

ABSTRACT

Tax revenue is the largest source of funding for the state so that the government seeks to maximize tax revenue. On the other hand, the company seeks to reduce the amount of the tax burden by avoiding tax (tax avoidance) because tax payments are one of the factors that will reduce income. Tax avoidance is an effort made by taxpayers for tax avoidance by utilizing and looking for gray areas or weaknesses contained in laws and regulations in order to minimize the tax burden payable.

This study aims to determine the effect of executive character, capital intensity, institutional ownership and audit committee on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange in 2016-2020. This study used a sampling technique, namely purposive sampling and obtained 29 companies with an observation period of 5 (five) years so that 145 samples were obtained in this study. However, there are 25 outliers from 5 companies during 2016-2020, so there are 120 samples. The method of analysis in this study is panel data regression analysis using Eviews 10 software.

The results of this study indicate that the executive character, capital intensity, institutional ownership, and audit committee simultaneously affect tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange in 2016 -2020. Partially, capital intensity has a positive effect on tax avoidance, while the character of the executive, institutional ownership, and audit committee has no effect on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange in 2016-2020.

Suggestions for the Directorate General of Taxes are to improve supervision and include capital intensity as one of the audit indicators, so that it will minimize tax avoidance and optimize state revenues from the tax sector. For manufacturing companies, when the company has high assets, it is expected not to do tax avoidance, but the assets are used for the company's operational activities. Investors are expected to be careful with companies that have high capital intensity .

Keywords: *Executive Character, Capital Intensity, Institutional Ownership, Audit Committee, Tax Avoidance.*