ABSTRACT

Tax avoidance is a legal action that is carried out by utilizing existing provisions in the field of taxation such as exceptions and deductions that are enforced and taking advantage of weaknesses that exist in the applicable tax regulations. Companies that do tax avoidance because taxes are considered to be able to reduce costs and increase company profits. According to the tax justice network report, Indonesia is estimated to have suffered a loss of Rp. 68.7 trillion, with losses originating from the company amounting to Rp. 67.6 billion, while losses caused by individual taxpayers amounted to Rp. 1.1 trillion.

This study aims to determine the effect of capital intensity, leverage and audit committee on tax avoidance in consumer goods sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021 either simultaneously or partially. The data analysis method used in this study is panel data regression using eviews 12 software. The research method used in this study is quantitative using secondary data types. The population used in this study are consumer goods sector companies listed on the Indonesia Stock Exchange (IDX) and the sampling technique used in this study is purposive sampling with the acquisition of 14 companies in a 5 year period so that there are 70 samples that will be processed by researchers.

The results of the research conducted indicate that capital intensity, leverage and the audit committee have a simultaneous effect on tax avoidance. While partially shows that capital intensity has a significant positive effect on tax avoidance, leverage has a significant negative effect on tax avoidance and the audit committee has no effect on tax avoidance.

Keywords: Capital intensity, Leverage, Audit Committee and Tax Avoidance