

Analysis of the potential and effectiveness of central market retribution revenue on the Regional Original Income (PAD) of Mimika Regency

Charlex Luis Pakage¹, Hasan Basri Umar², Risky Novan Ngutra³

Universitas Cenderawasih, Jayapura, Papua, Indonesia^{1,2,3}

charlespackage@gmail.com



Article History

Received on 19 May 2025

1st Revision on 2 June 2025

Accepted on 10 June 2025

Abstract

Purpose: This study aims to evaluate the potential and effectiveness of central market retribution revenue and its contribution to the Regional Original Income (PAD) of Mimika Regency. It seeks to determine whether market retribution is managed optimally and provides meaningful income to the local government.

Research/methodology: The research uses a quantitative approach with descriptive and case study methods. Data were collected through documentation, questionnaires, and interviews from 2019 to 2023. The analysis applied effectiveness ratio, contribution analysis, and market retribution potential calculation using standard regional financial formulas. The data were validated using triangulation techniques.

Results: The results show that the effectiveness of central market retribution collection in Mimika remained high, with an average effectiveness rate above 90% classified as effective. However, its contribution to total PAD remained low, averaging only 2.03% from 2019 to 2023. The study also found that the retribution potential was not fully realized due to limited trader registration, low payment compliance, and manual collection systems.

Conclusions: The study concludes that while the effectiveness of central market retribution collection in Mimika Regency was consistently categorized as effective, its contribution to the overall Regional Original Income (PAD) remains low. This gap is primarily due to unregistered traders, low compliance in payment, and inefficient manual collection systems. To maximize retribution revenue and strengthen local income, the government needs to improve data management, optimize monitoring systems, and enhance digital retribution mechanisms.

Limitations: The study is limited to a single market (Pasar Sentral Timika) and relies mainly on secondary financial data, which may not capture real-time administrative inefficiencies or informal economic factors.

Contribution: This study contributes to regional fiscal policy literature by highlighting the gap between potential and actual market retribution performance. It offers insights for local governments to improve revenue collection through digitization, trader data management, and regulatory enforcement.

Keywords: *Contribution, Effectiveness, Market Retribution, Potential*

How to Cite: Pakage, C. L., Umar, H. B., & Ngutra, R. N. (2025). Analysis of the potential and effectiveness of central market retribution revenue on the Regional Original Income (PAD) of

1. Introduction

Market Retribution is a payment made for the provision of traditional or simple market facilities managed by the Mimika Regency Government. The facilities referred to include courtyards, plazas, stalls, and kiosks specifically provided for traders and buyers. Market Retribution is a regional levy paid for Market Service (Darmawati, Damirah, Nurhayati, Semaun, & Adani, 2017). Market Retribution is one form of contribution to Local Revenue (PAD). Market retribution is a levy imposed on traders by the local government as payment for the use of places such as shops/kiosks, counters, or stalls and market areas provided within the regional market or by other traders located within 200 meters of the regional market (Pusung, Engka, & Masloman, 2023). The officers responsible for collecting Market Retribution are the Market Head and Market Officers appointed by the Mimika Regent or the Head of the Industry and Trade Office of Mimika Regency.

The establishment of the Mimika Central Market is owned by the Mimika Regency Government and is officially recognized as a legal entity (certificate). This is the Central Market located in the Central Market Village of Mimika Baru District, Mimika Regency, with an area of 147,704 m² directly adjacent to the surrounding residential areas. According to Naleng, Manossoh, and Tangkuman (2017) to determine the target of market retribution revenue, the government must know the potential amount of market retribution, so that this potential can be optimized to increase market retribution. The market retribution potential will serve as a reference for the government in setting the market retribution revenue target. This target will then be compared with the actual market retribution revenue to measure the effectiveness of market retribution collection.

The effectiveness of market retribution collection aims to increase local revenue. The factors affecting market retribution revenue include the subject and object of the market, retribution rates, collection system, government policies, and the officers in charge of market retribution collection (Kumendong, Morasa, & Tirayoh, 2019). The government's role in improving market retribution must be enhanced to ensure that retribution collection is effective. The efforts the government must make include overseeing the retribution collection activities to avoid fraud by the collectors, as this would lower market retribution revenues. Additionally, the awareness of traders in the market must also be considered in paying market retribution so that the increase in market retribution aligns with expectations (Pamungkas, 2023). Increasing market retribution revenues must be supported by efforts to improve the structure and systems to enhance collection effectiveness. If the realization of market retribution revenue increases and approaches the set target, this indicates that the effectiveness is improving (Mubarok, 2016). If effectiveness is achieved, it is expected to contribute to an increase in local revenue. Market retribution contributions will increase local revenue if managed more effectively (Suprianto & Alwasifah, 2024).

To facilitate market retribution collection, the government must regulate and create a layout for the market stalls or kiosks based on the types of sales to maintain order. The higher the local revenue derived from market retribution collection, the greater the contribution to local revenue (Leilani & Wulandari, 2023). Furthermore, the contribution of market retribution has a tangible impact on local revenue. In Indonesia, each region treats retribution as one of the sources of regional income. There are various types of regional retribution, but not all of them are significant contributors to local revenue (Fauzan, 2015). The main difference is that retribution is directly related to services provided or receiving compensation in the form of services that can be enjoyed directly. One of the sources of local revenue from retribution is from the market retribution sector. Retribution is the direct service provided by the local government to ensure a suitable and strategic market place. The local government will collect retribution from every user of the market facilities. In return, the community will receive the benefits of the services provided by the local government.

2. Literature review

2.1 Local Revenue

Local revenue refers to the income earned by a region from sources within its own area, collected based on local regulations in accordance with prevailing laws (Law of the Republic of Indonesia No. 33 of 2004). Local revenue is income obtained by the region from sources within its territory, collected in accordance with applicable regulations (Montolalu & Ruru, 2017). Therefore, local revenue can be understood as the routine income from the local government's efforts in utilizing its financial resources to finance its duties and responsibilities. Local revenue consists of (Nooraini & Yahya, 2018):

1. Local Taxes
2. Local Retributions
3. Results from the management of regional assets separated
4. Other legal Local Revenue sources

Thus, it is clear that the source of Regional Income comes from Local Revenue, one of which is Local Retribution.

a. Market Retribution.

Retribution is a charge to the government that can be enforced, and the services provided in return can be directly identified. This compulsion is economic, as anyone who does not receive services from the government will not be charged (Lestari, Rahayu, & Sumbawati, 2020). Local retribution, referred to as Retribution, is a levy imposed as payment for certain services or permits that are specifically provided or granted by the local government for the benefit of individuals or bodies.

Retribution is a levy imposed as payment for certain services or permits specifically provided or granted by the local government for the benefit of individuals or bodies (Tappi, 2024). According to the Law of the Republic of Indonesia No. 34 of 2000, retribution is a levy imposed as payment for services or permits that are specifically provided or granted by the local government for the benefit of individuals or bodies. Therefore, retribution is a charge for those who directly use the services provided, with the service being identified directly and enforceable (economic compulsion) as stipulated by Government Regulations. The characteristics of retribution are (Kamal & Abdurrahman, 2019):

1. Retribution is collected based on applicable regulations.
2. In retribution, the payment made by the community will receive a direct service aimed at the individual who pays.
3. The money from retribution is used for public services related to the specific retribution..

b. Effectiveness

Effectiveness is fundamentally related to the achievement of policy goals or targets (Zaputra & Tauhid, 2024). Effectiveness is the relationship between output and the goals or targets to be achieved. An operational activity is said to be effective if the activities reach the final policy goals. Effectiveness describes the degree to which a program's results match the set target (Polii, Saerang, & Tangkuman, 2020). In simple terms, it is the result (output) compared to the target. The growth rate indicates the ability of the local government to maintain and improve regional retribution revenues from period to period (Gampito & Marlin, 2022). The knowledge of growth from each type of retribution can be used to evaluate areas that need improvement.

c. Contribution to Regional Revenue

The contribution of retribution refers to the extent of its impact on Local Revenue (PAD). It can also be understood as how much market retribution contributes to the amount of Local Revenue (PAD) (Rizkina, Nina, & Aliah, 2022). Efforts to Increase Local Revenue through Market Retribution.

1. Intensification

Intensification is an action or effort to increase revenue by collecting more rigorously, strictly, and thoroughly (Ambarwati, 2019).

2. Extensification

Extensification refers to efforts to explore new sources of local revenue, whether from local taxes, local retributions, the management of regional assets, or other legitimate local income sources

(Wenno, 2017).

d. Trend Analysis

Trend analysis is a method aimed at estimating or forecasting future trends (Anita, 2023). In this study, the researcher uses the least square method for trend analysis, as the data used in this study shows a linear trend. To calculate the trend and forecast values, the values of a and b in the equation must first be estimated::

$$Y = a + bX$$

Note :

Y = actual market retribution

a = constant value of Y (market retribution) when $X = 0$

b = slope value (the increase in Y when X increases by one unit)

X = year period (Suhardi dan Purwanto,2007:181 in Megawati dan Soejoto)

The formula to estimate values a and b :

$$a = \frac{\sum Y}{n}$$

$$b = \frac{\sum XY}{\sum X^2}$$

The market retribution potential will serve as a reference for the government in setting market retribution revenue targets. This target will later be compared with actual market retribution revenue to measure the effectiveness of market retribution collection. Market potential is a measure or total value of the market in Rupiah if everyone with purchasing power buys a product or service (Mustafa, 2017). Factors influencing market retribution revenue potential include retribution rates, market subjects and objects, government policies, the collection system, and the retribution collection officers..

$$PRPP = (J \times TRP) \times 12$$

Where:

$PRPP$ = Market Service Retribution Potential

J = Number of kiosks/shops

TRP = Monthly Market Retribution Rate: (Fauzan, 2016)

According to the General Indonesian Language Dictionary (KUBI), published by Balai Pustaka, contribution refers to monetary contributions or donations. To measure the contribution of market retribution to local revenue, the following equation can be used:

$$\text{Contribution} = \frac{\text{Central Market Retribution}}{\text{Local Revenue}} \times 100\%$$

Contribution Criteria :

a. 0% -0,9% = no contribution

b. 1%-1,9% = minor contribution

c. 2%-2,9% = fair contribution

d. 3%-3,9% = significant contribution

> 4% = very significant contribution

3. Methodology

This research uses a quantitative approach with descriptive methods and case study to examine the potential and effectiveness of Market Retribution revenues and their contribution to Local Revenue (PAD) in Mimika Regency. The research location is in the Timika Central Market and related institutions, namely the Department of Industry and Trade and the Regional Revenue Agency of Mimika

Regency. The data used is secondary data in the form of time series from 2019 to 2023, including target and actual Market Retribution revenue data.

Data collection techniques were carried out through documentation, questionnaires to market heads and relevant section heads, as well as in-depth interviews with UPTD Central Market officers. The data was analyzed quantitatively using effectiveness ratio analysis, contribution analysis, and revenue potential analysis using the formula $PRPP = (LK \times TR \times 360) + (LL \times TR \times 360)$, where PRPP is the market service retribution potential, LK is the stall area, LL is the space area, and TR is the retribution rate. Effectiveness is calculated by comparing actual revenues against targets, with effectiveness categories based on specific criteria (e.g., $>100\%$ = very effective). Meanwhile, the contribution of Market Retribution to PAD is calculated as a percentage to see how much it impacts local revenue. Data validity was tested through method and source triangulation to ensure the credibility of the findings.

4. Results and discussions

4.1 Research Results

To advance the economy of a region, economic development from various perspectives, including markets, is required. Economic development aims to increase the number and types of job opportunities for the region's community (Nasution, 2020). According to Sombolayuk and Bakar (2023) regional economic development is a process that includes the formation of new institutions, alternative industries, and the identification of new markets in Mimika Regency. The potential of Central Market Retribution consists of several points, including:

1. Vehicle Parking Retribution/Day

- a. Two-wheeled vehicle parking retribution = IDR 2,000 per unit
14 units x 100 sheets = 1,400 sheets x IDR 2,000 = IDR 2,800,000 per day
- b. Four-wheeled vehicle parking retribution = IDR 4,000 per unit
6 units x 100 sheets = 600 sheets x IDR 4,000 = IDR 2,400,000 per day
- c. Six-wheeled vehicle parking retribution = IDR 6,000 per unit (-)

2. Market Service Retribution/Day

- a. Selling space with size 3 x 4 = IDR 5,000 per day
Total selling spaces 323 units x IDR 5,000 = IDR 1,615,000 per day
- b. Selling space with size 2 x 1.5 = IDR 3,000 per day
Total selling spaces 200 units x IDR 3,000 = IDR 600,000 per day

Source: Secondary Data from the Department of Industry and Trade, Mimika Regency, 2019-2023 during the construction of the physical buildings, the process was self-managed (the buildings were constructed by the traders). However, the retribution rate remains the same, with a size of 3 x 4 = IDR 5,000 per day.

3. Annual Market Service Retribution

- a. Selling space with size 3 x 4 = IDR 5,000 per day
Total selling spaces 323 units x IDR 5,000 x 30 days x 12 months = IDR 581,400,000 per year
- b. Selling space with size 2 x 1.5 = IDR 3,000 per day
Total selling spaces 250 units x IDR 3,000 x 30 days x 12 months = IDR 270,000,000 per year

4. Vehicle Parking Retribution/Year

- a. Two-wheeled vehicle parking retribution = IDR 2,000 per unit
14 units x 100 sheets x IDR 2,000 x 30 days x 12 months = IDR 1,008,000,000 per year
- b. Four-wheeled vehicle parking retribution = IDR 4,000 per unit
6 units x 100 sheets x IDR 4,000 x 30 days x 12 months = IDR 854,000,000 per year

Table 1. Effectiveness of Market Retribution Revenue in Mimika Regency for Fiscal Years 2019 – 2023

Year	Target (Rp)	Realization (Rp)	Effectiveness	Kriteria
------	-------------	------------------	---------------	----------

2019	566.852.000	592.409.000	105%	Effective
2020	566.851.000	558.336.568	98%	Effective
2021	1.771.851.000	1.780.667.500	100%	Effective
2022	1.766.851.000	1.735.288.000	98%	Effective
2023	1.790.000.000	1.649.689.000	92%	Effective
	6.462.405.000	6.316.390.068		Effective

Source: Secondary Data from the Department of Industry and Trade, Mimika Regency, 2023

The contribution of Market Retribution to Local Revenue in Mimika Regency is relatively small because the retribution receipts from the market are not proportional to the total local revenue. The contribution of Market Retribution to Local Revenue from 2019 to 2023 has always increased. This is because the growth in Local Revenue corresponds to the growth in Market Retribution receipts. However, given the potential of Market Retribution, the revenue should be maintained to continue contributing to local revenue. The development of Market Retribution receipts in Mimika Regency increased from 2019 to 2023. However, Market Retribution receipts have not yet met the expected target. The development of Market Retribution receipts in 2019 saw a high increase of 105%, due to efforts made by the Department of Industry and Trade to increase retribution collection through socialization with traders, which achieved a 98% effectiveness rate, categorizing it as less effective.

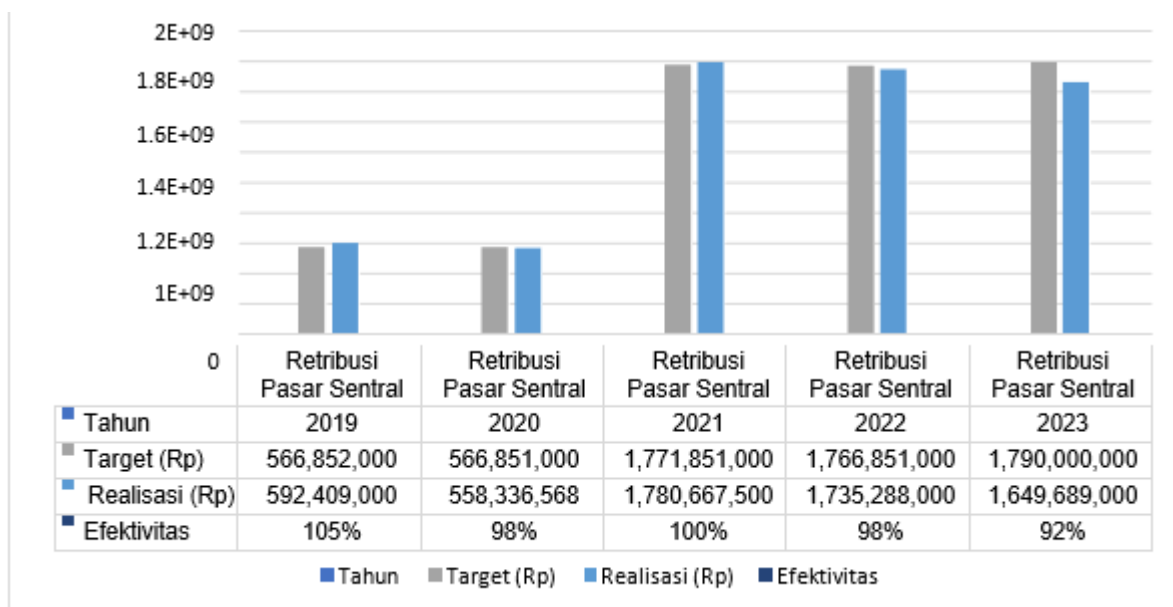


Figure 1. Effectiveness Market Retribution Sentral

Source: Secondary Data from the Department of Industry and Trade, Mimika Regency, 2019-2023

Based on the table and graph above, in 2019, the government set a target of IDR 566,852,000 and the realization was IDR 592,409,000, resulting in an effectiveness rate of 105%, which can be categorized as Effective. In 2020, the government set a target of IDR 566,851,000 and the realization was IDR 558,336,568, resulting in an effectiveness rate of 98%, which can be categorized as Effective. In 2021, the government set a target of IDR 1,771,851,000 and the realization was IDR 1,780,667,500, resulting in an effectiveness rate of 100%, which can still be categorized as Effective. In 2022, the government set a target of IDR 1,766,851,000 and the realization was only IDR 1,735,288,000, resulting in an effectiveness rate of 98%, which can be categorized as somewhat less Effective. In 2023, the government set a target of IDR 1,790,000,000 and the realization was IDR 1,649,689,000, resulting in an effectiveness rate of 92%, which can be categorized as somewhat less Effective. In 2019, the actual market retribution achieved 105% of the target for the Central Market Retribution, categorized as highly Effective. This was due to the enforcement of traders focusing on selling at the Mimika Central Market. In 2020, there was a slight decline to about 98% due to Covid-19. In 2021, there was an increase to 100% because the Covid-19 situation was handled, leading to an improvement. In 2022, the

effectiveness rate declined again, reaching 98% due to the lingering effects of Covid-19. In 2023, a further decline occurred, with the rate dropping to 92% due to the activation of several markets outside the central market, and this was also influenced by the challenging economic situation and increased operational costs at the Mimika Central Market.

4.1.1 Market Retribution Revenue

1) Market Retribution Revenue Potential

Retribution potential refers to the strength of a region to generate local retribution revenue (Handayani, 2017). One source of local retributions is Market Retribution. Parties involved in the collection of Market Retribution include: traders or retribution payers, retribution collectors, the market head or market coordinator, the assistant treasurer for market receipts, the Regional Development Bank (BPD), and the special treasurer for receipts. Documents and records related to the collection of Market Retribution include: receipts, Coordinator's Money Receipt (TTUK), Payment Receipt (STS), daily reports from assistant cashiers, and reports on collection and deposit from the retribution coordinator.

To determine the potential retribution revenue of a region, the following factors are considered:

1. Initial conditions of the region
2. Expansion or intensification of retribution revenue collection
3. The development of real per capita Gross Regional Domestic Product
4. Population growth, as income can be influenced by the population size
5. Inflation rate
6. Adjustment of retribution rates
7. New developments

2) Potential Market Retribution of Central Mimika::

- a. Rolling Door space size $2 \times 3 = \text{IDR } 5000 \times 168 \times 30 \times 12 = \text{IDR } 302.400.000.$,
- b. Sales table size $2 \times 1,5 \times 3.000 \times 576 \times 30 \times 12 = \text{IDR } 24.192.000.$,
- c. Waste management service $\text{IDR } 500 \times 2.500 \times 30 \times 12 = \text{IDR } 180.000.000.$,
- d. Two-wheeled vehicles per day $\text{IDR } 2.000 \times 16 \times 100 = \text{IDR } 3.200.000.$,
- e. Four-wheeled vehicles per day $\text{IDR } 4.000 \times 6 \times 100 = \text{IDR } 2.400.000.$,

Table 2. Effectiveness of Market Retribution Revenue in Mimika Regency Fiscal Year 2019 – 2023

Year	Target (Rp)	Realization (Rp)	Effectiveness	Kriteria
2019	566.852.000	592.409.000	105%	Effective
2020	566.851.000	558.336.568	98%	Effective
2021	1.771.851.000	1.780.667.500	100%	Effective
2022	1.766.851.000	1.735.288.000	98%	Effective
2023	1.790.000.000	1.649.689.000	92%	Effective
	6.462.405.000	6.316.390.068		Effective

Source: Secondary Data from the Department of Industry and Trade, Mimika Regency, 2023

Based on calculations from the market units, it shows that the effectiveness level has increased with the criteria of "Very Effective." This indicates that the revenue target set by the Mimika Regency Government has actually been below its potential. Therefore, the Regional Revenue Department, which is responsible for proposing the retribution target, needs to accurately calculate the potential Market Retribution revenue so that the revenue based on the set target can be further increased.

Mimika Regency has many markets, and one of the potential sources of revenue is the Mimika Central Market, which is expected to contribute to local revenue in accordance with regulations. Therefore, strengthening the support for revenue from retribution objects, collected in exchange for the use of market facilities, is very important. To increase the potential Market Retribution revenue in Mimika Regency in 2023, there are several things to consider, including the following:

1. The Market Retribution rate must comply with Mimika Regency Regional Regulation No. 10 of 2010 on Market Management in Mimika Regency, based on the Decree of the Head of the Department of

- Industry and Trade of Mimika Regency No. 10/19/KEP/21.01/2019 with approval from the Mimika Regent's Decree No. 12/04/Kep/43.023/2010 on the rates for rental places/market stalls and other charges at Mimika Central Market.
- The number of markets or physical facilities at Mimika Central Market totals one market: the Mimika Central Market located on Hasanudin Street, Timika.
 - The Mimika Central Market has a working area, with facilities including kiosks, stalls, plazas, and guard posts. The public market services provided by the Mimika Regency Government for selling goods consist of kiosks, permanent stalls with tiled walls and floors, parking areas, available MCK (bathrooms), security officers, waste collection containers, and loading/unloading areas.
 - Potential Revenue from Traders
The potential revenue from traders for Timika Central Market and the types of services provided. The potential Market Retribution revenue in Mimika Regency from 2019–2023 is as follows::

Table 3. Potential Market Retribution Revenue

No	Market Name	Market Retribution Potential		Potential Revenue (IDR)	Actual Market Retribution Revenue (IDR)
		Potential (units)	Active Potential (units)		
1	Mimika Central Market	1500	1350	6.462.405.000	6.316.390.068

Source: Processed Data, 2025

Explanation:

The market name is Mimika Central Market. The potential Market Retribution consists of 1500 units of selling space, with 1350 active selling spaces engaged in transactions. The potential target, assuming all stalls are actively used for selling, would be IDR 6,462,405,000. However, after collection efforts by the revenue officers, the actual realization was IDR 6,316,390,068. This amount was calculated from 2019 to 2023..

According to an interview with staff from the Regional Revenue Agency of Mimika Regency, it was stated that:

"Actually, Mimika Regency has quite a good potential for retribution, including Market Retribution itself. This is due to the consumerist nature of the Mimika community" (interview on January 14, 2025).

The retribution potential in Mimika Regency is quite good, one of which is the Central Market Retribution. This is evident from the consumerist behavior of the Mimika community, especially in shopping at the central market. Furthermore, not all malls in Mimika sell essential household items like those in large cities. As a result, many people prefer to shop at the Central Market for all their daily needs. Based on the table of potential Market Retribution revenue from the Mimika Central Market, when compared with the actual market retribution collected each year, there is a significant discrepancy, always falling short of the potential. This result is derived from existing data, while many traders are still not registered by the market authorities. Moreover, the collection process is still not optimal, and the presence of mini-markets has also contributed to this issue. These factors lead to potential revenue leakage. As a result, the revenue that should have been higher is reduced due to the less-than-optimal implementation of the Market Retribution collection.

4.1.2 Effectiveness of Market Retribution Revenue

This measurement looks at the effectiveness of the Market Retribution revenue realization over the past 5 fiscal years in Mimika Regency. In this measurement, the realization of the Market Retribution revenue will be compared with the target for the Market Retribution collection. If the number generated is greater than 100%, the collection result indicates increasing effectiveness. The table below shows the average effectiveness of Market Retribution collection in Mimika Regency is 105%, which indicates that, on average, the collection of Market Retribution in Mimika has been effective from 2019 to 2023.

Table 4. Effectiveness of Market Retribution in Mimika Regency for Fiscal Year 2019 – 2023.

Year	Target (IDR)	Realization (IDR)	Effectiveness	Kriteria
------	--------------	-------------------	---------------	----------

2019	566.852.000	592.409.000	105%	Effective
2020	566.851.000	558.336.568	98%	Effective
2021	1.771.851.000	1.780.667.500	100%	Effective
2022	1.766.851.000	1.735.288.000	98%	Effective
2023	1.790.000.000	1.649.689.000	92%	Effective

Source: Processed Data, 2025

Explanation:

1. For the year 2019, the target set by the Mimika Regency government through the Regional Revenue Agency was IDR 566,851,000, and the realization was IDR 592,409,000, resulting in an effectiveness of 105%, which falls under the "Effective" category.
2. For the year 2020, the target was IDR 566,851,000, and the realization was IDR 558,336,568, with an effectiveness of 98%, which is considered "Effective."
3. For the year 2021, the target was IDR 1,771,851,000, and the realization was IDR 1,780,667,500, with an effectiveness of 100%, categorized as "Effective."
4. For the year 2022, the target was IDR 1,766,851,000, and the realization was IDR 1,735,288,000, yielding an effectiveness of 98%, categorized as "Effective."
5. For the year 2023, the target was IDR 1,790,000,000, and the realization was IDR 1,649,689,000, resulting in an effectiveness of 92%, which is still categorized as "Effective."

4.1.3 Contribution of Market Retribution to Local Revenue (PAD)

Local Revenue consists of the results from local taxes, retributions, local business profits, and other legitimate revenue sources. To optimize the receipt of Local Revenue from the retribution sector, particularly Market Retribution in Mimika Regency, it is necessary to conduct studies and calculations to determine the contribution of Market Retribution to the Local Revenue of Mimika Regency over time.

Table 5. Contribution of Market Retribution to Local Revenue in Mimika Regency from 2019 to 2023.

No	Fiscal Year	Market Retribution (IDR)	Local Retributions (IDR)	Kontribusi
1	2019	207.699.303	8.889.269.111	2,34%
2	2020	487.308.807	10.678.154.262 4	4,56%
3	2021	149.591.500	25.956.871.930	0,58%
4	2022	283.193.069	27.891.295.698	1,02%
5	2023	324.343.089	19.449.549.450	1,67%
Average				2,03%

Source: Secondary Data from the Department of Industry and Trade, Mimika Regency, 2023

Explanation:

From the table above, it can be seen that the role or contribution of Market Retribution to Local Revenue is quite significant. Over the period from 2019 to 2023, the average contribution per year is 2.03%. This means that the Local Revenue collected during this period shows a declining trend. This indicates that the contribution of Market Retribution to increasing the Local Revenue (PAD) of Mimika Regency is still lacking. This is reflected in the percentage of 2.34% in the 2019 budget year, 4.56% in 2020, then decreasing to 0.58% in 2021, 1.02% in 2022, and 1.67% in 2023. During this period, the contribution of Market Retribution to Local Revenue fluctuated, showing instability, as seen in 2019, where the contribution increased by only 2.03% from the previous year.

Table 6. Analysis of Market Retribution Contribution to Local Revenue in Mimika Regency from 2019 to 2023

No	Fiscal Year	Market Retribution (IDR)	Local Retributions (IDR)	Contribution
1	2019	207.699.303	8.889.269.111	2,34%
2	2020	487.308.807	10.678.154.262 4	4,56%
3	2021	149.591.500	25.956.871.930	0,58%
4	2022	283.193.069	27.891.295.698	1,02%

5	2023	324.343.089	19.449.549.450	1,67%
Average				2,03%

Source: Secondary Data from the Department of Industry and Trade, 2019

4.2 Discussion

4.2.1 Mechanism for the Collection of Market Retribution at Timika Central Market

1) Retribution Collection Procedure

In the implementation of retribution collection, Timika Central Market places several retribution collectors. These collectors are headed by a market head who is appointed for each market. The market head is responsible for organizing and coordinating the collection of retributions by the retribution collectors. The market head has full authority over the market they manage. Supervising the collection of retribution by the market head is crucial to ensure that the collectors do not act arbitrarily in collecting retributions from traders. The Market Retribution collected from each trader is for using the facilities provided at the market. The market facilities include the market office, ticket counter, land, stalls, kiosks, toilets, prayer rooms, water, electricity, trash bins, parking, unloading areas, and drainage systems. The determination of Market Retribution rates is based on regional policies, taking into account the cost of providing services, the community's ability to pay, and fairness aspects. In addition to these factors, the retribution rates are also determined based on the government's decision through the Head of the Department of Industry and Trade of Mimika Regency (SK No. 23/43/Kep/142.45/2019), regarding the approval of the place rental fees and other costs at the Timika Central Market..

2) Market Management and Supervision

The government-managed market is overseen, managed, and developed by the Mimika Regency Government through the Head of Timika Central Market. The village markets are managed by the respective village governments and supervised by the Mimika Regency Government. The market management is appointed by the market head, with one of the appointed heads being responsible for overseeing the market's activities.

3) Procedure for Retribution Collection at Timika Central Market

- a. The retribution is collected by the KPP officers using the official assessment system, based on the Regional Regulation of Mimika Regency Number 10 Year 2010 on Market Management in Mimika Regency, with a direct collection system using valuable items or tickets. Traders who do not pay their retribution on time will be subject to an administrative penalty of 2% per month of the total amount of retribution owed, and will be charged using the Local Retribution Tax Bill (STRD) from Mimika Regency. Traders are required to comply with the following regulations from the Regent:
- b. The collection of retribution cannot be subcontracted.
- c. The retribution must be collected using SKRD or equivalent documents.
- d. The form and content of SKRD are determined by the Regent of Mimika Regency

Market Retribution Reporting System in Mimika Regency:

a) Retribution Collection

The task of collecting retribution from traders at Timika Central Market, whether inside the central market area or in its surrounding area, is assigned to retribution officers, who then report the collection results to the Head of Timika Central Market. This is accompanied by a deposit receipt.

b) Coordinator or Head of Timika Central Market

The Head of Timika Central Market is responsible for collecting, receiving, and storing the deposit through the Treasury Officer, and reporting it to the Head of the Department of Industry and Trade of Mimika Regency, who then deposits it into the Regional Revenue Department (DISPENDA) of Mimika Regency via Bank Papua.

c) PBKP-KPP (Treasurer Assistant for Revenue-KPP)

The PBKP assists in collecting, calculating, and recording all retribution collected from all markets, particularly from Timika Central Market, as deposited by the market head through the collection officers. After the calculation and recording, PBKP deposits all retribution money to the designated treasury at DISPENDA, which must be deposited within six working days.

d) BKP (Treasurer for Special Receivers)

Receives all collected retribution money from the PBKP, which is recorded and managed by DISPENDA of Mimika Regency.

e) BPD (Bank Pembangunan Daerah)

The BPD is where the Market Retribution funds are deposited as part of the Local Revenue (PAD) of Mimika Regency. BPD also acts as the regional treasury holder.

4) Procedure for Payment

Based on the Regent's decision through the Head of the Department of Industry and Trade (SK No. 188/16/KEP/413.501/2013), with approval from the Mimika Regent (SK No. 188/885/Kep/413.013/2013) concerning the place rental fees and other related costs at Timika Central Market, the payment deadline for overdue retribution is set to be no later than 30 days after the due date. Payments can be made directly to the Treasury Officer via collection officers, and then deposited into the BPD or through the designated Market Management Office. Payments must be made within the specified time using SKRD (Local Retribution Tax Decision Letter) or equivalent documents. Payments must be deposited into the local treasury within 24 hours. If the payment is made after the due date, the trader will be charged with STRD (Local Retribution Tax Bill). Payments must be made in cash and may be done with written permission from the appointed official, along with justifiable reasons.

5) Procedure for Collection

Collections can be made from retribution payers using a warning letter or reminder letter as the initial step of the collection process, issued seven days after the payment due date. Within the specified time, the payer is expected to settle the owed retribution. The collection notice is issued by the appointed official.

6) Calculation and Refund of Retribution

If an overpayment occurs, the payer may submit a written request to the Regent through the Revenue Department (DISPENDA) as the technical service provider of the Local Retribution Budget of Mimika Regency. The overpayment can first be offset against any outstanding retribution or administrative penalties. Subsequently, it will be applied to future retribution payments. The Regent, through DISPENDA, will issue a SKRDLB (Surplus Local Retribution Tax Decision Letter) as per Regional Regulation No. 10 Year 2010 on Market Management in Mimika Regency and the SK from the Head of the Department of Industry and Trade of Mimika Regency (No. 188/16/KEP/413.501/2010) regarding fees and rental costs at Timika Central Market.

According to the interview with a respondent, it was stated that:

“Actually, Mimika Regency has good potential for retribution, including Market Retribution itself. This is due to the consumerist behavior of the Mimika community” (interview on January 14, 2025).

Based on the interview, in supporting Local Revenue (PAD), proper data collection is conducted for market facilities and the determination of the retribution rates at Timika Central Market. Timika Central Market has facilities such as kiosks, stalls, and open spaces that have been provided, as well as services including waste management, parking along the public roads, liquid waste treatment, clean water supply, and fire-fighting equipment. Timika Central Market offers kiosks, stalls, and open spaces for traders to conduct their buying and selling transactions.

5. Conclusions

The contribution realization level for the years 2019-2023 falls into a very low indicator. The contribution level has decreased over time. This continuous decline can be attributed to external factors that have not been adequately addressed by the leadership of the Department of Industry and Trade of Mimika Regency, such as the large number of traders who have not been recorded and the lack of awareness among traders regarding the retribution they are required to pay. Additionally, two- and four-wheeled vehicles frequently fail to pay for parking tickets due to the manual collection system still in use. The large potential and effectiveness of Market Retribution towards the budget target of Mimika

Regency's retribution is evident, but the percentage results from the effectiveness of the retribution in Timika Central Market always show a decline and then a slight increase before declining again. However, the criterion remains "Effective" because the percentage level remains above 100%.

References

- Ambarwati, L. (2019). Strategi Optimalisasi Retribusi Pasar di Pemerintah Kabupaten Bantul. *Jurnal Riset Manajemen Sekolah Tinggi Ilmu Ekonomi Widya Wiwaha Program Magister Manajemen*, 6(2), 147-156. doi:<https://doi.org/10.32477/jrm.v6i2.20>
- Anita. (2023). Perbaikan Pengendalian Persediaan Melalui Peramalan Permintaan Menggunakan Metode Tren Analisis. *Jurnal Ilmiah Teknik*, 2(1), 83-92. doi:<https://doi.org/10.56127/juit.v2i1.507>
- Darmawati, Damirah, Nurhayati, S., Semaun, S., & Adani, A. P. Z. (2017). Kebijakan Pengelolaan Retribusi Pasar dalam Menunjang Pendapatan Asli Daerah Pasar Kampiri Kecamatan Pammana Kabupaten Wajo. *Banco: Jurnal Manajemen dan Perbankan Syariah*, 6(1), 1-15. doi:<https://doi.org/10.35905/banco.v6i1.7633>
- Fauzan, A. (2015). Analisis Potensi Penerimaan Retribusi Pasar Sebagai Salah Satu Sumber Pendapatan Asli Daerah Kabupaten Hulu Sungai Utara. *Jurnal Ekonomi Pembangunan*, 13(2), 218-225. doi:<https://doi.org/10.22219/jep.v13i2.3899>
- Gampito, & Marlin, K. (2022). Analisis Laju Pertumbuhan dan Kontribusi Retribusi Daerah Terhadap Pendapatan Asli Daerah Provinsi Sumatera Barat. *Syntax Literate: Jurnal Ilmiah Indonesia*, 7(3), 2481-2495. doi:<https://doi.org/10.36418/syntax-literate.v7i3.6538>
- Handayani, S. (2017). Potensi Retribusi Pasar Terhadap Peningkatan Pendapatan Asli Daerah (PAD) Kabupaten Lamongan. *Jurnal Penelitian Ekonomi dan Akuntansi*, 2(1), 347-370. doi:<https://doi.org/10.30736/jpensi.v2i1.96>
- Kamal, M. R., & Abdurrahman, A. (2019). Pemungutan Retribusi Terminal Terpadu Paya Ilang Kabupaten Aceh Tengah. *Jurnal Ilmiah Mahasiswa Bidang Hukum Kenegaraan*, 3(1), 197-207.
- Kumendong, J. V., Morasa, J., & Tirayoh, V. Z. (2019). Analisis Potensi Penerimaan Retribusi Pelayanan Pasar pada PD. Pasar di Kota Manado. *Indonesia Accounting Journal*, 1(2), 97-104. doi:<https://doi.org/10.32400/iaj.26679>
- Leilani, D. M. L., & Wulandari, I. (2023). Pengaruh Retribusi Pelayanan Pasar dan Pelayanan Parkir Terhadap Pendapatan Asli Daerah dengan Inflasi Sebagai Moderasi. *Ekonomi, Keuangan, Investasi Dan Syariah (EKUITAS)*, 5(2), 347-356. doi:<https://doi.org/10.47065/ekuitas.v5i2.4480>
- Lestari, M., Rahayu, S., & Sumbawati, N. K. (2020). Kontribusi Retribusi Sampah, Retribusi Pelataran dan Retribusi Kios Sederhana Terhadap Retribusi Pasar Labuhan Sumbawa. *Jurnal Ekonomi & Bisnis*, 8(3), 225-233. doi:<https://doi.org/10.58406/jeb.v8i3.598>
- Montolalu, J., & Ruru, J. M. (2017). Analisis Penerimaan Pendapatan Asli Daerah Serta Kontribusinya terhadap Anggaran Pendapatan dan Belanja Daerah Kabupaten Minahasa Selatan. *Jurnal Administrasi Bisnis (JAB)*, 5(6), 1-7. doi:<https://doi.org/10.35797/jab.v0.i0.%25p>
- Mubarok, D. H. N. (2016). Potensi Penerimaan Retribusi Pelayanan Pasar dan Kontribusi Serta Prospeknya Terhadap Pendapatan Asli Daerah Kota Samarinda. *Forum Ekonomi: Jurnal Ekonomi, Manajemen dan Akuntansi*, 18(2), 95-110. doi:<https://doi.org/10.29264/jfor.v18i2.861>
- Mustafa, A. (2017). Potensi Pasar Tradisional Simabur Bagi Masyarakat di Nagari Simabur Kecamatan Pariangan Kabupaten Tanah Datar. *Jurnal Spasial: Penelitian, Terapan Ilmu Geografi, dan Pendidikan Geografi*, 2(1), 25-31. doi:<https://doi.org/10.22202/js.v2i1.1584>
- Naleng, A., Manossoh, H., & Tangkuman, S. S. J. (2017). Analisis Potensi dan Efektivitas Pemungutan Retribusi Pasar di Kabupaten Kepulauan Siau Tagulandang Biaro. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 5(2), 2240-2249. doi:<https://doi.org/10.35794/emba.v5i2.16523>
- Nasution, A. P. (2020). Strategi Pembangunan Daerah dalam Meningkatkan Mutu Sumber Daya Alam dan Sumber Daya Manusia. *Ekonomi Bisnis Manajemen dan Akuntansi (EBMA)*, 1(2), 208-212. doi:<https://doi.org/10.36987/ebma.v1i2.2170>

- Nooraini, A., & Yahya, A. S. (2018). Analisis Efektivitas Dan Kontribusi Pajak Daerah Sebagai Sumber Pendapatan Asli Daerah Kota Batu (Studi pada Dinas Pendapatan Daerah Kota Batu Provinsi Jawa Timur). *JEKP (Jurnal Ekonomi dan Keuangan Publik)*, 5(2), 89-104. doi:<https://doi.org/10.33701/je%20&%20kp.v5i2.416>
- Pamungkas, B. (2023). Analisis Efektivitas Pengelolaan Retribusi Pasar pada Dinas Perdagangan, Perindustrian, Koperasi dan UKM Aceh Barat. *AKUA: Jurnal Akuntansi dan Keuangan*, 2(1), 12-18. doi:<https://doi.org/10.54259/akua.v2i1.1305>
- Polii, I. R., Saerang, D. P., & Tangkuman, S. J. (2020). Analisis Pengukuran Kinerja Keuangan Pemerintah Provinsi Sulawesi Utara Berdasarkan Konsep Value for Money. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 8(4), 781-788. doi:<https://doi.org/10.35794/emba.v8i4.31072>
- Pusung, H. G., Engka, D. S., & Masloman, I. (2023). Pengaruh Pendapatan Retribusi di Perusahaan Daerah Pasar Kota Manado Sebelum dan Dimasa Pandemi Covid-19. *Jurnal Berkala Ilmiah Efisiensi*, 23(6), 145-156.
- Rizkina, M., Nina, A., & Aliah, N. (2022). Efektivitas Penerimaan Retribusi IMB dan Kontribusinya Terhadap PAD. *Journal of Business and Economics*, 3(2), 163-167. doi:<https://doi.org/10.47065/jbe.v3i2.1721>
- Sombolayuk, Y., & Bakar, A. (2023). Analisis Strategi Pengembangan Komoditi Unggulan Sub Sektor Tanaman Pangan di Distrik Mimika Baru. *JURNAL KRITIS (Kebijakan, Riset, dan Inovasi)*, 7(1), 91-121.
- Suprianto, S., & Alwasifah, Y. (2024). Efektivitas Kinerja Pengelolaan Retribusi Pasar dan Kontribusinya Terhadap Penerimaan Retribusi Daerah Kabupaten Sumbawa. *Jurnal Ekonomi & Bisnis*, 12(1), 164-177. doi:<https://doi.org/10.58406/jeb.v12i1.1561>
- Tappi, V. P. (2024). Pengaruh dan Kontribusi Retribusi Daerah Terhadap Pendapatan Asli Daerah (PAD) di Kabupaten Jayapura. *Jurnal Ekonomi dan Bisnis*, 16(2), 109-120. doi:<https://doi.org/10.55049/jeb.v16i2.311>
- Wenno, M. (2017). Intensifikasi Pemungutan dan Ekstensifikasi Sumber PAD Terhadap Kemandirian Keuangan Daerah Pemekaran: Studi pada Kabupaten Seram Bagian Barat dan Kabupaten Kepulauan Aru Provinsi Maluku. *Jurnal Cita Ekonomika*, 11(1), 41-53. doi:<https://doi.org/10.51125/citaekonomika.v11i1.2631>
- Zaputra, R. C., & Tauhid, M. (2024). Efektivitas dan Efisiensi Kinerja Keuangan Berdasarkan Laporan Realisasi Anggaran pada Kantor Kementerian Agama Kota Langsa Tahun 2022. *Seulanga: Jurnal Pendidikan dan Pelatihan*, 3(1), 1-12. doi:<https://doi.org/10.47655/2cwgfw06>