

Examining Access to Information on Land And Building Tax Payments: Cases of Urban Village Agencies in Palu City, Indonesia

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Abstract. This study examines urban village agencies' role in enhancing tax payment accessibility. Using a case study, data from 15 participants (5 agency members, 10 taxpayers) in Palu City's Tondo, Balaroa, and East Besusu urban villages were collected through observations and in-depth interviews. Urban village agencies play a crucial part in providing PBB payment information, billing, and bases. Results highlight their diverse roles in PBB collection, including public information dissemination, facility provision, accessibility improvement, payment monitoring, stakeholder collaboration, and technology use. Factors influencing PBB realization include public understanding, counseling, and payment awareness influenced by poverty. Emphasizing innovative approaches, involving agencies and the community, is vital to achieve regional income targets. Addressing challenges and enhancing taxpayer education allows urban village agencies to optimize PBB collection and support regional development goals.

Keywords: Agencies, Accessibility, Land and building tax, Taxpayer, Urban village.

1 Introduction

Land and Building Tax (PBB) is one of the important sources of revenue for local governments in financing development and providing public services Kurniawan and Widodo [7]; Syaiful [8]; Khoiroh, [4]; Kharuniawati, [2]; Kolatung, [5]; and Khipiyah and Winata, [3]. Taxes have a very important role in state revenue at the present time. This happens because taxes are a definite source in contributing to the state. In this regard, the importance of tax management is a priority for the government. There are various types of taxes imposed on the community, one of which is Land and Building Tax. However, there are still challenges in increasing public awareness and compliance in paying PBB, for example, leadership at the village level Alrfian and Wayono [1], compliance and awareness of taxpayers Kolatung, [5]; Syaiful, [8]; Yonantina and Adiwijaya, [10]; and Khipiyah and Winata, [3], and ineffective sanctions against tax payers Khoiroh, [4]. Thus, this study aims to analyze the role of village agencies in improving access to information on PBB payments and its impact on public awareness and compliance.

The research method used is a case study to analyze data from observations and in-depth interviews. Interviews were conducted with 15 informants involved in PBB management,

namely 5 people from the kelurahan and 10 PBB taxpayers. The informants came from three urban villages in Palu City, namely Tondo in Mantikulore sub-district, Balaroa urban village in West Palu sub-district, and East Besusu urban village in East Palu sub-district.

The results of this study show the role of the Tondo, Balaroa, and Besusu Timur urban village apparatus in increasing Land and Building Tax, including providing information to the community, providing facilities and accessibility, monitoring and supervising PBB payments, collaborating with related parties, and applying information technology. In addition, we also found several main factors affecting the realization of land and building tax, namely the lack of public understanding of the obligation to pay land and building tax, the lack of counseling from officials, and not having the awareness to pay land and building tax due to poverty. The results of this study also show the importance of breakthroughs to achieve local revenue targets, both from the dimension of village officials and from the community dimension.

Overall, the kelurahan helps to improve people's understanding of the importance of paying Land and Building Tax and the procedures that must be followed. They are also responsible for collecting and verifying data on property owners and the amount of tax to be paid. They can ensure that the data recorded in the PBB payment system matches the actual conditions on the ground. If there are discrepancies or inaccuracies in the data, the Kelurahan can assist residents to make corrections. Kelurahan can also provide facilities for land and building tax payments at the local level. This provides convenience for the community as they do not need to travel far to pay taxes.

2 Literature Review

2.1 Land and Building Tax as a Source of Local Revenue

Land and Building Tax is imposed on Land and or Buildings. The tax subject in the Land and Building Tax is a person or entity that actually has a right to the Land and or obtains the benefits of the Land and or owns, controls and or benefits from the Building, so that the tax subject above becomes a Land and Building Taxpayer Khiptiyah and Winata, [3]; Syaiful, [8]; Yonantina and Adiwijaya, [10]. PBB in the rural sector is applied to properties located in rural areas or areas that are not included in urban areas. Alrfian and Wayono, [1]. Properties included in this sector include land and buildings such as agricultural land, gardens, plantations, farms, and other buildings located in rural areas.

It is a common understanding that taxes are contributions of the people to the State treasury based on the Law (which can be imposed) by not getting reciprocal services (contraprestasi) that can be directly shown and which are used to pay for public expenses Alrfian and Wayono, [1]; Khiptiyah and Winata, [3]; Syaiful, [8]; Yonantina and Adiwijaya, [10]; Khoiroh, [4]; and Kolatung, [5]. Taxes are contributions to the State treasury (which can be imposed) owed by those who are obliged to pay according to regulations, without getting a return achievement, which can be directly appointed and used to finance public expenditures related to the duties of the State which organizes the government. Thus, taxes have the following elements:

1. Taxes are contributions from the people to the State treasury in the form of money (not goods)
2. Taxes are collected based on or with the power of the Act and its implementing rules

3. In the payment of taxes can not be shown the existence of individual contraprestasi by the Government
4. Used to finance the State household, namely expenditures that benefit the wider community. Taxes as the main source of government revenue are used to finance public expenditures that benefit the community.

Revenue generated from PBB is used by local governments to finance various development activities and programs in their areas. This revenue can be used to improve infrastructure, public services, education, health, security, and various other sectors that aim to advance the region.

Local governments usually make efforts to increase PBB revenue by conducting accurate data collection on properties that should be taxed Khipiyah and Winata, [3]; Syaiful, [8]; Yonantina and Adiwijaya, [10]; and Kolatung, [5]. They also conduct socialization to the community about the importance of paying taxes in a timely manner and ensure WP compliance in paying Land and Building Tax Khoiroh, [4]. Land and building tax in the urban and rural sectors as a source of local revenue has an important role in strengthening local finances. Through the management and collection of this tax, local governments can obtain the necessary sources of funds to finance the development and services needed by the people in their area.

2.2 Tax Administration in Land and Building Tax Management

Tax administration in the management of Land and Building Tax involves a series of processes carried out by tax authorities and taxpayers to ensure tax collection is carried out effectively and efficiently. Khoiroh, [4]. The administration process begins with the registration of taxpayers. Every owner of land or building that is the object of PBB must register as a taxpayer at the relevant tax office. In this process, identity data, property information and related documents will be collected. The tax authority will conduct an assessment of the property that will be subject to Land and Building Tax. This assessment aims to determine the selling value of the tax object based on criteria set by applicable laws or regulations. This value will be used as the basis for tax imposition. After the property valuation is completed, the tax authority will use the value to calculate the amount of Land and Building Tax that must be paid by the taxpayer. The amount of tax to be paid will be determined based on the rates set by the applicable laws and regulations.

After tax determination, the tax authority will send a tax notice to the taxpayer. This notice contains details of the amount of tax to be paid, the payment period, and instructions on payment procedures. If the existing tax policy is able to overcome the above problems effectively, then the tax administration can be said to be good so that the tax ratio will increase. The basis for the realization of a good tax administration is the application of modern management principles, namely Planning, Organizing, Actuating and Controlling, the existence of clear and simple tax policies that make it easier for taxpayers to carry out their obligations, the availability of qualified and honest tax officials and the implementation of strict and consistent law enforcement.

Taxpayers must pay Land and Building Tax in accordance with the time period specified in the tax notice. Payments can be made through various methods, such as bank transfer, cash payment at the tax office, or through an online payment system provided by the tax authority. Taxpayers are also expected to report relevant changes related to their property to the tax authority, such as changes in ownership, changes in use, or changes in building structure. In addition, taxpayers are

also expected to comply with tax provisions, such as reporting honestly and on time, and maintaining documents related to Land and Building Tax. In the tax administration of Land and Building Tax, it is important to maintain integrity, transparency, and efficiency so that taxes can be collected properly to support development and public services Syaiful, [8]. The role of tax authorities and taxpayer awareness and compliance in carrying out good tax administration is very important.

3. Methodology

This research uses case study analysis with observational data collection and open-ended in-depth interviews. Interviews were conducted with 15 informants involved in PBB management, namely 5 people from the kelurahan and 10 taxpayers. The informants came from three kelurahan in Palu City, namely Tondo Kelurahan in Mantikulore Sub-district, Balaroa Kelurahan in West Palu Sub-district, and East Besusu Kelurahan in East Palu Sub-district. The interviews were conducted in-depth and open-ended, so they took relatively longer. Interviews were conducted with informants between March and May 2023, for 45 minutes at the shortest and 60 minutes at the longest. The researcher's identity was not included in this study to protect their privacy.

Interview data collection techniques are not only limited to observations made either directly or indirectly. Interviews can be seen as a method of collecting data by means of one-sided questions and answers that are carried out systematically and based on investigation, generally two or more people are present in a question and answer process where each party can use communication channels reasonably. Interviews as an oral question and answer process, in which two or more people are physically confronted, one can see the face that collects direct information about some data questions that are feelings and except that it can also be used to capture people's reactions in expressive form while the question and answer is running. Therefore, in the hands of a skilled interviewer, the interview is a data collection tool that requires accuracy and completeness. In this regard, going directly to the field or directly in the life scene in the research area is very important, in order to carry out social interactions to obtain the necessary data. Through this observation, it is intended to obtain useful information for further analysis.

Data analysis was conducted in three stages: first, a literature review to gain a macro understanding of the role of village officials in PBB accessibility. Second, analysis of archival data obtained from the internet and publicly available urban villages to support understanding of events in the field. Finally, analysis of interview data to gain an in-depth micro understanding of the role of the kelurahan in improving PBB accessibility to taxpayers. This case study data analysis follows the procedures of Stake [7] and Yin [9].

In this study, we chose three villages in Palu City, namely Tondo Village in Mantikulore Subdistrict, Balaroa Village in West Palu Subdistrict, and East Besusu Village in East Palu Subdistrict. The reason for choosing these places is because these villages have relatively similar characteristics to other areas in Palu City, as well as villages in Indonesia that are medium-sized based on area and population. The population of the three villages is around 15,000 people, with 4,600 households, and an area of around 5,500 hectares.

4 Result and Discussion

Based on data from in-depth interviews with informants, the results show that village agencies have a significant role in improving access to information on land and building tax payments. Land and building tax is one of the sources of revenue for the government in running various development programs and projects. However, there are often obstacles in collecting this tax, both in terms of public awareness and limited access to information. In this context, village agencies play an important role in improving access to information on land and building tax payments. The results of this study show that the important role of the kelurahan includes providing information to the community, providing facilities and accessibility, monitoring and supervising PBB payments, collaborating with related parties, and applying information technology. The discussion of these findings is explained as follows.

4.1 Providing Information to the Public

One of the main roles of village agencies in improving access to information on PBB payments is to provide clear and reliable information to the community. The village can conduct socialization on the importance of paying PBB on time and explain the consequences of not fulfilling this obligation. The information provided includes how to pay, the location of payment offices, and payment deadlines. The provision of information is in accordance with the results of interviews with informants, namely village officials and PBB taxpayers, as follows.

“There used to be village officials who came to remind us about tax payments and brought a piece of PBB paper, but now there are none. Perhaps the kelurahan thought that even when reminded, the local people forgot to pay. So they don't remind them about the payment anymore, but people forget sometimes. ...Yes, it is because of the lack of communication that we do not pay (WP Kelurahan Tondo, 2023).

The kelurahan no longer goes directly to the community to convey or remind about tax payments, but the kelurahan informs each local RT head and gives tax payment papers to the RT head. Then, it is the RT head who informs residents about the Land and Building Tax bill (Tondo Village Apparatus, 2023) The kelurahan has not gone directly to the community to convey or remind about tax payments but the kelurahan informs each local RT head and provides tax payment papers to the RT head. Then, it is the RT heads who inform residents about the Land and Building Tax bill (Tondo Village Official, 2023). Reminding about tax payments but the kelurahan informs each local RT head and gives tax payment papers to the RT head. tax payment paper to the head of the RT. Then, it is the RT heads who convey to the residents about the land and building tax bill (Aparatur Kelurahan Tondo, 2023).

Information from the kelurahan did not actually reach the community (WP Balaroa, 2023).

This research shows that there is asymmetric information between the kelurahan and the local community. Thus, under these conditions, it is necessary to improve the dissemination of information about land and building tax in the village, especially through effective information dissemination. Information dissemination through communication will have a positive impact on the government and also on the smoothness of the community in receiving information about land and building tax payments. The results of interviews with taxpayers in Balaroa urban village said that there was still a lack of information dissemination from the urban village and the local RT head. This is in accordance with the statement from taxpayers in Tondo Village that one of the reasons people do not pay Land and Building Tax is because of the lack of encouragement from the village. The results of the interview are as follows:

We also as residents if we are reminded or informed about the payment of land and building tax we will definitely pay but from the kelurahan itself does not confirm or remind about the payment so we also do not pay because we forget (WP Tondo, 2023).

We are rarely told or informed by either the kelurahan or RT head about PBB payments (WP Balaora, 2023).

Overall, this study shows that it is necessary to disseminate PBB information consistently to increase compliance and awareness of PBB taxpayers. Such consistency is needed because people tend to ignore the time or schedule of PBB payments that only take place once a year. Thus, the active role of village officials to inform or provide access to information to PPP taxpayers is very important.

4.2 Provision of Facilities and Accessibility

Village agencies can play a role in providing facilities and improving accessibility for people to make PBB payments. This can be done by opening payment counters at the village office or working with financial institutions or banks to provide payment points that are easily accessible to residents. This is consistent with the results of interviews with taxpayers in Balaroa, Tondo, and East Besus, as follows....kelurahan bisa menyediakan loket-loket untuk pembayaran, ...dulu memang ada tapi sekarang kadang ada, kadang tidak (WP Tondo, 2023).

It is actually good if you can see the PBB payment information online, but it is not yet (Balaroa WP, 2023).

We still have to go to the kelurahan if we need information about PBB. It is still difficult for us to expect the active role of the kelurahan, especially if we wait to be contacted (WP Besusu Timur, 2023).

We are just waiting for information from the City about the PBB policy (Kelurahan Tondo apparatus, 2023).

The results of this study indicate the importance of local government policies that proactively provide services to taxpayers. These services can be in the form of information and payment counters and open information provision.

4.3 Monitoring and Supervision of PBB Payments

Kelurahan also has the responsibility to monitor and supervise PBB payments in its area. The results of this study show the importance of the role of urban villages to conduct active monitoring. By doing so, village agencies can identify residents who have not made payments or are aware of discrepancies between tax object data and payments made. This allows for further action, such as reminders or enforcement action if necessary. This is consistent with the results of interviews with taxpayers in the three research kelurahan, as follows.

The Kelurahan does not know if we have paid the PBB or not, maybe they do not have the data (WP Kelurahan Balaroa, 2023).

I just paid the tax after years of arrears but was not collected, when I paid there was a deduction too (WP Tondo, 2023).

The level of awareness of village officials about the importance of PBB payments is very important. However, the actions of kelurahan officials are passive to raise public awareness. This

is consistent with the statement of a taxpayer in Kelurahan Tondo that "in the past, around 2015, the kelurahan brought a sheet of tax bill to the community, but now the activity is no longer carried out by the kelurahan officials." Observations showed that only a few village officials worked to remind and provide direction about taxes to taxpayers in the three kelurahan. In addition, there is a lack of coordination among kelurahan officials in handling PBB issues, resulting in partial resolution, with only kelurahan officials in the PBB section handling PBB issues without support from other officials. This worsens the handling of PBB issues because the kelurahan apparatus in the PBB section is still limited. Thus, the desired PBB revenue target each year is not met.

4.4. Collaboration with Related Parties

Village agencies also need to play a role in collaborating with related parties, such as the Regional Revenue Office, the Tax Office, or the Regional Financial Management Agency. This is consistent with the statement from the kelurahan apparatus in Kelurahan Tondo, "indeed we need support from other agencies to improve the performance of PPB collection so that PPB revenue reaches the target." This statement is consistent with an interview with an official from Kelurahan Besusu Timur, "We are very supported by the opening of PBB payment counters by the revenue agency at certain times in the kelurahan, unfortunately the counters are not regular."

The results of this study show the importance of collaboration to strengthen coordination and mutual support in optimizing access to information on PBB payments. Thus, the kelurahan can act as an extension of the local government in ensuring citizens' awareness and compliance with PBB payment obligations.

4.5 Applying Information Technology

In the digital era, the application of information technology can be an effective solution in improving access to information on PBB payments. Village agencies can develop platforms or applications that make it easier for the public to obtain information about PBB payments, such as through official village websites, short messages (SMS), or mobile phone applications. In addition, information technology can also be used to monitor and track PBB payments and provide notifications to residents who have not paid. This is in accordance with the statement from the WP of Balaroa Village, "it is very good if there is direct information, whether via SMS, WA, or on the internet (website)." This statement is in accordance with the results of interviews with taxpayers in Besusu Timur Village, "the kelurahan can utilize the internet and HP (Hand Phone) to make it easier for residents to fulfill their PBB obligations." This is also related to Lurah's leadership in a kelurahan, as the results of interviews with Tondo Village officials, as follows.

...actually the use of anything, for example cell phones (hand phones) such as SMS or WA, depends on the Head of the Village to increase PBB revenue (Tondo Village apparatus, 2023).

Overall, village agencies play an important role in improving access to information on PBB payments. By providing clear information, providing adequate facilities and accessibility, as well as monitoring and collaborating with related parties, village agencies can contribute to increasing citizens' awareness and compliance in paying PBB. In addition, the application of information technology can also be an effective tool in providing easy and fast access to information to the community. With the synergy between village agencies, local government, and the community,

it is expected that the level of PBB payment compliance can be significantly improved, thereby increasing local revenue and the overall welfare of the community.

5. Conclusion

The results of this study have reviewed that village agencies have a significant role in increasing access to information on PBB payments. PBB is one of the sources of revenue for the government in running various development programs and projects. However, there are often obstacles in collecting this tax, both in terms of public awareness and limited access to information. In this context, village agencies play an important role in improving access to information on land and building tax payments. The results of this study show that the role of village officials in increasing land and building tax includes providing information to the community, providing facilities and accessibility, monitoring and supervising PBB payments, collaborating with related parties, and applying information technology.

This study contributes in revealing some of the main factors affecting the realization of PBB, namely the lack of public understanding of the obligation to pay Land and Building Tax, the lack of counseling from the authorities, and not having the awareness to pay Land and Building Tax due to poverty. Thus, the government of Kopa Palu needs to improve socialization and other information dissemination to increase the accessibility of PBB information. This indicates that there is potential to increase local revenue through PBB revenue. The results of this study also show the importance of breakthroughs to achieve local revenue targets, both from the dimension of village officials and from the community dimension.

The specific nature of this study means that its findings have limitations for generalization to other regions. Nevertheless, this study can serve as a comparison for other regions that have similar characteristics. Thus, this research opens up opportunities for future research by examining other regions as a comparison so that in the end its reliability increases, as well as increasing its external validity.

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