Analysis of Regional Tax Revenue Performance Measurement on Regional Original Income of Magetan District and Gresik District, 2018-2021

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Article Information	ABSTRACT
	This study aims to identify, explain and compare regional tax revenues for Magetan and Gresik Regencies through an analysis of effectiveness, efficiency, contribution, optimization and growth rate for 2018-2021. The data used is secondary data, namely the 2018-2021 Magetan and Gresik Regency Budget Realization Reports. Data collection technique is a method of documentation. The analysis technique used is a quantitative descriptive method. The results of this study are (1) During 2018-2021, the average level of effectiveness for Magetan Regency and Gresik Regency is very effective. The average efficiency level for Magetan Regency and Gresik Regency is very efficient. The average contribution level for Magetan Regency is in the medium criteria, while Gresik Regency is in the very good criteria. The average level of optimization for Magetan Regency and Gresik Regency is included in the optimal criteria. The average growth rate for Magetan and Gresik districts is included in the criteria of not being successful. (2) Gresik Regency Regional Tax Revenue has better revenue performance than Magetan Regency Regional Tax Revenue performance.

1. INTRODUCTION

Local governments in running the wheels of government and regional development programs so that the maximum requires a source of revenue. Regional autonomy is expected to be able to encourage regional governments to increase regional revenue and competitiveness in economic development in the regions. Regional development is part of national development, this certainly requires funds to finance development. To realize regional independence, the central government provides power to local governments to prove its ability to explore financial resources in the regions, so as to be able to finance regional development. Local governments must be able to take advantage of various potentials that can be a source of regional income, one of which is through regional taxes that have an important role in the source of local revenue.

Performance measurement is a measuring instrument that is used to assess the extent of the achievements of the activities carried out, whether it is in accordance with what is planned and has succeeded in achieving the targets that have been predetermined. To find out the performance of local tax revenue as a source of local revenue, it is necessary to calculate the analysis of effectiveness, efficiency, contribution, optimization, and growth rate. Through this analysis, results can be known as a benchmark in improving the quality of services, decision making, and organizational accountability [1].

Magetan Regency and Gresik Regency are an area in East Java that has tourism potential. Of the many tourism sectors, it has an impact on the large number of hotels and restaurants established by the community. So that the community and business entities that are the object of tax, are required to pay taxes. Some community obstacles pay regional taxes including uneven socialization and the existence of Covid 19 also influences the tourism sector which results in decreased income from hotels and restaurants [2].

Research related to local tax performance was analysis of the effectiveness and contribution of regional taxes as a source of regional original revenue (study at DKI jakarta bapenda 2016-2020) [3] . The results showed that the level of effectiveness of local taxes in 2016-2020 was included in the effective category despite fluctuations, this means that regional taxes have been effective enough to contribute as a source of local revenue. Furthermore the Analysis of Effectiveness and Contribution of Regional Taxes as a source of original Batu City Regional Revenue [4]. The results of his research show that 2012 has the highest effectiveness (130.24%) and in 2017 has the lowest level of effectiveness (107.41%), and for the 2012 contribution has the largest contribution (157.36%) and 2013 has the smallest contribution (75.15%). In addition, The contribution of PBB-O2 in Gresik Regency, it was less contributing [5].

Based on the explanation above, researchers are interested in analyzing the measurement of the performance of local tax revenue on the original revenue of Magetan Regency and Gresik Regency in 2018-2021. This is because there are still rare research related to performance measurements in Magetan and Gresik Regencies, besides that in the district it also has quite a lot of hotels and restaurants. Which is a place of recreation and one of the Industrial Centers in East Java Province.

Law Number 28 of 2007 concerning General Provisions and Taxation Procedures Article 1 number 1 "Tax is a mandatory contribution to the state owed by individuals or entities that are forced based on the law, by not getting direct rewards and used for the needs of the state for the greatest prosperity of the people". In addition, contributions or community fees to the state that can be forced and payable for those who are required to pay in accordance with the laws of law, by not obtaining direct rewards that can be appointed and used in financing for state needs [6]. In this case the tax is a compulsory levy from the community for a country that is useful for financing government spending in carrying out state development and prospering its community.

Regarding financial relations between the central government and regional governments Article 1 number 20 states that "Regional Original Revenue, hereinafter referred to as PAD, is the income obtained from local taxes, regional levies, the results of separated regional wealth management, and other legitimate local revenues in accordance with statutory regulations". The Regional Original Revenues can show that regional financial capacity is stronger than those that have lower PAD and this will reduce the level of dependence with the government above (higher government level) [7].

Law Number 1 of 2022 Article 1 number 21 states that "Local tax, hereinafter referred to as tax is a mandatory contribution to the regions owed by individuals or entities that are forced based on the law, by not getting direct rewards and used for regional needs for the greatest prosperity of the people". As in Article 4 in the law there are 7 types of provincial taxes and 9 district/city taxes. There are 6 local tax characteristics including one collected by the regional government based on the rules [8]. Two collections are carried out on events according to the law. Three existence of sanctions, four there is a direct relationship of tax payment limits with return services. Five paid to the regional treasury, last six used for the prosperity of the people.

2. RESEARCH SIGNIFICANCE

This study holds significant importance in understanding the performance measurement of regional tax revenue and its impact on Regional Original Income (PAD) in Magetan District and Gresik District. By analyzing the efficiency and effectiveness of regional tax collection, the findings can provide valuable insights for local governments to optimize their revenue generation strategies. This research also contributes to policy development by identifying key factors influencing tax revenue performance, enabling decision-makers to enhance fiscal sustainability and economic growth. Furthermore, comparing two districts

with different economic characteristics helps in formulating tailored fiscal policies that align with each region's potential. The results of this study are expected to serve as a reference for future research in public finance and regional development, ultimately improving the financial autonomy of local governments.

3. RESEARCH METHODS

In this study it was limited to using the regional tax variables and the original regencies of Magetan and Gresik regencies in 2018-2021. Data sources are subjects from which the research data was obtained. The data used is secondary data. Secondary data obtained by researchers from the Regional Revenue, Financial and Asset Management Agency (BPPKAD) is a Budget Realization Report (LRA) of Magetan Regency and Gresik Regency in 2018-2021 as well as regional regulations governing the Revenue, Financial Management and Asset Agency of Magetan Regency and Gresik Regency. The type of data used is quantitative data. Quantitative data is data in the form of numbers, in the form of LRA Magetan Regency and Gresik Regency in 2018-2021.

3.1 Data Collection Technique

Data collection techniques used in research are documentation methods. This method is carried out by taking data documentation that supports research, such as data on the Realization Report of the Magetan Regency and Gresik Regency in 2018-2021.

3.2 Data Analysis Technique

The type of research used is a quantitative descriptive analysis method. Descriptive analysis, namely statistics used to analyze data by describing or describing the data that has been collected as it is without intending to make conclusions that apply to the public or generalization [9]. In processing and analyzing research data, the analytical tool used is the analysis of effectiveness, efficiency, contribution, optimization, and growth rate.

1. Analysis of effectiveness

Effectiveness is a measure of the success or failure of the achievement of the goals of an organization to achieve its goals [10]. Analysis of the effectiveness of local taxes is an analytical tool that illustrates the ability of local governments in realizing local tax revenue. Effectiveness ratio is the result of the percentage of realization of local tax revenue compared to the target of local tax revenue. For the formula for measurement of Effectiveness of Local Tax (ELT), [11].

$$\text{ELT} = \frac{Realization\ of\ Regional\ Tax\ Revenue}{Regional\ Tax\ Revenue\ Target} X100\% \qquad (1)$$

Table 1. Classification of criteria for the effectiveness of local tax.

Percentage	Criteria
> 100%	Very effective
90% - 100%	Effective
80% - 90%	Quite effective
60% - 80%	Less effective
< 60%	Ineffective

2. Efficiency analysis

The tax efficiency ratio obtained is getting smaller, it is considered more efficient, the minimum standard of efficiency ratio is less than 100% or 1 (one). The smaller the efficiency ratio shows that the better performance [12]. Analysis of local tax efficiency is an analysis used to calculate the efficient amount of local tax revenue. The efficiency ratio is the result of the percentage of local tax collection costs compared to the realization of local tax revenue. Based on the Government Regulation of the Republic of Indonesia Number 69 of 2010, the cost of collecting local taxes is 5% of the Regional Tax Efficiency (RTE), [13].

$$RTE = \frac{Regional\ Tax\ Collection\ Costs}{Realization\ of\ local\ tax\ revenue} X100\% \quad (2)$$

Table 3. Classification of Regional Tax Efficiency Ratio Criteria

Percentage	Criteria
< 10%	Very effective
10% - 20%	Effective
21% - 30%	Quite effective
31% - 40%	Less effective
> 40%	Ineffective

3. Analysis of contributions

Analysis of Regional Tax Contributions is an analysis used to calculate the contribution that can be contributed from local tax revenue. The contribution ratio is the result of the percentage of the realization of local tax revenue compared to the realization of revenue from local revenue. The formula of Regional Tax Contribution (RTC). [14].

$$RTC = \frac{Realization\ of\ Regional\ Tax\ Revenue}{Realization\ of\ PAD\ reception} x100\% \quad (3)$$

Table 4. Classification of Regional Tax Contribution Ratio Criteria

Percentage	Criteria
0% - 10%	Very effective
10% - 20%	Effective
20% - 30%	Quite effective
30% - 40%	Less effective
40% - 50%	Ineffective

4. Analysis of optimization

Tax optimization has an important role for the implementation of the wheels of Indonesian government, with the optimization of tax revenue, we are able to find out changes in tax revenue every year and find out their effect on budget strengthening. Analysis of optimization is an analysis used to measure how much the results of government achievement in realizing local taxes. The optimization ratio is the result of the percentage of the realization of certain years of revenue compared to the realization of the revenue of the year afterwards. The formula Regional Tax Optimization (RTO), [15].

$$RTO = \frac{X_{(t)}}{X_{(t+1)}} x\ 100\% \quad (4)$$

Where, $X_{(t)}$ is realization of certain year's Regional Tax Revenue, $X_{(t+1)}$ is realization of regional tax revenue in the next year.

Table 5. Classification of Regional Tax Optimization Ratio Criteria

Percentage	Criteria
> 100%	Very effective
80% - 100%	Effective
60% - 79%	Quite effective
40% - 59%	Less effective
< 40%	Ineffective

$$RTO = \frac{X_{(t)}}{X_{(t+1)}} x\ 100\% \quad (5)$$

5. Analysis of growth rate

Analysis of growth rate is an analysis used to measure how much the government's success rate in maintaining and/or increasing regional tax growth. The growth rate ratio is the result of the percentage of the realization of certain year's revenue minus the previous year compared to the realization of the previous year's revenue. The formula for the growth rate of local taxes (TPTD). [16].

$$TPTD = \frac{Regional\ Tax\ Collection\ Costs}{Realization\ of\ local\ tax\ revenue} X100\% \quad (6)$$

Table 6. Classification Criteria Ratio Rate of Regional Tax Growth

Percentage	Criteria
85% - 100%	Very successful
70% - 85%	Succeed
55% - 70%	Successful enough
30% - 55%	Less successful
< 30%	Not successful

4. RESULTS AND DISCUSSION

4.1 The Effective Analysis

Analysis of the effectiveness of local taxes is an analytical tool that illustrates the ability of local governments in realizing local tax revenue. Effectiveness ratio is the result of the percentage of realization of local tax revenue compared to the target of local tax revenue. Effectiveness is assessed by the amount of realization that can reach or exceed the set targets. The greater the results of the analysis, the better the level of effectiveness.

Table 7. Analysis of the Effectiveness of Magetan Regency

Year	Regional Tax Targets Criteria	Regional Tax Realization	Result	Criteria
2018	44.352.052.212,00	47.290.835.287,57	106,63%	Very effective
2019	50.255.000.000,00	56.944.046.718,93	113,31%	Very effective
2020	51.267.800.000,00	54.292.389.850,40	105,90%	Very effective
2021	55.911.000.000,00	59.113.359.807,70	105,73%	Very effective
Mean			107,89%	Very Effective

Based on the analysis of the effectiveness that has been carried out, the results showed that during 2018-2021, the Magetan Regency Regional Tax reflected the revenue of revenue that was classified as very effective, with an average effectiveness of 107.89%. The regional tax target is increased each year, but this is inversely proportional to the realization of local taxes that have increased and decreased, causing the results of fluctuating effectiveness analysis.

Table 8 Analysis of the Effectiveness of Gresik Regency

Year	Regional Target Realization	Regional Regional Taxes	Result	Criteria
2018	529.210.000.000,00	575.859.024.856,46	108,81%	Very effective

2019	586.700.000.000,00	641.744.041.397,22	109,38%	Very effective
2020	543.600.000.000,00	590.087.765.850,15	108,55%	Very effective
2021	835.318.663.807,00	721.867.807.058,57	86,42%	Very effective
	Means		103,42%	Very effective

Based on the analysis of the effectiveness that has been carried out, the results showed that during 2018-2021, the Gresik Regency Regional Tax reflected the revenue of revenue that was classified as very effective, with an average effectiveness of 103.42%. Targets and realization of local taxes that have increased and decreased, causing the results of the analysis also increased and decreased. Effectiveness is the relationship between output and purpose or it can also be said to be a measure of how far the level of output, policies, and procedures of the organization [17]. Based on the analysis that has been carried out, shows the level of effectiveness of the Regional Tax of Magetan Regency and Gresik Regency during 2018-2021. The results of the effectiveness analysis show that Magetan Regency and Gresik Regency have increased and decreased. The level of effectiveness of Magetan Regency in 2018 was 106.63% which was included in the criteria very effectively. In 2019, an increase with the results of an analysis of 113.31%, including the criteria, was very effective. This is caused by the target and realization that has increased. This increase in realization is mainly due to hotel tax revenue that exceeds the target of more than 200%. In 2020, it decreased with an analysis result of 105.90% which was included in the criteria very effectively. This is due to the Pandemi Covid-19 which has an impact on the revenue of the Street Lighting Tax and Groundwater Tax does not reach the set targets. The existence of the central government policy provides discounts to PLN electricity customers, and the number of swimming pool businesses that do not operate/close so that there is no collection and/or utilization of groundwater. In 2021, again experienced a decline with the results of the analysis of 105.73% which was included in the criteria very effectively. This decline in revenue is due to the existence of PPKM Level 3 which continues to be extended, so that the realization of tax revenue is reduced.

The level of effectiveness of Gresik Regency in 2018 amounted to 108.81% which is included in the criteria is very effective. In 2019, an increase with the results of the analysis of 109.38% included in the criteria was very effective. The increase in ratio was due to a significant increase in local tax targets from the United Nations, PBHTB, Street Lighting Tax and Restaurant Taxes. This is the impact of re -collecting data on tax objects. In 2020, decreased with the results of an analysis of 108.55% which was included in the criteria was very effective. This is due to the targets and realization that has decreased. The decline in this realization was due to the Pandemi Covid-19 so that it was carried out several times refoking as well as rationalization of income related to the existence of PSBB. In 2021, it experienced a significant decline with the results of the analysis of 86.42% which was included in the criteria was quite effective. This decline was due to the realization of local taxes that did not reach the target, as a result of the implementation of restrictions on community activities during Pandemi Covid-19.

Based on Table 7 and Table 8, the average effectiveness of Magetan Regency is 107.89%, while Gresik Regency is 103.29%. The percentage is included in the criteria very effective. It is said to be very effective, meaning that the local government is able to realize local taxes in accordance with the targets set. Magetan Regency received a ratio of 4.6% superior to Gresik Regency. So it can be concluded that in 2018-2021, Magetan Regency has a better level of effectiveness than Gresik Regency.

4.2 The Efficiency Analysis

Efficiency Analysis is an analysis used to calculate the amount of local tax efficiency. The efficiency ratio is the result of the percentage of local tax collection costs compared to the realization of local tax revenue. Based on the Government Regulation of the Republic of Indonesia No. 69 of 2010, the cost of collecting local taxes was 5% of the Regional Tax Target. The smaller the results of the analysis, the better the level of efficiency.

Table 9. Magetan Regency Efficiency Analysis

Year	Cost of Collection	Regional Tax Realization	Result	Criteria
2018	2.217.602.610,60	47.290.835.287,57	4,69%	Very effective
2019	2.512.750.000,00	56.944.046.718,93	4,41%	Very effective
2020	2.563.390.000,00	54.292.389.850,40	4,72%	Very effective
2021	2.795.550.000,00	59.113.359.807,70	4,73%	Very effective
	Mean		4,64%	Very effective

Based on the efficiency analysis that has been carried out, the results showed that during 2018-2021, the Magetan Regency Regional Tax reflected the revenue of revenue that was classified as very efficient, with an average efficiency of 4.64%. The cost of collecting local taxes annually increases, but this is inversely proportional to the realization of local taxes that have increased and decreased. The results of efficiency analysis are relatively rising, although in 2019 decreased.

Table 10. Gresik Regency Efficiency Analysis

Year	Cost of Collection	Regional Tax Realization	Result	Criteria
2018	26.460.500.000,00	575.859.024.856,46	4,59%	Very effective
2019	29.335.000.000,00	641.744.041.397,22	4,57%	Very effective
2020	27.180.000.000,00	590.087.765.850,15	4,61%	Very effective
2021	41.765.933.190,35	721.867.807.058,57	5,79%	Very effective
	Mean		4,89%	Very effective

Based on the efficiency analysis that has been carried out, the results showed that during 2018-2021, the Gresik Regency Regional Tax reflected the revenue of revenue that was classified as very efficient, with an average efficiency of 4.89%. The cost of collecting and realization of local taxes that have increased and decreased, causing the results of the analysis also increased and decreased.

Based on the analysis that has been carried out, shows the level of local tax efficiency in Magetan and Gresik Regency during 2018-2021. The results of the efficiency analysis of Magetan Regency and Gresik Regency have increased and decreased.

The efficiency level of Magetan Regency in 2018 was 4.69% which was included in the criteria very efficient. In 2019 there was a decrease in the results of the analysis to 4.41% included in the criteria very efficient. The realization

of local taxes has increased, so that it is able to cover the cost of collecting local taxes. In 2020, the realization of local taxes experienced an increase in the results of the analysis to 4.72% which was included in the criteria was very efficient. The increase in this ratio occurs due to the high cost of collection, but the realization of regional tax revenue has declined. In 2021, there was a slight increase in ratio of 0.01% to 4.73% which included very efficient criteria. The increase in ratio occurs because the realization of revenue is still relatively low, compared to the greater collection costs.

The efficiency level of Gresik Regency in 2018 amounted to 4.59% which is included in the criteria is very efficient. In 2019, a decline with the analysis results of 4.57% included in the criteria was very efficient. This decrease in this ratio occurs due to the high realization of revenue so that the ability to cover the cost of collecting local taxes is higher. In 2020, an increase in the results of the analysis to 4.61% included in the criteria was very efficient. This is because the cost of collecting and realizing local taxes is decreased due to the Pandemi Covid-19. In 2021, an increase in analysis results of 5.79% included in the criteria was very efficient. This increase in ratio is caused by increasing collection costs, but the government is still able to increase the realization of local taxes, so that the government's ability to cover the cost of collecting local taxes is still high.

Based on Table 9 and Table 10, the average efficiency of Magetan Regency is 4.64%, while Gresik Regency is 4.89%. The percentage is included in the criteria very efficient. It is said to be very efficient, meaning that the ability of local governments to cover the cost of collection is still high, due to the realization of local taxes that exceed the target. Magetan Regency received a lower ratio of 0.25% than Gresik Regency. So it can be concluded that in 2018-2021, Magetan Regency has a better level of efficiency than Gresik Regency.

4.3 The Contribution Analysis

Analysis of contribution is an analysis used to determine the amount of regional tax contribution that can be donated to local revenue. The contribution ratio is the result of the percentage of the realization of local tax revenue compared to the realization of revenue from local revenue. The greater the results of the analysis, the better the level of contribution.

Table 11. Magetan Regency Contribution Analysis

Year	Regional Tax Realization	Realization of Regional Original Revenues	Results	Criteria
2018	47.290.835.287,57	196.826.063.935,96	24,03%	medium
2019	56.944.046.718,93	237.377.706.041,60	23,99%	medium
2020	54.292.389.850,40	203.465.853.559,25	26,68%	medium
2021	59.113.359.807,70	243.732.143.559,50	24,25%	medium
Mean			24,74%	medium

Based on the analysis of the contributions made, the results showed that during 2018-2021, the Magetan Regency Regional Tax reflected the acceptance of classified income, with an average contribution of 24.74%. The results of the analysis of effectiveness every year are fluctuating, due to

the realization of local tax revenue and PAD which has increased and decreased.

Table 12. Gresik Regency Contribution Analysis

Year	Regional Tax Realization	Realization of Regional Original Revenues	Results	Criteria
2018	575.859.024.856,46	957.255.706.268,71	60,16%	Verry good
2019	641.744.041.397,22	980.776.381.995,43	65,43%	Verry good
2020	590.087.765.850,15	924.657.913.563,07	63,82%	Verry good
2021	721.867.807.058,57	1.031.387.734.236,41	69,99%	Verry good
Mean			64,85%	Verry good

Based on the analysis of the contributions made, the results showed that during 2018-2021, the Gresik Regency Regional Tax reflected the revenue of revenue that was classified as very good, with an average contribution of 64.85%. The results of the annual contribution analysis are fluctuating, due to the realization of local tax revenue and PAD which has increased and decreased.

Based on the analysis that has been carried out, shows the level of contribution of the Regional Tax of Magetan Regency and Gresik Regency during 2018-2021. The results of the annual contribution analysis are fluctuating, due to the realization of local tax revenue and PAD which has increased and decreased. PAD is a regional right that shows an increase in the value of clean wealth in a certain budget period [18].

The contribution rate of Magetan Regency in 2018 was 24.03% included in the moderate criteria. In 2019, a decrease in the ratio to 23.99%. The realization of local taxes has increased and the realization of PAD has also increased, the increase in PAD due to the increase in income from other posts. So that in 2019, local taxes were able to contribute 23.99%. In 2020, an increase in the results of the analysis was 26.68% included in the moderate criteria. This increase is the result of all local tax revenues have exceeded the set targets. But in 2020 there was a decrease in the realization of local taxes and PAD. This decline in realization was caused by Covid-19 which caused almost all revenues to decline, but local taxes were still able to contribute by 26.68%. In 2021, it decreased with an analysis result of 24.74% which was included in the moderate criteria. This decline is the impact of the presence of Covid-19, so there are several types of local taxes that do not reach the target.

Gresik Regency contribution rate in 2018 amounted to 60.16% included in the criteria very well. This year, local taxes were able to contribute 60.16%. In 2019, an increase in the results of the analysis of 65.43% included in the criteria was very good. The increase in this ratio was due to an increase in realization due to the re-collector of tax objects. In 2020, a decrease with the results of an analysis of 63.82% included in the criteria was very good. This is due to the realization of local taxes and realization that experienced a decline due to COVID-19, so there are several tax objects that do not meet the budget target. In 2021, it increased to 69.99% which was included in the very good criteria. This increase in realization occurred in almost all tax objects after the Covid-19. Some taxes that meet the target are the Street Lighting Tax, PAT and the United Nations.

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Based on Table 11, the average contribution of Magetan Regency is 24.74% including in moderate criteria. It is said to be, meaning that the Magetan Regency Regional Tax has not been able to provide greater benefits in the development of the community's economy. Whereas based on table 12, the average Gresik Regency is 64.85% which is included in the criteria very well. It is said to be very good, meaning that the Gresik Regency Regional Tax can provide benefits in accelerating the economic development of the community and regions. Gresik Regency is superior to 40.11% compared to Magetan Regency. So it can be concluded that in 2018-2021, Gresik Regency has a better level of contribution than Magetan Regency.

4.4 The Optimization Analysis

Analysis of optimization is an analysis used to measure how much the results of government achievement in realizing local taxes. The optimization ratio is the result of the percentage of the realization of certain years of revenue compared to the realization of the revenue of the year afterwards. The greater the results of the analysis, the better the optimization level.

Table 13 Analysis of the optimization of Magetan Regency

Year	Regional Tax Realization	Results	Criteria
2018	47.290.835.287,57	83,05%	Optimal
2019	56.944.046.718,93	104,88%	Very Optimal
2020	54.292.389.850,40	91,84%	Optimal
2021	59.113.359.807,70	-	-
Mean		93,26%	Optimal

Based on the optimization analysis that has been carried out, the results showed that during 2018-2020, the Magetan Regency Regional Tax reflected the receipt of income that was classified as optimal, with an average optimization of 93.26%.

Table 14. Analysis of Gresik Regency Optimization

Year	Regional Tax Realization	Result	Criteria
2018	575.859.024.856,46	89,73%	Optimal
2019	641.744.041.397,22	108,75%	Very Optimal
2020	590.087.765.850,15	81,74%	Optimal
2021	721.867.807.058,57	-	-
Mean		93,41%	Optimal

Based on the optimization analysis that has been carried out, the results showed that during 2018-2020, the Gresik Regency Regional Tax reflected the receipt of income that was classified as optimal, with an average optimization of 93.41%.

Based on the analysis that has been carried out, shows the level of optimization of the Regional Tax of Magetan Regency and Gresik Regency during 2018-2020. The results of optimization analysis are fluctuating every year, due to the realization of regional tax revenue that has increased and decreased.

The optimization rate of Magetan Regency in 2018 was 83.05% included in the optimal criteria. In 2019, a very significant increase in analysis was 21.83% to 104.88%, which was included in the criteria very optimal. This increase is due to the realization of hotel and BPHTB tax which exceeded the budget target, due to the optimization

of the collection of hotel tax revenue and the installation of tapping boxes and the number of people who submit a background in the name of the land certificate. In 2020, decreased with the results of an analysis of 91.84% which was included in the optimal criteria. This decline was caused by the Pandemi Covid-19, so there were some local taxes that did not reach the target, namely the Street Lighting Tax and Groundwater Tax.

The optimization rate of Gresik Regency in 2018 was 89.73% which was included in the optimal criteria, because the realization of this year's revenue was lower than the year afterwards. In 2019, a significant increase of 19.02% with the results of the analysis of 108.75% included in the criteria was very optimal. This is due to an increase in the realization of restaurant tax revenue, street lighting tax, UN and PBHTB. The increase in realization is the impact of re-collecting data on tax objects and opening new restaurants. In 2020, it decreased with an analysis result of 81.74% which was included in the optimal criteria. The decline in realization was caused by Pandemi Covid-19, so there were some local taxes that did not reach the target, namely restaurant tax, entertainment tax, billboard tax, and parking tax. Advertisement tax declined due to the increasing number of online shopping promotions so that they switched to digital media.

Based on Table 13 and Table 14, the average optimization of Magetan Regency was 93.26%, while Gresik Regency was 93.41%. The percentage is included in the optimal criteria. It is said optimally, meaning that the regional government is able to optimize the existing potential, so that the achievement of the government in realizing better regional taxes. Gresik Regency is superior to 0.15% compared to Magetan Regency. So it can be concluded that in 2018-2020, Gresik Regency has a better level of optimization than Magetan Regency

4.5 The Growth Rate Analysis

Analysis of growth rates is an analysis that shows the ability of the region in maintaining or increasing regional tax growth. The growth rate ratio is the result of the percentage of the realization of certain year's revenue minus the previous year compared to the realization of the previous year's revenue. The greater the results of the analysis, the more successful level of growth rate.

Table 15. Analysis of the growth rate of Magetan Regency

Year	Regional Tax Realization	Xt - X(t-1)	Result	Criteria
2017	42.255.985.054,39	-	-	-
2018	47.290.835.287,57	5.034.850.233,18	11,92%	Not successful
2019	56.944.046.718,93	9.653.211.431,36	20,41%	Not successful
2020	54.292.389.850,40	-2.651.656.868,53	-4,66%	Not successful
2021	59.113.359.807,70	4.820.969.957,30	8,88%	Not successful
Mean			9,14%	Not successful

Based on the analysis of the growth rate that has been carried out, the results showed that during 2018-2021, the Magetan Regency Regional Tax reflected the income that

was classified as unsuccessful, with an average growth rate of 9.14%. The realization of local taxes has increased and decreased, causing fluctuating analysis results.

Table 16. Analysis Results of Gresik Regency Growth Rate

Year	Regional Tax Realization	Xt - X(t-1)	Result	Criteria
2017	496.995.074.543,49	-	-	-
2018	575.859.024.856,46	78.863.950.312,97	15,87%	Not successful
2019	641.744.041.397,22	65.885.016.540,76	11,44%	Not successful
2020	590.087.765.850,15	-51.656.275.547,07	-8,05%	Not successful
2021	721.867.807.058,57	131.780.041.208,42	22,33%	Not successful
Mean			10,40%	Not successful

Based on the analysis of the growth rate that has been carried out, the results showed that during 2018-2021, the Gresik Regency Regional Tax reflected the income that was classified as unsuccessful, with an average growth rate of 10.40%. The realization of local taxes has increased and decreased, causing fluctuating analysis results.

Based on the analysis that has been carried out, shows the level of growth rate of Magetan Regency and Gresik Regency during 2018-2021. The results of the analysis of the growth rate of Magetan Regency every year fluctuating, while Gresik Regency in 2018-2020 has decreased and 2021 has increased.

The level of growth rate of Magetan Regency in 2018 was 11.92% which was included in the criteria. In 2019, an increase with the analysis results of 20.41% included in the criteria was unsuccessful. This increase was due to an increase in the realization of local taxes from the previous year. In 2020, it experienced a very significant decline to -4.66%, including in the criteria unsuccessful. The decline in the ratio is caused by the presence of Pandemi Covid-19, so there are some local taxes that do not reach the target. In 2021, it experienced a significant increase with the results of 8.88% analysis included in the criteria unsuccessful. The increase in realization is due to all tax objects that have exceeded the target, especially from hotel taxes. This is due to the intensification of tax collection to hotel taxpayers.

The growth rate of Gresik Regency in 2018 was 15.87% included in the criteria unsuccessful. In 2019, there was a decrease in the results of the analysis of 11.44% which included the criteria unsuccessful. The decrease was due to the achievement of the realization of local taxes, namely the Street Lighting Tax and Parking Tax. This is due to the existence of some companies to stop the use of generators because of high operating costs so that they switch to PLN. Whereas parking tax is not achieved, because the target setting is too high compared to the previous year. In 2020, it experienced a very significant decline of 19.49% to -8.05% which included the criteria unsuccessful. This decrease in revenue is due to a decrease in realization in almost all tax objects, due to the Pandemic Covid-19. In 2021, a very significant increase of 30.38%, so that it became 22.33% which included the criteria was unsuccessful. This very rapid increase is due to an increase in realization from all tax objects, including hotel tax, restaurant tax, advertisement tax, street lighting tax, parking tax, ground water tax, UN and PBHTB.

Based on Table 15 and Table 16 the average growth rate of Magetan Regency was 9.14%, while Gresik Regency was 10.40%. The percentage is included in the criteria unsuccessful. It is said to be unsuccessful, meaning that the local government has not been able to maintain or increase local tax growth. Gresik Regency is superior to 1.26% compared to Magetan Regency. So it can be concluded that in 2018-2021, Gresik Regency has a better level of growth rate than Magetan Regency.

5. CONCLUSIONS

The analysis concludes that the Magetan Regency Regional Tax has an average effectiveness of 107.89% and efficiency of 4.64%, while Gresik Regency shows 103.29% effectiveness and 4.89% efficiency, both categorized as very effective and very efficient. Magetan's tax contribution is 24.74% (moderate), whereas Gresik's is 64.85% (very good). Tax optimization levels are 93.26% for Magetan and 93.41% for Gresik, while growth rates are 9.14% and 10.40%, respectively, both categorized as unsuccessful. Overall, Gresik Regency outperforms Magetan in contribution, optimization, and growth, while Magetan excels in effectiveness and efficiency. Future studies should consider additional indicators for a more comprehensive tax performance analysis.

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