ABSTRACT

Tax avoidance is an effort made by taxpayers legally by exploiting the weaknesses contained in tax regulations to minimize the amount of tax burden that should be paid. Tax is a mandatory contribution or contribution to the state that is owed by the taxpayer, which is coercive in nature based on the law, by not getting a direct reward but is used for the needs of the state for the prosperity of the people. However, in Indonesia there are still many companies that use tax regulations to avoid tax.

This study aims to determine the effect of sales growth, fixed asset intensity and political connections either simultaneously or partially on tax avoidance. The population in this study are all food and beverage sub-sector companies listed on the Indonesia Stock Exchange (IDX) for the 2016-2020 period.

This study used a sampling technique, namely purposive sampling and obtained 11 sample companies with a period of 5 (five) years in order to obtain 55 sample units in this study. The data analysis method in this study is panel data regression analysis using Eviews 12.

The results of this study indicate that sales growth, fixed asset intensity and political connections have a simultaneous effect on tax avoidance. While partially sales growth has an effect on tax avoidance, the intensity of fixed assets and political connections has no effect on tax avoidance.

It is recommended that the next researcher can change the object of the study, add other independent variables, increase the research period and add samples so that the research results are more accurate. For companies, it is advisable to be vigilant when the company's sales growth increases, because through the research conducted there is a tendency that there is an indication that the company is doing tax avoidance. For the government, it is advisable to be able to improve performance in the inspection and tax supervision of food and beverage sub-sector companies and sales growth can be an indicator of inspection used by the government

Keywords: Sales Growth, Fixed Asset Intensity, Political Connection, and Tax Avoidance