ABSTRACT

Tax avoidance is an attempt in taxation that is done legally by utilizing some gaps contained in existing tax laws, to avoid tax payments or conduct transactions that have no purpose. This is a barrier that can complicate the tax collection and has a close relationship with the economic structure in Indonesia, in addition to this way is very risky and can potentially obtain legal sanctions and criminal acts both fiscal and criminal.

In this case to reduce the various practices in tax avoidance, then in a company is required to have good Governance, within the company must be able to apply the concept and principles of Good Corporate Governance that is transparency, accountability, responsibility, independence, and fairness. But with the practice of tax avoidance becomes an obstacle for the government, to make optimization of tax revenue that can cause harm to the state. This study aims to examine the influence of audit committee, audit quality, and firm size to tax avoidance.

Population in this research is automotive company which listed in Indonesia Stock Exchange year 2012-2016. The sample used is 8 companies. Sampling technique used in this research is purposive sampling. Methods of data analysis using panel data regression analysis with 5% significance. The result of the research shows that audit committee has significant effect on tax avoidance with negative direction, while audit quality and firm size have no significant effect on tax avoidance.

Keywords: Tax avoidance , Audit Committee, Audit Quality, Company Size