

ABSTRACT

Tax avoidance is an act of minimizing taxes by not violating the law legally. Tax avoidance is often carried out by companies as an effort to minimize the tax burden that must be paid without having to violate it because it is legal and does not violate the applicable tax laws. Therefore, researchers identify factors that are thought to influence tax avoidance.

This study aims to investigate tax avoidance, corporate social responsibility, political connections and fiscal loss compensation. This study aims to investigate the effect of corporate social responsibility, political connections and fiscal loss compensation on corporate tax avoidance in consumer goods industry sector companies listed on the Indonesia Stock Exchange (IDX) in the period 2016-2017 simultaneously and partially.

The population in this research are the consumer goods industry sector companies listed on the Indonesia Stock Exchange (IDX) in the period 2016-2017. The technique in taking this sample was purposive sampling which became one of the nonprobability sampling parts so that it obtained a sample of 26 companies. The data analysis technique used in this study is quantitative analysis using descriptive statistical calculations of panel data regression analysis methods.

The results of the study show that simultaneous of corporate social responsibility, political connections and fiscal loss compensation affect tax avoidance. Partially, corporate social responsibility and political connections do not have a significant influence on tax avoidance. While compensation for fiscal losses has an effect on tax avoidance.

Based on the results of the study, it is expected that the next researcher will use other variables not included in this study. For management, it is expected to be able to carry out tax planning properly and wisely so that fraud does not occur.

Keywords: *Tax Avoidance, Corporate Social Responsibility, Political Connection, Fiscal Loss Compensation.*