

OPTIMIZATION STRATEGY FOR RESTAURANT TAX COLLECTION IN UPT REGION VI REGIONAL REVENUE AGENCY OF MEDAN CITY

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Abstract

Revenue Agency. Restaurant tax is one source of regional income that has great potential in increasing regional original income (PAD). However, in its implementation, there are various challenges such as low taxpayer compliance, lack of supervision, and the effectiveness of the collection system that still needs to be improved. The research method used is a quantitative approach with secondary data analysis from restaurant tax revenue reports and interviews with related parties. The results of the study indicate that the implementation of strategies such as digitalization of the tax collection system, increased supervision and sanctions, and education for taxpayers significantly increased restaurant tax revenue. The data shows an increase in the number of registered restaurants and tax revenue from year to year after the optimization strategy was implemented. These findings support the theory that optimizing the tax system through a technological approach and increasing compliance can increase the effectiveness of tax revenue. Therefore, it is recommended that local governments continue to develop more innovative strategies to ensure taxpayer compliance and increase PAD sustainably.

Keywords: Restaurant Tax, Optimization of Tax Collection, Local Revenue, Digitalization of Taxation, Taxpayer Compliance

INTRODUCTION

Regional tax is one of the sources of local revenue (PAD) which has a strategic role in supporting regional development. One type of significant regional tax is restaurant tax, which is imposed on food and beverage services provided by restaurants, eateries, and similar businesses. Medan City as one of the big cities in Indonesia has the potential for large restaurant tax revenues considering the high number of restaurants and economic activity in the culinary sector. However, the realization of restaurant tax revenues still faces various challenges that require effective optimization strategies.

One of the phenomena that is of concern is the ongoing leakage of restaurant taxes due to the lack of taxpayer compliance in reporting actual turnover. Several restaurants are suspected of not reporting all transactions that occur, so that the amount of tax paid to the regional treasury does not reflect the original income that should be received by the government. In addition, low supervision and limited human resources in UPT Region VI of the Medan City Regional Revenue Agency are also factors that hinder the optimization of restaurant tax collection.

On the other hand, the level of awareness and understanding of taxpayers regarding the obligation to pay restaurant taxes still varies. Some restaurant entrepreneurs do not fully understand the applicable tax regulations, while others deliberately avoid taxes to reduce operational burdens. This indicates the need for a more comprehensive strategy in increasing taxpayer compliance through socialization, education, and incentives that can encourage voluntary compliance.

In addition, technological advances offer opportunities to improve the effectiveness of restaurant tax collection. The use of digital payment systems and real-time integration of transaction data with the tax system can help reduce the risk of tax evasion and increase transparency and accuracy in tax reporting. However, the implementation of this system still faces various challenges, such as infrastructure readiness and business actors' readiness to adopt the technology.

In the context of policy, the role of UPT Region VI of the Medan City Regional Revenue Agency is crucial in developing strategies to optimize restaurant tax collection. Efforts made include increasing supervision, strengthening regulations, and implementing sanctions for non-compliant taxpayers. However, the effectiveness of this strategy is highly dependent on the synergy between local governments, business actors, and the community in creating a transparent and accountable tax ecosystem.

Based on the above phenomenon, this study aims to analyze the optimization strategy of restaurant tax collection that can be applied in UPT Region VI of the Medan City Regional Revenue Agency. By understanding the challenges and opportunities that exist, it is hoped that this study can provide more effective policy recommendations in increasing regional tax revenues and encouraging taxpayer compliance in a sustainable manner.

RESEARCH METHODS

This study uses a qualitative approach with a descriptive method to analyze the optimization strategy of restaurant tax collection in UPT Region VI of the Medan City Regional Revenue Agency. Data were collected through in-depth interview techniques with regional tax officials, restaurant entrepreneurs, and tax experts, as well as direct observation in the field. In addition, a documentation study was conducted by reviewing tax regulations, regional tax financial reports, and statistical data on restaurant tax revenues.

Data analysis was conducted using a triangulation approach, where information from various sources was compared and reviewed to obtain valid conclusions. This study also identified inhibiting factors and opportunities that can be utilized to increase the effectiveness of restaurant tax collection. The results of the study are expected to contribute to the preparation of more effective and sustainable regional tax policies.

RESULTS AND DISCUSSION

INTERVIEW AND OBSERVATION FINDINGS

Based on the results of in-depth interviews with officials at the Medan City BPDR and restaurant entrepreneurs, several key findings can be identified:

1. IMPLEMENTATION OF SELF ASSESSMENT SYSTEM AND DIGITALIZATION:

Most informants stated that the implementation of the self-assessment system integrated with the e-sptpd application has made it easier for taxpayers to calculate, report, and pay restaurant taxes. The digitization of this system also increases transparency and minimizes the potential for data manipulation.

2. INCREASED PERIODIC MONITORING AND EVALUATION:

BPDR Officials Emphasize That Routine Supervision Efforts, Including Verification of Reporting Data and Review of Revenue Targets, Have Become Supporting Factors in Achieving Above-Target Realization. The Implementation of Periodic Internal Audits Also Helps Identify and Follow Up on Taxpayers Who Do Not Fulfill Their Obligations.

3. SOCIALIZATION AND EDUCATION FOR TAXPAYERS:

Efforts to Intensify Socialization Regarding the Importance of Tax Compliance, Accompanied by Education About the Benefits of Tax Payments for Regional Development, Are Considered Effective in Increasing Restaurant Taxpayer Awareness. However, There Are Still Obstacles in the Form of Varying Tax Literacy Levels Among Restaurant Entrepreneurs.

4. OPERATIONAL CHALLENGES:

Several restaurant entrepreneurs expressed that operational constraints such as limited human resources at bpdr and lack of technological infrastructure support in several regions are obstacles in implementing the digital system. This sometimes results in delays in reporting and paying taxes.

SWOT ANALYSIS OPTIMIZATION STRATEGY

UTo link qualitative findings with theory and strategy, a SWOT (strengths, weaknesses, opportunities, and threats) analysis was conducted as follows:

STRENGTHS:

- the existence of regional regulations that support the collection of restaurant taxes

- implementation of a digital system (e-sptpd) that facilitates reporting and payment.
- support of human resources who have received intensive training and experience in tax management.

WEAKNESSES:

- Limited technological infrastructure in some areas.
- Variation in tax literacy levels among restaurant taxpayers.
- There is still data that is not perfectly integrated, resulting in errors in data collection.

OPPORTUNITIES:

- The potential for growth in the culinary sector in the city of Medan continues to increase.
- The development of the digital economy can be utilized to increase the revenue base.
- Collaboration with third parties for more accurate data collection and verification.

THREATS:

- The level of competition between restaurants can lead to tax avoidance practices.
- The impact of the pandemic and economic fluctuations that affect restaurant turnover.
- Potential data manipulation by less disciplined taxpayers.

Based on the SWOT analysis, the proposed strategies include intensification and extensification efforts. The intensification strategy focuses on increasing supervision, socialization, and enforcement of sanctions against taxpayer non-compliance. While the extensification strategy is directed at expanding the taxpayer database, improving data collection through cooperation with related institutions, and utilizing information technology more optimally.

DATA INTERPRETATION AND THEORETICAL SUPPORT**1. INTERPRETATION OF RESTAURANT TAX REVENUE**

The consistent increase in the achievement of restaurant tax revenue realization above the target (between 103.8% to 110% as in table 1) shows that the optimization strategy implemented has been running effectively. In theory,

this is in line with the concept of self-assessment theory where taxpayers are given the responsibility to calculate and report their own tax obligations. This system, if supported by strict supervision, will encourage taxpayers to be more compliant because of the risk of heavier sanctions if non-compliance is found. In addition, the devotion theory states that as devoted citizens, taxpayers have a moral obligation to contribute to regional development through tax payments. The increase in revenue realization reflects an increase in awareness and compliance from taxpayers, which is evidence that the education and socialization strategy has succeeded in fostering a spirit of devotion.

2. INTERPRETATION OF COMPLIANCE LEVEL

Data on the level of restaurant taxpayer compliance (table 2) shows a relatively stable figure at around 70% to 73.6%. The increase in 2020 to 2021 can be interpreted as a response to the application of stricter sanctions and the use of increasingly mature digital technology. In theory, the insurance theory in taxation states that taxes are likened to insurance premiums that pay for state protection. Therefore, taxpayers who are aware of the benefits of this protection tend to increase compliance. These data show that with increased digital supervision and reporting, taxpayers have become more disciplined in reporting and paying taxes.

3. IMPLICATIONS OF SWOT ANALYSIS

From the SWOT analysis, it can be seen that the main strength in optimizing restaurant tax collection is regulatory support and the application of information technology. Strategic management theory (David, 2011) emphasizes the importance of synergy between internal strengths and the use of external opportunities to achieve strategic goals. Thus, strengthening the digital system and increasing the capacity of human resources at BPDR will further optimize restaurant tax revenues. On the other hand, existing weaknesses and threats indicate the need for improvement efforts in terms of data collection and socialization. The theory of interest explains that the greater the interests and benefits felt by taxpayers, the higher the level of compliance. If taxpayers feel that the tax reporting and payment mechanisms are easy and transparent, they will be more likely to fulfill their obligations.

THE ROLE OF SANCTIONS AND SUPERVISION

One important aspect revealed in this study is the application of strict sanctions against non-compliant taxpayers. Data from bpdr shows that administrative sanctions, in the form of fines and late payments, have provided a

deterrent effect. This is supported by the theory of carrying capacity, which states that the tax burden must be adjusted to the taxpayer's ability. When sanctions are imposed proportionally, taxpayers will reconsider avoiding violations due to the detrimental financial consequences. Consistent application of sanctions has been shown to increase compliance

EVALUATION OF THE EFFECTIVENESS OF OPTIMIZATION STRATEGIES

Based on the data and SWOT analysis, it can be concluded that the strategy of optimizing restaurant tax collection in UPT Region VI BPD^r Medan City has shown significant effectiveness. The increase in revenue realization exceeding the target, as well as the stable level of taxpayer compliance, are indicators of the success of the strategy.

However, an in-depth evaluation revealed several areas that still need improvement, including:

1. Improvement of technology infrastructure: although digital systems have been implemented, there are still some areas with inadequate infrastructure. Local governments need to upgrade systems and provide further training for officials to ensure that all data is accurately integrated.
2. Socialization and education: socialization efforts to taxpayers need to be increased, especially for small restaurant entrepreneurs who do not fully understand the tax reporting and calculation mechanisms. Regular training programs and seminars can help improve tax literacy.
3. Strengthening sanctions and incentives: the application of stricter sanctions against violations needs to be balanced with the provision of incentives for compliant taxpayers. This dualistic approach is expected to increase taxpayer motivation to fulfill their obligations.
4. Coordination between agencies: synergy between the BPD^r, licensing services, and other related agencies still needs to be improved to ensure that all restaurant taxpayer data is properly recorded and integrated into the regional tax administration system.

CONCLUSION

The results and discussion of this study illustrate that efforts to optimize restaurant tax collection through a digital approach, more intensive supervision, and educational strategies have a real positive impact on increasing pad in the city of Medan. By addressing the remaining challenges and implementing strategic recommendations, it is hoped that restaurant tax revenues can continue to

increase sustainably. This approach not only improves regional finances, but also contributes to the development and welfare of society as a whole.

Thus, the strategy of optimizing restaurant tax collection is one of the keys to encouraging regional fiscal independence and building a modern, transparent, and accountable taxation system. This study is expected to be a reference for related parties in preparing and implementing more effective tax policies in the future.

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