

RESEARCH ARTICLE

THE EFFECTIVENESS OF REGIONAL REGULATION POLICY NO 15 OF 2011 CONCERNING THE RETRIBUTION OF NORTH TORAJA ANIMAL SLAUGHTERHOUSE ON INCREASING THE LOCALLY GENERATED REVENUE (PAD) IN NORTH TORAJA REGENCY

Dedi Dariston Bistolen ✉

Student of Postgraduate Study of Law Science

✉ dedy.d.bistolen@gmail.com

ABSTRACT

This legal study has purpose to determine the Effectiveness of Regional Regulation Policy No. 15 of 2011 Regarding Charges or Retribution for Slaughterhouses on Increasing the Locally Generated Revenue. Regional Autonomy provides the authority to the local governments to determine policies and the progress of a region. Regional autonomy shifted the focus of attention from national to regional political issues. This policy is written in a Regional Regulation, in this case, the North Toraja Slaughterhouse Levy Policy which is then used as a guide to increase the locally generated revenue of the area where the policy grows and become a moral guideline to act as an effective legal function in the life of the people of North Toraja to provide retribution in order that the locally generated revenue (PAD) in the area is able to increase as well as the welfare of the people of North.

Keywords: Policy, Effectiveness, Retribution, Locally Generated Revenue (PAD).

INTRODUCTION

According to Law (UU) No. 23/2014 on Regional Government, “Regional Autonomy is the right, authority and obligation of an autonomous region to regulate and manage government affairs and the interests of local communities in the system of the Unitary State of the Republic of Indonesia¹.” The purpose of regional autonomy is to improve public services and advance the regional economy and it is expected to give these

¹ Law Number 23 of 2014 concerning Regional Government

areas greater powers and responsibilities over the use of 'national assets' and to change the financial relationship between central and local governments. Basically, there are three main missions for the implementation of regional autonomy, as follow:

1. Improving the quality and quantity of public services and public welfare,
2. Creating efficiency and effectiveness of regional resource management, and
3. Empowering and creating space for communities to participate in the development process².

According to Smit in Darma Setyawan Salam, the factors that influence the success of regional autonomy are the functions and tasks of government, the ability to collect local taxes, the administrative task sector, the amount of delegation of authority, the amount of regional budget for financial and personnel dependence. Thus, the basic principles of regional autonomy within the framework of the regional administrations in conceptions are: delegation authority, the distribution of income (income sharing), power (discretion), diversity in unity (uniformity in unity) local self-reliance, development of local capacity (capacity building). Philosophically, the implementation of regional autonomy is a form of recognition by the central government of the independence of the community and district and city governments since the ultimate goal is the community empowerment and the regional government as well as bringing government services closer to the community. This regulation sets out the aspects of government that are to remain under the control of central government and the authority of the provinces. It does not give details of the authority of district level governments. In principle, the implementation of regional autonomy as part of the process of welfare for the people, regions must have a source of regional income.

The source is stated in the General Elucidation of Law Number 23 of 2014 concerning Regional Government in Article 156 paragraph (1) is as follows; "Regional finance is all the rights and obligations of a region that can be valued in money and everything in the form of money and goods that can be used as regional property related to the implementation of these rights and obligations".

Based on this definition, in principle, the regional finance contains the main elements, namely the rights and obligations of the regions which can be valued in terms of money and assets related to these rights and obligations. Regional finance plays an important role in implementing the regional development. Therefore, the sources of income that can provide the regional cash income must be managed properly³. Based on Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments, the sources of regional revenue are as follow:

1. Locally Generated Revenue;
2. Regional Loans; and
3. Other sources of income

Meanwhile, the source of Locally Generated Revenue (PAD) as stated in point 1 consists of:

1. Local tax;
2. Local retribution;
3. Proceeds from the management of separated regional assets; and

² H. Siswanto Sunarno, *Local Government Law in Indonesia*, Jakarta: Sinar Grafika 2010 page.3

³ Ibid, page 35

4. Other Legitimate Original Regional Revenues.⁴

Related to the regional autonomy implemented in North Toraja Rantepao as a form of welfare for the community, one of the source of regional finance in order to achieve the goal of prosperous regional autonomy is obtained through the levies for slaughterhouses.

Regional retribution is a form of community participation in the implementation of regional autonomy. Regional levies are an important source of the regional income to finance the governance and the regional development. In principle, regional regulations is a regulation that is passed by Indonesian local governments and carry the force of law in that region, in this case are the regulations established by the North Toraja DPRD with the approval of the North Toraja Regent. Regional regulations or Perda as a legal product that represents the aspirations of the people which are made in order to make the people of North Toraja as part of the government policy and as a guideline for the social life has a very ideal goal.

The life of the people of North Toraja is always related to slaughtering animals in a series of ceremonies, so with the existence of regional regulations regarding animal slaughtering fees, which is explained in the explanation of the regional regulation that slaughterhouse levies are payments for services or facilities for slaughterhouses and slaughterhouses outside animals permitted by the government including animal health checks before and after slaughter provided or managed by the local government.

The levy on slaughterhouses basically aims to obtain a decent profit and is used to finance the public facilities as part of public services. Adequate profit is the profit obtained if the slaughterhouse services are carried out efficiently and oriented to the market prices. Slaughterhouse levies are collected based on regional levy decrees or other equivalent documents and what is meant by other documents are tickets or coupons or subscription cards, levies for slaughterhouses that are determined to have benefits are used to fund activities directly related to the operation of slaughterhouses. Thus, in Article 1 number 64 of Law Number 28 of 2009 concerning Regional Taxes and Regional Levies, it is explained that what is meant by regional levies, hereinafter referred to as levies, are regional levies as payment for services or the granting of certain permits specifically provided or given by the Regional Government for the benefit of private persons or entities. Based on Perda No. 15 of 2011 concerning Business Services Retribution, the RPH levy policy aims to collect fees as payment for services of Livestock Slaughterhouses including animal health checks before slaughter.⁵

Retribution or levies also have a positive impact on the construction of public facilities such as facilities and infrastructure starting from roads, bridges, schools, hospitals, and also contribute to the Defense and security starting from buildings, housing weapons to their salaries as well as Fuel oil subsidies and Environmental and cultural preservation. Mass transportation election funds and others. Thus, the levy for slaughterhouses is used for financing in order to provide a sense of security for all levels of society. Every citizen, from birth to death, enjoys facilities or services from the government, all of which have been financed with money derived from the retribution.

⁴ Law Number 33 of 2004 concerning Financial Balance between the Central Government and Regional Governments

⁵ Regional Regulation No. 15 of 2011 concerning Retribution for Slaughterhouse Business Services

Levies are also used to help the small and medium enterprises (MSMEs) both in the development and the capital. Thus, it is clear that the role of levies for slaughterhouses has a very important role in supporting the wheels of government and development financing. Thus, the economic and social disparities that exist in the society can be maximally reduced. Based on the above background, the writer is interested in conducting a research entitled **“THE EFFECTIVENESS OF REGIONAL REGULATION POLICY NO 15 OF 2011 CONCERNING THE RETRIBUTION OF NORTH TORAJA ANIMAL SLAUGHTERHOUSE ON INCREASING THE LOCALLY GENERATED REVENUE (PAD) IN NORTH TORAJA REGENCY”**.

Problem Statement

Based on the background of the study explained in the previous section, the problem formulations in this study are as follow:

1. How is the function of regulations regarding local fees for increasing the Locally Generated Revenue (PAD)?
2. What are the factors influencing the function of the law to increase the Locally Generated Revenue in North Toraja Regency?

Literature Review

1. Legal System

The legal system is a set of rules that are arranged regularly and come from various views, principles, and theories of experts who are concerned with the course of social life. Meanwhile, the judiciary is everything that is related to the legal cases. The legal and judicial systems are interrelated, both of which form a work synergy in the field of law as a whole in a country. According to Fuller (1971), there are eight requirements for the existence of a legal system. The eight principles which are called the principles of legality are as follow:

- 1) A legal system must contain regulations, it must not contain merely *ad hoc* decisions;
- 2) The regulations that have been made must be announced;
- 3) There must be no retroactive regulations since the rules cannot be used as a code of conduct if retroactive regulations appear;
- 4) The rules must be arranged in an understandable formula;
- 5) A system must not contain regulations that contradict one another;
- 6) The regulations must not contain demands that exceed what it can do;
- 7) There should be no habit of changing the rules frequently because it can cause a person to lose orientation;
- 8) There must be a match between the regulations promulgated and their daily implementation.

2. Policy

Public policy is best described as the broad area of government laws, regulations, court decisions, and local ordinances. The term public policy is often used interchangeably

with other terms such as goals, programs, decisions, statutory provisions, proposals and grand drafts. Furthermore, Syafie argued that policy should be distinguished from wisdom since wisdom is the embodiment of rules that have been set according to local situations and conditions by the authorized official⁶. For this reason, Syafie defines public policy as a kind of answer to a problem because it will be an effort to solve, reduce, and prevent badness and otherwise become an advocate, innovation, and leader of the occurrence of good in the best way and directed action. Meanwhile, according to Keban, in Graycar, it is stated that: Public

Policy can be seen from a philosophical concept, as a product, as a process, and as a framework. Policy is a law, regulation, procedure, administrative action, incentive, or voluntary practice of governments and other institutions. Policy decisions are frequently reflected in resource allocations. As a philosophical concept, policy is a set of principles, or desired conditions, as a product, policy is seen as a series of conclusions or recommendations, and as a process, policy is seen as a way through which an organization can find out what is expected of it, such as programs and mechanisms for achieving their products, and as a framework, policy is a process of bargaining and negotiation to formulate issues and methods of implementation.⁷

In the Indonesian dictionary (*KBBI*), policies are explained as a series of concepts and principles that form the basis of plans for work implementation, leadership, and how to act (regarding orders, organization and so on. Policy most commonly refers to a rule or plan of action, especially an official one adopted and followed by a group, organization, or government.⁸ Meanwhile, Mustopadidjaja explained that the term policy is commonly used in relation to government activities, as well as state behaviour in general and these policies are contained in various forms of regulations. This statement is in line with the opinion stated by Anderson; policy is an action that has a purpose by a person or a number of actors to solve a problem⁹. Then, Anderson classified policy or wisdom, into two: substantive and procedural. Substantive policies are what the government should do while procedural policies are who and how the policies are implemented. Based on this, it can be inferred that public policies are policies developed by government agencies and officials.

Furthermore, it can be concluded that there are five things related to public policy, as follow:

- a) Goals or goal-oriented activities should be the main concern of random behavior or sudden events.
- b) Policy is a model pattern of actions of government officials regarding their discretionary decisions separately.
- c) Policies should cover what governments actually do, or what they say they will do.
- d) The form of public policy in its positive form is based on the provisions of the law and its authority.

⁶ Syafie, Inu Kencana. 2006. *Public Administration Science*. Jakarta: PT. Rineka Cipta page 15

⁷ Keban, Yeremias, T. *Six Dimensions of Strategic Public Administration Concepts, Theories and Issues*, Publisher Gaya Media Yogyakarta 2014 page 55

⁸ <https://kbbi.kemdikbud.go.id/> accessed on August 27, 2019 at 03.00 pm

⁹ R. Mustopadidjaja. *Policy Studies, Development and Its Leadership in the Framework of Development Administration and Management*. Jakarta, 1992LP-FEUI.R. Mustopadidjaja. *Policy Studies, Development and Its Leadership in the Framework of Development Administration and Management*. Jakarta, 1992LP-FEUI

- e) The goal of public policy is to achieve public welfare through policy products made by the government.

The meaning of policy as stated by Jones in the view of Prof. Heinz Eulau and Kenneth Prewitt, which states that the policy is: *a standing decision characterized by behaviour consistency and repetitiveness on the part of both those who make it and those who abide by it*” According to Jones, policy is a permanent decision characterized by the consistency and repetitiveness of the behaviour of those who make and of those who comply with the decision.¹⁰

RESULTS & DISCUSSION

The law is a system of rules that a society or government develops in order to deal with crime, business agreements, and social relationships. Law is a need inherent in social life in a society, namely that the law will serve members of society, both in the form of allocating power, distributing resources, and protecting the interests of members of the community itself, therefore law has an increasingly important role as a means to realize the government policies. The awareness that causes law to be an important instrument for realizing certain goals makes law a conscious and active means of regulating society, through the use of deliberate legal regulations.

In principle, laws and regulations are born as binding laws in increasing local revenue, thus as a unit that has the power to compel and be obeyed, when the laws and regulations have been stipulated as a statement of the will to increase the Locally Generated Revenue (PAD). This shows that every law that is born from the statutory regulations regarding levies has a forced element in the structuring system or application of the collection of animal slaughterhouses so that the legal validity of increasing the Locally Generated revenue (PAD) has a binding power for the people of North Toraja in terms of contributing to the increase in the Locally Generated Revenue (PAD).

A law is a rule or set of rules for good behaviour which is considered right and important by the majority of people for moral, religious, or emotional reasons. Law is an order or holder of power (sovereignty) to regulate the lives of the people. Law as an order is seen as one of the important aspects in increasing the Locally Generated Revenue (PAD) in the social life which has the aim of creating a comfortable and equitable society. The role of law as statutory regulation is made to reduce the social inequality which of course can disrupt the course of change in the society as the direction that the North Toraja government wants through increasing the Locally Generated Revenue (PAD), this situation is expected to be used as a guide in acting for the community. Law as an order in the society needs to be nurtured and enforced so that people are more obedient to the existing laws, and its existence is recognized to increase the Locally Generated Revenue (PAD).

The existence of the law itself cannot be separated from the morality of the law, speaking of legal morality, Lon Fuller when he is writing about *“The morality of law”*, he discussed about the principles of good law. Lon Fuller divides legal morality into two parts, namely internal and external morality, however, in this discussion, the writer will discuss

¹⁰ Jones, Charles O. 1996. *Introduction to Public Policy (Public Policy)* Translation Ricky Ismanto, Jakarta: Publisher PT Raja Grafindo Persada.1996, page 23

the internal morality since it is what is directly confused with the problems raised by the writer about internal morality. There are principles proposed by Fuller, among them are as follow:

- a) A legal system must contain standardized rules, and may not contain or consist of *ad hoc* decisions.
- b) The rules that have been made must be announced so that people are aware of these norms, and can be used as a code of conduct.
- c) There should be no rules that are retroactive since allowing rules to apply retroactively will damage the integrity of the rules that are intended to apply in the future.
- d) A rule must be arranged in an understandable or easy to understand formula.
- e) A legal system must not contain rules that contradict one another.
- f) Rules must not contain demands that exceed what is done or in other words, must not claim beyond the capabilities of the regulated person.
- g) There should be no habit of changing the rules frequently as this will cause people to lose orientation.
- h) There must be a match between the regulations promulgated with their day-to-day implementation or their enforcement in real cases.

The principles mentioned above can be used as benchmarks for whether a legal product is said to be good or not so that the regulations regarding the levy on slaughterhouses need to be assessed whether it meets these eight principles.

Regarding the principle that was overlooked, the author found that in the rules regarding slaughterhouse levies in accordance with the first principle, since these rules do not contain any *ad hoc* applicable provisions related to the second principle, in the regulations regarding slaughterhouse levies it has been fulfilled since it has been published in a sheet. North Toraja Regency area in 2011 number 15 so that from the report on the sheet of the area it has met the second principle relating to the regulation regarding levies for slaughterhouses in North Toraja does not contain retroactive rules, and also regarding the fourth principle that the fourth principle has been fulfilled due to the use of language in the regulation, it is easy to understand in the process of increasing the Locally Generated Revenue (PAD). In the fifth principle, in relation to the levies, Animal slaughterhouses are appropriate since they do not contain contradictory rules that make the people of North Toraja understand and comprehend the importance to increase the Locally Generated Revenue (PAD). Regarding the sixth principle, it is appropriate since the required rules do not exceed the capacity of the community, meaning that the fees provided are in accordance with the ability of the community since this rule follows the habits that already exist in society, it is reviewed again regarding the seventh principle is in accordance with these principles since it is seen from the consistency of the rules that this is still maintained and managed until now without any changes. The last one regarding the eight principles of this rule is appropriate since the rules are compatible with the implementation in the society since before this regulation came into effect there were already habits that lived in the society.

Thus, in this case, when viewed from the rules regarding the Charges for Slaughterhouses in North Toraja, in terms of legal morality, it has been fulfilled. For this reason, in relation to the regulatory function regarding the Charges for Slaughterhouses in increasing the Locally Generated Revenue (PAD) which is determined by the eight existing

principles, it will thus provide a legal function in increasing the Locally Generated Revenue (PAD) through regulations regarding the Charges for Slaughterhouses.

For the above reason, laws that are born from regional regulations have a legal function as social interaction. In this regulation, there are instructions regarding what to do and what not to do with expectations that the collection of levies for the North Toraja slaughterhouse will run orderly and regularly in a position to carry out an orderly and organized function to provide benefits for the people of North Toraja.

The function of the regional regulation regarding the retribution of slaughterhouses provides benefits for the people of North Toraja to compensate for the government, meaning that the community is given the ability to provide fees on a scale of increasing the Locally Generated Revenue (PAD), however, it can also prevent the government from dominating power that deviates from the main objective of providing benefits to the people of North Toraja. In this case, the law that was born from the regulations for the collection of levies can humanize humans or the people of North Toraja. Basically, statutory law has a function to serve the needs of public justice. In addition, the function of regulating legislation has a function as a means of renewal which has an important role in the desired or planned changes, the process of engineering changes in the mind-set of the people of North Toraja.

The process of increasing the Locally Generated Revenue (PAD) requires a pioneer of change, namely a person or group of people who gets the trust of the community as the leader of one or more institutions, in its function as social engineering, the function of laws and regulations can shape society as desired and is always under the control and supervision of the pioneer change therefore must be recognized that the use of law as a tool to regulate, protect the lives of the people, and then influence its direction.

The function of regulations regarding the regional levies that can be used as a form of renewal in the society has an important role, particularly in the changes to the lifestyle of the community in the process of increasing the Locally Generated Revenue (PAD). Thus, in implementing the collection of user fees, it must gain the trust of the community. The law that functions as social engineering in which the function of the regulations regarding the levies of North Toraja slaughterhouses is also a means of social interaction that has instructions on what to do and what not to do with expectations that everything will run orderly and organized with the existence of the slaughterhouse levy regulations which can also function as a driving force for the development, that is, it can lead the society towards a more advanced direction and able to increase the thinking power of the community to be increasingly critical since the people know their constitutional rights and responsibilities.

CONCLUSION

Based on the description of the discussion in the above chapter, the writer makes some conclusions that are able to answer the main problem in this law study, as follows:

1. With the North Toraja slaughterhouse levy policy, it can provide very significant benefits in the process of increasing local income, where the Slaughterhouse Levy policy has a very effective function in the life of the people of North Toraja where people are well aware of the existence of laws that is part of good morals in order to

provide guidelines for the community in providing retribution to the government through paying retribution fees to the government.

2. With the levy of slaughterhouses for the people of North Toraja, the community is required to participate in realizing the ideals of North Toraja Regency and be able to regulate the economy in the region and provide guidelines for the government and local communities to carry out discussions of the mind-set of the community and the mental changes in the community to continue processing in increasing the Locally Generated Revenue (PAD).

IMPLICATIONS

Implications can be explained as logical consequences of a conclusion. The implications that the writer can draw from the writing of this study that has been carried out are as follows:

1. The policy created by the North Toraja government in the form of Regional Regulation No. 15 of 2011 concerning Animal Slaughterhouses Levies has a very good impact as a step forward in increasing the Locally Generated Revenue (PAD) and making the people aware of the law and obeying the law that the government has kept through the levies.
2. The policies that were born also provide guidelines for the people of Toraja to participate in carrying out the wheels of the regional development. The emerging policy is also expected to improve the quality of life of the North Toraja people and able to reduce the social disparities in the social life.

SUGGESTION

Based on the conclusions and implications above, the writer provides the following suggestions:

1. The government as a policy maker must continue to encourage the community to continue and in orderly manner to provide levies for the animal slaughterhouses so that it continues to increase which in turn can also increase the Locally Generated Revenue effectively.
2. The community and government must have a check and balance system so that the increase in the Locally Generated Revenue (PAD) can be controlled properly. In addition, the government must also provide socialization about the direction and goals of the regional development and the economic stability of the North Toraja region through increasing the Locally Generated Revenue (PAD).

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