



Journal Homepage: - [www.journalijar.com](http://www.journalijar.com)

## INTERNATIONAL JOURNAL OF ADVANCED RESEARCH (IJAR)

Article DOI: 10.21474/IJAR01/22775

DOI URL: <http://dx.doi.org/10.21474/IJAR01/22775>



### RESEARCH ARTICLE

## ANALYSIS OF THE CONTRIBUTION OF REGIONAL TAXES AND LEVIES TO THE ORIGINAL REGIONAL REVENUE OF LAMPUNG PROVINCE 2020-2024

Nadia Safira, Meisyifa Nur Nabila, Rian Satria Prayoga, Ratna Septiyanti and Mega Metalia

1. Diploma in Taxation, Faculty of Economics and Business, University of Lampung.

### Manuscript Info

#### Manuscript History

Received: 12 December 2025

Final Accepted: 14 January 2026

Published: February 2026

#### Key words:-

Contribution, Regional Tax, Regional Retribution, PAD, APBD, Budget Realization.

### Abstract

The purpose of this study is to analyze the contribution of regional taxes and levies to the Regional Original Income (PAD) of Lampung Province from 2020 to 2024. This study uses a quantitative descriptive approach using secondary data from budget realization reports. The analysis is conducted by calculating the percentage contribution of taxes and levies to PAD. The results of the study indicate that the contribution of regional taxes to the Regional Original Income of Lampung Province is Very Good, with a percentage of 83.96% in 2020, 83.74% in 2021, 84.96% in 2022, 85.84% in 2023, and 81.97% in 2024. On the other hand, the contribution of regional levies is still classified as Very Low, with a percentage of 0.60% in 2020, 0.45% in 2021, 0.18% in 2022, 0.19% in 2023, and 10.71% in 2024. This inequality shows that the Regional Original Income of Lampung Province still depends on regional taxes, while the retribution sector has not provided an optimal contribution. Therefore, a strategy is needed to increase the effectiveness of regional tax and retribution collection.

"© 2026 by the Author(s). Published by IJAR under CC BY 4.0. Unrestricted use allowed with credit to the author."

### Introduction:-

Regional development is a crucial component of the implementation of regional autonomy, which aims to improve public welfare. Based on Law Number 23 of 2014 concerning Regional Government and Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments, each region has broader authority to manage its finances and resources. One indicator of successful regional autonomy is the region's ability to generate and manage Regional Original Revenue, consisting of regional taxes and levies, as the primary source of financing for development in that region. Regional Original Revenue serves as the primary source of financing for development and the provision of public services in the region, and serves as a benchmark for a region's fiscal independence. Through Regional Original Revenue, local governments can independently finance their autonomous authority without relying on the central government, as well as finance various development programs such as public facilities, infrastructure, and public services for their communities. Therefore, the management of Regional Original Revenue, consisting of regional taxes and levies, not only strengthens fiscal independence but also directly contributes to improving public welfare. Lampung Province has significant economic potential, particularly in the agriculture, tourism, industry, and trade sectors. This potential should be a significant source of revenue for Lampung Province's Regional Original Income (PAD). However, the contribution of local

**Corresponding Author:-** Nadia Safira

**Address:-**Diploma in Taxation, Faculty of Economics and Business, University of Lampung.

taxes and levies in Lampung Province remains relatively small compared to other provinces. This situation indicates that the management of local taxes and levies in Lampung Province needs to be evaluated to ensure they can play an optimal role in increasing Regional Original Income (PAD). Therefore, this study aims to analyze the contribution of local taxes and levies to increasing Regional Original Income (PAD) in Lampung Province. Furthermore, this study also aims to identify factors influencing the potential and performance of tax and levy collection in the province. The results of this analysis are expected to provide a clearer picture of the role of local taxes and levies in supporting regional development and policy recommendations to enhance their contribution to increasing Lampung Province's PAD. Through this research, it is hoped that solutions and strategic steps can be implemented by the local government to optimize the potential of local taxes and levies, in order to achieve greater fiscal independence and improve the quality of public services for the people of Lampung Province.

**Literature Study:-****Regional Original Revenue:-**

According to Law No. 23 of 2014, Regional Original Revenue (PAD) is revenue earned by a region, collected based on Regional Regulations in accordance with statutory regulations. According to Law No. 1 of 2022, Regional Original Revenue, hereinafter abbreviated as PAD, is regional revenue derived from regional taxes, regional levies, proceeds from the management of separated regional assets, and other legitimate regional original revenues in accordance with statutory regulations. According to Mardiasmo (2018), Regional Original Revenue (PAD) is revenue sourced from regional taxes, regional levies, proceeds from regionally-owned companies, proceeds from the management of separated regional assets, and other legitimate regional original revenues. Regional Original Revenue (PAD) is revenue derived from regional potential, whether from taxes, levies, or legitimate regional income, used for regional funding and development.

**Regional Taxes:-**

According to Law No. 1 of 2022, Regional Taxes, hereinafter referred to as Taxes, are mandatory contributions to regions owed by individuals or entities, which are mandatory under the law. They do not receive direct compensation and are used for regional purposes for the greatest prosperity of the people. According to Mardiasmo (2013: 32), regional taxes are taxes collected by regions, such as provinces, regencies, and municipalities, based on their respective regional regulations. The proceeds are used to finance regional household expenses.

**Regional Retribution:-**

According to Law No. 1 of 2022, Regional Retribution, hereinafter referred to as Retribution, is a regional levy as payment for services or certain permits specifically provided and/or granted by the regional government for the benefit of individuals or entities.

**Regional Finance:-**

According to Law No. 1 of 2022, Regional Finance is all regional rights and obligations within the framework of regional governance that can be valued in money, as well as all forms of wealth that can be owned by the region in connection with these regional rights and obligations. Halim (2017: 230) states that the regional government's ability to manage regional finances is outlined in the Regional Revenue and Expenditure Budget (APBD), which directly and indirectly reflects the regional government's ability to finance the implementation of government duties, development, and social services for the community. Furthermore, to measure the financial capacity of a regional government, a financial ratio analysis is conducted against the established and implemented APBD.

**Research Methods:-****Type of Research:-**

This research is quantitative with a descriptive approach. The data used are secondary data in the form of reports on the realization of regional taxes, regional levies, and Regional Original Revenue (PAD) in Lampung Province from 2020 to 2024.

**Data Sources:-**

The data used in this study were obtained from the Lampung Provincial Government Budget Realization Report (LRA) published by the Lampung Province Financial and Asset Management Agency (BPKAD) as the primary source of regional financial information. In addition, this study utilizes regional financial reports issued by the Regional Revenue Service (Dispenda) or related agencies. To complement the analysis, official publications from

the Central Statistics Agency (BPS) containing secondary data on regional tax revenues and regional levies in Lampung Province were also used.

**Data Collection Techniques:-**

The data collection technique in this study used a documentary study method. The data collected included the realization of regional taxes and levies based on the Lampung Provincial Government's Budget Realization Report (LRA) from 2020 to 2024, total Regional Original Revenue (PAD) for the same period, and regional regulations governing regional taxes and levies in Lampung Province.

**Data Analysis Techniques:-**

Data analysis was conducted using the contribution method, which calculates the extent to which regional taxes and levies contribute to Lampung Province's PAD. The formula used is as follows:

**a). Regional Tax Contribution to Regional Original Income**

To analyze the contribution of regional taxes to regional original income, the following formula is used:

$$\text{Regional Tax Contribution} = \frac{\text{Regional Tax}}{\text{PAD}} \times 100\%$$

(Halim in Roro 2015)

**b). Contribution of Regional Levies to Regional Original Income**

To analyze the contribution of Regional Levies to Regional Original Income, the following formula is used:

$$\text{Regional Retribution Contribution} = \frac{\text{Regional Retribution}}{\text{PAD}} \times 100\%$$

(Halim in Roro 2015)

**Contribution Criteria:-**

Based on standards used in several studies and government regulations, the contribution levels of regional taxes and levies are categorized as follows:

0%-10%	Very Poor
10%-20%	Poor
20%-30%	Moderate
30%-40%	Fairly Good
40%-50%	Good
>50%	Very Good

This classification is used to determine the extent to which regional taxes and regional levies contribute to increasing the Regional Original Income (PAD) of Lampung Province during the 2020-2024 period.

**Research Result:-**

**Table 1. Realization of Regional Tax Revenue, Regional Retribution, and Locally-Generated Revenue of Lampung Province for the 2020-2024 Period**

Year	Regional Tax	Regional Retribution	PAD
2020	2.386.345.268.000	17.080.208.104	2.842.286.479.000
2021	2.721.138.046.000	14.664.096.000	3.249.614.882.000
2022	3.126.137.866.000	6.602.045.154	3.678.302.295.000
2023	3.232.821.385.658	7.066.246.737	3.766.194.060.533
2024	3.285.574.064.043	429.485.457.478	4.008.241.262.015

Table 1 shows the increasing trend in Regional Tax revenue, Regional Levies, and Locally-Owned Revenue (PAD) of Lampung Province from 2020 to 2024. Overall PAD increased from IDR 2.84 trillion in 2020 to IDR 4.01 trillion

in 2024, with an average annual growth of 9.7%. This increase demonstrates progress in regional revenue management, particularly in the tax sector. Regional tax contributions play a crucial role in the PAD structure. Their value increased consistently from IDR 2.38 trillion in 2020 to IDR 3.28 trillion in 2024, indicating that the policy of regional tax intensification and extensification is working well. Improved taxpayer compliance, digitization of tax services, and optimization of Motor Vehicle Tax collection are some of the factors supporting this progress.

Regional levies, on the other hand, are quite different. From 2020–2023, levy revenue tended to decline, even falling below IDR 10 billion. However, in 2024, there was a significant increase of IDR 429.48 billion, indicating improved management and strengthening of the levy collection system in several industries, such as transportation services, licensing, and regional asset management. Overall, these findings indicate that Lampung Province's regional revenue (PAD) structure remains heavily reliant on regional taxes, although regional levies have shown potential for a greater contribution in the final year of the observation period.

### Discussion:-

**Table 2. Analysis of Regional Tax Contribution to Lampung Province's Original Regional Income for the 2020-2024 Period**

Year	Calculation	Category
2020	$\frac{2.386.345.268.000}{2.842.286.479.000} \times 100\% = 83,96\%$	Very Good
2021	$\frac{2.721.138.046.000}{3.249.614.882.000} \times 100\% = 83,74\%$	Very Good
2022	$\frac{3.126.137.866.000}{3.678.302.295.000} \times 100\% = 84,96\%$	Very Good
2023	$\frac{3.232.821.385.658}{3.766.194.060.533} \times 100\% = 85,84\%$	Very Good
2024	$\frac{3.285.574.064.043}{4.008.241.262.015} \times 100\% = 81,97\%$	Very Good

Source: Ministry of Home Affairs Decree No. 690.900.327 as quoted in Roro et al. (2006), processed by researchers

Based on the calculation results in Table 2, it can be concluded that the contribution of regional taxes and levies to Lampung Province's Regional Original Income (PAD) from 2020 to 2024 shows a very positive trend. The regional tax contribution ranges from 81.97% to 85.84%, with more than half of Lampung Province's total PAD coming from regional tax revenue. The contribution of regional taxes to PAD in 2020 reached 83.96%, indicating that regional taxes are a major component of the PAD structure. However, its contribution decreased slightly to 83.74% in 2021, but remains in the "very good" category. The national economy is still recovering from the COVID-19 pandemic, which may impact local economic activity and tax revenue.

Furthermore, regional tax contributions increased again in 2022 to 84.96%, indicating improved regional tax management and taxpayer compliance. This occurred because the productive economy had begun to recover, particularly the trade, services, and transportation sectors, which are the main sources of regional tax revenue. In 2023, the highest value was recorded during the analysis period, at 85.84 percent. This year demonstrates the effectiveness of the Lampung Provincial Government in optimizing regional tax revenue, driven by policies of regional tax intensification and extensification, such as the implementation of a digital tax system, which increased transparency and accuracy of tax revenue data. However, in 2024, the regional tax contribution decreased to 81.97%, although it remains in the very good category. This decrease was due to an increase in the portion of Regional Original Revenue (PAD) from other sources, such as regional levies, proceeds from the management of separated regional assets, or other legitimate sources of regional original revenue. As a result, the proportion of regional taxes to PAD decreased, although nominal revenue still increased..

Overall, the research indicates that regional taxes have become the primary source of Lampung Province's Regional Original Revenue (PAD), making a significant contribution over the past five years. Previous studies have shown that regional taxes strategically support regional fiscal independence (Rosdiana and Irianto, 2021). This excellent contribution performance also demonstrates the Lampung Provincial Government's ability to efficiently manage regional tax potential to support development and public services. Therefore, it can be concluded that regional tax revenues played a significant role in increasing Lampung Province's Regional Original Revenue (PAD) during the 2020–2024 period. To maintain the sustainability of regional fiscal performance, efforts to optimize regional taxes through expanding the tax base, improving taxpayer compliance, and implementing a digital-based tax information system are needed.

**Table 3. Analysis of Regional Retribution Contribution to Lampung Province's Original Regional Income for the 2020-2024 Period**

Year	Calculation	Category
2020	$\frac{17.080.208.104}{2.842.286.479.000} \times 100\% = 0,60\%$	Very Poor
2021	$\frac{14.664.096.000}{3.249.614.882.000} \times 100\% = 0,45\%$	Very Poor
2022	$\frac{6.602.045.154}{3.678.302.295.000} \times 100\% = 0,18\%$	Very Poor
2023	$\frac{7.066.246.737}{3.766.194.060.533} \times 100\% = 0,19\%$	Very Poor
2024	$\frac{429.485.457.478}{4.008.241.262.015} \times 100\% = 10,71\%$	Poor

Source: Ministry of Home Affairs Decree No. 690.900.327 as quoted in Roro et al. (2006), processed by researchers

The calculation results shown in Table 3 indicate that the contribution of regional levies to Lampung Province's Original Regional Revenue (PAD) for the 2020-2024 period is in the "Very Low" to "Low" category. This low contribution value indicates that regional levies have not become a significant source of revenue in Lampung Province's PAD structure. The contribution of regional levies to PAD in 2020 was only 0.60%, placing it in the "Very Low" category, indicating that regional tax revenues still contribute the majority of PAD. In 2021, the regional contribution was only 0.45%, a slight decrease from the previous year. The COVID-19 pandemic may have led to restrictions on economic activity, which directly impacted industries that are the object of regional levies, such as business services and licensing.

The contribution of regional levies declined further to 0.18% in 2022, indicating ineffective regional levy collection. This could be due to a number of factors, such as a decline in community economic activity, weaknesses in the levy collection system, and potential revenue leakage due to a suboptimal regional levy administration system. With a contribution of only 0.19% in 2023, there was no significant improvement compared to the previous year. The contribution remained substantially in the "Very Low" category, indicating that the levy sector has not been optimally managed in terms of regulations, levy object bases, and levy compliance levels.

However, the contribution of regional levies increased significantly to 10.71% in 2024, falling into the "Low" category. This sharp increase could be due to regional policy reforms such as revisions to Regional Regulations regarding tariffs and levies, improvements in the efficiency of collection administration, or the digitalization of public service systems that increase revenue. Nevertheless, this contribution is still considered low compared to the potential revenue from the levy sector, which could be optimized.

Overall, the trend in regional levy contributions during the study period showed a dominant trend with very low variation. This suggests that the Bandar Lampung City Government must strengthen its plans to expand and improve regional levies, particularly by implementing measures such as:

1. Evaluating the effectiveness of regional regulations regarding levy types and rates.
2. Digitizing the levy reporting and collection process to increase transparency and effectiveness.
3. Improving the quality of public services so that the public is willing to pay according to the benefits they receive.

A previous study by Rosdiana and Irianto (2021) found that, due to a limited collection base and relatively low economic attractiveness, regional levies generally contribute less to local revenue (PAD) than regional taxes. Therefore, optimizing regional levies is an important step to increasing regional fiscal independence, particularly in Bandar Lampung City.

**Table 4. Comparison of Contributions of Regional Taxes and Regional Levies to the Original Regional Income of Lampung Province for the 2020-2024 Period**

Year	Regional Tax Contribution to PAD	Contribution of Regional Retributions to PAD
2020	83,96%	0,60%
2021	83,74%	0,45%
2022	84,96%	0,18%
2023	85,84%	0,19%
2024	81,97%	10,71%

**Source: Ministry of Home Affairs Decree No. 690.900.327 as quoted in Roro et al. (2006), processed by researchers**

Table 4 shows that the contribution of regional taxes to Lampung Province's PAD is far more dominant than regional levies during the period 2020 to 2024. The contribution of regional taxes averages above 80% annually, while regional levies usually do not reach 1%, except in 2024, which increased drastically to 10.71%. The consequence of this trend is that Lampung Province's PAD remains highly dependent on regional taxes. The effectiveness of tax administration and collection is demonstrated by the increase and stability of the percentage of regional taxes until 2023. Conversely, due to limited objects of levies, less than ideal rates, and low levels of compliance, the small contribution of regional levies indicates low potential revenue from the public service sector.

The increase in retribution contributions in 2024 demonstrates efforts to enhance and improve the regional revenue management system. This is likely due to the strengthening of the administrative system, adjustments to tariff policies, and the successful implementation of digitalization of public services in several regions. Overall, a comparison of these two sources of local revenue (PAD) indicates that local taxes are the primary source of local revenue, while levies continue to play a complementary role. This suggests the need for approaches to increasing levies through source diversification, service innovation, and increased transparency to ensure more balanced and sustainable PAD contributions.

**Conclusion:-**

This study shows that regional taxes are a major component of Lampung Province's Original Regional Revenue (PAD) structure during the 2020–2024 period. The average annual contribution reached over 80%, and based on the classification of Home Affairs Decree No. 690,900,327 of 2006, regional taxes are categorized as very good. This indicates that regional tax collection has been running well and constitutes a significant portion of regional revenue. Meanwhile, regional levies still contribute very little to PAD, typically below 1% during the first four years. However, this increased significantly to 10.71% in 2024. This suggests that, with strengthened policies, expanded collection systems, and expanded levy targets, further increases are likely in the future. To strengthen Lampung Province's long-term fiscal independence, a strategy to diversify sources of original regional revenue is necessary, as the provincial PAD structure remains unbalanced and heavily dependent on regional taxes.

**Suggestions For Further Research:-**

The research findings indicate that the Lampung Provincial Government must maximize regional levy revenue by reviewing levy objects and rates and implementing a digital collection system to improve efficiency, transparency, and levy compliance. Furthermore, efforts to diversify Regional Original Revenue (PAD) sources are needed through the development of additional potential sources, such as proceeds from segregated wealth management, effective asset management, and sustainable investment collaboration. To enable them to implement more flexible and inventive fiscal policies, local governments must strengthen their institutional and human resource capacity in regional financial management. Further research is recommended to use data over a longer period and employ more in-depth analytical methods, such as regression or correlation, to quantitatively understand the relationship between regional taxes, regional levies, and PAD. Future researchers could also incorporate external variables, such as economic growth rate, national fiscal policy, or the regional independence index.

**Bibliography:-**

1. Gomies, S. J., and Pattiasina, V. (2011). Analysis of the Contribution of Regional Taxes and Levies to Locally-Owned Revenue in Southeast Maluku Regency. *Jurnal Ilmiah Aset*, 13(2), 175-183.
2. Halim Abdul, 2014. Regional Financial Accounting and Control, Regional Financial Management Anthology Series, UUP AMP YKPN, Yogyakarta.
3. Keintjem, N., Engka, D. S., and Walewangko, E. N. (2021). Analysis of the Contribution of Regional Tax Revenue and Levies to Increasing Locally-Owned Revenue. *Journal of Regional Economic Development and Finance* Vol. 22(2).
4. Khoiriani, A., Martanto, E., Triwinarso, A., and Mulyatno, A. D. (2025). Analysis of Local Tax Revenue and Levies to Locally-Owned Revenue (PAD) in Dompu Regency for the 2019-2023 Period. *Journal of Management, Accounting, and Economics*, 4(1), 59-69.
5. Lieubun, M. A., Ngadiman, and Jap, Y. P. (2022). Contribution of regional taxes and levies to regional original revenue (Empirical study of the Depok City Government in the 2015–2018 fiscal years). *Journal of Contemporary Accounting*, 2(2), 80–88.
6. Mardiasmo (2019). *Taxation*, Revised Edition. Yogyakarta: ANDIRosdiana, H., and Irianto, E. S. (2021). *Perpajakan: Teori dan Aplikasi dalam Konteks Indonesia*. Jakarta: RajaGrafindo Persada.
7. Sunarya, H., and Geno, Z. A. P. (2024). Analysis of the Contribution of Regional Taxes and Levies to Regional Original Income of East Nusa Tenggara Province. *Journal of Accounting*, Muhammadiyah University of Kupang, 11(1), 37-49.
8. Trisnasari, R., and Sunaningsih, S. N. (2022). Analysis of the Contribution of Regional Taxes and Levies to Regional Original Income. *Gorontalo Accounting Journal*, 5(1), 18-28.
9. Law of the Republic of Indonesia Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments.
10. Yakini Buulolo, Buulolo, N. A., Zai, K. S., and Telaumbanua, E. (2024). ANALYSIS OF THE CONTRIBUTION OF REGIONAL TAXES AND REGIONAL LEVEL IN INCREASING THE REGIONAL ORIGINAL REVENUE OF THE GOVERNMENT OF THE REGENCY OF NORTH ... NIAS 2019-2021. *JMBI UNSRAT (Scientific Journal of Business Management and Innovation, Sam Ratulangi University)*., 11(1), 1012–1027.
11. Yustisia, T. V. (2015). Law No. 23 of 2014 concerning Regional Government and its Amendments. *VisiMedia*.