

# The Analysis of Local Own Revenue and Grant Expenditures on Regional Expenditures of Central Kalimantan Province

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## Abstract

*This study aims to analyze the effect of local revenue and grant spending on regional spending in Central Kalimantan Province. The research object is the Regional Finance and Asset Agency and the Regional Revenue Agency regarding the Regional Budget (APBD) of Central Kalimantan Province taken from 2015-2019. Research data is secondary data. The sampling method used was convenience sampling. The novelty in this research is an imitation of previous research with some updating of data and variables. The test method in this study uses multiple linear regression, the results show: (a) local revenue has an effect on regional spending, (b) grant spending has no effect on regional expenditure, (c) regional revenue and grant expenditure have a simultaneous effect on spending area.*

## Keywords

regional original income; grant expenditures; regional expenditures



## I. Introduction

Taxes are a source of finance for a very large country, even the main supporter in moving the wheels of Indonesian government. For this reason, public participation in paying taxes is very necessary. One of the roles in order for the government to collect taxes properly and efficiently is the stipulation of statutory provisions regulating taxation procedures. These tax provisions must contain things that can make taxpayers have a high awareness of carrying out their taxation (Neneng Hartati, 2015: 65).

The enactment of Law Number 23 of 2014 concerning Regional Government, regional autonomy which is a mandate of authority given by the central government to regional governments to carry out and regulate household activities in structuring regional income and expenditure budgets. According to Halim, 2008: 1 that regional autonomy is the authority of an autonomous region to regulate and manage its people according to their own will based on the aspirations of the community, in accordance with applicable regulations.

Autonomy granted to regions is carried out by providing broad, real and accountable authority or discretion to local governments proportionately. Where, the delegation of responsibility will be followed by regulation, division, equitable utilization of national resources, as well as a balance between central and regional finances (Mardiasmo, 2018: 11).

To be able to carry out regional autonomy in a professional manner, it must receive support from all parties including the allocation of a budget for transfer funds or balance funds from the Central Government and the receipt of large regional revenue so that it can be poured into the Regional Revenue and Expenditure Budget (APBD) in the Regional Government. The theory of development from below proposed by Devey (1988) argues that people are more willing to pay taxes to local governments than to the central government because they can see benefits in ease and development in their regions (Prakosa, 2003: 23).

In preparing the APBD structure, local governments must first carry out a prognosis and analysis related to potential sources of regional revenue in a thorough, careful and

rational manner to determine how much the target amount for regional revenue, regional spending and financing. This is done to avoid not achieving the target or not being realized by the end of the year the budget is not in accordance with the targeted projection. Based on article 23 paragraph 4 of Government Regulation Number 12 of 2019, that the regional revenue budgeted in the APBD is a rational, measurable regional revenue plan that can be achieved for each source of Regional Revenue and is based on the provisions of laws and regulations.

**Table 1.** Realization of Local Own Revenue, Grants and Regional Expenditures Central Kalimantan Provincial Government for the Period of 2015-2019

Year	PAD (Rp)	Grant Shopping (Rp)	Regional Shopping (Rp)
2015	1,174,969,266,556.62	604,198,435,716.00	2,943,921,541,005.60
2016	1,158,303,928,014.48	704,035,182,614.40	2,661,094,311,886.73
2017	1,342,330,618,784.76	684,235,048,521.00	3,123,491,428,965.49
2018	1,616,521,660,227.16	679,353,706,741.31	3,848,629,260,509.34
2019	1,776,231,952,739.76	746,052,446,211.96	4,312,954,965,435.97

Source: Central Kalimantan Provincial Government Audited Report for the Period of 2015-2019

From the table, it can be seen that there is an increase in the realization of own-source revenue and regional expenditure in the Central Kalimantan Provincial Government for the 2015-2019 period, while the development of the realization of grant spending has fluctuated.

The realization of the grant expenditure is the realization contained in indirect expenditure or operational expenditure in the regional budget of the Central Kalimantan Provincial Government for the period 2015-2019. In accordance with the function of Article 3 paragraph (1) Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 32 of 2011 concerning Guidelines for Providing Grants and Social Assistance sourced from the Regional Revenue and Expenditure Budget that the Grant Expenditures are the object of goods or services grant expenditures relating to and submitted to parties third or society.

The research carried out is a replication of research conducted by Masayu Rahma Wati, Catur Martian Fajar (2017) with the title of the journal *The Effect of Regional Original Income and Balancing Funds on Regional Expenditures in Bandung City*. The thing that distinguishes this research from previous research is replacing the variable of balancing funds with grant spending as the independent variable.

To find out more about the influence of the components on the APBD of the Central Kalimantan Provincial Government, namely Regional Original Income, Grant Expenditures and Regional Expenditures, it is very important to carry out scientific research so that their effects can be identified clearly and precisely. So researchers are interested in conducting research with the title "Analysis of Local Revenue and Grant Expenditures on Regional Expenditures in the Provincial Government of Central Kalimantan".

## II. Review of Literatures

### 2.1 Definition of Tax

According to the official (2014: 1-2), there are several tax definitions, including: the definition of tax put forward by Rochmat Soemitro, namely: tax is the people's contribution to the state treasury based on law (which can be imposed) without receiving reciprocal services (counter-achievement) which can be directly addressed, and which is used to pay for general expenses.

Tax is a compulsory levy paid by the people to the state and will be used for the benefit of the government and the general public. People who pay taxes will not feel the benefits of taxes directly, because the tax is used for public purposes, not for personal gain. Taxes are one source of government funds for development, both the central and regional governments. Tax collection can be forced because it is carried out according to the law. (Siregar et al, 2019)

Tax is a public contribution to the State treasury (transfer of private sector wealth to the law) based on the Act (can be forced) with no reciprocal services (tegen prestatie) which can be directly demonstrated and used to finance public expenditure (publieke uitgaven). (Marpaung, A. 2020)

### 2.2 Sources of Regional Income

Based on the Law of the Republic of Indonesia Number 33 of 2004 Chapter IV Article 5 Paragraph 2, states that the sources of regional revenue in the implementation of decentralization are:

1. Regional Original Income (PAD), which consists of: Local Taxes, Regional Levies, Proceeds from the Management of Separated Regional Assets and Other Legitimate Original Regional Revenues.
2. Fund The balance is obtained through the share of regional income from land and building tax revenues from rural, urban, natural resource mining and also fees on the acquisition of land and building rights. Balancing funds consist of tax revenue sharing funds, general allocation funds, special allocation funds, adjustment funds;
3. Other legal regional income is regional income from other sources such as donations from third parties to the regions which are implemented in accordance with the prevailing laws and regulations.

### 2.3 Regional Shopping

Based on the classification of Government Regulation Number 12 of 2019 concerning Regional Financial Management, according to article 55 that Regional Expenditures are grouped into Operational Expenditures, Capital Expenditures, Unexpected Expenditures and Transfer Expenditures.

1. Operational Expenditures are budget expenditures for the daily activities of the Regional Government which provide short-term benefits, broken down into types: personnel expenditure, goods and services expenditure, interest expenditure, subsidy expenditure, grant expenditure and social assistance expenditure.
2. Capital expenditure is a budget expenditure for the acquisition of fixed assets and other assets that provide benefits for more than 1 (one) accounting period.
3. Unexpected Expenditures are budget expenditures on APBD expenses for emergency purposes including urgent needs that cannot be predicted in advance.
4. Transfer expenditures are specified by type, namely profit sharing expenditure and financial assistance expenditure.

### a. Grant Shopping

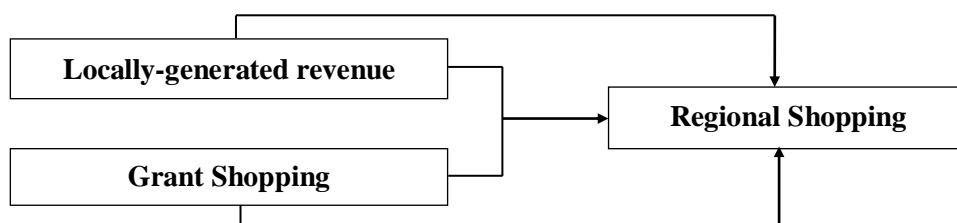
Article 21 paragraph (2) Government Regulation Number 2 of 2012 concerning Regional Grants also states that "Grants from the Regional Government can be budgeted if the Regional Government has met all the requirements for mandatory affairs expenditures in order to meet the minimum service standards in accordance with the provisions of statutory regulations, unless specified other provisions in the laws and regulations".

Form of Grants Based on Article 3 paragraph (1) Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 32 of 2011 concerning Guidelines for Providing Grants and Social Assistance sourced from the Regional Revenue and Expenditure Budget, which has been revised again by Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 123 of 2018 concerning the Fourth Amendment to the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 32 of 2011 concerning Guidelines for Grants and Social Assistance sourced from, the provision of grants can be in the form of money, goods, or services. The form of the grant can be described as follows:

1. PPKD is the Head of the Regional Financial Management Work Unit (SKPKD) which has the task of carrying out APBD management and acting as regional general treasurer. Grants in the form of money are grouped into indirect expenditures, which are expenditures that are not directly related to the implementation of regional programs and activities.
2. Grants in the form of purchases of goods and / or activities in the form of services, are budgeted in a group of direct expenditures formulated into programs and activities, which are elaborated into types of goods and services expenditures, objects of goods or services grant expenditures relating to third parties / communities, and details of objects grant expenditures for goods or services submitted to third parties / communities in Regional Work Units (SKPD). SKPD is a regional apparatus in local government as budget user / goods user. Grants in the form of goods and / or services can be grouped into direct expenditures, which are expenditures that are directly related to the implementation of regional programs and activities.

### b. Theoretical Framework

Based on the explanation that has been described, regarding the effect of Regional Original Revenue and Grant Expenditures on Regional Expenditure, the theoretical framework can be described as follows:



*Figure 1. Thought Framework Schematic*

A hypothesis can be defined as a logically estimated relationship between two or more variables expressed in the form of a testable statement (Sugiyono, 2018). In this study, the hypotheses expressed are as follows:

- Ha1 : local revenue has a significant effect on regional spending
- Ha2 : grant spending has a significant effect on regional spending
- Ha3 : Own-source revenue and grant spending have a significant effect on regional spending.

### III. Research Methods

#### 3.1 Types and Sources of Data

This study uses secondary data sources obtained through literature studies from books, journals, research and data sources published by certain agencies. Secondary data is data published or used by organizations that are not processed (Siregar, S. 2017: 16).

The object of the research is the realization of local revenue and grant spending on regional expenditure of the Central Kalimantan Provincial Government for the period 2015-2019.

The subjects of this study are the Regional Finance and Asset Agency and the Regional Revenue Agency of the Central Kalimantan Provincial Government.

#### 3.2 Sample Determination Methods

Nonprobability sampling was conducted using convenience sampling method. According to Sugiyono (2018: 142), nonprobability sampling is a sampling technique that does not provide equal opportunities or opportunities for each element or member of the population to be selected as samples

#### 3.3 Method of Collecting Data

The type of data in this study uses secondary data. According to Indriantoro (2004: 147), secondary data is a source of research data obtained by researchers indirectly through intermediary media (obtained and recorded by other parties).

The data source comes from the report on the realization of local revenue, grant expenditure and regional expenditure from the Audited Accountability Report of the Central Kalimantan Regional Budget for the 5-year period 2015-2019.

#### 3.4 Data Analysis Method

The data analysis method used in this research is quantitative descriptive analysis. Quantitative data is data in the form of numbers. In accordance with its form, quantitative data can be processed or analyzed using statistical calculation techniques (Siregar, S. 2017: 17).

##### a. Normality Test

According to Agung Nugroho (2005: 107), the Kolmogorov Smirnov test aims to assist research in determining the normal distribution with very little amount of research data (less than 30). The Kolmogorov Smirnov test is very helpful for researchers to determine whether the selected sample comes from a normally distributed population.

##### b. Hypothesis Test

Testing the hypothesis of this study using multiple linear regression models. The application of the multiple regression method has the number of independent variables used by more than one that affects one dependent variable (Siregar, S. 2017: 301).

Multiple linear regression model equation:

$$Y' = a + b_1X_1 + b_2X_2 + e$$

Y' is the dependent variable, namely regional expenditure

a is a constant

b1 ... 2 is the regression coefficient

X1 is an independent variable, namely local revenue

X2 is an independent variable, namely grant spending

e is an error

## **1. Coefficient of Determination**

The coefficient of determination aims to measure the ability of the independent variable to explain the dependent variable. The coefficient of determination to indicate the percentage of the correctness of the predictions from the regression testing performed. The coefficient of determination has a range between 0 and 1. If the coefficient of determination is closer to 1, it means that the greater the independent variable in explaining the dependent variation. If the R number is above 0.5, the correlation or relationship between the independent variable and the dependent variable is strong. Conversely, if R is below 0.5, the correlation or relationship between the independent variable and the dependent variable is weak (Siregar, S. 2017).

## **2. Statistical Test (t-test)**

To test the comparative hypothesis of the average of two samples when the data is in the form of intervals or ratios, a t-test is used (Sugiyono, 2007: 119). To find out whether there is a significant effect of the variables of each independent variable on the dependent variable, the significant value of t is compared with the degree of confidence.

## **3. Statistical Test F**

According to (Ghozali, 2013) states that the F statistical test basically shows whether all the independent variables included in the model have a joint influence on the dependent variable. The level of significance used is 5% with degrees of freedom  $df = k-1$  and  $df = nk$ , where (n) is the number of observations and (k) is the number of variables (independent and dependent variables).

### **3.5 Operational Definition**

#### **a. Independent Variable**

The independent variable (independent variable) is a variable that affects or causes changes or the emergence of the dependent variable (dependent). Independent variables are variables that explain or influence other variables (Sudaryono, 2019: 162). The independent variables used are local revenue and grant expenditure of the Central Kalimantan Provincial Government for 5 years for the 2015-2019 periods.

#### **b. Dependent variable**

Dependent Variable is a type of variable that is described or influenced by an independent variable (Sudaryono, 2019: 163). In this study, the dependent variable is the Regional Expenditure of the Central Kalimantan Provincial Government for the period 2015-2019.



## IV. Discussion

### 4.1 Development of Regional Original Revenue Receipts, Grant Expenditures and Regional Expenditures for the Central Kalimantan Provincial Government for the Period of 2015-2019

The development of the realization of own-source revenue, grant expenditure and regional expenditure of the Central Kalimantan Provincial Government from the 2015-2019 period can be seen in the following table.

**Table 2.** Realization of Local Own Revenue, Grants and Regional Expenditures Central Kalimantan Provincial Government for the Period of 2015-2019

Year	PAD (IDR)	Grant Shopping (IDR)	Regional Shopping (IDR)
2015	1,174,969,266,556.62	604,198,435,716.00	2,943,921,541,005.60
2016	1,158,303,928,014.48	704,035,182,614.40	2,661,094,311,886.73
2017	1,342,330,618,784.76	684,235,048,521.00	3,123,491,428,965.49
2018	1,616,521,660,227.16	679,353,706,741.31	3,848,629,260,509.34
2019	1,776,231,952,739.76	746,052,446,211.96	4,312,954,965,435.97

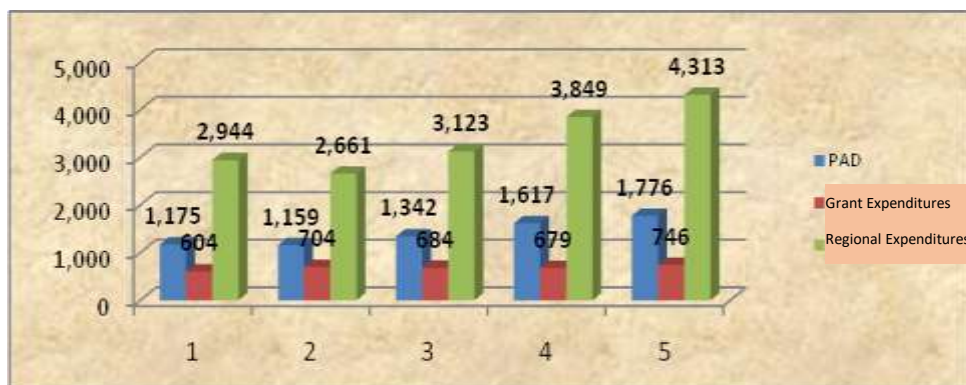
Source: Central Kalimantan Provincial Government Audited Report for the Period of 2015-2019.

Based on Table 2, the realization of local revenue group revenue from 2016-2019 continues to increase, except in 2016 which has decreased when compared to 2015. This shows that the development of revenue from regional original revenue to the Central Kalimantan Provincial Government continues to experience a positive increase from year to year.

Realization of Grant Expenditures from 2015-2019 has increased from year to year, except that in 2018 there was a decrease compared to 2017. This shows that the development of Grant Expenditures at the Provincial Government of Central Kalimantan continues to experience a positive increase from year to year.

Realization of Regional Expenditure from 2015-2019 has also increased every year, except in 2016 it has decreased when compared to 2015. This shows that the development of Regional Expenditures in the Provincial Government of Central Kalimantan continues to show a positive trend of increasing from year to year.

The graph of the realization of revenue from the local revenue group, grant expenditure and regional expenditure of the Central Kalimantan Provincial Government from 2016-2019 can be seen in Figure 2 as follows:



Source: Central Kalimantan Provincial Government Audited Report for the Period of 2015-2019

**Figure 2.** Realization of Local Own Revenue, Grants and Regional Expenditures Central Kalimantan Provincial Government for the Period of 2015-2019

As for the development of the percentage of realization of Regional Original Revenue, the Central Kalimantan Provincial Government for the 2015-2019 period can be seen in Table 3 below.

**Table 3.** Development of Local Own Revenue Realization Central Kalimantan Provincial Government for the Period of 2015-2019

<b>PAD nth year (IDR)</b>	<b>PAD Year 1 (IDR)</b>	<b>Change Percentage (%)</b>
1,174,969,266,556.62	1,253,708,122,296.09	-6
1,158,303,928,014.48	1,174,969,266,556.62	-1
1,342,330,618,784.76	1,158,303,928,014.48	16
1,616,521,660,227.16	1,342,330,618,784.76	20
1,776,231,952,739.76	1,616,521,660,227.16	10

Based on Table 3, the development of the percentage of realization of the type of revenue from local revenue in 2015 decreased significantly by -6%, 2016 decreased by -1%, 2017 increased significantly by 16%, 2018 increased significantly by 20% and 2019 increased by 6%. From these data, it describes the development of the Central Kalimantan Provincial Government's revenue from 2015-2016, there was a negative decline, then from 2017-2019 there was a significant or positive increase.

The percentage development of the realization of the Central Kalimantan Provincial Government's grant expenditure for the 2015-2019 period can be seen in Table 4 below.

**Table 4.** Realization of Grant Expenditures Central Kalimantan Provincial Government for the Period of 2015-2019

<b>Grant Shopping Nth year (IDR)</b>	<b>Grant Shopping 1st year (IDR)</b>	<b>Percentage Change (%)</b>
604,198,435,716.00	584,360,223,868.49	3
704,035,182,614.40	604,198,435,716.00	17
684,235,048,521.00	704,035,182,614.40	-3
679,353,706,741.31	684,235,048,521.00	-1
746,052,446,211.96	679,353,706,741.31	10

Source: Data processed, 2020

Based on Table 4, the percentage development of the type of grant spending in 2015 increased by 3%, 2016 increased significantly by 17%, 2017 decreased by -3%, 2018 decreased by -1% and 2019 increased significantly by 10%. From these data, it illustrates that the development of the Central Kalimantan Provincial Government Grant Expenditures in 2017-2018 had a negative decline, while in 2015, 2016 and 2019 there was a positive increase.

**Table 5.** Regional Expenditure Realization Development Central Kalimantan Provincial Government for the Period of 2015-2019

<b>Regional Shopping Nth year</b>	<b>Regional Shopping 1st year</b>	<b>Percentage Change</b>
2,943,921,541,005.60	3,235,800,198,763.29	-9
2,661,094,311,886.73	2,943,921,541,005.60	-10
3,123,491,428,965.49	2,661,094,311,886.73	17
3,848,629,260,509.34	3,123,491,428,965.49	23
4,312,954,965,435.97	3,848,629,260,509.34	12

Source: Data processed, 2020



Based on Table 5, the percentage development of the type of regional expenditure in 2015 decreased by -9%, 2016 decreased by -10%, 2017 increased significantly by 17%, 2018 increased significantly by 23% and 2019 increased by 12%.

#### 4.2 Normality Test

The Kolmogorov Smirnov test according to Agung Nugroho (2005: 107) aims to assist research in determining the normal distribution with very little amount of research data (less than 30).

**Table 6.** Kolmogorov Smirnov test

<b>One-Sample Kolmogorov-Smirnov Test</b>				
		<b>PAD</b>	<b>Grant Shopping</b>	<b>Regional Shopping</b>
N		5	5	5
Normal Parameters a, b	Mean	1413671485264.56	683574963960.93	3378018301560.63
	Std. Deviation	273806110140,117	51577476421,725	682419440943,096
	Most Extreme Differences	Absolute Positive Negative	, 208 , 208 -, 175	, 267 , 146 -, 267
Statistical Test		, 208	, 267	, 245
Asymp. Sig. (2-tailed)		, 200c, d	, 200c, d	, 200c, d
a. Test distribution is Normal.				
b. Calculated from data.				
c. Lilliefors Significance Correction.				
d. This is a lower bound of the true significance.				

Based on the normality test above, it shows that Kolmogorov Smirnov's significant value for local revenue is 0.200 which is greater than  $\alpha$  (i.e. 0.05) and the value of grant spending is 0.200 greater than 0.05 while the regional expenditure value of 0.200 is greater than 0.05, it can be concluded that the data is normally distributed.

#### 4.3 Hypothesis Testing

##### a. Coefficient of Determination

The coefficient of determination aims to measure the ability of the dependent variable, namely local revenue and grant expenditure in explaining the dependent variable, namely regional expenditure. The results of the coefficient of determination test are presented in the following table:

**Table 7.** Coefficient of Determination

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	, 995a	, 989	, 978	100116352899,126
a. Predictors: (Constant), Grant Shopping, PAD				

Based on the test of the coefficient of determination, the Adjusted R Square number is 0.978 which indicates that the regional expenditure variable can be explained by the variable local revenue and grant expenditure by 97.8% while the remaining 2.2% is explained by other variables outside the model. The R number of 0.995 indicates that the research variables have a very close correlation.

**b. Statistical Test t (t-test)**

The t test is used to determine whether there is a significant effect of the variables of each independent table variable, namely local revenue and grant spending on the dependent variable. The results of statistical calculations on the t test are shown in Table 8 below:

**Table 8. Result of t test (t-test)**

Coefficientsa						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	806195607916,272	695301183965,646		1,159	,366
	PAD	2,675	,235	1,073	11,385	,008
	Grant Shopping	-1,769	1,247	-,134	-1,418	,292
a. Dependent Variable: Regional Shopping						

The results of the t test above show that the two independent variables (local revenue and grant spending) have a significant effect on the dependent variable (regional expenditure). The variable of local revenue has a significant value of 0.008 which is smaller than the significant level of 0.05, which means that Ha1 is accepted. The grant spending variable has a significant value of 0.292 which is greater than the significant level of 0.05, which means that Ha2 is rejected.

For regression that has one dependent variable and more than one independent variable, the regression equation model is as follows:

$$Y = 806195607916,272 + 2,675 X_1 - 1,769 X_2 + e$$

**1. Statistical Test F**

The implementation of the F test aims to test the independent variables, namely local revenue and grant expenditures, whether together they affect the dependent variable. This simultaneous test compares the significant value of F with the significant value used, namely 0.05 (Darwanto and Yulia Yustikasari, 2007: 16)

**Table 9. F Test Results**

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	184273860527270650000 0000,000	2	921369302636353200000 000,000	91,92 3	,011b
	Residual	200465682356447100000 00,000	2	100232841178223540000 00,000		
	Total	186278517350835120000 0000,000	4			
a. Dependent Variable: Regional Shopping						
b. Predictors: (Constant), Shopping Grants, PAD						

The results of the statistical calculation of the F test have a significance value of 0.11 above 0.05, which means that all independent variables: local revenue and grant spending simultaneously affect the dependent variable, namely regional expenditure, so the regression model can be used to predict the dependent variable (shopping area). It can be said that Ha3 is accepted.

This shows that the higher the local revenue obtained and the use of grant spending, the higher the regional expenditure issued by the Provincial Government of Central Kalimantan for support and support the enhancement of regional development in order to become prosperous, prosperous, advanced and independent while still prioritizing compulsory expenditure budgeting which takes precedence or becomes a priority scale.

As for Article 62 paragraph 1 of Government Regulation Number 12 of 2019 that grants are given to the Central Government, other Regional Governments, state-owned enterprises, BUMD, and / or agencies and institutions, as well as social organizations that are Indonesian legal entities, which have specifically been the designation is determined, is not mandatory and is not binding, and not continuously every fiscal year, unless otherwise stipulated in accordance with the provisions of laws and regulations.

In accordance with Article 62 paragraph 2 of Government Regulation Number 12 of 2019, that grants are intended to support the achievement of the Target Programs and Activities of the Regional Government in accordance with the interests of the Region in supporting the implementation of government, development and social functions by taking into account the principles of justice, appropriateness, rationality and benefits for Public.

Grant expenditures are budgeted in APBD in accordance with the capacity of Regional Finance after prioritizing the fulfillment of expenditure on Compulsory Government Affairs and Optional Government Affairs, unless otherwise stipulated in accordance with the provisions of the legislation.

## V. Conclusion

1. The results of the t test indicate that the original regional income has a significant or positive effect on regional expenditure, which means receiving  $H_{a1}$ .
2. The results of the t test indicate that the Grant Expenditures do not significantly influence the Regional Expenditures, which means rejecting  $H_{a2}$ .
3. Based on the results of the F-test, it shows that Local Own Revenue and Grant Expenditures have a significant or positive effect on Regional Expenditures, which means receiving  $H_{a3}$ .

## Suggestion

1. Realization of Regional Original Revenue revenue in the Central Kalimantan Provincial Government must be maintained and improved.
2. The need for strategies and policies in realizing increased realization of Regional Original Revenue in the Central Kalimantan Provincial Government, through:
  - a. Increasing the development of facilities and infrastructure for services to the public.
  - b. Providing easy access to services to pay local taxes and levies effectively, efficiently and quickly.
  - c. Implementation of ball pick-up services to areas through the Mobile Samsat and National Online Samsat activities.
  - d. Collecting data on new tax subjects and objects in potential areas.
  - e. Implementation of routine tax arrears raids with related agencies.
  - f. Conduct socialization activities for local taxes and levies to the entire community.
  - g. Preparation of regional fiscal policy regulations in the form of Regional Regulations (Perda) and Governor Regulations (Pergub) related to intensification and extensification of the collection of regional revenue sources including efforts to optimize Regional Original Income and Other Legitimate Regional Revenues.

- h. Give an appeal to entrepreneurs and the public to love using vehicle plates in Central Kalimantan Province.
  - i. Carry out the development and development of innovation and information technology Samsat Online and National Samsat.
  - j. Efforts to improve the management of regional assets to increase local retribution revenues.
  - k. MIdentify the objects of regional taxes and levies, supervise and secure the sources of revenue from regional revenues in an integrated and integrated manner so as to reduce potential leaks of local taxes and levies.
  - l. Increase additional funds for capital participation in regional-owned enterprises of the Central Kalimantan Provincial Government.
3. There is a need for policies in determining the priority scale for the portion of the Grant Expenditure budgeting in the Direct Expenditure or Capital Expenditure Budget Group that is larger than the portion of the Grant Expenditure budgeting in the Operational Expenditure or Indirect Expenditure Group as an effort to increase the regional economy, economic growth, support community productive activities and accelerate development area.
  4. With the authority of regional autonomy, the Central Kalimantan Provincial Government is able to provide convenience and encourage investment in large companies in regions that are oriented towards the production of export finished goods, in an effort to increase regional revenue realization, increase employment and increase economic growth and progress regional development.
  5. For future researchers, the results of this study can be used as reference materials for conducting research by increasing the sample area and time span of.

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