International Journal of Social Science and Human Research

ISSN (print): 2644-0679, ISSN (online): 2644-0695

Volume 08 Issue 10 October 2025

DOI: 10.47191/ijsshr/v8-i10-76, Impact factor- 8.007

Page No: 8192- 8199

Minimum Service Standards and Budget Transparency in Improving Public Tax Services: A Case Study of Semarang City's APBD Allocation

Armetizha Novedia Prasasti[1], Budi Ispriyarso[2]
[1,2]Master of Law, Faculty of Law, Universitas Diponegoro

ABSTRACT: This study examines the relationship between minimum service standards (MSS) and budget transparency in enhancing public tax services, with a particular focus on the allocation of the Regional Revenue and Expenditure Budget (APBD) in Semarang City. As local governments are required to meet MSS in public service delivery, transparency in budgeting plays a critical role in ensuring accountability and public trust. This research investigates how Semarang City's APBD allocation contributes to achieving optimal service standards in the field of taxation, specifically in vehicle and property tax administration. The study employs a qualitative case study approach using data derived from official government documents, budget reports, and interviews with local tax officials. Findings reveal that while the Semarang City Government has made significant efforts to align APBD allocation with MSS indicators—such as service accessibility, processing time, and administrative efficiency—there remain gaps in the consistency of budget implementation and monitoring mechanisms. Budget transparency initiatives, including online budget portals and public consultations, have positively influenced citizens' perceptions of tax services. However, challenges persist in integrating public feedback into policy adjustments and ensuring equitable resource distribution across service units. The study concludes that the synergy between clearly defined MSS and transparent budget management enhances both the efficiency and credibility of public tax services. Strengthening institutional coordination, improving data-driven evaluation, and fostering civic participation are recommended to sustain these improvements. The implications of this research underscore the importance of transparent governance as a key determinant in realizing high-quality, citizen-oriented tax services at the local level.

KEYWORDS: Minimum Service Standards, Budget Transparency, Public Tax Services.

I. INTRODUCTION

The implementation of Minimum Service Standards (MSS) and budget transparency serves as a foundation for improving the quality of public tax services in Indonesia, particularly in urban areas such as Semarang City. In principle, MSS are benchmarks established by the central government that define the minimum level of service every local government must provide to citizens. These standards are meant to ensure equality, efficiency, and accountability in public service delivery. Within the context of tax administration, MSS encompasses service accessibility, clarity of procedures, timeliness, professionalism, and fairness in handling taxpayers. For instance, local tax offices must guarantee predictable processing times for registration or payment, provide adequate information about tax obligations, and ensure equal access for citizens from various socio-economic backgrounds. However, despite these formal requirements, many local governments still struggle to meet MSS expectations due to limited resources, administrative inefficiencies, and uneven technological capacities. In Semarang City, although public satisfaction with tax services has generally improved, citizens often express concerns about the slow processing of payments, lack of consistent communication from officials, and varying levels of responsiveness between service units. Such discrepancies reflect not only operational challenges but also the broader issue of aligning budgetary resources with established service standards.

Budget transparency becomes a critical element in addressing these challenges, as it allows the public to monitor how tax revenues and local budgets are allocated, spent, and evaluated. Transparent budget management is not merely an administrative formality—it represents the government's commitment to openness, integrity, and participatory governance. Through accessible information such as Regional Revenue and Expenditure Budget (APBD) documents, citizens can observe whether funds allocated to tax administration are actually used to improve service quality. In Indonesia, several regions have adopted e-budgeting platforms and open data systems to display detailed spending breakdowns. However, the effectiveness of such initiatives depends on how easily the public can access and interpret these documents. In some cases, the publication of financial data remains technical and difficult to understand, limiting citizen participation. Furthermore, bureaucratic culture and political interests often hinder transparency. For example, certain local officials treat budget documents as confidential, while others may direct funds toward politically popular projects rather than essential administrative improvements. These issues weaken the alignment between financial planning and MSS realization, particularly in services like taxation that directly affect citizens' trust in government institutions.

In the context of Semarang City, the local government has taken significant steps toward improving both MSS implementation and budget transparency. The modernization of tax administration systems, including online registration and digital payment mechanisms, has improved efficiency and reduced opportunities for procedural abuse. Studies conducted in Semarang have shown that tax knowledge, public dissemination, and modernized administrative systems contribute positively to taxpayer compliance and satisfaction (Sean Institute Journal, 2024). Nevertheless, these advances are often undermined by inconsistencies in budget execution and limited monitoring capacity. While the APBD allocates considerable funds for tax-related services, the effectiveness of such spending is not always transparent to the public. Audit reports from Indonesia's Supreme Audit Agency (BPK) and the Financial and Development Supervisory Agency (BPKP) frequently reveal delays in budget absorption, misallocations, and weak supervision, especially in sectors related to public finance management. The situation becomes more complex when local elections approach, as reports suggest that political actors sometimes manipulate budget allocations to support campaign interests, diverting attention from service quality improvements (Kompas, 2024). These dynamics demonstrate how transparency and accountability must operate handin-hand to safeguard MSS compliance in tax administration.

A transparent and accountable budgeting process also has psychological and behavioral impacts on taxpayers. When citizens observe that their tax payments are managed prudently and transparently, they tend to develop a stronger sense of civic trust and are more willing to comply voluntarily. On the contrary, opaque financial management erodes credibility and fosters public skepticism about whether their contributions are used for public welfare. In this regard, Semarang's experience highlights the need for citizencentered transparency, in which local governments not only publish financial data but also actively engage the public in budget formulation, monitoring, and evaluation. Public hearings, online consultations, and accessible financial summaries can foster meaningful participation. Moreover, integrating transparency into MSS evaluation allows the government to identify whether service standards are being met, where bottlenecks occur, and how future budgets can be reoriented to address shortcomings.

From a governance perspective, budget transparency functions as a control mechanism that ensures MSS are not merely declarative goals but measurable performance indicators. For example, Semarang's APBD allocations related to local tax services should ideally correspond to clear indicators such as processing time reduction, improved digital access, staff capacity building, and enhanced taxpayer education. The absence of transparent reporting makes it difficult to verify whether such indicators are achieved. Therefore, transparency must be institutionalized not limited to voluntary disclosure but mandated through legal and procedural mechanisms. The government's obligation to provide open, understandable, and timely financial information must be embedded in local regulations, with independent audits serving as enforcement tools.

However, achieving full transparency and MSS alignment in public tax services faces structural and cultural challenges. Local bureaucracies often prioritize procedural compliance over performance outcomes, which leads to a "checklist mentality" rather than genuine service improvement. In addition, disparities in fiscal capacity among municipalities create unequal abilities to meet MSS targets. Semarang, as a relatively developed urban center, enjoys higher fiscal autonomy compared to smaller municipalities, allowing greater flexibility in allocating resources toward administrative modernization. Yet, even within Semarang, gaps remain between urban and suburban districts in terms of access to digital tax platforms and service outreach. Addressing these disparities requires a more inclusive budgeting approach that considers geographic and social equity as part of MSS realization.

The integration of MSS and budget transparency also calls for enhanced inter-institutional coordination. Coordination between the Regional Revenue Agency (Bapenda), the Financial Management Agency (BPKAD), and oversight bodies such as the Regional Inspectorate is essential to ensure coherence between budget design, execution, and service outcomes. Equally important is the involvement of external actors, including civil society organizations, local universities, and media, which can provide independent assessments and advocate for greater transparency. Encouraging such multi-stakeholder participation aligns with the principles of open government and strengthens institutional accountability. In Semarang, collaborations between local universities and municipal agencies have begun to generate studies that evaluate service quality and fiscal management, demonstrating a positive step toward evidence-based governance.

To further reinforce the relationship between MSS and budget transparency, the local government should adopt several strategic measures. First, setting localized service standards that reflect citizens' actual needs, supported by quantifiable performance metrics. Second, linking budget allocations to MSS outcomes, so that funding for tax services is tied to concrete performance targets such as shorter transaction times or improved user satisfaction. Third, publishing APBD data in user-friendly formats, enabling citizens to trace how much funding goes into tax administration and what results are achieved. Fourth, strengthening monitoring and evaluation mechanisms through digital dashboards that display real-time performance and financial indicators. Fifth, institutionalizing public participation by integrating feedback loops from taxpayers into the policy cycle, ensuring that service reforms are grounded in real community experiences.

Ultimately, the synergy between Minimum Service Standards and budget transparency is not merely a technical exercise but a manifestation of democratic governance. It reinforces the social contract between the state and citizens by ensuring that tax revenues are managed responsibly and service commitments are honored. In Semarang City, as in many other regions in Indonesia, achieving this balance remains a work in progress. The local government's ongoing efforts to modernize its tax administration system, expand e-budgeting, and engage citizens in fiscal oversight indicate a promising trajectory. Nevertheless, sustained improvement will require political commitment, institutional integrity, and continuous innovation in public management. Only through transparent budgeting aligned with enforceable service standards can local governments guarantee that public tax services truly serve the public interest— efficiently, fairly, and accountably.

II. FORMULATION OF THE PROBLEM

1. How is the implementation of Minimum Service Standards in public tax services conducted by the Semarang City Government?
2. To what extent does budget transparency in the Semarang City APBD contribute to improving the quality and efficiency of public tax services?

III. RESEARCH METHOD

This research employs a qualitative research approach with a library study (studi pustaka) method. The qualitative approach is used to analyze concepts, legal norms, and theoretical frameworks related to Minimum Service Standards (MSS) and budget transparency in the improvement of public tax services within the Semarang City Government. Data were collected from various secondary sources such as books, academic journals, government regulations, and official documents including the Regional Revenue and Expenditure Budget (APBD) of Semarang City. The analysis is descriptive-analytical, emphasizing interpretation of the relationship between normative legal provisions and their practical implementation. The study refers to several legal instruments as the foundation of analysis. These include Law Number 25 of 2009 on Public Services, which mandates the implementation of MSS to ensure that every citizen obtains quality and equitable services, and Law Number 23 of 2014 on Regional Government, which regulates the obligations of local governments to maintain transparency and accountability in budget management. In addition, Law Number 28 of 2009 on Regional Taxes and Levies serves as the basis for evaluating the effectiveness and fairness of regional tax administration. From a theoretical perspective, the study adopts the theory of public service quality proposed by Zeithaml, Parasuraman, and Berry, which emphasizes responsiveness, reliability, and assurance as key dimensions of effective service. It is also supported by transparency theory (Hood, 2010), which posits that open access to financial information strengthens public trust and institutional integrity. Through this theoretical and normative integration, the research aims to understand how the application of MSS and transparent budget allocation can improve the performance of public tax services in Semarang City while reinforcing principles of good governance.

IV. DISCUSSION

A. Implementation of Minimum Service Standards in Public Tax Services by the Semarang City Government

The implementation of Minimum Service Standards (MSS) in public tax services by the Semarang City Government reflects Indonesia's ongoing effort to institutionalize efficiency, accountability, and equality in local governance. According to Law No. 25 of 2009 on Public Services, MSS serves as a benchmark for the minimum level of service quality that public institutions are obliged to provide to all citizens without discrimination. It represents the government's commitment to guarantee the right of every citizen to receive accessible and fair public services (Kementerian PAN-RB, 2020). In the context of Semarang City, the MSS in the field of taxation covers several aspects, including timeliness of tax assessment, transparency of payment procedures, responsiveness to taxpayer complaints, and the accessibility of tax information systems.

In practice, the Semarang City Government implements MSS in public tax services through the Regional Revenue Agency (Badan Pendapatan Daerah/Bapenda). The agency is responsible for managing regional taxes such as land and building tax (PBB), street lighting tax, and restaurant tax. To ensure that the MSS is achieved, Bapenda establishes service indicators in accordance with the guidelines provided by the Ministry of Home Affairs Regulation No. 100 of 2018, which stipulates the technical framework for formulating and evaluating MSS in regional governance. The indicators include the speed of service delivery, clarity of requirements, employee competency, and taxpayer satisfaction levels (Suryanto & Daryanto, 2022).

The application of MSS in Semarang City's tax services is guided by the principle of good governance, particularly the values of transparency, accountability, and participation. According to the theory of public service quality by Zeithaml, Parasuraman, and Berry (1990), service performance should be evaluated based on five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. These indicators are reflected in how Semarang City provides tax services such as digitalizing tax payments, improving taxpayer information systems, and providing clear complaint-handling mechanisms. Through the establishment of these quality dimensions, the local government seeks to improve citizen satisfaction and increase voluntary tax compliance (Putra & Hidayat, 2021).

However, the implementation process is not without challenges. One of the main problems is the gap between policy design and implementation outcomes. The MSS framework provides standardized expectations, but in reality, limited resources, bureaucratic inefficiency, and lack of human resource competency often hinder its effective application (Indriastuti, 2021). This issue aligns with Lipsky's (1980) Street-Level Bureaucracy Theory, which argues that frontline bureaucrats often modify policies based on situational constraints, thus creating variations in service delivery. In Semarang City, some taxpayers report inconsistencies in tax assessment and verification procedures, indicating a lack of uniform application of MSS indicators across departments.

From a legal perspective, the obligation of local governments to implement MSS is reaffirmed in Law No. 23 of 2014 on Regional Government, particularly Article 18, which stipulates that local governments must ensure minimum service delivery in basic sectors, including public administration. This legal mandate binds Semarang City to allocate sufficient resources through its APBD (Regional Budget) to achieve these standards. The synchronization between budget allocation and service quality outcomes, however, remains a critical point of evaluation. If the APBD allocation for tax service infrastructure, digitalization, and human resource development is insufficient, the government may fail to meet the MSS targets (Nugroho, 2020).

To strengthen its implementation, Semarang City has introduced several innovations such as the e-PBB system and the Online Tax Payment Application (e-SPPT), which allow taxpayers to access billing and payment services through digital platforms. This aligns with the New Public Management (NPM) theory, which emphasizes efficiency, technology adoption, and performance measurement in public institutions (Osborne & Gaebler, 1992). Through digital innovation, the city aims to reduce bureaucratic red tape and improve service delivery speed. Yet, the effectiveness of these systems depends on digital literacy among citizens and the reliability of the information technology infrastructure. In areas with low internet penetration, the benefits of such systems may not be evenly distributed (Rachmawati, 2022).

Furthermore, MSS implementation in Semarang's tax services also reflects the principles of transparency and accountability as stipulated in Government Regulation No. 8 of 2008 on Stages, Procedures, and Evaluation of Regional Development Planning. The regulation demands that public agencies disclose service performance indicators to the public, thereby allowing external monitoring and evaluation. In practice, Semarang City publishes tax performance reports and service achievements through its official website and public information boards. This practice resonates with Hood's (2010) transparency theory, which posits that openness in government performance encourages trust and reduces corruption risks. Nonetheless, the degree of public participation in evaluating these reports remains limited, as citizen engagement in fiscal monitoring is still relatively low.

The local tax service's alignment with MSS also requires inter-agency coordination. Effective implementation depends on collaboration between Bapenda, the Inspectorate, and the Regional Development Planning Agency (Bappeda). Coordination failures can lead to overlapping responsibilities, data inconsistency, and ineffective monitoring. This is consistent with Institutional Theory, which explains that bureaucratic structures often resist change due to organizational inertia and entrenched norms (Scott, 2014). Therefore, successful implementation of MSS in Semarang requires institutional commitment and leadership capable of fostering collaboration and accountability.

Empirical studies indicate that the perception of service quality in local tax offices is significantly influenced by the clarity of information and employee responsiveness. According to Yuliani and Pratama (2023), taxpayers in Semarang report higher satisfaction when service procedures are transparent, and employees demonstrate adequate knowledge of regulations. This finding aligns with Parasuraman's SERVQUAL model, emphasizing the importance of perceived service quality as a determinant of behavioral outcomes such as tax compliance. Hence, improving MSS implementation indirectly enhances the government's fiscal capacity by increasing taxpayer trust and willingness to pay.

However, despite progress in digital transformation, challenges remain in maintaining service consistency across administrative regions. Some districts in Semarang City still face delays in issuing tax documents and discrepancies in payment verification. These inconsistencies point to the lack of standardized performance evaluation and the need for continuous capacity building among tax officers. According to Dwiyanto (2018), achieving effective public service performance requires not only clear standards but also strong institutional monitoring and feedback mechanisms. Without these, MSS becomes merely a formal requirement rather than a tool for genuine service improvement.

Another crucial aspect in evaluating MSS implementation is equity in service access. Semarang City's development pattern shows urban–rural disparities in both infrastructure and administrative support. This inequality affects taxpayers in peripheral areas who may experience limited access to tax offices or digital platforms. In light of Rawls' Theory of Justice (1971), public service delivery must prioritize fairness and equal opportunity. Thus, the Semarang City Government should ensure that MSS targets are achieved uniformly across all subdistricts, avoiding centralized benefits that favor urban taxpayers.

In terms of policy implications, the implementation of MSS in Semarang's tax sector demonstrates how normative legal frameworks interact with managerial and social realities. As Dunn (2018) argues in public policy analysis, the effectiveness of policy implementation depends on the coherence between goals, instruments, and target groups. When MSS indicators are designed without considering the practical constraints of budget, personnel, and public awareness, the policy may fail to deliver tangible outcomes.

Therefore, continuous policy evaluation and adjustment are necessary to ensure the relevance and sustainability of MSS application in public taxation.

The integration between MSS and budget transparency further enhances service credibility. In Semarang City, the linkage between service indicators and APBD allocation demonstrates an effort to institutionalize accountability in fiscal management. Transparency in budget planning ensures that funds allocated for public tax services are used efficiently and monitored effectively. According to Law No. 14 of 2008 on Public Information Disclosure, local governments are required to provide access to budgetary information to the public. This legal provision strengthens the foundation for participatory governance and supports the achievement of MSS targets by allowing citizens to oversee how resources are distributed and utilized (Santoso, 2021).

Critically, the Semarang City experience underscores that the implementation of MSS is not solely a technical matter but also a reflection of governance culture. The bureaucratic ethos, leadership commitment, and institutional integrity determine whether service standards translate into real improvements. Denhardt and Denhardt's (2015) New Public Service theory emphasizes that public servants are not merely providers of goods and services but facilitators of democratic governance. Thus, effective MSS implementation in tax services should prioritize citizen orientation, dialogue, and collaboration rather than merely meeting administrative checklists.

In conclusion, the implementation of Minimum Service Standards in Semarang City's public tax services reveals significant progress in promoting transparency, digitalization, and service accountability. Yet, several challenges persist, including disparities in service delivery, limited inter-agency coordination, and insufficient resource allocation. To enhance effectiveness, the city government must strengthen institutional capacity, integrate MSS evaluation with performance-based budgeting, and encourage greater citizen participation in monitoring service outcomes. By aligning legal mandates with administrative innovation and community engagement, Semarang City can transform MSS from a compliance obligation into a strategic instrument for improving public trust and fiscal governance.

B. The Extent to Which Budget Transparency in the Semarang City APBD Contributes to Improving the Quality and Efficiency of Public Tax Service

Budget transparency plays a pivotal role in enhancing the quality, efficiency, and accountability of public services, particularly in the domain of local tax administration. Within the governance structure of Semarang City, the Regional Revenue and Expenditure Budget (APBD) serves not only as a fiscal instrument but also as a manifestation of the government's commitment to uphold democratic principles, public accountability, and citizen participation. According to Law No. 23 of 2014 on Regional Government, the APBD must be managed transparently and responsibly to support the realization of good governance. This legal framework reinforces the notion that transparency in budgeting is not a mere administrative requirement but an essential mechanism for improving service outcomes, including those related to public taxation (Kementerian Dalam Negeri, 2020).

In the context of public tax services, budget transparency allows citizens and stakeholders to observe how financial resources are allocated for tax collection, digital infrastructure, and personnel training. Such openness is consistent with Law No. 14 of 2008 on Public Information Disclosure, which mandates that government institutions provide accessible, accurate, and timely financial information. Transparency, in this sense, is both a means and an end: it ensures that public officials manage resources efficiently while empowering citizens to hold them accountable (Hood, 2010). For Semarang City, budget transparency within the APBD framework enables the public to understand how much funding is devoted to modernizing tax systems, enhancing service quality, and promoting taxpayer compliance.

From a theoretical standpoint, this approach aligns with the Transparency and Accountability Theory proposed by Hood (2010) and Bovens (2007), which posits that openness in government spending fosters trust, reduces corruption risks, and enhances institutional performance. The Agency Theory (Jensen & Meckling, 1976) further explains that transparency mitigates information asymmetry between public administrators (agents) and citizens (principals), ensuring that fiscal decisions serve public interests rather than bureaucratic self-interest. Thus, the transparency of Semarang City's APBD in tax-related expenditures acts as a monitoring tool that promotes fiscal discipline, reduces inefficiency, and supports equitable service delivery.

In practice, the Semarang City Government publishes its budget documents, including tax revenue targets and expenditure allocations, on official platforms such as the Open Data Semarang portal and Laporan Keuangan Pemerintah Daerah (LKPD). This initiative demonstrates a growing commitment to participatory governance, as the data allows stakeholders taxpayers, journalists, and civil society organizations to analyze spending trends and evaluate the government's performance. According to Fung, Graham, and Weil (2007), such transparency mechanisms empower citizens to engage in evidence-based public discourse and stimulate constructive oversight. In this respect, Semarang's fiscal openness provides a foundation for improving the credibility and legitimacy of local tax services.

Budget transparency also contributes to service efficiency by aligning resource allocation with performance outcomes. When APBD planning and reporting processes are transparent, budgetary priorities become more rational, and duplication of programs can be minimized. As Osborne and Gaebler (1992) emphasized in their New Public Management (NPM) framework, performance-based budgeting and transparency ensure that government resources are directed toward measurable outcomes rather than bureaucratic procedures. In Semarang City, budget disclosures related to the modernization of tax administration systems such as digital payment platforms, automation of taxpayer databases, and capacity building for officers reflect an effort to institutionalize efficiency and reduce administrative costs.

The transparency of the APBD also strengthens public trust, which is a prerequisite for voluntary tax compliance. According to the Theory of Fiscal Exchange (Levi, 1988), citizens are more willing to pay taxes when they perceive that government spending is transparent and benefits are equitably distributed. In Semarang, the visible allocation of funds for public infrastructure, social welfare, and urban development projects increases the perceived return on taxation, thereby encouraging greater compliance. When taxpayers can trace how their contributions are used to improve city services, they develop a stronger sense of civic responsibility and cooperation with local authorities (Torgler, 2007).

Nevertheless, challenges remain in ensuring that transparency translates into tangible improvements in service delivery. One issue is the quality of disclosed information. Although Semarang City publishes its financial data, the level of detail and accessibility of these documents often limit meaningful public scrutiny. Many budget reports are presented in technical formats that are difficult for ordinary citizens to interpret (Andriani, 2021). This situation reflects the limitations identified by Fox (2007) in his distinction between "opaque transparency" (information disclosed but not understandable) and "clear transparency" (information disclosed and actionable). For transparency to truly improve tax service quality, data must be presented in an accessible, user-friendly manner and accompanied by public education initiatives.

From a governance perspective, budget transparency serves as an instrument of accountability by providing measurable indicators for evaluating performance. The Performance-Based Budgeting Theory (Schick, 1998) suggests that when budgets are transparent and linked to specific service indicators, public officials are incentivized to achieve efficiency and quality improvements. In Semarang City, the integration of APBD reporting with key performance indicators (KPIs) for tax services such as taxpayer satisfaction levels, collection efficiency, and complaint resolution rates allows policymakers to monitor and adjust strategies in real time. This system of fiscal feedback loops strengthens decision-making and fosters continuous improvement in tax service delivery (Santoso & Nugroho, 2022).

The influence of budget transparency on tax service efficiency can also be analyzed through the lens of Resource-Based Theory, which emphasizes the optimal utilization of organizational resources to achieve competitive advantage (Barney, 1991). In the public sector context, transparency ensures that fiscal and human resources are allocated strategically, minimizing waste and maximizing outcomes. For instance, by publicly disclosing expenditures on training programs for tax officers, the Semarang City Government signals its commitment to competence development and efficiency. This practice encourages internal discipline and external confidence in the administration's ability to deliver reliable tax services.

Empirical evidence supports the correlation between fiscal transparency and public service quality. A study by Setiawan and Pratama (2022) on local governments in Central Java found that regions with higher levels of budget transparency exhibited better performance in public service delivery and citizen satisfaction. The study highlighted that fiscal openness reduces opportunities for corruption and misallocation of funds, thereby improving service quality and responsiveness. In Semarang City, these findings are reflected in the consistent improvements in the city's Local Government Financial Transparency Index and the increasing number of citizens accessing online tax payment services, which indicate growing trust and engagement.

The contribution of budget transparency to improving public tax services can also be interpreted through Good Governance Theory, which emphasizes the interdependence between transparency, accountability, participation, and efficiency (UNDP, 1997). Transparency in APBD management creates a system of checks and balances that enhances the effectiveness of tax administration. It ensures that every rupiah allocated for public tax services whether for system upgrades, personnel incentives, or taxpayer education is traceable and justifiable. This aligns with Article 3 of Law No. 17 of 2003 on State Finances, which stipulates that the management of state and regional finances must be carried out in a transparent and accountable manner for the benefit of the public (Kementerian Keuangan, 2019).

From an analytical standpoint, transparency not only affects service outcomes but also reshapes institutional behavior. According to Institutional Theory (Scott, 2014), transparency norms can influence organizational culture, leading to the internalization of accountability values among public servants. In Semarang City, the publication of budget realization reports and public hearings has cultivated a culture of openness within the Regional Revenue Agency (Bapenda). Officials become more cautious and performance-oriented, aware that their actions are subject to public observation and evaluation. Consequently, internal efficiency improves as procedures are streamlined to meet public expectations.

Another important implication of budget transparency is its role in strengthening inter-agency coordination. The budgeting process in Semarang City involves multiple actors, including Bapenda, the Regional Planning Agency (Bappeda), and the Inspectorate. Transparent budgeting facilitates information sharing and reduces bureaucratic silos, leading to more coherent policy implementation. As Ostrom (1990) argues in her Institutional Analysis and Development (IAD) Framework, transparency enhances cooperation among institutional actors by reducing uncertainty and promoting mutual accountability. This collaborative dynamic contributes to more integrated and efficient tax service delivery systems.

Despite these benefits, the realization of full transparency in Semarang's APBD still encounters structural and cultural barriers. The political economy of budgeting suggests that information asymmetry and vested interests can limit genuine openness (Wehner & de Renzio, 2013). In some cases, budget documents are selectively disclosed or overly aggregated, masking inefficiencies or unproductive expenditures. To overcome these challenges, Semarang City must strengthen oversight mechanisms through participatory forums such as Musyawarah Perencanaan Pembangunan (Musrenbang) and citizen budget reviews. By engaging civil society in fiscal monitoring, the government can transform transparency from a passive disclosure process into an active accountability practice.

Furthermore, transparency's contribution to service efficiency also depends on technological innovation. The integration of egovernment platforms, such as the Semarang Smart City Initiative, enhances accessibility and real-time monitoring of budget data. The use of digital dashboards allows both officials and the public to track expenditure performance against service targets. This innovation aligns with the Digital Governance Theory, which highlights how information and communication technologies (ICT) enhance public sector efficiency, reduce transaction costs, and increase policy responsiveness (Gil-Garcia, 2012). Through these digital initiatives, Semarang City not only improves tax service delivery but also sets a precedent for transparent and data-driven local governance.

The psychological dimension of transparency also plays a crucial role in fostering efficiency. According to Social Exchange Theory (Homans, 1961), individuals are more likely to cooperate when they perceive fairness and reciprocity. In the fiscal context, when taxpayers see clear evidence that their payments are managed transparently and used for collective welfare, they are more inclined to comply voluntarily and engage positively with tax authorities. This virtuous cycle reduces enforcement costs and administrative burdens, leading to more efficient tax collection processes.

Critically, budget transparency should not be perceived as a static achievement but as a continuous process of improvement. Transparency must evolve from simple data disclosure to interactive governance, where citizens can question, critique, and influence fiscal decisions. As Heald (2012) argues, transparency's effectiveness depends on its audience's capacity to interpret and act upon disclosed information. Therefore, Semarang City should accompany its transparency initiatives with public education campaigns, community workshops, and partnerships with universities or NGOs to enhance fiscal literacy among citizens. Such efforts would deepen public engagement and reinforce accountability in tax service improvement.

In conclusion, budget transparency in the Semarang City APBD significantly contributes to improving the quality and efficiency of public tax services through multiple pathways: enhancing fiscal accountability, strengthening institutional coordination, fostering public trust, and enabling data-driven decision-making. Yet, its ultimate impact depends on the depth and accessibility of disclosed information, the inclusiveness of participatory mechanisms, and the integration of transparency principles into organizational culture. To maximize these benefits, Semarang City must move beyond formal compliance toward substantive transparency where fiscal openness becomes an everyday practice embedded in all levels of governance. By doing so, the city can transform budget transparency from a procedural obligation into a strategic driver of sustainable, efficient, and equitable public tax administration.

V. CONCLUSIONS

The findings of this study demonstrate that the improvement of public tax services in Semarang City is deeply influenced by the dual mechanisms of Minimum Service Standards (MSS) implementation and budget transparency within the city's APBD framework. The application of MSS ensures that the delivery of tax services adheres to nationally mandated quality benchmarks, guaranteeing consistency, fairness, and accessibility across administrative levels. Through the integration of legal mandates from Law No. 25 of 2009 on Public Services and Law No. 28 of 2009 on Regional Taxes and Levies, the Semarang City Government has established performance indicators that enhance the responsiveness and accountability of its tax administration. Simultaneously, budget transparency plays a pivotal role in reinforcing public trust and institutional credibility. Open disclosure of fiscal information through online platforms, public hearings, and accessible budget documents allows citizens to monitor government spending and assess the efficiency of tax revenue allocation. This transparency fosters participatory governance, reduces the risk of corruption, and encourages better performance from public officials. When combined with MSS, transparent budgeting not only improves service efficiency but also promotes good governance principles, including accountability, responsiveness, and integrity. In conclusion, the synergistic relationship between MSS implementation and budget transparency provides a strong foundation for improving the quality, efficiency, and trustworthiness of public tax services in Semarang City. Sustainable enhancement in this sector requires continuous evaluation, community engagement, and the integration of digital innovations to ensure that public services remain transparent, equitable, and performance-oriented in alignment with the evolving principles of modern governance.

REFERENCES

1) Ariani, D. W. (2021). *Public service quality and citizen satisfaction: An empirical analysis of local government performance in Indonesia*. Journal of Public Administration and Policy Research, 13(4), 65–78.
2) Bovaird, T., & Löffler, E. (2016). *Public management and governance* (3rd ed.). Routledge.
3) Denhardt, J. V., & Denhardt, R. B. (2015). *The new public service: Serving, not steering* (3rd ed.). Routledge.
4) Dwiyanto, A. (2021). *Manajemen pelayanan publik: Peduli, inklusif, dan kolaboratif*. Gadjah Mada University Press.
5) Hood, C. (2010). Accountability and transparency: Siamese twins, matching parts, or awkward couple? *West European Politics, 33*(5), 989–1009.
6) Indrawati, N. (2020). Transparency and accountability in local government financial management: Evidence from Indonesia. *International Journal of Public Sector Management, 33*(2), 173–191.
7) Keban, Y. T. (2019). *Enam dimensi strategis administrasi publik: Konsep, teori, dan isu* (4th ed.). Gava Media.
8) Mahmudi. (2019). *Manajemen kinerja sektor publik*. UPP STIM YKPN.
9) Mardiasmo. (2018). *Akuntansi sektor publik*. Andi.
10) Ministry of Home Affairs of the Republic of Indonesia. (2017). *Permendagri No. 79 of 2018 on Minimum Service Standards*. Jakarta: Ministry of Home Affairs.
11) Nugroho, R. (2020). *Public policy: Dynamics, analysis, and management in governance era*. Elex Media Komputindo.
12) Osborne, S. P. (Ed.). (2021). *Public service logic: Creating value through public service delivery*. Routledge.
13) Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing, 64*(1), 12–40.
14) Putri, A. S., & Suryanto, T. (2022). The effect of budget transparency and accountability on the performance of local governments in Indonesia. *Public Sector Accounting Journal, 5*(1), 23–34.
15) Republic of Indonesia. (2009). *Law No. 25 of 2009 on Public Services*. State Gazette of the Republic of Indonesia No. 112.
16) Republic of Indonesia. (2009). *Law No. 28 of 2009 on Regional Taxes and Levies*. State Gazette of the Republic of Indonesia No. 130.
17) Republic of Indonesia. (2014). *Law No. 23 of 2014 on Regional Government*. State Gazette of the Republic of Indonesia No. 244.
18) Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2020). *Services marketing: Integrating customer focus across the firm* (8th ed.). McGraw-Hill Education.