Optimization of the Management of Retributions in the Animal Market to Increase Regional Original Income of Toraja Utara Regency

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ABSTRACT: The regulations set by the government regarding market fees are not widely known by the public due to lack of socialization. From this ignorance, people seem not to care about collecting market levies, so many feel they are not obliged to pay the retribution tickets. This study aims to determine the optimization of the management of the sponge market retribution in increasing the original income of the North Toraja Regency. This research is a quantitative approach. This study will explain the causal relationship between the variables through hypothesis testing. In this study, the analytical method used is multiple regression analysis model using IBM's SPSS 26 program. The research sample consisted of 30 respondents which included all staff of the sponge market retribution. The results of this study indicate that finance, services, learning and growth have a positive and significant effect on local revenue, while internal business has no effect on local revenue.

KEYWORDS: Finance, Services, Internal Business, Learning and growth and local revenue

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I. Introduction:

In the implementation of regional autonomy, financial sources originating from regional original income are more important than sources outside of regional original income, because regional original income can be used in accordance with regional initiatives and initiatives, while the form of regional grants (non-PAD) is more tied. (Sutedi, 2008). In Law no. 33 of 2004 explained that Regional Original Revenue (PAD) is regional revenue sourced from regional taxes, regional retribution proceeds, separated regional wealth management results, and other legitimate Regional Original Income, which aims to give authority to local governments to funding the implementation of regional autonomy in accordance with regional potential as a manifestation of decentralization (Inggawati, et al, 2013).

Traditional markets as one of the most important places for money circulation for small traders to find access to marketing and have a lot of strategic values from both an economic and socio-cultural perspective. Seeing the importance of markets for the community, it is necessary to increase market services so that people are more comfortable using the facilities in traditional markets. This can be realized through a market retribution optimization strategy (Inggawati, et al, 2013).

Market levies are included in general service levies because they are non-tax and are regional authorities in the context of implementing decentralization, meaning that market levies can be a potential source of regional income. Market service levies, hereinafter referred to as levies, are rewards collected by the Regional Government to individuals or entities for services in the market that have been provided in the form of providing market facilities in the form of buildings in the market consisting of shop houses, shops, kiosks, los, and courtyards.

However, the problem that occurs is that local revenue through market retribution in North Toraja Regency is less than optimal, this can be seen from the number of street vendors who do not want to pay market retribution tickets on the grounds that no one has bought the goods they sell, the frequency of the market in North Toraja Regency only twice a week, it is difficult to collect retribution from live animal traders such as buffalo because traders delegate levy collections to consumers/buyers, every animal trader does not have a place or stand to sell so it is difficult to get a retribution ticket, and For market and public transport levies, the
revenues tend to be combined so that it is not clear what percentage each tax object contributes to Regional Original Income (PAD). With these various problems, this is what causes market retribution not to be able to increase local revenue in North Toraja Regency.

Efforts to increase Regional Original Revenue, through optimizing retribution, are expected to increase the government's capacity in implementing regional autonomy, especially in relation to regional income. According to Gibson, Ivanevich, and Donnelly (1994:701), optimization (optimization) is an effort to increase the most desirable capabilities among the effectiveness criteria or in other words an effort to maximize the resources that have been owned to achieve the expected goals. Meanwhile, according to the KBBI (2008) Optimization is the process, method, act of optimizing (making the best, the highest, etc.).

The results of research in the field indicate that the collection of market retribution achieved so far is not in accordance with the planning target. This is due to the ineffectiveness of the pattern and system of collecting market retributions carried out by the local government of North Toraja Regency. It can be seen from the market levy collection data in the last 3 years, the realization of market levy receipts is very far from the planned target to be achieved. The following is a comparison table of targets and realization of market retribution in North Toraja Regency for the last 3 years.

<p>| Table 1 Comparison of Target and Realization of Market Retribution for 2018-2020 |
|---------------------------------|---------------------------------|---------------------------------|-----------------|</p>
<table>
<thead>
<tr>
<th>Tahun</th>
<th>Target Retribusi Pasar Hewan (Rp)</th>
<th>Realisasi Retribusi Pasar Hewan (Rp)</th>
<th>Prosentase realisasi/target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1.600.402.000</td>
<td>1.503.240.000</td>
<td>93.93%</td>
</tr>
<tr>
<td>2019</td>
<td>1.650.300.000</td>
<td>1.520.656.000</td>
<td>92.14%</td>
</tr>
<tr>
<td>2020</td>
<td>1.620.300.000</td>
<td>500.100.000</td>
<td>30.86%</td>
</tr>
</tbody>
</table>

Source: North Toraja Regency Dispenda

From table 1, it can be seen that the realizaiton of market retribution is not in line with the target. The non-achievement of the market levy revenue target has an impact on the lack of local revenue, especially in the last 3 years in North Toraja Regency.

For this study, the researchers made observations only on one object of retribution in North Toraja Regency, namely market retribution. This is because the researchers found various problems in terms of collecting market fees. The intensity of the market in North Toraja district is very high, because apart from having a daily market, there is also a weekly market in each village or Lembang. However, the researcher only took 1 market sample to be used as the object of research, namely the Bolu Market (Weekly Market). The Bolu Market is the object of research because the market is very crowded and is the largest market in North Toraja Regency. Judging from the high process of buying and selling or trading at Bolu Market, market retribution should be able to increase local revenue. The regulations set by the government regarding market fees are not widely known by the public due to lack of socialization. From this ignorance, people seem not to care about collecting market levies, so many feel they are not obliged to pay the retribution tickets.

II. Literature Review:-

Regional autonomy.

Regional autonomy is the authority of an autonomous region to regulate and manage the interests of the local community according to its own initiative based on the aspirations of the community, in accordance with statutory regulations. (HAW Widjaja, 2002) Decentralization or what is known as regional autonomy is very popular in Indonesia after the reformation. Regions are given the authority to regulate and manage their own regions without having to be commanded by the center. The meaning of regulating is giving birth to various forms of policies or regulations that take into account the interests of the community based on customs and culture or local wisdom possessed, then the meaning of managing is to provide services, both goods and services to meet the needs of the community (Sudaryo et al, 2017). The area can be said to be the right to regulate and manage their own household. Autonomy comes from the Greek, namely autonomos, which means self-regulation/self-ruling. Autonomy is not only a right, but also an obligation that must be carried out (Riady, 2004). So it can be said that regional autonomy is basically the right, authority and obligation of the region to take care of its own household.

Definition of Regional Original Income

Regional Original Revenue (PAD) is one of the sources of regional income that is managed directly by the Regional Government which includes: Regional tax proceeds, regional levies, results from regionally owned companies, and the results of separated regional wealth management, and other regional original revenues that legal (Law No. 32 of 2004). Central and regional financial contribution funds consist of: Profit sharing (regional
share) from land and building taxes, transfer fees for land and building rights and revenues from natural resources, Special Allocation Funds and Regional Loans. In an effort to enlarge the role of local governments in development, local governments are required to be more independent in financing their household operational activities. Based on this, it can be seen that regional revenues cannot be separated from regional expenditures, because they are interrelated and constitute a budget allocation that is prepared and made to expedite the wheels of regional government. The existence of rights, powers, and obligations given to regions to regulate and manage their own households is an effort to increase the role of regional governments in developing their regional potential by managing regional revenue sources efficiently and effectively, especially their own regional own revenue.

**Definition of Market Retribution**

Market retribution is a levy collected from traders for the use of market facilities and the granting of a placement permit by the City Regency Government. So the market retribution consists of retribution for placement permits, retribution for kiosks, retribution for booths, retribution for targets, and retribution for parking spaces. The market levy or market service levy is one type of public service levy whose existence is quite utilized by the community.

According to Law Number 28 of 2009 concerning Regional Taxes and Levies, what is meant by market services is traditional or simple market facilities in the form of courtyards, stalls managed by local governments, and specifically provided for traders, excluding those managed by Regional Owned Enterprises and private parties. Other facilities managed by BMUD for traders are security, public lighting, water supply, telephone, cleaning and fire fighting equipment.

**Financial Influence on Regional Original Income**

An analysis of financial or financial performance when prepared properly will provide a real picture of the results or achievements that have been achieved by an organization over a certain period of time. So that this situation is used to assess performance within the organization.

Kaplan and Norton (2000: 75) state that the weaknesses of performance measurement that focus on financial or financial performance are: The inability to measure the performance of intangible assets and intellectual property (human resources) of the company, Financial performance is only able to tell a little about the company's past and cannot fully guide the company in a better direction, the concept of performance measurement in public sector organizations is aimed at helping public managers assess the achievement of a strategy through financial and non-financial measuring tools (Pramadhani, 2011). This is in line with research conducted by Limbu, W. P., & Sisdyani, E. A. (2016), Fajriah, L., & Hidayat, M. T. (2019).

**The Effect of Services on Regional Original Income**

The customer perspective on the Balanced Scorecard according to Kaplan and Norton (2000: 169) is that managers identify customers and market segments where the business unit will compete with various measures of business unit performance in their respective targets; Where by providing quality services the head of the community so that community satisfaction increases. This is in line with previous research conducted by Setyoko, A., Sudrajat, M. A., & Ubaidillah, M. (2021).

**The Influence of Internal Business on Regional Original Income**

The internal processes of business organizations and public sector organizations are basically the same, namely to build organizational excellence through continuous improvement of the organization's internal processes. Several strategic objectives in internal processes will have an impact on customer satisfaction such as improving the service cycle, increasing infrastructure capacity, updating technology but this has not been able to increase local revenue.

The internal process perspective aims to build organizational excellence through continuous improvement of the organization's internal processes. The performance of internal processes in this study describes the organization's ability to provide satisfaction to the community and owners of capital through time and cost effectiveness of production performance, as well as operational performance. This is in line with previous research conducted by Setiyaningjsih, S., & Suwirii, S. (2012).

**The Effect of Learning and Growth on Regional Original Income**

The performance of the learning and growth perspective encourages an organization to become a learning organization. From this perspective, the results are not immediately visible, but rather in the long term. In this research, the growth and learning perspective shows the company's ability to increase employee competence so that it has an impact on efforts to provide maximum service to the community. This can increase the increase in Regional Original Income (PAD) for North Toraja Regency. This is in line with previous...
research conducted by Nugroho, A. B. (2012).

### III. Research Methods:

This study aims to optimize the management of the sponge market retribution in increasing the original income of the North Toraja Regency. This research is a quantitative approach. This study will explain the causal relationship between the variables through hypothesis testing. In this study, the analytical method used is multiple regression analysis model using IBM's SPSS 26 program. The research sample consisted of 30 respondents, which included all sponge market retribution officers. The variables in this study are finance, services, internal business, learning and growth and local revenue.

**Description of Research Results**

**Multiple Linear Regression Analysis Test**

| Model | Coefficientsa |
|-------|---------------|---|---|---|---|
|       | Unstandardized Coefficients | Standardized Coefficients | T | Sig. |
|       | B | Std. Error | Beta |      |    |
| 1 (Constant) | -.060 | .222 | -.270 | .789 |
| Financial | .471 | .101 | .238 | 4.669 | .000 |
| Service | .876 | .075 | .655 | 11.750 | .000 |
| Internal business | .011 | .028 | .008 | .381 | .706 |
| Growth learning | .218 | .062 | .113 | 3.484 | .002 |

a. Dependent Variable: locally-generated revenue

Source: Processed Primary Data, 2022

From the table above, the Unstandardized Coefficients column shows that the financial and service values are respectively 0.155 for finance and 0.731 for services, while the Constant parameter value is 4.214.

Based on this value, the multiple regression equation is:

\[ Y = -0.060 + 0.471 X1 + 0.876 X2 + 0.011 X3 + 0.218 X4 \]

The above equation can be explained as follows:

1) The value of -0.060 on the financial variable (X1), service (X2), internal business (X3), learning and growth (X4) the value is 0 (zero) then the Regional Original Income (PAD) (Y) is -0.060
2) The value of 0.471 on the financial variable (X1) is positive so it can be said that the better the finances, the higher the Regional Original Income (PAD).
3) The value of 0.876 on the service variable (X2) is positive so it can be said that the higher the service, the higher the Regional Original Income (PAD).
4) The value of 0.011 on the internal business variable (X3) is positive so it can be said that the better the internal business, the higher the Regional Original Income (PAD).
5) The value of 0.218 on the learning and growth variable (X4) is positive so it can be said that the better learning and growth, the higher the Regional Original Income (PAD).

**Hypothesis test**

**Hypothesis 1**

The calculation results obtained that the t-count value for the financial variable is 4.669 and by using the level of significance (level of significance) of 5%, the t table is 1.705. Where t table is obtained from dk = n-k (30-4) = 26 (Siregar, 2012) which means that the value of t count is greater than t table, namely 1.705 > 4.669. While the value of sig in the table is 0.000 because sig is smaller or less than 0.05, which shows that finance has a positive and significant influence on Regional Original Income (PAD). Thus, it can be concluded that the hypothesis which states that finance has a positive and significant influence on Regional Original Income (PAD) is accepted.
Hypothesis 2
The calculation results obtained that the t value for the service variable was 11.750 and by using a significance level of 5%, the t table was 1.705. Where t table is obtained from dk = n-k (30-4) = 26 (Siregar, 2012) which means that the value of t count is greater than t table, namely 1.705 > 11.750. While the value of sig in the table is 0.000 because the sig is smaller or less than 0.05, which shows that the service has a positive and significant influence on Regional Original Revenue (PAD). Thus, it can be concluded that the hypothesis which states that services have a positive and significant influence on Regional Original Revenue (PAD) is accepted.

Hypothesis 3
The calculation results obtained that the t value for the service variable was 11.750 and by using a significance level of 5%, the t table was 1.705. Where t table is obtained from dk = n-k (30-4) = 26 (Siregar, 2012) which means that the value of t count is greater than t table, namely 1.705 > 11.750. While the value of sig in the table is 0.000 because the sig is smaller or less than 0.05, which shows that the service has a positive and significant influence on Regional Original Revenue (PAD). Thus, it can be concluded that the hypothesis which states that services have a positive and significant influence on Regional Original Revenue (PAD) is accepted.

Hypothesis 4
The calculation results obtained that the t-count value for the internal business variable is 0.381 and by using a significance level of 5%, the t-table is 1.705. Where t table is obtained from dk = n-k (30-4) = 26 (Siregar, 2012) which means that the value of t count is smaller than t table, namely 1.705 < 0.381. While the value of sig in the table is 0.706 because sig is greater than 0.05 which shows that internal business has an insignificant effect on Regional Original Revenue (PAD). Thus, it can be concluded that the hypothesis which states that internal business has a significant influence on Regional Original Revenue (PAD) is rejected.

Hypothesis 5
The calculation results obtained that the t value for learning and growth variables was 3.484 and by using a significance level of 5%, a t table of 1.705 was obtained. Where t table is obtained from dk = n-k (30-4) = 26 (Siregar, 2012) which means that the value of t count is smaller than t table, namely 1.705 > 3.484. While the value of sig in the table is 0.706 because sig is greater than 0.05 which shows that internal business has a positive and significant influence on Regional Original Revenue (PAD). Thus, it can be concluded that the hypothesis which states that learning and growth has a positive and significant influence on Regional Original Income (PAD) is accepted.

Coefficient of Determination

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.998*</td>
<td>.996</td>
<td>.996</td>
<td>.275</td>
</tr>
</tbody>
</table>

Table 3 shows the test of determination from the value of R Square that is equal to 0.996 which means that the variables of Finance, Service, internal business, and learning and growth can explain the Regional Original Income (PAD) variable of 99.6% and the remaining 0.4% which is other variables not examined in this study.

V. Discussion:
Financial Influence on Regional Original Income
The results of the study show that the better the financial, it will increase the Regional Original Income (PAD). The results also show respondents' responses about finance to regional original income (PAD) which shows a high/good average respondent's response although there are still those who show doubtful and disapproving responses to regional original income (PAD) currently felt on original income Region (PAD).

Based on the results of interviews with the Bolu Animal Market retribution officer in North Toraja Regency, who was met said that for finance related to Regional Original Income (PAD) it showed that the financial performance of the sponge cake market experienced an increase in a better direction and was able to survive in the future pandemic.

An analysis of financial or financial performance when prepared properly will provide a real picture of the results or achievements that have been achieved by an organization over a certain period of time. So that this situation is used to assess performance within the organization.

Kaplan and Norton (2000: 75) state that the weaknesses of performance measurement that focus on
financial or financial performance are: Inability to measure the performance of intangible assets and intellectual property (human resources) of the company, performance finance is only able to tell a little about the company's past and is not able to fully guide the company in a better direction, the concept of performance measurement in public sector organizations is aimed at helping public managers assess the achievement of a strategy through financial and non-financial measuring tools (Pramadhan, 2011). This is in line with research conducted by Limbu, W. P., & Sisdyani, E. A. (2016), Fajriah, L., & Hidayat, M. T. (2019).

The Effect of Services on Regional Original Income

The results show that if the service is getting better, it will increase the Regional Original Income (PAD). The results also show respondents' responses to the Service to Regional Original Revenue (PAD) which shows a high/good average respondent's response although there are still those who show a doubtful and disagreed response to the Regional Original Income (PAD) currently felt towards the service.

Based on the results of interviews with the Bolu Animal Market retribution officers in North Toraja Regency who were met, they said that for services related to Regional Original Income (PAD), it showed that the sponge market manager was able to satisfy customer needs for the services used and was able to create good relationships with customers. Sponge animal market users and able to provide very fast and friendly service.

The customer perspective on the Balanced Scorecard according to Kaplan and Norton (2000: 169) is that managers identify customers and market segments where the business unit will compete with various measures of business unit performance in their respective targets; Where by providing quality services to the head of the community so that community satisfaction increases. This is in line with previous research conducted by Setiyaningish, S., & Suwiru, S. (2016), Fajriah, L., & Hidayat, M. T. (2019).

The Influence of Internal Business on Regional Original Income

The results of the study show that internal business will not affect the increase in local revenue (PAD). The results also show respondents' responses about Internal Business to Regional Original Income (PAD) which shows a high/good average respondent's response although there are still those who show doubtful and disapproving responses to Regional Original Income (PAD) currently perceived towards business. Internals.

Based on the results of interviews with Bolu Animal Market retribution officers in North Toraja Regency who were met, they said that for Internal Business related to Regional Original Income (PAD), it showed that sponge market managers made innovations in serving the community and carrying out operational activities in accordance with SOPs and facilitating community in the process after the sale of livestock. However, all of this has not been able to increase regional original income, which is very significant, this is due to the low income factor caused by the Covid pandemic so that people's purchasing power tends to decrease.

The internal processes of business organizations and public sector organizations are basically the same, namely to build organizational excellence through continuous improvement of the organization's internal processes. Several strategic objectives in internal processes will have an impact on customer satisfaction such as improving the service cycle, increasing infrastructure capacity, updating technology but this has not been able to increase local revenue.

The internal process perspective aims to build organizational excellence through continuous improvement of the organization's internal processes. The performance of internal processes in this study describes the organization's ability to provide satisfaction to the community and owners of capital through time and cost effectiveness of production performance, as well as operational performance. This is in line with previous research conducted by Setiyaningish, S., & Suwiru, S. (2012).

The Effect of Learning and Growth on Regional Original Income

The results of the study show that learning and growth are getting better and will affect the increase in Regional Original Income (PAD). The results also show respondents' responses to learning and growth on Regional Original Income (PAD) which shows the average respondent's response is high/good although there are still those who show doubtful and disapproving responses to Regional Original Income (PAD) currently perceived towards Learning and growth.

Based on the results of interviews with retribution officers at the Bolu Animal Market in North Toraja Regency, who were met said that for learning and growth related to Regional Original Income (PAD), the retribution officers' ability to charge customers was very good and able to operate information technology systems.

The performance of the learning and growth perspective encourages an organization to become a learning organization. From this perspective, the results are not immediately visible, but rather in the long term. In this research, the growth and learning perspective shows the company's ability to increase employee competence so that it has an impact on efforts to provide maximum service to the community. This can increase the increase in Regional Original Income (PAD) for North Toraja Regency. This is in line with previous

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research conducted by Nugroho, A. B. (2012).

VI. Conclusion:

Based on the results of the research and discussion above, it can be concluded:
1. Finance has a positive and significant effect on Regional Original Income (PAD) in North Toraja Regency, which means that it shows that better finances will increase Regional Original Income (PAD) in North Toraja Regency.
2. Service has a positive and significant effect on Regional Original Income (PAD) in North Toraja Regency, which means that it shows that better services will increase Regional Original Income (PAD) in North Toraja Regency.
3. Internal Business has no significant effect on Regional Original Income (PAD) in North Toraja Regency, which means that it shows that Internal Business will not increase Regional Original Income (PAD) in North Toraja Regency.
4. Learning and growth have a positive and significant impact on Regional Original Income (PAD) in North Toraja Regency, which means that it shows that learning and growth that is getting better will increase Regional Original Income (PAD) in North Toraja Regency.

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