El-Aswaq
Vol. 5, No.2, 2024
E-ISSN: 2745-4266

ASSESSMENT OF THE REVENUE IMPACT AND EFFECTIVENESS OF MARKET SERVICES IN MALANG CITY (2018-2020) FROM AN ISLAMIC ECONOMICS PERSPECTIVE

Wardatul Widad, Maslichah
University of Islam Malang
wardatulwidad@gmail.com

ABSTARCT

Regional autonomy refers to a region's right and authority to regulate, manage, and utilize its own resources for its own benefit. In Malang City, the local government is seeking to explore the region's financial potential through its markets to enhance the amount of Regional Original Revenue (PAD) it generates. This study aims to evaluate the effectiveness and contribution of market service fees to the regional income of Malang City for the 2018-2020 period, using an Islamic economics perspective. The research adopts a quantitative descriptive approach and was carried out at the Regional Revenue Agency of Malang City. Data was collected through documentation by examining records of market service fees and local revenue data for Malang City from 2018 to 2020. The analysis was conducted using effectiveness and contribution formulas. The effectiveness analysis revealed that the average effectiveness level of market service fee collection was 117.33%, indicating a high level of effectiveness. However, the contribution of market service fee collections to the city's regional income was still minimal, with an average contribution rate of only 1.09%. From an Islamic economics perspective, the effectiveness and contribution of market service fees to Regional Original Income align with the concept of kharaj (land tax), which is legally permissible.

Keywords: Effectiveness of Market Service Retribution, Contribution of Market Service Retribution, Regional Original Revenue, Islamic Economics.

INTRODUCTION

In Indonesia, development covers all aspects of life with the main goal of building a just and prosperous society. The regional government must continue to strive for the rapid and comprehensive development of facilities and infrastructure in order to create a just and prosperous population in an area. Each region is given the authority to regulate its own territory in order to carry out development (Hakim et al., 2020).

Regional autonomy is the rights, jurisdiction, and obligations of an autonomous region to regulate and manage its own governmental affairs and local community affairs according to law, including maximizing its own regional revenue, so that the provincial government seeks to find sources of regional income that aim to optimize those resources. sources of local original income, as well as managing and using their own income adequately (Asih & Syarifudin, 2020).

The image of a region will be reflected in the success of regional original income obtained, as well as how local government financial allocations are used to carry out regional activities so as to create community welfare. The high income of an area shows the higher the welfare of the area, and vice versa if the income of an area decreases, it shows the low welfare of the region (Purnamasari, 2017).

Regional original income is a source of regional finance originating from within the area itself consisting of regional taxes, regional levies, management of separated regional assets and receipts of other valid regional original revenues (Irawan & A. Fitriani, 2019). The role of regional own-source revenue is very important in encouraging this matter as evidenced by Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments which states that the sources of Regional Original Revenue consist of regional taxes, regional levies, the results of regional wealth management which are separated, and other legitimate regional original revenues.

In this case to maximize sources and income, then everything that is cultivated must be with management and preparations that can improve welfare and also with a good work ethic, and everything is regulated by Allah SWT in Q.S At-Taubah (9): 105 which reads:

وَقُلِ اعْمَلُوْا فَسَيَرَى اللّٰهُ عَمَلَكُمْ وَرَسُوْلُهٗ وَالْمُؤْمِنُوْنَۗ وَسَتُرَدُّوْنَ اِلٰى عٰلِمِ الْغَيْبِ وَالشَّهَادَةِ فَيُنَبِّئُكُمْ بِمَا كُنْتُمْ تَعْمَلُوْنَۚ

Meaning: "And Say: "Work you, then Allah and His Messenger and the believers will see your work, and you will be returned to (Allah) Who Knows the unseen and the real, then He will tell you what what you have done."

Regional fees are a source of local government revenue for using services or granting permits provided by the government for personal or corporate interests in the community. Regional levies consist of three ie general service levies, business service levies and certain licensing levies. One of the general ser vice fees is market service fees (Elim, 2016).

Market service levies are regional levies as payment for the use/use/utilization of traditional markets in the form of courtyards, booths, stalls in market areas provided for traders by the regional government, and do not include those managed by regionally owned enterprises. Retribution for market services is an important source of regional income because it has a strategic role in financing regional development and is a source of local revenue that is able to play an active role in financing activities that are semi-public in nature, in which the component benefits are relatively large. So in this case it will be seen how the level of effectiveness and contribution of Malang city market service fees to increasing local revenue (Aprilia, 2020).

Based on statistical data obtained from the Malang City Regional Revenue Agency, 2023 reported from bapenda.malangkota.go.id regarding the receipt and deposit of money to the Malang City Government from 2018-2020 shows that from year to year there has been an increase and decrease in the realization of revenue receipts , both from market fees, regional fees and also PAD. In market levies there has been an increase every year in the 2018-2020 period, while for PAD itself there has been a decrease in three consecutive years, namely 2018-2020. This has resulted in the value of the effectiveness of market levies not being achieved properly so that there is a need for improvement. Regional levy contributions have great potential to be developed in Malang City, which aims to be able to maximize PAD. Development in the city of Malang is supported by PAD to carry out activities and development, which if the higher the income aspect that comes from regional levies, then it will also directly increase the budget that will be given.

The occurrence of phenomena in the field, according to one of the collectors at the Malang City Market, that his own contribution at this time is still small due to several field constraints at the market, which is very influential in terms of the amount of retribution and its percentage in the local revenue of Malang City. However, until now the efforts made by all collectors at the Malang City Market are still being improved to streamline the awareness of traders in paying market service fees. The problems that occurred during the Covid-19 pandemic were also very influential in receiving market service fees which was caused by a quiet market and a declining economic level which resulted in traders experiencing difficulties in paying fees and also the large number of itinerant traders and large supermarkets which resulted in reduced traders' income. so they find it difficult to pay market fees. Therefore, it is necessary to analyze the level of effectiveness and contribution of market service fees and the efforts made by the Malang city government to optimize the acceptance of market service fees so that they are stable and effective, especially when viewed from an Islamic economic perspective.

Based on the background of the problem above, the formulation of the research problem is How is the Level of Effectiveness of Acceptance of Market Service Retribution on Local Revenue for the City of Malang for the 2018-2020 period viewed from an Islamic economic perspective?, What is the Level of Contribution of Market Service Retribution Revenue to Malang City Local Revenue for the 2018-2020 period viewed from an Islamic economic perspective?

Based on this research, the purpose of this research is to analyze the level of Effectiveness of Acceptance of Market Service Retribution on Regional Original Revenue of Malang City in terms of Islamic economic perspective and to analyze the level of Contribution of Acceptance of Market Service Retribution on Regional Original Revenue of Malang City in terms of Islamic economic perspective.

BASIC AND DEVELOPMENT HYPOTHESIS

Based on previous research conducted by Rosyada (2017) on the topic "Analysis of the Effectiveness of Local Taxes and Regional Levies on PAD of Lampung Province in 2011-2015 in the Perspective of Islamic Economics" shows that regional taxes are considered quite effective and regional levies have been declared very effective in the last 5 years and based on Islamic economics has fulfilled Islamic sharia principles which contain elements of justice, accountability, responsibility, transparency and independence.

In addition, according to Lisa (2020) conducted research on the topic "Analysis of the Effectiveness and Contribution of Value Added Tax to Tax Revenue in Bandar Lampung City from an Islamic Economic Perspective". The results of the study show that the effectiveness of value added tax revenue at KPP Primary has grown from 2015-2019 even though it is not optimal and from 2015-2019 it has very good contribution criteria. In an Islamic economic perspective this is permissible but must be in accordance with the conditions that must be applied.

Locally-generated revenue

According to Law number 33 of 2004 Article 1 paragraph 18 states that local revenue is income earned by the region which is collected based on regional regulations in accordance with statutory regulations. According to Yani, PAD is revenue obtained by a region from sources within its own territory which is collected based on the applicable laws and regulations. Regional income is also the income obtained by the regional government and extracted from the potential income that exists in the area. In other words, regional original income is income received by the regional government for all the sources or potential that exist in the area which must be processed by the regional government in obtaining regional income, which in this case is regional original income which consists of the results of regional taxes, levies area, income from regional company profits and other legal income (Yani, 2011).

Regional fees

Regional levies are regional levies which are payments for services or the granting of certain permits specifically provided or granted by the local government for the benefit of individuals or entities. In principle, the levy that must be paid by the beneficiary must be equal to the value of the benefit received. In relation to efforts to reorganize several sources of regional original revenues so as to give greater autonomy to regional governments, several types of levies which are essentially tax in nature have been changed to tax status by Law Number 18 of 1997 concerning regional taxes or regional levies. (Suwarto & Ali, 2021). According to Law Number 28 of 2009 concerning regional fees, they are classified into 3 namely Public Service Charges, Business Service Charges, and Certain Licensing Charges. And market service fees are included in the general service fees category.

Market Service Retribution

Retribution for market services is a levy as payment for a provision of services/permits in the market sector by the regional government for the benefit of individuals or entities. The object of market service retribution is the provision of traditional market facilities, in the form of courtyards, booths, kiosks managed by the local government, and specially provided for traders. While the subjects of market service fees are individuals or entities that use/utilize the services of providing market facilities (Murniati & Kasasih, 2017).

Market Service Retribution in Islamic Economic Perspective

In Islam market service fees are called Kharaj (Tax on leasing land). In the book of al-kharaj by Abu Yusuf, mashlahah mu'tabarah is used to make policies regarding land rental/use tax (kharaj). The main purpose of Abu Yusuf in implementing this levy is to provide state revenue so that it benefits the community. According to Sheikh Yusuf Qardhawi, kharaj is legally permissible because there are obligations other than zakat, sometimes the state is unable to meet the needs of the country itself, therefore the government makes payments of market levies which are also beneficial for individuals from an economic to military perspective (Djazuli, 2012).

Effectiveness

According to Mardiasmo, effectiveness is a measure of the success or failure of an organization in achieving its goals. If an organization succeeds in achieving its goals, then the organization is said to have been running effectively. The effectiveness of receiving market service fees is to measure the relationship between the results of market service fees collection and the potential or target of receiving market service fees that have been carried out in Malang City (Mardiasmo, n.d.). The effectiveness classification is:

Effectiveness classification

Presentase	Kriteria
>100 %	Sangat efektif
90% – 100 %	efektif
80% – 90 %	Cukup efektif
60% – 80 %	Kurang efektif
<60 %	Tidak efektif

Sources: kemendagri No. 690.900.327 2006

Contribution

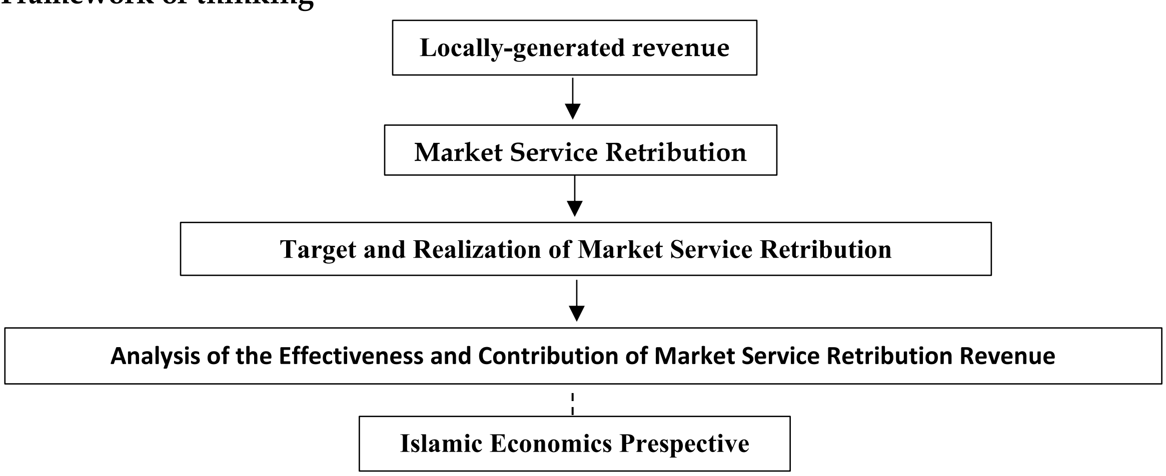
According to Mahmudi, contributions are used to determine the extent to which regional levies contribute to the receipt of Regional Original Revenue, by comparing the receipt of regional levies (especially market service levies) for a certain period with PAD receipts for a certain period as well. This ratio is also used to measure the ability of local governments to generate revenue from regional levies (Mahmudi, n.d.). The classification of contributions namely:

Contribution classification

Presentase	Skala
0,00 -10 %	Sangat Kurang
10,10 – 20 %	Kurang
20,10 – 30 %	Sedang
30, 10 – 40 %	Cukup Baik
40,10 – 50 %	Baik
Diatas 50 %	Sangat Baik

Sumber: Kepmendagri No. 690.900.327

Framework of thinking



Information:

The picture above explains that this research will calculate and analyze how the level of effectiveness and contribution of acceptance of market service fees to regional original income in an Islamic economic perspective. In this case, one of the main sources of local revenue is regional fees. An example of regional fees is market service fees. In this study the authors will analyze the market service fees. The data needed are target data and realization of market service fees and data on local revenue for Malang City. The data is used to analyze the effectiveness and contribution of Malang City market service retribution revenue, especially in the perspective of Islamic economics.

RESEARCH METHODS

Types and Research Approaches

This type of quantitative descriptive research used in this study is intended to analyze and obtain an overview of the level of effectiveness and contribution of market service retribution receipts to PAD Malang City.

Research sites

This research was carried out at the Department of Cooperatives, Industry and Trade in Malang City, which is located on Jl. Simpang Terusan Danau Sentani No.3, Madyopuro, Kec. Kedungkandang, Malang City, East Java

Population and Research Sample

The population in this study is regional original income data and market retribution data, while the sample used is PAD Data and Market Service Retribution for 2018-2020 with a sampling technique, namely purposive sampling.

Method of collecting data

Data collection techniques in this study were carried out using the documentation method. The documentation technique is used by copying data and documents in the Malang City BAPENDA, this is related to the management of market fees and local revenue for Malang City.

Data Analysis Methods

Analysis of Market Service Levy Effectiveness

According to Mahmudi, the level of effectiveness can be assessed from the results of calculating the effectiveness formulation with the formula for the effectiveness of receiving market service fees as follows (Mahmudi, n.d.):

$$\textbf{Efektivitas Retribusi Pasar} = \frac{\textbf{Realisasi Retribusi Pelayanan Pasar}}{\textbf{Target Retribusi Pelayanan Pasar}} \times 100\%$$

Analysis of Market Service Retribution Contribution

According to Mahsun, to measure the amount of contribution, the formula below is used (Mahsun, n.d.):

$$\textbf{Kontribusi Retribusi Pasar} = \frac{\textbf{Realisasi Retribusi Pelayanan Pasar}}{\textbf{Realisasi PAD}} \textbf{ x 100\%}$$

Data Presentation

Compile interrelated data by integrating, and arranging data in a structured way so that it becomes information that is easy to understand and facilitates decision making.

Conclusion Drawing

The search for the meaning of data and information, which in its presentation only contains the essence and results of the entire data or information obtained.

III. RESULTS AND DISCUSSION

Analysis of the Effectiveness of Market Service Retribution on PAD from an Islamic Economic Perspective

It can be seen that the results of research on the effectiveness of market service fees for 2018-2020 are as follows:

Table 4.1
Effectiveness of Malang City Market Service Retribution 2018-2020

Tahun Anggaran	Target Penerimaan Retribusi (Rp)	Realisasi Penerimaan Retribusi (Rp)	Efektivitas	Keterangan
2018	5.500.000.000	6.034.947.000	109,73%	Sangat Efektif
2019	5.780.000.000	6.800.724.403	117,66%	Sangat Efektif
2020	4.000.000.000	5.048.127.601	126,20%	Sangat Efektif
Rata rata			117,33%	Sangat Efektif

Source: Bapenda Malang City 2023 processed

From the results of the calculations as shown in table 4.1 above, it can be seen from the classification table 2.1 namely that the level of effectiveness of market levies during the 2018-2020 period as a whole was very effective. This is reflected in the realization of revenue which always exceeds or exceeds the set target. In 2018 the government set a target of Rp. 5,500,000,000 and what was realized was Rp. 6,034,947,000, the effectiveness level is 109.73%, so it is categorized as very effective. In 2019 the government set a target of Rp. 5,780,000,000 and realized Rp. 6,800,724,403, then the effectiveness level is 117.66% so that it is categorized as very effective. And in 2020 the government has set a target of Rp. 4,000,000,000 and what was realized was IDR 5,048,127,601 with an effectiveness level of 126.20%, it was categorized as very effective.

Based on the results of the analysis above, the value of the effectiveness of receiving market fees for 2018-2020 has an average value above 100%, meaning that in 2018-2020 the collection of market service fees is said to be very effective because the higher the percentage value, the better, this is in accordance with regional regulation Number 3 of 2015 Article 28 concerning the structure of market service levy tariffs. After the researchers observed the implementation of market service fees in 2018-2020, it turned out that there were no difficulties for traders to pay a sum of money for market service fees. However, in 2018 the value of effectiveness got the lowest score, this was due to the lack of awareness of the mandatory fees and collectors to increase regional income, and the collection of fees was not carried out in its entirety for every mandatory market retribution and did not consider other factors.

Based on previous research conducted by Anggraini (2015) also concluded that to increase market fees it is necessary to pay attention to and supervise traders to obey paying fees. In addition, there is also a need for supervision for the success of collection which functions as a means of controlling irregularities that can harm certain organizations, and with supervision it can be known if there are obstacles that can reduce the value of the effectiveness of market service fees.

In the conventional economic system, market levies are mandatory fees in the form of money collected by the authorities based on legal norms. In principle, levy fees must be paid by the beneficiary must be equal in value to the benefits received. Meanwhile, in an Islamic economic perspective, market service fees are included in the kharaj (tax on land). This was stated by Abu Yusuf in his book entitled Al-kharaj, in setting out policies Abu Yusuf argued that it was mashlahah mu'tabarah for policies regarding land leasing tax (kharaj)(Hakim et al., 2020).

Analysis of the contribution of market service fees to local revenue from an Islamic economic perspective

The results of calculating the contribution of collecting market service fees to the local revenue of Malang City during the 2018-2020 period can be seen in the following table.

Malang City Market Service Levy Contribution for 2018-2020

Tahun Anggaran	PAD	Retribusi Pelayanan Pasar	Kontribusi	Keterangan
2018	556.888.383.143	6.034.947.000	1,08%	Sangat Kurang
2019	588.240.597.151	6.800.724.403	1,15%	Sangat Kurang
2020	473.974.591.805	5.048.127.601	1,06%	Sangat Kurang
Rata rata			1,09%	Sangat Kurang

Source: Bapenda Malang City 2023 processed

From the results of the calculation as shown in table 4.2 above, it can be seen from the classification table 2.2 namely that basically the contribution of market levies to the local revenue of Malang City makes a very less contribution, which shows that the contribution of the market makes a small contribution to regional original income over a span of 3 years final. From the table it can be explained that the highest contribution from market levy receipts to local revenue for Malang City occurred in 2019, namely 1.15 percent and the lowest occurred in 2020, namely 1.06 percent. Whereas in 2018 it was 1.08 percent.

The low contribution rate of market service retribution revenue to PAD is due to the low realization of market retribution receipts. The acceptance of the low realization of fees is due, as explained in the discussion on effectiveness, that many traders are still lacking awareness about payment of fees and supervision regarding the course of fees. According to one market employee in Malang City, said that the collection of fees at the market was due to several obstacles in the field, such as the presence of illegal traders who roam around or the number of supermarkets so that the income level of traders in traditional markets is lower, this is what causes traders to experience difficulties in retribution payment. There are some traders who are willing to pay a levy even though it is less than the market levy stipulated in Perda No. 3 of 2015 concerning the fee structure for market service fees in Malang City.

Based on previous research conducted by Megawati (2016) also concluded that to increase the contribution of market service fees, it is necessary to have sanctions for traders who deliberately do not pay fees or sanctions for late payment of market service fees. With this, traders can pay in a disciplined manner in accordance with the regional regulations of the City of Malang that have been stipulated.

Paying attention to the contribution of market service fees to the Regional Original Income of the city of Malang can be said to be low due to the factual conditions that occur in the field, so the facts speak for themselves that the results obtained are still small, especially in 2018-2020. The importance of optimizing the contribution of market service fees to the regional income of Malang City because fees actually have quite large benefits. This is because the fiscal policy (retribution) is carried out by the government in order to serve the people. Judging from the various facts of the problem, it is revealed in depth that the economic problem lies in how the distribution of property and services is in the midst of society so that the focus of the economic problem is how to create a fair economic distribution mechanism. Allah reminds us of how urgent the problem of distribution of assets is in His word in surah al-Anfal verse 41 :

"Know, verily, whatever you can get as spoils of war, then verily one-fifth is for Allah, the apostle, the relatives of the apostle, orphans, the poor and ibnussabil, if you believe in Allah and in what We sent down to our servants (Muhammad) on the day of Furqaan, which is the day the two armies meet. and Allah has power over all things"

Thus, market service fees in the Islamic economy, are taxes issued by every citizen (trader) who is under the authority of the Islamic government. The levies collected are used for noble purposes, namely financing development and helping economically weak communities. It is only natural that they must be collected correctly and appropriately, so that they can bring more benefits. also the effect on regional original income and can be more beneficial for the community at large.

Scholars who support the permissibility of collecting fees emphasize that what they mean is a fair taxation system, which is in line with the spirit of Islam. If it is permitted between the aspects of fees and Islamic sharia, then the acceptance of fees should always increase because fees are one of the assistants for regional development.

CONCLUSION

Based on the results of the analysis in this study, it can be concluded as follows: The growth in the level of effectiveness of receiving market service fees on local revenue for the City of Malang in 2018-2020 was very effective with an average value of 117.33% for the last three years

The growth in the level of contribution of market service retribution receipts to the local revenue of Malang City in 2018-2020 has very little contribution to PAD. And even tends to decrease from year to year. This is due to the less optimal collection of market service fees

The effectiveness and contribution of receiving market service fees to Regional Original Revenue from an Islamic economic perspective is called kharaj (tax on land) which is legally permissibleFor researchers who are going to do further research, it is better to survey other research sites so that the data obtained is not limited.

REFERENCE

Anggraini, N. E., S. M., & H. A. (2015). Analisis efektivitas retribusi pelayanan pasar Tanjung dan kontribusinya terhadap pendapatan asli daerah Kota Mojokerto. *Jurnal Perpajakan, 1.*

Anisa Megawati, N. (2016). Kontribusi retribusi pasar terhadap pendapatan asli daerah (PAD) Kabupaten Sidoarjo. *Jurnal Pendidikan Ekonomi (JUPE), 4*(3), 1–10.

Asih, E. M., & Syarifudin, A. (2020). Analisis kontribusi dan tren penerimaan retribusi pasar di Kabupaten Kebumen tahun 2008–2017. *Jurnal Ilmiah Mahasiswa Manajemen, Bisnis Dan Akuntansi (JIMMBA), 2*(1), 29–38. https://doi.org/10.32639/jimmba.v2i1.438

Djazuli. (2012). *Kaidah-kaidah fiqh.* Kencana.

Elim, M. E., & I. (2016). Analisis efektivitas penerimaan retribusi daerah dan kontribusinya terhadap peningkatan pendapatan asli daerah (PAD) di Provinsi Sulawesi Utara. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi, 4*(1), 889–897.

Hakim, A., Arifiana, D., Rifa'i, M., & Ainulyaqin, M. (2020). Pengaruh bea perolehan hak atas tanah dan bangunan (BPHTB), pajak bumi dan bangunan, dan pajak resto terhadap pendapatan asli daerah (PAD) dalam perspektif ekonomi Islam (Studi pada Kabupaten Malang 2017–2019). *Jurnal Ekonomi Syariah Pelita Bangsa, 5*(02), 149–160. https://doi.org/10.37366/jespb.v5i02.112

Irawan, H., & A. Fitriani. (2019). Kontribusi pajak reklame terhadap pendapatan asli daerah Kabupaten Sinjai: Tinjauan ekonomi Islam. *Jurnal Adz-Dzahab: Jurnal Ekonomi Dan Bisnis Islam, 4*(1), 39–49. https://doi.org/10.47435/adz-dzahab.v2i1.343

Mahmudi. (n.d.). *Manajemen keuangan daerah.*

Mahsun. (n.d.). *Pengukuran kinerja sektor publik.*

Mardiasmo. (n.d.). *Akuntansi sektor publik edisi revisi.*

Murniati, S., & Kasasih, D. (2017). Analisis kontribusi dan efektivitas penerimaan retribusi pelayanan pasar terhadap pendapatan asli daerah Kota Palembang. *Jurnal Kompetitif, 6*(1), 85–109.

Purnamasari, F. (2017). Economic growth: Government investment and management investment Islam in perspective (Studies in the district/city of Lampung province). *Jurnal Manajemen Indonesia, 17*(1), 13–26.

Suwarto, & Ali, K. (2021). Pengaruh retribusi pelayanan pasar terhadap pendapatan asli daerah (PAD) Kota Metro-Lampung. *Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan, 4*(2), 394–403. https://doi.org/10.32670/fairvalue.v4i2.640

Yani, A. (2011). *Hubungan keuangan antara pemerintahan pusat dan daerah di Indonesia.* Raja Grafindo Persada.