

Implementation Policy: Regional Tax Exemption from the Perspective of Boarding House Taxpayers

Layly Dwi Rohmatunnisa¹

Accounting, Faculty of Economics and Business, Institut Teknologi dan Bisnis Asia Malang, Indonesia¹

Corresponding Email: Layly Dwi Rohmatunnisa (r.laylydwi@gmail.com)

ARTICLE INFO

Date of entry:
01 September 2025
Revision Date:
18 December 2025
Date Received:
01 January 2026

ABSTRACT

This Study: This aims to understand and describe owners' perceptions. Boarding house businesses in Malang City towards the implementation of implementation policy of liberation of tax area business boarding house businesses. Research This is a qualitative study with the use interview method with nine owner boarding house businesses, Malang City Regional Revenue Agency officers, and one officer at the Malang Pratama Tax Office. Research results show that policy liberalization of tax boarding houses causes a different view: owner businesses feel benefited, while BAPENDA considers the lost government revenue becomes a mediator to evaluate policy. This is a balancing solution that burdens taxes and efficiency management income area.

Keywords: Policy, Tax Law, Boarding House Tax



Cite this as: Rohmatunnisa, L. D. (2025). Implementation Policy: Regional Tax Exemption from the Perspective of Boarding House Taxpayers. *Assets : Jurnal Ilmiah Ilmu Akuntansi, Keuangan Dan Pajak*, 10(1), 51–60. <https://doi.org/10.30741/assets.v10i1.1779>

INTRODUCTION

Tax on boarding house business has significant potential for increasing income in areas like Malang City Government, which has many renowned universities and areas of tourism. However potential reception tax on the boarding house business in Malang City was closed because the boarding house is not considered one of the objects of the hotel tax. The government has set Constitution Number 1 of 2022 concerning Connection Finance between Central Government and Regional Government (hereinafter referred to as the HKPD Law) as runway new law in managing better state finances integrated (Ariangga et al: 2024). One of the provisions is important in the Constitution. This is a change in the status of the boarding house business from before, subject to tax, now excluded from the imposition of tax (Astrina et al: 2021). Regulations, in a way, explicitly state that boarding houses are no longer included in the understanding of hotel, so that No Again becomes an object tax area on goods and services, certain (PBJT), as previously arranged in Constitution Number 28 of 2009 concerning Regional Taxes and Regional Retributions (hereinafter referred to as the PDRD Law).

Determination policy through Law 1/2022, in particular direct impact on the government authority area in the interest of tax from boarding house business, which, during this period, is one of the sources of Regional Original Income (PAD), especially in areas with congested population activity, like the area of education or the area of tourism. Potential for his income to reach Rp. 8 billion per year. This figure is estimated will increase remember the number of boarding houses continues to

increase (radarmalang.com: 2025). On one side, policy. This can be viewed as a form of partisanship to the public earning low, dependent on housing rent like a boarding house. However, on the other hand, the policy causes problems related to certainty, principled justice taxes, and the authority area in arranging local taxes. Change is the end cause of issues in justice in practice and taxation. Among related parties such as owner business boarding houses, the Regional Revenue Agency (BAPENDA), and from party organizer law. Therefore, researchers want to see from a corner view party related to the implementation of Law 1/2022, namely: 1) angle view owner business boarding house, 2) BAPENDA, and 3) office taxation. Is it justice that is desired created by the organizer Can in line with the expectation recipient policy?

A study previously found that arranging hotel tax as a collection instrument for the tax board has not yet reflected the principle of justice. Because calculating tax according to the PDRD Law is based on the amount boarding room with an assumed boarding house that does not own amount room more out of 10 (ten without the ability to make a Hotel Taxpayer (Eriza et al: 2022).

THEORETICAL FRAMEWORK

Tax is an obligation for every citizen to deliver part of their wealth to the state, which arises from certain circumstances, events, or actions, certain things that cause tax obligation in accordance with regulation applicable laws and regulations. Obligations This nature force, but no reward is given from the country; to must pay taxes, but rather used to look after the general welfare. Mardiasmo put forward that tax has two main functions. First, the function budget (*budgetair*), namely, is the main source of state revenue used for financing production and maintenance government. Second, the function is arranged (*regularend*), namely as a tool for policy government in arranging life, social, and economic, such as giving incentives or disincentives through instruments of taxation to achieve certain objectives, such as income equality or protection sector small businesses (Lestari et al: 2024).

Second function. This makes tax a strategic instrument in realizing sustainable national development. Regional taxes are types of taxes collected by the government area based on regulations set by the region. That alone, and functioning as a source of financing, is mainly to fulfil the needs, and is an interesting area. Manggiasih (2022), in the context of decentralized fiscal policy, put forward that there are four main characteristics of taxation in the area that distinguish it from the tax center. First, the tax area must be assessed or determined by the government (*assessed by a local government*). Second, the tariff tax is determined by the government authority (*at rates set by that government*). Third, the collection the taxes done directly by the government regional (*collected by that government*). Fourth, all over results, his acceptance enters the government treasury area and is utilized for local interest (*whose proceeds accrue to that government*). 6 Fourth characteristics. This confirms that the tax area is an important instrument in support of fiscal autonomy and financial independence finance area.

METHODS

In this research, the researcher uses type descriptive qualitative study. The researcher's reasons for using a qualitative study are that researchers want to better understand in a deep corner view party related to the implementation of Law 1/2022, namely: 1) angle view owner business boarding house (less than 10 rooms and more than 10 rooms), 2) BAPENDA, and 3) office taxation as a maker policy. Data that has been collected and analyzed in a qualitative way, namely by grouping and interpreting data based on content and relevance to the problem study.

Data Collection Technique

The data collection technique in this research is carried out to obtain accurate, relevant, and reliable data in accordance with the research objectives. The selected techniques are adjusted to the characteristics of the research problem and the type of data required, both primary and secondary data. Through appropriate data collection techniques, researchers are expected to gain a comprehensive understanding of the object under study and ensure the validity of the research results. The data collection techniques used in this study are interviews, documentation, and literature study, which are described as follows.

a. Interview or Interview

An interview is something activity for searching for data with a method stage ask answer in a way direct with various parties considered can provide data or information trusted in accordance with the problem being researched. Here, researchers interview the owner boarding house business in Malang City, Malang City BAPENDA officers, and officers at the Malang Pratama Tax Office, with a questionnaire sheet of questionnaire which they will answer.

b. Documentation

Documentation is a technique of data collection carried out with methodological material written in the form of books, available data, and relevant reports, with an objective study. To support existing data, there is. Documentation on research. This is in the form of notes small researchers write from results interviews with informants and recordings of voice using a personal *cell phone*.

c. Literature Study

Literature Study is collecting theories, opinions expressed by experts obtained from books, literature, as well as literature other than that are used as runway theoretical framework do discussion. Here, researchers collect expert opinion from books, the internet, and so on, to support or strengthen the researcher's theory.

RESULT AND DISCUSSION

Legal Basis of Policy: Tax Exemption for Boarding House Businesses in Indonesia

Policy liberation tax area to boarding house business own runway strong law in regulation legislation national, in particular in the field of taxation and relations finance between central and regional. The basis law the among others:

a. Constitution Number 28 of 2009 concerning Regional Taxes and Regional Levies (PDRD Law)

Constitution Number 28 of 2009 concerning Regional Taxes and Regional Retributions (PDRD Law) provides authority to government district/city for wearing various type tax area, one of them is hotel tax as listed in Article 2 paragraph (2) letter a. Provision This confirm decentralization fiscal in Indonesia, where the regions own source income original regional revenue (PAD) through collection tax on sector service accommodation. Thus, the government area own fiscal room for need development and services public in their respective regions (Nauli et al: 2024). Furthermore, Article 1 of the PDRD Law defines hotels as wide, not only limited to commercial buildings such as star hotels, but also includes forms of accommodation such as motels, inns, guest houses, and boarding houses with amount room more out of 10 rooms. Broad definition: This shows an existence approach inclusive of object taxes so as not to. There is a gap for perpetrator business lodging. To avoid obligation, the tax uses a different term. This also reflects the effort government to catch potential tax comprehensively.

Imposition of hotel tax by region not only own fiscal aspects, but also aspects of supervision and regulation. With this existence provision, the government can more control growth and activity sector service accommodation in the area, including aspects of legality, standards of services, as well as impact on the environment and local society. Provisions can also push

perpetrators business for operate legally and professionally because they become part of the taxation system.

However, the implementation hotel tax also raises challenges in implementation. One of the frequent challenges faced is a lack of data and oversight of boarding houses or Informal lodging that meets criteria as a hotel according to the Constitution, but is not yet registered as an object of taxes. In addition, not all government areas have the capacity, administrative, and resource adequate power to do data collection and withdrawal tax optimally, which ultimately causes tax leakage. In a way, overall, provisions about hotel tax (including tax on boarding house business in the PDRD Law) are an important instrument in strengthening the finance area through the utilization of sector service accommodation. Terms and conditions. This gives the base law for the government area. For digging potential Local Original Income (PAD) from activity local economy, especially in the accommodation sector. However, the PDRD Law stated No valid Again since 2022, along with the publication of Constitution Number 1 of 2022 concerning Connection Finance between Central Government and Regional Government (HKPD Law).

b. Constitution Number 1 of 2022 concerning Connection Finance between Central Government and Regional Government (HKPD Law)

Constitution Number 1 of 2022 or the HKPD Law replaces the PDRD Law as the framework law, newer comprehensive in arranging fiscal matters between the central and regional, including therein arrangements about tax areas like hotel tax. The purpose of replacement is to create a system that finances more areas fair, efficiently, and capable of pushing fiscal independence for government areas in the long term (Pradana: 2024). One of the most important consequences of the enactment of the HKPD Law is the deletion boarding tax as part of the hotel tax. Within the framework law previously, namely the PDRD Law, boarding houses with amount room more out of 10 ten categorized as a hotel, so that charged hotel tax. However, in Article 4 paragraph (2) of the HKPD Law, the type of tax district/city is simplified and does not in any way explicitly list hotel tax as a type of tax separate, but rather includes it in the Certain Goods and Services Tax (PBJT). Article 50 letter c of the HKPD Law states that PBJT objects include service hospitality, which is defined as service provision, accommodation, and facilities supporting elements, including rental rooms and meetings. Although the list of examples provided served hospitality wide enough, including hotels, villas, inns, guesthouses, and even glamping, boarding houses are again called in a way explicit as part of hospitality service.

This is, in a way, substantial can be interpreted that the boarding house business No Again included in the top PBJT object service hospitality, except if it functioned commercially, such as hotels or similar. Deletion boarding house from the category object tax service hospitality. This can be viewed as an effort to differentiate in a way firm between business activities, accommodation, commercial, and rental room residence nature long-term, or non-commercial. Boarding houses in general are more fulfillment-oriented, need a place to stay for students, workers, or the public who earn low, not as a service accommodation, temporary, with hotel facilities. With this, the deletion boarding tax reflects the principle of social justice in the policy fiscal area, so that the community is not burdened with tax on a need basis, like a place of stay. Policy deletion or liberation tax on this boarding house business own consequences, including potential loss of source Local Original Income (PAD), especially in urban areas or centers of education where has amount are numerous boarding houses and earlier become a source of hotel tax. Government areas need to compensate for potential losses through optimization of PBJT collection on service hospitality, which is indeed pure commercial and of a nature, such

as digital accommodation-based applications, as well as improving the efficiency of collection-type tax other.

With the enactment of the HKPD Law, the focus tax area has switched from approach wide and mixed approach between function commercial and non-commercial become more specific and fair approach, adaptable to the characteristics object the tax object. A pure boarding house functioning as a place to stay long-term. No Again subject to hotel tax, and this is expected can reduce the burden public at a time, push management more boarding houses in accordance with the objective of social, without ignoring the opportunity for fiscal benefits from the commercial sector and other relevant matters.

Policy Perspective: Regional Tax Exemption from the Perspective of the Taxpayers from Boarding House Owners

Results of interviews conducted by researchers with owners of business boarding houses with amount not enough of 10 rooms:

Interviewer:

"How many rooms does your boarding room have, and what just the facilities?"

Source person:

"I have 8 rooms, with facility en - suite bathroom, smart TV, AC, desk, study, and a cupboard in each room. There is a kitchen together, 2- 2-door refrigerator, a place to wash and dry clothes together, cleaning service twice a week."

Interviewer:

"For rates, room boarding house charges per month or per year, and what much the rate?"

Source person:

"I wear per month because, according to I too burdensome for a student. If paid directly pay per year, the rate amounts to 1.2 million per month."

Interviewer:

"Did father once get socialization about the collection tax boarding house? If so, where from? Father knows it?"

Source person:

"Never can socialization, I only get info from a Friend several years ago."

Interviewer:

"Is the business father's boarding house already registered as an object tax?"

Source person:

"Already registered because I feel that obligation as a public obedient tax."

Interviewer:

"Does father know about the regulation government-related collection boarding house tax?"

Source person:

"If it's related to regulations like that, I don't understand enough. That's clear, I already registered my business as an object tax, and already pay tax each year."

Interviewer:

"There is a policy that states that boarding houses, not again object tax area, how according to you, as long as the boarding house owner, is it fair?"

Source person:

"Yeah ... according to me. That's fair. Of course. Because it can be profitable for Lots of parties, especially students. So, the boarding house price is not to go up or higher. For example charged tax area Certain influence on poor boarding house prices for students."

Interview results between researchers and owners of business boarding house that has rooms not enough out of 10, show that the justice policy liberation tax area for boarding houses is very fair. Although boarding house voters don't fully know the related applicable laws moment. The boarding house owner thinks that the government policy to waive tax on the boarding house is very fair, because he has to pay more tax. The right policy target for perpetrator tax boarding house with amount room more than 10 rooms.

Researchers try to count the description taxes paid by boarding house owners with 8 rooms, with prices rent price of 1.1 million per month:

Counting Annual Turnover:

Turnover per month:

$8 \text{ rooms} \times \text{Rp. } 1,100,000 = \text{Rp. } 8,800,000 \text{ per month}$

Turnover per year:

$\text{Rp. } 8,800,000 \times 12 = \text{Rp. } 105,600,000 \text{ per year}$

According to the tax status 2025, because turnover is below 500 million per year, then in accordance with provisions for MSME owners, free boarding house business from Final Income Tax, meaning Final PPh is the same with Rp 0. Related tax applicable area January 5, 2024, the boarding house is not again subject to taxes, so that free tax area.

In line with the results interview with the boarding house owner, with a room more out of 10:

Interviewer:

"How many rooms does your boarding room have, and what just the facilities?"

Source person:

"I have 12 rooms, with facility en - suite bathroom, smart TV, AC, desk, study, and a cupboard in each room. There is a kitchen together, 2-2-door refrigerator, a place to wash and dry clothes together, cleaning service twice a week."

Interviewer:

"For rates room, boarding house charges per month or per year, and what much the rate?"

Source person:

"I wear per month because, according to I too burdensome for a student. If directly paid per year, the rate That as much as 1 million per month."

Interviewer:

"Did father once get socialization about the collection tax boarding house? If so, where from? Father knows it?"

Source person:

"Never can socialization, I only get info from friends and social media."

Interviewer:

"Is the business father's boarding house already registered as an object tax?"

Source person:

"Already I register."

Interviewer:

"Does father know about the regulation government-related collection boarding house tax?"

Source person:

"A little, ever reading via the internet."

Interviewer:

"Can be explained, Sir, the ability or rates your taxes know during this?"

Source person:

"I actually If I pay tax directly to the KPP, not counted in a way personal. So, directly to the KPP from the KPP, there is a letter asking how much the nominal bill is. I pay in accordance with that. If it is related Constitution or policy, yeah, I don't understand enough."

Interviewer:

"There is a policy that states that boarding houses, not again object tax area, how according to you, as long as the boarding house owner, is it fair?"

Source person:

"Very appropriate reason, yeah, because of course the goal is to have no burdensome boarding house owners and tenants. Try to see if there is a tax area, meaning it must add higher costs and boarding prices. If I agree as the boarding house owner."

Can be described as 12 rooms and rates monthly rent of 1 million:

Counting Annual Turnover:

Turnover per month:

$12 \text{ rooms} \times \text{Rp. } 1,000,000 = \text{Rp. } 12,000,000 \text{ per month}$

Turnover per year:

$\text{Rp. } 12,000,000 \times 12 = \text{Rp. } 144,000,000 \text{ per year}$

According to the tax status 2025, because turnover is under 500 million per year, then in accordance with provisions for MSME owners, free boarding house business from Final Income Tax, meaning Final PPh is the same as Rp 0. Related tax applicable area January 5, 2024, the boarding house is no longer subject to taxes, so that free tax area.

Interview results show that the boarding house owner felt very helped and impacted by the existence policy that the boarding house would not again become an object tax, okay boarding house with room not enough out of 10 or more 10 rooms.

The opposite is true, precisely seen when researchers interview with BAPENDA. One of the BAPENDA officers said:

"Since the implementation Constitution, we no longer collect tax on House rent. Become an owner, House rent only subject to Land and Building Tax (PBB)."

The opinion depicts that the income area has been greatly reduced, because moment this is only obtained from the UN alone.

Furthermore, BAPENDA officers said that the loss boarding house tax has reduced the contribution to Regional Original Income (PAD) up to around Rp. 8 billion.

"Approximately Rp. 8 billion. Previously, if the boarding house had more than 10 rooms entered the category hotel tax."

BAPENDA also stated that the government should review past policies determined, because they felt not effective enough for the income area.

"We have conveyed this to the DPRD. Malang City. The tendency is that there are a lot of boarding houses. The hope is that it can be reviewed repeatedly at the level center, because potentially this is very big."

Based on an interview with the owner of business boarding houses, BAPENDA is very visible as they interpret justice as something profitable for oneself alone. If you feel that no efficient self alone is considered justice. Researchers interview party organizers. Where the parties do not have their own interest in impacting the implementation tax area. Researchers do interviews with the wrong One Pratama KPP officers, where the KPP is the long arm of the government in handling related taxation.

"The HKPD Law was designed to strengthen decentralization fiscal policy to realize equal service and welfare and answer challenges through inequality decreasing vertical and horizontal, strengthening of Local Taxing Power, increasing quality shopping regions, and harmonization of shopping central and regional."

Based on the opinion on it can be said that the implementation of the HKPD Law is Actually For the interests and justice together, designed with no heavy adjacent.

**Table 1. Summary Regulation Taxation Results of the Interview
With Malang City Pratama Tax Office**

Aspect		Central Tax	Regional Tax	Rule
Number of Rooms	Boarding house, rooms ≤ 10	- If the turnover is not enough from 500 million = no hit Income Tax	n't any since the HKPD Law	Center: HPP Law, PP34/2017, PP 55
	Boarding house, rooms > 10	- If turnover is 500 million $< X \leq 4.8$ M – UMKM PPH (Paid) owner		Region: PDRD Law standard HKPD Law
Time period	Place stays personal function as a hotel. Term time < 1 month	- If turnover > 4.8 M	Taxable on Certain Goods and Services (PBJT) for Hotel Services	Area: Explanation Article 53 paragraph (1) letter j
	Place stays personal function as a hotel. Term time ≥ 1 month.	<ul style="list-style-type: none"> ○ Income Tax rates for regular (paid) owners ○ VAT (paid) consumer – if and only if the owner is 	<ul style="list-style-type: none"> Including in the object agreement term, long-term / contract rent 	

already PKP and
not in the charged
tax area

Source: Primary Data

According to HKPD, the Law researcher is part of an arrangement for repeated connection finance central-regional. Policy This Possible intended so that the region has space for income from sources other not just the boarding as an object tax area. Although the No subject to tax area owner permanent boarding house is not charged tax on land and buildings.

CONCLUSION

Based on the results and discussion of this study, it can be concluded that the implementation of the regional tax exemption policy for boarding house businesses generates diverse perceptions among stakeholders, particularly boarding house owners and the Regional Revenue Agency (BAPENDA). From the perspective of boarding house owners, the policy is viewed as fair and advantageous because it eliminates local tax obligations that previously increased operational costs. The absence of regional tax payments simplifies tax compliance procedures, reduces administrative complexity, and minimizes the risk of regulatory burdens. As a result, boarding house owners are able to allocate financial resources more effectively, including improving facilities and service quality without having to increase rental prices for tenants. This condition supports the sustainability of boarding house businesses, especially in cities with high mobility, such as Malang City, where boarding houses play an important role in providing affordable accommodation for students, workers, and migrants. On the other hand, from the perspective of BAPENDA, the implementation of the tax exemption policy has significant implications for regional revenue. Before the enactment of the Law on Financial Relations between the Central Government and Regional Governments (HKPD Law), boarding house tax constituted one of the important sources of local income, particularly in Malang City, which is recognized as an education and tourism city with a large number of migrants utilizing boarding house facilities. The elimination of this tax has led to a reduction in regional revenue, raising concerns regarding fiscal fairness and sustainability.

Consequently, BAPENDA has proposed a policy review to reassess the effectiveness of the tax exemption. In response to these differing interests, the government, represented by the Malang City Pratama Tax Office (KPP Pratama), acts as a mediator by positioning the policy as a balanced solution that accommodates both parties. While boarding house businesses are exempt from regional taxes, centralized tax management enhances efficiency in revenue administration, and local governments are encouraged to explore alternative sources of regional income. Furthermore, boarding house owners remain obligated to pay land and building taxes, ensuring that they continue to contribute to public revenue despite the tax exemption policy.

REFERENCES

Ariangga, Damal, Tri Hesti Utaminingsyias, and Petrolis Nusa Perdana. Analysis of Growth Hotel Tax Revenue in South Tangerang City. *Journal Accounting, Taxation, and Auditing* 5, no. 2 (2024): 244–55. <https://doi.org/10.21009/japa.0502.01>

Astrina, Shafira Della, Achmad Ruslan, and Zulkifli Aspan. "The Principle of Justice in the Legal Provisions of Hotel Taxes on Boarding Houses." *Supremacy: Journal Scientific Thought and Research Social, Legal, & Teaching* 16, no. 2 (2021): 220–32. <https://ojs.unm.ac.id/supremasi>

Eriza, Winda Meylen, and Hernadi Affandi. Implications of Law No. 1 of 2022 concerning the Relationship Between the Central Government and Regional Governments Regarding Simplification of Taxes and Levies in the Regions. *Rio Law Journal* 5, no. 1 (2024): 1–17. <https://doi.org/http://dx.doi.org/10.36355/.v1i2>

Lestari, Alaeda Putri, Ikhwan Wadi, and Abdul Manan. Implementation of HKPD Law No. 1 of 2022 concerning Restaurant Tax and its Contribution to Regional Original Income (PAD) at the Central Lombok Bapenda. *Journal Application Taxation* 5, no. 1 (2024): 33–42.

Manggiasih, Rahajeng Ayuningtyas. Discretion of the Regional Government in Determining Entertainment Tax Rates After Implementation of Constitution Number 1 of 2022 Concerning Connection Financial Relations Between the Central Government and Regional Governments. *UNES Law Review* 6, no. 3 (2024): 9662–74. <https://doi.org/https://doi.org/10.31933/unesrev.v6i3>

Nauli, Halberry Tania, Marthinus Ismail, and Mila Susanti. Influence Advertising Tax and Restaurant Tax Revenue on Bekasi City's Original Regional Income. *Performance: Journal Business & Accounting* 14, no. 1 (2024): 305–16. <https://doi.org/10.59188/jcs.v2i1.195>

Pradana, Genies Wisnu. Boarding Houses Will Be Free of Regional Taxes Starting January 5, 2024, How Legality - Prolegal, 2024. <https://prolegal.id/kos-kosan- bebas-pajak-daerah-mulai-5-januari-2024-bagaimana-legalitasnya/>.