

Table I. Data Set

POLAND	pol-rate1	pol-cel1	pol-share1	pol-rate2	pol-share2	pol-cel2	pol-rate3	pol-cel3	pol-share3	pol-rev	pol_TBI										
1992.00	20.00	2.16	96.08%	30.00	3.17%	4.33	40.00		0.75%	7.70	135.12										
1993.00	20.00	1.60	91.25%	30.00	7.49%	3.20	40.00		1.27%	9.20	152.01										
1994.00	21.00	1.66	91.62%	33.00	6.82%	3.33	45.00		1.56%	9.80	165.13										
1995.00	21.00	1.67	92.70%	33.00	6.04%	3.35	45.00		1.26%	9.80	164.77										
1996.00	21.00	1.74	93.34%	33.00	5.49%	3.49	45.00		1.17%	9.20	162.23										
1997.00	20.00	1.82	94.57%	32.00	4.42%	3.63	44.00		1.01%	8.85	154.62										
CZECH REPUBLIC	cze-rate1	cze-cel1	cze-rate2	cze-cel2	cze-rate3	cze-cel3	cze-rate4	cze-cel4	cze-rate5	cze-cel5	cze-rate6	cze-rev	cze_TBI								
1992.00												7.00									
1993.00	15.00	0.62	20.00	1.24	25.00	1.86	32.00	5.57	40.00	11.13	47.00	4.30	137.74								
1994.00	15.00	0.54	20.00	1.08	25.00	1.62	32.00	4.86	40.00	9.72	44.00	5.30	141.67								
1995.00	15.00	0.46	20.00	0.92	25.00	1.38	32.00	4.14	40.00	8.27	43.00	5.50	150.37								
1996.00	15.00	0.57	20.00	0.97	25.00	1.37	32.00	3.80	40.00			5.30	152.33								
1997.00	15.00	0.52	20.00	1.05	25.00	1.65	32.00	14.99	39.00			5.32	140.59								
HUNGARY	hun-zero	hun-rate1	hun-cel1	hun-share1	hun-rate2	hun-cel2	hun-share2	hun-rate3	hun-cel3	hun-share3	hun-rate4	hun-cel4	hun-share4	hun-rate5	hun-cel5	hun-share5	hun-rate6	hun-share6	hun-rev	TBI	
1992.00	0.35		25.00	0.70		35.00	1.75		40.00										6.70	175.45	
1993.00	0.29		25.00	0.58		35.00	1.45		40.00										7.00	179.7	
1994.00	0.26		20.00	0.35		25.00	0.52		35.00	0.89		40.00	1.29		44.00				6.50	198.257	
1995.00	0.20	16.22%	20.00	0.28	9.69%	25.00	0.40	11.88%	35.00	0.70	23.67%	40.00	1.01	20.32%	44.00		18.22%		6.50	203.003	
1996.00			20.00	0.22	19.68%	25.00	0.33	15.44%	35.00	0.57	20.23%	40.00	0.82	20.53%	44.00	1.34	14.83%	48.00	9.29%	5.90	224.147
1997.00			20.00	0.28	32.00%	22.00	0.34	6.71%	31.00	0.57	22.27%	35.00	0.79	15.38%	39.00	1.25	14.03%	42.00	9.60%	6.12	197.191

Legend:

share – Share of taxpayers in tax bracket

cel – tax ceiling

rev – revenues from PIT as the percentage of GDP

TBI – Tax Burden Index

rate – Tax rate

Table 7. Results of regressions with intercept included

Dependent Variable: REVENUES				Dependent Variable: REVENUES			
<i>Method: Least Squares</i>				<i>Method: Pooled Least Squares</i>			
Included observations: 17				Total panel observations 15			
Variable	Coefficient	t-Statistic	Prob.	Variable	Coefficient	t-Statistic	Prob.
TBI	50.89	2.28	0.04	NUMBER OF RATES	-0.27	-1.89	0.08
TBI ²	-14.48	-2.29	0.04	TBI	19.37	2.59	0.02
C	-36.63	-1.90	0.08	TBI ²	-4.85	-2.42	0.03
R-squared	0.27	Mean dependent var	7.00	Fixed Effects			
Adjusted R-squared	0.17	S.D. dependent var	1.77	CZE_--C	-11.17		
S.E. of regression	1.61	Akaike info criterion	3.95	POL_--C	-8.35		
Sum squared resid	36.33	Schwarz criterion	4.10	HUN_--C	-11.47		
Log likelihood	-30.58	F-statistic	2.63	R-squared	0.98	Mean dependent var	6.97
		Prob(F-statistic)	0.11	Adjusted R-squared	0.97	S.D. dependent var	1.88
				S.E. of regression	0.31	Sum squared resid	0.85
				Log likelihood	23.47	F-statistic	255.82
				Durbin-Watson stat	2.22	Prob(F-statistic)	0.00
Dependent Variable: REVENUES				Dependent Variable: REVENUES			
<i>Method: Least Squares</i>				<i>Method: Least Squares</i>			
Included observations: 17				Included observations: 17			
Variable	Coefficient	t-Statistic	Prob.	Variable	Coefficient	t-Statistic	Prob.
NUMBER OF RATES	-1.05	-4.52	0.00	NUMBER OF RATES	-1.05	-4.52	0.00
TBI	7.61	0.44	0.67	TBI	7.61	0.44	0.67
TBI ²	-1.97	-0.40	0.70	TBI ²	-1.97	-0.40	0.70
C	4.49	0.29	0.78	C	4.49	0.29	0.78
R-squared	0.72	Mean dependent var	7.00	R-squared	0.72	Mean dependent var	7.00
Adjusted R-squared	0.65	S.D. dependent var	1.77	Adjusted R-squared	0.65	S.D. dependent var	1.77
S.E. of regression	1.04	Akaike info criterion	3.12	S.E. of regression	1.04	Akaike info criterion	3.12
Sum squared resid	14.14	Schwarz criterion	3.32	Sum squared resid	14.14	Schwarz criterion	3.32
Log likelihood	-22.56	F-statistic	10.99	Log likelihood	-22.56	F-statistic	10.99
		Prob(F-statistic)	0.00			Prob(F-statistic)	0.00