

## **ABSTRACT**

*One of Yogyakarta Government and Denpasar Government efforts to increase their Own-Source Revenues (PAD) is by increasing the hotel tax, knowing Yogyakarta and Denpasar City are both tourism destinations. This research is conducted in Local Revenue Office of Yogyakarta and Denpasar City. The purpose of this research is to count the contribution of Hotel Tax of Yogyakarta and Denpasar City towards PAD, to count the Growth Rate, the Effectiveness, and the efficiency of Yogyakarta and Denpasar Government efforts in collecting hotel tax. This research uses descriptive qualitative method with secondary data collected from direct observation to Yogyakarta and Denpasar City. The Data used in this research is during the period of 2011-2014. The result of this research shows that the contribution towards PAD of Denpasar City is higher than Yogyakarta City, the Growth Rate of Yogyakarta City is higher than Denpasar City, the effectiveness of Denpasar City is higher than Yogyakarta City, and the efficiency of Denpasar City is lower (more efficient) than Yogyakarta City.*

**Keywords:** *PAD, Hotel Tax, Contribution, Growth Rate, Effectiveness, Efficiency*