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The company management has an essential role in making capital structure decision in order to maximize the company value. An optimal capital structure can be achieved by considering the determinants of capital structure.

This study aims to determine the effect of asset tangibility, liquidity, non-debt tax shield, business risk, growth, and firm size variables on capital structure.

The population of this study are property and real estate sector companies listed on the Indonesia Stock Exchange in the 2014-2021 period. Purposive sampling is a method applied in research sampling, so that a total of 312 research samples were obtained consisting of 39 companies with 8 years of research period, from 2014-2021. The regression model used is dynamic panel data regression with the Generalized Method of Moment (GMM) estimator using E-views 12 software.

The results of the study showed that the variables of asset tangibility, liquidity, non-debt tax shield, business risk, growth, and firm size simultaneously have a significant effect on capital structure. The variables of asset tangibility, growth and size are partially significant to the capital structure. Meanwhile, liquidity, non-debt tax shield, and business risk are partially not affected the capital structure.

Based on the result of the research, the investors are suggested to invest in the company with large size and high growth rate as well as the company with low debt level in order to obtain the optimal capital structure for maximum profit. The company management is also suggested to increase tangible assets, company growth and increase the size of the company in order to obtain an optimal capital structure to attract investors' attention to invest in the company.

Keywords: *Business Risk, Firm Size, Capital Structure, Financial Ratio, Generalized Method of Moment* (GMM), *Non-Debt Tax Shield*.