

# *Revenue Of Local Revenue Of Padang City With The Development Of Local Food-Based Culinary Tourism*

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**Abstract** – The purpose of this study was to determine the effect of hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting on the revenue of Padang city's original income partially and simultaneously. Secondary research data sources in the form of panel data collected from library research. The research population is 12 regencies and 9 cities in West Sumatra province. The sample was determined by purposive sampling, namely Padang city. The multiple linear regression equation obtained  $Y = -897,973 + 7,869X_1 + 5,492X_2 + 498,735X_3 + 519,704X_4 + 11,817X_5 + 10,249X_6 + 991,473X_7 + e$ . The results showed that hotel, restaurant, entertainment, tourist attraction levies, billboards, parking and street lighting taxes had a significant positive effect on the PAD revenue of Padang city partially and simultaneously.

**Keywords** – Local Revenue, Culinary Tourism and Local Food.

## I. INTRODUCTION

Tourism as a leading sector contributes to the regional development of a country plays a role in improving the welfare of the community [1]. The expansion of the tourism industry shows its contribution to world GDP 9% and to the world export value of USD 1.4 trillion or equivalent to 5% of world exports [2]. In Indonesia, the tourism sector is one of the leading sectors in the NAWACITA development concept in 4th place as a source of foreign exchange and tax revenue according to the national tourism vision [3]. Culinary is one aspect that supports tourism with local food products in tourist attractions in the form of culinary food with its own brand that supports the emergence of new tourism segments. Padang beach culinary tourism as a tourist attraction presents a variety of local specialty food products as culinary prima donna such as fried crabs, langkitang, pensi, grilled corn, soup noodle crackers and young coconut. Various types of culinary tourism food have not yet standardized the price of the products offered, lack of aesthetics, inappropriate food security consumption patterns and processing processes that have an impact on customers and health. Facilities and infrastructure in Padang beach tourism objects are also still incomplete through the development of culinary tourism as a source of local tax revenue [4] while tax revenue from tourists in tourist attractions can increase PAD [5,6]. Culinary food-based tourism development needs to make efforts to increase the capacity and ability of government organizations, local governments, the private sector and the community, human resources and effective and efficient operational mechanisms in order to encourage the realization of sustainable tourism development.

The research problem is how does the effect of hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting on PAD revenue in Padang city partially and simultaneously? The research objective is to

determine the effect of hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting on the revenue of Padang city's Regional Original Revenue partially and simultaneously.

Tourism is the overall relationship and symptoms that arise due to the presence of foreigners, traveling not to settle or earn a living [7] and spending tourists one third of their total expenditure [8] and gain experience about food and drink at the destination [9]. Culinary tourism, namely ecotourism in certain areas involving local communities and tourists looking for unique food / drinks that are impressive whose existence only exists in tourist destinations [10] in the form of traditional food from various processed food ingredients as regional characteristics and have a variety of culinary experiences based on the region / region [11]. Food diversity is an effort to improve the nutritional quality of food consumed so that it will improve the nutritional status of the population [12] and the case of pathogenic microbes in food is an important factor in food safety due to consumption patterns of contaminated food [13]. Taxes are contributions of the people to the state treasury based on laws that cannot be imposed by not getting direct contraprestasi, shown and used to pay for public expenditures to function as revenue and regulator [14]. Local taxes are mandatory regional contributions owed by individuals or entities that are compelling according to the law by not getting rewards directly and are used for regional purposes for the greatest prosperity of the people consisting of hotel and restaurant taxes, entertainment taxes, parking taxes, billboard taxes and taxes on the utilization of underground water and surface water [15]. PAD is a regional financial source that is extracted from the region concerned, consisting of the results of local taxes, local levies, the results of the management of separated regional assets and other legitimate PAD [15]. Local taxes, one of the PAD components, have very good prospects for development and must be managed professionally and transparently in the context of optimization in order to increase their contribution to the regional revenue and expenditure budget [16]. PAD as a source of regional revenue itself needs to be increased so that it can bear part of the burden of spending required for the administration of government and development activities every year increases so that the independence of broad, real and responsible regional autonomy can be implemented [16].

The hypothesis is a temporary answer to the research problem [17], the research hypothesis is as follows:

H1: it is suspected that hotel tax revenue has a significant positive effect on PAD revenue in Padang city.

H2: it is suspected that restaurant tax revenue has a significant positive effect on PAD revenue in Padang city.

H3: it is suspected that entertainment tax revenue has a significant positive effect on PAD revenue in Padang city.

H4: it is suspected that tourism levy revenue has a significant positive effect on PAD revenue in Padang city.

H5: it is suspected that billboard tax revenue has a significant positive effect on PAD revenue in Padang city.

H6: it is suspected that parking tax revenue has a significant positive effect on PAD revenue in Padang city.

H7: it is suspected that street lighting tax revenue has a significant positive effect on PAD revenue in Padang city.

H8: it is suspected that hotel, restaurant, entertainment, tourist attraction levy, billboard, parking and street lighting tax revenues have a significant positive effect on PAD revenue in Padang city.

## **II. RESEARCH METHOD**

The type of research classified as associative aims to provide a clear picture of the research problem with a quantitative approach about what is known to be evidentiary or developmental [17]. Research data sourced from [bpskotapadang.go.id](http://bpskotapadang.go.id) and [bapendakotapadang.go.id](http://bapendakotapadang.go.id) in the form of panel data collected over time [17] with library research techniques [17]. The research population of West Sumatra province consists of 12 districts and 9 cities. The research sample was determined by purposive sampling [17] Padang city as the capital of West Sumatra province. Data analysis using panel data linear regression [18] the formula  $Y_{it} = \alpha + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 X_{3it} + \beta_4 X_{4it} + \beta_5 X_{5it} + \beta_6 X_{6it} + \beta_7 X_{7it} + e_{it}$ . Partial and simultaneous hypothesis testing is carried out at a significance level of 5%.

## **III. RESULT AND DISCUSSION**

### **3.1. Multiple Linear Regression Analysis Results**

Multiple linear regression equation  $Y = -897.973 + 7.869X_1 + 5.492X_2 + 498.735X_3 + 519.704X_4 + 11.817X_5 + 10.249X_6 + 991.473X_7 + e$  with interpretation as follows:

- a = -897,973 means that if there is no hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting, the PAD revenue of Padang city is Rp. -897,973 million rupiah.
- b1 = 7.869 means that if hotel tax revenue increases by Rp. 1 million, the PAD revenue of Padang city increases by Rp. 7.869 million, assuming that restaurant tax revenue, entertainment, tourist attraction levies, billboards, parking and street lighting are fixed.
- b2 = 5.492 means that if restaurant tax revenue increases by Rp. 1 million, PAD revenue in Padang city will increase by Rp. 5.492 million, assuming that hotel tax revenue, entertainment, tourist attraction levies, billboards, parking and street lighting are fixed.
- b3 = 498,735 means that if the entertainment tax revenue increases by Rp. 1 million, the PAD revenue of Padang city will increase by Rp. 498,735 million with the assumption that the tax revenue of hotels, restaurants, tourist attraction levies, billboards, parking and street lighting is fixed.
- b4 = 519.704 means that if the revenue of tourist attraction levy tax increases by Rp. 1 million, the PAD revenue of Padang city will increase by Rp. 519.704 million with the assumption that the revenue of hotel tax, restaurant tax, entertainment tax, billboard tax, parking and street lighting is fixed.
- b5 = 11.817 means that if the revenue of billboard tax increases by Rp. 1 million, the PAD revenue of Padang city will increase by Rp. 11.817 million, assuming the revenue of hotel tax, restaurant tax, entertainment tax, tourist attraction levy, parking and street lighting are fixed.
- b6 = 10.249 means that if the parking tax revenue increases by Rp. 1 million, the PAD revenue of Padang city will increase by Rp. 10.249 million with the assumption that the tax revenue of hotels, restaurants, entertainment, tourist attraction levies, billboards and street lighting is fixed.
- b7 = 991.473 means that if street lighting tax revenue increases by Rp. 1 million, Padang city PAD revenue increases by Rp. 791.473 million with the assumption that hotel, restaurant, entertainment, tourist attraction levies, billboards and parking tax revenues are fixed.

The multiple linear regression equation above shows that the effect of billboard tax revenue as one of the local tax revenues is greater than the revenue of other types of local taxes. During the first quarter of 2023 Padang city's billboard tax revenue reached Rp. 4.1 billion or 27.95% of the target of Rp. 15 billion (bapendakotapadang.go.id). In connection with this, the Padang city government has made notifications and warnings to advertisers and those who have not paid off their obligations will be subject to the applicable regulations. The billboards that are installed on the roadside aim to introduce a product / service but not infrequently the billboards are intended to inform about events or activities so that they are easily seen by people who are traveling by vehicle, one of which is a billboard about culinary tourism products / services.

Partial hypothesis testing at a significance level of 5% shows that the receipt of hotel tax ( $0.001 < 0.05$ ), restaurant tax ( $0.003 < 0.05$ ), entertainment tax ( $0.007 < 0.05$ ), tourist attraction levy tax ( $0.014 < 0.05$ ), billboard tax ( $0.017 < 0.05$ ), parking tax ( $0.026 < 0.05$ ) and street lighting tax ( $0.031 < 0.05$ ) so that all of them have a significant positive effect on PAD revenue of Padang city because all the p values of the independent variables are smaller than 0.05. Simultaneous hypothesis testing also shows that hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting have a significant positive effect on PAD revenue in Padang city because the p value of all independent variables is less than 0.05 ( $0.0000 < 0.05$ ).

The correlation coefficient value  $R = 0.998 = 99.8\%$  means that the relationship between hotel tax revenue, restaurants, entertainment, tourist attraction fees, billboards, parking and street lighting with PAD revenue in Padang city is very strong [17]. The coefficient of determination  $R^2 = 0.995 = 99.5\%$  means that the effect of hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting on Padang city PAD revenue is 99.5%, the remaining 0.5% is influenced by others not included in the research model. The adjusted R square value =  $0.993 = 99.3\%$  means that the PAD revenue of Padang city is explained by hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking, street lighting and the remaining 0.007% is explained by other factors not included in the research model.

#### IV. CONCLUSION

Based on the results and discussion of the research, the following conclusions are obtained:

1. Hotel tax revenue has a significant positive effect on PAD revenue in Padang city partially.
2. Restaurant tax revenue has a significant positive effect on PAD revenue in Padang city partially.
3. Entertainment tax revenue has a significant positive effect on PAD of Padang city partially.
4. Tourism object levy tax revenue has a significant positive effect on PAD of Padang city partially.
5. Billboard tax revenue has a significant positive effect on PAD of Padang city partially.
6. Parking tax revenue has a significant positive effect on PAD revenue of Padang city partially.
7. Street lighting tax revenue has a significant positive effect on PAD revenue of Padang city partially.
8. Receipt of hotel tax revenue, restaurants, entertainment, tourist attraction levies, billboards, parking and street lighting have a significant positive effect on PAD revenue in Padang city simultaneously.

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#### CONFLICT OF INTEREST

We the research team declare that there is no conflict of interest related to the results of this study.

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