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Strategy for Improving Restaurant Taxpayer Compliance Assistance through a Peddling Approach for Business Actors at the Surabaya City Regional Revenue Agency

Yunia Putri Paraswati[1], M.Taufiq[1*], Anisa Fitria Utami[1]

[1] Department of Development Economics, Faculty of Economics and Business, Universitas Pembangunan Nasional "Veteran" Jawa Timur, Indonesia.

Abstract: This article discusses a strategic approach to improving taxpayer compliance among restaurant owners in Surabaya through a method known as "shadowing." The peddling approach involves direct supervision and education, where tax officials engage with business operators to increase their understanding of tax obligations and improve their accounting systems. The results show a significant increase in transparency and accountability in tax reporting, leading to a reduction in tax evasion. Despite the successes, challenges remain, particularly regarding resistance from some business owners and a lack of understanding of tax responsibilities. Continued efforts from the government are essential to provide better education and create an enabling environment for tax compliance. This study concludes that a collaborative ecosystem between government and businesses can foster a fair, transparent, and sustainable tax environment, ultimately contributing to regional development and community welfare.

Keywords: Taxpayer Compliance, Shadowing, Restaurant Taxation, Accountability, Local Development.

Introduction

Regional taxes and regional levies are indicators that can help the government in exploring regional sources of income. With the existence of regional taxes and regional levies, the relationship between the central government and regional governments can work together well through the principle of decentralization. Law Number 32 of 2004 which explains the obligations of regional governments to control their regions while still following applicable rules and laws. This law specifically discusses regional autonomy in the field of government administration or in terms of financial relations between the central government and regional governments. To achieve regional autonomy that is in line with the objectives, the government must provide and prioritize guidance by means of research or research and development that can achieve a plan and does not escape evaluation. The government is also obliged to provide facilities to facilitate the implementation of autonomy well and efficiently. Government The center also hopes that regional governments will be able to increase funding or financial resources for. Through local original income (PAD) the financing needs of developers. Therefore, revenues from regional levies and regional tax revenues are directed towards increasing PAD (Rahmat & Mirnawati, 2020). Regional Original Income (PAD) is one of the main sources of income that supports sustainable regional development. PAD allows local governments to have fiscal autonomy to carry out various development programs without relying entirely on transfers from the central government. Surabaya City, therefore regions can carry out levies in the form of tax revenues, levies and other legal revenues regulated by law (Yasin, 2019) as one of the largest metropolitan cities in Indonesia,

facing big challenges and opportunities in optimizing PAD. One sector that contributes significantly to Surabaya's PAD is restaurant tax. Restaurants are one of the MSMEs that can be found in almost every region. The existence of restaurants or similar eating places is increasingly mushrooming along with the level of development of an area (Aprilia, 2019).

With so many restaurants and culinary centers, taxes from this sector have great potential to support infrastructure development, public services and community welfare programs. However, the level of restaurant taxpayer compliance is still an issue that needs to be addressed. Various obstacles such as lack of understanding of tax obligations, complexity of procedures, and lack of intensive assistance from tax authorities are often the main causes of low levels of compliance. In response to these challenges,

The Surabaya City Regional Revenue Agency (Bapenda) has implemented innovative strategies, including a docking approach and optimizing the e-SPTPD system. This strategy aims to increase business actor compliance, strengthen relations between the government and business actors, and ensure that tax revenues can increase significantly. Increasing PAD not only has an impact on physical development, but also on improving the quality of life of society as a whole.

However, in reality, restaurant businesses' compliance with tax obligations is still a challenge. Many business owners find it difficult to understand tax regulations or are confused about following the procedures. As a result, the potential for taxes to help finance development is not fully realized. This certainly has an impact on the government's ability to meet community needs, such as adequate infrastructure, health services or adequate education.

Realizing this challenge, the Government needs to take many broad and sustainable measures to increase Personal Taxpayer Compliance so that the tax revenue target meets expectations (Lestari, 2021). The Surabaya City Regional Revenue Agency (Bapenda) has developed a closer and more humane strategy, namely the docking approach. In this method, tax officers not only monitor, but also directly accompany restaurant business actors. They record restaurant activities, provide education regarding tax obligations, and ensure that each business owner understands their role in supporting city development.

The docking approach opens up space for two-way dialogue. Business owners are given the opportunity to convey the obstacles they face, such as technical errors in reporting or lack of understanding of the tax system. Meanwhile, tax officers can provide concrete solutions and help straighten out any misunderstandings. In this way, business actors feel assisted, not merely supervised. In addition to exposure, Bapenda also utilizes technology through the e-SPTPD (Electronic Regional Tax Notification Letter) system. This system allows businesses to report and pay taxes online, making it easier, faster, and more transparent. This step aims to minimize administrative barriers that are often the main reason for low compliance.

The benefits of this approach are not only felt by the government, but also by the businesses themselves. By paying taxes on time, they avoid the risk of costly sanctions or fines. Moreover, businesses also gain a positive reputation as compliant parties. On the other hand, increased tax revenue allows the government to build better facilities, which in turn will support their business, such as smooth road access or a more conducive business environment. The success of this strategy is expected to create a harmonious tax ecosystem. When the government and businesses support each other, economic growth becomes more sustainable. Not only that, Surabaya City can also develop into a city that is economically advanced, but still upholds justice and sustainability.

This approach of shadowing and utilizing technology is not just about increasing tax revenue figures. More than that, it is about building a shared sense of responsibility to create a better Surabaya for all. With the synergy between the government and the community, Surabaya can continue to be a city that is dignified, inclusive, and ready to face the challenges of the future.

Method

The method used in this service is a direct approach to taxpayers by providing an understanding of the restaurant tax itself in the city of Surabaya. Restaurant tax has an important role in supporting regional development. Therefore, this swooping / surveillance strategy is a fast and efficient way to become the top priority of the Surabaya city government. However, in the process, the level of taxpayer compliance still faces various challenges. Some of the factors that influence this include limited access to information by the community, low understanding of the importance of tax payments, and lack of socialization related to obligations.

To overcome the challenges, the local government implements surveillance by visiting the taxpayer's place of business. Tax officers observe the number of daily visitors, interview taxpayers about menu prices, monthly turnover, restaurant capacity, and mode of operation (online/offline). This data is used to evaluate the suitability of tax reporting with actual revenue.

The restaurant scrutiny approach has the advantage of encouraging taxpayer compliance. It

ensures tax calculation and reporting according to the rules, minimizes errors or data manipulation, and provides direct education to businesses on tax reporting techniques. From a local revenue perspective, banding is effective in increasing local own-source revenue (PAD) by identifying restaurants that are tax-efficient. taxation system. This strengthens the contribution of restaurants to local development.

In the long run, paddling not only optimizes tax revenue but also improves the capacity of local governments in managing public finances. The data collected during the monitoring process provides a strong basis for designing policies that are responsive to community needs. Moreover, this approach provides businesses with an understanding of the importance of taxes to support infrastructure development, public services, and community welfare. Thus, restaurant benchmarking does not only function as a monitoring tool, but also an empowerment tool that strengthens the synergy between the government and businesses for mutual prosperity (Basuki, 2022).

Restaurant sittings face major challenges, such as the rejection of taxpayers who feel that their operations are disrupted and are worried about creating a negative impression in the eyes of customers. This often occurs due to a lack of understanding that the purpose of the swoop is to help taxpayers fulfill their tax obligations, not to punish them.

Another challenge is the reluctance of some restaurant owners to provide transaction receipts, which hinders accurate verification of turnover. Reasons often cited include the burden of printing costs or attempts to avoid reporting actual taxes. This practice is detrimental to local governments and creates unfairness for compliant businesses. To address this, an educative and transparent approach is needed.

Result and Discussion

Improving Restaurant Taxpayer Compliance through Restaurant Taxpayer Editing

Restaurant tax is one of the main sources of district/city own-source revenue (PAD), which is imposed on food and beverage services, whether consumed on-site, taken home, or delivered. Consumers as tax subjects pay the tax at the time of purchase, while restaurant managers as taxpayers collect and remit it to the local treasury. Government strategies such as taxpayer shadowing have been successful in increasing daily turnover recording by up to 85%. The program educates businesses on the importance of taxes for local development and encourages more accurate tax reporting. However, small restaurants face technological and cost constraints. The government can help by

subsidizing software, intensive training, and flexible schedules. This collaborative approach improves the relationship between government and businesses, creating trust that supports future tax policies. Continuous education and a humanist approach are needed to raise awareness that tax is a real contribution to the development of public facilities such as infrastructure, education, and health. With this awareness, tax compliance rates will increase, creating a more transparent and sustainable tax system.

Mangoting (2018) explains that tax compliance is the ability and willingness of taxpayers to comply with tax laws, report income correctly, and pay taxes on time. To overcome tax non-compliance in the restaurant sector, the Surabaya Regional Revenue Agency (Bapenda) implements edging, which is direct supervision of business actors. Non-compliance such as not reporting or not paying taxes causes a huge loss to the potential of Regional Original Revenue (PAD). Through pengedokan, the government ensures businesses understand their tax obligations while providing direct education. Tax officers record reports, provide in-depth understanding, and offer practical solutions to administrative obstacles, creating a collaborative atmosphere between the government and businesses. As a result, restaurant tax revenue increased significantly, strengthening local revenue to finance infrastructure development and public services. In addition, this personalized approach encourages a culture of tax compliance and increases businesses' awareness of their contribution to regional development. Paddling has proven to be an effective strategy that not only addresses non-compliance, but also strengthens the relationship and trust between the government and businesses.

Direct supervision of restaurants is proven to improve taxpayer compliance through transparency, accuracy, and effectiveness. Restaurants that are routinely supervised are more careful in recording and reporting transactions to avoid sanctions. Research by Sucandra & Supadmi (2016) shows that intensive supervision increases accurate reporting and prevents tax evasion, while Tene, et. Al., 2017 assert that structured audits encourage better tax compliance.

Oversight also increases transparency by utilizing technology, such as the Regional Revenue Management Information System (SIMPADA), which records real-time transactions. As a result, tax evasion decreased, and restaurants began to improve their recording and reporting systems. Trisnawati & Sudirman (2015) found that technology-based approaches and direct supervision improved the quality of taxpayer administration.

However, excessive supervision can trigger tension. Therefore, a humanist approach is needed to maintain a positive relationship between the government and

taxpayers. Direct education to businesses provides an understanding of the importance of taxes for infrastructure, education and health development. This approach creates a sustainable culture of tax compliance.

Continuous education and collaboration are essential to build awareness that tax is a real contribution to collective development.

Here are the steps of deduction:

1. Initial Stage of Writing a Letter of Permission to Submit Editing

Figure 1. Letter Writing Permission to Submit Edits

This activity is carried out on October 01, 2024. Writing a flotation license is an important step for the local government to ensure that the restaurant tax is managed transparently and accountably. Restaurant tax, as one of the main sources of Regional Original Revenue (PAD), supports regional development and creates a balance between the interests of the community, business actors, and the government.

The docking license serves as an official notification to restaurant managers regarding the schedule and procedures for recording turnover. This document ensures that the collection process is carried out legally and according to the rules, while reflecting the government's intention to work with businesses so that taxes collected from consumers are reported correctly.

In its preparation, this letter includes complete information such as restaurant identity, NPWPD, deduction schedule, and program objectives. Transparency is the key to building trust and cooperation, so that businesses feel involved in the regional development process. public facilities such as education, health, and infrastructure. This license is not just a formality, but a symbol of good communication to support a fairer and more transparent tax ecosystem.

This step is expected to increase business owners' awareness of the importance of taxes for the community. Tax is a real contribution to support a fairer and more transparent tax ecosystem.

2. Second stage of submission of the Eduction Permit

Figure 2. submission of docking license

On October 7, the submission of a solicitation permit letter to restaurants is an important part of the local government's efforts to manage and monitor restaurant tax reporting. This letter is an official document that provides notification to restaurant managers regarding the schedule, procedures, and objectives of the garnishment. The edging process itself aims to record restaurant turnover directly, ensure that taxes collected from consumers have been reported correctly, and support transparency and accuracy in tax reporting. In practice, tax officers usually visit the restaurant directly to deliver this letter. This step aims to provide restaurant managers with a detailed and clear explanation of the contents of the letter, including the schedule for the collection, technical procedures for recording turnover, and their obligations and rights during the process. This direct delivery also allows for a dialog between the officer and the restaurant manager, so that if there are any questions or concerns, they can be resolved immediately.

A friendly and humanistic approach from tax officers is one of the key elements in the delivery of this license. With a professional attitude and open communication, officers act not only as supervisors but also as partners who support businesses in fulfilling their tax obligations. This helps to create an atmosphere of harmonious cooperation, dispel negative perceptions of taxation, and increase restaurant managers' trust in the local government. At the end of the day, the delivery of the brokering license is not only an administrative step, but also a means of educating restaurant managers on the importance of tax compliance. This process is expected to increase taxpayer awareness and responsibility, support better tax governance, and contribute to an increase in local revenue that is used for development and community services.

3. Stage Three of the shunting activity to the destination restaurant
   a) First supervision

Figure 3. First supervision

The first inspection was conducted on October 15, 2024 at Soto Mbok Giyem restaurant on Jalan Dharmahusada, Gayungan. This inspection aimed to ensure that the restaurant's operations were in line with the standards, including service, physical condition, and customer comfort. The restaurant has 10 long wooden tables and 20 seats with 6 long chairs. Menu prices range from Rp16,000 for additional side dishes to Rp45,000 for Soto Ayam Komplit, with drinks priced between Rp5,000-Rp15,000. Soto Mbok Giyem accepts cash and digital payments via bank transfer or QRIS. These payment options simplify transactions and improve customer experience, especially during peak hours. This evaluation supports the restaurant's operational efficiency.

   b) Second supervision

Figure 4. Second supervision

On October 19, 2024, surveillance was conducted at Soto Mbok Giyem restaurant on Jalan Dharmahusada, Gayungan. The supervision aimed to ensure that the restaurant's operations were in line with standards, including service, physical condition, and customer comfort. At that time, 21 customers ordered soto and 19 drinks.

The restaurant has 10 wooden tables. long with a total capacity of 40 people. Menu prices range from Rp16,000 for additional side dishes to Rp45,000 for Soto Ayam Komplit, with drinks between Rp5,000-Rp15,000 Soto Mbok Giyem accepts cash and digital payments via bank transfer or QRIS. These payment options simplify transactions and improve customer experience, especially during peak hours. This evaluation supports the restaurant's operational efficiency.

   c) Third supervision

Figure 5. Third supervision

The third inspection was conducted on November 01, 2024, at Niac Kafe restaurant on Jalan Flores No. 10. This inspection aimed to ensure that the restaurant's operations were in accordance with the standards, including service, physical conditions, and customer comfort. At that time, there were 9 customers ordering drinks and 4 meals. The restaurant has 6 wooden tables with a total capacity of people. Menu prices range from Rp15,000 for additional side dishes to Rp35,000, with drink prices between Rp5,000-Rp45,000. Niac Kafe accepts cash and digital payments via bank transfer or QRIS. These payment options simplify transactions and improve customer experience, especially during peak hours. This evaluation supports the restaurant's operational efficiency.

   d) Stage Four Taxpayer Summons

Figure 6. Stage Four Taxpayer Summons

November 7, 2024 The summoning of taxpayers after eviction aims to collect data or information related to tax obligations. This process is an important part of monitoring and enforcing local taxation rules. During the meeting, the tax officer checks the documents provided by the taxpayer to ensure the accuracy of the report and clarify any discrepancies found earlier. It also helps maintain transparency and improve communication between officers and taxpayers.

Usually, the call is conducted in a comfortable place to support a good interaction, indicating an atmosphere of discussion where documents are examined in detail. In addition to verifying tax compliance, this meeting is an opportunity for taxpayers to express their constraints or questions. This approach aims to reduce potential conflicts and ensure a better solution for both parties.

The data collected is used to determine the next step, such as the issuance of a Local Tax Collection Letter (STPD) if a payment shortfall is found. This information also serves as a reference for local governments to evaluate taxation policies and increase local revenue effectively and efficiently. Overall, this summons demonstrates the government's efforts to ensure taxpayers are compliant while educating them on the importance of their contribution to regional development. This transparent and humane approach is expected to create a fair, efficient, and sustainable tax system.

Conclusion

Local taxes and levies are crucial sources of revenue for local governments, especially in supporting infrastructure development and public services. In Surabaya City, restaurant tax is one of the significant sectors in increasing local revenue. However, challenges in restaurant taxpayer compliance are still an issue that needs to be addressed, with many businesses lacking understanding of tax obligations and complicated procedures.

Through a shadowing approach, the Surabaya City Regional Revenue Agency (Bapenda) has successfully improved tax compliance by providing direct education to businesses. This method not only serves as a monitoring tool, but also as a means to build a better relationship between the government and businesses. Pengedokan allows tax officers to accompany businesses, provide an understanding of tax obligations, and create a constructive two-way dialog.

The results of the docketing show increased transparency and accountability in tax reporting, as well as a decrease in the level of tax evasion. With more intensive supervision and the use of technology such as the e-SPTPD system, the government can monitor transactions in real-time and ensure taxpayer compliance. This approach also encourages business actors to improve their accounting and reporting systems, thereby creating a stronger compliance culture.

However, challenges remain, especially in terms of resistance from some business actors and a lack of understanding of the importance of tax obligations. Therefore, continued efforts are needed from the government to provide better education and outreach, as well as creating an environment that supports tax compliance. Overall, docketing as a direct monitoring strategy has proven effective in increasing restaurant tax compliance in Surabaya. With synergy between the government and business actors, it is hoped that a fairer, more transparent and sustainable tax ecosystem can be created, which will ultimately support regional development and community welfare.

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