

ABSTRACT

Implementation of fiscal decentralization in addition to giving authority to local governments also affect the ability to meet the public interest that this study aims to examine the effect of Economic Growth, Revenue and General Allocation Fund to the Capital Budget Appropriations.

Samples used in this study are 4 districts and 1 city in the DIY taken by using the census method. Analysis tool used is regression testing.

Test results showed that only the local revenue that significantly influence the allocation of capital expenditure while the Economic Growth and the General Allocation Fund had no significant effect on the allocation of capital expenditure budget.

Keywords: Economic Growth, Revenue, General Allocation Fund, Capital Expenditures