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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

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This study is entitled 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 that influence motor vehicle tax revenue in Jambi Province, and to determine the strategy for optimizing motor vehicle tax potential in Jambi Province. 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 (Strength) and opportunities (Opportunities) owned by the company, while at the same time trying to minimize weaknesses (Weakness) and overcome threats (Threats) that may be faced. Then the analysis is carried out by giving a score or ranking and compiling a table of External Factor Evaluation Matrix (EFE) and 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 and the Covid-19 Pandemic has a negative but insignificant effect on Motor Vehicle Tax revenue. The results of the SWOT analysis can be concluded that the right strategy to increase Motor Vehicle Tax is the SO strategy, namely the Strength and Opportunities strategy.

1.0 INTRODUCTION

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

According to Lutfi, (2013) fiscal decentralization in regional revenues, namely providing financial capacity to explore potential income in 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 given the authority to make purchases and finance general government tasks. Regional expenditure financing must be prepared by the regional government based on priority needs. The implementation of fiscal decentralization is expected to be able to encourage the creation of improved services from various sectors, especially public services.

The implementation of fiscal decentralization aims to achieve fiscal equality vertically and horizontally (Jun 1997; Vazquez & Boex 2001). The achievement of vertical equality is to reduce financial disparities between the central and regional governments. While horizontally, it is to create a situation of equality between regional governments. Imbalance will occur due to differences between fiscal capacity and fiscal needs. Fiscal capacity between regions is influenced by the ability of the region itself 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. The achievement of the goal of fiscal equality between regions is expected to improve the welfare of the community in the region. According to Oates, (2005) fiscal decentralization has a crucial role in improving community welfare and economic growth in the regions. However, previous research found that the implementation of fiscal decentralization carried out by the government has not shown 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) stated that there is a gap between the revenue sharing funds by the central government and the resources available in the regions. Regions that are rich in natural resources do not necessarily have prosperous communities.

The fiscal decentralization policy expects regional governments to be able to eliminate the situation of financial dependence on the central government, so that regions are able to achieve the goal of regional autonomy to become independent (Ering et.al, 2016). Ideally, regions finance all expenditures through Regional Original Income so that they do not depend on the budget allocation provided by the central government. However, empirical facts after two decades of implementing fiscal decentralization show that regions are still faced with the problem of low regional original income. Based on data from the Ministry of Finance, (2021) balancing funds in the 2001-2020 period still dominate regional income with an average of 65.82%. While regional original income is only 20.49% of 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 from 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 the contribution of regional original income in 2021 of 39%. This shows that the ability of the region, namely Jambi Province, to collect its income is still relatively undeveloped or not optimal.

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

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on the island of Sumatra in fiscal capacity, even below the Riau Islands province, which is 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 in the very low category. Jambi Province is in the eight lowest provinces out of 34 provinces. This shows that the fiscal capacity reflected in efforts to increase revenue is still not optimal. Fiscal capacity shows the financial capacity of each region as seen from the receipt of regional revenue minus the revenue that has been determined for use (eamarking tax) (Ministry of Finance, 2021).

This phenomenon shows that the low ability to increase regional original income by the Jambi Provincial Government compared to other provinces. Mardiasmo, (2018) stated that the regional government will face the challenge of a fiscal gap due to the high level of regional needs that are not balanced with fiscal capacity. The challenges currently being faced by Jambi Province coupled with the inability to increase its fiscal capacity must be a concern for the Jambi Provincial Government in strengthening its fiscal capacity. One approach that can be taken 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.

In the midst of 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 carry a mission to reduce vertical and horizontal inequality and strengthen local taxing power. Based on the socialization that has been carried out by the Ministry of Finance, the decline in regional tax revenues and regional levies will occur in almost all Provincial Governments throughout Indonesia. The expansion of the tax base by adding types of taxes and implementing options is estimated to affect regional tax revenues and provincial levies to decrease 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 regional original income and prepare adjustments to the latest law on financial relations between the Central Government and Regional Governments. An important step that can be taken to increase regional original income is by calculating the real potential owned by the region (Mardiasmo, 2018). Another effort that can be made by the Jambi Provincial Government is to increase the tax revenue base in Jambi Province. Judging from the portion of taxes to local revenue in one decade which reached 83%, it can be a focus of research to increase local taxes as an effort to increase local revenue.

In line with research conducted by Ariansyah, (2023), there are two types of taxes that are still not optimally utilized, namely motor vehicle tax of 43.98% and surface water tax of 69.27%. Judging from the portion, in 2022 Motor Vehicle Tax revenues were much larger with a portion reaching 33% of total local taxes compared to local revenues which were only 0.08% of total local taxes. 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 by implementing an exemption from administrative sanctions, or an exemption from 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 the growth of Motor Vehicle Tax revenue reaching 23%, but this growth slowed to only 3% in 2019. In addition, the Covid-19 pandemic also slowed the growth of revenue which was only 2% in 2020. Nevertheless, Motor Vehicle Tax revenue continues to increase.

The increase in Motor Vehicle Tax is in line with the development of Gross Regional Domestic Product and population growth which has resulted in an increase in the community's need for motorized vehicles. In addition, the mobility of the community during the Covid-19 pandemic is more using private vehicles with restrictions on flights and shipping. This situation causes people to continue to fulfill their obligations in paying Motor Vehicle Tax. Based on the description that has been presented, the researcher is interested in studying the Determinants of Motor Vehicle Tax and Potential Optimization Strategies for Increasing Fiscal Capacity in Jambi Province. So it is hoped that the results of this study can be used by policy makers to increase regional fiscal capacity.

2.0 LITERATURE REVIEW

State Finance

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

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.

Government Revenue

Ujianto, et.al (2017) Increasing government activities have consequences for the need for financing or government spending which is not small. To meet expenditures, the government requires revenues which in a broad sense basically include: (1) tax revenues; (2) revenues obtained and the results of the sale of goods and services owned and produced by the government; and (3) regional loans and so on.

Tax Theory

As the largest source of revenue in Indonesia, taxes are levies collected from the community without creating obligations for the government to the party paying. Based on its nature, tax is mandatory and according to the law can be enforced and if there is a violation can 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 based on their categories, namely direct taxes and indirect taxes. Direct taxes, namely taxpayers have an obligation to pay taxes that must be borne by themselves and cannot be charged or delegated to others. While indirect taxes, namely other parties or third parties who are charged with the obligation to pay taxes, this condition occurs if there are activities/actions that result in tax debts.

Regional Revenue and Expenditure Budget

In order to show the allocation of human resources, materials and other resources systematically and accountably, a reliable financial plan is needed and is realized in a budget (Ujianto et.al, 2017). In addition to being a benchmark and accountability for government performance, the budgeting system developed by the government functions as a financial controller, management plan, priority of fund use, and accountability to the community.

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),

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 that is mandatory based on the law, without receiving direct compensation and is used for the needs of the State for the greatest prosperity of the people.

Strategy Concept

The Jambi Provincial Government needs to formulate efforts to increase the utilization of motor vehicle tax potential in the form of an appropriate strategy. 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, strategy requires top management decisions and available resources. In addition, strategy has multifunctional or multidivisional consequences and requires consideration of external and internal factors faced by the organization (David, 2011).

3.0 METHODOLOGY

The study used quantitative descriptive analysis in answering the formulation of the problem related to factors that influence regional tax revenues, regression analysis was used. Variables of PDRB, average length of schooling (RLS), Amnesty Policy (DPMT), 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 analysis with the E-Views 9 software analysis tool. 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)
β_0 = Constant / Intercept
$\beta_1, \beta_2\dots \beta_4$ = 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

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 various factors in order 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.

4.0 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), 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 1.1 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 1.1 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, it can be interpreted as follows: indicating that the level of significance $\alpha = 0.05$, 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 the receipt of Motor Vehicle Tax 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 provide the conclusion that Gross Regional Domestic Product has a significant effect on the receipt of Motor Vehicle Tax in Jambi Province. The average length of schooling in Jambi Province has a significant effect with a probability value of 0.0052 smaller than $\alpha = 0.05$. This result provides the conclusion 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 provides the conclusion 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 provides the conclusion that the Covid-19 pandemic does not have a significant effect on Motor Vehicle Tax revenue in Jambi Province.

F Statistic Test Results

The F-test is used to test the regression coefficient (slope) hypothesis as a whole/simultaneously. The F-test shows whether or not there is an influence of the independent variables on 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.

Determination Coefficient

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

The Effect of Gross Regional Domestic Product on Motor Vehicle Tax

Based on multiple linear regression estimation, the effect of gross regional domestic product on motor vehicle tax revenue in Jambi Province has a positive and significant effect. This is indicated by the statistical t-hypothesis test at the alpha

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significance level of 5 percent, which means that an increase in gross regional domestic product in Jambi Province tends to increase motor vehicle tax revenue in Jambi Province. With a positive effect of gross regional domestic product on motor vehicle tax revenue, it means that it is able to increase motor vehicle tax revenue in Jambi Province.

The Effect of Average Length of Schooling on Motor Vehicle Tax

Based on multiple linear regression estimation, the effect of average length of schooling on motor vehicle tax revenue in Jambi Province has a positive and significant effect. This is indicated by the statistical t-hypothesis test at the alpha significance level of 5 percent, 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. With a positive effect of average length of schooling on motor vehicle tax revenue, it means that it is able to increase motor vehicle tax revenue in Jambi Province.

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 alpha significance level of 5 percent, which means that although there is a positive effect, it does not significantly affect the increase in Motor Vehicle Tax revenue in Jambi Province.

Effect of the Covid-19 Pandemic on Motor Vehicle Tax

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

Motor Vehicle Tax Potential Optimization Strategy

The formulation of the strategy for optimizing the potential of Motor Vehicle Tax uses the SWOT analysis model.

Internal Factors

These internal factors influence the formation of strengths and weaknesses (S and W). Where this factor concerns the conditions that occur in the company or organization, this also influences the formation of decision making in the company or organization.

Strengths

Strengths are special competencies found in the Joint Samsat Office in Jambi Province, so that the Joint Samsat Office in Jambi Province has 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.

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- 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.

Weakness

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

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

- Inaccurate data on the number of vehicles Low transfer of vehicle ownership through the name change mechanism, especially 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 payment obligations is still 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

External Factors

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

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 taxes will foster motivation and a balanced situation along with law enforcement.
- Optimization of corporate social responsibility of companies, especially Dialers, The role of companies can be included in the obligation to disseminate information on 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.

Threats

- Recovery after the Covid-19 pandemic, The Covid-19 pandemic has affected the 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.

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- Installment Financing System for used vehicles, Finance companies greatly assist consumers with an installment payment system but result in not being able to change the name of the motor vehicle with the guarantee of Motor Vehicle Tax.
- Low population density in the district, The vast area in the district makes it difficult for Samsat to reach people in 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.

SWOT Matrix

With the compilation of the results of the internal factor evaluation (EFI) and the results of the external factor evaluation (EFE), a SWOT matrix formulation was created to determine the right strategy in 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 1.2 SWOT Matrix Formulation

EFI, EFE	Strength (S)	Weakness (W)
Opportunity (O)	**Strategy SO**	**Startegy 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 in 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:

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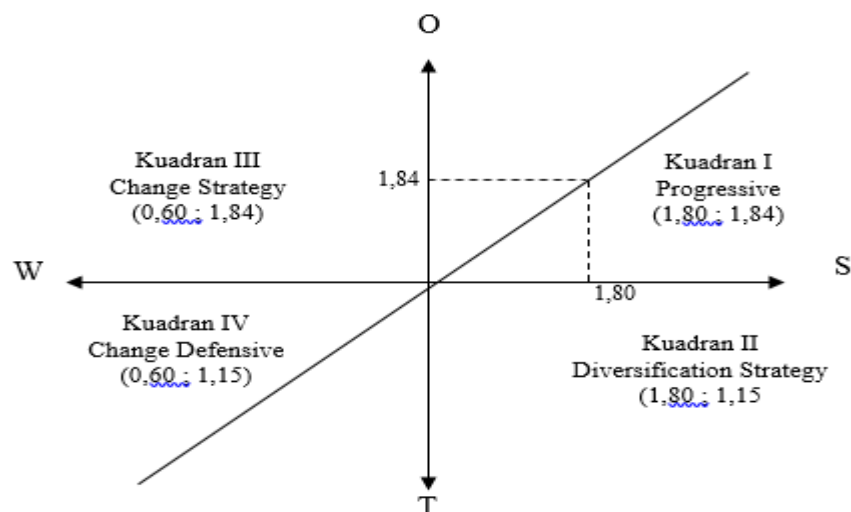
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Figure 1.1 SWOT Matrix Analysis Quadrant Model

Based on Figure 1.1, the most appropriate strategy recommendation for increasing Motor Vehicle Tax in Jambi Province is in Quadrant I, namely the progressive strategy recommendation. Jambi Province has great strength and high opportunities in increasing its fiscal capacity through increasing Motor Vehicle Tax revenue by continuing to expand, increasing the growth rate of Motor Vehicle Tax revenue so as to achieve maximum progress. The SWOT matrix is a matrix that interacts 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 *Weakness Opportunities* (WO)
  This strategy is designed by minimizing weaknesses and trying to take advantage of 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

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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 by minimizing weaknesses and avoiding 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..

5.0 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 and the Covid-19 Pandemic has a negative but insignificant effect on Motor Vehicle Tax revenue. This means that an increase in gross regional domestic product and average length of schooling will encourage an increase in Motor Vehicle Tax revenue in Jambi Province, while the Tax Amnesty Policy has not encouraged an increase in Motor Vehicle Tax revenue in Jambi Province. Based on the results of the SWOT analysis, it can be concluded that 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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