

## The Influence of Implementing Regional Financial Accounting System on the Accountability of Local Tax Revenue (Case Study at Regional Revenue Agency of Kendari City)

Yusuf Apriyanti<sup>1</sup>, Erwin Hadisantoso<sup>2</sup>, Fitriaman<sup>3\*</sup>

<sup>1</sup>Department of Accounting, Faculty of Economics and Business, Halu Oleo University, Indonesia

\*Corresponding Author, Email: [fitriaman\\_kessan2004@yahoo.com](mailto:fitriaman_kessan2004@yahoo.com)

---

### Abstract

This study aims to determine the data on the implementation of the regional financial accounting system (SAKD) on the accountability of tax revenues in the Kendari city government. The object of this research was carried out at the Kendari city regional revenue agency. The type of data used is qualitative data. The data source used is primary data. Data collection was carried out through field research, with direct data collection techniques through the distribution of questionnaires or questionnaires. The method used in this research is the descriptive verification method. The application of the regional financial accounting system to the regional revenue service for the city of Kendari shows good criteria. Accountability of local tax revenues at the Kendari City Regional Revenue Agency is included in the very good category.

**Keywords:** *Accounting System, Local Tax Revenues, Regional Financial.*

---

### INTRODUCTION

The rapid development of public sector accounting, especially in Indonesia, has been influenced by the era of reform in the implementation of policies related to regional autonomy and fiscal decentralization, focusing on local governments. Additionally, the rise of globalization, which demands competitiveness in each country, has driven competitiveness within local governments. The competitiveness of these local governments is expected to be achieved through increased regional self-sufficiency, which can be achieved through regional autonomy.

Law No. 32 of 2004, replacing Law No. 22 of 1999 concerning regional governments, and Law No. 33 of 2004, replacing Law No. 25 of 1999 concerning Financial Balance between the Central Government and Regions, provide the legal basis for the development of regional autonomy in Indonesia. Regional autonomy empowers regions to make decisions independently in managing their resources according to their interests, priorities, and potential. With regional autonomy, financial management is primarily in the hands of the local governments. Corresponding to the implementation of regional autonomy, a good accounting system is necessary as accounting systems support the establishment of accountable regional financial management. This enables transparent, efficient, effective, and

accountable fund management through decentralized systems.

Inefficiencies in working hours have become an issue within the local revenue agency (Dispenda) owing to the continued use of manual systems and the underutilization of computerized systems. The role of information systems in organizational progress is well recognized. With robust information systems, organizations gain a competitive advantage, allowing them to compete effectively.

Accounting Information Systems are guided by Government Regulation No. 58 of 2005 and the Minister of Home Affairs Regulation No. 13 of 2006 and No. 59 of 2007. These computer-based systems facilitate the connection and consolidation of data between Regional Work Units (SKPD) and Regional Financial Management Work Units (SKPKD). An accounting information system is a relational database system with a centralized single database pattern that is accessible to all processing units. It is an essential tool for various institutions and companies. The implementation of accounting information systems according to government accounting standards aims to enhance the accountability and reliability of government financial management.

Effective implementation of local financial accounting systems must meet several conditions. Thus, a series of interconnected procedures are developed within the local financial accounting system to generate financial reports used by both internal and

external parties in local governance to make economic decisions. Developing this financial accounting system requires accommodating the interests of various stakeholders, such as the government's focus on public services and investors prioritizing private interests.

Current developments in Indonesia's public sector reflect the strengthening demand for accountability in public institutions at both the central and regional levels. Accountability refers to the obligation to justify the success or failure of an organization's mission in achieving predefined goals carried out through periodic accountability measures.

In this context, the phenomenon of increasing demand for transparency, good performance, and accountability is evident in regional governments. A well-functioning financial management information system that ensures transparent and accountable decentralized fund management is essential. Robust internal and external controls are required to ensure accountability and transparency. Consequently, the council's role in overseeing government policies has intensified, involving both internal (budget supervision) and external (public participation) factors.

The current situation in Kendari indicates several aspects:

1. Consistently receiving "Unqualified Opinion" (Wajar Tanpa Pengecualian) from 2016 to 2020 based on audits by the Supreme Audit Agency (BPK).
2. The Assessment of Performance Accountability Reports (LAKIP) for the city government received a B-grade (60-80 score).
3. Weaknesses in the asset management and reporting accounting systems. Fixed assets, such as land, buildings, roads, and irrigation channels, particularly those funded by School Operational Assistance (BOS), have not been properly recorded.

Preliminary research shows that accountability for local tax revenue in the Kendari City Revenue Agency (BAPENDA) has been hindered by the ineffective use of the applied accounting information system, leading to suboptimal transparency and accountability in financial reporting.

Related to this phenomenon was a previous study conducted by R. Fenny Syafariani & Evi Feryan (2019) titled "The Influence of Implementing Accounting Information Systems on the Effectiveness of Local Tax Revenue at the City Revenue Agency of Bandung" is

relevant. The study found that the implementation of accounting information systems in the Bandung City Revenue Agency was rated as "Good." The effectiveness of local tax revenue in the Bandung City Revenue Agency was also rated as "Good." A positive and significant relationship exists between the accounting information system and the effectiveness of local tax revenue at the Bandung City Revenue Agency. The difference from this study lies in the dependent variable. R. Syafariani and Feryani examined the effectiveness of local tax revenue, while the present study examined the accountability of local tax revenue.

This study aims to determine the influence of implementing the Regional Financial Accounting System (SAKD) on the Accountability of Tax Revenue in the Kendari City Government.

According to Krismiaji (2013), "a system can be defined as a set of coordinated components that are interlinked to achieve a series of objectives", while according to Widjajanto (2008), "a system is something that consists of interacting components to achieve specific goals through three stages: input, process, and output". From the definitions above, it can be concluded that a system is a collection of different interrelated elements or components that work together to achieve a goal.

In accordance with Permendagri No. 13 of the 2006 Article 232 paragraph (1), the Regional Financial Accounting System (SAKD) is a series of procedures ranging from data collection, recording, and summarizing, to financial reporting for the purpose of accountability in the implementation of the Local Budget (APBD), which can be performed manually or using computers. Abdul Halim (2012) describes the local financial accounting system as a process of identifying, measuring, and reporting economic (financial) transactions of a region (province, regency, city) used as information for economic decision-making by relevant parties. Hence, the Regional Financial Accounting System involves identifying, measuring, and reporting economic transactions as part of APBD implementation accountability, which serves as information for decision-making by relevant parties.

Azhar Susanto (2008) explains the Information Technology System as follows: the process begins with processing data stemming from incidents or events and economic transactions resulting from the internal operations or activities of local governments. This

involves editing, verification, and validation to ensure that the entered data are complete, accurate, and valid. According to Permendagri No. 13 of the 2006 Article 232 paragraph (1), computer usage is integrated into the Regional Financial Accounting System (SAKD), allowing data collection, recording, summarizing, and financial reporting for APBD accountability to be performed manually or using computers.

Mahmudi (2015) states that the duty of agents (government) is to manage resources, report, and disclose all activities related to the use of public resources to the principal. Mardiasmo (2012) defines Public Accountability as the obligation of the agent to provide accountability, present, report, and disclose all activities and responsibilities to the principal, who possesses the right and authority to demand such accountability. In conclusion, public-sector accountability is the obligation of the agent to provide accountability to the public through periodic accountability media. This accountability is directly related to bureaucratic activities that provide services as a performance contract for rights collected directly or indirectly from the public.

Mardiasmo (2003) defines local taxes as mandatory contributions made by individuals or entities to the local government without direct and balanced returns, used to fund regional government operations and development.

According to Mahmudi (2015), "Accounting plays a role in enhancing the accountability and transparency of government organizations to the public". On the other hand, Abdul Halim (2012) mentions that with the implementation of the Regional Financial Accounting System (SAKD), transparency and accountability expected in local financial management can be achieved. Indra Bastian (2007) adds that an accounting system is needed to generate useful information for decision-making and as a tool for accountability. This applies not only to the private sector but also to the public sector, especially since the reform era, when demands for transparency in both central and local governments' revenue and fund utilization have increased. Based on the theories presented, it can be inferred that the consistent and comprehensive implementation of the Regional Financial Accounting System (SAKD) by local governments will contribute to achieving Public Accountability, particularly in managing local financial resources including tax revenue.

## METHODS

This research was conducted at the Department of Accounting, Faculty of Economics and Business, Halu Oleo University, located at the Tridharma Green Campus, H.E.A. Mokodompit Street, Anduonohu, Kambu District, Kendari City, Southeast Sulawesi. The objective of this research is to examine the influence of accounting students' perceptions of intellectual, emotional, and spiritual intelligence as independent variables on their ethical attitudes as the dependent variable.

The research methodology employed was descriptive verification. This study focuses on the Regional Financial Accounting System (SAKD) and Accountability of Local Tax Revenue in the Kendari City Government. The population for this study comprised all civil servants at the Kendari City Revenue Agency, totaling 115 individuals. The sampling method employed was a census encompassing all members of the population, resulting in 115 respondents. Data collection utilized primary data collected directly from employees of the Kendari City Government through questionnaires distributed to various units.

To ensure data validity and relevance, the researcher conducted field research using a questionnaire. A Likert scale was employed to measure attitudes, opinions, and perceptions of social phenomena. The data analysis model used in this research is a simple linear regression analysis that aims to determine the extent of the influence of the Regional Financial Accounting System on the Accountability of Local Tax Revenue.

The algebraic expression for this relationship can be written as follows:

$$Y = a + bX + e$$

Where:

- $Y$  represents the dependent variable (Accountability of Local Tax Revenue)
- $X$  represents the independent variable (Regional Financial Accounting System)
- $a$  represents the intercept of the regression line
- $b$  represents the slope of the regression line
- $e$  represents the error term

The researcher analyzes how the independent variable (Regional Financial Accounting System) impacts the dependent variable (Accountability of Local Tax Revenue) through the regression equation.

The findings provide insights into the extent of this influence and help draw conclusions regarding the research hypothesis.

## RESULTS AND DISCUSSION

The findings based on the results of the linear regression equation are presented in Table 1.

Table 1. Simple Linear Regression Analysis Results  
Coefficients<sup>a</sup>

Model	Unstandardised Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.622	.484		4.489	.000
Implementation of SAKD	.366	.134	.266	2.735	.007

Based on Table 1, the multiple linear regression equation used in this study is as follows:

$$Y = 2.622 + 0.266x + 0.484$$

1. The constant value (intercept) of 2.622 indicates that, if there are changes in the implementation of the Regional Financial Accounting System (SAKD), the accountability of local tax revenue will change proportionally. The regression coefficient shows a linear relationship between variables x and y; therefore, the constant value is disregarded.
2. The regression coefficient for variable x, representing the implementation of the Regional Financial Accounting System (SAKD), has a

positive value of 0.266. This implies that the impact of the SAKD variable is in the same direction as the increase in the accountability of local tax revenue in Kendari City. This indicates that the SAKD variable positively influences the accountability of local tax revenue. Therefore, the results of this research demonstrate that a higher level of SAKD implementation contributes positively to changes in the accountability of local tax revenue in Kendari City.

3. From the output displayed in the SPSS results, the Standard Error (SE) was 0.484, which means that a lower SE value will make the regression model more accurate in predicting the dependent variable.

Table 2. Coefficient of Determination (R Square)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.466 <sup>a</sup>	.371	.261	.40507	1.320

Based on the Model Summary table, the obtained value of  $R^2$  is 0.371, indicating that the ability of the independent variable, which is the implementation of SAKD, can explain 37.1% of the variation in the dependent variable, which is the accountability of local tax revenue. The remaining 62.9% were influenced by variables outside the research model. The value of  $R$  (correlation coefficient) is 0.466, indicating that the strength of the direct relationship between the independent variable (SAKD implementation) and the dependent variable (accountability of local tax revenue) is 46.6%. This relationship was statistically significant and relatively strong. Therefore, the generated

regression model can be considered a “reasonably good fit” model or a good predictive model to explain the influence of SAKD implementation on the accountability of local tax revenue at the Kendari City Revenue Agency.

Based on the results of the testing in Table 2, the test results show that the standardized coefficients regression coefficient value for the SAKD implementation variable is positively signed at 0.266. The t-value is 2.735, which is larger than the critical t-value of 1.666, and the significance value ( $\alpha$ ) for the SAKD implementation variable is 0.007, which is smaller than the alpha level of 0.05. Hence, it can be

stated that the SAKD implementation variable has a positive and significant impact on the accountability of local tax revenue at the Kendari City Revenue Agency. The accountability of tax revenue can be enhanced through SAKD implementation. If SAKD implementation is good/high, the resulting tax revenue accountability will also be improved or heightened.

The findings provide empirical evidence that the implementation of a local financial accounting system influences the accountability of local financial reports at the Kendari City Revenue Agency. Thus, if the implementation of the local financial accounting system is effective, the accountability of local financial reports will improve. This finding supports the theory put forth by Mardiasmo (2012:176) that local financial accounting plays a central role in preparing financial reports as a form of public accountability. The test results in this study demonstrate that the implementation of the local financial accounting system at the Kendari City Revenue Agency has been successful, leading to improved accountability for local tax revenue, in accordance with Mardiasmo's theory (2012). The local financial accounting system can be considered as a factor that contributes to enhancing the accountability of local tax revenue. This confirms Nurani's (2016) theory that public accountability is achieved through the implementation of a new Local Financial Accounting System aligned with the paradigm of good governance and echoes Mardiasmo's (2012) opinion that local financial accounting plays a key role in preparing financial reports as a form of public accountability.

The accountability of local tax revenues at the Kendari City Revenue Agency falls within the "good" category. This implies that when considering accountability in terms of honesty, process, and program, although it is relatively lower in policy accountability because of certain policies, especially concerning record keeping and financial and budget reports of local tax revenue at the Kendari City Revenue Agency, it can still be concluded that overall, the accountability of local tax revenue is effectively executed and implemented. Thus, it can be justified by the relevant authorities.

This study also reinforces several prior research findings, such as those of Syafariani (2019) and Arfianty and Asnita Virलयani (2017), which indicate that the effective implementation of accounting systems contributes to improved accountability of local

tax revenue. Studies by Mas'ut, Abdan Masrura (2018), Sri Rahmayani (2018), and Gala (2018) also confirm that the implementation of local financial accounting systems has a positive impact on public accountability, particularly regarding tax revenue accountability.

Local Tax Revenue (PAD) refers to the revenue obtained by a region from sources within its jurisdiction, collected based on local regulations and relevant laws. As local tax revenue represents the involvement of the community, it necessitates government accountability to the public through transparent and accountable administrative processes and management conducted by the local government.

The application of an Accounting Information System is expected to enhance accountability in the management of local tax revenue, thus enabling the government to be accountable to the public. Ultimately, this facilitates the effective allocation of available funds to improve public services and regional development.

## CONCLUSION

Based on the research findings regarding the impact of implementing a Local Financial Accounting System on the Accountability of Local Tax Revenue at the Kendari City Revenue Agency, the following conclusions can be drawn: (1) The implementation of the local financial accounting system at the Kendari City Revenue Agency yields a good rating. This is because of the effective policy and procedural aspects of the local financial accounting system, including the well-organized collection, entry, and management of transactional data, providing useful information to those who require it. (2) The accountability of local tax revenue at the Kendari City Revenue Agency falls within the category of Very Good. This assessment encompasses honesty accountability, managerial accountability, program accountability, policy accountability, and financial accountability, all of which are carried out effectively. As a result, it can be justified by relevant authorities. (3) Based on the hypothesis testing results, the local financial accounting system has a positive and significant influence on the accountability of local tax revenue at the Kendari City Revenue Agency. This implies that the accountability of local financial reports will improve with the effective implementation of the local financial accounting system. However, beyond the scope of this study, external factors also influence the



influence of the local financial accounting system on the accountability of local tax revenue.

Considering the research conclusions and discussions on the impact of implementing a Local Financial Accounting System on the Accountability of Local Tax Revenue, the author proposes several suggestions for consideration by the Kendari City Government. (1) The Kendari City Revenue Agency should maintain and further enhance the already successful implementation of the local financial accounting system to ensure that the local tax revenue paid by taxpayers remains accountable. Sending officials in various professional training programs related to the management of local tax revenue would be beneficial. (2) For the agency's employees, motivation and understanding of their roles and responsibilities should be heightened to ensure that the executed programs align with desired objectives and targets.

## REFERENCES

- Abdul, Halim. (2004). *Public Sector Accounting: Regional Financial Accounting, 4th edition*. Jakarta: Salemba Empat.
- Abdul, Halim. (2012). *Public Sector Accounting: Regional Financial Accounting, 4th edition*. Jakarta: Salemba Empat.
- Anwar, Sanusi. (2014). *Business Research Methodology*. Jakarta: Salemba Empat.
- Arfianty, A. & Virlyani, A. (2017). Implementation of the local financial accounting system at the regional development planning agency of Pareto City. *Journal of Economic Development, STIE Muhammadiyah Palopo*, 3(2).
- Azhar, Susanto. (2008). *Accounting Information Systems*. Jakarta: Gramedia.
- Danang, Sunyoto. (2016). *Accounting Research Methodology*. Bandung: PT Refika Aditama.
- Dedi Nordiawan, Hartianti Ayuningtyas. (2014). *Public-sector accounting. Second Edition*. Jakarta: Salemba Empat.
- Faculty Team. (2016). Guidelines for the Preparation and Writing of Theses at STIE INABA.
- Government Accounting Standards Republic of Indonesia Government Regulation Number 24 of 2005. Government Accounting Standards. Jakarta.
- Government Accounting Standards, Republic of Indonesia Government Regulation Number 71 of 2010. Government Accounting Standards. Jakarta.
- Harahap, Sofyan Syafri. (2008). *Accounting Theory*. Jakarta: Rajawali Pers.
- Indra, Bastian. (2007). *Public-sector accounting system. Concepts for Local Government*. Jakarta: Salemba Empat.
- Krismiaji. (2013). *Accounting Information Systems*. Yogyakarta: UPP, STIM, YKPN.
- Mahmudi. (2015). *Public-sector performance management*. Yogyakarta: UPP STM and YKPN.
- Mardiasmo. (2012). *Public-sector accounting*. Yogyakarta: Andi.
- Masrura A. (2018). The Effect of the Implementation of Accounting Information Systems on Local Tax Revenue Accountability in the Tax and Retribution Management Agency of Medan City. *JRAM (Journal of Multi Paradigm Accounting Research)*, 5(1).
- Ministry of Home Affairs Regulation, 13 of 2006. Guidelines for Regional Financial Management. Jakarta.
- Ministry of Home Affairs Regulation, Number 59, 2007. Amendment to the Ministry of Home Affairs Regulation Number 13 of 2006 on the Guidelines for Regional Financial Management. Jakarta.
- Moh, Nazir. (2013). *Research Methodology*. Bogor: Ghalia, Indonesia.
- Riduwan. (2013). *Introduction to Statistics*. Bandung: Alfabeta.
- Soemarso. (2004). *Introduction to Accounting*. Jakarta: Salemba Empat.
- Soleha, N. (2014). The Influence of the Implementation of Local Financial Accounting Systems and Control Activities on Financial Accountability: A Study of Local Government Agencies in Banten Province. *Etikonomi*. 13(1).
- Widana, Putra. (2014). The Effect of the Implementation of Local Financial Accounting Systems on Public Accountability in the Bandung Regency Government's 2014 budget. Jakarta: Salemba Empat.
- Widjajanto, Nugroho. (2008). *Accounting Information Systems*. Jakarta: Erlangga.