ABSTRACT

Local government administration success is measured by the region's ability to

manage its own household, which is represented in the region's ability to generate

finance sources derived from Local Own Revenue (LOR). Thus, the role of LOR in

local government administration is critical; the greater the contribution of LOR to the

Regional Revenue and Expenditure Budget (APBD), the greater the region's ability to

care for its own household; conversely, the smaller the contribution of LOR to the

Regional Budget, the smaller the region's ability to care for its own household. purpose

of this research is to find out what factors can increase Local Own Revenue.

This research was carried out by taking data on Local Own Revenue, GRDP,

Inflation, and Total of Population of district/cities in Central Java for the period 2010-

2019. The type of data used is panel data that combines Time series and Cross section

data, with secondary data published by the Central Statistics Agency (BPS). Data

processing using Eviews.

The result of this study showed that GRDP variable has a significant positive

effect on Local Own Revenue in all regencies/cities Central Java Province. While,

Inflation variable has a negative influence on Local Own Revenue. Total of Population

variable has a positive influence on Local Own Revenue. All independent variables

simultaneously significantly affect the dependent variable.

Keywords: Local Own Revenue, GDRP, Inflation, Total of Population

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