the involvement of relevant parties, such as local governments, civil society organizations, and other stakeholders, is also very important to create strong synergies in advocacy efforts. With this support, policy advocacy will be easier to accept and implement.

On the other hand, policy advocacy cannot be separated from the challenges and obstacles that may arise. These obstacles can come from a variety of sources, including constitutions that set certain limits, existing systems that may not support change, and a lack of human resources with adequate competence and skills (Handayani et al., 2015). These challenges can be a significant obstacle in driving desired public policy changes. Therefore, it is important to formulate and implement the right strategies to overcome these various obstacles. With planned measures, advocacy can run more effectively and encourage policy changes that are more responsive and adaptive to the needs of the community. This is particularly relevant in the context of the Rural and Urban Land and Building Tax (PBB-P2), which is an important tax that must be paid every year. PBB-P2 has a repayment deadline set until September 30 every year. Therefore, increasing public awareness and compliance with this obligation is urgently needed to ensure the achievement of the expected tax revenue target.

The author will conduct an in-depth study in this study about the PBB-P2 policy advocacy process that takes place in Kuripan Village. This research will focus on the challenges faced in the implementation of this policy as well as supporting factors that can be used to improve the effectiveness of advocacy. With a comprehensive approach, this research is expected to provide meaningful insights into the role of policy advocacy in increasing public awareness and compliance with tax obligations. In addition, this research will also discuss how advocacy can contribute to supporting sustainable regional development.

Through this research, it is hoped that various strategies and concrete steps that can be taken will be identified to increase public awareness of the importance of PBB-P2 payments and strengthen the tax management system in Kuripan Village. The authors hope that the findings of this study will not only make an

academic contribution to the development of science, but also provide practical solutions for the development of better and more inclusive tax policies in the regions. Thus, this research is expected to be a reference for related parties in formulating policies that are more effective and oriented to the needs of the community.

RESEARCH METHOD

The research method applied in this study uses a comprehensive analytical approach, with qualitative descriptive methods as the main basis. This approach focuses on in-depth data collection and analysis, to produce a rich picture of the PBB-P2 policy advocacy process in Kuripan Village. The research was carried out in Kuripan Village, Purwodadi District, Grobogan Regency. In the implementation of the research, the author plays the role of the main instrument, responsible for collecting data and conducting interviews with various key informants, such as the Sub-district Head, Village Head, PBB-P2 collection officers, and taxpayers. Various auxiliary tools, such as voice recordings, photo documentation, and documents related to the UN-P2 policy, are used to support the validity of the data obtained.

The data collection process involves several techniques, including direct observation of conditions in the field, in-depth interviews to explore the perspective of informants, and documentation as supporting evidence. The collected data is then systematically analyzed through the stages of qualitative data analysis, which includes data condensation, data presentation in narrative form, and data verification to ensure the accuracy and validity of the conclusions produced. With a clear presentation of the methods, places, times, tools, and techniques of data collection, it is hoped that this research can make a significant contribution to the understanding of PBB-P2 policies and its advocacy process in Kuripan Village. This methodological approach is designed to obtain in-depth and relevant research results, so that it can provide meaningful insights for further policy development. This research is expected to be able to explain the challenges and opportunities faced in the advocacy process, as well as provide recommendations for policy improvements that are more effective and responsive to the needs of the community.

RESULT AND DISCUSSION

A. Analysis of the PBB-P2 Policy Advocacy Process in Kuripan Village

The advocacy process for the Rural and Urban Land and Building Tax (PBB-P2) policy in Grobogan Regency is an important instrument to support regional revenue. This policy plays a strategic role in improving community welfare through sustainable development. However, its implementation is often faced with various challenges, especially in the timely delivery of information and public compliance with tax payment obligations.

One of the main challenges in Kuripan Village is the delay and inaccuracy in the submission of Tax Payable Returns (SPPT) to taxpayers. This led to confusion

regarding the amount of taxes and payment deadlines, which ultimately hampered compliance targets. Although Grobogan Regent Regulation Number 63 of 2022 has regulated the PBB-P2 mechanism, including the flexibility of payment channels and the active role of the village government, problems in the field such as the lack of incentives for collection officers are still a significant obstacle.

In the last ten years, the realization of PBB-P2 revenue in Kuripan Village has shown fluctuations influenced by the level of public awareness, the effectiveness of information delivery, and the performance of tax collectors. Based on the following data:

**Table 1. PBB-P2 Revenue Realization Data in Kuripan Village
Year 2013 to 2023**

Year	Standard Stipulation	Realization	Receivables	Percentage
2013	Rp285.638.418	Rp171.661.811	Rp113.976.607	60%
2014	Rp311.857.203	Rp166.304.572	Rp145.552.631	53%
2015	Rp324.833.341	Rp189.298.568	Rp135.534.773	58%
2016	Rp338.686.193	Rp179.769.074	Rp158.917.119	53%
2017	Rp378.868.269	Rp225.248.513	Rp153.619.756	59%
2018	Rp379.676.472	Rp237.027.974	Rp142.648.498	62%
2019	Rp473.496.438	Rp314.972.553	Rp158.523.885	67%
2020	Rp517.446.897	Rp315.425.340	Rp202.021.557	61%
2021	Rp564.981.390	Rp388.031.058	Rp176.950.332	69%
2022	Rp607.306.608	Rp431.130.236	Rp176.176.372	71%
2023	Rp687.534.082	Rp479.493.415	Rp213.006.825	70%

Source : <https://sipada.bppkad.grobogan.go.id/office/>

This table shows a significant increase in the Standards of Stipulations from 2013 to 2023. However, the percentage of realization of receivables varies, with the highest peaks in 2022 (71%) and 2023 (70%). The increase in tax realization shows the positive impact of policy advocacy efforts, including the *PBB-P2 Payment Post* program which makes it easier for citizens to pay their taxes. Even so, tax receivables remain a challenge that must be overcome. The PBB-P2 policy advocacy strategy in Kuripan Village needs to combine improvements in information delivery, increased socialization through collaboration with RT/RW and community leaders, and the use of technology to distribute SPPT more efficiently, such as through WhatsApp Groups.

Digitalization in tax services, such as those implemented in some regions, has been proven to improve payment efficiency. However, obstacles to technological adaptation, especially for the elderly, require a more humanistic approach to direct socialization. This combination of technology and social approach will be the key to improving tax compliance in Kuripan Village.

An evaluation of the implementation of PBB-P2, especially in Kuripan, shows that this policy has a significant impact on regional development. With improved communication, incentives for collection officers, and more intensive socialization, PBB-P2 policies are expected to run more efficiently and sustainably, and contribute directly to the welfare of the community.

B. Supporting and Inhibiting Factors of the PBB-P2 Advocacy Process in Kuripan Village

Analysis of supporting factors in the PBB-P2 policy advocacy process in Kuripan Village shows that several aspects have an important role in the successful implementation of this policy. These factors include support from the local government, the existence of the PBB-P2 Payment Post program, and the active involvement of RT/RW in socializing policies.

The support provided by the Grobogan Regency Regional Government, especially through the Regional Revenue, Finance, and Asset Management Agency (BPPKAD), is a fundamental element in the PBB-P2 policy advocacy process. BPPKAD consistently provides accurate data and resources needed to strengthen collaboration with other stakeholders. This inclusive approach allows for the identification and resolution of problems, such as difficulties in tax collection and distribution of SPPT, more quickly and efficiently. In addition, BPPKAD also took the initiative to conduct direct visits to delinquent taxpayers, in order to accelerate the realization of tax revenues in Kuripan Village. This door-to-door effort has proven to be effective in solving tax payment problems and increasing taxpayer participation.

The PBB-P2 Payment Post Program spread across 23 RWs in Kuripan Village also makes a significant contribution to increasing community participation in tax payments. This program makes it easier for residents to access in carrying out their tax obligations, overcoming distance constraints that are often obstacles. With the existence of payment posts in strategic locations, people not only have an easier time paying taxes, but also become more aware of the importance of PBB-P2. This increase in participation can be seen from the increase in the taxpayer compliance rate from 29% to 39.39% after the program was implemented. In addition, the number of tax receivables has also been reduced from IDR 524,176,501 to IDR 447,457,961, showing a positive impact from the implementation of the program. In other words, this program not only makes it easier for the community to pay taxes, but also strengthens the capacity of local governments in carrying out their duties for the welfare of the community. As a further illustration, the following is presented data on the realization of PBB-P2 receipts before and after the implementation of the PBB-P2 Payment Post program in Kuripan Village:

Table 2. PBB-P2 Revenue Realization Data before the PBB-P2 Payment Post Program in 2024

No	Area name	Number of Tuition fees	Ordinances	Acceptance		Receivables	%
				Pokok	Fine		
1	Kuripan	7481	738.296.483	214.119.982	0,00	524.176.501	29,00

Sumber: <https://sipada.bppkad.grobogan.go.id/office/>

The data describes the condition of PBB-P2 receipts in Kuripan Village in the period from February 13 to July 31, 2024. In this period, tax revenue only reached IDR 214,119,982 out of a total stipulation of IDR 738,296,483, with a compliance rate of 29%. The large amount of tax receivables shows the need to increase public awareness in fulfilling their tax obligations. After the implementation of the PBB-P2 Payment Post program, there was a significant increase in tax revenue. The following is the data on the realization of receipts after the implementation of the program:

Table 3. PBB-P2 Revenue Realization Data after the PBB-P2 Payment Post Program in 2024

No	Area name	Number of tuition fees	Ordinances	Acceptance		Receivable s	%
				Base	Fine		
1	RIFLE	7481	738.296.483	290.838.5	0,0	447.457.9	39,3
			83	22	0	61	9

Sumber: <https://sipada.bppkad.grobogan.go.id/office/>

Data as of August 2024 shows that tax revenue increased to 39.39%, and the number of receivables decreased significantly. This increase shows the effectiveness of the PBB-P2 Payment Post in increasing the realization of tax revenue in Kuripan Village. In addition, the active involvement of RT/RW in socializing the PBB-P2 policy is also a significant supporting factor. They play a key role in disseminating information to the public about the importance of paying taxes and their benefits for regional development. Initiatives such as citizen meetings, announcements through communication media, and direct socialization help strengthen people's understanding of their tax obligations. The synergy between the local government, the Payment Post program, and the active role of RT/RW has created an environment that supports the success of PBB-P2 policy advocacy in Kuripan Village. This strong collaboration between the government and the community is very important in increasing tax awareness and supporting sustainable regional development.

The PBB-P2 policy advocacy process in Kuripan Village faces several obstacles despite significant supporting factors. One of the main obstacles is the lack of clarity in regulations regarding incentives for tax collectors. Without adequate incentives, officers' work motivation decreases, which has an impact on the accountability and transparency of tax collection. Lack of coordination and communication between stakeholders is also a problem, with technical challenges such as the printing of double SPPT and difficulties in adapting tax payment technology. In addition, limited human resources and officers' knowledge of

policies contribute to low advocacy effectiveness. The inadequate economic condition of the community is another inhibiting factor, where many low-income residents prioritize basic needs over PBB-P2 payments. To increase the effectiveness of PBB-P2 advocacy, several recommendations can be put forward: first, the village government needs to increase socialization through various communication channels; second, the integration of information technology for SPPT distribution and payment monitoring; Third, evaluate incentive policies for tax collectors to improve their motivation and performance. These strategic steps are expected to improve the PBB-P2 advocacy process, increase community compliance, and have a positive impact on regional development.

CONCLUSION

An analysis of the PBB-P2 policy advocacy process in Kuripan Village shows significant progress; despite facing a number of challenges, such as delays in the submission of SPPT and minimal public understanding. The innovation of the PBB-P2 Payment Post Program and digital payment systems, such as *mobile banking*, has helped but has not been fully accepted by taxpayers in Kuripan Village. Therefore, there needs to be an increase in effective communication and socialization through RT/RW to educate the public about community tax obligations. The advocacy efforts carried out show that collaboration between the government, community leaders, and residents is very important. Strategies that focus on public awareness and improving information distribution can overcome various existing obstacles. Although the mobilization of PBB-P2 policies is still not optimal, especially related to the timely and accurate submission of SPPT, an interactive and humanist approach in communication needs to be improved to build a better relationship between tax collectors and the community. The importance of evaluating the policy of providing incentives for PBB-P2 collectors is also in the spotlight. Clearer policies and support from local governments are urgently needed to increase the motivation of officers, so that it has positive implications for public compliance with tax obligations. Overall, the sustainability of PBB-P2 policy advocacy in Kuripan Village must be supported by effective communication, continuous socialization, and relevant policy adjustments to maximize benefits for the community and strengthen sustainable regional financial management.

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