

## **ABSTRACT**

*Tax avoidance of tax payable taxpayers is mandatory, but within the limits of tax laws and regulations that aim to pay taxes owed so as to maximize profits generated by the company. One of the phenomena of tax avoidance in Indonesia is carried out by British American Tobacco (BAT) which has carried out tax evasion through PT Bentoel International Investama. PT Bentoel International Investama took out a loan from Jersey through a company in the Netherlands with the aim of avoiding tax deductions on non-resident interest payments. This causes Indonesia's revenue realization to decrease by US \$ 11 million per year.*

*This study aims to determine the effect of the board of commissioners size, leverage and earnings management on tax avoidance in the consumer goods industry sector in 2015-2018 both simultaneously and parisally.*

*The method used in this research is quantitative method. The sampling technique in this study used a purposive sampling technique that obtained 40 samples of research with an observation period of 4 years, in order to obtain 160 sample units. The data analysis method used in this study is multiple linear regression analysis using SPSS version 25 software.*

*The results showed that the size of the board of commissioners, leverage and earnings management simultaneously influence tax avoidance. Partially, leverage has a negative effect on tax avoidance, while the size of the board of commissioners and earnings management has no effect on tax avoidance.*

*Keywords: earnings management, leverage, tax avoidance and the board of commissioners size*