

Implementation of Local Government Regulation Number 13 of 2016 on Rental Housing Business in Jayapura

**Transna Putra Urip¹, Asael Tiranda²,
Rachmaeny Indahyani³, Marsi Adi Purwadi⁴**

¹Faculty of Economics, Cenderawasih University
Kamp. Wolker Street, Waena, Jayapura City, Papua, Indonesia
E-mail: transnaputra@gmail.co.id

²Faculty of Economics, Cenderawasih University
Kamp. Wolker Street, Waena, Jayapura City, Papua, Indonesia
E-mail: tirandaasael21@gmail.com

³Faculty of Economics, Cenderawasih University
Kamp. Wolker Street, Waena, Jayapura City, Papua, Indonesia
E-mail: irachmaeny@gmail.co.id

⁴Faculty of Economics, Cenderawasih University
Kamp. Wolker Street, Waena, Jayapura City, Papua, Indonesia
E-mail: marsipurwadi@ieuncen.ac.id

DOI: 10.31957/plj.v4i1.1046

Abstract: *The present study was carried out to find out the policy implementation of Local Government Regulation No. 13 of 2016 on Rental Housing Business in Jayapura. To measure variables, it employs variables, awareness of paying taxes, tax sanction, socialization as tax service, tax environment (obligation), rental housing management, tax collection mechanism, and license of rental housing business. The chosen subject in research is the landlords of rental housing business. Furthermore, this paper is also concerned with potential of rental housing businesses against the Locally-generated revenue in Jayapura. To analyze the data, the current research employs score interpretation by looking at the perception category divided into five levels as follows very good, good, fair, poor, very poor and also by doing Potential calculations. Based on results obtained in this line of analysis, it showed several perceptions as follows; 1) fair perception on awareness of paying taxes with the score of 65.79%. 2) fair perception on tax sanction with the score of 56.57%. 3) fair perception on socialization as efforts of tax service with score of 54.92%. 4) fair perception on environmental tax perception (obligation) with the score of 56.81%. 5) good perception on the rental housing management (rights) with the score of 72.17%. 6) fair perception on tax collection mechanism with the score of 56.00%. 7) fair perception on the rental business license with the score of 62.51%. The potential of rental housing business towards locally-generated revenue based on monthly income of each business landlord is IDR. 201,070,000.00 and the receipts per year is IDR. 2,418,840,000.00.*

Keywords: *Tax Collection Mechanism; Rental Housing Business License*

INTRODUCTION

To gain competitive advantage over its rivals, each region is necessary to be able to recognize the potential and identify its resources. As well, it has been in great demand since the development in all fields also requires the government to work hard in terms of planning, organizing, implementing, and especially in the area of supervision is realized by the enactment of Local Government Regulation (PERDA) No. 13 of 2016 on Rental Housing Business. With the enactment of the Rental or Boarding House taxes, it is expected to be able to contribute to the Locally-generated revenue (PAD) of Jayapura, the community also has a contribution in the development of the area, especially in Jayapura, which is paid through the rental or boarding house taxes. Through the development of the education world utilized by the landlords to run their businesses, one of them is by setting up a boarding house business. As well, rules and regulations surrounding landlords have been a hot topic in the news recently, especially with the recent rulings regarding Perda No. 13 of 2016 on Rental Housing Business. In

connection with this matter, through the Jayapura Locally-generated revenue (PAD) Agency as the party that manages and supervises and is responsible for the Rental Housing Business, can reach out to every landlord. The issue that arises is that the implementation of such regulation does not appear to be in accordance with the provisions, it has not yet formed an understanding between the regulators, needless to say the local government and those who run the regulations (the landlords). In addition, up to now, the tax socialization has not been able to demonstrate the existence of Perda Number 13 of 2016.

The existence of boarding houses in general is to meet the needs of the community for temporary housing, for example, students who are willing to live nearer to their campus or employees who are eager to live closer to the office where they work, therefore boarding houses are located in strategic locations, the more people who use boarding houses, the more the number of boarding houses. However, in order to meet the needs of Locally-generated revenue (PAD), one of the authorities that can be exercised by

current local government is the expansion of the existing local tax base. The expansion of the tax base must meet the principles of tax collection. It is important to note that tax collection will not cause obstacles in the implementation of the tax collection policy.¹

Under the Perda No 13 of 2016 on Rental Housing Business in Jayapura; Article 1 Paragraphs 20 and 21, referred to as hotel taxes, are taxes on services provided by hotels, and in turns, the hotel is an establishment that provides paid lodging on a short-term basis, which includes motels, inns, tourism huts, lodging houses and so forth, as well as rental houses or boarding houses with more than 10 (ten) rooms.

The increased locally-generated revenue (PAD) tax through boarding houses that provide more than 10 rooms is also effective through socialization and thus the government's goals are achieved. Most importantly, this has emerged as an area for extensive attention to what caused the unevenness of the tax

collection mechanism on boarding house. The emergence of raising issues under such policy when the socialization (communication) between the implementers of the rulings such as the government official employees and tax subjects, such as the landlords and occupants of boarding houses, is not going smoothly. In this regard, the policy implementation is the most severe, because issues that sometimes arise are not in accordance with the concept and the main threat is its consistency.² It disclosed that in percentage, the plan is 20%, the implementation is 60%, the rest 20% controls the implementation. The above obvious facts become the researchers' anxiety why the issue of leasing rental housing tax in the category of boarding houses in Jayapura seems to be problematic and systemic.

In an effort to address such situation, the formulated research objectives are as follows to find out and analyze how the implementation of Perda No. 13 of 2016 on rental or boarding houses business and to figure

¹ Setianty. (2011). *Perpajakan Teori dan Kasus*. Jakarta: Salemba Empat, p. 35

² Riant D. Nugroho. (2012). *Kebijakan Publik, Formulasi, Implementasi dan*

Evaluasi. Jakarta: Elex Media Computindo, p. 681

out and analyze how much the potential of rental or boarding houses businesses towards the Locally-generated revenue of Jayapura.

METHOD

The current research was conducted in Jayapura, especially in the Abepura District and Heram District, through primary and secondary data relating to the Implementation of Local Government Regulation (PERDA) Number 13 Year 2016 regarding Rental Housing Business. Through random sampling method, the researchers take data to the landlords of rental houses or boarding houses randomly, and it is obtained 23 of the 305 population of landlords. To collect the data, the present project employs observation and questionnaire distribution to landlords of rental or boarding house businesses, and the analytical tool for the discussion section uses quantitative descriptive, where the collected data obtained from respondents' answers to the research

instruments (questionnaires) distributed must be processed into raw data. Each indicator will be translated into a question and put it in the list of questions by setting a numerical scale on the alternative answers as follows:

- 1) Score 5 for the answer strongly agree.
- 2) Score 4 for the answer agree.
- 3) Score 3 for the answer fair.
- 4) Score 2 for the answer disagree.
- 5) Score 1 for the answer strongly disagree.

The analytical tool used to find out the Potential Calculation of rental houses or boarding houses, the researchers perform data processing as follows: The potential for rental tax / boarding house = $DPP \times \text{Tax Rates}$.

DISCUSSION

Perception of Landlords of Rental housing or Boarding Houses towards Awareness of Paying Taxes

Whilst it is identified as the attitude of having self-awareness of someone who has a strong desire to comply with all the determined laws and regulations.

Table 1.
Analysis Results of the Awareness of Paying Taxes

Statement	Score	Perception
1. Become a taxpayer for rental housing business according to Regulation No. 13 of 2016	66,95	fair
2. Paying taxes is a form of devotion to the country	73,04	good
3. By paying taxes he/she has participated in development	72,17	good
4. The landlord should be a taxpayer	69,56	fair
5. Paying 10% tax is the act of meeting dependents	52,17	fair
6. Pay taxes on time	60,86	fair
Mean of Perception	65,79	fair

Source: Data processed in 2018

Perception of landlords regarding Regulation No. 13 of 2016 on rental housing business related to awareness of paying taxes shows fair under the mean score of 65.79%.

Perception of Rental or Boarding House Business Landlords towards Tax Sanctions

It is a guarantee that the provisions of tax legislation will be obeyed.

Table 2.
Analysis Results of Tax Sanctions

Statement	Score	Perception
1. Get sanctions if you do not pay taxes according to the provisions	65,21	Fair
2. Boarding house landlords who do not pay taxes need administrative sanctions	62,60	Fair
3. Do not have a rental house business licensing and other licensings get an administrative fine of IDR 100,000	51,30	Poor
4. Sanctions in the form of revocation licensing of warning for 7 effective days	53,91	Fair
5. Once late reporting (SPT), sanctions given at most IDR 150.000	51,30	Poor
6. Not paying taxes regularly will be given a warning letter on revocation licensing during 3 times for a period of 7 days	53,91	Fair
Mean of Perception	56,37	Fair

Source: Data processed in 2018

Based on results obtained in this line of analysis, the researchers have demonstrated that the perception responses show fair. Perception of

lanlords regarding Perda No. 13 of 2016 on rental housing business related to Tax Sanctions shows fair under the mean score of 56.37%.

Perception of Landlords of Rental Housing Business Towards Socialization as Tax Service Effort

Efforts to carry out activities stipulated by the government or

related agencies that have been designated in the form of notification to the whole community regarding the local government regulation

Table 3.
Analysis Results of Tax Service Socialization

Statement	Score	Perception
1. I understand of Perda No. 13 of 2016 on Rental Housing business for more than 10 doors	56,52	Fair
2. I understand of Perda No. 13 of 2016 on Rental Housing business through print media (newspapers, billboards), and mass media	52,17	Fair
3. I understand the regulation has been enacted in Regulation No. 13 of 2016 on rental housing business	47,82	Poor
4. I understand that rental housing tax can turn into potential PAD	52,17	Fair
5. I undersand that call center facility is one alternative facility besides coming to BAPENDA Jayapura	60,86	Fair
6. The service quality is satisfying	6,00	Fair
Mean of Perception	54,92	Fair

Source: Data processed in 2018

Perception of landlords regarding Perda No. 13 of 2016 on rental housing business related to socialization as tax service effort shows fair under the mean score of 54.92.

Perception of Rental or Boarding House Landlords towards the Tax Environment (Obligation)

The obligation shall be addressed and paid to the government in accordance with income from the rental housing management and has administrative requirements in accordance with recent rulings.

Table 4.
Analysis Results of Tax Environment (Obligation)

Statement	Score	Perception
1. I will continue to pay taxes even though the community around me does not pay taxes	79,13	Good
2. I once got a tax socialization from the local office	45,21	Fair
3. I will make a name plate of rent house and IMB number	46,08	Fair
Mean of perception	56,81	Fair

Source: Data processed in 2018

Perception of landlords regarding Perda No 13 of 2016 on rental housing business related to the tax environment shows fair under the mean score of 56.81.

Perception of Rental or Boarding House Landlords towards Rental Housing Management (Rights)

The right to get services from the government and receive information according to current local government regulations.

Table 5.
Analysis Results of Rental Housing Management

Statement	Score	Perception
1. Determine the rates amount of rental or boarding house according to regulation No. 13 of 2016	79,13	Good
2. Request data or a photocopy of the identity card of the prospective occupants	59,13	Fair
3. Evict lodgers that violate the regulation	78,26	Good
Mean of perception	72,17	Good

Source: Data processed in 2018

Perception of landlords regarding Regulation No. 13 of 2016 on rental housing business related to rental housing management (rights) shows good under the mean score of 72.17.

The form of cooperation between the government and the rental housing owners is realized, such as to carry out the functions of current applicable local government rulings.

Perception of Rental or Boarding House Landlords towards Tax Collection Mechanism

Table 6.
Analysis Results of Tax Collection Mechanism

Statement	Score	Perception
1. Tax payments through e-banking are easy, safe and reliable.	61,73	Fair
2. Tax reporting through e-SPT and e-Felling is very effective.	55,65	Fair
3. Submission of SPT via drop box can be done anywhere.	53,04	Fair
4. Perda 13/2016 can be downloaded via the internet easily and quickly.	56,52	Fair
5. Registration can be done via e-Registration from the tax website.	53,04	Fair
Mean of perception	56,00	Fair

Source: Data processed in 2018

Perception of rental or boarding house owners regarding Regulation No. 13 of 2016 on rental housing business related to tax collection mechanisms shows fair under the mean score of 56.00.

Perception of Landlords of Rental Housing Business Towards Rental Housing Business License

The regulations set forth by the government are the form of administrative requirements needed in accordance with current applicable local government regulations.

Table 7.
Analysis Results of Rental Housing Business License

Statement	Score	Perception
1. Rental housing business licensing	6,00	Fair
2. Photocopy of certificate or proof of legal ownership or control of land and buildings	66,08	Fair
3. Photocopy of Building Licensing (IMB)	67,82	Fair
4. Photocopy of HO (Interference licensing)	59,13	Fair
5. Photocopy of business location licensing and trading business licensing	57,39	Fair
6. Photocopy of E-KTP and proof of valid application	64,34	Fair
7. Photocopy of certificate of incorporation of a legal entity	63,47	Fair
8. Attach floor drawings and situation pictures (site Plane) according to the number of rooms	6,00	Fair
9. Has a certificate of domicile and a statement from landlords	64,34	Fair
Mean of perception	56,00	Fair

Source: Data processed in 2018

Perception of rental or boarding house landlords regarding Perda No 13 of 2016 on rental housing business related to Rental Housing Business Licensing shows fair under the mean score of 62.51.

Perception of Landlords towards Local Government Regulation No. 13 of 2016 on Rental Housing Business

Based on results obtained in this line of study, almost all community perceptions about Perda No. 13 of 2016 on Rental Housing Business showed mixed responses and the average rates were fair. The results of community perception are described as follows.

Table 8.
Results of Descriptive Analysis of Rental Housing Business

Statement	Score	Perception
1. Tax Pay Awareness	65,79	Fair
2. Tax Sanctions	56,37	Fair
3. Socialization as Tax Service Effort	54,92	Fair
4. Tax Environment (Obligation)	56,81	Fair
5. Rental House Management (Rights)	72,17	Good
6. Tax Collection Mechanism	56,00	Fair
7. Rental House Business Licensing	62,51	Fair
Mean of perception	60,65	Fair

Source: Data processed in 2018

Perception of rental housing owners regarding Perda No 13 of 2016 on Rental Housing Business related to awareness of paying taxes shows fair because the level of awareness on paying taxes is under the score of 65.79, business perception regarding tax sanctions shows fair under score of 56.37, socialization as a tax service effort shows fair with score of 54.92. The perception of the tax environment shows fair with score of 56.81. Rental house management shows good with score of 72.17. The perception of tax collection mechanism shows fair with score of 56.00. The perception of a rental house business licensing shows fair with score of 62.51. From the above findings, the researchers figure out that the perception of the variables related to the perception of the owners of rental house businesses to Regulation No. 13 of 2016 on Rental

Housing Business shows fair with the score of 60.56.

The Potential of Rental or Boarding House Business Towards the Jayapura Locally-Generated Revenue (PAD)

Embodied with the enactment of Local Government Regulation (Perda) Number 13 of 2016 on Rental Housing Business. Along with the increasing number of residents who come from outside Jayapura, this is an opportunity for Locally-generated revenue (PAD) to maximize the potential that exists in each region. With regard to this issue, based on Local Regulation No. 13 of 2016 on Rental Housing Business, either rent house or boarding house business is a very profitable source of income. In addition to income that continues to flow every month, as a long-term business, the owner of the boarding house can enjoy the benefits of the continued increase in the value

of revenue. From such observations, it can be argued that the boarding house business is one of the service businesses that have good opportunities with income that continues to flow every month. For boarding house business owners who have more than 10 rooms, according to the Jayapura Perda regarding rental housing business, the tax rate is 10% of each room. As for the owner of the rent house or boarding house business which has a number under 10 rooms or doors are not subject to pay 10% tax.

With the existence of rental or boarding houses as a contribution to the PAD, it is ensured that boarding house or rental house rates in Jayapura will rise and also provide an opportunity for much better income of PAD. The potential of a rent or boarding house business will have an impact on the Locally-generated revenue (PAD) of Jayapura. After conducting research on rental or boarding house businesses, it can be stated that the income from the tax of 10% from each owner of the rental house business that has a number of more than 10 rooms or doors can provide added value for income to the Jayapura PAD. The following are the

results obtained in this line of study of the potential of rental housing business in Jayapura.

From the results of the analysis on the potential for rental or boarding house business, the amount of income received is IDR. 2,724,250,000.00. In this regard, it is the overall monthly income from every landlord in Jayapura, the potential revenue for rental or boarding house business is IDR. 32,691,000,000.00. From receiving potential rental or boarding house businesses, this is the number of rent or boarding house receipts in Jayapura. At the same time, the receipt of Jayapura Locally-generated revenue (PAD) in accordance with Perda No. 13 of 2016 on Rental Housing Business, the price charged is 10%, which is according to Perda No. 13 of 2016 regarding Rental Housing Business. Each rental housing landlord who has more than 10 doors will be subject to a 10% tax and the monthly amount received by the Local Government from the rental or boarding house business is IDR. 201,070,000.00 And therefore, the annual income of the Jayapura Locally-generated revenue (PAD) is IDR. 2,412,840,000.00.

On account of such obvious matters, the results obtained in this line of analysis disclosed that researchers see an imbalance on Local government Regulation (Perda) No. 13 of 2016 on Rental Housing Business that is from 10% tax. It is needless to say, based on the first case from the acceptance of rental business landlords categorized as 6 doors, the rental house or boarding house rate is IDR. 1,150,000.00. as well, the monthly income of IDR. 6,900,000.00. Compared to the acceptance of rental or boarding house landlords who are categorized as 11 doors, the rental house rate is IDR. 500,000.00 And the monthly income is IDR. 5,500,000.00 another example from the second case is seen from the acceptance of landlords categorized as 7 doors, rental house rates are IDR. 1,000,000.00 And the monthly income is IDR. 7,000,000.00. Compared to the acceptance of rental or boarding house landlords who are categorized as 12 doors, the rental house rate is IDR. 550,000.00 And the monthly income is IDR. 6,600,000.00. The third case example is seen from the acceptance of rental home business owners which are categorized as 8 doors, rental or boarding house rates are IDR.

1,100,000.00 and the monthly income is IDR. 8,800,000.00. Compared to the acceptance of rental or boarding house owners who are categorized as 13 doors, the rental or boarding house rate is IDR. 650,000.00 and the monthly income is IDR. 8,450,000.00. The fourth case example is seen from the acceptance of landlords categorized as 9 doors, rental house or boarding rates are IDR. 1,100,000.00 and the monthly income is IDR. 9,900,000.00. Compared to the acceptance of landlords who are categorized as 14 doors, the rental or boarding house rates are IDR. 650,000.00 and the monthly income is IDR. 9,100,000.00.

Based on the above cases, from each landlord subjected to a tax of 10% or who has more than 10 doors and who is not subject to 10% tax or who has under 10 doors. There seems to be a complete lack of of balance between the landlords over 10 doors that is subject to 10% tax with landlords who have rooms under 10 doors but not taxed at 10%.

CONCLUSION

Public perception in this formulated case is the landlords in Abepura District and Heram District with Local Government Regulation

No. 13 of 2016 on Rental Housing Business related to awareness of paying taxes, tax sanctions, socialization as tax service efforts, obligations, rights, tax collection mechanisms, Rental housing business license, has indicated that: (a) The perception of landlords towards the awareness of paying taxes disclosed fair with the mean score of 65.79%. From the above findings, most respondents answered the indicator questions with the answers strongly agree, this designates the perception is fair; (b) The perception of landlords towards tax sanctions showed fair with the interpretation of the score is 65.37%. From the findings obtained in this line of research, respondents who answered the indicator questions more answered strongly agree, this affects the interpretation of the perception score is fair; (c) The perception of landlords towards socialization as a tax service effort with a score interpretation is 54.92%. From the results above, respondents who answered the indicator questions answered more disagree, this affects the interpretation of the mean score with fair perception; (d) The perception of landlords towards tax

environmental obligation is poor with the mean score of 56.81%. From the results above, respondents who answered the indicator questions were more dominant than those who disagreed, this which affected the interpretation of the mean score was poor; (e) The perception of landlords towards the rights of the rental house management showed good with an interpretation of score 72.17%. From the above findings, more respondents provided positive answers, such as agreed answers, this clearly determines the criteria for good perception; (f) The perception of landlords towards the tax collection mechanism is under the score of 56.00%. From the results above, more respondents provided disagreed answers, and in turns, the interpretation of the mean score showed fair; and (g) The perception of landlords towards the business license was at score of 62.51%. Nonetheless, from the number of respondents who answered the indicator, the researchers have figured out that the number of respondents answered that they agreed more. This is affecting the interpretation of the mean score becomes fair.

Based on results obtained in this line of research, it is therefore argued that rental housing or boarding house business is a very profitable source of income. Through rental housing or boarding house business, the opportunity to increase income from both business people and rental housing or boarding house landlords can also earn very good income thus it raises the standard of living of business people and also for the Government. From the potentials of rental housing businesses in Jayapura based on results of the analysis, the potential for rental housing or boarding house businesses received the amount of income IDR. 2,724,250,000.00 it is the overall monthly income from every landlord Jayapura, the potential revenue for a rental / boarding house business is Rp. 32,691,000,000.00. And the receipt of Jayapura Locally-generated revenue (PAD) is; The monthly amount received by the local government from the rental housing business or boarding house business is IDR. 201,070,000.00 annual income from Jayapura Locally-generated revenue (PAD) is IDR. 2,412,840,000.00. The potential of such businesses will

deliver an impact on the Locally-generated revenue (PAD) of Jayapura. In accordance with the Jayapura Regulation regarding rental house business, the tax rate is 10% of the rental rate per room or door for the landlords. And being a landlord can provide increased financial freedom and an opportunity that can increase financial income both for individuals and for the Government.

In order to make it easier for prospective taxpayers of rental housing business or boarding houses to have the completeness of the lease or business licensing, and in turns, it is necessary to give socialization evenly distributed and to provide a clearer guidance in making arrangements that can facilitate the owner of a rental house / boarding house in completing the documents in accordance with the provisions. It is necessary to make revisions or changes of Perda No. 13 of 2016 on rental housing business related to 10% tax such as on determining the rates. When it comes to business licensing, landlords are often required to register their properties and obtain specific licenses for their rentals. And therefore, understanding the local rules and

regulations, as well as licensing requirements, are essential to running a strong rental business. Hence, every landlord will not feel disadvantaged and also it is required to provide socialization in order to achieve an understanding related to local regulations on rental housing business or boarding house businesses in Jayapura.

REFERENCES

- Arikunto, Suharsimi. (2009). *Prosedur Penelitian Suatu Pendekatan Praktik*, Revised Edition VI. Jakarta: PT. Rineka Cipta
- Iskandar. (2008). *Metode Penelitian Pendidikan dan Sosial Kualitatif dan Kuantitatif*. Jakarta: GP Press
- Nugroho, Riant. D. (2012). *Kebijakan Publik, Formulasi, Implementasi dan Evaluasi*. Jakarta: Elex Media Computindo
- Setianty, (2011). *Perpajakan Teori dan Kasus*. Jakarta: Salemba Empat
- Sugiyono. (2013). *Metode Penelitian Pendidikan (Pendekatan Kuantitatif, Kualitatif, dan R&D)*. Bandung: Alfabeta.
- Transna Putra Urip, Rachmaeny Indahyani. (2017). *Analisis Pengenaan Pajak Bumi Dan Bangunan Di Kabupaten Jayapura*. (Reportn of Research Results in Cenderawasih University), Jayapura.

Laws and Regulations:

Law Number 32 of 2004 on Local Government.

Law of the Republic of Indonesia Number 9 of 2009, Regarding Local Government.

Law of the Republic of Indonesia Number 33 of 2004 on Financial Balance between Central and Local Governments.

Local Government Regulation No 13 of 2016 on Rental Housing Business in Jayapura.