

**ANALYSIS PRODUCER BEHAVIOR (BOARDING HOUSE OWNERS) TOWARDS THE IMPLEMENTATION OF HOTEL TAX CATEGORIZED FOR BOARDING HOUSES  
(Case Study Watugong, Malang)**

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**Analysis Producer Behavior (Boarding House Owners) Towards the  
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**Abstract**

Taxes become a state obligation and devotion as well as the active role of the state and members of the public. Regional autonomy serves to organize and manage the potential of existing resources in the region. Under the policy of each region will earn revenue (PAD) which will be used to finance regional development. One source of revenue that can be obtained is through the hotel tax. Malang can be known as a city of education, which has a number of state universities and private colleges are well known in Indonesia. This makes the number of entrants that the majority of students are in Malang, so that more and more businesses boarding house in Malang area. Business boarding houses belong to the category of hotel tax with the Local Government Regulation No. 16 Year 2010 Malang. By applying these rules will emerge a variety of different behavior of producers (Owner Boarding House) and consumers (Tenants Boarding House). This study will analyze the behavior of consumers and producers against the regulation by using qualitative research methods with descriptive research. The results of this study the behavior of the manufacturer of the taxes charged to the customer with a percentage of 50%, the tax charged to producers by 20%, the reduction in the facility by 10%, and increase the number of rooms by 20%. Consumer behavior that dorm room tenant willing to move to another boarding house as many as 11 people and tenants dorm room who was not willing to move as many as nine people. Consumers who do not wish to move because they are already comfortable with boarding at the moment, so that consumers are not concerned about the increase in rental prices boarding, but there are some consumers do not increase the price of rental boarding house.

***Keywords:* Consumer, Boarding House Tax, Behavior, Producer**

## **A. INTRODUCTION**

Taxes become a state obligation and devotion as well as the active role of the state and members of the public, it is intended to finance various purposes such countries the implementation of national development stipulated in the Act and the regulations for the welfare state and nation (Soemitro, 2007). Tax in Indonesia is divided into two types; they are central government tax and local tax. Central government tax constitutes tax stipulated by Law, in which the central government has the authority to levy the tax to fund the operation of central government and to cover development expenditures. Local tax, on the other hand, is an obligation of individuals or organizations based on applicable Law imposed by a region. The outcome is used to finance the operation of local government for local development (Madiarsmo, 2009). Regional autonomy serves as a regulator and a controller of the resource potentials in its region. By implementing such policy, every region will gain Local Own-source Revenue (PAD), which will be employed to fund local developments. One of PAD sources that can be attained is from hotel taxes. Hotel tax is a tax of hotel services, while hotel itself is a particular building provided for individuals to lodge or have a rest in which they will get services or facilities given by the hotel and they will imposed a charge as well (Sugianto, 2007). One of the hotel taxes is Boarding Houses Tax in which this hotel tax is included in local taxes

Malang is well known as an educational city because this city has the number of renowned state and private universities in Indonesia. By having many universities, many people from other cities reside in Malang, where most of them are college students pursuing their education in Malang. As a result, there are plenty of boarding house businesses in Malang since a boarding house business is viewed as a potential business. Boarding house businesses also have taxes categorized in hotel taxes. The Regulation of Local Government No. 16 of the year 2010. By implementing that local regulation, PAD in Malang can eventually increase. Grounded on Department of Local Revenue in Malang, there are thousands of boarding house businesspersons in Malang. However, only some of them ask permission or undergo their obligation to pay the hotel tax categorized for boarding house. It is because the boarding house businesspersons do not have any awareness to ask permission for building their boarding house. The boarding house businesspersons who do not pay their taxes will affect the potential PAD that Malang has. Therefore, this study attempts to analyze producer behavior (boarding house owners) and consumer behavior towards the implementation of hotel tax categorized for boarding houses based on Local Government Regulation in Malang, No. 16 of 2010. Based on the background described above, the problem in this research is how the behavior of producers (business owners kos) of the Local Government Regulation No. 16 Year 2010 Malang.

## **B. LITERATURE REVIEW**

### **Tax**

Mardiasmo (2009) defines tax as people's levy dues for the state treasury by law (imposed) and without acquiring reciprocal services, which can be shown and employed to pay for general expenses. Taxes are government's revenue from

the imposition towards people or company's income, wealth and profit expense, capital as well as immovable property rights.

Taxes have 5 (five) elements inherent in the sense that the tax (Ilyas dan Burton, 2010 ):

1. Payment of the tax should be based on the Act.
2. The character can be imposed.
3. No contra (reward) which can be felt by taxpayers.
4. The tax collector carried by the state, both by the central and local governments (not to be collected by the private sector).
5. Taxes are used to finance various government expenditures (routine and development) for the general public.

### **Local Tax**

Local tax is obligatory contribution to regions owed by a private person or agency that is spatially force based on the law, by not get in return directly and it used for the purposes of the regions for an optimal public welfare. As for the purpose of the law of local tax and levies is simplify various local taxes and levies to reduce high cost economy, simplify the system and tax administration, and also levies to strengthen the local foundation income especially regional level II with playing an effective types of taxes and levies in certain potential. The way of regional tax calculation is as follows:

*The Tax Base x Regional Tax Rates*

A system of local tax collection could be divided into 2: official assessment system and the system of self-assessment. The official assessment system is the local taxes based on the order of the head of region using a Local Tax Assessment Letter (SKPD) or other same documents. After taxpayers receive The Local Tax Assessment Letter (SKPD) or other same documents, then it followed by payments use a Local Tax Payment form (SSPD) at a post office or bank. If taxpayers did not pay the tax, or pay it in sufficient amount, they will be demanded using a Local Tax Collection Letter (STPD). Self-Assessment System is a system that taxpayers count, pay, and report their own local tax owed. Documents which used by taxpayers is Local Tax Return (SPTPD). Local Tax Return (SPTPD) is a form used to count, take into account, pay, and reported tax owed. If the taxpayers not or less pay or wrong in counting or writing in Local Tax Return (SPTPD), it will be demanded using Local Tax Collection Letter (STPD) (Suandy, 2011).

### **Hotel Taxes**

Based on a government regulation of Malang no. 16 of 2000 about Local Taxes, the service providers related with resort or other relevant services, it will took a charge which is includes hotel, inn, lodging house, and boarding houses with more than 10 room. The Hotel Tax Rates for boarding houses was set as much as 5% and the tax period counted as a month (Setiawan, 2014). According to Local Regulations no 16 of 2010, Hotel Taxes Objects are services provided by hotel including:

1. Lodging Facilities or Short Term live facilities
2. Supporting Services as a completeness facilities
3. Sports and entertainment facilities provided specifically to hotel guests and not for public
4. Rental room service for an activity or meeting at the hotel

### **Producer Behavior**

The Producers Behavior theory is a theory that explains about how producers mannerism in producing products that always trying to achieve efficiency in the activities of its production. Producers are trying to produce the production as maximum as possible with set usage of the most efficient production factor. The discussion of this Producers Behavior Theory started with discussion about kind of production factor based on time dimension, namely: Long run and Short run (Rahardja dan Manurung, 2004).

### **Consumer Behavior**

Engel (1995) states that consumer behavior is an act that is directly involved to obtain, consume and spend your products and services, including the processes that precede and follow this act. The various definitions of a number of conclusions that (1) the consumer behavior highlights the good behavior of individuals and households. (2) The core of consumer behavior is the process of decision making purchases of goods or services (3) The purpose of studying consumer behavior is to develop a successful marketing strategy.

## **C. RESEARCH METHOD**

The method used in this study using qualitative research methods with descriptive study. A qualitative approach is research that aims to understand the phenomenon of what is experienced by the subject to be studied holistically (Moleong, 2006). The Researcher choses a qualitative approach in order to understand a social phenomenon by means of direct observation. Social phenomenon in this study conducted by plunging directly into the field to see the attitude of business owners boarding house with the Regulation of the Regional Government of Malang No. 16, Year 2010 concerning the Regional Taxes i.e. service providers related to lodging / resort including other related services to impose a fee which includes a hotel, inns, lodging houses and another building house, as well as the number of rooms boarding house more than ten at the boarding house. Data collected by direct interaction with business owners boarding house which the number of rooms in the area more than ten in Watugong. Data collection consisted of primary data and secondary data. Primary data was obtained from interviews with informants or boarding house business owners who have a dorm room number is more than ten, while the secondary data obtained from the books, Law which is exist in this country and the things that have relevance to the hotel tax that relate to boarding house. By using the expected qualitative methods, researchers can determine the perception and behavior of a manufacturer of (business owners) of each informant to the Local Government Regulation No. 16 in the 2010 Malang on Local Taxes in particular with regard to taxes boarding house.

The technique of collection data which researchers did consisting of several things, which was: literature review and field study. A literature review did by searching for data in various data sources that supports the object of research by collecting and studying literature kind of like The Legislation, Government Regulation, Regional Regulation of Malang City, as well as other sources like book related to the subject matter being studied. A literature review aimed to do a comparison with the results of the data that will be obtained. Field

studies carried out by the determination of the research topic by choosing the area of research and will interviews in a complete manner to the owners of business boarding house. Field study aims to facilitate researchers to obtain information or data needed as the object of discussion was around the boarding house environment. The interview is a process to gain information for the purpose of research, which conducted by doing frequently asked questions and answer directly using a tool called interview guide (Nazir, 2003). The interview stage consists of several questions that are used as key in answering the problems that researchers are working on. The questions are posed in the form of an open question. It aims to facilitate the respondents to answer freely all questions to gain the right answer..

Furthermore, after the data collection process is completed, the next step the researchers did was to perform data analysis. Data analysis techniques in this study using qualitative data analysis techniques to the type of illustrative method. Illustrative method is a method that uses empirical evidence to describe or filter theory. Researchers applied the theory to the concrete situation or social background. Data obtained during the interview process and the image that will be analyzed only in accordance with the results of research. Whereas the data is not needed in the process of finding the answers will be removed, this is done so that the results of the data obtained right.

#### **D. ANALYSIS RESULT**

In this study, informants interviewed informants who live in the area Watugong. Informants in this study is divided into two types, namely informant 1 as business owners and informants kos 2 as tenants dorm room. Total of informants as a whole by 30 informants. Results of research conducted from 42 the number of the boarding house there are 36 room boarding house has more than 10, but only 19 boarding houses registered as a taxpayer on the boarding house, 17 boarding houses are still not registered with the taxpayer. There are several causes of the boarding house yet registered taxpayer, one of which is a boarding home business owners who are not in the boarding house or outside Malang, so the Department of Revenue officials Malang difficult to disseminate to the owner of the boarding house. Another reason that business owners who objected to their boarding this tax.

Based on the result of interview with 10 business owners of boarding houses in Watugong, they know about this tax. In general, they know this tax from the tax officer who directly visited their house in order to give an explanation about Hotel Tax on Boarding House, stated by some of the owners:

*"Tahu Mas, pajak kosaan dikenakan dengan jumlah kamar minimal 10 dan besarnya pajak 5% dari total omzet perbulan"* (Interview with Mr. Herry, the owner of the boarding house, December 5, 2015)

Socialization on Boarding House Tax conducted by the Department of Taxation, Malang run well, proven by the tax registration done by the owners after knowing the regulation personally informed to them. This personal socialization provides more comprehension on taxation toward the business

owners , including how the way in voting the system, the amount of the collection , the future benefits and other matters relating to Hotel Tax on Boarding House.

Based on the interview, there are many informants who complained about the amount of tax which is 5% of the monthly fixed income. As the result, some of boarding house owners have not registered in the Hotel Tax on boarding house. The statement is strengthened by the complains of owners such as Mr. Tono:

*"Gimana ya Mas... masih banyak pemilik kos yang ngehindari pajak ini, banyak yang beralasan kamarnya cuma 9 atau kamar itu punya keluarganya bukan disewain. Padahal kamar kosnya lebih dari 10, jadi ga dikenakan pajak. Sebaiknya pajak kosan ini jangan mahal – mahal, soalnya pajak kosan kan kenanya 5%, kalau diturunkan jadi 2,5% biar ga ada yang ngehindarinya."* (Interview with Mr. Tono, the owner of the boarding house, December 5, 2015)

Mr. Tono and Mr. Iwan objected to the enactment of this tax. They both argued that the tax is considered too expensive because there are many other expenditures that must be paid to this business sector to facilitate their boarding house. To overcome the problem above, it needs a clear socialization to the owners of the boarding house that by paying taxes, the development in the area is progressing and paying taxes will benefit their business. Based on problems faced by owners of boarding houses, they avoid or do not want to pay taxes. Therefore, the way to overcome it is by conducting a good coordination between the Department of Taxation Malang and the officers of Lowokwaru District to re-check the data of boarding house. Boarding house tax imposed by the Government of Malang is 5%. For example, if a boarding house that became the object of local taxes consists of 15 rooms with each room amounting to Rp 500.000,00 per month, the regulations which must be followed by the owners on paying the tax is :

Payable Taxes = (number of rooms x price per room) x 5%

Payable Taxes = (15 X Rp. 500.000,00) x 5%

= Rp. 7.500.000,00 x 5%

= Rp. 375.000,00 / month

Based on the calculation of payable tax, the tax which should be paid by the owner of the boarding house is Rp. 375.000,00 every month.

The Regulation of The Government of Malang No. 16 Year 2010 has been implemented in stages since November 2013 (Setiawan, 2014). However, there are several difficulties and disadvantages on paying the tax faced by the owner, such as what Mrs. Noneng stated:

*"Biaya pengeluaran naik Mas, terus untuk bayarnya juga susah lagi harus ke tempat pajaknya langsung, padahal waktu itu kata petugasnya proses pembayarannya gampang ga ribet bisa dibayar di Bank Jatim, awalnya sih bisa bayar di Bank Jatim. Eehh, sekarang malah ga bisa bayar di Bank Jatim. Terus kalau telat denda 2%, ribetnya lagi gabisa di rapel bayarnya jadi tiap bulan saya harus kesana, kan ribet Mas"* (Interview with Mrs. Noneng , the owner of the boarding house, 7 Desember 2015)

The absence of simplicity in tax payment directs into the complains among the owners of boarding house. Additionally, the lack of socialization on the importance of paying tax from the Local Department of Taxation, Malang also provide the assumption that paying tax is not profitable yet disadvantageous. To

handle these cases, the Department of Taxation, Malang has to change the tax payment system which was previously implemented. For instance, the owners of the boarding can pay the tax via Bank Jatim or other banks. Therefore, the boarding house owners can simply go to the nearest accessible place to pay. Tax collection system of boarding house in Malang implements a system of self assessment, in which the system is the taxpayers calculate, pay, and report their own tax return (Setiawan, 2014). This system somehow does not make the tax payment run optimally. In response to this fact, the Directorate General of Taxation (DGT) needs to conduct supervision and inspection more continuously to every owner of a boarding house to avoid the taxpayer from circumventing of paying the tax. In interviews conducted by the researcher to boarding house owners, there are several actions taken by business owners of boarding house to discover the tax payment, including:

a. Tax charged to the customers (tenants)

Tax charged to the consumers is directly paid by the consumers or the tenants. Almost all owners of boarding houses take action on it. It is quite natural that the tax imposed to the tenants by the owner of boarding houses. This statement is supported by several owners of boarding houses, such as:

*"Tindakannya saya naikin harga kosan Mas, Cuma saya kasih tau dulu ke anak kosa naiknya karena apa. Ya, kaya kita makan di McD aja pajak ditanggung oleh kita sebagai konsumen. Jadi saya membebankan pajaknya ke anak kosan"* (Interview with Mr. Farid , the owner of the boarding house, 6 Desember 2015)

The increase on the price of boarding house conducted by business owners is one of the actions in response to the tax payment. Before increasing the price, the owner of boarding house has to socialize to the tenants about the tax of boarding house that they have to pay.

b. Taxes charged to producers (business owner of boarding house)

The tax imposed on producers is paid by cutting the income obtained. There are some owners who did it. The above statement is supported by Mrs. Sumaryo who did not raise the rent price of boarding house.

*"Saya tanggung sendiri pajaknya Mas, soalnya ini kan kos cowo Mas terus persaingan ketat, lagian saya juga usaha kos ini cuma buat ngisi kamar – kamar yang kosong. Lagian dulu saya juga ga ada niatan rumah ini buat dijadikan kosan"* (Interview with Mrs. Sumaryo , the owner of the boarding house, 6 Desember 2015)

Actions taken by some business owners of boarding house in the area of Watugong by not raising prices may be due to the business owner's fear to lose the customers and also the intense competition in that area. Another reason stated by Mrs. Sumaryo to not raise the price of boarding house is because the income from boarding house is only a side income.

c. Reduction in facility

The reduction in facility done by the producers (the business owner of boarding house) is one of the actions in response to the tax. To take action against the increase of tax, the business owner of boarding house should take the decision by reducing the facility, for example, reducing the speed of WiFi done by Mr. Herry.

*"Saya ga naikin harga kosan Mas, pajaknya saya yang bayar sendiri. Yaaa, tapi saya kurangi fasilitasnya Mas, biar ngurangi beban pengeluaran. Saya ngurangi"*



*tingkat kecepatan WiFi Mas, awalnya saya pake yang 3 mb jadi saya turuin 1 mb Mas, soalnya paket WiFi mahal.” (Interview with Mr. Herry , the owner of the boarding house, 5 Desember 2015)*

The reduction of the facility expressed by Mr Herry is one of the actions taken by the business owners of boarding house. Therefore, the appropriate action to be taken by business owners of boarding house in addressing taxes is by implicitly reducing the facilities that have been provided previously to avoid the complain about the cost from the tenants.

d. Increase on the number of rooms

Increasing the number of boarding house room is one of the owner's way to maximize their revenue. It is supported by several owners of boarding house that are Mrs. Agus and Mr. Ferry. They impose the taxes to the tenants as well as add the room.

*“Ya otomatis saya bebaskan ke penyewa kos dong mas, tetapi saya juga nambahin kamar mas. Tahun kemaren kosan saya cuma 11 kamar mas, tapi terhubung diterapinnya pajak ini saya tambahin aja kamarnya. Kan nanggung 11 kamar kena pajak, mending saya pas in 15 kamar aja.” (Interview with Mrs. Agus , the owner of the boarding house, 5 Desember 2015)*

Actions taken by Mrs. Agus and Mr Ferry are by raising the rental price of a room as well as adding the number of boarding house rooms. Increasing the number of boarding house room done by the owner is quite fair since the addition of rooms can be used to maximize revenue.

Actions taken by some informants that investigators interviewed different. Where the owner of the boarding which raised the price of a dorm room rental, they impose such taxes to tenants dorm room, while the owner of the God who did not raise the price of lodging, they take it from boarding fee per month. The action is due to the impact of the implementation of the Local Government Regulation No. 16, Malang, 2010. The solution of the above problems is to disseminate to the tenant lodging house, rooming house that businesses in Malang has been taxed at 5% of the cost of the rental kos.

From the interview conducted by the researcher, there are some suggestions and also criticism addressed to Malang Local Government Regulation No. 16 of 2010 presented by the boarding house owner, namely: *“Pajaknya jangan 5%, kalau bisa diturinin jadi 2,5%. UKM aja 1% pajaknya. Terus petugas pajak harus menyikapi para pemilik kos yang belum bayar pajak ini Mas. Masa mereka ga bayar ga kena sanksi. Kriteria dari pajak ini juga harus diperjelas Mas, masa kamar kos yang harga perkamarnya sebesar 1,5 jt perbulan, tapi ga kena pajak gara – gara kosan itu cuma ada 8 kamar, sedangkan kamar kos yang harga perkamarnya sebesar 350.000 tapi kosan itu ada 11 kamar kena pajak Mas?” (Interview with Mr. Janalis , the owner of the boarding house, 5 Desember 2015)*

From the interviews, the researchers re-observe the Regulation No. 16 Year 2010 and its implementation concerning on local taxes, especially boarding house tax. Most of the owners of boarding house agree with the tax, however the Department of Taxation, Malang needs to review this regulation. In the Regulation No. 16 Year 2010 Article 4 paragraph (3) it is mentioned that Hotel Tax on boarding house is addressed to the boarding houses with more than 10 rooms without giving further explanation on the detailed criteria of the boarding house. For example, the tax is obliged to the boarding houses with full facilities

with a minimum rental rate per month Rp 400.000,00/room. Therefore, the discrepancy on the payment will not occur.

The main obstacle in the implementation of this tax is the difficulties on urging the owners to register. Many of the owners responds negatively about this tax. It can be caused by the mistrust of business owners against tax officials, since the benefit of the tax is not vividly undergone by them. In fact, by paying taxes, they have participated in regional development. One of the benefits that have been felt by local people indirectly is the road building in the area around Watugong. The solution of this problem is by conducting a good socialization by the Department of Taxation, Malang. The officers socialize the current tax and the benefits of the tax. Socialization should be conducted thoroughly and comprehensively to grow the awareness and understanding of the owners to willingly pay the tax.

In this study, the interviews were also conducted with consumers or tenants of boarding house. There are 20 tenants serving as informants. Almost all tenants in the area of Watugong are the students of Brawijaya University since it is located adjacent to Brawijaya University. In general, the tenants know that their boarding house implements the Taxes of Boarding House, however some of the tenants do not know about the tax, known from the result of interview below:

*"Ya, aku tau tentang pajak itu Mas. Taunya juga dari Ibu kos, kalau ga ada info dari Ibu kosan, aku gatau juga Mas."* (Interview with Widya, the tenant of boarding house, 7 Desember 2015)

Different from Widya, Tyo not aware of any such tax.

*"Wah, aku gak tau tuh Mas tentang pajak itu. Soalnya Bapak kosan ga ada omong – omongan soal itu. Jadi kita anak kosan ga ngerti apa – apa soal pajak itu."* (Interview with Tyo, the tenant of boarding house, 7 Desember 2015)

The tenants of boarding house who have known about this tax are those who get the additional payment for the tax on the rent price, for the owners have already told them about the tax. On the contrary, the tenants who do not know about this tax, they do not feel the impact of the application of the tax, because there is no tax burden given by the owners to the tenants boarding house.

The enactment of the Local Government Regulation of Malang Number 16 Year 2010 creates some impact felt by the tenants of boarding house. Almost all of the owners of boarding house in Watugong raise the rental prices. One of the impacts experienced by the tenants of the boarding is like what is described by Ira.

*"Ada naiknya gede lagi Mas, hampir 30% dari harga awal, bilanganya naik gara – gara adanya pajak kosan tapi ko gede banget."* (Interview with Namira, the tenant of boarding house, 8 Desember 2015)

Different from Ira, Rizky not experienced price increases.

*"Tidak ada, soalnya dari Ibu kos ga ada bilang kalau harga kosan mau naik gara – gara pajak."* (Interview with Rizky, the tenant of boarding house, 7 Desember 2015)

The majority of boarding houses in the area Watugong increase the rental price of the room per month due to the tax. However, there are some business owners who do not raise the rental price of boarding house because the owners pay the tax from the monthly income they get. From the interview, many boarding house owners increase the rental payment only 5% in accordance with the provisions of the boarding house tax. However, some might raise the rental price up to 30% of

the initial price of the boarding house. The owners who did not raise the price will take the money to pay the tax from their monthly fixed income and also reduce the facilities provided to the tenants, as presented by Riska.

*"Harga kosan ga naik Mas, yaa cuma ada pengurangan fasilitas gitu. Kaya kita yang awalnya ga bayar listrik sama WiFi, eh sekarang iuaran lagi." (Interview with Rizka, the tenant of boarding house, 7 Desember 2015)*

Different from opinion of Riska, Oya just experienced a reduction in the facility but not charged anothers.

*"Pengurangan fasilitas ya dari kecepatan WiF-nya berkurang Mas. Kayanya diturunin deh tingkat kecepatannya, sekarang lemot banget pake WiFi kosan, padahal itu kan kebutuhan kita banget pake WiFi buat nyari tugas dll." (Interview with Oya, the tenant of boarding house, 9 Desember 2015)*

Actions taken by the owners of the boarding to not raise the price but reduce the boarding is naturally common to happen. Reduction on facilities perceived by the tenant influences on the declining speed of Wi-Fi and additional payment on Electricity and Wi-Fi. This is done to address and reduce the expenses in every month, so that the tenants will not be objected to the high price. However this act indirectly affects the tenant of boarding room from the implementation of the tax. The reduction on facilities done by the owners of the boarding made some tenants complained about the boarding room that make some of them move to another cheaper boarding house. This is supported by Shella's exposure as the tenant who experienced a reduction on facility.

*"Pengen banget Mas pindah, abis WiFi kosan sekarang lemot padahal aku bayar kos disini perbulan lumayan mahal. Kalau WiFi kosan udah lemot mau apa – apa susah jadinya." (Interview with Shella, the tenant of boarding house, 9 Desember 2015)*

In contrast to Neni, Destry is not willing to move into another boarding house.

*"Engga, nanggung juga Mas udah mau lulus pindah – pindah, ribet kalau pindah kos lagi, lagian harga kos diwilayah ini rata – rata sama" (Interview with Destry, the tenant of boarding house, 8 Desember 2015)*

From the opinions obtained from the tenants, it can be known the reasons of their willingness to move into another boarding house vary. Some tenants want to move due to the new high price offered by the owner which is more than 5%.. Others also want to move not because the increase in price rather the reduction on facilities such as Wi-Fi since nowadays Wi-Fi is one of the important things for the students to help them in learning, doing assignment, and communicating with peers and family. Among those tenants, there are also some who do not want to move even the price as increased, for almost all of the boarding houses nearby Brawijaya University have the similar price in average.

During the interview, there are some suggestions and also criticism from the tenants addressed to the Regulation No. 16 Year 2010, such as:

*"Kalau kenaikan harga kos disebabkan karena pajak, imbasnya penghuni kos yang menanggung, karena pemilik kos tidak mau menanggung pajak tersebut. Pemilik kos memilih menaikkan harga kosan, jadi untuk menentukan besaran Pajak Hotel Atas Rumah Kos agar dikaji kembali, sehingga tidak membebani penghuni kamar kos yang notabene korban atas pajak tersebut" (Interview with Vina, the tenant of boarding house, 11 Desember 2015)*

From interviews that researchers do about Malang Regional Regulation No. 16 of 2010 concerning local taxes, especially taxes boarding, it is known that the

average tenant rented room in the area Watugong increased rents dorm room. The tenants understand their boarding rooms price increases due to the tax on boarding house but they complain on rental price increase which is too high from the amount of tax shown on Malang Regional Regulation No. 16 Year 2010, in which the tax burden is only 5%. The tenants demand the normal increase on rental price. Overcoming the problems above, the owner of the boarding should not sharply raise prices, so that tenants do not feel burdened by the tax. The tenants who experience no increase on the rental price but the reduction on facilities or the additional payment on electricity and Wi-Fi feel it is complicated, where they had to provide additional payment every month. To overcome this, the owner of should simplify the payment system the additional payments should be combined with the rental price. In addition, there is a tenant complaining the rise on the price but they undergo the reduction on facilities. What the owner of boarding house should do is to not have decreased the quality of facilities because the tenants of boarding house have paid the new increased price as the assitional payment on tax.

#### **E. CONCLUSION AND RECOMMENDATION**

Based on the results of the research conducted there are 36 boarding houses with more than 10 room's amount more than 10, but only 19 boarding houses registered as taxes of Boarding House, while 17 boarding houses have not registered. There are several things done by the owner to overcome the tax payment. 50% of the tenants pay the tax by themselves, 20% of the owners pay the tax from the monthly fixed income hey obtains, 10% of the owners reduce the facilities, and 20% of he owners add the number of the room. Consumer behavior as a tenant that the tenant wishes to move to another boarding house as many as 11 people and tenants dorm room who was not willing to move as many as 9 people. Consumers who do not wish to move because they are already comfortable with boarding at the moment, so that consumers are not concerned about the increase in rental prices boarding, but there are some consumers have not been raising rents.

There are some suggestions for maximizing Malang City Government Regulation No. 16 of 2010. First, Regional Revenue Office Malang should provide socialization to the consumer to be known for what this tax and also benefits from this tax. Second, Business owners of boarding house (manufacturers) should socialize the amount of tax to the tenants of boarding house (consumers), so that the tenants do not complain with the existence of the boarding house tax. Third, Tenants of rented room (consumers) must accept the burden of this tax, because the tax is passed on to consumers

#### **DAFTAR PUSTAKA**

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