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ANALYSIS OF THE EFFECT OF HOTEL TAX, RESTAURANT TAX AND RECLAME TAX ON REGIONAL ECONOMIC GROWTH OF NORTH TORAJA DISTRICT

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Abstract

This study aims to test and analyze the analysis of the effect of hotel taxes, restaurant taxes and advertisement taxes on the economic growth of North Toraja Regency. This research is a causal research. This study uses a quantitative data analysis approach to a number of variables which will be determined later using descriptive statistics. This study uses secondary data from the annual time series for the 2009-2018 period. The data used are obtained from several sources. Economic growth data were obtained from BPS North Toraja Regency. Hotel tax, restaurant tax and advertisement tax data were obtained from the North Toraja Regency Regional Revenue Agency and the North Toraja Regency Regional Financial and Asset Management Agency. In observing the effect of hotel tax, restaurant tax and advertisement tax on the economic growth of North Toraja Regency, this study uses the Ordinary Least Square (OLS) estimation method. The variables in this study are hotel tax, restaurant tax and advertisement tax, advertisement tax, and economic growth. The results in this study concluded that hotel tax revenue, restaurant tax and advertisement tax have an influence on economic growth in North Toraja Regency.

KEYWORDS: Hotel Tax, Restaurant Tax, Advertisement Tax, and Economic Growth.

Introduction:-

The role of taxation in influencing economic growth is not only a major concern for policy makers, tax specialists and administrators but has long been of interest to academics and researchers. The neoclassical growth model of Solow (1956) and Swan (1956) shows that steady state growth is not influenced by tax policy in the sense that taxation policy has no impact on economic growth in the long run. However, endogenous growth theory suggests that government spending and tax policy have an impact on long-term or permanent economic growth (Romer, 2010).

The success of tax reforms in various regions is marked by the increase in tax revenue which in turn will have an impact on increasing economic growth. This is in accordance with Gebreegziabher (2018) that tax revenue has a positive impact on economic growth. However, according to Mdanat (2018) that the increase in tax revenue does not always lead to an increase in economic growth. This can occur because the tax revenue is used to finance non-productive expenditures. If tax revenue is used to finance productive activities or projects, it will have a positive impact on the economic growth of a region or country.



Figure 1 Realization of Hotel, Restaurant and Advertising Taxes and North Toraja Economic Growth in 2011-2018

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The local government of North Toraja Regency is one of the regions that is experiencing low fiscal capacity. This low capacity indicates a low level of regional independence, which is still very dependent on transfers from the central government so that the regions are required to optimize their potential income and one of them is by providing a larger portion of regional spending for productive sectors. In 2011-2018, North Toraja Regency's regional revenue was still largely contributed by central government transfers. This is shown by the average portion of the balance funds to total revenue in North Toraja Regency which reached 76.5 percent, which is higher than the average portion of PAD to total income which only reached 3.8 percent.

In an effort to increase PAD in North Toraja Regency, the government still relies on revenue from hotel, restaurant and advertisement taxes. **Figure 2** shows that the contribution of hotel and advertisement taxes to PAD in 2017 was recorded at 2.6 percent and 0.4 percent, respectively, smaller than the previous year. Meanwhile, the contribution of restaurant tax in 2017 reached 3.1 to PAD, greater than the previous year. This shows that the government has not been optimal in increasing the potential for PAD. Thus, local governments need to have an adequate control system to ensure increased revenue in the hotel, restaurant and advertisement tax sector as well as adherence to and adherence to the established management policy mechanisms. In addition, it is necessary to take a persuasive approach and simplify procedures that aim to provide convenience in the hope of increasing compliance with paying from compulsory levies in order to increase the percentage of regional revenue.



Source: BPS, compiled

Figure 2 Contribution of Hotel, Restaurant and Advertising Taxes to the Original Revenue of North Toraja Regency in 2011-2017

Regional income through taxes should be sensitive to the increase in Gross Regional Domestic Product (GRDP). Analysis of the elasticity of local taxes on GRDP conducted by Bappenas in 2003 at the provincial government shows that there are 12 provinces, 41.37 percent, which have an elasticity value greater than 1, which means that every change in GRDP will have a positive and significant impact on changes in local taxes. Meanwhile, in other provinces, changes in GRDP are not sufficient to affect changes in local taxes. It should be assumed that there is an increase in the added value of PDRB that leaves more of the area (Hasnaria, 2008).

The success of achieving the goals of regional autonomy and fiscal decentralization to increase economic growth and reduce inequality between regions is strongly influenced by regional macroeconomic conditions. Given the importance of regional economic growth and the problem of inequality between regions.

Literature Review:-

Regional autonomy

The purpose of granting regional autonomy is to increase the efficiency, effectiveness and accountability of the public sector in Indonesia. With autonomy, regions are required to seek alternative sources of development financing without reducing expectations that there is still assistance and a share (sharing) from the Central Government and using public funds in accordance with the priorities and aspirations of the community.

The provision of regional autonomy is expected to provide flexibility to regions in regional development through efforts that are able to increase active community participation, because basically there are three main missions in relation to the implementation of regional autonomy (Thesaurianto, 2007), namely: (1) Creating efficiency and effectiveness regional resource management; (2) Improve the quality of public services and public welfare; (3) Empowering and creating space for the community to participate (participate) in the development process

Regional Financial Management Oriented in Public Interest

Broadly speaking, regional financial management can be divided into two parts, namely regional revenue management and regional expenditure management. These two components will greatly determine the position of a regional government in implementing regional autonomy. The logical consequence of implementing regional autonomy based on Law GSJ© 2020

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no. 22 of 1999 and Law no. 25 of 1999 led to changes in regional financial management. These changes include the need for budgeting reform or budget reform.

Traditional Budget

The traditional budget is the approach most widely used in developing countries today. There are two main characteristics of this approach, namely: (a) The method of budgeting based on the incrementalism approach and (b) The structure and structure of the line-item budget. Other characteristics inherent in this traditional budget approach are: (c) Tend to be centralized; (d) Is of a specification; (e) Annual; and (f) Using the gross budget principle. The traditional budget structure with these characteristics is not able to reveal the amount of funds spent on each activity, and even the traditional budget fails to provide information about the size of the planned activities. Due to the unavailability of such information, the only measure that can be used for supervisory purposes is the level of compliance with budget use.

New Public Management

The definition of New Public Management (NPM) is a decentralized management system with new management tools such as controlling, benchmarking and lean management. NPM is understood as the privatization of government activities as far as possible (see Gruening, 2001). NPM is generally seen as an approach in public administration that applies the knowledge and experience gained in the world of business management and other disciplines to increase the efficiency and effectiveness of public service performance in the modern bureaucracy. The definition of NPM has undergone various orientation changes (Keban, 2004),

New Public Management (NPM), generally has the following characteristics (see Gruening, 2001): (a) Control which is oriented towards competition by means of separation of authority between the party providing the funds and the party executing the task; (b) Focusing on the effectiveness, efficiency and quality of task implementation; (c) Separation of strategic management from operational management in order delivery and general budgets; (d) executors of private and government orders are treated equally; (e) Efforts to increase directed innovation (as part of a work order) due to the delegation (not just decentralization) of operational management.

Definition of Tax

Tax according to the large Indonesian dictionary is a compulsory levy, usually in the form of money that must be paid by residents as an obligatory contribution to the state or government in connection with income, ownership, purchase price of goods and so on. According to Djajadiningrat (2011) "Taxation is an obligation to hand over part of wealth to the State treasury due to circumstances, events, and actions that give a certain position, but not as punishment, according to regulations set by the government and can be enforced, but there is no service. reciprocity of the State directly, to maintain the general welfare ".

According to Diana (2010) "Taxes are mandatory contributions to the state that are owed by private persons or entities that are compelling based on law, without receiving direct compensation and used for state needs for the greatest welfare of the people". From this opinion, tax is the contribution of taxpayers, both individuals and entities, to the state which is compelling without receiving direct compensation and is used for the welfare of society.

Decentralization or Regional Fiscal Autonomy

Regional fiscal decentralization shows how much local government depends on the central government in financing development. To find out how much the level of dependence is, it is carried out using a measure called the Degree of Fiscal Decentralization with various proxies as research conducted by (Sukanto Reksohadiprojo, 1990).

According to Halim (2004) fiscal decentralization has various advantages, namely (1) increasing grassroots democracy (2) protecting freedom and human rights, (3) increasing efficiency through delegation of authority, (4) improving service quality and (5) increasing economic and social development.

From the above, regional fiscal independence illustrates the ability of local governments to increase local revenue (PAD) such as local taxes, user charges and others. Therefore regional autonomy and regional development can be realized only if accompanied by effective fiscal independence. This means that the regional government must be financially independent from the central government by exploring as much as possible the sources of PAD such as taxes, levies and so on (Radianto, 1997).

Sources of Regional Revenue

In the context of regional autonomy in Indonesia, the budget management process has very broad implications for the implementation of various local government policies, both economically and politically. Each region has a different proportion of financial policy problems, taking into account various factors such as regional financial capacity, social and economic structure of the population, culture, politics and the prevailing regulations of the central government (Halim, 2004). The financial factor is important in every government activity, because there are almost no government activities that do not require money (Kaho, 1997 and Suparmoko, 2002). In relation to this financial position, it is emphasized that local governments will not be able to carry out their functions effectively and efficiently without sufficient costs to provide services to the community and carry out development.

Definition of Local Tax

According to Siahaan (2010) which is quoted from law number 34 of 2000 Article 1 Number 6, Regional Taxes are mandatory contributions made by an individual or entity to the region without a balanced direct compensation, which can be enforced based on the prevailing laws and regulations. , which is used to finance the implementation of regional governance and regional development. Thus, local taxes are taxes set by the regional government by regional regulations (Perda), whose collection authority is exercised by the regional government and the results are used to finance regional government expenditures in carrying out government administration and development in the regions. Because local governments in Indonesia are divided into two, namely the provincial government and district / city governments, which are given the authority to implement regional autonomy, regional taxes in Indonesia are also divided into two, namely provincial taxes and regency and city taxes. According to Mardiasmo (2002) local taxes are mandatory contributions to regions that are owed by private persons or entities that are compelling based on law, without receiving direct compensation and used for regional needs for the prosperity of the people.

Regency and City Regional Tax Objects

The objects of regency and city local taxes are in accordance with Law number 1 of 2011 concerning Hotel Tax, Law number 2 of 2011 concerning Restaurant Tax, Law number 3 of 2011 concerning Entertainment Tax, Law number 4 of 2011 concerning Advertising Tax, Law number 6 of 2011 concerning Street Lighting Tax, Law number 8 of 2011 concerning Parking Tax, Law number 10 of 2011 concerning Non-Metal Mineral and Rock Tax, Law number 13 of 2011 concerning Groundwater Tax, and Law number 14 of 2011 concerning Tax on Acquisition of Rights on Land and Buildings.

Basis for Imposing District Local Taxes

The basis for the imposition of Regional / City Taxes is based on Law number 1 of 2011 concerning Hotel Tax, Law number 2 of 2011 concerning Restaurant Tax, Law number 3 of 2011 concerning Entertainment Tax, Law number 4 of 2011 concerning Advertising Tax, Law number 6 of 2011 concerning Street Lighting Tax, Law number 8 of 2011 concerning Parking Tax, Law number 10 of 2011 concerning Non-Metal Mineral and Rock Tax, Law number 13 of 2011 concerning Groundwater Tax, and Law number 14 of 2011 concerning Tax on Acquisition of Rights on Land and Buildings.

Regency Regional Tax Rates

Regency / City tax rates are based on Law number 1 of 2011 concerning Hotel Tax, Law number 2 of 2011 concerning Restaurant Tax, Law number 3 of 2011 concerning Entertainment Tax, Law number 4 of 2011 concerning Tax Advertisement, Law number 6 of 2011 concerning Street Lighting Tax, Law number 8 of 2011 concerning Parking Tax, Law number 10 of 2011 concerning Non-Metal Mineral and Rock Tax, Law number 13 of 2011 concerning Water Tax Land, and Law number 14 of 2011 concerning Tax on Acquisition of Land and Building Rights.

Research Methods:-

This study aims to test and analyze the analysis of the effect of hotel tax, restaurant tax and advertisement tax on the economic growth of North Toraja Regency. This research is a causal research. This study uses secondary data from the annual time series for the 2009-2018 period. The data used are obtained from several sources. Economic growth data were obtained from BPS North Toraja Regency. Hotel tax, restaurant tax and advertisement tax data were obtained from the North Toraja Regency Regional Revenue Agency and the North Toraja Regency Regional Financial and Asset Management Agency. In observing the effect of hotel tax, restaurant tax and advertisement tax on the economic growth of North Toraja Regency, this study uses the Ordinary Least Square (OLS) estimation method. The variables in this study are hotel tax, restaurant tax, advertisement tax, and economic growth.

Results:-

Description of Research Results

North Toraja Economic Growth Development

Economic growth as a measure of achievement from the development of an economy from one period to another. The ability of a country to produce goods and services will increase. This increased capability is due to the addition of production factors both in quantity and quality.

According to Sukirno (2011) economic growth is defined as the development of activities in the economy which causes goods and services produced in society to increase and the welfare of society to increase. The economic picture of North Toraja Regency can be seen in the following figure.



Source: BPS, compiled

Figure 3 Economic Growth in North Toraja and Tana Toraja Regencies in 2011-2018

During 2011-2018, the economic growth of North Toraja Regency fluctuated with an average of 8.41 percent. In 2011, the economic growth of North Toraja Regency reached 8.36 percent, then increased to 9.74 percent in 2013. In 2014, it decreased to 7.64 percent, then increased to 8.22 percent in 2017. Finally, in 2018, it fell to 8.07 percent again.

In observing the development of economic growth, it can be viewed from two sides, namely the use side and the business field. The economic growth of North Toraja Regency in terms of usage can be seen in the following figure.



Source: BPS, compiled

Figure 4 Economic Growth of North Toraja by Use in 2011-2018

In terms of use, the economic growth of North Toraja Regency during 2011-2018 was driven by the PMTB component with an average growth of 8.14 percent, followed by government consumption and household consumption of 8.11 percent and 7.66, respectively. percent. This shows that domestic demand is driving economic growth in North Toraja Regency. Meanwhile, external demand shown by net exports of goods and services only grew by an average of 5.63 percent. It is different with the picture of economic growth in North Toraja Regency when viewed from the side of the business field, for more details, see the following table.

Table 1 GRDP Growth by Business Field in North Toraja Regency 2014-2018 (percent)2018 (persen)

	2014	2015	2016	2017	2018
Agriculture, Forestry and Fisheries	3.32	0.87	4.07	2.9	1.82
Mining and excavation	13.25	15.63	20.22	20.63	17.32
Processing industry	10.27	7.5	11.22	12.2	11.31
Procurement of Electricity and Gas	23.19	-3.58	11.41	5.71	6.23
Water Supply, Waste Management, Waste and Recycling	6.44	0.36	2.36	4.86	6.05
Construction	6.13	12.83	6.23	6.1	6.44

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Wholesale and Retail Trade; Car and Motorcycle Repair	10.65	10.19	12.58	12.78	8.45
Transportation and Warehousing	12.29	14.92	9.42	11.49	9.24
Provision of Accommodation and Food and Drink	14.83	11.62	12.2	19.02	14.36
Information and Communication	6.66	9.39	11.4	11.8	11.92
Financial Services and Insurance	10.82	10.96	15.97	5.37	6.97
Real Estate	12.3	4.71	5.24	3.9	4.76
Company Services	7.83	5.43	6.89	5.25	10.92
Mandatory Government Administration, Defense, and Social Security	3.28	10.4	-2.94	5.48	19.53
Education Services	6.63	2.39	6.97	4.97	6.72
Health Services and Social Activities	8.23	7.78	8.63	8.08	14.92
Other services	6.83	7.68	3.34	8.52	13.57
Total GRDP	7.64	7.76	8.01	8.22	8.07

Source: BPS, compiled

In terms of business fields, mining and excavation are driving economic growth in North Toraja Regency. During the last five years, the mining and excavation business field has grown by 17.41 percent, followed by the business field providing accommodation and food and drink services as well as transportation and warehousing at 14.41 percent and 11.47 percent, respectively. The high growth in mining and quarrying business fields is due to increased mining production, especially tana gravel, coral, sand and crushed stone. Meanwhile, the growth in the accommodation and food and beverage services business sector was driven by the growth in the number of hotels and inns due to the increase in the number of tourist arrivals. This then gives multiplier effects to the transportation business field, especially for tourist transportation.

Based on the contribution to GRDP in 2018, the agricultural business and processing industry contributed 15.16 percent and 7.17 percent respectively. The wholesale and retail trade business field is the largest contributor to the North Toraja economy with 23.19 percent, followed by construction business at 16.35 percent. The development of the large trading and retail business sector cannot be separated from the increasing activity of retail and shops in North Toraja as tourist visits continue to increase.



Source: BPS, compiled

Figure 5 Contribution of 4 North Toraja Main Business Fields in 2015-2018 Development of North Toraja Regional Taxes

Regional tax is a portion of regional income obtained from the contribution of taxpayers, both individuals and entities, for the purposes of increasing regional development in the context of encouraging the welfare and prosperity of the people. The role of local taxes in encouraging North Toraja Regional Original Revenue is the largest among other PAD components, the amount seen from the annual average contribution reaching 35.8 percent, regional retribution of 26.5 percent, the results of separated regional wealth management by 9, 3 percent and other legal PAD of 28.3 percent.

Taxes are very important for regions to finance the running of government and regional development, for this reason local governments must be able to maximize the increase in local tax management which has an impact on increasing regional income. The increase in local taxes is determined by the local tax component itself. In the formation of North Toraja regional tax revenue, several potential tax components can be developed so as to encourage an increase in total regional tax revenues such as hotel taxes, restaurant taxes and advertisement taxes by seeing North Toraja Regency as a tourist destination. Based on Figure 5.3, in general, restaurant tax has a greater contribution to local tax revenue, compared to hotel tax and advertisement tax.



Source: North Toraja Dispenda, compiled

Figure 6 Contribution of Hotel Tax, Restaurant Tax and Advertisement Tax to the Total Regional Taxes of North Toraja Regency

The contribution of hotel taxes to total local taxes in 2018 reached 9.74 percent, an increase compared to the previous year, which contributed only 9.29 percent. However, the contribution of hotel taxes in recent years tends to fluctuate. The largest contribution was in 2016 amounting to 10.87 percent, while the lowest was in 2014 which only contributed 8.66 percent. Hotel taxes have a major role in encouraging total regional tax revenues of North Toraja Regency each year with an average contribution of 9.80 percent because North Toraja is a tourist area so that hotels have high turnover in line with the high number of tourists visiting North Toraja Regency.

Similar to the advertising tax contribution, its development also tends to fluctuate. In 2018, the contribution was only 2.6 percent, down from the previous year which contributed 2.2 percent. The decrease in the contribution of the billboard tax is due to the lack of awareness of taxpayers to pay the advertisement tax on their own initiative and on time and there are still many special taxpayers who are domiciled outside the North Toraja Regency area, so it requires time and money from officers for the licensing process to tax collection. In the 2014-2018 period, the largest contribution was recorded at 3.21 percent in 2015 and the lowest was only 2.1 percent in 2018, while the average contribution annually was 2.5 percent. This shows the very small role of the advertisement tax contribution in encouraging total local tax revenue.

This is different from the restaurant tax whose contribution continues to increase every year. In 2014, its contribution reached 4.87 percent and continued to increase to 11.98 percent in 2018. The increase was due to the number and turnover of restaurants that continued to increase in line with the increase in tourists entering North Toraja Regency. In the 2014-2018 period, the largest contribution was obtained, namely 11.98 percent in 2018 and the lowest was only 4.87 percent in 2014, while the average contribution was 9 percent annually. Similar to the hotel tax, the restaurant tax also has a big role in driving the total regional tax of North Toraja Regency. The large contribution of restaurant tax is due to North Toraja Regency, which is a tourist destination, so that restaurants have high turnover in line with the high number of tourists visiting.

When viewed from the average contribution each year, the largest contribution comes from hotel tax then restaurant tax which is 9.80 percent and 9 percent, respectively and the advertisement tax is very relatively small, with an average contribution of only 2.5 percent per year.

Estimation Results Using Multiple Linear Regression

The estimation method used is the OLS method. This estimation method is used to determine the effect of hotel taxes, restaurant taxes, and advertisement taxes on the economic growth of North Toraja Regency. Because North Toraja Regency was just pemekeran in 2008, in this study, time series data were used from 2009-2018. This study uses natural logarithms for the hotel tax, restaurant tax and advertisement tax variables. This is done to see the elasticity of economic growth on hotel, restaurant and advertisement taxes.

Based on the table, the R-squared value for the regression results is 0.533, which means that 53.3 percent of the regional economic growth in North Toraja Regency can be explained by hotel tax revenue, restaurant tax and advertisement tax. Then the remaining 8.3 percent is explained by other variables outside the model. The F-statistic value shows that the hotel tax, restaurant tax, and advertisement tax variables together have an effect on economic growth (F-statistic = 5.28> F-table = 4.76). This shows that the estimation model equation is good for predicting or predicting the regional economic growth of North Toraja Regency.

Tabel 1 Output Regresi Linier Berganda (OLS)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
	< 0. 207</td <td>10.00501</td> <td>0.505461</td> <td>0 (1 (0</td>	10.00501	0.505461	0 (1 (0
C	-6.966337	13.20/31	-0.52/461	0.6168
LOG(HOTEL)	0.273367	2.059930	2.559974	0.0429
LOG(RESTORAN)	-2.166741	1.247666	-1.736635	0.1331
LOG(REKLAME)	-2.565764	1.714706	-1.496328	0.1852
R-squared	0.533186	Mean dependent var		8.095000
Adjusted R-squared	0.299779	S.D. dependent var		0.948686
S.E. of regression	0.793853	Akaike info criterion		2.665338
Sum squared resid	3.781219	Schwarz criterion		2.786372
Log likelihood	-9.326691	Hannan-Quinn criter.		2.532564
F-statistic	5.284360	0 Durbin-Watson stat		1.785254
Prob(F-statistic)	0.048976			

Source: Author, compiled

Partially, the magnitude of the influence of hotel tax, restaurant tax and advertisement tax on economic growth in North Toraja Regency can be seen from the regression coefficient and p-value of each variable. Based on the table, the log coefficient (X1) is 0.27, log (X2) (-2.16) and log (X3) (-2.56) with p-values 0.042, 0.133 and 0.185, respectively. The p-value for log (X1) is smaller than $\alpha = 5\%$, meaning that hotel tax revenue has a significant effect on economic growth. The coefficient value is 0.27, indicating that every 1 percent increase in hotel tax will be responded to by an increase in economic growth of 0.27 points. While the p-value for restaurant tax and advertisement tax is greater than $\alpha = 5\%$, meaning that the restaurant tax and advertisement tax variables do not have a significant effect on the economic growth of North Toraja Regency.

This research is in line with the findings of Ilma and Soimantoro (2019) who state that the increasing role of the tourism sector, as measured by hotel and restaurant tax revenues, is proven to be able to increase economic growth at the provincial level. The influence that is not too strong can be understood because of the unequal role of the tourism sector in each province. This is the case with Saragih's research (2018) which investigates the effect of tax revenue on economic growth in Indonesia. He pointed out that provincial tax revenues such as hotel taxes have a positive and significant effect on economic growth, especially the tourism sector. The implication of this finding is that in order to increase the economic growth of a region, it is necessary to support the sustainability of regional tax revenue. Local tax revenue should also be used to finance productive projects so as to accelerate economic growth. From various previous research results, it can be obtained a general picture, that government revenue from the taxation sector greatly contributes to the economic growth of a region or country. Continuity in tax revenue will ensure the continuity of economic growth even in a recession.

Classic assumption test

Autocorrelation Testing

Tests conducted to detect serial correlations using the Durbin-Watson d statistical test. As a standard rule, if the value of d is found to be 2 in the application, it can be assumed that there is no autocorrelation in the model, either positive or negative. The decision making for testing is as follows.

Hipotesis Nol	Keputusan	Jika
Tidak ada autokorelasi positif	Tolak	$0 < d < d_L$
Tidak ada autokorelasi positif	Tidak ada keputusan	$d_L \leq d \leq d_U$
Tidak ada autokorelasi negatif	Tolak	$4 - d_L < d < 4$
Tidak ada autokorelasi negatif	Tidak ada keputusan	$4 - d_U \le d \le 4 - d_L$
Tidak ada autokorelasi, baik positif maupun negatif	Tidak Tolak	$d_{\scriptscriptstyle U} < d < 4 - d_{\scriptscriptstyle U}$

Table 3 Decision Making in the Durbin-Watson Autocorrelation Test

Sumber: Gujarati, 2009

Based on the OLS estimation results for North Toraja Regency, the d value for the OLS estimation model is 1.78. From the Durbin-Watson Table, it is known that for 10 observations and three independent variables, the value of $d_L = 0.52$ and $d_U = 2.01$ at the significant level of 0.05. Based on the observations, the d value of each model is between 0.52 and 1.99 (obtained from (4-d_U)). Based on this, decision making, Ho is not rejected, which means that the estimation model does not have autocorrelation problems, either positive or negative.

Heteroscedastic Testing

This test is a general method, insensitive to the assumption of normality and easy to do. Based on the test results using the White Heteroskedasticity Test for the model of North Toraja Regency, the probability value of F-statistic is 0.27, this value is greater than the significance level or $\alpha = 0.05$ (see Table 4.3). This means that the null hypothesis that there is no heteroscedasticity in the residuals of the equation model is not rejected or it can be said that the estimation model does not have a heteroscedasticity problem.

Tabel 2 Heteroskedasticity Test: White				
F-statistic	1.664758	Prob. F(3,6)	0.2722	
Obs*R-squared	4.542613	Prob. Chi-Square(3)	0.2085	
Scaled explained SS	0.579164	Prob. Chi-Square(3)	0.9012	

Source: BPS, compiled

Multicollinearity Testing

The method used for multicollinearity testing is Pair-Wise Correlation. According to Gujarati (2009), if the Pair-Wise Correlation between the independent variables is greater than 0.8, then there is serious multicollinarity. Based on Table 4.5, the correlation coefficient value is relatively smaller than 0.8. This shows that the estimation model does not have a multicollinarity problem,

	Table 5 Pair-wise Correlation			
	LOG(X1)	LOG(X2)	LOG(X3)	
LOG(X1)	1.000000	0.572298	0.659179	
LOG(X2)	0.5572298	1.000000	0.639076	
LOG(X3)	0.659179	0.639076	1.000000	

Source: BPS, compiled

Conclusion:-

Based on the results and discussion in the previous section, some of the conclusions in this study are as follows.

1. The contribution of hotel tax, restaurant tax and advertisement tax in North Toraja Regency has tended to fluctuate in the last ten years. Based on the contribution to local revenue, hotel tax has a greater contribution than restaurant tax and advertisement tax. The high contribution of hotel taxes is in line with the increase in turnover in line with the high number of tourists visiting North Toraja Regency.

2. Partially, hotel tax revenue has a positive and significant effect on the economic growth of North Toraja Regency. Meanwhile, restaurant tax and advertisement tax have no effect on the economic growth of North Toraja Regency.

3. Simultaneously, hotel tax revenue, restaurant tax and advertisement tax have an influence on economic growth in North Toraja Regency. This estimation model equation is good for predicting or predicting the regional economic growth of North Toraja Regency.

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