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## EFFECT OF NUMBER OF POPULATION AND GRDP ON LOCAL GOVERNMENT ORIGINAL RECEIPT IN NORTH SUMATERA PROVINCE

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### ABSTRACT

In Law No. 33 of 2004 on financial balancing between the Tcentral government and local governments states that one of the sources of local government receipt is derived from the Local Government Original Receipt. Here it is clear that the Local Government Original Receipt becomes the backbone for the local government financing. The greater the contribution that Local Government Original Receipt can make to APBD means less dependence of local governments on central government aid. In this study deliberately see how much influence the influence of population and GRDP to the Local Government Original Receipt area in North Sumatra Province. The independent variables of this study are population and GRDP while the dependent variable of local income. The method of analysis using simple linear regression analysis. The result of all independent variables have a positive and significant effect on Local Government Original Receipt (PAD). The existence of a significant increase for all independent variables that provide an increase for the dependent variable that is the Local Government Original Receipt in the province of North Sumatra.

**Keywords:** *PAD, population, GRDP of North Sumatera Province*

