

**STRATEGIES TO INCREASE THE LOCAL GOVERNMENT REVENUE
FROM THE TAX SECTOR OF NON-METALLIC AND ROCK MINERALS
IN TIMOR TENGAH SELATAN DISTRICT, INDONESIA**

Nugraha Mariano Ariesanto Triputra*, Djaha Ajis Salim Adang, Case Peter
Master's Program of Administrative Science, Faculty of Social and Political Sciences,
University of Nusa Cendana, Kupang, East Nusa Tenggara, Indonesia
*E-mail: nugraharinto45@gmail.com

ABSTRACT

This study aims to discover and explain the strategies to increase Local Government Revenue from the tax sector of the non-metallic mineral and rocks in Timor Tengah Selatan District. The study was descriptive with a qualitative approach. This research was conducted in Timor Tengah Selatan District and Kupang City. Data were collected through observation, interviews, documentation, and field notes. The data analysis technique is interactive analysis, following Miles and Huberman (2014). Findings confirmed that the tax collected from the non-metallic minerals and rocks has not significantly contributed to local taxes and has not fully supported the Local Government Revenue in the last 4 to 6 years. The tax contribution of this sector fluctuates. There have been problems in the tax collection process, including barriers from the government and mining actors, and technical problems such as the lack of monitoring posts, limited infrastructure and human resources, the disparity in the selling price of coupons, lots of illegal fees, and lack of outreach regarding the latest regulations. It is suggested that the local government of Timor Tengah Selatan District uses both intensification and extensification strategies to increase tax collection from the mining sector.

KEY WORDS

Strategy, local government revenue, taxes, non-metallic minerals.

With the enactment of Law Number 23 of 2014 concerning Local Government Revenue in 2016, the collection of tax from the sector of non-metallic minerals and rocks in Timor Tengah Selatan District, which has been under the authority of the Timor Tengah Selatan District Energy and Mineral Resources Service, was transferred to the Office of Public Works and Public Housing of Timor Tengah Selatan District. The following was data on Local Government Revenue for Timor Tengah Selatan District from 2014 – 2016 from the non-metallic minerals and rocks when the authority was still with the Timor Tengah Selatan District Energy and Mineral Resources Service.

Table 1 – Local Government Revenue from Non-Metallic Minerals and Rocks (2014-2016)

No	Minerals	Revenue in Years (Rp)		
		2014	2015	2016
1	Builders sand	479,051,000	668,223,400	1,176,621,300
2	Rocks	51,267,000	3,959,654,443	3,196,042,685
3	Sand and rocks (fill sand)	129,165,000	-	-
		659,483,000	4,627,877,843	4,372,663,985

Source: *Bapenda of Timor Tengah Selatan District 2022.*

Table 1 shows that Local Government Revenue from builders sand fluctuates; it tends to increase in 2014-2016, with the highest revenue in 2016 (IDR 1,176,621,300) and the lowest in 2014 (IDR 479,051,000). The revenue for rocks was also low in 2014 (IDR 51,267,000) but experienced a significant increase in 2015-2016 of more than 3 billion per year. For fill sand, however, there was no revenue data in 2015 and 2016.

Table 2 – Tax Collection Target and Realization of Non-Metallic Minerals and Rock Extraction Timor Tengah Selatan District 2017 – 2021 Fiscal Year

No	Year	Tax Collection of Non-Metallic Minerals and Rocks			Note
		Target (IDR)	Realization (IDR)	Percentage (%)	
1	2017	3,105,187,307	1,683,776,900	54,22	
2	2018	4,707,187,307	3,291,859,549	69,96	
3	2019	4,707,187,307	3,340,055,938	70,99	
4	2020	4,944,677,577	2,994,617,323	60,56	
5	2021	5,300,119,508	4,007,529,588	75,61	

Source: *Bapenda Timor Tengah Selatan, 2022.*

Table 2 shows that the realization of Local Government Revenue from the non-metallic minerals and rock in 2017 decreased significantly to IDR1,688,776,900 compared to 2016 at IDR 4,372,663,985; it only reached 54.22% of the target given of IDR 3,105,187,307. In 2018, the Timor Tengah Selatan District Government increased its revenue target by IDR 4,707,187,307, and the realization experienced a significant increase at IDR 3,291,859,549 (69.96%). In 2019, the Timor Tengah Selatan District Government did not increase its revenue target and was still at IDR 4,707,187,307 and the realization increased from 2018 but not too significant at IDR 3,340,055,938 (70.99%). In 2020, the Timor Tengah Selatan District Government again increased its revenue target of IDR 4,944,677,577, but there was a significant decrease at IDR 2,994,617,323 (60.56%). In 2021, the Timor Tengah Selatan District Government again increased its revenue target of IDR 5,300,119,508, and the realization experienced a significant increase at IDR 4,007,529,588 (75.61%).

Several previous studies have shown that the tax of this sector, non-metallic minerals, and rocks, positively affects the development in several regions. However, some regions experience no effect, or an insignificant effect, of tax collected from this sector.

The explanation leads to several assumptions. First, the cause for the fluctuating revenue from the sector might be the unstable demands of the non-metallic minerals and rocks in specific years. There might also be a possibility that the demand increases, which means an increase in revenue, but the collection needs to be better managed. It is also possible that corruption practices are the culprit behind this fluctuation. Thus, we need to examine the real cause of such fluctuation and the strategies needed to increase the local government revenue from the sector.

LITERATURE REVIEW

Article 1 Paragraph 9 of the Law of the Republic of Indonesia Number 33 of 2004 concerning Financial Balance between the Government and Local Governments states, "Local government revenue is the right of the local government, recognized as an addition to the value of net assets in the relevant period". In addition to this basic understanding, local revenue: (1) represents receipt of money through the local general treasury; and (2) there is no need to be repaid by the local government.

Local government revenue is used to finance development activities and governance; it also refers to the fund accepted by the local government treasury regulated by statutory regulations and is used for all local government needs. Each local government is expected to be able to increase its local revenue.

Local government revenue originates from local tax sharing, local levies, and results of separated local asset management and other legitimate local original revenues. So, the central government gives flexibility to the regions in raising funds as a form of local autonomy under the principle of decentralization. One form of fiscal decentralization is the provision of revenue sources for regions that can be explored and used independently according to local potential.

Local government revenue can be measured in money because the authority given by the community can be in the form of local taxes and levies, locally owned company results and local wealth management results, and other legitimate local income. Furthermore, in

local financial administration, Local government revenue is local income managed by the region for development. Based on these terms and definitions, local government revenue can be summarized as follows: a source of local income by managing and utilizing the potential of the region; can be collected through taxes, fees, and other legal local income (Arnetti et al., 2014).

SWOT analysis is a technique used to create a general, accurate picture of a company's strategic situation (Pearce and Robinson, 2011). A good fit of the company's internal resources (strengths and weaknesses) with the external situation (opportunities and threats) is used as a fundamental assumption in this SWOT analysis.

Organizational strength includes professional management, positive cash flow, and leading and widely recognized brands. Weaknesses include a lack of spare production capacity and an absence of reliable suppliers. Opportunities are favorable situations in a company's environment. Identification of market segments that were previously overlooked, changes in competitive or regulatory conditions (Bateman and Snell, 2008).

The strength of the organization's internal environment and one of the keys to organizational success is effective coordination and understanding between managers from all functional areas of the business (David, 2010). Porter's Five Forces model of competitive analysis is a widely used approach in developing strategy. The intensity of competition between companies varies greatly from industry to industry (David, 2010).

Strengths are resources, local resources to increase acceptance capabilities, or unique competencies that provide regional superiority. Meanwhile, weaknesses are limitations or deficiencies in resources, skills, and capabilities that impede local tax revenues.

SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) systematically identifies various factors to formulate strategies for developing local capabilities to increase local government revenue through local taxes, especially from the non-metal mineral and rock tax sector. This analysis is based on the logic that can maximize strengths and opportunities while minimizing weaknesses and threats.

Strategic decision-making is always related to developing government missions, objectives, strategies, and policies. Thus, strategic planners must analyze the organization's strategic factors in the current conditions, which is called situation analysis (Rangkuti, 2008: 146). The SWOT analysis in this study is a development of previous analytical tools to identify strengths to support opportunities and then to compile weaknesses that become threats in the scope of local government revenue from the non-metal mineral and rock tax sector.

Strengths can be the source of excellence owned by the organization, usually in the form of resources, both human resources and other resources. This includes labor, goodwill, capital, machinery and so on. This can be exploited to minimize threats or eliminate the impact caused by environmental threats.

Weaknesses are everything that becomes constraints that makes it difficult for a company to develop or improve its organizational performance. This weakness can also be the same variable as the strength possessed by the organization.

Opportunities represent chances for the organization to develop. Opportunities exist in the organizational environment and are generally not normally provided by organizations. Organizations adapt themselves as opportunities arise. Opportunity is an environmental factor that drives an organization to develop.

Threats refer to a situation that could reduce an organization's ability to protect and improve its competitive position. Threats are included in variables that cannot be created by organizations. In addition, this threat cannot be eliminated, but its intensity can be reduced to appear.

The SWOT matrix is used to formulate the future strategy of the organization and it can produce four possible strategies as follows (Bateman and Snell, 2008):

- SO (Strengths-Opportunities) strategy uses the power to take opportunities;
- The ST (Strengths-Threats) strategy is a strategy that uses strength to avoid and overcome threats;

- WO (Weaknesses-Opportunities) strategy is a strategy that uses opportunities to overcome weaknesses;
- WT strategy (Weaknesses-Threats) is a strategy to minimize weaknesses and avoid threats.

The logic of thinking from SWOT analysis is that in determining the policy strategy to be implemented, the government must maximize strengths and opportunities, and at the same time, being able to minimize existing weaknesses and threats, so that a balance can be achieved between internal and external conditions (Martoyo, 2002).

The advantages of SWOT analysis: 1) not only can extrapolate the future, SWOT analysis can be used to make the future; 2) is multipurpose and simple; and 3) can be used to build consensus based on needs and desires. Two main things that must be considered when conducting a SWOT analysis are (Bryson, 1995):

- Assess the internal environment to identify local government strengths and weaknesses, three main categories that can help are human resources (input), current strategy (process) and performance (output) and assess the external environment with three important categories that may be monitored, strengths and trends local government and taxpayers;
- Conduct careful analysis by combining the above factors to identify strategic issues that need to be developed by the organization so that a strategy will be found to increase local tax revenues that the government can develop by building on strengths and taking advantage of opportunities while minimizing or overcoming weaknesses and threats.

METHODS OF RESEARCH

This study was descriptive with a qualitative approach. The focus was on the strategy to increase the local revenue of Timor Tengah Selatan District through the tax sector of non-metallic minerals and rocks. It was conducted in Timor Tengah Selatan District and Kupang City. Data collection techniques included observation, interviews, documentation, and field notes. Data analysis adopted the interactive analysis by Miles and Hubberman (2014). After an interactive analysis, we proceeded with a SWOT analysis to find the right strategies to increase local government revenue from the tax of the non-metallic minerals and rocks in Timor Tengah Selatan District. We identified internal factors (strengths and weaknesses) and external factors (opportunities and threats) affecting local government revenue. We also intended to find solutions in decision-making strategies to increase local government revenue. Triangulation was used to validate data.

RESULTS AND DISCUSSION

The Internal Factor Evaluation (IFE) matrix is a strategy formulation that summarizes and evaluates the main strengths and weaknesses in the organization's functional areas and becomes the basis for identifying and evaluating the relationships between these areas. Intuitive judgment was used in developing the IFE Matrix, so its scientific appearance should not be construed as proof that the technique is completely flawless.

The results of the Internal Factor Evaluation (IFE) analysis were used as the largest score sequence for determining the strength factors affecting revenue of the non-metallic minerals and rocks in Timor Tengah Selatan District and to find out internal weaknesses that greatly affect the acceleration of target achievement of the tax revenue from the non-metallic minerals and rocks in Timor Tengah Selatan District.

Ordering the largest scores was done by weighing and looking at the urgency of each factor. Weighting and rating were based on the results of interviews. The total weight in this IFE matrix is 1.00. Regardless of how many factors are included in the IFE Matrix, the total weighted score ranges from 1.0 as the lowest point to 4.0 as the highest point, with an average score of 2.5. A total weighted score below 2.5 indicates an internally weak organization, while a significantly above 2.5 indicates a strong internal position. The value

categories for this IFE matrix are: weak: 1.00-1.99, average: 2.00-2.99, and strong: 3.00-4.00 (David, 2011). Table 3 shows the results of the SWOT analysis of the internal factors.

Table 3 – Internal Analysis Results of Increasing Local Government Revenue in Timor Tengah Selatan District

Factor	Weight	Ratings	Score
Strength			
There are clear regulations on the tax of non-metallic minerals and rocks in Timor Tengah Selatan District in the form of local regulations, District Head Decrees, and East Nusa Tenggara Governor Decrees regulating the amount and mechanism of payment.	0.14	4	0.55
Entrepreneurs with mining business permits know their responsibility to pay taxes and fees.	0.10	3	0.31
There are capable human resources or management officers.	0.10	3	0.31
There is a clear division of tasks in managing non-metallic mineral and rock tax collection.	0.10	3	0.31
There is cross-agency involvement and collaboration to increase local government revenue through the non-metallic mineral and rock tax sector.	0.10	3	0.31
Sub-Total	0.55		1.79
Weakness			
There needs to be more support for infrastructure and budget for the Public Works and Public Housing Office of Timor Tengah Selatan District.	0.07	4	0.28
There needs to be more operational personnel on duty in the field.	0.10	3	0.31
There needs to be more socialization of regulations.	0.10	3	0.31
The financial management system needs to be better organized.	0.07	2	0.14
There is no government firmness in imposing sanctions on entrepreneurs who do not comply with their tax obligations	0.10	3	0.31
Sub-Total	0.45		1.34
Total number	1.00		3,13
Difference (Strength – Weakness)			0.45

Source: Data Analysis Results.

Table 4 – External Analysis of Increasing Local Government Revenue in Timor Tengah Selatan District

Factor	Weight	Ratings	score
Opportunities			
There is better awareness of taxpayers in the Timor Tengah Selatan district to pay their taxes on time.	0.10	4	0.41
Timor Tengah Selatan District still has many mine mouth locations or tax objects that have not been excavated to increase Local Government Revenue	0.14	3	0.41
There has been better cross-sector collaboration.	0.10	3	0.31
There are opportunities for state civil officials for training or guidance and infrastructure repair.	0.14	3	0.41
There is provincial government support for solving problems related to tax collection in the non-metallic and rock tax sector.	0.10	3	0.31
Sub-Total	0.59		1.86
Threats			
Taxpayers need to manage the business better.	0.07	4	0.28
There are practices of corruption, collusion, and nepotism by tax officers.	0.07	3	0.21
There is an attempt to avoid paying taxes.	0.10	3	0.31
There is extortion (illegal levies) carried out by residents at the mining location.	0.07	2	0.14
The taxpayer submits objections regarding the amount of tax to be paid.	0.10	3	0.31
Sub-Total	0.41		1.24
Total number	1.00		3,10
Difference (Opportunity – Threat)			0.62

Source: Data Analysis Results.

The EFE Matrix (External Factor Evaluation) enables strategists to summarize and evaluate economic, social, cultural, demographic, environmental, political, governmental, legal, technological, and competitive information. Regardless of the number of key opportunities and threats included in the EFE Matrix, the highest attainable total weighted

score for an organization is 4.0, and the lowest possible weighted score is 1.0. The average total weight score is 2.5. A total weight score of 4.0 indicates that an organization responds very well to the opportunities and threats in its industry. In other words, the organizational strategy can effectively take advantage of existing opportunities and minimize the potential adverse effects of external threats. The score categories for this EFE matrix are: Weak: 1.00-1.99, Average: 2.00-2.

The results of the External Factor Evaluation (EFE) analysis, apart from obtaining the largest score sequence as an opportunity in Timor Tengah Selatan District, are also to find out the challenges that greatly influence the achievement of the tax collection in the sector of non-metallic minerals and rocks. The order of the biggest score was determined by weighing and looking at the urgency of the challenge. Weighting and rating were also based on the results of interviews. After the informants gave weight based on the criteria, then normalization was carried out for each factor. After that, processing was carried out according to the provisions used by Fred R. David (the total weight in this EFE matrix is 1.00) so that the weight was obtained. Table 4 shows the results of the SWOT analysis of the external factors of increasing local revenue in Timor Tengah Selatan District.

Based on the analysis and calculation of internal and external factors, the internal analysis (Strengths – Weaknesses) results are 0.45, and the external analysis (Opportunities – Threats) is 0.62. The results of the analysis are then used to determine the location of the aspects to be analyzed on the following SWOT quadrants:

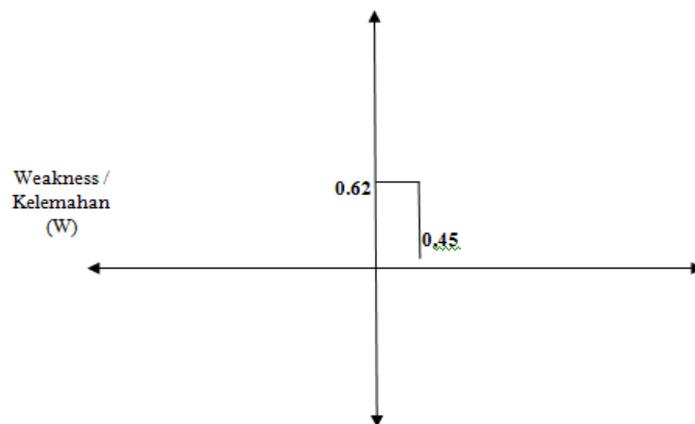


Figure 1 – SWOT Quadrant

Figure 1 shows that the SWOT position is in Quadrant I. This position indicates a strong government and opportunity, so the strategy recommendations provided are progressive by taking advantage of existing opportunities and the government's internal strength, meaning that the government is in prime and steady condition so that it is very possible to continue to expand, increase growth and achieve maximum progress in increasing the tax revenue of the non-metallic mineral and rock sector in the Timor Tengah Selatan District.

According to Soemitro (1988), local government revenue can be increased through intensification and extensification. Based on the analysis results, the strategies in Table 5 can be classified as follows.

Intensification Strategy. This strategy emphasizes businesses that utilize existing resources in achieving the goal of increasing local original revenues, consisting of:

1. Conduct cross-agency collaboration to assist and supervise tax collection of the non-metallic mineral and rock sector by:
 - Involving law enforcement officials, in this case, the police and military as well as civil service police, to enforce the law on taxpayers and individuals who do not comply with tax regulations;
 - Involve independent auditors to oversee the process of receiving and managing local government revenues;

Table 5 – SWOT Analysis Matrix of Strategies to Increase Local Government Revenue from the Tax Sector of Non-Metallic Minerals and Rocks

<p>Internal factors</p>	<p>Strengths</p> <p>There are clear regulations on the tax of non-metallic minerals and rocks in Timor Tengah Selatan District in the form of local regulations, District Head Decrees, and East Nusa Tenggara Governor Decrees regulating the amount and mechanism of payment. Entrepreneurs with mining business permits are aware of their responsibility to pay taxes and fees. There are capable human resources or management officers. There is a clear division of tasks in managing non-metallic mineral and rock tax collection. There is cross-agency involvement and collaboration to increase local government revenue through the non-metallic mineral and rock tax sector.</p>	<p>Weaknesses</p> <p>There needs to be more support for infrastructure and budget for the Public Works and Public Housing Office of Timor Tengah Selatan District. There needs to be more operational personnel on duty in the field. There needs to be more socialization of regulations. The financial management system needs to be better organized. There is no government firmness in imposing sanctions on entrepreneurs who do not comply with their tax obligations.</p>
<p>External Factors</p>	<p>SO strategy</p> <p>There is better awareness of taxpayers in the Timor Tengah Selatan district to pay their taxes on time. Timor Tengah Selatan District still has many mine mouth locations or tax objects that have not been excavated to increase Local Government Revenue. There has been better cross-sector collaboration. There are opportunities for state civil officials for training or guidance and infrastructure repair. There is provincial government support for solving problems related to tax collection in the non-metallic and rock tax sector.</p>	<p>WO strategy</p> <p>Request budgetary support and infrastructure from the provincial government through local government revenue and expenditure. Provide education and training on financial management systems to increase local government revenue in the sector. Collaborate with law enforcement officials to collect arrears on non-metallic minerals and rocks that have not been paid and to apply strict sanctions against arrears following existing local regulations. Increase operational personnel in the field for new tax objects. Continuous socialization of sanctions that will be received by non-metal and rock mineral tax arrears following existing local regulations. Provide rewards to obedient entrepreneurs or taxpayers.</p>
<p>Threats</p> <p>Taxpayers need to manage the business better. There are practices of corruption, collusion, and nepotism by tax officers. There is an attempt to avoid paying taxes. There is extortion (illegal levies) carried out by residents at the mining location. There are objections submitted by the taxpayer regarding the amount of tax to be paid.</p>	<p>ST Strategy</p> <p>Continuously socialize all regulations regarding benchmark prices of tax collection to mining entrepreneurs to avoid differences in determining price and tax amount. Improve the system for managing and receiving local government revenue. Collaborate with law enforcement officials to control and take action against extortion (illegal levies) by unscrupulous residents at mining sites and unscrupulous tax officials. Educate taxpayers about the importance of paying taxes for local development. Build trust in taxpayers by improving the tax management system. Provide rewards to obedient entrepreneurs or taxpayers.</p>	<p>WT Strategy</p> <p>Request budgetary support and infrastructure from the provincial government through local government revenue and expenditure budget. Add operational personnel in the field to supervise the receipt of local government revenue. Continuously socialize all regulations regarding benchmark prices of tax collection to mining entrepreneurs to avoid differences in determining price and tax amount. Give strict sanctions to tax arrears following applicable local regulations. Improve the system for managing and receiving local government revenues. Collaborate with law enforcement officials to control and take action against extortion (illegal levies) by unscrupulous residents at mining sites. Educate taxpayers about the importance of paying taxes for local development.</p>

- Involving the public in supervising the process of receiving local government revenue;
 - Involving the Provincial Government, in this case, the Office of Energy and Mineral Resources of East Nusa Tenggara Province, as the agency authorized to issue Mining Business Permits to provide data on companies that no longer have mining business legality in Timor Tengah Selatan District.
2. Involve employees in training to increase the competence of operational staff in the field. This effort can be done in several ways, including:
 - Carrying out training on local financial management from the non-metallic mineral and rock tax sector;
 - Providing technical training on the digital-based system for receiving local government revenue;
 - Equipping every operational staff with knowledge and an overview of local government revenue receipts sources.
 3. Improve service and attention to taxpayers by utilizing advances in technology and information to build an easier system for paying taxes by
 - Developing a digital-based local government revenue administration system;
 - Establishing operational standards and clear mechanisms for receiving and managing local revenues.

Extensification Strategy. This strategy emphasizes efforts to reach local government revenue more broadly than what already exists. This strategy consists of:

1. Continuously socialize all regulations regarding benchmark prices of tax collection to mining entrepreneurs to avoid differences in determining price and tax amount by
 - Distributing flyers or brochures regarding standard prices and the amount of tax for non-metallic minerals and rocks to entrepreneurs having mining business permits every year or when there is a change in regulation;
 - Installing banners at each mine mouth regarding the amount of the price and tax for non-metallic minerals and rocks following applicable regulations.
2. Improve infrastructure, facilities, and human resources at monitoring posts and add several monitoring posts at the mining sites by taking into account geographical conditions, including:
 - Repairing infrastructure at the Fatumetan Monitoring Post, Bosen Monitoring Post, Sopo Monitoring Post, and Tuataum Monitoring Post and adding several monitoring posts at mine sites with no monitoring posts, such as in Fatu Oban and Fatu Antoni;
 - Adding operational officers to each monitoring post so that they can work in shifts for 24 hours;
 - Collaborating with law enforcement officials to assist field officers in supervising and collecting tax.
3. Explore the potential for new tax objects, including:
 - Expanding the tax scope by opening new mining locations;
 - Reactivating the location of the tax object whose license is no longer valid;
 - Inviting companies whose mining business permits are no longer valid to reactivate their mining business permits;
 - Collaborate with law enforcement officials to collect taxes from entrepreneurs who have yet to pay their taxes.

CONCLUSION

Timor Tengah Selatan District Regulation Number 8 of 2011 concerning Non-Metallic Minerals and Rocks has mapped the types of materials to be taxed. Regent Decree No. 187/KEP/HK/2011 has elaborated the Standard Prices for Non-Metallic Minerals and Rocks in the Timor Tengah Selatan District and the tax amount per type of material. This regulation

was reaffirmed by the Decree of the Governor of East Nusa Tenggara Number 214/KEP/HK/2022 concerning Benchmark Prices for Non-Metallic Minerals and Rocks in East Nusa Tenggara Province.

Taxpayers in the Timor Tengah Selatan District are business entities, and the collection of taxes on non-metallic minerals and rocks in the district uses the Self-Assessment System. However, some taxpayers still need to report their tax payment obligations. Local regulations have mentioned that taxpayers who do not fulfill their responsibility to fill in the Self-Assessment Form will be given sanctions. Still, the practice is different as no sanctions are given.

The target of tax collection from non-metallic minerals and rocks has not been fully realized in the last 4-6 years. The tax collected from the sector has fluctuated and not significantly contributed to local taxes.

There have been problems in the tax collection process, including barriers from the government and mining actors, and technical problems such as the lack of monitoring posts, limited infrastructure and human resources, the disparity in the selling price of coupons, lots of illegal fees, and lack of outreach regarding the latest regulations.

The SO strategy is recommended to increase local government revenue by taxing non-metallic minerals and rocks in Timor Tengah Selatan District.

SUGGESTIONS

The Timor Tengah Selatan District Government must socialize Local Regulation Number 8 of 2011 concerning Taxes on Non-Metallic Minerals and Rocks, the Regent Decree Number 187/KEP/HK/2011 concerning Standard Prices for Non-Metallic Minerals and Rocks in the Timor Tengah Selatan District, and the Decree of the Governor of East Nusa Tenggara Number 214/KEP/HK/2022 concerning Benchmark Prices for Non-Metallic Minerals and Rocks in the Province of East Nusa Tenggara to mining entrepreneurs to avoid differences in determining the price and tax amount;

The Timor Tengah Selatan District Government must give strict sanctions following the Timor Tengah Selatan District Local Regulation Number 8 of 2011 concerning Taxes on Non-Metallic Minerals and Rocks for taxpayers who do not report and pay taxes through the self-assessment collection system;

The Timor Tengah Selatan District Government must conduct cross-agency collaboration to assist and supervise tax collection of the non-metallic mineral and rock sector; involve employees in training to increase the competence of operational staff in the field; improve service and attention to taxpayers by utilizing advances in technology and information to build an easier system for paying taxes; continuously socialize all regulations regarding benchmark prices of tax collection to mining entrepreneurs to avoid differences in determining price and tax amount; improve infrastructure, facilities, and human resources at monitoring posts and add several monitoring posts at the mining sites by taking into account geographical conditions; and explore the potential for new tax objects.

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