Identification of Variables That Improve the Revenues of Entertainment Tax in the City of Batam City with GRDP Price Apply as Moderating Variable

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Keywords: Entertainment Taxpayer, Number of Population, Number of Foreign Tourists, Inflation

Abstract: This study aims to examine and analyze the effect of the number of entertainment taxpayers, the number of population, the number of foreign tourists and inflation rate on entertainment tax revenues and the Gross Regional Domestic Product (GRDP) at current market price as a moderating variable. This study uses quantitative research by obtaining secondary data while the technique of collecting data is documentation which is recording and copying the data. The population number of this study is obviously unlimited and the sampling method is non probability sampling. The data observed are based on the publication data in the year of 2015 to 2017 which comprises of 36 different data. The study applies multiple linear regression test models. The study found that all independent variables simultaneously have a positive and significant effect on dependent variable. The study also found that inflation rate is the only variable that partially does not have a significant effect on the dependent variable while the GRDP at current market price can moderate each variable towards entertainment tax revenues.

1 INTRODUCTION

Regional autonomy provided by the central government give the independence and flexibility for local government to govern and manage community within its administrative area in accordance with regulations which in the end is expected to improve people's welfare. This is indicated by the issuance of Law No. 32 /2004 which was revised into Law No. 23/2014 concerning Regional Government (Republik Indonesia, 2014).

The municipality of Batam is one of the regions that is given the autonomy right to manage its own government affairs even the city itself is assisted by the Batam Development Agency (BP Batam) as an extension of the central government to govern the city. In carrying out regional autonomy or governance, the municipal government requires funds for the operations of its activities as adopted in the budget for regional expenditure (APBD). The genuine regional income itself is a very potential financial source and it must be increased to finance the expenditure or operations of the government. The role of regional taxes and levies as the main source of regional income beside the balance funds obtained from the exploitation of natural resources will greatly determine the strength of the Regional Budget (APBD) (Darwin, 2010). With the existence of these funding sources, regional communities will also enjoy their development while in the same time every citizen must be aware that by increasingly enjoying the results of development the people's responsibility for taxes in the implementation of development is even greater (Wardani and Asis, 2017).

The obligation of a country is to serve the needs of its people as well as the region. To be able to serve the needs of the people of the region, the regions need to be given authority both in terms of government politics and finance to finance their activities (Darwin, 2010). Therefore, Law No. 33 /2004 concerning Financial Balance between the Central Government and the Regional Government and Law No. 28/2009 concerning Regional Taxes and Regional Retributions as a source of regional finance even supported by the existence of the MPR Decree Number XV/MPR/1998.

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The Law No. 33/2004 states that every region has a regional regulation (Perda) under the central laws or even bound by the central law (Republik Indonesia, 2004). The municipal government of Batam issued Perda No. 15/2001 concerning the regional tax of the municipal as an alternative financing for the government to implement regional autonomy (Pemerintah kota Batam, 2001).

In the tax context, considering that Batam geographical area is an industrial city where the majority of the population is industrial workers, it requires entertainment place and facilities to reflect their mind. The subject of entertainment tax is an individual who enjoys entertainment and a business entity that organizes entertainment. Therefore the large number of residents both domiciled or regional and foreign tourists have a contribution in entertainment tax revenues. Even the municipal government itself wants the city to be placed not only for industrial side but also for tourist destination so that the increase in taxpayers, residents and tourists is a potential object for the municipal government to increase its local income. The size of the central tax and regional tax revenues will be largely determined by the population (Musgrave in Lubis, 2017). In the results of Musgrave’s research, it was stated that one of the potential taxes is entertainment tax. "Taxes that are very potential are derived from the hotel and restaurant tax, entertainment tax, public street lighting tax and class C mining tax". The municipal city of Batam is also an area that is very close to Singapore and Malaysia. The high number of tourist visitors outside of the region and abroad as well as the great number of people working in the city work requires entertainment facilities and the tourism sector is expected to increase the city genuine income (PAD) from the entertainment tax sector.

Macroeconomic stability is one of the important conditions for maintaining sustainable growth and achievement of development targets so that the inflation rate and per capita income also bring contribution in entertainment tax revenues. The inflation rate is one of the important components in influencing economic stability since inflation and income are related to the prices of basic and general goods. Inflation is a process of increasing prices that prevail in an economy (Sukirno, 2002). Therefore the public will be more inclined to choose to withhold financial expenses even for entertainment and travel if income and expenses are not balanced.

The following data is the target and realization of the revenues from the entertainment tax in the municipal city of Batam for the year of 2015-2017.

<table>
<thead>
<tr>
<th>Year</th>
<th>Realization</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>14,959,000,000</td>
<td>17,471,447,712</td>
</tr>
<tr>
<td>2016</td>
<td>20,645,400,000</td>
<td>19,995,079,994</td>
</tr>
<tr>
<td>2017</td>
<td>24,608,000,000</td>
<td>23,806,496,302</td>
</tr>
</tbody>
</table>

Source: Dispenda Kota Batam (2018)

2 THEORICAL FRAMEWORK

Local Tax

The definition of tax according to Rochmat Sumitro in Darise (2009) is “the contribution of the people to the state treasury based on the law (which is forced) by not receiving reciprocal services (counter-achievements) which can be directly shown and used for public expenditure” (Darise, 2009). While Darwin in a book entitled “regional tax and regional retribution (2010)”, proposed the regional taxes in general are taxes those are collected by the regions based on tax regulations stipulated by the regions for the benefit of local government household financing as public legal entities (Darwin, 2010).

From the above mentioned definition, it can be concluded that regional taxes have these elements: obligatory contributions or coercion to the, indirect or reciprocal benefit for paying taxes and it used for public or public purposes.

Entertainment Taxpayer

Darise (2009) defines entertainment as all types of shows, games, dexterity games, and/or crowds with any name and form, which is watched or enjoyed by everyone with a fee, not including the use of facilities for exercise (Darise, 2009). In the local government regulation, Perda No. 7/2017 on article 17/2 states that "entertainment taxpayers are individuals or bodies that organize entertainment". The object of entertainment tax is entities or institution that organizes entertainment and picks up and or receives fees from the business (Pemerintah kota Batam, 2017). The Perda No. 7/2017 furthermore states the entertainments ranging from film show; performances of art, music, dance; bodybuilding, and the like; exhibition; circus, acrobatics, and magic; billiard game; bowling game; horse racing/motorized vehicles; fitness center; sports match; fashion shows, beauty counters; discoteques, karaoke, night clubs, and the like; massage parlor, reflection, steam bath/spa; and dexterity game (Pemerintah kota Batam, 2017).
Number of Population
Population is a number of legitimate people who inhabit an area or country and obey the provisions of that region or country. The amount of regional genuine income can be influenced by the population, if the population increases, the income drawn will also increase (Asmuruf, Rumate and Kawung, 2015).

Foreign Tourists
The word "tourist" comes from Sanskrit "wisata" which means "travel" which can be equated with the word "travel" in English. Tourists are the same as the word "traveler" which is a person who travels (sihotang, 2015). The large number of tourists both foreign and domestic tourists who visit tourism objects (Nugraha, 2014).

Inflation
Inflation is a measure of the economy that gives an idea of the rising average prices of goods and services produced in an economic system (Yulianti and Suratno, 2015).

GRDP at Current Market Price
Measuring the progress of an economy requires the right measuring instrument, in the form of a measure of economic growth for instance Gross Domestic Product (GDP) or at the regional level called Gross Regional Domestic Product (GRDP) which is the amount of goods or services produced by an economy within time of one year and stated in market prices (Supartoyo, Tatuh and Sendouw, 2013).

3 RESEARCH METHOD
Types and Data Sources
The data used in this study are secondary data on entertainment tax revenues for 3 different years with monthly observations (time series) from January 2015 to December 2017. The data consists of reports on entertainment tax revenues, the number of entertainment taxpayers, residents, foreign tourists, inflation and GRDP at market prices in the municipal city of Batam.

To test the classic assumption on this secondary data, the researcher conducted a normality test, multicollinearity test, and autoclaving test.

a. Normality Test
The normality test aims to test whether in the regression model, the independent variable and the dependent variable both have a normal distribution or not (Ghozali, 2013). Normality testing in this study uses the Kolmogrov-Smirnov testing method and histogram diagram. The decision making criteria are:
1. If the value is sig. or probability > 0.05, then the data is normally distributed.
2. If the value is sig. or probability <0.05, then the data is not normally distributed.

It can also be seen on the histogram diagram where the basis for decision making is that if the histogram chart is not leaning left and right, the research data is normally distributed, and vice versa.

b. Multicolliearity Test
The multicollinearity test was conducted with the aim to find out whether the regression model found a correlation between the independent variables. To detect whether a regression model has multicollinearity, it can be checked by using VIF. VIF stands for Variance Inflation Factor. VIF value <10 means that there is no serious multicollinearity in the regression model.

c. Heterocedasticity Test
Heterocedasticity is a residual variant that is not constant in regression so that the accuracy of the predicted results becomes dubious. The model used is to use a scatterplot graph. Multiple linear regression models are said to have no heterocedasticity if the physical residue does not form a pattern so the data is free from assumptions about heterocedasticity.

d. Auto Correlation Test
The auto correlation test aims to test whether in the model, linear regression there is a correlation between disturbing errors in period t with errors in period t-1 (before). This problem arises because the residuals are not free from one observation to another. Detection of the presence or absence of autocorrelation in this study is by looking at the calculated value of Durbin Watson by selecting the following autocorrelation test:

a. If d <dL, there is autocorrelation
b. If d> dU there is no autocorrelation
If dL <d <dU then the test is not convincing or there are no definite conclusions.

Multiple Regression Test
To find out the influence of the independent variables partially and simultaneously has a significant effect on the dependent variable; the statistical analysis used is to use multiple regression analysis. The testing of the moderating variable uses the residual test, where the multiple regression
equation in model I and residual test in model II, namely:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon \ldots \]

\[ Y = \text{Entertainment Tax Receipt Report} \]

\[ b_0 = \text{Intercept} \]

\[ b_1 = \text{Regression Coefficient Number of entertainment taxpayers} \]

\[ b_2 = \text{Population Regression Coefficient} \]

\[ b_3 = \text{Regression coefficient of foreign tourists} \]

\[ b_4 = \text{Inflation Regression Coefficient} \]

\[ X_1 = \text{Number of entertainment taxpayers} \]

\[ X_2 = \text{Number of residents} \]

\[ X_3 = \text{Number of foreign tourists} \]

\[ X_4 = \text{Inflation} \]

\[ Y = \text{Entertainment tax review report} \]

\[ E = \text{error} \]

Research Hypothesis Test

The method used to test the first hypothesis uses multiple regression analysis. The first hypothesis is tested by determining the level of significance with the simultaneous test (F test and R² test) and the partial test (t-test) as follows:

a. Determination Test (R²)

Determination Test (R²) is used to measure the extent of the ability of the model to explain the variation of the dependent variable. The coefficient of determination is between zero and one. A value close to one means that the independent variables provide almost all the information needed to predict variations in the dependent variable. From the above research using more than 2 variables, then adjusted R square is used because it is more accurate than R².

b. Test F Statistic (Simultaneous Significance Test)

F test aims to determine the effect of independent variables and the dependent variable simultaneously. To find out whether there is a significant effect of each independent variable on a dependent variable. Significantly free at 0.05, can be concluded (Ghozali, 2013). Guidelines used to accept or reject hypotheses, which is: The hypothesis is accepted if t count > t-table or p-value in the sig column < level of significant (α) 5%. The hypothesis is accepted if t count < t-table or p-value in the sig column. > level of significant (α) 5%.

d. Moderation Test (Residual Test)

Moderation Test (residual test) is used to test whether the variable Z (GRDP) is able to moderate the relationship between variables X to variable Y. The calculation in this study, first calculated the correlation coefficient using SPSS 19 with model I as follows:

\[ Z = \alpha + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + e \ldots (1) \]

\[ |e| = \alpha + b_5 Y \ldots (2) \]

4. ANALYSIS

To test the classic assumption on this secondary data, the researcher conducted a normality test, multicollinearity test, and autoclaving test.

a. Normality Test

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d. Auto Correlation Test
The auto correlation test aims to test whether in the model, linear regression there is a correlation between disturbing errors in period t with errors in period t-1 (before). This problem arises because the residuals are not free from one observation to another. Detection of the presence or absence of autocorrelation in this study is by looking at the calculated value of Durbin Watson by selecting the following autocorrelation test:
- a. If d <dL, there is autocorrelation
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- c. If dL <d <dU then the test is not convincing or there are no definite conclusions.

Multiple Regression Test
To find out the influence of the independent variables partially and simultaneously has a significant effect on the dependent variable; the statistical analysis used is to use multiple regression analysis. The testing of the moderating variable uses the residual test, where the multiple regression equation.

Research Hypothesis Test
The method used to test the first hypothesis uses multiple regression analysis. The first hypothesis is tested by determining the level of significance with the simultaneous test (F test and R2 Test) and the partial test (t-test) as follows:
- a. Determination Test (R2)
  Determination Test (R2) is used to measure the extent of the ability of the model to explain the variation of the dependent variable. The coefficient of determination is between zero and one. A value close to one means that the independent variables provide almost all the information needed to predict variations in the dependent variable. From the above research using more than 2 variables, then adjusted R square is used because it is more accurate than R2.

b. Test F Statistic (Simultaneous Significance Test)
F test aims to determine the effect of independent variables and the dependent variable simultaneously. To find out whether there is a significant effect of each independent variable on a dependent variable. Significantly free at 0.05, can be concluded (Ghozali, 2013: 98) Guidelines used to accept or reject hypotheses, which is: The hypothesis is accepted if F-count> F-table, or p-value in the sig column. <level of significant (α) 5%. The hypothesis is accepted if F-count <F-table, or p-value in the sig column. > level of significant (α) 5%.

c. Statistical test t (Partial Significance Test)
The t statistical test basically shows how far the influence of one explanatory variable individually in explaining the dependent variables (Kuncoro, 2013). This test is used to determine the effect of the number of taxpayers, population numbers, number of foreign tourists, the number of variable inflation towards variables, namely entertainment tax receipts. Guidelines used to accept or reject hypotheses, which is: The hypothesis is accepted if t count> t-table or p-value in the sig column <level of significant (α) 5%. The hypothesis is accepted if t count <t-table or p-value in the sig column. > level of significant (α) 5%.

d. Moderation Test (Residual Test)
Moderation Test (residual test) is used to test whether the variable Z (GRDP) is able to moderate the relationship between variables X to variable Y. The calculation in this study, first calculated the correlation coefficient using SPSS 19.

5 RESULTS AND DISCUSSION
The result of the study are described as follows:
Classical Assumption Test Results
a. Normality test
The above normality test table found a significance value of 0.986 so that it can be said explicitly that the dependent variable has been normally distributed.

Tabel 2: Normality test

<table>
<thead>
<tr>
<th>One-Sample Kolmogorov-Smirnov Test</th>
<th>Entertainment Tax Receipt</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>36</td>
</tr>
<tr>
<td>Normal</td>
<td>Mean 1702028443</td>
</tr>
</tbody>
</table>
### Parameters

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>254709276.3</td>
</tr>
</tbody>
</table>

**Most Extreme Differences**

<table>
<thead>
<tr>
<th>Differences</th>
<th>Absolute</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.076</td>
<td>0.076</td>
<td>-0.068</td>
</tr>
</tbody>
</table>

**Kolmogorov-Smirnov Z**

- Absolute: 0.076
- Positive: 0.076
- Negative: -0.068

**Asymp. Sig. (2-tailed)**

- 0.986

- a. Test distribution is Normal.
- b. Calculated from data.

### b. Multicollinearity Test

**Table 3: Multicollinearity Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>entertainment taxpayer</td>
<td></td>
<td>0.944</td>
<td>1.059</td>
</tr>
<tr>
<td>number of population</td>
<td></td>
<td>1.000</td>
<td>1.000</td>
</tr>
<tr>
<td>Number of foreign tourists</td>
<td></td>
<td>0.960</td>
<td>1.042</td>
</tr>
<tr>
<td>inflation</td>
<td></td>
<td>0.979</td>
<td>1.022</td>
</tr>
<tr>
<td>GRDP prices apply</td>
<td></td>
<td>1.000</td>
<td>1.000</td>
</tr>
</tbody>
</table>

- a. Dependent Variable: entertainment tax revenue

Based on the table above, it shows that the tolerance value of statistics is \( \leq 0.10 \) and VIF \( \leq 10 \). So it can be concluded that there is no multicollinearity or correlation between independent variables.

### c. Heteroscedasticity

Based on the scatter plot above it can be seen that there are spots that spread randomly, do not form a certain pattern or are irregular so that the linear regression model can be said to have no heteroscedasticity.

### d. Autocorrelation Test

**Table 4: Autocorrelation Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2.187</td>
</tr>
</tbody>
</table>

- b. Dependent Variable: entertainment tax revenue

In the above test results there is a Durbin-Watson value of 2.187 while the sig 5% table value with \( n = 36 \) and the number \( k = 5 \) \( dU = 1.799 \) and \( dL = 1.175 \) means that in this table \( d > dU \) or \( 2.187 > 1.799 \) means that autocorrelation does not occur.

### Multiple Regression Test

**Table 5: Multiple Regression Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-987263383</td>
<td>79806896</td>
</tr>
<tr>
<td>entertainment taxpayer</td>
<td>4585907.06</td>
<td>652159.0</td>
</tr>
<tr>
<td>Number of population</td>
<td>5204.509</td>
<td>561.447</td>
</tr>
<tr>
<td>Number of foreign tourists</td>
<td>799.267</td>
<td>1577.955</td>
</tr>
<tr>
<td>Inflation</td>
<td>-46873988</td>
<td>76185015</td>
</tr>
</tbody>
</table>

- a. Dependent Variable: Penerimaan

Based on the equation above, we can explain the results of multiple linear regression tests as follows:

1. If the taxpayer (X1) experiences an increase of one taxpayer, entertainment tax revenue (Y) has increased by Rp. 4,585,907. In other words, if there is an increase in entertainment tax revenues, this is due to the increase in taxpayer objects.

2. If the population (X2) has increased by one person, then entertainment tax revenue (Y) has increased by Rp. 5,204 In other words, if there is an increase in entertainment tax revenues, this is due to the increase in the number of residents who enjoy every entertainment held.

3. If foreign tourists (X3) experience a one-person increase, entertainment tax revenue (Y) will increase by Rp. 799. In other words, if there is an increase in entertainment tax revenues, this is due to the increase in the number of foreign.
tourists who come and enjoy every entertainment held.
4. If inflation (X4) experiences a one percent increase, entertainment tax revenue (Y) has decreased by Rp. 46,883,988. In other words, if there is a decline in entertainment tax revenues, this is due to rising inflation.

Test of Research Hypothesis

Table 6: Coefficient of Determination

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.827*</td>
<td>0.683</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), (Constant), inflation, Foreign tourists, entertainment taxpayer, total population

Based on the table above, the value of the coefficient (R) is 0.827 which shows the relationship between the variables that are strong, with the coefficient of determination (R square) of 0.683 in the medium category. This value means that the variable number of taxpayers, population growth, number of vehicles and inflation can explain the variable of entertainment tax receipts of 68.3%. While the rest is influenced by other variables those are not examined in the study.

Test F (Test Simultaneously)

Table 7: F Test (Test Simultaneously)

<table>
<thead>
<tr>
<th>Model</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11.332</td>
<td>.000*</td>
</tr>
</tbody>
</table>

a. Dependent Variable: entertainment tax revenue
b. Predictors: (Constant), inflation, Foreign tourists, entertainment taxpayer, number of population

In the table above, it can be seen that the calculated F value is 11.332 with a significance of 0.000. With the use of a significance level (α) of 5%. Based on the table obtained significant 0.000 < 0.05 with a ratio of significant levels (α) of 5% shows that simultaneously the variable number of taxpayers, population, number of foreign tourists, and inflation have a significant effect on entertainment tax revenue. The results are strengthened by comparing between F = 11.332 which is far greater than F table which is 2.53 where F table is calculated using the provisions of a significance level of 5%, with df = nk-1 (in this study df = 36-5=1 = 30) so that the obtained value of F table is 2.53, then Fcount > F table or 11.332 > 2.53 so that it can be concluded that simultaneously all independent variables have a positive and significant effect or H1 is accepted.

T test (Partial Test)

Table 8: T Test (Partial Test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-</td>
<td>0.124</td>
<td>0.903</td>
</tr>
<tr>
<td>entertainment taxpayer</td>
<td>0.821</td>
<td>7.032</td>
<td>0.000</td>
</tr>
<tr>
<td>Number of population</td>
<td>0.846</td>
<td>9.270</td>
<td>0.000</td>
</tr>
<tr>
<td>Foreign tourists</td>
<td>0.063</td>
<td>0.507</td>
<td>0.618</td>
</tr>
<tr>
<td>inflation</td>
<td>-0.078</td>
<td>-0.615</td>
<td>0.545</td>
</tr>
</tbody>
</table>

Based on the regression table above can be explained as follows:
1. $t_{count} (7,032) > t_{table} (2,042)$ and significant value (0.000) < 0.05, then the number of taxpayers has a significant effect on entertainment tax revenue
2. $t_{count} (9,270) > t_{table} (2,042)$ and significant value (0.000) < 0.05, then the population has a significant effect on entertainment tax revenue.
3. $t_{count} (0.507) < t_{table} (2,042)$ and significant value (0.618) > 0.05, then the number of foreign tourists does not significantly influence entertainment tax revenue.
Value of $t_{count} (-0.615) < t_{table} (2,042)$ and significant value (0.545) > 0.05, then inflation does not have a significant effect on entertainment tax revenue.

Moderation Test (Residual Test)

Table 9: Residual Test Model 1

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.827*</td>
<td>0.683</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), (Constant), inflation, Foreign tourists, entertainment taxpayer, total population. Predictors: (Constant), Inflasi, WISMAN, WP Hiburan, Jumlah Penduduk
Table 10: Residual Test Model 2

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.833a</td>
<td>.693</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), PDRB Harga Berlaku, WISMAN, Inflasi, WP Hiburan, Julmalah Penduduk

The first R Square value is 0.827 or 82.7% while after the second equation R2 increases to 0.833 or 83.3%. Thus it can be concluded that the presence of price GDP applies moderating variable (Z) will be able to strengthen the relationship between the number of residents, the number of entertainment taxpayers, inflation, and the number of foreign tourists to entertainment tax revenues.

Based on the data analysis above, this study present findings as follows:
1. The results of the partial test shows that the influence of the number of entertainment taxpayers has a significant effect on entertainment tax revenue which is the significant value of 0,000 smaller than $\alpha = 0.05$. The results are in line with the study conducted by Iranti Ratna Susanto which states that the object of entertainment tax has an effect on entertainment tax revenues. This is also in accordance with the theory that the more tax objects, the more revenues.
2. The results of the partial test shows that the influence number of population has a significant effect on entertainment tax revenue. This can be seen with a significant value of 0,000 smaller than $\alpha = 0.05$. The results are in line with the study conducted by Darise, N. (2009) Pengelolaan Keuangan Daerah. 2nd edn. Jakarta: Indeks Permata Puri Media. Kuncoro, M. (2013) Metode Riset untuk Bisnis dan Ekonomi. Jakarta: Erlangga.
3. The number of foreign tourists has no significant effect on entertainment tax revenues. A significant value of 0.618 is greater than the value of $\alpha = 0.05$. This is because the municipal city of Batam was originally initiated by as an industrial city, but lately the government has also initiated to become a tourist city.
4. Inflation does not have a significant effect on entertainment tax revenues. A significant value of 0.545 is greater than the value of $\alpha = 0.05$. This is because the average inflation is still in the low category so that inflation does not give a bad effect to the economy but encourages the economy to be better. This result is not in line with the research conducted by Olivia & Ivan Yudianto which states that inflation has a significant positive influence.

The results of the analysis of the value of the first R Square are 0.722 or 72.2% while after the equation the second R2 has risen to 0.727 or 72.7%. Thus it can be concluded that the presence of price GDP applies moderating variable (Z) will be able to strengthen the relationship between the number of residents, the number of entertainment taxpayers, inflation, and the number of foreign tourists to entertainment tax revenues.

6 CONCLUSIONS

The study concludes that all independent variables simultaneously have a positive and significant effect on entertainment tax revenue. Meanwhile the taxpayers, population and number of foreign tourists also partially have a significant effect on entertainment tax revenues but inflation has no significant influence. The GRDP at current market price is able to moderate the influence of the number of taxpayers, population, number of foreign tourists and inflation on entertainment tax revenues.

REFERENCES

Identification of Variables That Improve the Revenues of Entertainment Tax in the City of Batam City with GRDP Price Apply as Moderating Variable


