

ABSTRACT

Tax avoidance is an action taken by taxpayers for legal tax payments by utilizing the existing taxation loopholes. However, this tax avoidance action is because the government cannot optimize tax revenue.

This study was conducted to determine the effect of executive character, sales growth, and size of the manufacturing companies subsector of consumer goods listed on the Indonesia Stock Exchange in 2013-2017 both simultaneously and partially. The population used in this study were all manufacturing companies subsector of consumer goods listed on the Indonesia Stock Exchange in 2013-2017. The sampling technique used was purposive sampling in order to obtain the number of samples used in the study of 30 companies. Data analysis method in this study uses panel data regression analysis techniques.

Based on the results of the study, the variables of Executive character, sales growth, and firm size simultaneously have a significant effect on tax avoidance, while the variables of executive character, sales growth, and company size can affect tax avoidance by 24% and the remaining 76% is needed by other factors outside the research variable. Partially, the executive character variable that is proxied by using EBITDA divided by total assets is positive related to tax avoidance and company size is proxied by natural logarithms (total assets) that are not directed towards tax avoidance. While the variable sales growth is not directed towards tax avoidance.

Keywords: Tax Avoidance, Executive Character, Sales Growth, and Company Size.