ABSTRACT

Tax avoidance is an effort by taxpayer to reduce or eliminate tax liability, which does not violate the provisions of tax legislation. On the one hand, tax avoidance practices but on the other hand will reduce the state income from tax sector.

This study is to determine the effect of institutional ownership (INST), managerial ownership (MANJ), firms size (SIZE), and leverage (DER) either simultaneously or partially on tax avoidance.

Population in this research is automotive subsector manufacturing company listed in Indonesia Stock Exchange (IDX) period 2011-2015. Purposive sampling used as sampling technique and obtained seven companies as sample in five years so that obtained thirty five units of samples in this study. Data analysis method in this research is panel data regression analysis.

The results showed INST, MANJ, SIZE and DER can explain the dependend variable CETR 71% while the remaining 29% influenced by other variables outside the research. The result also showed simultaneously INST, MANJ, SIZE and DER significant effect CETR.

The partial test obtained showed that the variables INST, MANJ and SIZE have no significant effect on CETR while DER variables has a significant effect on CETR with negative direction.

Keywords: institutional ownership, managerial ownership, firm size, leverage, and tax avoidance.