ABSTRACT

Tax revenue is the largest component of Indonesia's state revenue structure, making a significant contribution to funding state expenditures and supporting national development. However, corporate tax avoidance practices pose a major challenge to optimizing tax revenue. Although legal, tax avoidance is carried out by exploiting loopholes in tax regulations to minimize tax liabilities. This practice impacts economic growth by slowing it down and reduces corporate contributions to state revenue.

This research aims to analyze the influence of managerial ownership, audit committee, capital intensity, and leverage on tax avoidance in manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the 2019-2023 period. The study employs a quantitative approach with a panel data regression analysis method. Data are obtained from the annual financial statements of the sampled companies, selected using a purposive sampling technique. The total sample includes 37 manufacturing companies observed over a 5-year period, resulting in 185 observations. The analysis methods used are descriptive statistical tests and panel data regression analysis.

The research findings indicate that managerial ownership, audit committee, capital intensity, and leverage collectively influence tax avoidance. However, on a partial basis, managerial ownership, audit committee, and leverage do not individually affect tax avoidance, while capital intensity has a negative partial effect on tax avoidance.

This study contributes to understanding the factors influencing tax avoidance in Indonesia's manufacturing sector. These findings can serve as a reference for the government and tax authorities in formulating more effective policies to monitor and regulate corporate taxation practices. Additionally, this study can also guide companies in managing their tax policies to ensure greater transparency and compliance with prevailing regulations.

Keywords*: managerial ownership, audit committee, capital intensity, leverage, tax avoidance.*