ABSTRACT

This research was conducted at Bandung City Goverment. The phenomenon that occurs is still small original local revenue with the general allocation grant when original local revenue one of the main sources of financing local budged. The purpose of this study is to determine the effect of original local revenue the general allocation grant for the local budged at Bandung City Goverment.

The method used un this research is the method and desktiptif verifikatif with quantitative approach. The unit analysis in this study are laporan realisasi anggaran pendapatan dan belanja daerah (LRAPBD) at Bandung City Goverment as many as 9 (nine) years ie from the year 2001-2009. The test statistic used is the calculation of correlation, multiple regression analysis, coefficient determination and to test the hypothesis then used was the F test and t test using the tool of SPPS 15.0 for windows.

The results showed that the partial-source original local revenue and general allocation grant have a significant effect on local budged and simultaneously original local revenue and general allocation grant significant effect on local budged. While the coefficient of determination shows that jointly original local revenue and general allocation grant generally contribute to the dependent variable (local budged) amounted to 97.6% while the remaining 2.4% influenced by other factors, the revenue-sharing, special allocation funds and central government transfers.

Keywords: Original Local Revenue, General Allocation Grant, Local Budged.