ABSTRACT

The company is one of the taxpayers who has obligations and has the responsibility to pay the tax. However, for the company itself the tax is used as a burden that can reduce the amount of the company's net profit. This causes companies to look for ways to reduce the tax burden or cost, one of them through tax avoidance.

The effect on tax avoidance is thought to be caused by various factors. The objective of these study is to examine the effect of the proportion of independent commissioners, financial distress, fixed asset intensity, and sales growth on tax avoidance.

The population in this study is the food and beverage sub-sector of manufacturing companies listed on the Indonesia Stock Exchange during 2013-2017. The number of sample companies used is 11 companies with a research year of 5 years. The total sample obtained from the reduction results using a purposive sampling technique are 55 samples. The method of data analysis uses panel data regression analysis using EViews 9 software by performing several stages of testing.

The results showed that the proportion of independent commissioners, financial distress, fixed asset intensity, and sales growth had a simultaneous effect on tax avoidance. Then financial distress has a negative significant effect on tax avoidance, while the proportion of independent commissioners, the intensity of fixed assets, and sales growth does not significantly influence tax avoidance.

The results of this study are expected to be used for companies to pay attention to the level of financial distress in the future so that the company's financial condition is maintained. Then the company is expected to be able to reduce tax avoidance actions even though the company's financial condition is good.

Keywords: Tax avoidance, independent commissioners, intensity of fixed assets, financial distress, sales growth