

Implementation of Digit Alization of Tax Payment Services Using the Linkaja Application to Increase Pad in Kendari City

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Abstract

The purpose of this study is to find out how the application of digitizing tax payment services using the LinkAja application can increase PAD in Kendari City. This objective is based on the urgency of the problem, namely (1) the payment system using the LinkAja application is not optimal and evenly distributed to all types of regional taxes and levies in Kendari City; (2) The implementation of the payment system for regional revenue by the community is still mostly done in cash, and (3) the implementation of digitalization has not been supported by the availability of regional regulations. This study was structured using a descriptive qualitative approach by conducting interviews, observations, and documentation studies of informants. The data analysis technique uses data reduction, data presentation, data verification, and drawing conclusions. Based on the results of the study, it shows that the utilization of the LinkAja application has been running since November 2021 but has not been optimal. Although compared to 2021, which only lasted 2 months, but has reached 2 digits, UN revenue in 2022 has increased but the cash flow is relatively low. This study recommends that the Kendari City Government maximize all existing digitization system services. This study provides an overview and understanding of the application of digitizing tax payment services using the LinkAja application that can contribute to increasing PAD in Kendari City.

Keywords

digitization; linkaja; PAD



I. Introduction

The current era of digital transformation forces local governments (Pemda) to adjust policies related to the provision of digital-based public services (E-Government) in all aspects, including regional financial transactions, one of which is local revenue (PAD). This is important, because digital services are the demands of every local government for technological advancements that are able to simplify services, shorten time, and prevent PAD leakage. In order to accelerate the implementation of digitization, the President issued Presidential Decree No. 3 of 2021 concerning the Task Force for the Acceleration and Expansion of Regional Digitization (Satgas P2DD) so that the Regional Government forms a P2DD Team with the hope that the government is optimistic that this policy will increase PAD. This policy was also issued with the aim of both the central and regional governments exploring new ways of providing services to the public as an effort to manage the effects of the pandemic that has occurred in the past two years to date.

Kendari City's PAD realization was reduced by 40% due to the pandemic, so the Kendari City government had to re-adjust the 2020 APBD allocation. To boost PAD, the Kendari City Government made a number of breakthroughs, starting from digitizing the service system, installing tax recording devices, to socializing Transaction

Electronification. Local Government (ETPD) to business actors. In line with the president's decision to support the acceleration and expansion of digitalization, the Kendari City Government signed a memorandum of understanding with the Head of Government Project LinkAja on digitizing payment system services using the LinkAja application which took place in February 2021. This activity is fully supported by Bank Indonesia Southeast Sulawesi with the aim of accelerating the acceleration and improvement of the quality of public services by providing convenience, security and convenience for non-cash transactions in Kendari City, and is expected to increase Kendari City's PAD. One of the scopes of the collective agreement is the application of non-cash payments to the regional revenue payment ecosystem which includes the payment of regional taxes and levies [1].

However, the efforts made by the Kendari City Government to implement the payment of regional taxes and levies using the LinkAja application have not been fully implemented optimally and evenly, because the use of this service has not been carried out on all types of regional tax and levy receipts in Kendari City, namely the Land Tax and Building (UN) only. While local taxes consist of 11 types, namely BPHTB, swallow nest tax, parking tax, street lighting tax, entertainment tax, hotel tax, Rural and Urban Land and Building Tax, groundwater tax, non-metallic mineral tax and rock, billboard tax, and restaurant tax. [2]. Likewise for regional retribution receipts, payments have not been made through the LinkAja application.

Efforts to strengthen the implementation of regional digitalization, especially ETPD in Kendari City, which is seen as important because it can increase PAD from taxes and regional levies, do not yet have a regional regulation (Perda) as a derivative of a Presidential Regulation (Perpres) which is used as a guide so that the expansion of digitalization can be carried out more quickly as a form of acceleration. post-pandemic economic recovery.

The purpose of this study is to find out how the application of digitizing tax payment services using the LinkAja application can increase PAD in Kendari City. This objective is based on the urgency of the problem, namely (1) the payment system using the LinkAja application is not optimal and evenly distributed to all types of regional taxes and levies in Kendari City; (2) The implementation of the payment system for regional revenue by the community is still mostly done in cash, and (3) the implementation of digitalization has not been supported by the availability of regional regulations.

II. Review of Literature

2.1 PAD

Regional Original Revenue (PAD), namely income obtained by the region which is collected based on regional regulations in accordance with statutory regulations. PAD aims to give authority to Regional Governments to fund the implementation of regional autonomy in accordance with regional potential as a manifestation of decentralization.

PAD as a source of income that is quite reliable by the Regional and Regency/City Governments, because these funds are purely self-excavated and can be used fully to be utilized in accordance with regional priorities in carrying out government administration and regional development. PAD aims to provide flexibility to regions in optimizing funding potential in implementing regional autonomy as a manifestation and principle of decentralization.

2.2 E-Government and Digital-Based Payment Services

The transformation and new stage of maturity of the digital technology era and the increasing use of it by the government is marked by a paradigm shift from e-government to digital government that is currently happening in various countries in the world. The United Nations Development Program (UNDP) defines e-Government: “eGovernment is the application of Information and Communication Technology (ICT) by government agencies.” Clay G. Wescott (Senior Asian Development Bank official) defines: E-government as the use of ICT to promote more efficient and cost-effective governance, facilitate government service facilities and provide access to information for the general public, and make government more accountable to the people.[3]

2.3 LinkAja

Payment instruments continue to grow from cash payment instruments to non - cash payment instruments. In the last decade, there has been a wave of digitization and penetration into people's lives that drastically changed people's behavior. Currently, the trend of online payments or e-Payment in Indonesia has developed very quickly. This trend was initiated by the Government and Bank Indonesia's initiatives, which since 2013 have promoted a cashless society campaign known as the National Non-Cash Movement (GNNT).

2.4 Portrait of the Application of Regional Government Transaction Electronification

The policy of restricting community activities and mobility in the midst of persistently high public demand for goods, services and public services has encouraged the digital economy to develop exponentially and be able to emerge as a new force.

In 2020, the value of Indonesia's digital economy reached USD 44 billion or grew 11% (yoy) and was recorded as the largest growth in the Southeast Asia region. This figure can continue to grow larger considering the population and the development of the use of gadgets and national means of communication. In terms of digital users, the number of mobile connections in Indonesia reached 345.3 million (125.6% of the total population) and internet users amounted to 212.3 million people, with a penetration rate of 76.8%.

III. Research Method

This study was structured using a descriptive qualitative approach by conducting in-depth *interviews* with selected informants, namely the Planning, Finance, and Reporting Section of the Kendari City Bapenda and Kendari City P2DD Team. The results of this study describe the results of in-depth interviews with research subjects and describe the information obtained from the data so that they can provide an overview of the implementation of digitizing tax payment services using the LinkAja application in increasing PAD in Kendari City.

IV. Result and Discussion

4.1 Portrait of the Application of Regional Government Transaction Electronification (ETPD) in Kendari City

Presidential Decree Number 3 of 2021 concerning the Task Force for the Acceleration and Expansion of Regional Digitization (Satgas P2DD) and Permendagri Number 56 of 2021 concerning TP2DD Provinces and Regencies/Cities and Implementation of Regional Government Transaction Electronification (ETPD) is a mandate for local governments to immediately implement government-based activities.

electronification especially for payment service activities. With regard to this regulation, the Kendari City Government has formed a Team for the Acceleration and Expansion of Regional Digitization (TP2DD) as a form of responsiveness to the president's mandate in supporting policies related to innovation and expansion of regional government transaction electronification.

TP2DD is a coordination forum between related agencies and stakeholders to encourage innovation, acceleration, and expansion of Regional Government Transaction Electronification (ETPD) in order to realize efficiency, effectiveness and transparency of financial governance. In order to prepare for the preparation of TP2DD, the Kendari City Government held a coordination meeting of the Technical Team for the Preparation of the Formation of TP2DD Kendari City in order to compile the Kendari City Regional Digitization Acceleration and Expansion Team (TP2DD) which was attended by the Regional Apparatus Organization Leader (OPD) along with Kendari City staff and representatives Bank Indonesia (BI). In this meeting, Bank Indonesia Representatives expressed their readiness to fully support local government activities in accelerating the implementation of the overall digitalization of the Southeast Sulawesi Province and will continue to assist Kendari City TP2DD regarding the innovations that will be carried out.

The establishment of the Kendari City TP2DD was confirmed on February 9, 2021 which was held at Nambo Beach, attended by the Chair, Deputy Chair and a number of members of the Kendari City DPRD, Head of Bank Indonesia Representative (KPwBI), Financial Services Authority (OJK), Head of Ombudsman, Leadership Coordination Forum Region (Forkopimda), Head of the Financial and Development Supervisory Agency (BPKP), Regional Secretary of Kendari City, Marketing Director of Bank Sultra and a number of OPD Heads within the Kendari City Government. The establishment of TP2DD Kendari City is a pilot project in Southeast Sulawesi as an effort to encourage the formation of TP2DD in Regencies/Cities in Southeast Sulawesi Province. In addition to the inauguration of TP2DD, the Kendari City Government also launched the Regional Government Transaction Electronification (ETPD) program to welcome the maximization of increasing regional income through the implementation of the ETPD program at the Kendari City Government in order to realize efficiency, effectiveness and transparency of financial governance. In Kendari City, the application of ETP has been applied to eight objects of tax and levy including the entrance fee for Nambo beach, stall tax, cleaning levy, PBB, parking levy, use of regional wealth (PKD) Kali Kadia, tourist levy and market levy (Diskominfo, 2021).

By using digital technology, services provided by local governments to the public through payment of taxes and levies can be faster, easier, can produce transparency and can reduce the effects of budget leakage. One form of the implementation of digital technology in increasing Regional Original Income (PAD) is the use of the Indonesian Standard Quick Response Code (QRIS). With this facility, the public can carry out payment transactions through various electronic payment channels. In Southeast Sulawesi Province, as of early February 2021, around 33 thousand business actors have used the QRIS facility for transactions. Where 90% of them are MSME actors (TP2DD, 2021).

Since the inauguration of the Kendari City TP2DD as one of the pilot cities in Southeast Sulawesi by Bank Indonesia, the Kendari City Government has begun to collaborate with various parties as the first step in implementing ETPD in Kendari City. The Kendari City Government is collaborating with PT Fintek Karya Nusantara (Finarya) as a server-based payment service provider with a memorandum of agreement Number 011/FKN/MOU/II/2021 concerning Digitalization of Payment System Services Using the LinkAja Application which was signed on 10 February 2021 by the Mayor of Kendari Mr.

H. Sulkarnain K., together with Head of Government Project LinkAja Mr. M. Rendi Nugraha, this activity took place at Nambo Beach Kendari. The signing of the memorandum of understanding, which is fully supported by Bank Indonesia Southeast Sulawesi, aims to accelerate the acceleration and improvement of the quality of public services by providing convenience, security and convenience for non-cash transactions in Kendari City. The scope of this collective agreement includes the application of non-cash payments to the regional tax and levy payment ecosystem including PBB and Motor Vehicle Tax (PKB) and also to support the development of digitalization of micro ecosystems, tourism, and MSMEs in the Kendari City area.

A mutual agreement was also made between the Kendari City Government in this case Mr. H. Sulkarnain K and PT. Regional Development Bank of Southeast Sulawesi in this case the director of Bank Sultra Mr. Abdul Latif on March 14, 2022 with Number 01/KB/2022 and Number 013/PKS/Dir.BPD/III/2022 concerning Development of Financial Technology Services and Innovations and City Revenue Kendari. The purpose and objectives of this collective agreement are in the context of developing integrated applications for service improvement and optimization of regional income and regional levies that are easy, fast, precise, transparent, effective, efficient, accountable, innovative and informative as well as financial management systems through online system facilities. Bank Sultra as a strategic partner and a bank managing local government funds in Kendari City is expected to be a pioneer in digitizing local government transactions, committed to supporting the acceleration and expansion of regional digitalization with infrastructure support that is considered capable and proven to support this digitalization program. So far, the Southeast Sulawesi Bank's services that have supported the Regional Government ETPD include SP2D Online services (for capital expenditures), Online Satker (for routine spending), Online Samsat, PBB Online, BPHTB Online, the Ministry of Home Affairs SIPD application for regional financial management. This cooperation agreement is a continuation of the cooperation agreement dated April 24, 2019.

Researchers conducted interviews related to the implementation of transaction electrification of the Kendari City government so far to the TP2DD secretary in this case the Kendari City Regional Revenue Agency (Bependa), represented by Mr. Rismato Hasba, S.Sos (Secretariat Sector). In the interview he said that the implementation of ETP so far in Kendari City is very good, especially for the local tax sector. Policies related to *online payment services* began to focus on during the Covid-19 pandemic. During Covid, regional tax revenue in 2020 decreased while in 2021 it increased, this increase in 2021 is due to application-based transaction service programs, for example, we optimize tapping boxes in restaurants, then there is also tax payment through LinkAja, and other online transaction services that are constantly being improved, it just takes the commitment of the P2DD Team to help realize the vision of the city of Kendari (Interview on August 3, 2022).”

Currently, the Kendari City Bapenda continues to improve and develop online integrated local tax payments. One of the ideas that has been carried out since 2020 is the greeting tax service that has been integrated online. Of course, this activity program works with a third party as a service provider (service provider vendor), namely PT. Jatelindo. However, in the early stages as a trial, this service has only been applied to PBB objects (land and building taxes), and will be used on all tax objects when the trial succeeds in increasing PBB revenue in Kendari City. This online payment method is carried out to minimize the possibility of leakage of tax payments and to facilitate payment services to the public. This service also teaches people to get used to making non-cash payments.

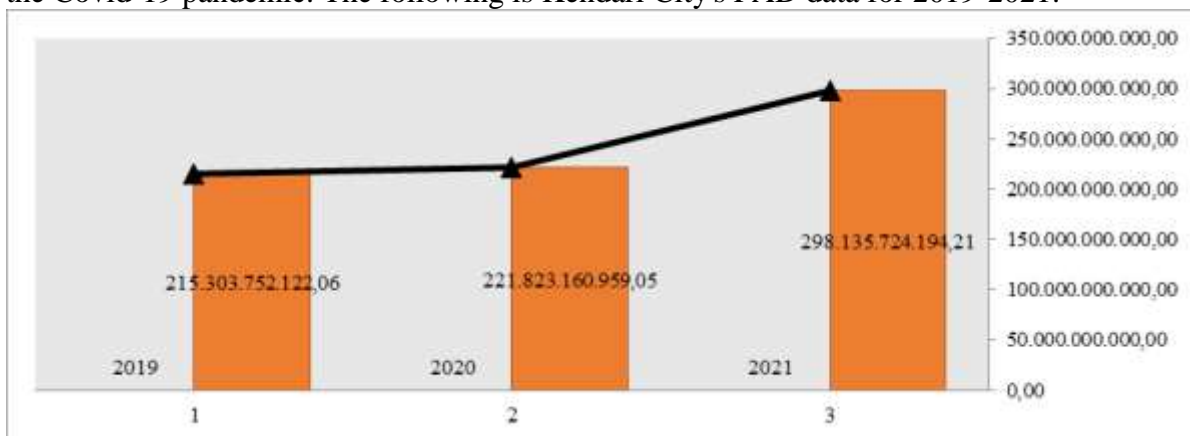
The Kendari City Government together with Bank Indonesia Southeast Sulawesi recently launched the electronic market transaction (Daa) digital which is planned to be implemented in six traditional markets in Kendari City. This is done as a form of Bank Indonesia Sultra's commitment to assist local governments and continue to encourage the use of non-cash transactions using the QRIS (Quick Response Code Indonesian Standard) method in traditional markets. And the launch of digital market transaction electrification (Daa) with the QRIS method is the first step in 2022 towards digital-based local government.

4.1 Application of Digitizing Tax Payment Services Using the Linkaja Application in Increasing PAD in Kendari City

The LinkAja application is a server-based payment service provider which is the main product of PT. Fintek Karya Nusantara (Finarya) and has been registered with Bank Indonesia. Since February 21, 2019, Finarya has officially received a license/permit from Bank Indonesia as an Electronic Money Issuing Company and a Legal Entity Digital Financial Service Provider. Utilization of the LinkAja application in Kendari City is a collaboration between the Kendari City Government and Finarya in order to simplify, expedite, streamline, and optimize the process of non-cash transactions at the Kendari City Regional Government. The purpose of using this application is to accelerate and improve the quality of public services and support the increase in Kendari City's PAD. The agreement period for using the LinkAja application is valid for one year from February 9, 2021.

Based on the portrait of the Kendari City ETPD application in the sub-discussion above, it was found that the tax payment service using the LinkAja application has only been applied to PBB objects. PBB being one of 11 types of taxes in Kendari City which is a trial for non-cash payment services seeing this tax object is the third largest contributor to local tax revenue in Kendari City and also contributes to PAD receipts in the last 3 years (interview). together with Mr. La Lihi, S.Sos who manages PBB P-2, and BPHTB).

Based on data obtained from a documentation study conducted by researchers starting July 30, 2022, information was obtained that PAD Revenue in Kendari City during the last 3 years (2019-2021) experienced a significant increase. Apart from the global disaster, namely Covid-19, Kendari City's PAD can be said to have not been affected by the Covid-19 pandemic. The following is Kendari City's PAD data for 2019-2021:



Source: Kendari City Government APBD Realization Report (Data processed, 2022)

Figure 1. Realization of Kendari City PAD Revenue for 3 Years

From the picture above, it is known that Kendari City PAD revenue in 2019 was IDR 215,303.752,122.06, an increase of 2.94% or IDR 6,519,408,836.99 in 2020, which was IDR 221,823,160,959.05 and experienced a drastic increase of 25,60% or Rp.76,312,563,235.16 in 2021, which is Rp.298,135,724,194.21. This indicates that during the Covid-19 pandemic (2020-2021), Kendari City's PAD receipts have increased in a positive direction. Of course, this increase occurred because it was supported by an increase in several local tax objects in Kendari City, one of which was the Land and Building Tax (PBB). Revenues sourced from PBB objects greatly contribute to increasing PAD in Kendari City, because PBB has the potential to increase PAD so that all efforts made by Kendari City Bapenda are to continue to maximize PBB collection. One of the efforts made by the Kendari City government in maximizing PBB collection is to make it easy for the public to pay PBB bills through the LinkAja application which can be done anytime and anywhere. The following is Kendari City's PBB revenue data for the last three years:

Table 1. Realization of Land and Building Tax of Kendari City

Year	UN Revenue through the LinkAja Application	Total UN Revenue	Contribution (%) (4) = (2) / ((3) *100
(1)	(2)	(3)	(4)
2019	0	14,896,714,607.00	0.00
2020	0	16,677,213,164.00	0.00
2021	19,487,176.00	19,236,339,807.00	0.10
Total	19,487,176.00	50,810,267,578.00	0.10

Source: Kendari City Bapenda (Data Processed, 2022)

Based on the table above, it can be seen that PBB revenue for the last 3 years (2019-2021) has increased in a positive direction. Even during the Covid-19 pandemic, UN revenues continue to increase, meaning that the Kendari City Government is able to maximize UN collections during a pandemic. This was confirmed through direct interviews with the Head of Sub Division for Determination and Objections for Region III BAPENDA Kendari City, Mr. La Lihi, Sos in charge of managing PBB. He said that:

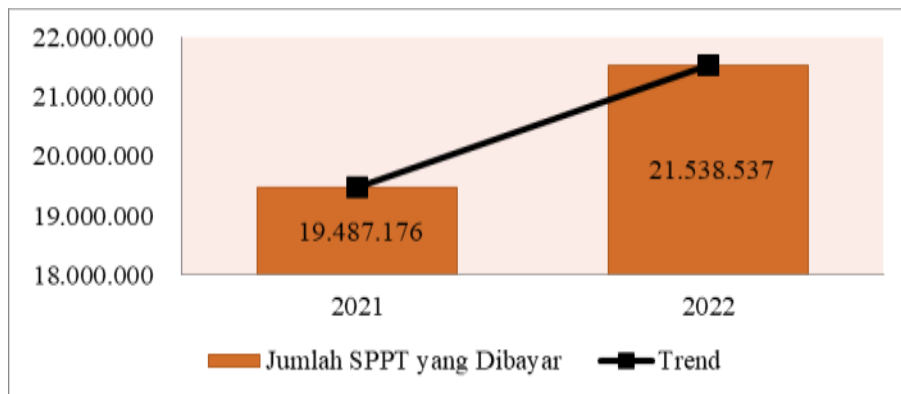
"UN-P2 experienced a significant increase, even exceeding the target during the COVID-19 pandemic. This is because, during the pandemic, quite a lot of people were buying and selling land or buildings. However, there are obstacles in the process, because PBB-P2 is a self-assessment so that sometimes the area of land or buildings reported by taxpayers is different when our team conducts verification in the field."

In addition, as a form of implementing cooperation with Finarya, 2021 is the beginning for the Kendari City Government to utilize the LinkAja application in paying PBB bills. Based on the table above, it is known that the payment of PBB bills through the use of the LinkAja application in 2021 is Rp. 19,487,176. This amount is still very low when compared to the total UN revenue in 2021 (Rp 19,236,339,807) which is only 0.10 % of the contribution of non-cash payment services using the LinkAja Application to the total PBB Revenue. Confirmation was carried out through an interview in August 2022 to the Head of the Secretariat of the Kendari City Bapenda Mr. Rusmanto Hasba, S.Sos. He said that:

"The contribution of PBB-P2 revenue by utilizing the LinkAja application is still low because it is still in the process of socializing to the community,

cooperation with service providers is also still new. So it takes a long process so that people know about this service, not to mention that not all people understand technology or have a cellphone that supports it. But so far, based on the SPPT as of August 2022, the total SPPT that has been paid is Rp21,538,537. That means an increase from 2021."

Based on the data obtained from the documentation study, the number of PBB SPPT (payable tax returns) that have been paid by PBB taxpayers are as follows:



Source: Secretariat of Bapenda Kendari City (Data processed, 2022)

Figure 2. Realization of PBB Payments through the LinkAja Application

From the picture above, it shows that as stated by Mr. Rusmanto Hasba, S.Sos., the amount of PBB revenue through the LinkAja Application until 2022 (As of August 2022) is greater than in 2021. This increase is 9.52 % . Based on the results of document observations, it is known that in 2021 payments for SPPT PBB will begin in November 2021, meaning that PBB revenue of Rp. 19,487,176 will only last for two (2) months. This shows that the public's interest in using this application has received a positive response, it is proven that it has only been 2 months, PBB receipts through the LinkAja application have reached 2 digits. In 2022, the UN revenue data obtained amounting to Rp. 21,538,537 is data as of August 2022, meaning that the UN revenue has been ongoing for eight (8) months. Although compared to 2021, which only lasted 2 months, but has reached 2 digits, UN revenue in 2022 has increased but the *cash flow* is relatively low. This indicates that the efforts of the Kendari City Government in introducing the LinkAja application to the public as a non-cash payment service still need to be improved and synergize with all related elements such as kelurahan and RT/RW.

From the description above, it can be concluded that the public still needs to be introduced to digital channels as a non-cash payment medium. In today's digital and technological era, people must be able to accept the transformation of payments that are starting to shift from cash payments to non-cash payments. The Kendari City Government still has to encourage the progressive acceleration and expansion of electrification transactions, and must continue to look for the weaknesses of existing digital channels and be applied to the community so that they can explore new strategies to achieve Kendari City's vision, which is to become a city based on innovation and technology.

Researchers conducted interviews with the Kendari City P2DD Team to find out the implementation of tax payment services using the Linkaja Application as an effort to increase PAD in Kendari City. The researcher chose the representatives of the P2DD Team of the Kendari City Bapenda with reference to the main duties of the P2DD Team, namely carrying out administrative tasks for the implementation of TP2DD tasks and preparing a

development plan for the implementation of non-cash transactions on the regional revenue/income side and in charge of providing direction and socialization of the implementation of non-cash transactions. The following are the results of the interviews as outlined in the table below:

Table 2. Results of observations, interviews, documentation about the application of the LinkAja Application

No	Indicator	Results of Observations/Interviews/Documentation
1	Planning	<p>Policies related to the implementation of the use of the LinkAJAA application in Kendari City:</p> <ol style="list-style-type: none"> 1. MoU No. 011/FKN/MOU/II/2021 between the Kendari City Government and PT. Fintek Karya Nusantara (Finarya) regarding Digitizing Payment System Services Using the LinkAJAA Application. 2. Kendari Mayor Regulation No. 41 of 2021 concerning the Implementation of an Electronic-Based Government System. 3. Kendari Mayor Decree No. 119 of 2021 concerning the Establishment of a Team for the Acceleration and Expansion of the Regional Digitalization of Kendari City <p>(Data collection through documentation study, 30 July 2022)</p>
2	Implementation	<p>The purpose of the Kendari City Government to use the LinkAja Service for PBB payments:</p> <p><i>" The reason for this collaboration is the manifestation of the city's action in terms of accelerating and improving the quality of public services with the aim of providing convenience, security and convenience for non-cash transactions in Kedari City in supporting the increase in PAD"</i></p> <p>(Interview with Head of Bapenda Ibu Sri Yusnita 5 September 2022)</p> <p>Socialization of PBB Payment Services through the LinkAja Application:</p> <p><i>" Actually, if we have done a lot of socialization in the community, starting in February 2021, we carried out socialization at the Kendari Bay Mooring Pavilion with Bank Indonesia to socialize ETP to street vendors who sell in Kebi, in that socialization we also introduced to the public how to use the application. QRIS and the LinkAja electronic wallet service, we begin to emphasize that in the future there will be no more people giving money to officers, because the tax payment mechanism can be done directly at the bank, transfer or we can use QRIS, so everything can be easy."</i></p> <p>(Interview with Head of Bapenda Ibu Sri Yusnita, 5 September 2022)</p> <p>Optimizing the use of PBB payment services through the</p>

No	Indicator	Results of Observations/Interviews/Documentation
		<p>LinkAja Application in terms of the number of user taxpayers and in terms of the realization of PBB revenues so far:</p> <p><i>" Thank God, I can say that the number of taxpayers who pay PBB has increased, but it cannot be justified that the increase comes from the people who pay through LinkAja because it is not only LinkAja as the only non-cash medium in paying taxes in Kendari City, we use the pick-up method. The ball or tax service says hello, so we involve the lurah, RT, RW to collect PBB, we also form a mobile PBB service team to be placed in every kelurahan in Kendari City. "</i></p> <p>(Interview with Head of Bapenda Ibu Sri Yusnita, 5 September 2022)</p> <p><i>" If I look at the UN revenue data, people are still low using the LinkAja application, maybe because of the many other non-cash services, but we really appreciate the community because they have started to switch to using non-cash services. "</i></p> <p>(Interview with Bapenda Secretariat, Mr. Rismanto Hasba, S.Sos, 18 August 2022)</p> <p>The impact of the use of payment services using the LinkAja Application on the compliance of PBB taxpayers:</p> <p><i>" As I said before, during the past 3 years the realization of PBB revenue has increased, especially during the pandemic, thank God it can still increase, we are optimizing this PBB collection because the potential of the PBB is very large, that's why we open the Mobile PBB service in every village so that people don't have to go back to the office to pay, in terms of time it also makes it easier for the community ."</i></p> <p>(Interview with Bapenda Secretariat, Mr. Rismanto Hasba, S.Sos, 18 August 2022)</p>
3	Evaluation	<p>Factors inhibiting the implementation of digitizing non-cash payment services in Kendari City:</p> <p><i>" To achieve the vision of making the Kendari City Government a technology-based city full of challenges and still needs hard work to make it happen, one of the goals of achieving this vision the City Government has formed a P2DD Team. With this acceleration, we feel that what has been done is still not optimal, but strengthening is still being carried out. For this reason, cooperation between various parties must be built, especially those that provide digital payment services, that is why we need large funding to develop the implementation of an electronic-based government system in Kendari City, infrastructure readiness,</i></p>

No	Indicator	Results of Observations/Interviews/Documentation
		<p><i>infrastructure facilities such as networks and systems integrated with data centers as well. slowly improving and it takes time too. Not to mention that our human resources are not sufficient for this. It is indeed a challenge but we are committed because this is one of the government's programs .”</i></p> <p>(Interview with Head of Bapenda Ibu Sri Yusnita, 5 September 2022)</p>
		<p>The efforts made by the Kendari City Bapenda to maximize PBB revenue:</p> <p><i>“ That was intensification to maximize revenue. There are two kinds of intensification that support this, internal and external. Internally, it is a form of implementation. First, human resource development, we cannot intensify if our human resources are not trained, secondly, infrastructure. If you want to do billing intensely, you must provide supporting infrastructure, and thirdly, budget. From outside or external to the community itself, we must try to make our community a society that is aware of its obligation to pay taxes, by conducting socialization, publications. Socialization is through face-to-face, it can also be through social media, print media, electronic media, online. In HR, the number of our human resources must be sufficient with a variety of tax potentials, of course we need a number of human resources, now it will be studied in the staffing whether the current human resources are sufficient to carry out intensification with this number of taxpayers, for example the PBB is around 103,000. Those who handle PBB are sufficient, then it is recommended that HR take part in training, the third is to complete infrastructure facilities .”</i></p> <p>(Interview with Ms. Yanti Mustari, SSTP., M.Sc. as Head of Region III at the Kendari City Regional Revenue Agency Office, August 29, 2022)</p>
		<p>To what extent is the role of the PBB in increasing Kendari City's PAD:</p> <p><i>" The role is big, PBB is the third largest contributor to PAD after the street lighting tax, PPHTB, the third PBB. Street lighting is around 41,000,000,000, PPHTB is around 35,000,000,000, PBB is around 22,000,000,000. So the role is very big, of course big because the object of PBB is the most of all types of taxes. So, if the potential is maximized, of course, the target may increase. If we have a good data collection system, we will update the field in the field. Surely the largest contributor to PAD may be the United Nations. Because he has a taxpayer of about 103,000 more, the other taxes</i></p>

No	Indicator	Results of Observations/Interviews/Documentation
		<p><i>he has to pay may only be around 1,000. While the PBB is 103,000 with a potential of 23,000,000,000 .”</i> (Interview with Ms. Yanti Mustari, SSTP., M.Sc. as Head of Region III at the Kendari City Regional Revenue Agency Office, August 29, 2022)</p>

From the results of the documentation study, it is known that the implementation of payment services using the LinkAja Application has a clear legal basis as the basis for the Kendari City government to take advantage of this service. In terms of implementation, the use of the LinkAja Application in supporting non-cash payment services has slightly contributed to the realization of Kendari City Land and Building Tax. Although this contribution is still relatively low, it has an impact on the progressiveness of PBB collection in increasing Kendari City's PAD. Considering that PBB is one of the third largest PAD contributors in Kendari City, efforts will continue to be made to maximize PBB revenues, one of which is by optimizing the intensification strategy. The implementation of an electronic-based government system in Kendari City continues to be improved from the aspect of funding, readiness of facilities and infrastructure, as well as HR competence and other aspects, seeing this aspect as a success factor in the implementation of the acceleration and expansion of regional digitalization in Kendari City.

IV. Conclusion

The implementation of digitizing payment services using the LinkAja application in Kendari City has been running since November 2021 until now, but in terms of PBB revenue through the LinkAja application, its contribution to the total realization of PBB revenue in Kendari City is still relatively small. Although the contribution of revenue to PBB is still relatively low, the realization of PBB revenue over the last three years has increased and has become the third largest PAD contributor to the Kendari City Government. This means that non-cash payment services using the LinkAja Application also contribute to the achievement of PBB revenue in Kendari City. From the policy aspect, the use of the LinkAja application has been supported by legal legality which is the basis for its implementation. From the implementation aspect, the use of the LinkAja application is a step to accelerate and improve the quality of public services with the aim of providing convenience, security and convenience for non-cash transactions so that it can support the increase in PAD in Kendari City. However, the Kendari City Government still needs to improve infrastructure readiness, funding, public understanding, HR competence and other aspects that can support the success of implementing an electronic-based government system in Kendari City.

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