



Implementation of Regional Tax Collections in the Tax Sector of Non-Metal Minerals and Rocks That Do Not Have a People's Mining License in the Ogan Ilir District Area

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Abstract

This research focuses on implementing regional tax levies in the non-metallic mineral and rock tax sector, which still needs a community mining permit in the Ogan Ilir Regency area. Regional tax levies are an essential instrument for local governments to optimize local revenue while regulating the exploitation of natural resources owned by the community. However, in the context of community mining, the implementation of tax collections is often faced with challenges, such as awareness of tax obligations, non-compliance by entrepreneurs, and obstacles in mining legality. This research aims to analyze the factors that influence the implementation of regional tax levies in this sector in the Ogan Ilir Regency and their impact on regional income. The research methods used are documentation analysis and field surveys. It is hoped that the results of the research will provide a deeper understanding of the implementation of regional tax levies in the non-metallic mineral and rock tax sector that does not yet have a community mining permit in Ogan Ilir Regency so that it can provide input for local governments in designing more effective and efficient policies in managing natural resources and increase local revenue.

Keywords: *Regional Tax Collection; Mining Legality; Natural Resource Management*

Introduction

Regional tax levies in the non-metallic mineral and rock tax sector are one of the policy instruments used by regional governments to optimize the use of natural resources they own and increase local revenue[1], [2]. However, implementing this tax levy is often faced with various challenges, especially in the mining context, which still needs official permits[3], [4]. In practice, the implementation of regional tax levies in this sector is often marred by various problems, such as mining entrepreneurs'

non-compliance in paying taxes, the unclear legal status of mining, and low awareness of tax obligations among stakeholders[5], [6]. Therefore, a deep understanding of the factors that influence the implementation of regional tax levies in the non-metallic mineral and rock tax sector, which still needs to get a mining permit, is crucial[7], [8].

The critical role of the Ogan Ilir Regency in the mining sector must be connected to the importance of mining permits[9]. Mining permits are the legal basis that regulates the region's extraction and exploitation activities of natural resources[10], [11]. With a mining permit, local governments can control and supervise mining activities according to applicable regulations. However, mining permits are also often faced with various challenges and complexities[12][13]. Long licensing processes, complicated bureaucracy, and strict technical and environmental requirements are some obstacles mining permit applicants face[14][15]. On the other hand, legality, ecological sustainability, and socio-economic impacts are also important considerations when granting mining permits[16], [17].

Through this research, we aim to comprehensively analyze the factors that influence the implementation of regional tax levies in this sector and the impact of these problems on regional income. Thus, the results of this research can provide valuable input for local governments in designing more effective and efficient policies for managing natural resources and increasing local revenue through tax collections.

Methods

This writing uses a normative approach to provide legal explanations for a phenomenon or event used as the research object. In this case, this type of research is used as a form of library research. Literature or quantitative research in this study is research that explains legal norms. The quantitative nature of this study makes the data used in the form of opinions, concepts, or theories related to the description of the explanation of problems regarding the supervisory function of copyright protection of musical works. The nature of the research used in this study is descriptive or can be said to explain or describe research in a particular phenomenon that is the object of research. In other words, the descriptive approach is research that aims to investigate conditions related to the object of the research described earlier.

Result and Discussion

Various strategic steps need to be considered to strengthen policy implementation and increase the understanding and participation of the relevant community. These efforts include developing more precise and effective regulations, improving coordination between pertinent various institutions, and strengthening the community's capacity to understand and comply with applicable laws. With these steps, it is hoped that a more transparent, fair, and efficient regional tax collection system can be realized, providing more significant benefits for the development and welfare of the people of Ogan Ilir Regency. The authority and implementation of regional tax levies in the non-metallic mineral and rock tax sector that still need community mining permits in the Ogan Ilir Regency area have yet to reach optimal levels of effectiveness. Even though there are regulations governing these tax levies, there are still challenges in supervision and law enforcement, which cause some companies to fail to fully comply with their tax obligations. Some companies may need to comply with their tax obligations properly because they need to understand tax regulations or because tax avoidance practices are in place. Revenue from tax levies may need to be optimized to support the development and public services in the Ogan Ilir Regency due to problems in managing and allocating these funds.

Regional governments need to increase transparency in managing revenue from this tax collection. This can be done through open and transparent reporting to the public regarding the use of collected tax funds. Efforts are needed to strengthen supervision and law enforcement of companies involved in the non-metallic mineral and rock sectors. This includes increasing the capacity of tax officials and law enforcement and implementing strict sanctions for tax violators. Apart from that, there is also a need for collaboration between local governments, mining companies, NGOs, and local communities to help create a positive, cooperative environment for implementing tax collections. This can increase the effectiveness of tax management and ensure that the funds collected are used optimally for regional development. By implementing the steps above, it is hoped that the implementation of regional tax levies in the non-metallic mineral and rock tax sector, which do not yet have community mining permits in the Ogan Ilir Regency area, can be increased in effectiveness so that tax revenues can improve and be used optimally for regional development and welfare—Local community.

Apart from that, the Regional Government also needs to update its sophisticated and integrated tax information system to facilitate the collection, monitoring, and reporting of taxes from the mining sector, including those that do not yet have permits or, at the same time, carry out policy reforms that strengthen regulations related to mining permits, tax collection, and law enforcement. Clear and consistent policies will help create a stable and predictable business environment for entrepreneurs. Providing incentives for entrepreneurs who comply with paying taxes and imposing strict sanctions on those who violate them can be an effective stimulus in increasing tax compliance.

Conclusion

Implementing regional tax levies in the non-metallic mineral and rock tax sector that still needs to get a community mining permit is a complex challenge for local governments. These challenges include business non-compliance, complex monitoring and enforcement, the presence of informal markets, limited resources and capacity, policy changes, and legal uncertainty. However, with the solutions previously explained, the implementation of regional tax levies in this sector can be improved to support sustainable regional development.

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