

ABSTRACT

Original Local Government Revenue (PAD) is revenue obtained by a region with sources collected from the activities/businesses of the region. PAD is considered an indicator of the independence of a region in terms of finance. The tourism sector has the potential to boost PAD in Central Java Province. This study aims to determine the effect of the tourism sector on local revenue in districts / cities in Central Java Province.

The research method used in this research is quantitative research method with panel data regression analysis and processed using Eviews 10 application. The data used in this study are cross-section data of 35 districts / cities in Central Java Province and time series data of 6 years.

The results of this study indicate that simultaneously the variable number of tourists, number of tourist objects, hotel room occupancy rate, and hotel & restaurant tax have a positive and significant effect on PAD. Partially, the variable number of tourists has a negative and significant effect on PAD, the variable number of tourist objects has a positive and significant effect on PAD, while the occupancy rate of hotel rooms and hotel and restaurant taxes have no effect on PAD.

Keywords: Original Local Government Revenue, number of tourists, number of tourist objects, hotel room occupancy rate, hotel & restaurant tax.

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