

Analysis of the Influence of Regional Taxes and Levies on Regional Original Income Through Economic Growth Case Study Tanjung Balai Area

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ABSTRACT

The purpose of this study is to determine the effect of Regional Taxes and Regional Levies on Economic Growth in Tanjung Balai. The data used in this study are secondary data from the Central Statistics Agency (BPS), the data used is data for the period 2010 - 2024. The analysis method used in this study is the multiple linear regression analysis method using statistical tests by determining a 95% confidence level ($\alpha = 0.05$) in the t-test. The results of this study indicate that partially the Regional Tax variable has a positive and significant effect on Economic Growth and Regional Levies have a positive and significant effect on Economic Growth. Then simultaneously Regional Taxes and Regional Levies have a positive and significant effect on Economic Growth.

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INTRODUCTION

Regional Economic Development, especially in City/ District Areas is point beginning implementation development, so that area expected Can more know potential and what it becomes need its region. Regional Economic Development is a process where Local Government and all component public manage various source existing power and forming a pattern partnership For create a field Work new and exciting activity economy in the Area. Invite Invite number 23 of 2014 concerning Regional Government is one of the runway legal for development Regional Autonomy in Indonesia. Decentralization or Regional autonomy gives regions the ability to more authority big in arrange affairs House the stairs. This is demand Local Government for more wise in matter collection of Regional Taxes and Regional Levies. In addition Local governments are also required For can allocate results receipt of Regional Taxes and Regional Levies for reach a just, prosperous and equitable society based on Pancasila and the Law The 1945 Constitution of the Republic of Indonesia.

Managed by him Budget Income Regional Expenditure (APBD) by the respective Regional Governments in frame embodiment Regional Autonomy or Decentralization Fiscal, Local

Government more free For increase Economic Growth for prosper society in the region. High economic growth is the desires of each region. Economic growth can measured with Product Gross Regional Domestic Product (GRDP), where GRDP is mark plus from goods and services produced in One period usually One year.

Economic growth is related close with the process of improvement production goods and services in activity economy society. Economic growth is also defined as increase in society 's output caused by increasingly the amount factor production used in the production process without There is change ways or technology That itself. Indicator Economic Growth does not only measure output level in a economy, but actually also gives indication about how far is the activity the economy that occurs in a period certain has produce Income for public.

Table 1. Development of Regional Taxes in Tanjung Balai City During Year (2020-2024)

Year	Regional Tax (Rp)	Development (%)
2020	1,172,685,249,887.00	-
2021	1,252,745,184,904.00	6.82
2022	1,315,393,895,060	5.00
2023	1,309,081,813.53	-0.47
2024	1,509,791,063.99	15.33

Source : BPS Tanjung Balai, 2024

Table 1 shows Tanjung Balai City Regional Tax revenue since 2020 – 2024, where improvement highest in 2024 experienced improvement by 15.33%. This is because of government targeting PAD (Regional Original Income) in the Tax Sector in 2024. And in 2021 and 2022 there will be improvement by 6.82% and 5.00% due to the time That The Tanjung Balai City Government provides Tax Amnesty on Vehicles Motorized Vehicle Transfer Fee and Vehicle Name Transfer Fee motorized. Taxpayers who are in arrears tax vehicle motorized only required pay tax in the year running. In 2023, Regional Taxes experienced decline, which is where point decline by -0.47%. This is due to Because the decline Material Tax Rate burn that occurs later this. Because the more many people buy vehicle motorized the more many do not pay tax vehicle his motorbike with reason the tax is expensive.

Table 2. Development Regional Retribution of Tanjung Balai City During Year (2020-2024)

Year	Retribution (Rp)	Development (%)
2020	4,799,510,950.00	-
2021	9,504,916,327.71	98.03
2022	8,050,858,918	-15.29
2023	20,762,789.45	-99.74
2024	28,864,400.00	39.01

Source : BPS Tanjung Balai, 2024

Table 2 shows reception Regional Retribution of Tanjung Balai City since 2020 – 2024. Where Regional Retributions experience improvement the highest in 2021, namely by 98.03%. This is because of the amount Tanjung Balai community who opened business so that increase Power buy society. But in 2022 and in 2023 experienced decline by -15.29% to -99.7% where due to the amount service retribution No implemented should like parking illegal, black market and so on that concerns retribution That itself. In 2024 experienced improvement return by 39.01% where government Already maximize income with dig potential in the market. Regional Retribution has an important function where function the measured based on target achieved levy Regional Retribution. And if his achievements tall so function retribution to Local Original Income will height where function the as Regional Income, regulator Regional economy, facilities stability regional economy, and equity development and income public.

The pace Economic Growth in the Region is calculated based on changes in GRDP over base price constant the year in question to year previously which was indicator macro For see economy in real terms in a region. Acceptance source Local Original Income supports all over activity activity economy public become a Regional Government program in effort improvement and progress in

prosper an increasingly diverse society increase high. For see Economic growth in a region then increase in GRDP is used as reference without look at whether increase That more big or small from level growth resident.

Table 3. Development Product Gross Regional Domestic Product (GRDP) of Tanjung Balai City During Year (2020-2024)

Year	GRDP (Rp)	Development (%)
2020	112,665,532.27	-
2021	116,374,299.89	3.29
2022	121,240,978.72	4.18
2023	126,824,491.42	4.60
2024	132,087,460.00	4.14

Source : BPS Tanjung Balai, 2024

In table 3 we can see seen, that the condition of PDRB is experiencing improvement from 2020 – 2024. In 2021, it experienced improvement by 3.29 % This because of government optimize sector non-oil and gas. In 2022 it also experienced improvement by 4.18 % This start because of production oil and gas and mining start get better back in 2023 Products Gross Regional Domestic Product (GRDP) experienced improvement by 4.60%. This is due to the population in Tanjung Balai is increasing, with the amount resident so the more Lots activity production goods and services in economy society. In 2024 experienced decline by 4.14% which was caused by increasing price commodity goods production.

THEORETICAL BASIS

Regional Tax

Law of the Republic of Indonesia No. 28 of 2009 concerning Regional Taxes and Regional Retributions defines that Regional Taxes are mandatory contributions to regions owed by individuals or bodies that are mandatory based on the Law, without receiving direct compensation and are used for regional needs for the greatest prosperity of the people. Siahaan (2013) states that Regional Taxes are mandatory contributions made by regions to individuals or bodies without compensation. directly balanced, which can be forced based on regulations per applicable laws, which are used For to finance organization Regional Government and Regional Development.

According to Resmi (2019) Tax is the transfer of wealth from the people to the state treasury to finance routine expenditures and the surplus is used for public saving which is the main source to finance public investment. Mardiasmo (2011) states that Regional Tax is a mandatory contribution made by individuals or regional head bodies without direct compensation that is balanced, which can be enforced based on applicable laws and regulations, which is used to finance the implementation of Regional Government and Regional Development.

Functions and Types of Regional Taxes

According to Sari (2013), there are two functions of Regional Tax, namely the budget function and the regulatory function, then there are two additional functions, namely the stability function and the income redistribution function.

- 1) Function Budget (Budgeter)/Tax is source State Revenue, then tax functioning For pay expenses area. For the sake of regional development, expenditure big like development area and costs other No can avoided. Therefore That The local government must ensure balance between expenditure the with Regional Income through Taxes.
- 2) Function Regulation / Taxation also functions For arrange Economic Growth. With Policy Government, Taxes in general No direct will help economy the region and its people.
- 3) Function Stability / With Taxes, Government can operate its related policies stability Regional Economy. So taxes can functioning For control inflation. Government can arrange money supply will decrease so that inflation No will happens. On the other hand, if condition the country's economy in deflation so Government can lower tax.

- 4) Function Redistribution Income (Equality)/Tax also functions as equalization from Income public with objective happiness and well-being society. tax can used For to finance interest general and development so that create field new job, where the ends will help Income public.

Types of Regional Taxes collected by Regional Governments, both City and Country Regency/City is as following :

- 1) City Tax, includes ; a) Vehicle tax motorized vehicles, b) Motor vehicle transfer fee, c) Motor vehicle fuel tax, d) Surface water tax, and d) Cigarette tax.
- 2) Types of taxes Regency /City includes : a) Hotel tax, b) Restaurant tax, c) Entertainment tax, d) Advertising tax, e) Lighting tax road, f) Mineral tax is not metal and rocks, g) Parking tax, h) Groundwater tax, i) Nest tax swallow bird, j) Land and building tax rural and urban, and k) Acquisition fees right on land and buildings.

The size rates definitive for Regional Taxes are determined with Qanun regulations however its value No may tall from rates maximum that has been determined in Invite Invite regarding Regional Taxes and Regional Retributions. If the potential Regional income is felt not enough adequate, then Local Government does not to pick up tax from City type and taxes Regency /City. Special For area of the same level with the City Area, but No can divided in autonomous district /city areas, such as special regions capital city of Jakarta, type tax collected is combination from Taxes for City Areas and Taxes for Regency/City Areas.

Regional Retribution

According to Law number 28 of 2009 concerning Regional Retribution, it is a regional levy as payment for certain permits specifically provided or granted by the Regional Government for personal interests. Basically, the same retribution can be directly felt by the payer. The elements inherent in the retribution include:

- 1) Levy retribution must based on the Law.
- 2) The levy can forced.
- 3) Levy can carried out by the state.
- 4) Used as expenditure public general.

According to Munawir (in Adisasmita, 2011), Regional Retribution is contribution to The government can forced and services come back in a way direct can appointed. Coercion here nature economical Because Who only that doesn't feel service come back from Government he No will charged contribution That.

Functions and Types of Regional Retributions

Retribution has a very important function for Regional Original Income (PAD). Where this function is measured based on the target of the levy achieved. Regional Retribution. If the target is achieved high, then function retribution towards PAD will high. Here a number of function retribution :

- 1) Source Regional Income / If the Region has own source Income that is capable meet and suffice need Regional Government, then Government center No own burden heavy in the purpose participate as well as assisting Regional Development. Participation Central Government in matter Regional development can in the form of giving Regional assistance for education, poor families or appreciation similar allowance for power Local government.
- 2) Regulator Regional Economic Activities / Activities economy will walk and can set up with Good If sources finance exists and is sufficient. Thus as it is with economy in the region, where the levies be one of source his finances. So that arrangement activity economy areas at certain posts can run with good and smooth.
- 3) Economic Stability Facilities / Incoming Retributions to the Regional Treasury on a regular basis make Regional economy in position stable economy Because costs organizing The Regional Government has supported by levies.

- 4) Equitable Development and Income / Society If the points above fulfilled with existence retribution, then equality in development and income public will achieved at once increase welfare as well as rates life public.

Regional Retribution is divided become three type, as stated in Invite Invite number 28 of 2009, namely :

- 1) Service Fees, namely services provided by the Regional Government for interest general and can enjoyed by the public Good individual or body. Which includes service service general namely : a) Retribution Health services, b) Retribution service garbage / cleanliness, c) Retribution replacement cost print KTP and certificate notes civil, d) Retribution funeral and cremation corpse, e) Retribution service parking, f) Retribution market services, g) Retribution tester vehicle motorized, h) Retribution inspection tool fire extinguisher fire, i) Retribution replacement cost print map, j) Retribution provision / suction toilet, k) Retribution processor waste liquid, l) Retribution calibration/recalibration services, m) Retribution Education services, n) Retribution control tower telecommunications, and o) Retribution control Then cross. Which is not including in service This is service affairs general Government. The rate set with notice cost provision the services concerned, the ability society, aspects justice, and effectiveness control on service The costs referred to covering cost operation and maintenance, costs interest, and cost of capital.
- 2) Business Service Retribution, namely levy on services provided by the Regional Government with adhere to principle commercial, good That service with use / utilize Regional wealth that has not been utilized in a way optimal or services by the Regional Government throughout Not yet can provided in a way adequate by the party private sector. Which includes retribution service business namely ; a) Retribution user riches area, b) Wholesale market / shop levies, c) Retribution place auction, d) Terminal retribution, e) Retribution place special parking, f) Retribution place lodging /villa, g) Retribution House cut animals, h) Retribution service port, i) Retribution place recreation and sports, j) Retribution crossings on water, and k) Retribution sale product Regional business. Retribution rates service business Alone based on purpose For to obtain decent profit, in meaning profit obtained if service service business the done in a way efficient and market price oriented.
- 3) Retribution Licensing Certain Retribution Licensing Certain is levy on service licensing certain by the Regional Government to personal or the intended body For regulation and supervision on activity utilization space, use source Power nature, goods, business, or facility certain use protect interest general and maintain sustainability environment. Which includes retribution licensing certain namely ; a) Retribution permission to establish Building (IMB). b) Retribution permission place sale drink alcoholic, c) Retribution permission disturbance, d) Retribution permission route, e) Retribution permission business fisheries, and f) Retribution extension permission employ power foreign (IMTA). Retribution rates licensing certain based on purpose For close part or all over cost organization giving the relevant permit. The cost covering document permits, field supervision, enforcement legal, administrative and cost impact negative from giving permission the.

Economic growth

According to Sukirno (2006) Economic Growth is an increase in per capita output in the long term. Economic Growth is a process, not a description economy moment. Regional Development and Sectoral Development need to be always implemented with in harmony, so that Sectoral Development that takes place in the regions truly with potential and priorities of the Region. For overall development, Region is also right Correct is One unity politics, economy, social, culture and defense security in realizing national goals.

Regional development is implemented so that the disparity in economic growth between regions does not widen further. The development objectives currently being implemented include the following targets:

- 1) In business leveling development throughout the region, while also avoiding the occurrence of an increasingly deep gap in the level of development between regions.

- 2) Direction in Regional Development activities according to with ability the aspirations and potential that exist in the region are good for interest development national and also for interest area That Alone.
- 3) Develop connection economy between interconnected areas profitable to be established ties economy between strong area within One frame unity economy.
- 4) Building minus areas, areas borders, and lands critical, with special programs.

Economic growth is one of indicator important use analyzing the economic development that occurs in a country. Growth does not identical with development (development) Economic growth is One condition from much is needed in the development process. Economic growth only take notes production goods and services in a way national, while development dimension more wide.

Product Gross Regional Domestic Product (GRDP) according to the Central Statistics Agency (BPS) is defined as as amount mark plus generated by all business units in an area, or is amount all over mark goods and services final output produced by all economic units in a region. Products Gross Regional Domestic Product (GRDP) at Current Prices describe mark plus goods and services that are counted use price constant show mark plus goods and services that are counted use price in the year certain. Products Gross Regional Domestic Product (GRDP) above price goods constant used For know Economic Growth from year to year, while according to BPS Products Gross Regional Domestic at Current Prices used For show the magnitude structure economy and role sector economy. As for the benefits calculation GRDP value, namely, knowing and examining structure or arrangement economy. From the calculation of GRDP it can be known whether an area including area industry, agriculture, or services and how much big each person's contribution its sectors and compare economy from time to time. Therefore GRDP value is recorded each year, then will obtained notes number from year to year. With thus expected can obtained information increase or decline prosperity.

RESEARCH METHODS

Study This use method mixed method (quantitative and qualitative) for analyze influence business oil coconut pure (VCO) against welfare community in Gunung Tua Baru Village, North Padang Lawas Regency. Samples in study This is the community that manages oil coconut pure as many as 134 respondents. With using collected primary data through observation and interviews.

Data analysis was performed with Confirmatory Factor Analysis (CFA) for simplify variable become factors main influencing factors welfare farmers. In addition, using method multiple linear regression used For measure influence significant from factors like production, power work, capital and technology to welfare public.

RESULTS AND DISCUSSION

1. Regional Taxes in Tanjung Balai

Regional Tax is a mandatory contribution to the Region owed by individuals or bodies that is mandatory based on the Law, without receiving direct compensation and is used for regional needs for the greatest prosperity of the people. Where its function is also as a budget function, regulatory function, stability function and Income Redistribution function (Equality). Based on the data obtained, it is known that the Regional Tax of Tanjung Balai City from 2010 to 2024 is following :

Table 4. Development of Regional Taxes in Tanjung Balai City During Year (2010-2024)

Year	Regional Tax (Rp)	Development (%)
2010	455.352.555.276	-
2011	309,612,956,242	-32.00
2012	411,482,682,733	32.90
2013	464.317.354.502	12.84
2014	268,453,009,839	-1.93
2015	521,326,412,818	14.48
2016	586.181.445.846	12.44
2017	687,476,816,747	17.28
2018	752,846,745,436	9.50
2019	1,030,679,175,160	36.90
2020	1,172,685,149,787	13.77
2021	1,252,745,084,804	6.82
2022	1,315,393,895,060	5.00
2023	1,309,081,813,533	-0.47
2024	1,509,791,063.99	15.33

Source : BPS Tanjung Balai, 2024

Table 4 shows Tanjung Balai City Regional Tax revenue since 2010 – 2024, in 2011 Regional Tax experienced decline by -32.00% where matter This due to two years passing disaster floods that resulted in the business carried out in Tanjung Balai has decreased so that The taxes imposed are also small. In 2012, there was a improvement namely by 32.90%, where public Already start rise undergo his business and the community also increased. In 2013 the development of Tanjung Balai City Regional Tax could it is said Enough namely 12.84% where Tanjung Balai government starts implementation tax in a way firm to resident. In 2014 experienced decline by -1.93%, this This cause Because the decline tax entertainment and hotel taxes because tourists visiting Tanjung Balai City decreased. Then in the year furthermore namely in 2015 experienced improvement return which is 14.48%, where The Tanjung Balai government has allocate Regional Taxes Good with develop tourism in the city and in the district. In the year furthermore 2016 experienced decline A little of 12.44. Although so in 2017 experienced quite a rise Good which is 17.28%.

In 2018 experienced decline return which is 9.50% due to facilities and infrastructure not enough competent although so, the increase highest there is in 2019 namely reached 36.90%. This is due to Because addition of activity program priority For support achievement vision and mission area Tanjung Balai City Government. In 2020, namely reached 13.77%. This is because at the time That Government Tanjung Balai City provides Tax Amnesty on Vehicles Motorized Vehicle and Transfer Fee motorized. Taxpayers who are in arrears tax vehicle motorized only required pay tax in the year walk namely 2021. And since 2021 to In 2024, Regional Taxes experienced decline, which is where point decline lowest by -0.47%. This is due to Because the decline rates tax material burn that occurs later this. Because the more many people buy vehicle motorized the more many do not pay tax vehicle his motorbike with reason the tax is expensive. Then in 2024 it experienced improvement by 15.33%. This is because government targeting PAD (Regional Original Income) 2024 in the Tax Sector.

2. Retribution in Tanjung Balai

Regional Retribution is levy area as payment on permission certain specific provided or given by the Regional Government for interest personal. Basically retribution The same direct can felt by the payer. Based on data acquisition is known Regional Retribution of Tanjung Balai City from 2005

to with 2018 as following. Table 5 shows reception Regional Retribution of Tanjung Balai City since 2010-2024. In 2011, the Regional Retribution was 1.16%, where moment it's two years after disaster flood so that service retribution provided government No walk with smooth. In 2012 experienced increase by 67.05 % This government Already Can allocate income Regional and community levies also started increase. In 2013 developments Regional Retribution of 3.48% with realization 12,002,090,114 said Good But unfortunately in the year then in 2014 Regional Retribution experienced drastic decline that is by -42.81% with realization 6,340,062,224, p. This because of income society that does not stable so that cause income must Regional Retribution is very small. In 2015 it experienced improvement significant namely 9.18% or realization 7,493,489,473 because income public start stable.

Table 5. Development Regional Retribution of Tanjung Balai City During Year (2010-2024)

Year	Regional Tax (Rp)	Development (%)
2010	6,863,212,073	-
2011	6,942,877,569	1.16
2012	11,598,099,761	67.05
2013	12,002,090,114	3.48
2014	6,340,062,224	-42.81
2015	7,493,489,473	9.18
2016	9,416,021,790	25.65
2017	6,317,974,149	-32.90
2018	6,346,061,307	0.44
2019	3,701,216,511	-41.67
2020	4,799,510,950	29.67
2021	9,504,916,328	98.03
2022	8,050,858,918	-15.29
2023	20,762,789.45	-99.74
2024	28,864,400.00	39.01

Source : BPS Tanjung Balai, 2024

In 2016 the development Regional Retributions are increasing increase namely 25.65% of the things This because of source Power humans are increasingly rising so the more high level effectiveness levy. But unfortunately in 2017 it experienced decline by -32.90% due to closing sources Regional levies include: Terminal Retribution that has not been paid clear status and authority. Although in 2018 the development increased again by 0.44% but year next 2019 experienced decline Again because the people who use it permission retribution No obedient pay the fees and often in debt. In 2020 experienced good improvement Where its development by 29.67% because government area adapt rates retribution service to all and make traders aware For pay. In 2021 experienced the highest increase Where its development by 98.03% This is because of the amount Tanjung Balai community who opened business so that increase Power buy society. But in 2022 experienced decline of -15.29% where due to the amount service retribution No implemented should like parking illegal, black market and so on that concerns retribution That myself. And in 2023 back increase Because government area maximize income with dig the existing potentials in the market. In 2024 it experienced improvement return by 39.01% where government Already maximize income with dig potential in the market.

3. Growth In Tanjung Balai

Economic Growth is increase in per capita output in term long. Economic growth is a process, not a description economy moment. Product Gross Regional Domestic Product (GRDP) above price goods constant used For know Economic Growth from year to year. Product gross regional domestic product (GRDP) base price applicable is mark plus goods and services counted use price in the year certain.

Table 6. Development Product Gross Domestic Product (GRDP) of Tanjung Balai City Area During Year (2010-2024)

Year	Regional Tax (Rp)	Development (%)
2010	111,314,881.56	-
2011	113,050,959.49	1.55
2012	110,379,801.36	-2.36
2013	104,558,794.47	-5.27
2014	98,883,556.37	-5.47
2015	101,545,236.8	2.74
2016	104,874,211.2	3.27
2017	108,914,897.6	3.85
2018	111,755,826.6	2.60
2019	113,490,359.3	1.55
2020	112,665,532.3	-0.72
2021	116,374,299.89	3.29
2022	121,240,978.72	4.18
2023	126,824,491.42	4.60
2024	132,087,460.00	4.14

Source : BPS Tanjung Balai, 2024

Table 6 shows development product gross regional domestic product (GRDP) base price (ADHK) Tanjung Balai City applies during 2010-2024. In 2011, GRDP was 1.55% with stability of GRDP in the sector agriculture. In 2012 it decreased by -2.36% due to effect seasonal in the field business. In 2013, the GRDP development by -5.27 % This because of existence rate inflation where price needs in Tanjung Balai continue skyrocketed. while in the year furthermore that is In 2014, GRDP experienced decline by -3.9%. This is due to Because rate inflation Not yet fully stable. In 2015 experienced improvement of 2.74% where the GRDP of the sector agriculture experience improvement and stability with maximize source Power human. In the year furthermore that is 2016 experienced improvement by 3.27% where height Power buy society. In 2017 the increase return to 3.85% this Because with the amount resident so the more Lots activity production goods and services in economy public.

In 2019 experienced decline namely 1.55% namely due to sector agriculture experience decline so that will influence economy community in the Tanjung Balai area. In 2019 it decreased drastic by -0.55 things This due to the decline production oil and gas good in mining as well as in the industry. In 2020 starting increase return by 3.29 % This government Already start optimize sector non-oil and gas. In 2022 it also experienced improvement by 4.18 % This start because of production oil and gas and mining start get better back. And in 2023 experienced improvement return by 4.60% because besides production oil and gas and mining increase rapid there is also a field business culinary and fertilizer become factor contributor growth economy highest. In 2024 experienced decline by 4.14% which was caused by increasing price commodity goods production.

4. Analysis The Influence of Regional Taxes and Regional Levies on Economic Growth in Tanjung Balai City

To find out how much influence Regional Taxes and Regional Retributions have on Economic Growth, this can be seen in the table below through multiple linear regression analysis using the Eviews 10 application:

Table 7. Multiple Linear Regression Results

Dependent Variable: LOG(Y)

Method: Least Squares

Date: 04/19/20 Time: 09:31

Sample: 2005 2019

Included observations: 15

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.613846	0.451720	35.72668	0.0000
LOG(X1)	0.088049	0.023142	3.804713	0.0025
LOG(X2)	0.038261	0.017328	2.207998	0.0475
R-squared	0.708861	Mean dependent var		18.53581
Adjusted R-squared	0.660337	S.D. dependent var		0.078373
S.E. of regression	0.045676	Akaike info criterion		-3.157610
Sum squared resid	0.025036	Schwarz criterion		-3.016000
Log likelihood	26.68208	Hannan-Quinn criter.		-3.159119
F-statistic	14.60868	Durbin-Watson stat		0.823749
Prob(F-statistic)	0.000609			

Source : Eviews Software Processing Results, 2024

Based on mark the resulting coefficient can arranged equality multiple linear regression as following : $\text{LogY} = 1.613846 + 0.088049 \text{ LogX1} + 0.038261 \text{ Log X2}$ From the regression model equation can be interpreted as following :

- Constant value of 1.613846 means if The value of Regional Taxes and Regional Levies is constant, then Economic Growth will worth by 1.613846 percent.
- The value of the Regional Tax coefficient is 0.088049, meaning that Regional Tax has influence positive to Economic Growth is the more increasing Regional Tax value then Economic growth is increasing increases. If Regional Tax value increases by 1 percent so level Economic Growth will increase by 0.088049 percent, with assumption Fixed Regional Retribution.
- Coefficient value Regional Retribution of 0.038261 means Regional Retribution has influence positive to Economic Growth is the more increasing mark Regional Retribution then Economic growth is increasing increases. If mark Regional Retributions Increase by 1 percent so level Economic Growth will increase of 0.038261 percent, with Regional Tax assumption remains the same.

Significance Test Regression In general Partial (t-test)

Proof hypothesis done with use results data analysis with t-test or t- test partial. The t-test aims to For know influence in a way significant from variable free to variable bound. Testing This use 5% significance.

- Coefficient Regional Tax variable (X1) is 0.088049 with level significant at a probability of more than 0.0025 small from $\alpha = 0.05$ ($0.0025 < 0.05$) means in a way partial there is influence positive and significant between Regional Taxes and Economic growth in Tanjung Balai area, then H_0 accepted H_a rejected.
- Coefficient variable Regional Retribution (X2) is 0.038261 with level significant at a probability of more than 0.0475 small from $\alpha = 0.05$ ($0.0475 < 0.05$) means in a way partial there is influence positive and significant between Regional Retributions on Economic growth in Tanjung Balai area, then H_0 accepted H_a rejected.

Simultaneous Regression Significance Test (f Test)

From the results data processing with perform simultaneous testing or (f test). The f test is used For know whether variables in a way together influence variable dependent or no. Then it is obtained f test results with mark probability $0.000609 < 0.005$, which means H_0 is rejected and H_a

is accepted. This means that Regional Taxes and Regional Retributions together influential in a way significant to Economic growth in the Tanjung Balai area.

Coefficient Test Determination (R^2)

Based on Table 7 results testing known The R-squared (R^2) value is 0.708861 so that mark Coefficient Determination by 70.8861% then can concluded that there is close relationship between Regional Tax and Regional Retribution variables on Economic Growth in Tanjung Balai City. These results shows that Regional Taxes and Regional Levies influence Economic growth in Tanjung Balai City is 70.8861% and the remaining 29.1139% is influenced by other variables that are not investigated in study This.

1) The Impact of Regional Taxes on Economic Growth in Tanjung Balai

Regional Taxes Influence positive and significant to Economic Growth at $\alpha = 5\%$ with mark coefficient is 0.088049, which means when regional taxes increase by 1% then Economic growth will increase by 0.088049 with assumption Regional Retribution remains. Can be seen mark Regional Tax significant amount of 0.0025 if compared to with level significant $\alpha = 0.05$, indicating mark significance more small from level significance $0.0025 < 0.05$ so that H_0 is rejected and H_a is accepted, with Thus Regional Tax has an impact positive and significant. With the existence of PAD in particular from Regional Tax sector then economy and development in a area will walk with fluent as well as can push growth sector private and home ladder in allocate source the power that exists in a area, besides reception government area experience improvement income society is also high which will cause more and more increasing Economic Growth in Tanjung Balai City. In general general increasing Hotel, Restaurant, Entertainment business in the area give impact positive. In addition to acceptance area experience improvement income society also increases.

2) Influence Regional Retribution Against Economic Growth In Tanjung Balai

Regional Retribution has an impact in a way positive and significant to Economic Growth at $\alpha = 5\%$ with mark coefficient is 0.038261, which means when Regional Retribution increases by 1% then Economic growth will increase by 0.038261. It can be seen mark significant Regional Retribution of 0.0475 if compared to with rates significant $0.0475 < 0.05$ so that H_0 is rejected and H_a is accepted, with thus Regional Retribution has an impact positive and significant. Payment on service or giving permission certain specific provided and provided by the government area For personal interests or body giving addition income for government area. As bait in return, the government area to give facilities needed by the area use advance wheel economy like development infrastructure in the area. Facilities good infrastructure encourage investors to increase business in the area. Facilities infrastructure No only shaped repair roads and facilities general others. But security in the area become factor booster development business. If the business is in the area develop will absorb power Work area. This is impact to improvement growth economy area. The circulation of money in the area the more plenty and prosperity public increase and things This impact to improvement Economic growth.

3) The Influence of Regional Taxes and Regional Levies on Economic Growth in Tanjung Balai

From the results study This uses a multiple linear regression analysis model where using a simultaneous significant test (f test) of 0.000609, when compared to a significant value of 0.000609 < 0.05 . It can be seen that simultaneously or together there is a significant influence between Regional Taxes and Regional Retributions on Economic Growth in Tanjung Balai City. These results are in accordance with the data obtained, in general the increase in hotel, restaurant, and entertainment businesses in the area has a positive impact. In addition to increasing local government revenues, people's purchasing power also increases and this is what makes Economic Growth in Tanjung Balai increase. Likewise, Regional Retributions with good infrastructure facilities encourage investors to increase business in the area, this is what has an impact on Regional Economic Growth in Tanjung Balai.

CONCLUSION

Based on results discussion study about analysis influence tax area and levies area to growth economy in Tanjung Balai City from 2010 to by 2024 with using multiple linear regression model, then can concluded that regional taxes and regional levies have an impact positive and significant to growth economy in Tanjung Balai, both in a way partial and simultaneous. Research This only using two variables just For see influence on growth economy, namely taxes area and levies area, so that For study furthermore need investigated variable other.

Based on the conclusions outlined above, then writer provide advice for The Tanjung Balai Regional Government in to arrange taxes and levies area to income original area through growth economy :

- a) Government Tanjung Balai city needs give liberation tax area to street vendors and MSMEs for stimulate growth street vendors and MSMEs; and expand withdrawal tax area in accordance with applicable regulation to capital intensive company.
- b) Government Tanjung Balai city must give liberation retribution to street vendors and MSMEs for stimulate growth street vendors and MSMEs; reducing magnitude retribution to very simple house, house simple, and home medium / medium ; and interesting retribution in accordance applicable regulation to garbage ; and parking.
- c) The Tanjung Balai City Government must expand coverage reception tax area to company companies that are capital intensive for ensure improvement reception tax consistent area, which will impact on growth economy.
- d) Government Tanjung Balai city needs to free retribution to street vendors and MSMEs but expand reach and improve coverage retribution to control Then cross ; place recreation and sports ; use riches area ; place lodging and villas; management waste liquid commercial and industrial ; sales drink alcoholic ; functioning building as residence luxury, business, specialty, and dual ; and construction pool swimming or construction other.
- e) In order to increase tax area and levies area, the Tanjung Balai City Government needs to revise regulation areas and regulations mayor about taxes and levies area, and improve service public as well as look after facility general.

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