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**DETERMINING FACTORS OF TAX-MORALE WITH SPECIAL
EMPHASIS ON THE TAX REVENUES OF LOCAL
SELF-GOVERNMENTS**

Abstract:

Based on my assumption, tax morale significantly depends on a country's legal, historical, social and cultural background and circumstances.

In the first part of the paper, I introduce shared state taxes and local taxes in Hungary, I focus on the changes in allocation of personal income tax and vehicle tax between the state and local budget.

In the second part of the paper, I provide empirical evidences which factors (e.g. personal characteristics, commitment for paying local taxes, knowledge about the distribution of paid taxes between central and local authorities, etc.) determine significantly the individual level of tax morale.

The paper discusses these complex connections either from the viewpoint of law or economics in order to find out whether it is possible to develop the tax morale of individuals, or can the legislator adequately rule the different forms of tax evasion.

Keywords:

tax morale, legal morale, tax regime, tax system

JEL Classification: H21, H24, H26