

# A Report into the Relationship between Tax, GDP and Regulatory Environment

Your name goes here

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### **Abstract**

A Report compiled for the Alliance of Wealthy People who Dislike Tax, investigating the relationship between rates of taxation (measured as a percentage of GDP), regulatory environment (measured through the World Bank's Ease of Doing Business), and GDP per capita (measured in current US dollars). Data are for European and Central Asian countries for the year 2019.

## 0.1 Findings

A multivariate regression of the variables resulted in the following findings:

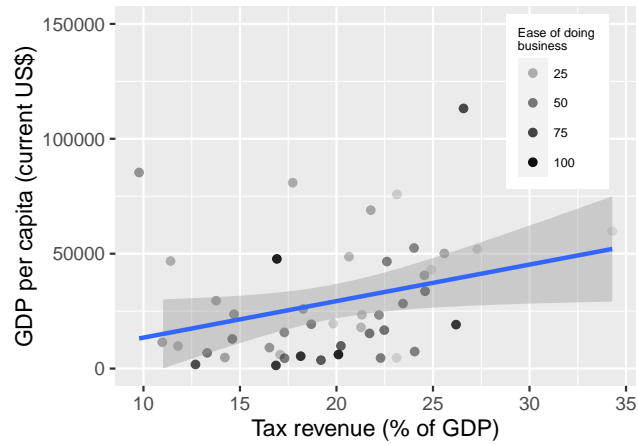
Table 1:

	<i>Dependent variable:</i>
	GDP per capita (US dollar)
Tax revenue (% of GDP)	1,458.236* (738.971)
Ease of doing business rank	-222.973 (162.657)
Constant	9,256.393 (17,201.770)
Observations	46
R <sup>2</sup>	0.133
Adjusted R <sup>2</sup>	0.092
Residual Std. Error	24,895.280 (df = 43)
F Statistic	3.290** (df = 2; 43)
<i>Note:</i>	*p<0.1; **p<0.05; ***p<0.01

Note that the scale for Ease of Doing Business is a rank order from most (1) to least (100) business-friendly. The relationship can be visualised in a scatter plot; the second plot provides country labels. Alpha has been reversed for the second plot (i.e. more business-friendly countries are shaded darker).

## GDP per capita and Tax Revenue (2019)

World Bank data – Europe and Central Asia



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