

ABSTRACT

For companies, maximizing profits is the main goal. One way that can be used in this maximization effort is to do tax planning, because taxes are a burden that can be a deduction from income. The company is considered ineffective in utilizing the existing tax incentives if the value of the effective tax rate is greater than the predetermined tax rate.

The purpose of this study is to determine the effective tax rate with government ownership, managerial ability, investment opportunity set, and capital intensity ratio.

This study uses a quantitative method with the effective tax rate as the dependent variable. The company's effective tax rate calculation is used as a proxy in assessing the company's tax burden. This study uses secondary data in the form of financial statements of companies listed on the IDX30 stock index on the Indonesia Stock Exchange (IDX) in the period 2018 to 2020. The sampling technique used a purposive sampling technique and obtained as many as 39 observations. The hypothesis was tested using multiple linear regression analysis with the Eviews program.

The result shows that the variables government ownership, managerial ability, investment opportunity set, and capital intensity ratio simultaneously affect on effective tax rate. Based on the results of the t test, it can be concluded that partially the government ownership, investment opportunity set, and capital intensity ratio variables have no significant effect on effective tax rate, while the managerial ability variables have a negative effect on effective tax rate. The result of the calculation of the coefficient of determination show that the influence given by the independent variable to the dependent variable is 39,97% while the remaining 60,03% is influenced by other variables not included in this study.

Based on the result of the study, it is hoped that it can provide additional knowledge for further researchers to be able to develop this research using different indicators and research objects in order to get more accurate results. Then can add information for companies to be more effective in calculating taxes.

Keywords : *Capital Intensity Ratio, Effective Tax Rate, Government Ownership, Investment Opportunity Set, and Managerial Ability*