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Determination of Motor Vehicle Taxes and Potential Optimization Strategies for Increasing Fiscal Capacity in Jambi Province

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ABSTRACT

This study is titled "Determinants of Motor Vehicle Tax and Potential Optimization Strategies for Increasing Fiscal Capacity in Jambi Province." The purpose of the study was to determine the factors influencing motor vehicle tax revenue in Jambi Province and to identify a strategy for optimizing its potential. The analysis method uses secondary data with quantitative descriptive analysis, the analysis tool uses multiple linear regression and uses SWOT analysis consisting of the strengths (Strengths) and opportunities (Opportunities) owned by the company, while at the same time trying to minimize weaknesses (Weaknesses) and overcome threats (Threats) that may be faced. Then the analysis is carried out by assigning scores or rankings and compiling tables for the External Factor Evaluation Matrix (EFE) and the Internal Factor Evaluation Matrix (EFI). The results of the study showed that GRDP and average length of schooling have a significant positive effect on Motor Vehicle Tax revenue. The Amnesty Policy has a positive but insignificant effect on Motor Vehicle Tax revenue, whereas the Covid-19 Pandemic has a negative but insignificant effect. The results of the SWOT analysis indicate that the right strategy to increase Motor Vehicle Tax is the SO strategy, namely the Strengths and Opportunities strategy.

Keywords: *Gross Regional Domestic Product, Average Length of Schooling, Tax Amnesty Policy, Covid 19 Pandemic, and Vehicle Tax*

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1. INTRODUCTION

Indonesia has made changes to its government since 2001, shifting from a centralized system to a decentralized one, commonly known as regional autonomy. Decentralization brings fundamental changes to the relationship between the central and regional governments, both in government administration and in financial relations. The goal is to increase regional independence and competitiveness and increase regional fiscal strength. To achieve this goal, the government has implemented fiscal decentralization, characterized by regional autonomy to manage income and expenditure according to local needs and potential.

According to Lutfi (2013), fiscal decentralization of regional revenues involves providing the financial capacity to explore potential income within the region itself, in the form of regional original income, and obtaining financial allocations from higher levels of government. In terms of expenditure, regions are authorized to make purchases and finance general government activities. Regional expenditure financing must be prepared by the regional government based on priority needs. The implementation of fiscal decentralization is expected to encourage the creation of improved services across sectors, especially public services.

The implementation of fiscal decentralization aims to achieve vertical and horizontal fiscal equality (Jun 1997; Vazquez & Boex, 2001). The achievement of vertical equality is to reduce financial disparities between the central and regional governments. Horizontally, it aims to create a situation of equality between regional governments. An imbalance will occur when fiscal capacity differs from fiscal needs. Fiscal capacity across regions is influenced by each region's ability to increase revenue. While fiscal needs are influenced by differences in the level of public service achievement, such as poverty conditions, unemployment, demographic conditions from the composition of the school-age population to retirees and geographical and climatic conditions. Achieving fiscal equality between regions is expected to improve community welfare in those regions. According to Oates (2005), fiscal decentralization plays a crucial role in improving community welfare and economic growth across regions. However, previous research has found that the government's implementation of fiscal decentralization has not led to significant development. Research conducted by Khamdana (2016) shows that fiscal decentralization implemented in Indonesia has proven to be insignificant in contributing to regional economic growth. In addition, Nashrullah (2023) noted a gap between the central government's revenue-sharing funds and the resources available to regions. Regions that are rich in natural resources do not necessarily have prosperous communities.

The fiscal decentralization policy expects regional governments to eliminate financial dependence on the central government, enabling regions to achieve the goal of regional autonomy and become independent (Ering et al., 2016). Ideally, regions finance all expenditures through Regional Original Income, so they do not depend on the central government's budget allocation. However, empirical evidence from two decades of implementing fiscal decentralization shows that regions still face low levels of original regional income. Based on data from the Ministry of Finance (2021), balancing funds in the 2001-2020 period still dominate regional income, averaging 65.82%. While the regional original income is only 20.49% of the total regional income.

This phenomenon also occurs in Jambi Province; the implementation of the fiscal decentralization policy through the exploration of potential regional original income from 2009 to 2022 shows an increase in income. However, when viewed in terms of the contribution of regional original income to total regional income, it tends to stagnate. The contribution of regional original income in 2009 was 38.88%, almost the same as in 2021, at 39%. This shows that the region's ability to collect its income, namely Jambi Province, remains underdeveloped or suboptimal.

The stagnation of regional tax revenues and the contribution of regional original income to total regional income is also in line with the low fiscal capacity of Jambi Province compared to other provinces, although the target for regional tax revenues in the last five years has always been achieved. In 2009, Jambi Province was among the four lowest provinces on the island of Sumatra in fiscal capacity, even below the Riau Islands, a new province with an index of 0.35 in the low category. A decline even occurred in 2021, with a regional fiscal capacity index of 0.249, placing it in the very low category. Jambi Province is the eighth-lowest among 34 provinces. This shows that the fiscal capacity reflected in efforts to increase revenue remains suboptimal. Fiscal capacity reflects the financial capacity of each region, measured as the difference between regional revenue and revenue earmarked for use (earmarking tax) (Ministry of Finance, 2021).

This phenomenon indicates that the Jambi Provincial Government has limited capacity to increase regional gross domestic product compared to other provinces. Mardiasmo (2018) stated that the regional government will face a fiscal gap due to high regional needs that are not matched by fiscal capacity. The challenges currently faced by Jambi Province, coupled with the inability to increase its fiscal capacity, must be a concern for the Jambi Provincial Government as it seeks to strengthen its fiscal capacity. One approach is to increase regional original income in Jambi Province. The increasing regional original income will reduce fiscal dependence on the center and will increase regional fiscal capacity.

During the problems that occurred, the government conducted an evaluation after two decades of implementing fiscal decentralization in Indonesia. As a result, the government passed Law Number 1 of 2022 concerning Financial Relations Between the Central Government and Regional Governments. The changes aim to reduce vertical and horizontal inequality and strengthen local taxing power. Based on the socialization conducted by the Ministry of Finance, a decline in regional tax revenues and levies will occur across almost all Provincial Governments in Indonesia. The expansion of the tax base by adding tax types and implementing options is estimated to reduce regional tax revenues and provincial levies by 13.7%. However, with the changes, it is hoped that district/city governments can participate in monitoring and enforcing the law. The Jambi Provincial Government must make concrete efforts to increase the original regional income and prepare for adjustments to the latest law on financial relations between the Central Government and Regional Governments. An important step to increase regional original income is to calculate the region's real potential (Mardiasmo, 2018). Another effort the Jambi Provincial Government can make is to expand the province's tax revenue base. Based on the share of taxes allocated to local revenue in one decade, which reached 83%, research focuses on increasing local taxes to raise local revenue.

In line with research by Ariansyah (2023), there are two types of taxes that remain underutilized: the motor vehicle tax at 43.98% and the surface water tax at 69.27%. Judging from the portion, in 2022, Motor Vehicle Tax revenues were much larger, reaching 33% of total local taxes, compared to local revenues, which were only 0.08%. This problem is caused by the large number of motor vehicle owners who are reluctant to fulfill their obligations to pay Motor Vehicle Tax.

In 2017, the Jambi Provincial Government attempted to increase Motor Vehicle Tax by establishing a tax amnesty policy that offered exemptions from administrative sanctions, the second Motor Vehicle Transfer Fee, or a reduction in the amount of Motor Vehicle Tax. This policy was quite successful in the first year, with Motor Vehicle Tax revenue growth reaching 23%, but this growth slowed to only 3% in 2019. In addition, the Covid-19 pandemic slowed revenue growth, which was only 2% in 2020. Nevertheless, Motor Vehicle Tax revenue continues to increase.

The increase in Motor Vehicle Tax is in line with developments in Gross Regional Domestic Product and population growth, which have increased the community's need for motorized vehicles. In addition, community mobility during the COVID-19 pandemic has relied more on private vehicles due to restrictions on flights and shipping. This situation causes people to continue fulfilling their obligations to pay Motor Vehicle Tax. Based on the description provided, the researcher is interested in studying the Determinants of Motor Vehicle Tax and Potential Optimization Strategies to Increase Fiscal Capacity in Jambi Province. So it is hoped that the results of this study can be used by policymakers to increase regional fiscal capacity.

2. LITERATURE REVIEW

2.1. State Finance

Suparmoko (2012) states that finance is a branch of economics that studies government activities in the economic sector, especially regarding revenues and expenditures, and their effects on the economy.

2.2. Regional Finance

According to Halim (2001) Regional finance can be defined as all rights and obligations that have monetary value, including all types of assets in the form of money or goods that can become regional wealth, as long as these assets are not yet owned or controlled by the central government or regions that have a higher level of jurisdiction, and in accordance with the provisions of applicable laws and regulations.

2.3. Government Revenue

Ujianto, et al. (2017). Increasing government activity has consequences for the need for financing and government spending, which is substantial. To meet expenditures, the government requires revenues which, in a broad sense, basically include: (1) tax revenues; (2) revenues obtained from the sale of goods and services owned and produced by the government; and (3) regional loans and so on.

2.4. Tax Theory

As the largest source of revenue in Indonesia, taxes are levied and collected from the community without creating obligations for the government on the part of the party paying. By its nature, tax is mandatory and, under the law, can be enforced; if there is a violation, the violator may be subject to applicable penalties (Fuad et al., 2004). The government needs tax revenue to finance its public expenditure (Hillman, 2003). According to Halim (2001), taxes are grouped into two categories: direct and indirect taxes. Direct taxes are those for which taxpayers have an obligation to pay, must bear them and cannot be charged or delegated to others. Indirect taxes, namely those imposed on other parties or third parties who are charged with the obligation to pay taxes, apply when activities/actions result in tax debts.

2.5. Regional Revenue and Expenditure Budget

To show the allocation of human, material and other resources systematically and accountably, a reliable financial plan is needed and is implemented through a budget (Ujianto et al., 2017). In addition to serving as a benchmark and accountability for government performance, the government's budgeting system functions as a financial controller, a management plan, a priority for fund use, and a means of accountability to the community.

2.6. Regional Original Income

According to Siregar & Siregar (2001) Regional Original Income has a primary role as a vital source of income for regions in the context of implementing decentralization. Regional Original Income is income obtained by a region from its potential. In this framework, according to Bastian (2002).

2.7. Regional Taxes

According to Hyman (2010) taxes are the main means of financing government expenditures, mandatory payments that do not have a direct relationship with the benefits received from goods and services provided by the government. Furthermore, based on Law Number 28 of 2009, tax is a mandatory contribution to the State owed by individuals or bodies, imposed by law without direct compensation, and used for the needs of the State for the greatest prosperity of the people.

2.8. Strategy Concept

The Jambi Provincial Government needs to formulate an appropriate strategy to increase the utilization of motor vehicle tax potential. Strategy is a tool to achieve goals (Rangkuti, 2013). Strategy is also a way to achieve goals in the long term so that it is oriented towards the future. As a potential action, a strategy requires top management decisions and the availability of resources. In addition, strategy has multifunctional or multidivisional consequences and requires consideration of external and internal factors faced by the organization (David, 2011).

3. METHODOLOGY

The study used quantitative descriptive analysis to address the problem formulation related to factors influencing regional tax revenues. Regression analysis was used. Variables of PDRB, average length of schooling (RLS), Amnesty Policy (DPMT), and Covid-19 Pandemic Period (DCVD) on the dependent variable/dependent variable, namely the Amount of Motor Vehicle Tax Revenue (PKB) in Jambi Province. This study uses multiple linear regression in EViews 9. The function above is written in an econometric model with the following equation:

$$PKB = \beta 0 + \beta 1\ PDRB + \beta 2\ RLS + \beta 3\ PMT + \beta 4\ CVD + e$$

Description:

PKB	= Jambi Province Motor Vehicle Tax (Y)
β0	= Constant / Intercept
β1, β2… β4	= Regression Coefficient
PDRBkap	= Gross Regional Domestic Product (X1)
RLS	= Average length of school (X2)
PMT	= Dummy Amnesty (X3)
CVD	= Dummy Covid-19 Pandemic (X4)
e	= Standard Error

In multiple linear regression analysis, the next step is to conduct a research hypothesis test consisting of the statistical f test and the statistical t test and the coefficient of determination. Then, to answer the third research objective to determine the strategy for increasing regional taxes, the SWOT analysis model was used. Rangkuti (2013) stated that SWOT analysis is an approach used to systematically identify factors to formulate a company's strategy. This approach focuses on efforts to maximize the strengths and opportunities owned by the company, while at the same time trying to minimize weaknesses and overcome threats that may be faced. With SWOT analysis, companies can design more effective strategies based on a deep understanding of their internal and external conditions. The strategic decision-making process always involves developing the company's mission, goals, strategies, and policies. Therefore, strategic planning needs to analyze the company's strategic factors, such as strengths, weaknesses, opportunities, and threats, in the context of current conditions. The analysis is carried out by providing scores or rankings and compiling tables of the External Factor Evaluation Matrix (EFE) and the Internal Factor Evaluation Matrix (EFI). To collect the necessary data, the researcher used a questionnaire given to ten respondents involved in the regional tax revenue process in Jambi Province, including academics, business actors, and taxpayers.

4. FINDINGS AND DISCUSSION

Based on the results of the multiple linear regression equation, to see the effect of the independent variables/independent variables of PDRB, average length of schooling (RLS), Amnesty Policy (DPMT), and Covid-19 Pandemic Period (DCVD) on the dependent variable/dependent variable, namely the Amount of Motor Vehicle Tax Revenue (PKB) in Jambi Province. Researchers use the Eviews 9 analysis tool to obtain the regression equation. Based on the calculations, the results are obtained in Table 1.1 as follows:

Table 1

Multiple Linear Regression Results

Variabel	Koefisien	t-Statistik	Prob.
C	1.994855	1.747520	0.1024
PDRB	0.680981	18.19066	0.0000
RLS	0.308561	3.309056	0.0052
DPMT	0.087801	1.134896	0.2755
DCVD	-0.013246	-0.215254	0.8327

Source: processed with E-Views

Based on Table 1 from the results of linear multiple regression, the researcher formulated the following formula:

$$PKB = 1.994855 + 0.680981\ PDRB + 0.308561\ RLS + 0.087801\ DPMT - 0.013246\ DCVD + e$$

Based on this equation, the following can be interpreted: at the significance level $\alpha = 0.05$, the independent variables that affect the receipt of Motor Vehicle Tax in Jambi Province are Gross Regional Domestic Product and average length of schooling. The amnesty policy and the COVID-19 pandemic do not have a significant effect on Motor Vehicle Tax revenue in Jambi Province. Gross regional domestic product in Jambi Province has a significant effect with a probability value of 0.0000, which is smaller than $\alpha = 0.05$. These results indicate that Gross Regional Domestic Product has a significant effect on Motor Vehicle Tax receipts in Jambi Province. The average length of schooling in Jambi Province has a significant effect, with a probability value of 0.0052, which is smaller than $\alpha = 0.05$. This result indicates that the Average Length of Schooling has a significant effect on Motor Vehicle Tax revenue in Jambi Province. Meanwhile, the tax amnesty policy does not have a significant effect with a probability value of 0.2755 greater than = 0.05. This result indicates that the tax amnesty policy does not have a significant effect on Motor Vehicle Tax revenue in Jambi Province. The Covid-19 pandemic does not have a significant effect with a probability value of 0.8327 greater than = 0.05. This result indicates that the COVID-19 pandemic does not have a significant effect on Motor Vehicle Tax revenue in Jambi Province.

4.1. F Statistic Test Results

The F-test is used to test the hypothesis about the regression coefficient (slope) as a whole/simultaneously. The F-test assesses whether the independent variables influence the dependent variables simultaneously. Based on the results of the regression, the Prob (F-statistic) value of 0.0000 with an α level of 5% shows that all independent variables tested in this study, namely gross regional domestic product, average length of schooling, amnesty policy, and the Covid-19 pandemic together (simultaneously) have a significant effect on Motor Vehicle Tax revenue in Jambi Province.

4.2. Determination Coefficient

This test is conducted to see the extent to which the independent variables influence the dependent variables simultaneously. From the regression results, the R-squared value of 0.987122 indicates that 98.7% of the Motor Vehicle Tax revenue variable is explained by its relationship with the independent variables analyzed in this regression.

4.3. The Effect of Gross Regional Domestic Product on Motor Vehicle Tax

Based on a multiple linear regression analysis, gross regional domestic product has a positive and significant effect on motor vehicle tax revenue in Jambi Province. This is indicated by the statistical t-hypothesis test at the 5 percent significance level, which means that an increase in gross regional domestic product in Jambi Province tends to increase motor vehicle tax revenue in Jambi Province. A positive effect of gross regional domestic product on motor vehicle tax revenue indicates that gross regional domestic product can increase motor vehicle tax revenue in Jambi Province.

4.4. The Effect of Average Length of Schooling on Motor Vehicle Tax

Based on multiple linear regression, the average length of schooling has a positive and significant effect on motor vehicle tax revenue in Jambi Province. This is indicated by the statistical t-hypothesis test at the 5 percent significance level, which means that an increase in education level, based on average length of schooling in Jambi Province, tends to increase motor vehicle tax revenue in Jambi Province. The positive effect of the average length of schooling on motor vehicle tax revenue indicates that it can increase motor vehicle tax revenue in Jambi Province.

4.5. Effect of Tax Amnesty on Motor Vehicle Tax

Based on multiple linear regression estimates, the effect of the tax amnesty policy on Motor Vehicle Tax Revenue in Jambi Province has a positive and insignificant effect. This is indicated by the statistical t-hypothesis test at the 5 percent significance level, which means that although there is a positive effect, it does not significantly increase Motor Vehicle Tax revenue in Jambi Province.

4.6. Effect of the Covid-19 Pandemic on Motor Vehicle Tax

Based on multiple linear regression estimates, the COVID-19 pandemic has a negative and insignificant effect on Motor Vehicle Tax Revenue in Jambi Province. This is indicated by the statistical t-hypothesis test at the 5 percent significance level, which means that although there is a negative effect, it does not significantly affect Motor Vehicle Tax revenue in Jambi Province. However, the negative effect indicates a decrease in Motor Vehicle Tax revenue in Jambi Province during the Covid-19 period, although it is not significant.

4.7. Motor Vehicle Tax Potential Optimization Strategy

The strategy for optimizing the Motor Vehicle Tax's potential is formulated using the SWOT analysis model.

4.8. Internal Factors

These internal factors influence the formation of strengths and weaknesses (S and W). When this factor concerns conditions within the company or organization, it also influences decision-making there.

4.9. Strengths

Strengths are special competencies found within the Joint Samsat Office in Jambi Province, giving it a competitive advantage. This is because of the authority it has in carrying out the task of collecting motor vehicle tax revenues. The strengths that support the Jambi Province Financial Management and Regional Revenue Agency in increasing the utilization of Motor Vehicle Tax are:

- The existence of Legislation provides special authority for regional governments in making policies on taxes and law enforcement, as well as the Implementation of Article 74 of Law 22 of 2009.
- The availability of facilities and infrastructure for the implementation of Motor Vehicle Tax collection has been supported by facilities and infrastructure that support officers.
- Availability of human resources/tax collection officers: The availability of human resources or tax officers to collect taxes.
- The mandate of the Law on Financial Relations between the Central and Regional Governments regarding Motor Vehicle Tax Opsen.
- Synergy with the Regency / City Government due to changes in the tax structure, especially Motor Vehicle Tax, which depends on the level of Taxpayer compliance in their respective regions.
- Utilization of Technology in paying Motor Vehicle Tax with the SIGNAL application initiated by the Police provides convenience and legal certainty for the extension of the annual Vehicle Registration Certificate and payment of the annual Motor Vehicle Tax.

4.10. Weakness

Weaknesses are internal limitations or deficiencies in resources, skills, and abilities that become barriers to owner performance and to potential tax increases. The weaknesses of the Joint Samsat Office in Jambi Province are:

- Implementation of Witnesses is not optimal. The implementation of sanctions against vehicles that do not pay taxes or renew their Vehicle Registration Certificates remains suboptimal.

- Inaccurate data on the number of vehicles. Low transfer of vehicle ownership through the name change mechanism, especially for 2-wheels, causes a lot of inaccurate data.

- Vehicle name change fees, especially 2 wheels, are still high Although the amnesty has been implemented since 2017, it has not had an impact on increasing the number of taxpayer compliance of motor vehicle owners due to the higher value of Non-Tax State Revenue compared to the imposition of Motor Vehicle Tax.

- The level of tax compliance is still low. Public participation in fulfilling motor vehicle tax obligations remains low.

• Limited Motor Vehicle Name Change Fee services. Motor Vehicle Name Change Fee services for second and subsequent vehicles can only be carried out in Jambi City, and the location of the Motor Vehicle Tax service is not at the Jambi City Samsat Joint Office

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4.11. External Factors

These external factors influence the formation of Opportunities and Threats (O and T). These factors relate to conditions outside the company or organization that influence its decision-making.

4.12. Opportunity

- Synergy with district/city governments, Implementation of Motor Vehicle Tax Opsen will have implications for giving roles to city/district governments to jointly voice tax compliance, along with other types of district/city taxes.
- Awarding of awards to taxpayers. Awards given to taxpayers who comply with tax obligations will foster motivation and a balanced situation, alongside law enforcement.
- Optimization of the corporate social responsibility of companies, especially Dialers. The role of companies can be included in the obligation to disseminate information on the Motor Vehicle Tax.
- Growth of used car trading, Ease of access to used car trading with the development of technology and the increase in used car trading companies.
- Local Content Subjects in Schools, Local governments can submit local content proposals related to motor vehicle tax knowledge from an early age to high school.

4.13. Threats

- Recovery after the Covid-19 pandemic. The Covid-19 pandemic has led to a decline in economic growth and left economic problems.
- Culture of non-compliance with taxes, Low knowledge results in poor public perception of motor vehicle tax and results in the creation of a situation where people are reluctant to pay taxes from the start.
- Installment Financing System for used vehicles. Finance companies greatly assist consumers with an installment payment system, but do not allow the motor vehicle's name to be changed under the Motor Vehicle Tax guarantee.
- Low population density in the district, the vast area in the district makes it difficult for Samsat to reach people in the plantations.
- Growth of Electric Vehicles, the government's policy to exempt Motor Vehicle Tax on electric vehicles will erode Motor Vehicle Tax revenues in Jambi Province.

4.14. SWOT Matrix

By compiling the results of the internal factor evaluation (EFI) and the external factor evaluation (EFE), a SWOT matrix was created to determine the appropriate strategy for increasing the utilization of Motor Vehicle Tax in Jambi Province. The SWOT matrix formulation is based on the results of the internal and external factor evaluation, namely:

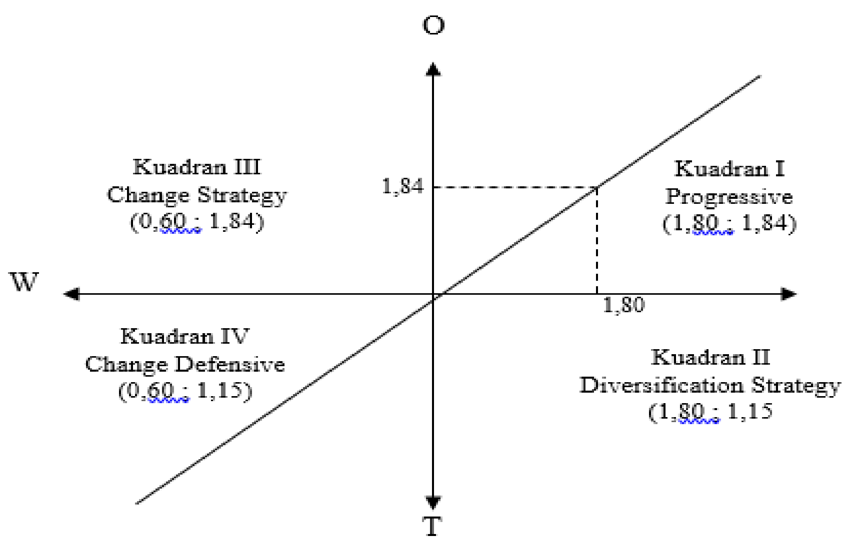
Table 2: SWOT Matrix Formulation

EFI, EFE	Strength (S)	Weakness (W)
Opportunity (O)	**Strategy SO**	**Strategy WO**
	SO = 1,80 + 1,84	WO = 0,60 + 1,84
	SO = 3,64	WO = 2,44
Threat (T)	**Strategy ST**	**Strategy WT**
	ST = 1,80 + 1,15	WT = 0,60+ 1,15
	ST = 2,95	WT = 1,75

Source: Data processed 2023

From the SWOT matrix calculation, the highest value obtained is SO of 3.64. Thus, the highest value is a suitable strategy for increasing the utilization of Motor Vehicle Tax in Jambi Province. Where the SO strategy is to optimize strengths and maximize opportunities. In the SWOT analysis model by quadrant, it can be described as follows:

Figure 1: SWOT Matrix Analysis Quadrant Model



Based on Figure 1, the most appropriate strategy for increasing Motor Vehicle Tax in Jambi Province is a progressive strategy in Quadrant I. Jambi Province has great strength and significant opportunities to increase its fiscal capacity by continuing to expand Motor Vehicle Tax revenue and accelerating its growth rate, so as to achieve maximum progress. The SWOT matrix examines internal and external strategic factors. The purpose of creating a SWOT matrix is to collect as many actions or strategies as possible to increase Motor Vehicle Tax. Based on the SWOT analysis contained in Table 5.1. The strategy for increasing Motor Vehicle Tax is prepared as follows:

- Strategy *Strengths Opportunities* (SO)
  This strategy seeks to utilize the strengths that are owned to achieve opportunities that exist outside or the external environment. Strategies that can be implemented by preparing technical instructions for the implementation of motor vehicle elimination and joint supervision with the district/city government, providing awards to taxpayers,

increasing tax literacy in schools, collaboration on increasing Motor Vehicle Tax between local governments and business actors, and Cooperation with dealers related to the dissemination and utilization of the Signal Application.

- Strategy *Strengths Threats* (ST)
  This strategy uses strengths to face threats. Strategies that can be carried out to increase Motor Vehicle Tax are by providing guarantees to financing companies related to Motor Vehicle Tax Guarantees during the process of changing the name of motor vehicles, utilizing existing facilities and infrastructure for collecting Motor Vehicle Tax for electric vehicles, Tax Supervision training to optimize the task of collecting Motor Vehicle Tax, cooperation with the Regency/City Government regarding post-Covid-19 recovery collection policies, and increasing the use of technology in Regencies with low population densities.

- Strategy *Weaknesses Opportunities* (WO)
  This strategy is designed to minimize weaknesses and capitalize on existing opportunities. Strategies that can be applied to increase Motor Vehicle Tax include implementing education for school students regarding the obligation to pay Motor Vehicle Tax and the legal and administrative consequences if they do not comply, Strengthening the role of business actors = related to vehicle data, providing incentives to taxpayers who will change the name of two-wheeled motor vehicles, strengthening the role of Dialers in creating creative programs/activities to increase the level of tax compliance, and improving Motor Vehicle Transfer Fee services in the district by involving the district/city government.

- Strategy *Weakness Threats* (WT)
  This strategy is designed to minimize weaknesses and avoid threats. Strategies that can be applied to increase Motor Vehicle Tax, namely the application of sanctions can be optimized to reduce the culture of non-tax compliance, verification of vehicle owner data with the help of financing companies, proposing a reduction in the cost of Non-Tax State Revenue related to the transfer of two-wheeled vehicle names and post-Covid-19 recovery efforts, the level of compliance can be increased in districts by providing services at the Village Government or Village-Owned Enterprises, and the limitations of Motor Vehicle Transfer Fee services for electric vehicles can be minimized by exempting Motor Vehicle Transfer Fees and Motor Vehicle Tax..

5. CONCLUSION

Gross regional domestic product and average length of schooling have a significant positive effect on Motor Vehicle Tax revenue. The Tax Amnesty Policy has a positive but insignificant effect on Motor Vehicle Tax revenue, whereas the Covid-19 Pandemic has a negative but insignificant effect. This means that increases in gross regional domestic product and average length of schooling will increase Motor Vehicle Tax revenue in Jambi Province, whereas the Tax Amnesty Policy has not increased it. Based on the results of the SWOT analysis, the right strategy to increase Motor Vehicle Tax is the SO strategy. Namely, with a strategy that can be implemented by preparing technical instructions for the implementation of motor vehicle elimination and joint supervision with the district/city government, providing awards to taxpayers, increasing tax literacy in schools, collaboration to increase Motor Vehicle Tax between local governments and business actors, and cooperation with dealers related to the dissemination and utilization of the Signal Application.

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