

THE EFFECT OF FIRM SIZE, PROFITABILITY AND LEVERAGE ON TAX AVOIDANCE

ABSTRACT

The research objective is to obtain empirical evidence about the effect of the independent variable on the dependent variable. The independent variables used in this study are firm size, profitability, leverage. While the dependent variable is tax avoidance.

The company used this research is a manufacturing companies listed on the Indonesia Stock Exchange (IDX) from 2017 to 2019. The number of sample in this research is 78 companies with a total of 234 research data. The method of sampling used purposive sampling and this study used multiple linear regression analysis to test the hypothesis.

The result of this research are firm size has no influence on tax avoidance. While the profitability has a negative effect on tax avoidance and leverage has a positif effect on tax avoidance.

Keywords: *tax avoidance, profitability, leverage, firm size, and capital intensity.*