

ABSTRACT

Tax avoidance is a legitimate tax planning strategy, in which entities carefully plan transactions and financial events, considering the tax impacts that may arise, with the aim of legally reducing the tax burden in accordance with applicable tax regulations. This has an impact on reducing one of the country's largest revenues, namely taxes.

This study aims to determine the effect of leverage, transfer pricing, and audit quality on Tax Avoidance in mining sector companies listed on the Indonesia Stock Exchange (IDX) in 2018-2022. The data analysis used in this study is panel data regression analysis with eviews 12 software. The data collection technique uses secondary data from the Indonesia Stock Exchange (IDX) website. The population in this study is mining sector companies listed on the Indonesia Stock Exchange (IDX) in 2018-2022 totaling 79 companies. With purposive sampling method, so that 40 samples consisting of 8 samples with an observation period of 5 years were obtained.

The results of this study found that simultaneously leverage, transfer pricing, and audit quality variables affect tax avoidance. The results also found that partially the audit quality variable has a positive effect on tax avoidance while the leverage and transfer pricing variables have no effect on tax avoidance. This research is expected to provide benefits for the Directorate General of Taxes, mining sector companies, and investors by providing insight into the factors that influence tax avoidance, assisting companies in complying with regulations, providing consideration to investors who will invest in mining sector companies, and becoming a tool that supports supervision of companies with high indications of tax avoidance.

Keywords: *Audit Quality, Leverage, Tax Avoidance, Transfer Pricing*