



**ANALYSIS OF FISCAL CAPACITY OF SOUTH SULAWESI PROVINCE INDONESIA  
YEARS 2019,2020,2021 AND 2022**

**BAKHTIAR**

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**ABSTRACT**

In this analysis the author wants to see and find out what the fiscal capacity of South Sulawesi Province is, whether it is in the low category, medium category or high category. The analytical method in this study uses a descriptive and quantitative approach by evaluating various incomes, income whose use has been determined and certain types of expenditure.

The results of the descriptive analysis show that regional budget components such as original regional income, transfer income, other legitimate regional income, certain spending components such as employee spending, interest spending and profit sharing spending have increased every year.

In the quantitative analysis, the calculation results obtained show that, in 2019, the calculated value for fiscal capacity was 1.43, this shows that the fiscal capacity of South Sulawesi province is still relatively low. In 2020, the calculated value for fiscal capacity was 1.98. This shows that the fiscal capacity of South Sulawesi province is still in the medium category. In 2021, the value obtained from the calculation of fiscal capacity is 2.13, this shows that the fiscal capacity of South Sulawesi province is classified as high. In 2022, the calculated value for fiscal capacity is 1.28, this shows that the fiscal capacity of South Sulawesi province is still very low.

**KEYWORDS:** - Fiscal Capability of South Sulawesi Province.

**1. INTRODUCTION**

Talking about regional autonomy cannot be separated from policy issues. Regional financial capacity. Even in previous years, autonomy was always associated with auto money. This means that regional independence in exercising its authority is measured by its ability to explore its own sources of income. The implications of implementing the auto money principle are what then encourage regions to actively increase Regional Original Income (PAD) and obtain Profit Sharing Funds (DBH) and other Legitimate Income (LP), including by creating various forms of regional taxes and levies.

The location of the South Sulawesi region is 0o12' - 8' South Latitude and 116o48' - 122o36' East Longitude, bordered by the North of West Sulawesi, the East of Bone Bay and Southeast Sulawesi, the West of the Makassar Strait, the South of the Flores Sea.

The area of South Sulawesi is 46,717.48 km<sup>2</sup> with a population in 2012 → 8,214,779 people with a population density of 175.84 people/km<sup>2</sup> spread across 24 regencies/cities, namely 21 regencies and 3 municipalities, 304 sub-districts and 2,953 villages/kelurahan, which has 4 regional tribes, namely the Bugis, Makassar, Mandar and Toraja tribes.

## 2. RESEARCH RESULTS AND DISCUSSION

### 2.1. RESEARCH RESULTS

Based on the background and objectives of this research, namely the fiscal capabilities of the South Sulawesi government above, the research results can be presented as follows:

In the Income item, the income referred to in the research consists of PAD. Transfer income, other legitimate regional income. Expenditure items consist of employee expenditure, interest expenditure and profit sharing expenditure.

The results of searching for financial realization data from 2019 to 2022 for South Sulawesi Province can reveal the fiscal capacity as follows:

1). The results of searching the 2019 financial data for South Sulawesi province can reveal the fiscal capacity as follows:

Provincial KFD formula = Income – expenditure: employee expenditure

$$\text{Income} = 9.573.910.862 - 4.954.174.922 = 4.619.735.940$$

$KFD_{provinsi-i}$

$$RKFD_{Provinsi-i} = \frac{\text{Income}}{\text{Employee spending}_{Provinsi-i}}$$

Employee spending $_{Provinsi-i}$

$$\text{Fiscal capacity} = \frac{4.619.735.940}{3.220.961.580}$$

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$$= 1,43.$$

2). The results of tracing the 2020 financial data of the South Sulawesi provincial government can reveal the following fiscal capabilities:

Provincial KFD formula = Income – expenditure: employee expenditure

$$\text{Income} = 9.365.323.756 - \text{belanja } 3.243.852.241 = 6.122.071.515$$

$KFD_{provinsi-i}$

$$RKFD_{Provinsi-i} = \frac{\text{Income}}{\text{Employee spending}_{Provinsi-i}}$$

Employee spending $_{Provinsi-i}$

$$\text{Fiscal capacity} = \frac{6.122.071.515}{\text{Employee spending}_{Provinsi-i}}$$

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3.087.923.031

= 1,98.

3). The results of tracing the 2021 financial data of the South Sulawesi provincial government can reveal the following fiscal capabilities:

Provincial KFD formula = Income – expenditure: employee expenditure

Income = 10.009.403.475.558 – belanja 3.280.731.555.906 = 6.728.671.919.652.

KFD<sub>provinsi-i</sub>

RKFD *Provinsi-i* = -----

Employee spending<sub>Provinsi-i</sub>

Fiscal capacity= 6.728.671.919.652.

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 3.150.808.679.546

= 2,13.

4). The results of tracing the 2021 financial data of the South Sulawesi provincial government can reveal the following fiscal capabilities:

Provincial KFD formula = Income – expenditure: employee expenditure

Income = 8.725.562.442.369. –4.738.085.815.640 = 3.987.476.626.729.

KFD<sub>provinsi-i</sub>

RKFD *Provinsi-i* = -----

Employee spending<sub>Provinsi-i</sub>

Fiscal capacity= 3.987.476.626.729.

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 3.110.528.457.941

= 1,28

### 3. PEMBAHASAN

Based on the results of the fiscal capacity analysis above, it can be presented in the table on the development of the fiscal capacity of South Sulawesi Province.

Table 1 Development of South Sulawesi province's fiscal capacity for 2019-2022 as follows:

YEAR	FISCAL CAPACITY	CATEGORY REGIONAL FISCAL CAPACITY
2019	1,43	Low
2020	1,98	Currently
2021	2.13	Tall
2022	128	Very low

Based on table 1 above, the results show that the development of the fiscal capacity of South Sulawesi province from 2019 to 2022 is quite volatile. This is based on the research results obtained, namely, in 2019 the fiscal capacity was 1.43, this means that the fiscal capacity category is still low, for 2020 a result of 1.98 was obtained, including the medium category of fiscal capacity, for 2021 a calculation result of 2.13 was obtained, indicating that the fiscal capacity was in the high classification category, while in 2022 a calculation result of 1.28 was obtained, indicating that the capacity fiscal is included in the very low category. The above conditions are basically caused by not being able to optimize regional tax and levy revenues, even separated regional wealth revenues, including BUMD contributions which are still low, should be able to help the APBD but instead the APBD covers the losses, apart from that the quality is still low. human resources are still low as a result of which regional dependence on the central government is still very large.

#### 4. CONCLUSION

Based on the results of the research and discussion above, the author can draw the following conclusions:

1. In 2019, the calculated value for fiscal capacity was 1.43, this shows that the fiscal capacity of South Sulawesi province is still very low.
2. In 2020, the calculated value for fiscal capacity was 1.98, this shows that the fiscal capacity of South Sulawesi Province is in the medium category.
3. In 2021, the calculated value for fiscal capacity was 2.13, this shows that the fiscal capacity of South Sulawesi Province illustrates that the fiscal capacity of South Sulawesi province is relatively high.
4. In 2022, the value obtained from the calculation of fiscal capacity is 1.28, this shows that the fiscal capacity of South Sulawesi Province illustrates that the fiscal capacity of South Sulawesi province is still classified as very low.

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