ABSTRACT

The fiscal deficit in developing countries is a major problem that has prompted government efforts to increase tax revenues. There is a positive relationship between tax and PDB. With tax buoyancy, the total response of tax revenue to changes in PDB can be measured without requiring control of policy changes in the tax or administrative system. This study aims to identify analysis of tax buoyancy in ASEAN-5 countries (Indonesia, Philippines, Malaysia, Singapore, and Thailand) in 2002-2016.

The analysis method in this study uses panel data regression analysis. Panel data regression analysis with the Commond Effect Model method is used to analyze the influence of the share of *manufacturing sector, share of agricultural sector, share of import sector, share of service sector, budget deficit, corruption, and tax reform to tax buoyancy in ASEAN-5 countries (Indonesia, Philippines, Malaysia, Singapore, and Thailand in 2002-2016. The data used in this research is secondary data.*

The panel data regression results show that share of manufacturing sector, share of import sector, share of service sector, budget defici, corruption, and tax reform have a significant effect to tax buoyancy. The share of manufacturing sector with a coefficient of 1.30 as dominant factor affecting tax buoyancy. While for the share of agricultural sector has a coefficient -0.60 and insignificant effect on tax buoyancy in ASEAN-5 countries (Indonesia, Philippines, Malaysia, Singapore, and Thailand) in 2002-2016.

Keywords: *budget deficit , tax buoyancy, tax revenue, gross domestic product*