

PERSPECTIVES OF TAX REFORMS IN CROATIA: EXPERT OPINION SURVEY^{*}

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ABSTRACT

In order to shape tax reform it is necessary to objectively assess current situation and perspectives of the tax system. After having reviewed all previous reforms in the light of the consumption-based (interest-adjusted) concept of direct taxation, which was almost systematically implemented in Croatia in 1994, we present the results of the broad expert opinion survey about Croatian tax system. Most interesting results suggest maintenance/(re)introduction of different tax incentives and reduced VAT rates, rejection of flat tax as well as decrease in number of tax brackets, increase in alcohol and tobacco duties, introduction of financial activities tax, further shift from income to consumption, decrease of tax share in GDP and belief in behavioral responsiveness of tax decreases/exemptions, but equity principle also. The last three economic views/values are important predictors of other tax attitudes.

Keywords: opinion survey, tax reform, tax system, tax policy, Croatia

1 INTRODUCTION

In the summer 2013, *The Survey about State and Perspectives of Croatian Tax System* (Šimović et al., 2013) was performed. The survey was based on the similar US survey from the beginning of 2013, organized by National Tax Association (NTA) and conducted among its members. This survey is referred to and compared to the previous similar US surveys from 1994 and 1934 (Lim et al, 2013).

The purpose of our research, similar as in the US survey, was to find out what tax experts think about the overall current situation and problems in the field of Croatian tax system and what they expect from the tax policy in the future. Since the similar research has never been performed in Croatia, the analysis is especially directed towards income versus consumption as the tax base, which influenced all Croatian tax reforms. Besides that, there are some other motives to conduct such research. Croatia has witnessed two relatively turbulent decades and some very influential tax reforms. Above all, we started the research in order to establish the attitudes of tax experts almost 20 years after the fundamental tax reform in 1994, when the

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consumption-based taxation (interest-adjusted personal and corporate income tax) was introduced. Furthermore, besides Greece, Croatia is the only EU country that is still in (5 year) recession with no positive expectation even in 2014. The decline in economic activity causes additional political instability and many tax system changes as well as changes in attitudes on tax system and policy respectively.

Similar to the US survey, our survey encompass three sectors of experts: government, private and academic. The results are assessed using the percentage of negative/positive answers of 61% as sign of consensus and analysing that consensus degree in more detail.

We also wanted to analyse possible influence on specific values and economic views on the tax system/policy attitudes using binomial probit regression.

After the Introduction, the second part of the paper gives the short overview of Croatian tax reforms, with special emphasis on the changes related to main taxation concepts of direct taxation (income versus consumption). In the third part tax survey is analysed giving overview of the attitudes with the prevailing consensus among Croatian tax experts. The fourth part entails binomial probit regressions in order to determine how specific values and economic views (concerning behavioural responsiveness as well as incidence) influence experts' policy opinions.

2 TAX REFORMS IN CROATIA

In 2014, Croatia will mark twenty years since the first big tax reform took place, setting up foundations of the current tax system in a great scope. The tax system from 1994 was in the limelight of the numerous debates both Croatian and international tax literature.¹ At that time, Croatia was the only country consistently implementing consumption-based taxation – interest-adjusted personal and corporate income tax² (PIT and CIT). According to that, special contribution to the debate was influenced by the Allowance for Corporate Equity (ACE) tax (called “protective interest” in Croatia). Besides corporate income tax, Croatia introduced “synthetic” personal income tax that in some elements still departed from the interest-adjusted income tax (the treatment of incomes from real estate) but included “protective

¹ For the literature overview of the debates and arguments about consumption versus income concept of taxing personal and corporate income in Croatia see Šimović (2012: 10-11), for the general literature overview about the advantages and disadvantages of the consumption-based taxation, especially ACE tax see Blažić (2006: 67-68). For the contributions to the debate, and especially Croatian ACE model 1994-2000 see Schmidt et al. (1996), Rose and Wiswesser (1998), Keen and King (2002) and Klemm (2007) and Blažić (2008).

² The term “corporate income tax” used in this paper for the reasons of international comparability, would not be completely appropriate for Croatia. The tax payers of this tax are corporations, but also some part of the non-corporate sector (partnerships with “trader status” and even the sole traders). In this way the typical distortion of the classical income tax concept – between the corporate and the non-corporate sector - was avoided, as the consumption tax concept requires, and this remains even now. On the other hand, it could be argued that it is simply replaced by the distortion between business units (enterprises) that pay corporate income tax and business units that pay personal income tax (self-employed in “crafts and trades” that are relatively small or do not want to opt to pay a corporate income tax). In order to mitigate the problem, the Croatian legislation has from the very beginning given the self-employed the option of paying corporate income tax instead of personal income tax - the self-employed can opt to pay corporate income tax or have to pay it if the business is big enough in terms of number of employees, assets, income or turnover (see also Blažić, 2008).

interest” for the business income (self-employed) also. In 1994 new excise taxes were introduced also, and the number of retail sales tax rates was gradually reduced in order to prepare the introduction of the value added tax (VAT). Although the first VAT law was enacted in 1995, it entered into force in 1998.

TABLE 1

Overview of tax reforms and changes in the tax system relevant for the income/consumption concept

Period and system	Basic changes
1994-2000 Consumption-based system (interest-adjusted PIT and CIT)	<p>1994</p> <ul style="list-style-type: none"> – Non-taxation of capital income (exception: property income) – ACE (at CIT and PIT for business income)
2001-2004 Mostly income-based system (with some elements of consumption-based systems: savings and interest-adjusted PIT and CIT)	<p>2001</p> <ul style="list-style-type: none"> – Introduction of capital income taxation (dividends and part of interest) – Abolishment of ACE and introduction of numerous incentives (tax holidays) <p>Elements of consumption concept: interest-adjusted income tax</p> <ul style="list-style-type: none"> – Non taxation of most interest (bank saving and deposit accounts, securities) and capital gains from financial assets – Some dual income tax elements retained (linear taxation of most capital/property income by the way of final withholding tax) <p>Elements of consumption concept: saving-adjusted income tax and cash-flow tax</p> <ul style="list-style-type: none"> – Not only compulsory, but also voluntary pension as well as life insurance contributions deductible (and later taxable) – Immediate write-off and enhanced accelerated depreciation
2005-2013 Hybrid system – elements of income-based and consumption-based taxation (interest-adjusted and saving-adjusted)	<p>2005 „Mini“ tax reform</p> <ul style="list-style-type: none"> – Abolishment of dividend taxation – Abolishment of immediate write-off and enhanced accelerated depreciation (the accelerated depreciation in the form of doubled depreciation rates from before (2007) remains) – Modifications of CIT incentives <p>2010</p> <ul style="list-style-type: none"> – Abolishment of deductibility for voluntary pension insurance and life insurance premiums (from saving-adjusted to interest-adjusted model) <p>2012</p> <ul style="list-style-type: none"> – Reintroduction of dividend taxation (towards income concept, but not systematically) – Non-taxation of reinvested profit

Source: Authors.

However, Croatia has relatively quickly abandoned interest-adjusted personal and corporate income tax by its second great tax reform from 2001, which followed after parliamentary elections and change of ruling party. The biggest changes happened in the field of corporate

and personal income tax, where ACE was abandoned and numerous incentives introduced. Personal income tax started to encompass some capital incomes, but the main part of them was still exempt. Besides introduction of the General Tax Act, there were no substantial changes in other tax forms. It could be said that this tax reform has shaped present characteristics of the Croatian tax system in such a substantial way that it also reveals *modus operandi* of the tax system and policy, which are changed with every change of the ruling party.³ So, the “mini” tax reform at the beginning of 2005 abolished the taxation of dividends again (which was reintroduced in 2012 again), but did not bring back ACE as the basic element of consumption-based taxation at the entire business (corporate and personal – self-employed) level. Current Croatian tax system is the hybrid system, where both the elements of income-based and consumption-based taxation concept are present and where the domination of the particular concept depends mostly of the actual ruling party.

Overview of tax reforms in Croatia with special emphasis on the changes in the direction to consumption/income concept is presented in Table 1.

3 2013 EXPERT OPINION SURVEY ABOUT TAX POLICY IN CROATIA

3.1 SURVEY METHODOLOGY

Opinion/attitude surveys, either rather general⁴ or more specific⁵ have also been applied to taxation research. Croatian survey is mostly based on the latest US NTA expert opinion survey (Lim et al., 2013; DeGroat, 2013), which has its longstanding history (Walker, 1935; Slemrod, 1994; Brannon, 1995). However, a lot of modifications should have been made, with the majority of new questions introduced as well as a lot of questions either omitted or changed. In the end, the final Croatian questionnaire has around 20% resemblance with the original survey, mainly regarding last set of questions about general tax issues, experts’ values and beliefs about economics (economic models). 92 questions (i.e. statements) encompass general questions, the ones concerning basic types of taxes and specific questions about the most topical tax policy elements in Croatia. The basic yes/no/other question methodology has also been changed by using Likert items (5 levels). After the pilot (a couple of academic colleagues and tax practitioners) some questions were omitted/clarified.

³ In contrast to the tax reform from 1994, tax reform from 2001 caused not nearly as much debates. Although it was shown that this reform caused significant decrease in tax burden, it remained questionable whether the results of tax system changes were the original intent of tax policy creators (Švaljek, 2005).

⁴ For instance for US: Behrens (1973), Fisher (1985), IRS (1993), McCabe and Stream (2006), Campbell (2009), Lim et al. (2013), for Israel: Dornstein (1987), for Austria: Kirchler (1999), for Australia: Murphy (2004), for Sweden: Hammar et al. (2008).

⁵ For instance for cigarette taxes Green and Gerken (1989), for local tax rates Ashworth and Heyndels (1997), for flat tax and sales taxes McGowan (2000), for estate tax and flat tax Fleischman and Hutchison (2001), for the income tax Eicher et al. (2001), Hasseldine and Hite (2003), for environmental taxes Thalmann (2003), Kallbekken and Saelen (2011), for tax deductibility of mortgages Van der Heijden et al. (2007), for the tax compliance and morale Torgler and Schneider (2005, 2007), Alm et al. (2006), Eicher and Stuhldreher (2007), Randlane (2012), for the estate tax Birney et al. (2006), Fatemi et al. (2008), for CO₂ tax Löfgren and Nordblom (2010), for minimum corporate tax rates Osterloh and Heinemann (2013).

The survey was performed between May and July 2013. The call was sent by e-mail to 1,000 addresses at the beginning of May, and the reminder in the mid of July. Most answers were gathered by web page, just a few by post (in a written way). Out of 1,000 targeted population experts, 304 responded, so the sample could be regarded as representative.

In accordance with the relevant mentioned surveys (Walker, 1935; Slemrod, 1994; Lim et al., 2013), the targeted population were tax experts, divided in the following three groups: academics, government sector and private sector.⁶ Academics include professors and researchers at economic faculties and institutes that devote at least part of their scientific and teaching work to the tax system and policy. Government sector consists of Tax Administration (employees of sectors inside Central office, heads of Regional and Local offices) and local and regional government units (heads of finance departments of those units). Private sector entails mostly tax advisors, but also some private business schools professors as well as employees in tax accounting, advising and publishing companies.

As in similar surveys, 92 survey questions could be thematically divided into couple of groups: property taxes, personal income tax, corporate income tax, VAT, excise taxes, social contributions, general tax issues and values. In addition, some general questions were set to establish the demographic and professional characteristics of the respondents.

3.2 DEGREE OF CONSENSUS

In order to enable comparison with the relevant NTA survey, at least 61% positive or negative answers (without neutral response) are taken as threshold for consensus (Lim et al., 2013). Since Croatian survey was made with 5-level Likert items, the answers under “yes” entail answers “totally/strongly agree” and “mostly agree”, while the answers under “no” entail answers “mostly disagree” and “totally/strongly disagree”. Table 2 presents the number of answers with the consensus degree of at least 61%.⁷ Table A2 in Appendix entails detailed data for the degree of consensus for all 92 survey statements/questions.

Even 84 questions (out of 100) had a degree of consensus above 61% in the US NTA survey, while such a degree of consensus in Croatian survey achieved only 64 statements or only 70%. If the consensus threshold were raised to 75% equal answers, the number would decline to only 38% (35 out of 92). Due to the frequent tax reforms and tax law changes in Croatia, such a low consensus degree has been expected. It is interesting that somewhat broader consensus was reached inside the academic and government sector in contrast to the private one. Unfortunately, there is a significant number of statements without any general (total) consensus, which is not the case at the level of particular groups of respondents (sectors). When the experts are divided into sectors, there is much more homogeneity inside each sector, so the higher percentage of consensus is to be expected. We hope that the further development of the Croatian society would result in the higher level of legal certainty and tax

⁶ Table A1 in Appendix entails detailed information about respondents' structure.

⁷ This arbitrary but seemingly reasonable threshold for consensus is taken for the relevant comparison with the US survey also (Lim et al., 2013). More certain degree would be 75% for sure, so this is also taken into account.

stability, which could also lead to a higher degree of consensus between tax experts. Such a trend is observed in the US with a higher level of consensus in 2013 in comparison with 1994.

TABLE 2

Degree of consensus (number of questions, without neutral response)

Degree of consensus	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
61-74%	7	22	7	28	8	25	11	25
75-100%	5	30	6	30	6	32	9	23
Total 61-100%	12	52	13	58	14	57	20	48
Total (No and Yes)								
Total 61-74%	29		35		33		36	
Total 75-100%	35		36		38		32	
Total 61-100%	64		71		71		68	
Percentage of total answers between 61-100%	69.9%		77.2%		77.2%		73.9%	

Source: Table A2.

However, there are some contrary statements, with the consensus reached. So it is hard to reach the agreement concerning the specific issues without further analysis. Still, there is a significant difference in the degree of consensus among the questions where the consensus is reached.

3.3 SPECIAL TAX ISSUES

As mentioned previously, 92 statements are divided into a couple of groups concerning special tax issues (see Table A2).

Concerning property taxation, only half of statements reached the satisfying degree of consensus (61%). The main question related to the introduction of real estate tax reached no satisfying consensus (“only” 59% of answers in favour). The biggest opponent is the academic community, while private and government sector have reached consensus in favour of that tax. The consensus is also reached for the real estate tax being local tax, for the maintenance of local surcharge as well as real estate transfer tax and for property being necessary additional indicator of ability to pay. Furthermore, the respondents have different ideas of tax burden of real estate tax for business and citizens. Overall consensus is reached for the statement that citizens do not have to pay higher rates in comparison to business, but not for the statement that business should pay higher rates in comparison to citizens. Naturally, academia and government sector have supported the latter statement (62% and 65% in favour), in contrast to the private sector (68% against).

Concerning relatively different systems of property taxes and inheritance/estate and gift taxes in Croatia and the US, it is hard to make some meaningful comparisons. Still, respondents of both countries share the traditional view that real estate tax should be local tax. On the other

hand, contrary to the Croatian experts, the US experts generally do not think that real estate tax should distinguish between citizens and business.

Most personal income tax statements, especially those about progressivity, reached the consensus. Most of the respondents agree that lowest (but not also highest) marginal rate should be additionally reduced, that flat tax should not be introduced, that there is no need to further reduce number of tax brackets and that tax allowances (deductions) for voluntary pension and life insurance, health insurance/costs and owner occupied housing should be reintroduced. It could be concluded that respondents strongly share the common vertical equity principle, but this could not be broadened to the capital income taxation in general. Although the consensus is reached concerning dividends and financial capital gains taxation, there is no such consensus for interest on saving and securities – maybe respondents are here most directly personally involved and some of them act “selfish” instead of “professionally”. Concerning different tax treatment of labour and capital incomes, the private sector was the only one not having achieved the consensus against lower taxation of capital incomes. Concerning additional arguments in favour of lower dividend taxation, on the one hand, there are significant differences between academic and private sector on the one hand (accepting it) and on the other, the government. There is a general agreement that capital incomes should not be taxed at lower rates, but there is no consensus about equal treatment of all sources of income or preferential dividend taxation – moreover, there are strong differences between particular sectors.

Due to the long tradition of consumption-based (interest-adjusted) system of direct taxation in Croatia in general and especially interest-adjusted personal income tax, whose basic elements remained in force even after the 2001, higher inclination of experts to this concept could have been expected. The only such inclination element is seen in the area of interest on saving (and securities) and, as already said, could be partially attributed to the individual taxpayer’s circumstances (in contrast to dividends and financial capital gains taxation⁸). Some “modified element” of consumption-based taxation - hybrid system between income and consumption concept – lower taxation of capital incomes (instead of their non-taxation) – the case of dual income tax, which is entering strongly into Croatian tax system, has, again, reached no support.⁹ It seems that experts strongly advocate classical comprehensive income taxation. One could than expect that to get the (positive) consensus about taxing all sources of income could be achieved in the same way (regarding Q27 as control question) as it has, however, only been achieved in the government sector. This may not be the case owing to the fact that this question is (could be) related to currently taxable (mostly labour) incomes in Croatia and a

⁸ Not surprisingly, there is a strong and highly significant correlation between advocating dividend and capital gains taxation ($r_s = 0.878$; $p < 0.01$) and much lower between former and interest taxation ($r_s = 0.365$; $p < 0.01$) and later and interest taxation ($r_s = 0.431$; $p < 0.01$). Moreover, these Spearman correlations are calculated for original Lykert type answers (1-5). The same applies to footnote 9.

⁹ There is, of course, negative correlation between advocating capital incomes taxation (Q24, 25 and 26) and their lower taxation than labour incomes (Q28). The correlation coefficients are highly significant ($p < 0.01$), but low ($r_s = -0.295$, $r_s = -0.340$, $r_s = -0.262$). The same is true for the correlation between advocating dividend taxation and their lower taxation ($r_s = -0.304$).

very topical issue of “other” (additional, part-time) work being taxed at lower rates (by a way of final withholding tax) in contrast to wages/salaries. The recent idea of Croatian Ministry of Finance to tax all labour incomes in a same way to get additional budgetary revenues was (for the time being) rejected.

Similar to the previous case, it is hard to make comparison with the US survey, especially concerning capital income taxation where the US system is strongly advanced due to the development of the financial system. Similar conclusion could be drawn regarding numerous tax allowances/deductions that exist in the US personal income tax system. However, some mutual characteristics could be found - affinity to stronger personal income tax progressivity as well as disagreements about taxation of capital income, in US especially at the capital gains level. Moreover, there is a general conclusion about inclination to stronger comprehensive taxation, but still some attitudes regarding capital income, property and inheritance and gifts could not completely support such an attitude.

Experts do not consider that the minimum monthly assessment base for social contributions should be abolished. On the other hand, there is no consensus for the abolishment of maximum base (ceiling). Furthermore, there is a strong disagreement here between private sector (against abolishment) and government sector (in favour of abolishment). Most of the respondents consider the first pillar contributions (intergenerational solidarity) too high suggesting them to be lowered. Although there is no general consensus, private sector and academia support the increase of the second pillar (individual capitalized saving accounts) contributions.

There is consensus for almost all statements in the field of corporate income tax. Most respondents consider that it should boost economic activity, and thus different incentives would be retained or (re)introduced (different tax holidays and investment allowances). Especially pronounced is high degree of support (91%) for R&D and educational incentives (see also for instance Hodžić, 2012; Šimurina, Bürgler, 2012; Švaljek, 2012). High degree of consensus is achieved for reintroduction of ACE, favouring consumption-based taxation at the corporate level (in contrast to personal level). The experience of Belgium proves that such system is still (for the time being¹⁰) compatible with the EU requirements. Namely, one of the stated reasons for its withdrawal in Croatia was its uniqueness in comparison to other EU countries (which was only partially true due to some already existing elements of ACE in Austria and Italy at that time). Interesting and relatively unexpected, no consensus has been reached for the lowering of CIT rate. It is especially interesting that private sector is the only opponent, having reached the consensus against rate lowering. They are probably aware of the relatively low effective rate due to a numerous incentives. No comparison of the US and Croatian survey is possible, since the questions completely differ.

Experts are mostly against aiming to the only one (standard) VAT rate and, respectively, against abolishment of the reduced rates. So, there is consensus reached for maintaining

¹⁰ Recent CCCTB development trends should be taken into account, including even the possibility of future shift of this tax base from optional to compulsory.

reduced rates for basic foodstuff as well as their extension to all food. Such an attitude could be explained by the already mentioned relatively high inclination of experts towards vertical equity. Huge majority (97%; even 100% for private sector) claim that the standard VAT rate should not be increased further, which is completely expected, since the Croatian VAT rate of 25% is the second highest (after Hungary with 27%) in the EU.

There is a high degree of consensus for most statements in the field of excise taxes. Most people think that different excise taxes on energy and electricity should “not be raised” / “be lowered”. In contrast, most people do think that excise taxes on tobacco and tobacco products should be increased and that taxation of luxury products should be reintroduced. Here, some resemblance with the US survey, where the similar opinions prevail, could be established. Most experts support excise taxes on cars, aircrafts and vessels, while no consensus was reached for excise taxes for coffee and car insurance premiums. Interesting, the consensus was reached for introducing excise taxes on “junk food”, where the Croatian experts differ from the US experts, who do not support such special taxes.

3.4 GENERAL TAX ISSUES, EXPERTS' VALUES AND ECONOMIC MODEL

Last twenty survey statements relate to general attitudes about tax system and policy as well as some economic models. These questions are pretty comparable to the US survey. In contrast to the US survey, overall consensus hasn't been reached for three statements, although even here some partial consensus exists.

For many questions the degree of consensus is high (over 75%). Most respondents solve the traditional “equity-efficiency trade-off” in favour of equity. This attitude is expected taking into consideration previous survey parts about particular taxes. It could be explained by historical inheritance and general justice awareness that generally prevails in Croatia, but maybe also by some recent tax policy tendencies due to the economic crisis. High degree of consensus is present for the statement that penalties for tax evasion should be increased and administrative and compliance costs as well as para-fiscal levies decreased. The results for these statements are mostly in accordance with the US experts' opinion.

Most experts think that the share of government in GDP (measured by public revenues and expenditures) should be decreased. In accordance with that there is a consensus about related statements that the entire tax burden should be lowered and the tax structure changed. There is no consensus about the currently advocated EU financial transaction tax introduction, as it is the case in the US survey. On the other hand, there is a consensus about financial activities tax. One of the reasons for the different inclination to those financial sector taxes could be the concern of the experts about incidence of the former tax.

Furthermore, there is a consensus concerning some views about economic effects. Most people think that lower marginal income tax rates increase work effort and reduce leisure (81%) and that such a change would increase tax base so that revenue lost could be compensated (65%). The majority also think that non taxation of interest encourages saving (78%) and respectively non taxation of financial capital gains encourages investment and

promotes economic growth (65%)¹¹. The bulk of those reasoning are close to those in the US survey.

While the US experts consider consumption taxes regressive, Croatian experts (except academics) have reached no regressivity consensus. This might be the case because the other groups do not completely understand the term. However, experts from both countries have reached the consensus that CIT is shifted mostly to consumers and employees.

Regional tax investments incentives efficiency in Croatia (city of Vukovar and areas of special national concern) is one of the questions where no general consensus was achieved. The consensus about them not being efficient has been reached only in the academic community (68%), while the percentage of negative answers in private (58%) and government sector (51%) was not high enough. It could be concluded that this attitude supports recently (after the survey) conducted reform of stated investment incentives (their narrowing).

4 DETERMINANTS OF EXPERTS' POLICY OPINIONS IN CROATIA

This part of the paper analyses factors that influence tax experts' attitudes in Croatia using serial binomial probit regression. As in the case of consensus degree, only positive and negative answers (without the neutral one) are observed. Similar as in relevant research (Lim et al., 2013), the analysis is aimed in two directions. First part analyses tax expert's attitudes related to some value judgments (values) in the area of taxation, where two questions (Q75 and Q91) are used as predictors (independent variables). The second part of the analysis encompasses particular economic views related to the behavioural responsiveness and tax incidence, whose predictors (independent variables) are tested over five questions (Q84, Q85, Q86, Q79 and Q80). In both cases, the regression also includes demographic characteristics (employment-sector, age and education level) as independent variables, but they are not particularly analysed.

Seventeen different models are observed, where seventeen questions/statements that best reflect topical disputes in Croatian tax systems and could be used to assess future tax trends have been chosen as dependent variables.

4.1 VALUES

This part of the analysis wants to establish the influence of tax equity values and general values concerning the government role in the economy to the professional attitudes about tax system and policy. Owing to the fact that Q75 and Q91 that somehow express different views in tax policy, they have been chosen as independent variables (predictors). The respondents that support the reduction in the entire tax burden (expressed as the level of taxes relative to GDP) - those that gave the positive answer to Q75 could be regarded as having more

¹¹ However, one should keep in mind that neutral answer (3) was eliminated from the survey results. Where it comes to such economic modelling statements (as well as value statements) such scepticism/indecisiveness could be reasonable, expressing no lack of knowledge of the respondents, but their complexity awareness. The inclusion of neutral answers in these statements makes the results a little bit less optimistic (Blažić, Šimović and Štambuk, 2014).

(neo)liberal economic views i.e. advocating smaller role of government in the economy. On the other hand, those that claim equity principle is more important than efficiency one (compared to those that have answered negatively) support greater role of equity i.e. higher state intervention regarding redistributive issues. Concerning consumption-based taxation it could be expected for the former group to be more in favour of it and for the latter group to be against it. Table 3 presents the results of binomial probit regression for variables Q75 and Q91 reflecting values in the field of taxation.

TABLE 3
Binomial probit regression results for values

Question/statement	Q75 ^a	Q91 ^b	χ^2
Q01 Croatia should introduce proposed real estate tax.	0.014 (0.324)	0.820** (0.337)	14.658 [0.041]
Q03 Taxation should include other forms of property too (movable property, financial property etc.) i.e. synthetic taxation of property (net wealth tax)	0.223 (0.343)	0.179 (0.320)	4.136 [0.764]
Q16 Instead of more PIT rates only one rate should be introduced („flat tax“) along with maintaining personal exemption.	0.206 (0.341)	-0.672* (0.345)	8.783 [0.269]
Q24 Inside PIT dividends should be taxed.	-0.577 (0.454)	0.740** (0.353)	18.562 [0.010]
Q25 Inside PIT financial capital gains should be taxed.	-0.264 (0.392)	0.843** (0.332)	19.636 [0.006]
Q26 Inside PIT interest on saving and securities should be taxed.	-0.782** (0.362)	0.485 (0.345)	7.758 [0.354]
Q27 All sources of income inside PIT should be taxed in the same way (at statutory rates, without allowing for lower withholding tax to be final).	-0.519 (0.421)	-0.048 (0.358)	3.443 [0.841]
Q30 CIT (general) rate should be reduced.	0.841** (0.350)	0.067 (0.328)	10.177 [0.179]
Q31 CIT burden for SMEs should be reduced.	0.810** (0.359)	0.047 (0.394)	14.573 [0.042]
Q32 Reinvested profits should be exempt from taxation.	0.129 (0.428)	-0.141 (0.412)	5.012 [0.659]
Q39 Tax incentives for investment should be maintained.	0.279 (0.430)	0.741 (0.466)	5.067 [0.408]
Q40 Protective interest (allowance for corporate equity - ACE) should be reintroduced.	-0.306 (0.408)	0.580 (0.372)	9.150 [0.242]
Q42 Only one/standard VAT rate should be aimed at (reduced rates should be narrowed/eliminated).	0.031 (0.324)	-0.475 (0.314)	5.973 [0.543]
Q73 Financial transaction tax should be introduced.	-0.167 (0.342)	0.752** (0.360)	15.518 [0.030]
Q74 Financial activities tax should be introduced.	-0.486 (0.482)	1.378*** (0.386)	65.922 [0.000]

Question/statement	Q75 ^a	Q91 ^b	χ^2
Q76 General government should be financed less from taxes and more from different non-tax revenues (with emphasis of different user charges).	0.955*** (0.328)	0.327 (0.364)	12.132 [0.096]
Q81 Para-fiscal levies should be reduced.	0.893** (0.447)	0.288 (0.526)	19.890 [0.006]

Notes: Robust standard errors are in parenthesis. The p-values of the χ^2 are in brackets. Other regressors include indicators of sector of employment, age and education.

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

a) Q75 - Entire tax burden (the level of taxes relative the GDP) should be reduced.

b) Q91 - The equity principle should be prior to efficiency principle in creating tax policy.

Source: authors' calculation.

Presented results imply relatively consistent attitudes of Croatian tax experts. For the most observed models, the experts with neoliberal economic views have mostly different considerations than the experts that advocate greater equity in taxation. Furthermore, Q91 is also more significant predictor than the Q75 - that could imply the equity principle being dominant value to shape tax attitudes for most of the experts.¹²

More neoliberal tax experts i.e. those who positively answered to Q75 are more inclined to reduce CIT rate, especially for SMEs. They are also inclined to reduce para-fiscal levies and consider that the government should be financed less from taxes and more from user charges. This could be explained by their inclination to the benefit principle (“quid pro quo”) as an alternative (in effect older) understanding of equity (equality) instead of ability to pay principle. That is why they are neither inclined to taxation of interest income nor other capital incomes¹³ following consumption-based (interest-adjusted) taxation concept.

Tax experts inclined to greater role of vertical equity (those that reacted positively to Q91) are, expectedly, more inclined to real estate tax introduction (as additional indicator of ability to pay) as well as to taxation of capital incomes such as dividends and capital gains.¹⁴ Not unexpectedly, they are also in favour of financial transaction tax and especially financial activities tax (as additional ability to pay tax on “under-taxed” banking sector). Needless to say, they are against the flat tax that due to the indirect progressivity jeopardizes traditional equity understanding of ability to pay principle.

¹² It is harder to make the comparison with the US survey in this context since the set of observed models i.e. dependent variables is somehow different. The predictors are not identical, but they could be put in the similar comparable context. In the US survey the question “Is the redistribution of income within the United States a legitimate role for government” turned out to be more important predictor (with the negative influence on attitudes of lower capital income and dividend taxation) than the question about higher equality of income distribution in the US (Lim et al., 2013: 790-791).

¹³ However, there is no statistical significance established for other capital incomes.

¹⁴ There is also a positive influence on interest taxation, but without statistical significance.

4.2 ECONOMIC VIEWS

In order to establish prevalence of specific economic views in taxation, statements/questions that relate to taxpayers' behaviour and tax incidence are used as independent variables (predictors). For the taxpayers' behavioural response questions/statements QP84, QP85 and QP86 are used and for the tax incidence additional two questions/statements (Q97 and Q80) are used. Table 4 presents the results of binomial probit regression for the stated variables.

Results relating to tax incidence show relatively consistent attitude of tax experts. On the other hand, there are some inconsistencies concerning behavioural responses that are already pointed out at the degree of consensus analysis.

Among behavioural response questions/statements, Q86 ("Different government tax reductions (reliefs, incentives) promote economic growth") turned out to be the best predictor. The experts that answered that question positively (compared to those that have answered negatively) are more inclined to exempt the reinvested profits from taxation, to maintain different tax incentives and to reduce para-fiscal levies. Moreover, they are not inclined to abolish reduced VAT rates. This approach in favour of tax incentives and reliefs could be regarded as "classical interventionist" approach, where economic efficiency is not understood in a sense of neutrality, but more (cost)-effectiveness approach. Although the critics might say that interventionist approach is a matter of history and definitely incompatible with modern tax reform proposals, it has is still been popular, especially in the tax practice of developing countries and (post)transition economies. The recent economic and financial crisis, especially at its beginning, made them worth considering again. Furthermore, the respondents that reacted positively to Q86 are in favour both of real estate tax and net wealth tax, which could be easier to explain by traditional "interventionist" approach than by the newest reform tendencies in favour of these taxes.

Since it is more narrow, Q85 ("Non taxation of financial capital gains encourages investment and promotes economic growth") turned out to be less important predictor. The experts that answered this question positively (compared to those that have answered negatively) are, logically, neither in favour of capital gains taxation nor dividend taxation and financial activities tax. Since non-taxation of capital gains (as well as all capital incomes) is one of the crucial characteristics of consumption-based (interest-adjusted) taxation it is completely logical that the same reasoning is broadened to dividend taxation (as well as interest taxation, where the relationship is also negative, but not statistically significant). Furthermore, those interested in reducing tax burden and tax distortions in financial markets are, logically again, not in favour of financial transaction tax.

It is interesting that the same experts do not think that CIT incentives should be maintained. Although it could seem peculiar to the general public, it is completely in accordance with consumption-based approach or more general modern "base broadening" approach, where non-taxation of capital incomes and rate lowering of taxable incomes are advocated as better and more neutral incentive measures.

Not only did the Q84 (“Non taxation of interest encourages saving”) showed all the controversy of the interest taxation attitude, but the results of the survey in general showed the same controversy, too. Although there is a negative influence presented concerning interest taxation need (Q26), it is not statistically significant. Q84 turned out to be significant predictor only for flat tax introduction. The link between non-taxation of interest as one of the basic characteristic of consumption-based (interest-adjusted) taxation and Hall-Rabushka flat tax – one of the typical examples of interest-adjusted personal income tax accompanied with only one rate do not need additional explanation. Regardless of statistical insignificance of other relationships, it is interesting that some of them are of different direction in comparison with Q85, which implies a lot of disagreements but also inconsistencies among tax experts.

Regardless of the stated inconsistent statements/questions, Q85 and Q86 turned out to be significant predictors, which led to the expected direction at the most of the tested models i.e. imply similar attitude of the tax experts towards different tax incentive mechanisms. Similar tendencies could be established in relation with the relevant US survey, where similar attitudes prevail and the question about influence of taxation on private savings turned out to be the weakest predictor (Lim et al., 2013: 791-793).

Economic incidence results show relatively consistent attitudes of tax experts.¹⁵ Q79 (“Tax burden should be shifted from personal and corporate income to consumption”) turned out to be the most important predictor. The experts who positively answered that question (compared to those that have answered negatively) are, expectedly, not in favour of capital income taxation in general (dividends, interest and capital gains) but are for flat tax introduction, only one (standard) VAT rate as well as for the reduction of tax burden for SMEs. These experts follow contemporary tax policy recommendations and consumption-based (interest-adjusted) tax concept in general. Those experts are very precise in their attitudes and the answers are in accordance with expectations at most tested models. Again, it is not surprisingly that the experts that favour general non-taxation of capital incomes, flat tax and only one VAT rate are again retaining specific tax incentives. So, they prefer general horizontal and “neutral” effects and not “distortive” tax incentives. Not surprisingly, these incentives were introduced after Croatia abandoned consumption-based taxation at personal and corporate level (Table 1).

Q80 (“Tax burden should be shifted from personal and corporate income to property”) turned out to be important predictor also. The experts that answered this question positively (compared to those that have answered negatively) are, logically- for real estate tax as well as net wealth tax. But they are also more inclined to income-based taxation (in contrast to consumption-based of the former group) – they are both in favour of capital income taxation (interest, dividends and capital gains) and taxing all income sources in the same way (classical

¹⁵ In contrast to behavioural questions/statements, the comparison with US survey results is not possible here since the Croatian research entails other predictor questions that are more applicable to the Croatian tax system characteristics.

comprehensive S-H-S income). Not surprisingly they are also for the proposed financial transaction tax.

Although both predictors (Q79 and Q80) point to the experts attitude relatively precisely, neither of them turned out to be significant (and positive) for the Q40 (ACE tax). It is about the instrument that was crucial for the consumption-based interest-adjusted corporate income taxation in Croatia implemented in the 1994-2000. On the other hand, both predictors are significant for the (non)-taxation of capital incomes (Q24, Q25 and Q26) - the instruments that were crucial for the consumption-based interest-adjusted personal income tax not only in the same period, but also even further. The fact that ACE, unlike non-taxation of capital incomes, has not been in effect since 2001 i.e. it is almost forgotten, could be the main reason behind the lack of consistent (and positive) reactions to that instrument as well as a lot of neutral answers for this question (more than one quarter).

TABLE 4
Binomial probit regression results for economic views

Question/statement	Behavioral Responsiveness				Incidence		χ^2
	Q84 ^a	Q85 ^b	Q86 ^c	Q79 ^d	Q80 ^e		
Q01 Croatia should introduce proposed real estate tax.	-0.777 (0.530)	-0.472 (0.396)	0.661* (0.381)	-0.273 (0.359)	1.333*** (0.326)	30.322 [0.001]	
Q03 Taxation should include other forms of property too (movable property, financial property etc.) i.e. synthetic taxation of property (net wealth tax).	-0.762 (0.587)	-0.411 (0.424)	0.658* (0.379)	-0.409 (0.342)	0.628** (0.308)	20.325 [0.026]	
Q16 Instead of more PIT rates only one rate should be introduced („flat tax“) along with maintaining personal exemption.	1.203* (0.63)	-0.280 (0.387)	0.059 (0.361)	0.797** (0.357)	-0.079 (0.316)	16.127 [0.096]	
Q24 Inside PIT dividends should be taxed.	-1.120* (0.622)	0.593 (0.44)	0.987*** (0.363)	-0.836** (0.413)	0.987*** (0.363)	24.869 [0.003]	
Q25 Inside PIT financial capital gains should be taxed.	-0.066 (0.752)	-2.005*** (0.766)	0.305 (0.444)	-0.802** (0.406)	1.289*** (0.367)	27.245 [0.002]	
Q26 Inside PIT interest on saving and securities should be taxed.	-0.04 (0.632)	-0.072 (0.426)	0.111 (0.395)	-1.588*** (0.434)	1.709*** (0.427)	34.057 [0]	
Q27 All sources of income inside PIT should be taxed in the same way (at statutory rates, without allowing for lower withholding tax to be final).	0.233 (0.604)	-0.044 (0.426)	-0.644* (0.38)	-0.408 (0.384)	0.614* (0.338)	9.065 [0.526]	
Q30 CIT (general) rate should be reduced.	0.396 (0.487)	0.186 (0.377)	0.393 (0.342)	0.621* (0.324)	-0.310 (0.299)	15.61 [0.111]	
Q31 CIT burden for SMEs should be reduced.	0.249 (0.493)	-0.433 (0.405)	0.525 (0.375)	1.068*** (0.384)	-0.297 (0.331)	19.723 [0.032]	
Q32 Reinvested profits should be exempt from taxation.	0.309 (0.489)	0.245 (0.386)	0.966** (0.383)	-0.194 (0.352)	0.02 (0.354)	18.369 [0.049]	

Question/statement	Behavioral Responsiveness			Incidence		χ^2
	Q84 ^a	Q85 ^b	Q86 ^c	Q79 ^d	Q80 ^e	
Q39 Tax incentives for investment should be maintained.	0.582 (0.672)	-1.243** (0.593)	1.194** (0.571)	-1.542** (0.777)	-0.466 (0.423)	13.31 [0.149]
Q40 Protective interest (allowance for corporate equity - ACE) should be reintroduced.	-0.149 (0.629)	0.074 (0.430)	0.307 (0.410)	-0.261 (0.394)	-0.353 (0.364)	3.929 [0.950]
Q42 Only one/standard VAT rate should be aimed at (reduced rates should be narrowed/eliminated).	0.429 (0.528)	0.565 (0.381)	-0.882** (0.360)	0.902*** (0.328)	0.060 (0.308)	16.966 [0.075]
Q73 Financial transaction tax should be introduced.	-0.009 (0.569)	-0.441 (0.424)	0.330 (0.380)	-0.135 (0.361)	0.857** (0.343)	24.79 [0.006]
Q74 Financial activities tax should be introduced.	0.168 (0.653)	-0.971* (0.500)	-0.003 (0.445)	0.150 (0.423)	0.427 (0.375)	43.793 [0]
Q76 General government should be financed less from taxes and more from different non-tax revenues (with emphasis of different user charges).	0.146 (0.471)	-0.087 (0.374)	0.481 (0.338)	0.054 (0.348)	-0.046 (0.309)	6.269 [0.792]
Q81 Para-fiscal levies should be reduced.		0.051 (0.862)	1.562*** (0.581)	0.309 (0.663)	0.545 (0.515)	163.172 [0]

Notes: Robust standard errors are in parenthesis. The p -values of the χ^2 are in brackets. Other regressors include indicators of sector of employment, age and education. Omitted variable dropped from the estimation because model predicts success perfectly.

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$.

a) Q84 - Non taxation of interest encourages saving.

b) Q85 - Non taxation of financial capital gains encourages investment and promotes economic growth.

c) Q86 - Different government tax reductions (reliefs, incentives) promote economic growth.

d) Q79 - Tax burden should be shifted from personal and corporate income to consumption.

e) Q80 - Tax burden should be shifted from personal and corporate income to property.

Source: authors' calculation.

5 CONCLUSION

It might be disappointing, but the fact that there is no high and broad consensus of Croatian tax experts is not unexpected although the technique which was applied (elimination of neutral answers, yes or no answers only) implies as high consensus as possible.

However, relatively high consensus degree for some specific questions enables to draw some general conclusions about experts' attitudes. In the field of (personal and corporate) income taxation they include maintenance of corporate tax incentives, reintroduction of personal income tax reliefs (deductions), rejection of flat tax as well as decrease in number of tax brackets. Concerning consumption taxation the most interesting results are in favor of maintenance and even broadening of reduced VAT rates as well as increase in alcohol and tobacco duties. Although experts support financial sector taxation in general, consensus is reached not for financial transaction tax, but for financial activities tax. Concerning general tax issues, as expected, further shift from income to consumption as well as decrease of tax share in GDP is advocated. Experts showed remarkable belief in behavioural responsiveness of tax decreases/exemptions, but, on the other hand, in solving the traditional equity-efficiency trade-off in favour of equity.

Comparing sectors, the government sector expresses higher social sensibility (equity principle) and stronger inclination to classical income-based – ability to pay principle (which is reflected also to the property as additional ability to pay indicator). However government officers are not in favour of personal income tax deductions, maybe due to their high administrative costs, which burden tax administration directly. Academic sector could be said to be more “rationale” being not so against consumption-based (interest-adjusted) taxation as other sectors, but still not in favour of it (with the exception of ACE tax that yielded substantial support).

The most important differences between the Croatian and the US survey could be found in the field of tax equity, which is much more pronounced in Croatia.

Some values and economic views are found to be important and consistent predictors of tax opinions. This is especially true for equity principle, behavioural effects of tax reductions and attitudes related to tax incidence. The results are consistent with the consumption-based versus income-based concepts.

APPENDIX

TABLE A1

Demographics and sample information

Structure of respondents	Valid Percent
Age	
18-29	17.2
30 - 44	46.7
45 - 54	19.4
55+	16.7
Education	
High school degree	4.6
Associate degree/ BA	11.2
Graduate / Master	45.2
Mr. sc.	7.3
PhD	31.7
Sector	
Private sector	9.6
Government sector	43.5
Academic community	46.9
Sector: Private sector	
Tax advisor	50.0
Editor and/or business advisor	16.7
Others	20.8
High business school (lecturer)	12.7
Sector: Government sector	
Local and regional units	48.7
Tax Administration	41.6
Ministry of Finance (outside Tax Administration)	1.8
Others	4.4
Sector: Academic community	
Economics	86.2
Law	12.2
Political sciences	1.6
Sector: Academic community - Economics	
Public finance	23.1
Monetary finance and financial markets	18.3
Corporate finance and accounting	26.0
Macroeconomics	24.0
Management/entrepreneurship	8.7

Source: authors-survey.

TABLE A2

Responses' distribution (in %) for all respondents and main groups according to employment (without neutral answer)

Statement / question	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
Property taxes, inheritance and gift taxes								
1 Croatia should introduce proposed real estate tax.	41	59	47	53	37	63	39	61
2 Real estate tax should be local tax.	18	82	18	82	21	79	16	84
3 Taxation should include other forms of property too (movable property, financial property etc.) i.e. synthetic taxation of property (net wealth tax)	44	56	50	50	39	61	50	50
4 Regardless of possible real estate tax introduction, communal charge should still remain local revenue.	48	52	42	58	50	50	71	29
5 Regardless of possible real estate tax introduction, tax on holiday houses should remain local revenue too.	43	57	34	66	46	54	68	32
6 Regardless of possible real estate tax introduction, surtax on income tax should still remain local revenue too.	33	67	30	70	33	67	48	52
7 Real estate tax should be assessed at the same rate for business and residents.	71	29	75	25	71	29	68	32
8 Business should be taxed at a higher rate than residents.	40	60	38	62	35	65	68	32
9 Residents should be taxed at a higher rate than business.	88	12	87	13	88	12	82	18
10 Inheritance and gifts should be taxed.	56	44	54	46	61	39	43	57
11 Inheritance and gift taxation should be progressive - according to the property inherited/gifted and proximity of the relationship (in contrast to the current 5% with the exemption for the closest family members).	51	49	52	48	49	51	46	54
12 Real estate transfers should be taxed.	16	84	20	80	14	86	8	92
13 Property is necessary additional indicator of ability to pay besides income.	17	83	14	86	17	83	23	77

Statement / question	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
	Personal income tax							
14	52	48	49	51	57	43	48	52
15	34	66	36	64	29	71	46	54
16	69	31	63	37	72	28	79	21
17	47	53	41	59	49	51	70	30
18	81	19	77	23	83	17	86	14
19	27	73	23	77	27	73	46	54
20	30	70	23	77	35	65	48	52
21	40	60	34	66	47	53	39	61
22	35	65	29	71	42	58	32	68
23	35	65	30	70	38	62	36	64
24	27	73	35	65	14	86	38	63
25	23	77	34	66	13	87	29	71
26	54	46	60	40	46	54	55	45
27	43	57	42	58	36	64	55	45
28	70	30	61	39	80	20	57	43
29	43	57	28	72	61	39	38	62

Statement / question	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
	Corporate income tax							
30 CIT (general) rate should be reduced.	46	54	41	59	48	52	64	36
31 CIT burden for SMEs should be reduced.	21	79	21	79	17	83	36	64
32 Reinvested profits should be exempt from taxation.	12	88	7	93	12	88	25	75
33 Tax incentives for areas of special national concern should be maintained.	32	68	29	71	35	65	15	85
34 Tax incentives for mountain areas should be maintained.	32	68	34	66	31	69	15	85
35 Tax incentives for free trade zones should be maintained.	31	69	27	73	32	68	28	72
36 Tax incentives for city of Vukovar should be maintained.	23	77	23	77	21	79	16	84
37 Tax incentives (state aid) for R&D should be maintained.	9	91	8	92	8	92	17	83
38 Tax incentives (state aid) for education of employees should be maintained.	9	91	6	94	10	90	14	86
39 Tax incentives for investment should be maintained.	11	89	9	91	12	88	13	88
40 Protective interest (allowance for corporate equity - ACE) should be reintroduced.	25	75	27	73	24	76	26	74
41 Accelerated depreciation (double depreciation rates) should be maintained.	26	74	20	80	28	72	39	61
VAT								
42 Only one/standard VAT rate should be aimed at (reduced rates should be narrowed/eliminated).	64	36	65	35	63	37	62	38
43 In transitional period (after accessing EU) Croatia should have tried to maintain zero rate of VAT for some goods and services having a social purpose.	25	75	28	72	18	82	36	64
44 Tourist and restaurant services should be taxed at lower VAT rate.	51	49	48	52	57	43	39	61
45 Some basic foodstuff (bread, milk, baby food, edible oils and fats) should be taxed at reduced VAT rate.	13	87	17	83	8	92	20	80
46 Special scheme for VAT for farmers should be introduced.	25	75	20	80	27	73	26	74

Statement / question	Total		Academic		Government		Private		
	No	Yes	No	Yes	No	Yes	No	Yes	
	47	97	3	97	3	98	2	100	0
48	62	38	67	33	63	37	37	63	
49	36	64	39	61	35	65	41	59	
50	27	73	26	74	25	75	36	64	
51	60	40	58	42	58	42	78	22	
52	40	60	43	57	35	65	55	45	
Excise duties									
53	34	66	29	71	34	66	47	53	
54	27	73	33	67	21	79	32	68	
55	91	9	91	9	91	9	89	11	
56	94	6	90	10	98	2	95	5	
57	18	82	18	82	18	82	18	82	
58	60	40	58	42	59	41	71	29	
59	15	85	11	89	15	85	24	76	
60	7	93	6	94	9	91	5	95	
61	20	80	19	81	16	84	42	58	
62	36	64	32	68	37	63	45	55	
63	22	78	24	76	15	85	40	60	
64	59	41	55	45	60	40	81	19	

Statement / question	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
	65	55	45	50	50	58	42	55
66	68	32	65	35	74	26	65	35
Social contributions								
67	43	57	44	56	37	63	70	30
68	72	28	70	30	72	28	76	24
69	39	61	39	61	41	59	33	67
70	40	60	34	66	48	52	33	67
71	41	59	40	60	44	56	30	70
72	47	53	43	57	51	49	43	57
General tax issues, experts' values and economic model								
73	44	56	50	50	36	64	53	47
74	23	77	33	67	6	94	53	47
75	15	85	17	83	15	85	5	95
76	35	65	33	67	38	62	37	63
77	18	82	23	77	16	84	9	91
78	8	92	11	89	8	93	0	100
79	33	67	31	69	34	66	35	65

Statement / question	Total		Academic		Government		Private	
	No	Yes	No	Yes	No	Yes	No	Yes
	80	48	52	47	53	45	55	71
81	5	95	7	93	3	97	4	96
82	19	81	18	82	18	82	21	79
83	35	65	34	66	37	63	31	69
84	22	78	22	78	24	76	14	86
85	35	65	34	66	37	63	24	76
86	21	79	19	81	24	76	17	83
87	40	60	33	67	42	58	59	41
88	26	74	23	77	28	72	33	67
89	59	41	68	32	51	49	58	42
90	6	94	9	91	5	95	5	95
91	13	87	15	85	6	94	40	60
92	13	87	11	89	12	88	29	71

Note: Answers above 61% are bolded.

Source: authors – the survey.

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