

ABSTRACT

Tax avoidance is a legal action taken by taxpayers in minimizing compliance costs (compliance cost) which must be borne by taxpayers in fulfilling their tax obligations. Efforts to minimize tax payments are made by companies as business actors (agents) to reduce the tax burden that must be borne so that the profits obtained are higher. However, the government as a tax collector (principal) wants maximum tax revenue to carry out development in various aspects as an effort for people's prosperity. This is what causes the difference in interests between taxpayers and the government. This difference in interests creates an agency conflict.

This study aims to determine the effect of institutional ownership, leverage, and the audit committee against Tax Avoidance in manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2019-2021.

The data analysis used in this research is panel data regression analysis software eviews 12. Data collection techniques use secondary data from website Indonesia Stock Exchange (IDX). The population in this study are manufacturing companies listed on the Indonesia Stock Exchange (IDX) for 2019-2021 with a total of 213 companies. Using the purposive sampling method, the researchers obtained a sample of 49 companies and the data to be used as research data for the 2019-2021 period were 147.

The results of the study simultaneously show that the variable institutional ownership, leverage, and audit committee influence on tax avoidance. The results of the research partially show that institutional ownership and audit committees have no effect on tax avoidance while the leverage variable has a positive effect on tax avoidance.

Suggestions for future researchers, when choosing companies listed on the IDX as research objects, to use the latest classification rules, namely JASICA. For DGT to focus more on DAR calculations to calculate leverage, for manufacturing companies in Indonesia to take advantage of the use of debt for good purposes and for investors no need to worry about companies with high DAR levels.

Keyword: *Institutional Ownership, Leverage, Audit Committee and Tax Avoidance.*