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**Analysis of The Influence of State Income and State Expenditure
on Tax Revenue in Indonesia 2001-2023 From the
Perspective of Islamic Economics**

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ABSTRACT

Taxes are one of the sources of state revenue for financing state expenditure. When tax revenue decline, governments often face an urgent need to maintain social and economic stability. In Indonesia in 2020 the ratio of state revenue from taxes fell by 1.5% from the previous year. So if fluctuations in tax revenue and an increase in state spending lead to a high budget deficit, and the government needs to find others sources of financing, such as loans to cover the financing shortfall. The type of research used is quantitative. The method used in this study is the Error Correction Model (ECM). The data used is secondary data published by the Ministry of Finance with the type of time series data in the year of observation, namely 2001-2023 in the State of Indonesia. Testing was carried out with the help of the Eviews 10 software application. The results of this study shows that only the state revenue variable has a significant effect on tax revenue in the long term and short term, while the state expenditure variable does not have a significant effect on tax revenue in the long term and in the short term.

State Revenue, State Expenditure, Tax Revenue.

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INTRODUCTION

One of the important things for every country is tax, because tax is the main source of income for the country which is certainly related to the state treasury in addition to state income from other fields. Although there are sources of state income from other fields, it cannot be denied that the largest supporter of state income today is tax. Tax does not only affect state income, but also plays a role in realizing state development. The development in question is such as education costs, infrastructure, health costs, or other subsidy costs which are related to taxes (Aqilla & Sisdianto, 2024). This means that the greater the budget needed to carry out development, the greater the government's need for tax revenue in Indonesia. During the time of the Prophet Muhammad and the Khulafaur Rasyidin, state revenues were in the form of zakat imposed on

Muslim residents (Muslims), while taxes were imposed on non-Muslim residents. At that time, no residents were subject to the obligation to pay double zakat and taxes (Utami & Khairany, 2022).

Islamic economics including the concept of tax in Islam consists of philosophical values such as the values of Tauhid, Justice, Deliberation, Freedom, and Amanah or responsibility. These Islamic values should be able to be guidelines, foundations, and bases that must be held by Muslims in carrying out their economic activities so that they are always in accordance with Islamic law as commanded by Allah SWT. (Badali, 2023). However, as is known, the taxation system in Indonesia is a conventional system which is certainly different from the concept of sharia in Islam. So it is not certain that in the taxation system in Indonesia there are Islamic values that should be carried out by Muslims. While Muslims are required to carry out all their activities on this earth in accordance with the values of Islamic law. It is the obligation of Muslims to carry out all the commands of Allah SWT through the Al-Quran and the Sunnah of the Apostle which are the guidelines for the lives of Muslims (Setiady, 2023). As the Word of Allah and QS An-Nisa [4] verse 29, In this verse, Allah forbids His servants from consuming each other's property, in a way that is not justified, and tax is one of the invalid ways to consume the property or wealth of each other. According to the opinion of the scholars, it is permissible to collect taxes from the people Islam, if the country really needs funds and to implement this policy, several conditions must first be met.

Economic sources that support equitable development and create economic, social, and political stability are state finances (Sayadi, 2021). State finances are identical to the spending budget and revenue budget and financing listed in the State Budget (APBN). One important element that must be analyzed in the State Budget realization report is the difference between the budget and the realization of state revenue. The government through the Ministry of Finance must be able to realize the state revenue budget that has been prepared and approved. If the government is able to realize the state revenue budget, then its performance is classified as good. However, if the realization of state revenue is below the budget, then its performance is classified as less good and can even be categorized as bad (Sayadi, 2021).

The income level of each country must have differences caused by fundamental differences such as differences in capital, productivity, and labor. State income can be used as a basis for measuring and analyzing the state of a country's economy. Taxes are a very important source of state income in supporting state spending. Almost every country in the world collects taxes

from its citizens. The amount of tax levied depends on the policies of each country in managing finances and the economy (Habibah & Sisdiyanto, 2024).

According to the Directorate General of Taxes, the tax revenue ratio has decreased. For example, it decreased most significantly in 2020. In 2020, the ratio of state revenue from taxes was only 6.9% or decreased by 1.5% from 2019, which was 8.4%. For information, in 2020 there was a Covid-19 pandemic which caused all business sectors to experience pressure. However, tax revenue in 2021 has begun to show improvement along with the normalization of community activities. Since January 2021, the decline in tax revenue has begun to grow slowly. For example, in February 2021, the realization of tax revenue contracted by 4.8% compared to the same period last year. This contraction continues to improve, recorded in April 2021 which experienced a contract of 0.5% compared to last year.

In this study, the influence of state revenue and state spending on tax revenue in Indonesia will be studied. As a research novelty, the influence of state revenue and state spending on tax revenue will be studied using the error correction model or *Error Correction Model* (ECM). *Error Correction Model is a model used to see the influence of short-term and long-term relationships of independent variables on dependent variables. This study uses this model to correct the regression equation between non-stationary variables individually to return to their equilibrium values in the long term.*

RESEARCH METHODE

This study analyzes State Revenue and State Expenditure on Tax Revenue in Indonesia for 23 years, namely 2001-2023. The variables used in this study consist of Tax Revenue as a dependent variable. While for the free or independent variable variables are State Revenue and State Expenditure. The place of this research was conducted in Indonesia. The data used is the overall data of State Revenue, State Expenditure and Tax Revenue through the Ministry of Finance. In this study, the researcher used a quantitative research approach. Quantitative research can be interpreted as a research method whose data presentation is dominated by numbers and the data analysis used is statistical in nature with the aim of testing the hypothesis (Rozi, 2019). Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn (Suriani et al., 2023). objects/subjects that can be studied but include all the characteristics/properties possessed by the subject or object (Shalahuddin et al., 2020). The population used in this study is data collected based on a time period, namely on State Revenue, State Expenditure

and Tax Revenue that have been published by the Indonesian Ministry of Finance in Indonesia in 2001-2023. The sampling technique used is *nonprobability sampling*, where this technique is carried out in sampling by not providing equal opportunities or opportunities for each element or member of the population to be selected as a sample (Firmansyah & Dede, 2022). Data processing in this study uses two software applications, namely Microsoft Excel 2010 which is used for data processing input and E- views 10 which is used for various tests in this study. Data collection in a study aims to obtain relevant, accurate and realistic materials. The data used is *time data series* or time series is a collection of data collected and recorded sequentially in the same time interval.

RESULT AND DISCUSSION

Unit root test results

The first step that needs to be done before conducting regression with the ECM test is to conduct a data stationarity test. The data stationarity test is carried out to determine whether the variables used are stationary or not. The data stationarity test is carried out using the unit root *test. test*). The unit root test is carried out using the *Augmented Method. Dickey Fuller Test (ADF)*, Stationarity test of data in this study using the *Augmented Test Dickey-Fuller* which can be seen in table 1 below:

Table 1.
Root Test Results at Level and First Difference Levels

Variables	Level		Level 1 <i>Difference</i>	
	<i>Probability</i>	<i>Information</i>	<i>Probability</i>	<i>Information</i>
PP	0.9925	Not Stationary	0.0000	Stationary
PN	0.9655	Not Stationary	0.0042	Stationary
BN	0.9999	Not Stationary	0.0167	Stationary

Source: Output E- views 10 (Data processed in 2024)

Stationarity test results using the *Augmented method Dickey Fuller (ADF-Test)*) was conducted on the unit root test at the level as can be seen in Table 1. Above, it can be seen that in the ADF test on the variables Tax Revenue, State Revenue and State Expenditure, the probability value is still more than $\alpha = 5\%$ (0.05) at the level or $I(0)$ so that it can be concluded that all of these variables are not stationary at the level, so that a test of the degree of integration or a *first level unit root test is needed. difference.*

The results of the integration degree test at the *first level difference* can be seen in table 1, the results obtained show that the probability value of the variables Tax Revenue, State Revenue and State Expenditure is smaller than $\alpha = 5\%$ (0.05), so the decision is to accept H_a which means that the variables Tax Revenue, State Revenue and State Expenditure are stationary in the *first data difference*.

Cointegration Test Results

Cointegration test is used to provide an initial indication that the model used has a long-term relationship (*cointegration*). *relation*). The results of the cointegration test are obtained by forming residuals obtained by regressing the independent variables on the dependent variables using the *Ordinary method. Least Square* (OLS). The residuals must be stationary at the level level to be said to have cointegration. Cointegration testing in this study was carried out using the *Augmented Dickey Fulley Unit Root Test* on residual data with the following results:

Table 2.
Cointegration Test Results

Variables	ADF Critical Value			Probability	Information
	1%	5%	10%		
ECT	- 3,7695 97	- 3,7695 97	- 3,7695 97	0.1180	Not Cointegrated

Source: Output E- views 10 (Data processed in 2024)

Table 2. above shows that the probability value of the ECT variable is 0.1180 above $\alpha = 5\%$ (0.05). This shows that the ECT variable is not stationary at the level level. In order for the data to be cointegrated in the long term, the model is made *double log*.

Table 3.
Estimation Results Long- term

Variable	Coefficient	Std. Error	t- Statistic	Prob.
C	-1.342813	0.240889	- 5,574407	0.0000
LOG(PN)	0.939757	0.063307	14.84449	0.0000
LOG(BN)	0.137542	0.068150	2,018227	0.0572

Source: Output E- views 10 (Data processed in 2024)

From table 3. The results of the long-term equation are obtained and the residual value is obtained. Then this residual will be tested at the stationarity level to obtain the *Augmented value. Dickey-Fuller (ADF)*. Cointegration testing in this study was conducted using the *Augmented Dickey Fulley Unit Root Test* on residual data with the following results:

Table 4.
Cointegration Test Results

Variables	ADF Critical Value			Probability	Information
	1%	5%	10%		
ECT	-3,769597	-3,769597	-3,769597	0.0149	Cointegrated

Source: Output E- views 10 (Data processed in 2024)

In table 4. above, it shows that the probability value of the ECT variable is 0.0149 below $\alpha = 5\%$ (0.05). This shows that the ECT variable is stationary at the level and indirectly shows that the Tax Revenue (PP), State Revenue (PN) and State Expenditure (BN) variables are cointegrated so that testing can be continued to the short-term equation estimation stage.

Estimation Model Results (ECM)

Based on the results of the cointegration that has been done previously, changes in Tax Revenue, State Revenue and State Expenditure have a cointegration relationship. Then it can be continued to the next stage, in the *Double Log model equation* which is then used to form an ECM regression equation model, by regressing the equation model as follows:

$$D(\log(PP)) = b_0 + b_1D(\log(PN)) + b_2D(\log(BN)) + ECT(-1) + e$$

Table 5.
Estimation Results Term Short (ECM)

Variable	Coefficient	Probability
DLOG(PN)	0.841700	0.0000
DLOG(BN)	-0.148042	0.0596
ECT(-1)	-0.656779	0.0001
C	0.039283	0.0004

Source: Output E- views 10 (Data processed in 2024)

The following is the Error equation The Correction Model (ECM) obtained is:

$$D(\log(PP)) = 0.039283 + 0.841700*D(\log(PN)) - 0.148042*D(\log(BN)) - 0.656779*ECT(-1)$$

Based on the results table of the regression data processing, *Error Correction Model (ECM)* in table 5 above, can show that only the State Revenue

variable significantly affects Tax Revenue. While the State Expenditure variable does not have a significant effect on Tax Revenue.

Finally, based on the short-term equation using the *Error method Correction Model* (ECM) produces the ECT coefficient. This coefficient measures the response *regressand* each period that deviates from equilibrium. The imbalance correction coefficient ECT in the form of absolute value explains how quickly it takes to get the equilibrium value. So it can be seen in the significant ECT variable of 0.0001 (ECT <0.05) and has a negative sign for the Tax Revenue estimate. So the model specification is valid. The ECT Coefficient value of 0.656 means that the difference between Tax Revenue and its balance is 0.656, which will be adjusted within one year. Thus, the model specification used in this study is appropriate and able to explain short-term relationships and needs to be corrected annually by 0.656 to achieve long-term equilibrium.

Hypothesis Test Results

a. t-Test Results (Partial)

The t-test is an individual test that aims to determine whether there is an influence of the independent variable on the dependent variable. The hypothesis in the t-statistic test is as follows:

Ho: individually has no effect on the dependent variable

Ha : individually influences the dependent variable

Based on the calculation results, $df = (n - k)$, $df = (23 - 3) = 20$ is obtained, where the t-table value is 2.085963. The results of the T-statistic test are as follows:

Table 6.
Results of Long- Term and Short-Term t-Tests Short

Long- term				
<i>Variable</i>	<i>Coefficient</i>	<i>t-Statistic</i>	<i>Prob.</i>	Hypothesis
LOG(PN)	0.939757	14.84449	0.0000	Ho ₁ is rejected and Ha ₁ is accepted
LOG(BN)	0.137542	2,018227	0.0600	Ho ₂ is accepted and Ha ₂ is rejected
Term Short				
<i>Variable</i>	<i>Coefficient</i>	<i>t-Statistic</i>	<i>Prob.</i>	Hypothesis
DLOG(PN)	0.841700	15,15671	0.0000	Ho ₁ is rejected and Ha ₁ is

				accepted
DLOG(BN)	-0.148042	-2,010283	0.0600	Ho ₂ is accepted and Ha ₂ is rejected

Source: Output E- views 10 (Data processed in 2024)

Based on the results of the t-test in table 6 above, the results of the long-term regression are as follows:

- a. The t-statistic value on the State Revenue variable is 14.84449, the t-table value is 2.085963. This means that the t-statistic value (14.84449) > t-table (2.085) with a significance level of $0.00 < 0.05$. So based on the t-test in the long term and the level of significance it can be concluded that Ha₁ is accepted and Ho₁ is rejected. This shows that State Revenue statistically has a significant effect on Tax Revenue. With a coefficient value of 0.939757, this shows that if there is an increase in State Revenue by one percent, Tax Revenue will decrease by 0.93 percent.
- b. The t-statistic value on the State Expenditure variable is 2.018227, with a t-table value of 2.085963. This means that the t-statistic value (2.018227) < t-table (2.0859) with a significance level of $0.06 > 0.05$. So based on the t-test and the level of significance in the long term, it can be concluded that Ha₂ is rejected and Ho₂ is accepted. This shows that Ho₂ is accepted, which means that State Expenditure statistically has no significant effect on Tax Revenue. The coefficient value of 0.137542 shows that if there is an increase in State Expenditure by one percent, Tax Revenue will decrease by 0.13 percent.

Based on the short-term regression results in table 6, the partial test is as follows:

- 1) The t-statistic value on the State Revenue variable is 15.15671, the t-table value is 2.085963. This means that the t-statistic value (15.15) > t-table (2.085) with a significance level of $0.00 < 0.05$. So based on the t-test and the level of significance in the short term, it can be concluded that Ha₁ is accepted Ho₁ is rejected. This shows that State Revenue statistically has a significant effect on Tax Revenue. The coefficient value of 0.841700 shows that if there is an increase in State Revenue by one percent, Tax Revenue will decrease by 0.84 percent.
- 2) The t-statistic value on the State Expenditure variable is -2.010283, the t-table value is 2.085963. This means that the t-statistic value (-2.010) < t-table (2.085) with a significance level of $0.06 > 0.05$. So based on the t-test and the significant level in the short term, it can be concluded that Ha₂

is rejected and H_0_2 is accepted. This shows that H_0_2 is accepted, which means that State Expenditure statistically has no significant effect on Tax Revenue. The coefficient value of 0.148042 shows that if there is an increase in State Expenditure by one percent, Tax Revenue will decrease by percent.

b. Determination Test Results (R^2)

Table 7.
Results of the Long -Term and Short-Term R^2 Tests Short

	Long- term	Term Short
<i>R-squared</i>	0.995342	0.935125
<i>Adjusted R-squared</i>	0.994877	0.924312
<i>SE of regression</i>	0.053075	0.029890
<i>SD dependent var</i>	0.741501	0.108646

Source: Output E- views 10 (Data processed in 2024)

Based on table 7. above, it shows that in the long term the *Adjusted R-Square value* is known to be 0.994877, so it can be concluded that the contribution of the influence of the independent variables (State Revenue and State Expenditure) to the dependent variable (Tax Revenue) simultaneously (at the same time) is 99.5 percent. While the remaining 0.5 percent is influenced by other variables outside this study. Then it can be seen that the standard error value of the regression model (*SE of regression*) of 0.053075, where the standard error value is smaller than the standard deviation value of the response variable (*SD dependent var*) of 0.741501, which can be interpreted that the regression model is valid as a predictor model.

Furthermore, based on table 7. in the short term, the *Adjusted R- Square value* is 0.924312, so it can be concluded that the contribution of the influence of the independent variables (State Revenue and State Expenditure) to the dependent variable (Tax Revenue) simultaneously (at the same time) is 92.5 percent. While the remaining 7.5 percent is influenced by other variables outside this study. Then it can be seen that the standard error value of the regression model (*SE of regression*) of 0.029890, where the standard error value is smaller than the standard deviation value of the response variable (*SD dependent*) of 0.108646, which can be interpreted that the regression model is valid as a predictor model.

c. f-test (Simultaneous)

The F test in this study aims to test comprehensively and together whether all independent variables significantly affect the dependent variable. Here are the results of the f test:

Table 8.
Long -term and Short-term f-test Tables Short

Long- term		Term Short	
<i>F-statistic</i>	2137,035	<i>F-statistic</i>	86.48519
<i>Prob (F-statistic)</i>	0.000000	<i>Prob (F-statistic)</i>	0.000000

Source: Output E- views 10 (Data processed in 2024)

Based on table 8. in the long-term estimation, the *F- statistic value* is 2137.035 with a *Prob value (F- statistic)* of $0.00 < \alpha = 5\% (0.05)$, so it can be concluded that the independent variables (State Revenue and State Expenditure) in the long term have a significant effect simultaneously or together on the dependent variable (Tax Revenue).

In the short-term estimation, the *F- statistic value is known to be* 86.48519 with a *Prob value (F- statistic)* of $0.00 < \alpha = 5\% (0.05)$, so it can be concluded that the independent variables (State Revenue and State Expenditure) in the short term have a significant effect simultaneously or together on the dependent variable (Tax Revenue).

Discussion

The Influence of State Revenue on Tax Revenue

The results of the study on State Revenue in the long term can be concluded that State Revenue has a significant effect on Tax Revenue in Indonesia. The coefficient value of 0.939757 shows that if there is an increase in State Revenue by one percent, Tax Revenue will decrease by 0.93 percent. While in the short term it is concluded that State Revenue has a significant effect on Tax Revenue in Indonesia.

This is in line with the theory put forward by Laffer (2003) those who argue that if a government does not collect taxes, the government (logically) does not receive income, and there will be no money flowing into the government's coffers if the government sets a 100% tax. So at a low tax rate, state revenue can increase with a higher rate. However, after reaching a certain point, higher tax rates can cause a decrease in revenue due to reduced economic incentives, tax avoidance, and negative impacts on economic activity. In other words, tax rates are not always proportional to tax revenues, there is an optimal limit where state revenues reach a maximum before they begin to decline.

This result is supported by research Fadhilah & Wijaya (2023) stating that State Revenue has an effect on Tax Revenue. And this result is supported by research Wijaya et al. (2024) stating that State Revenue has an effect on Tax Revenue.

In the long term from 2008 to 2019, state revenues increased every year, increasing state revenues consistently led to favorable conditions for tax revenues. With the increase in revenue, individuals and companies are more able to pay taxes on time, which can reduce the level of tax avoidance and late payment of taxes.

Meanwhile, in the short term, increased state revenues support various aspects of the tax system, from tax administration and policy to compliance, all of which contribute to increased tax revenues. With higher revenues, the government has a better capacity to design and implement effective and efficient tax policies.

The Impact of State Spending on Tax Revenue

The results of the study on State Expenditure in the long term can be concluded that State Expenditure does not have a significant effect on Tax Revenue in Indonesia. The coefficient value of 0.137542 indicates that if there is an increase in State Expenditure by one percent, Tax Revenue will decrease by 0.13 percent. While in the short term it is concluded that State Expenditure does not have a significant effect on Tax Revenue in Indonesia.

This result is supported by research Wijayanti & Firmansyah (2015) stating that State Expenditure has no effect on Tax Revenue. And this result is supported by research Alim et al. (2021) stating that state expenditure has no effect on tax revenue.

Tax revenue is the largest source of state revenue, which will be used to finance state spending. In the long term, however, some types of state spending will not have a direct impact on tax revenue. Taxes given to various policies to finance government spending take a long time to be returned.

While in the short term inefficient or poorly targeted spending cannot increase tax revenue. State spending is more focused on certain sectors, the impact of which on tax revenue varies depending on the contribution of these sectors to the economy as a whole. So the impact on tax revenue is limited.

The Influence of State Revenue and State Expenditure on Tax Receipts

The results of the study on state revenue and state spending simultaneously or together can be concluded that the independent variables (state revenue and state spending) in the long term have a simultaneous or joint effect on the dependent variable (tax revenue). Furthermore, in the long term, the R² value is known to be 0.994877, so it can be concluded that the contribution of the influence of the independent variables (state revenue and state spending) on the dependent variable (tax revenue) simultaneously (simultaneously) is 99.4 percent and the remaining 0.6 percent is influenced by other variables outside this study.

This result is supported by research Akhadi (2022) which states that Tax Revenue has an impact on Income. And this result is supported by research Sabyan et al. (2022) which states that State Expenditure has an impact on Tax Revenue.

This is because one of the main sources of state revenue is tax. A government with high tax revenue has more ability to determine how much and what can be spent. But if state spending is greater than state revenue, the government must find additional sources of revenue to cover the expenditure. This is usually done by increasing tax rates. Therefore, changes in state revenue or spending can have a direct impact on tax revenues. Effective spending policies can increase economic growth and future tax revenues, while effective tax policies can affect the government's ability to finance state spending.

Revenue in Islamic Economic Perspective

Tax is a demand because Muslims are encouraged to pay alms and charity. Taxes must be paid as long as they are for the benefit of development in various fields and sectors of life needed by the community.

Regarding tax law in Islam, there are two views that can emerge. The first view is to agree with the permissibility of taxation, while the second view is to view tax collection as an act of injustice and it is forbidden. Taxation is something that is permitted, because taxation is an additional worship after zakat. This tax can even be obligatory because it is a form of obedience to the waliyyul amri where the amri here is the government (Lestari, 2015).

Initially, Islam did not recognize the term tax because in the Qur'an and Hadith there is only Zakat which is obligatory and infaq and sedekah which are recommended. Tax can also be called as a contribution that must be paid to the government. Tax could be done in the time of the Prophet because the money in the Baitul Mal was little or had run out. Tax in Islam is one form of muamalah in the economic field where its function is to fulfill the state which is carried out or financed by the community collectively. In the Islamic leadership system and tradition, the most important thing in tax is the distribution factor which must be built on the principle of equality and neutrality. On the other hand, it also emphasizes the principles of convenience and productivity. According to Ibn Khaldun, tax determination must be based on the principle of justice in accordance with sharia. Such as taxes, land, kharaj, jizyah, and others. All of that has a limit that cannot be exceeded. He also analyzed the effects of government spending on the economy, which was later followed by Keynes. He argued, "The decline in tax revenue is also caused by a decline in government spending". The reason is that the state is the largest market, the mother of all markets, the basis of all trade, the substance of all income and expenditure. If

government business declines and the volume of trade is small, naturally the dependent market will show the same thing, or even greater. Furthermore, money always circulates between the king and his people. Therefore, if the king saves or withholds money, then the people will suffer losses. The Sunnah of Allah applies to His servants.

The principle or condition that Ulil Amri must have before collecting taxes is the existence of a text (Al-Quran and Hadith) that orders it, as stated by Allah SWT in QS An-Nisa [4] verse 29:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَهُمْ بِالْبُطْءِ ۚ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا
"O you who believe, do not devour each other's wealth in a false way, except by means of commerce that is carried out with mutual consent between you. And do not kill yourself, indeed Allah is Most Merciful towards you." (QS An-Nisa [4]: 29)

In this verse, Allah forbids His servants from consuming each other's wealth, in a way that is not justified, and tax is one of the wrong ways to consume each other's wealth or property. Second, the opinion that the scholars state that it is permissible to collect taxes on from Muslims, if the country really needs funds and to implement this policy, several conditions must first be met (Risnawati & Sultan, 2022).

In addition, Islam also does not allow taking any of the wealth of Muslims, except in a way that is right according to the Shari'a, which has been indicated by detailed Shari'a evidence. The Messenger of Allah SAW said: "The wealth of a Muslim is not lawful, except with his own willingness." (HR Bukhari and Muslim). The principle of state revenue policy based on the value of monotheism is that tax collection is carried out only when there is a demand for public welfare, which must be prioritized to prevent harm. In certain circumstances (emergencies), Ulil Amri is obliged to provide for the needs of the people, whether or not there is wealth. Without fulfilling these needs, it is very likely that even greater (Mustofa, 2021)harm will come. On this basis, the state may provide a type of additional income.

CONCLUSION

Based on the research results and discussion in the previous chapter, the following conclusions can be drawn:

1. State Revenue has a significant influence on Tax Revenue in Indonesia in 2001-2023.
2. State spending does not have a significant effect on tax revenue in Indonesia in 2001-2023.
3. State Revenue and State Expenditure together have a significant influence on Tax Revenue in Indonesia in 2001-2023.

Views in the Perspective of Islamic Economics, namely In the Islamic leadership system and tradition, the most important thing in taxes is the distribution factor which must be built on the principle of equality and neutrality. On the other hand, it also emphasizes the principles of convenience and productivity. According to Ibn Khaldun, tax determination must be based on the principle of justice in accordance with sharia, all of which have limits that cannot be exceeded. The principle of state revenue policy based on the value of monotheism is that tax collection is carried out only when there is a demand for public welfare, which must be prioritized to prevent harm. On this basis, the state may hold a type of additional income

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