

DO TAPPING BOX TECHNOLOGY INCREASE LOCAL TAXES AND DISTRICT OWN SOURCE REVENUE ?

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ABSTRACT

Taxes have a very important contribution to the state because they are the main income and a manifestation of community involvement in state spending which is regulated in laws. Local taxeses as one of the many sources of District Own Source Revenue have a very important role in regional development. This local taxes collection and revenue must be maximized so that the resulting District Own Source Revenue will be maximized as well. The technological innovation or the use of Tapping Box has become an important part of taxes collection and revenue. The study aims to investigate restaurant taxeses, the hotel taxeses, and entertainment taxeses on District Own Source Revenue receipts mediated by the use of Tapping Box technology. The research took place in the Regional Finance Agency (BAPENDA) of Semarang Regency. This study uses a sample of 60 with 5 years of observation. The sample is the amount of taxes or income per month received from the Regional Taxes Information System then the acquisition of the collected data was analyzed using WarpPLS. The results show that the use of Tapping Box has proven to be able to strengthen the relationship between restaurant taxes and District Own Source Revenue and also the relationship between hotel taxeses and District Own Source Revenue. On the other hand, the use of tapping boxes does not strengthen the relationship between the entertainment taxeses and District Own Source Revenue. This indicates that the tapping box is often deactivated so that the entertainment business owner's income is not recorded every day, which causes the entertainment taxes paid to the local government to be not optimal.

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INTRODUCTION

Taxes have a very important contribution to the state because they are the main income and a manifestation of community involvement in state spending which is regulated in laws (Ratnawati and Hernawati, 2015). For a country, taxeses are a source of income used for infrastructure development, employee costs, foreign debt payments, and so on. The construction of public facilities such as bridges, schools, roads, hospitals and others is paid using funds derived from taxeses (Ulfa 2015; Tucharaktschiew and Reimann 2021). The taxes contribution is very large not only for the state but also for the regions. Regional autonomy in Indonesia is implemented through the principle of decentralization. The implementation of the principle of decentralization is expected to provide optimal public services because with regional autonomy local governments can find out what is the potential of the region and what is needed by the community. Knowing the needs of the community will make public services closer to the community. To do this, it is necessary to have regional independence by recognizing adequate financial sources (Larasati and Buga, 2020).

Rosmala, Hasan, and Basri (2020) argue that local taxeses as one of the many sources of District Own Source Revenue have a very important role in regional development. This local taxes collection and revenue must be maximized so that the resulting District Own Source Revenue will be maximized as well. In an effort that taxpayers are willing to pay taxeses, local governments are trying to make the local taxeses that have been collected can be allocated properly. Local

governments always strive for optimal regional taxes receipts so that it requires an innovation that aims to increase District Own Source Revenue. Firdaus (2020) argues that innovations carried out by local governments are a form of response to advance and prosper the region and the people in the area. Opportunities for deviations in the amount of taxes revenue due to manual taxes collection can occur anytime and anywhere. Therefore, local taxes collection by utilizing information technology will accelerate local revenue receipts. Collecting local taxeses such as restaurant taxes, hotel taxes and entertainment taxes can utilize information technology as a tool for implementation, supervision and escort (Khairunnisa, 2011).

Ajala and Adegbie (2020) states that digitalization has become the centre of the country's economic activity and has made existing traditional taxes rules and processes ineffective. As a result, the advent of the digital age has become the driving force of all human activities. Information technology of taxesation systems has brought about an unprecedented speed in business transactions and a revolution that is changing the face of taxes administration in various countries. The essence of information technology is to assist the performance of taxes officials, thereby reducing taxes avoidance and taxes evasion, moreover, information technology facilitates faster and more accurate taxes data analysis.

Technological innovation has become an important part of taxes collection and revenue. The emergence of new instruments to help businesses work more efficiently affects the way taxeses are collected. Information Technology changes rapidly so that the financial system becomes obsolete in no time. The need to integrate the old structure becomes more demanding as new applications need to be created to assist the dynamics of the financial process. In addition, the quantity of data processing is increasing every year, which requires a scalable infrastructure to keep fiscal processes running. The creation of a reliable digital record history is essential to match the accuracy of the results. The process of obtaining reliable information involves a variety of activities such as inspections, audits, assessments, and data entry. It is hoped that every part of the process properly does its job of providing acutely factual information activities related to taxes audits, revenue and revenue assessments, and enforcement of fiscal policy are very important in the process of obtaining reliable input data (Miyahira, 2008).

A taxes recording device or Tapping Box is a device that has Electronic Data Capture (EDC) facilities with cellular data access which is often used on smartphones. The Tapping Box is one of the local government's innovations to increase the revenue of District Own Source Revenue. The local government lends the Tapping Box to taxpayers as a tool to collect taxes revenues, especially hotel taxes, restaurant taxes and entertainment taxes. The use of this tool will reduce the opportunity for taxpayers to cheat or digress on their taxes reporting. Tapping boxes are very helpful in the process of calculating and collecting taxeses carried out by local governments (Li, Wang, and Wu 2020; Yudha and Setiawan 2020; Larasati and Buga 2020).

The phenomenon that occurs in this study is the low taxes revenue for hotel, restaurant and entertainment taxeses in Semarang Regency. This is due to the lack of supervision of the performance of the taxeses collection. This supervision is carried out because many taxpayers do not pay the taxes properly, or are late in paying taxes, and manipulate the turnover they receive. Therefore, the local government need a reporting application that can display financial transaction reports in total to support the transparency of taxes payments. This Tapping Box is lent by the local government of Semarang Regency to taxpayers in the payment of hotel taxes, restaurant taxes and entertainment taxes so that it will reduce the opportunity for taxpayers to digress or cheat on their taxes reporting.

Previous research conducted by Ulfa (2015) proved that the use of technology and information partially and significantly affects the reduction of taxes evasion. Putri AT (2019) found that the use of the Tapping Box can limit the occurrence of restaurant taxes leakage. However, the research of (Hidayati et al., 2021) found the result of the installation of the Tapping Box to collect

the parking taxes revenues has not reached the target set even though parking taxes revenues have increased compared to the previous year. Larasati and Buga's study (2020) in the city of Malang found evidence that the installation of Tapping Box has an effect on taxes revenue but is still relatively low when compared to the number of registered taxpayers.

This study intends to re-examine the results of previous studies but with different types of taxes revenues, namely restaurant taxes, hotel taxes and entertainment taxes on District Own Source Revenue receipts in Semarang Regency mediated by the use of Tapping Box technology.

THEORETICAL REVIEW

Compliance Theory

Compliance with taxes can be described as a condition for taxpayers who fulfil all taxes responsibilities and fulfil their taxes rights. Taxes compliance refers to an individual's willingness to act in accordance with both the "spirit" and the "written" law and taxes administration without the implementation of enforcement activities (James and Alley, 2002). Taxpayer compliance is expected to arise from the taxpayer himself voluntarily without any coercion from the government, although this is difficult to realize. It is necessary to apply administrative penalties or criminal law sanctions for taxpayers who have the intention to break the rules or who do not fulfil their taxes obligations.

District Own Source Revenue

The definition of District Own Source Revenue (PAD) is regional original income which is obtained by the region and collected based on regional regulations and by-laws (Kautsar, 2020). District Own Source Revenue consists of, regional taxes, regional levies, results of separated regional wealth management, and other legitimate District Own Source Revenue (including proceeds from the sale of regional assets that are not separated; demand deposit services; interest income; gains on the difference in the exchange rate of the rupiah against other currencies). foreign money, and commissions, discounts or other forms as a result of the sale and/or procurement of goods and/or services by the regions.

Taxes

Taxes is a mandatory contribution from the public that is paid to the state with a coercive nature referring to the law with no direct compensation that can be displayed and used for payment of general expenses. The definition of taxes as a public contribution paid to the state then becomes a state treasury that is coercive and complies with the law in its implementation (Mardiasmo, 2019).

The Function of Taxes

There are two taxes functions, namely the budgetary function and the regulate function (Ratnawati and Hernawati, 2015).

1) Function of Budgetair (Source of State Finance)

Taxes is a source of government revenue that is used to finance state expenditures for both routine and development expenditures.

2) Regulate (Managers) Function

Taxes function as a regulatory tool or establish regulations that can direct the economic situation of the community for the better, socially and politically to comply with government policies. Based on the regulatory function, it is expected that taxes can achieve certain goals in the government's efforts to intervene in regulating state treasury revenues.

Restaurant taxes

Restaurant taxes is a taxes-based service provided by a restaurant (Law No.28 of 2009 Regional Taxes and Regional Levies). A restaurant is a building or place that is commercially

structured and serves to provide services and offer products in the form of food and drinks for anyone present (Maramis et al., 2020). While (Gregoire, 2010) argues that in terms of purpose, restaurants are grouped into onsite food service which benefits food is sold to encourage the main activity and is also included in the non-profit group, on the other hand, there is commercial food service which is based on the benefits of selling food with priority to the expected profit.

Hotel Taxeses

Hotels are places that provide rest or lodging services and other services with payment collections such as motels, tourist guesthouses, guesthouses, tourism huts, inns, lodging houses, and also boarding houses with several rooms exceeding 10 rooms (Semarang Regency Regional Regulation Number 13 of 2017). Mahyuliza, Rahmadana, and Nugrahadi (2021) state that hotel taxes is a taxes based on the availability of services by hotels by making payments. The object of the taxes on the hotel taxes is every service provided through hotel payments that concurrently supports hotel equipment that has the characteristics of convenience and comfort provided, accompanied by entertainment and sports facilities.

There are several hotel taxes objects, including the following:

- a. Short-term or long-term lodging facilities, such as guesthouses, conference halls, boarding houses and tourist lodges.
- b. Services in supporting equipment in lodging facilities. Facilities such as telephone, laundry service, internet, photocopy, taxesi

Entertainment Taxeses

Taxeses on the implementation of entertainment which includes all forms of performances, the spectacle of crowds in the form of agility games where everyone who pays for it is allowed to enjoy the show, other than the use of facilities for sports is the purpose of entertainment taxes. Meanwhile, based on the (Semarang Regency Regional Regulation Number 13 of 2017), what is meant by entertainment is all types of performances, games, spectacles, and crowds that are enjoyed for a fee. From the definition of the regional regulation, it can be concluded that the entertainment taxes is a paid or charged entertainment service which is regulated by applicable law.

Tapping Box

Tapping Box is a device in the form of a data capture printer that is placed on the cash register and printer, to capture transaction data. A tapping box is a device that has features like Electronic Data Capture (EDC) with the use of smartphones capable of having an access base to cellular data (Firdaus, 2020; Larasati and Buga, 2020). Tapping box is an effort to increase District Own Source Revenue by the government which is part of innovation. Tapping boxes are lent to function from local governments to taxpayers as a comparison of taxes payments, especially restaurant taxes, hotel taxes and entertainment taxes. So that it will reduce the opportunity for taxpayers to commit fraud or fraud in their taxes reporting. That way the use of the Tapping Box will make it easier for the government and speed up taxes collection and calculation. The tapping box has a feature that can read receipts or print bills, and the data will be sent automatically so that it is read from the printer and first enters the system on the Tapping Box and will then be operated on the existing system on the hardware. The use of the desired Tapping Box can help taxpayers in reporting their obligations to officers (Yudha and Setiawan, 2020).

Hypothesis Development

The Influence of Restaurant Taxeses on District Own Source Revenue

Restaurant taxes is a means of providing drinks and food with the condition that a fee is charged which includes canteens, restaurants, stalls, cafeterias, and the like as well as catering or

catering services. Restaurant owners as taxpayers must be fully responsible for depositing taxes that must be paid. Restaurant taxes paid by taxpayers will increase District Own Source Revenue. Previous research conducted by (Rahmiyatun et al., 2021) and (Suleman, 2019) show the effect of restaurant taxes on District Own Source Revenue. Based on this description, the research hypothesis is as follows:

H1 = Restaurant taxes influences District Own Source Revenue

The Influence of Hotel Taxes on District Own Source Revenue

The part that becomes an autonomous region is the regency, where the full authority has been handed over by the community to the regional government, and the regional government must be responsible for increasing the District Own Source Revenue. This is obtained from the capabilities obtained from each region, one of which is the hotel taxes. Willy (2020) and (Damayanti & Muthaher, 2020) show that hotel taxes affect the receipt of District Own Source Revenue

H2 = Hotel taxes influence District Own Source Revenue

The influence of Entertainment Taxes on District Own Source Revenue

Entertainment taxes is the implementation of entertainment for which a fee is collected, such as all kinds of entertainment, crowds and shows that can entertain people. Entertainment taxes as a local taxes influences local revenue. The research of Damayanti and Muthaher (2020) and Bahmid and Wahyudi (2018)) show that the entertainment taxes has a positive influence on Regional Original Income.

H3 = Entertainment taxes influence District Own Source Revenue

The Influence of Restaurant Taxes on District Own Source Revenue moderated by Tapping Box Utilization

Tapping Box is a tool that can record taxpayer transactions by printing bills or receipts automatically. A tapping box is a tool that is borrowed from the government to taxpayers as a comparison of taxes payments so that it will reduce or minimize opportunities for taxpayers to commit fraud in terms of taxes reporting. On restaurant taxes that have been installed with the Tapping Box tool, it will automatically affect the increase in District Own Source Revenue from restaurant taxes. As a previous researcher, Putri AT (2019) states that the application of the Tapping Box can reduce the occurrence of fraud or restaurant taxes leakage. During the use of the Tapping Box, there was an increase in restaurant taxes revenues. Based on the description, it produces the following hypothesis:

H4 = The Influence of Restaurant Taxes on District Own Source Revenue moderated by the Tapping Box Utilization

The Influence of Hotel Taxes on District Own Source Revenue moderated by Tapping Box Utilization

Tapping Box will affect the increase in local revenue because every transaction that occurs will be recorded automatically by the system in the Tapping Box tool. Thus, the higher the number of tapping boxes used, there will be an increase in hotel taxes revenue which has an impact on the increase in District Own Source Revenue. Referring to the results of previous researchers, Firdaus (2020) states that the use of the Tapping Box has a positive influence on increasing District Own Source Revenue. From the explanation above, the hypothesis can be drawn as follows:

H5 = The Influence of Hotel Taxes on District Own Source Revenue moderated by Tapping Box Utilization

The Influence of Entertainment Taxes on District Own Source Revenue moderated by the Tapping Box Utilization

Entertainment entrepreneurs who do not pay restaurant taxes according to what consumers have paid are dishonest taxpayers and do not comply with the law. For this reason, policies from local governments are needed at least reducing leakage of taxes revenues which is a loss for District Own Source Revenue. So, local governments require entertainment entrepreneurs to use 220 boxes to reduce this. The intensive use of Tapping Box for entertainment providers will increase entertainment taxes revenues which in turn will increase District Own Source Revenue. As research conducted by Firdaus (2020) states that by using the tapping box, a positive effect is found in increasing the entertainment taxes which will increase District Own Source Revenue. This results in hypotheses such as the following:

H6 = The Influence of Restaurant Taxeses on District Own Source Revenue moderated by the Tapping Box Utilization

The conceptual framework can be described as follows:

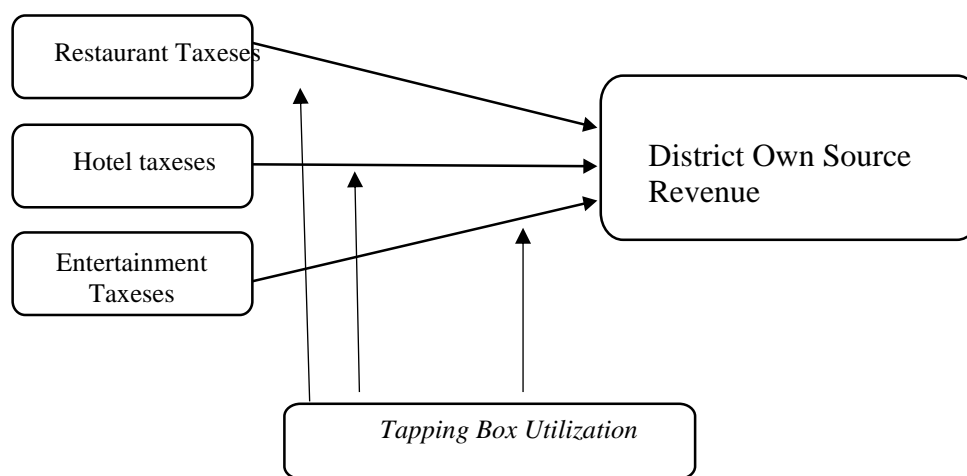


Figure 1. Conceptual Frameworks

Restaurant owners as taxpayers are obliged to pay local taxeses which will increase District Own Source Revenue. Hotel owners are required to pay local taxeses which will increase District Own Source Revenue. Entertainment taxeses is one part of regional taxeses that influences District Own Source Revenue. Intensive use of Tapping Boxes for restaurant owners, hotel owners and entertainment organizers will increase local taxes revenues which will ultimately increase Regional Original Income.

RESEARCH METHODS

This research used independent and dependent variables. The independent variables in this case are restaurant taxeses, hotel taxeses, entertainment taxeses and the use of Tapping Box. The dependent variable in this study is an increase in District Own Source Revenue. The research took place in the Regional Finance Agency (BAPENDA) of Semarang Regency. The objects used as population are restaurant taxeses, hotel taxeses and entertainment taxeses received from the Regional Taxes Information System. This study uses a sample of 60 with 5 years (2017-2021) of observation. The sample is the amount of taxes or income per month received from the Regional Taxes Information System. This type of research uses quantitative research methods and forms of documentation research. Then the acquisition of the collected data was analyzed using WarpPLS.

Table 1. Research Variable

Variable	Definition	Indicator
Independent Variables		
1. Restaurant Taxeses	Restaurant taxes is a taxes-based service provided by a restaurant (Law No.28 of 2009 Regional Taxeses and Regional Levies)	Restaurant taxes revenue
2. Hotel Taxeses	hotel taxes is a taxes based on the availability of services by hotels (Mahyuliza, Rahmadana, and Nugrahadi (2021)	Hotel taxes revenue
3. Entertainment Taxeses	Entertainment Taxes is a taxes on the implementation of entertainment which includes all forms of performances (Law No.28 of 2009 Regional Taxeses and Regional Levies)	Entertainment taxes revenue
Dependent Variable		
District Own Source Revenue	District Own Source Revenue (PAD) is regional original income which is obtained by the region and collected based on regional regulations and by-laws (Kautsar, 2020)	Regional revenues consist of regional taxeses, regional levies, regional assets and other income
Moderating Variable		
Tapping Box	A tapping box is a device that has features like Electronic Data Capture (EDC) with the use of smartphones capable of having an access base to cellular data (Firdaus, 2020; Larasati and Buga, 2020).	Number of tapping boxes used by the business

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RESULTS AND DISCUSSION

Evaluation of the structural model (inner model) can be done by looking at the value of the Goodness of Fit Model. There are several steps to looking at the Goodness of Fit model in WarpPLS analysis. The suitability value of the suitability model can be seen in Table 1. Based on Table 1 it is known that there are criteria for fit and the model quality index is met. Thus, it can be said that the goodness of fit model is fulfilled and the model in this study can be used for hypothesis testing.

Table 2. Model Fit and Quality Indices Results

Model Fit and Quality Indices			Criteria Fit	Model Fit and Quality Indices Results
Average (APC)	Path	coefficient	Accepted if $p < 0.05$	$P = 0.002$

Model Fit and Quality Indices		Criteria Fit	Model Fit and Quality Indices Results
Average (ARS)	R-squared	Accepted if $p < 0.05$	$P < 0.001$
Average adjusted R-squared		Accepted if $p < 0.05$	$P < 0.001$
Average block VIF (AVIF)		Accepted if ≤ 5	3.068
Average full collinearity VIF		Accepted if ≤ 5	4.781
Tenenhaus GoF (GoF)		Small > 0.1 , Medium > 0.25 , Large > 0.36	1.155
Symphson's paradox ratio		Accepted if ≥ 0.7	0.833
R squared contribution ratio		Accepted if ≥ 0.9	0.973
Statistical suppression ratio		Accepted if ≥ 0.7	1.000
Nonlinear bivariate causality direction ratio (NLBCDR)		Accepted if ≥ 0.7	1.000

Source: Proceeded Data, 2023

Measurement model (outer model) on SEM WarpPLS with formative indicators can be evaluated using convergent validity, discriminant validity, and composite reliability. The results of the evaluation of the measurement model (outer model) are as follows.

1. Convergent Validity

The measurement of convergent validity is based on the loading value of each research indicator. If the minimum loading value is 0.6 then it can be said to meet convergent validity. The results of the calculation of the loading value of each indicator can be seen in Table 2.

Based on Table 2, it is known that all research indicators have a loading factor value greater than 0.6 and a p-value < 0.05 so that it can be said that convergent validity is met.

Table 3. Convergent Validity

Variable	Loading Value	p-value	Description
Restaurant Taxeses (X1)	1.000	< 0.001	Valid
Hotel Taxeses (X2)	1.000	< 0.001	Valid
Entertainment Taxeses (X3)	1.000	< 0.001	Valid
Tapping Box Utilization (Z)	1.000	< 0.001	Valid
District Own Source Revenue (Y)	1.000	< 0.001	Valid

Source: Proceeded Data, 2023

2. Discriminant Validity

To see the discriminant validity of all indicators together, it is done by comparing the value of AVE. The results of the AVE value are shown in Table 3. Based on the AVE value in Table 3, it is known that the AVE value of each variable is greater than the correlation value of AVE with other variables, so it can be said that discriminant validity is met.

Table 4. AVE Root Value

	REVENUE	HOTELTAX	RESTOTAX	ENTRTAX	TAPPING	TAPPING*RESTOTAX	TAPPING*HOTELTAX	TAPPING*ENTRTAX
REVENUE	(1.000)	0.812	0.790	0.520	0.132	-0.271	-0.180	-0.364
HOTELTAX	0.812	(1.000)	0.957	0.681	0.318	-0.231	-0.259	-0.449
RESTOTAX	0.790	0.957	(1.000)	0.762	0.457	-0.268	-0.233	-0.562
ENTRTAX	0.520	0.681	0.762	(1.000)	0.190	-0.390	-0.314	-0.587
TAPPING	0.132	0.318	0.457	0.190	(1.000)	-0.007	-0.082	-0.529
TAPPING*RESTOTAX	-0.271	-0.231	-0.268	-0.390	-0.007	(1.000)	0.921	0.795
TAPPING*HOTELTAX	-0.180	-0.259	-0.233	-0.314	-0.082	0.921	(1.000)	0.734
TAPPING*ENTRTAX	-0.364	-0.449	-0.562	-0.587	-0.529	0.795	0.734	(1.000)

Note: Square roots of average variances extracted (AVEs) shown on diagonal.

Source: Proceeded Data, 2023

3. Composite Reliability

The results of the calculation of the composite reliability value can be seen in Table 5. Based on Table 5 it is known that all the latent variables of the study have a composite reliability value of 0.7 so it can be concluded that the composite reliability is fulfilled.

Table 5. Composite Reliability Value Results

Variable	Composite Reliability
Restaurant Taxeses (X1)	1.000
Hotel Taxeses (X2)	1.000
Entertainment Taxeses (X3)	1.000
Tapping Box Utilization (Z)	1.000
District Own Source Revenue (Y)	1.000

Source: Proceeded Data, 2023

4. Hypothesis test

The results of hypothesis testing on the inner model can be seen in figure 2 and table 6.

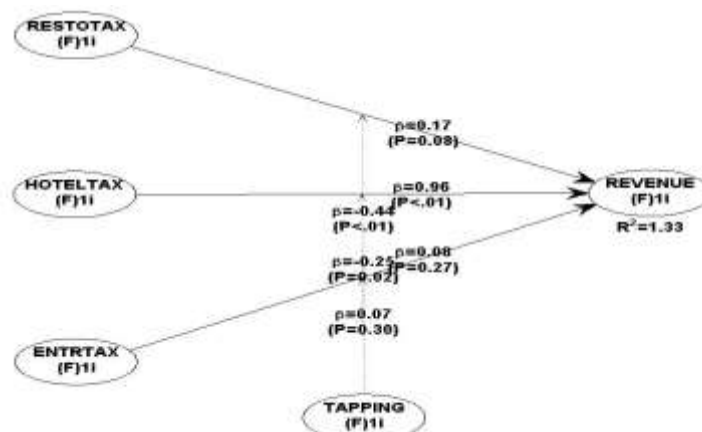


Figure 2. Result of Hypothesis
Table 6. Result of The Hypothesis

Variables Relationships				Path Coefficient	p-value	Remarks
Restaurant Own Source Revenue	Taxeses	→	District	0.173	0.080	H1 Rejected
Hotel Source Revenue	Taxeses	→	District Own	0.956	<0.001	H2 Accepted
Entertainment District Own Source Revenue	Taxeses	→		0.077	0.271	H3 Rejected
Restaurant Box Utilization Source Revenue	Taxeses*Tapping Utilization	→	District Own Box	-0.438	<0.001	H4 Accepted
Hotel Utilization Source Revenue	Taxeses*Tapping Utilization	→	District Own Box	-0.249	0.020	H5 Accepted
Entertainment Taxeses*Tapping Utilization Source Revenue	Taxeses*Tapping Utilization	→	District Own Box	0.068	0.297	H6 Rejected

Source: Proceeded Data, 2023

The first hypothesis which states that there is an influence of restaurant taxes on Damayanti and Muthaher (2020) and Bahmid and Wahyudi (2018)) is rejected. Although in Semarang Regency there are many restaurant businesses, restaurant owners are still reluctant to pay taxeses so that local revenue is not optimal. Restaurant taxes revenues have also decreased drastically due to the COVID-19 pandemic as well as the large-scale social restriction policies instructed by the government. It can be stated that restaurant taxes revenue does not have a strong influence on the Semarang Regency's District Own Source Revenue. The findings does not agree with the finding of (Rahmiyatun et al., 2021) and Suleman (2019) that restaurant taxes paid by taxpayers will increase District Own Source Revenue. This study does not support the compliance theory which assumes that taxpayers must comply with applicable regulations and also make them aware of the responsibility for taxeses that must be paid. There needs to be administrative sanctions for taxpayers who do not comply with their taxes obligations.

The second hypothesis which indicates that there is an influence of hotel taxes on District Own Source Revenue is accepted. In Semarang Regency the hotel business is very popular because this area is a tourist area. Hotel owners are obedient in carrying out their obligations to pay taxeses to the government so that the realization of hotel taxes revenues is optimal. During the Covid-19 Pandemic, the hotel business experienced a decline, but some hotels were also used by the government for the isolation of Covid-19 sufferers so that taxes revenues were relatively stable. The result supports the research conducted by Willy (2020) and (Damayanti & Muthaher, 2020) that hotel taxes revenue has an influence on District Own Source Revenue. The study therefore conclude that taxpayers have the awareness to comply with their taxes obligations as mentioned in compulsory theory.

The third hypothesis which presumes that there is an influence of entertainment taxes on District Own Source Revenue is rejected. Entertainment business owners do not pay their taxes obligations proportionally. During the Covid-19 period, all entertainment venues in Semarang Regency were closed which resulted in lower taxes revenues. his makes the entertainment taxes has

no effect on local revenue. This finding does not concur with Damayanti and Muthaer (2020) and Bahmid and Wahyudi (2018) that the rise of entertainment taxes will increase the results of the study do not support the compliance theory that taxpayers must comply with applicable regulations and also have the responsibility for paying the taxes.

The fourth hypothesis that there is an effect of restaurant taxes on District Own Source Revenue is moderated by the Tapping Box accepted. Li, Wang, and Wu (2020); Yudha and Setiawan (2020); Larasati and Buga (2020) states that Tapping Boxes have great benefits in assisting the taxes calculation and collection process carried out by local governments. The obligation to install Tapping Box tools in restaurants makes restaurant owners comply with BAPENDA's instructions. 225 The installation of Tapping Box in restaurants can accurately record daily income so that restaurant owners cannot manipulate income so that the taxes to be paid are adjusted to the restaurant's revenue receipts. The installation of tapping boxes is able to encourage taxes compliance of restaurant owners in Semarang Regency. This is in accordance with empirical evidence in previous research conducted by Putri AT (2019) and Larasati and Buga (2020) which states the application of the Tapping Box can reduce the occurrence of fraud or restaurant taxes leakage so that there will be an increase in District Own Source Revenue. The findings fully support the compliance theory.

The fifth hypothesis which states that there is an influence of hotel taxes on District Own Source Revenue is moderated by the Tapping Box is accepted. Ajala and Adegbe (2020) argue that digitalization has become central to the country's economic activities and rendered traditional taxes regulations and processes ineffective. BAPENDA's instructions to hotel owners to be required to install tapping box tools in hotels make hotel owners obedient in running them. The installation of tapping boxes in hotels can accurately record the amount of income received so that hotel owners cannot manipulate the income they receive. Taxes to be paid are adjusted to the hotel's revenue receipts. The installation of the tapping box is able to increase the taxes compliance of hotel owners in Semarang Regency. The result of the study support the compliance theory and the research conducted by Firdaus (2020) which states that the use of the Tapping Box has a positive influence on increasing the hotel taxes on District Own Source Revenue.

The sixth hypothesis which indicates that there is an influence of entertainment taxes on District Own Source Revenue moderated by Tapping Box is rejected. BAPENDA's instructions to entertainment business owners to be required to install tapping boxes in hotels have not been carried out in an orderly manner because the tapping boxes are sometimes deactivated so that the entertainment business owner's income is not recorded every day, which causes the entertainment taxes paid to not match the entertainment taxes revenue. Therefore the finding does not support the compliance theory and research conducted by Firdaus (2020) which states that the used of the tapping box will have a positive effect to the entertainment taxes and District Own Source Revenue. The results does not concur with the statement of Khairunnisa (2011) that collecting entertainment taxes can utilize information technology as a tool for implementation, supervision and escort.

CONCLUSIONS

This study was conducted to prove whether the use of tapping boxes is able to strengthen the relationship between restaurant taxes, hotel taxes and entertainment taxes on District Own Source Revenue in Semarang Regency. The results show that the use of Tapping Box has proven to be able to strengthen the relationship between restaurant taxes and District Own Source Revenue and also the relationship between hotel taxes and District Own Source Revenue. On the other hand, the use of tapping boxes does not strengthen the relationship between the entertainment taxes and District Own Source Revenue. The BAPENDA of Semarang Regency requires the installation of tapping boxes in restaurants, hotels and entertainment venues to encourage taxpayer compliance because the use of the Tapping Box is able to accurately record the revenue received so as to assist taxpayers in calculating the taxes they must pay. Taxpayers cannot manipulate income receipts because the Tapping Box records revenue earned by taxpayers in real time.

LIMITATIONS AND SUGGESTIONS

This research was conducted over a five year period and in the last two years Indonesia experienced the Covid-19 pandemic and all businesses were negatively affected, including the restaurant, hotel and entertainment business so that this incident greatly affected the results of the study. Revenues in these three types of businesses experienced a sharp decline which greatly affected taxes revenues and District Own Source Revenue. It is recommended that the next research can be carried out during normal economic conditions without any global influence so that not affect the results of the study.

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