

ABSTRACT

This study aims to identify and analyze the phenomenon of tax competition, the relationship between tax competition and investment, especially FDI and the factors that influence the phenomenon of tax competition between the countries member of ASEAN 6 period 1998 – 2013.

This study use time series data on variabel corporate tax rate, FDI inflow Ana GDP ASEAN 6 for 16 years krom 1998 to 2013. The analysis method used in this study si a combination of quantitative and qualitative analysis. Quantitative method consist of a trend analysis with Least Square Method and correlation analysis with Pearson Product Moment Method.

The result indicate that the phenomenon of tax competition that occurs Ni ASEAN 6 have not been intens, only three of the six countries indicated that tax competition occurs Indonesia, Malaysia and Singapura. Countries that indicated tax competition showed a negative relationship between the corporate tax rate – FDI and a positive relationship between FDI – GDP. The combination of a lob Corporate tax, incentive, ease Ana Seed appropriate licencing administratif gives greater opportunity for a country do bin FDI through tax competition.

Keywords : Corporate tax rate, FDI inflow, GDP growth, tax competition, trend analysis, correlation analysis