

Tax Avoidance Measures in Food and Beverage Sub-Sector Manufacturing Companies in Indonesia 2019-2021

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ABSTRACT

This study aims to determine the effect of audit committees, fixed asset intensity, and profitability on tax avoidance in food and beverage sub-sector manufacturing companies listed on the IDX in 2019–2021. The analytical methods used are the descriptive analysis method, the classical assumption test, and the hypothesis test. The conclusion of this study shows that the audit committee has a tcount value with a negative sign of $0.202 < t_{table} 2.010$ and a significance value of $0.481 > 0.05$, which means the audit committee has no significant effect on tax avoidance. The intensity of fixed assets has a tcount of $0.515 < t_{table} 2.010$ with a significance value of $0.609 > 0.05$, which means that the intensity of fixed assets has no significant effect on tax avoidance. Profitability has a negative tcount value of $2.905 > t_{table} 2.010$ with a significance value of $0.006 < 0.05$, which means that profitability has a significant effect on tax avoidance. Simultaneously, the audit committee, the intensity of fixed assets, and profitability have a significant positive effect on tax avoidance.

INTRODUCTION

Taxes are one of the largest sources of state revenue. A good tax contribution can increase economic growth and the welfare of the nation, but if the amount of state revenue derived from taxes is not fulfilled, the country's development cannot continue and run smoothly (Lubis and Hidayat 2019). Taxes are used to regulate social and economic policies as a tool for the welfare of the entire community in the fields of education, food needs, government subsidies, health, and government social programs, as well as as a means of stability in the balance of the country's economy (Safii, Putry, and Suryanto 2019). The nature of taxes is to force all citizens to pay and not get direct rewards (Oliviana & Muid, 2019) in the journal (Dewi and Oktaviani 2021). So far, Indonesia has adopted a self-assessment tax collection system (Masrullah, Mursalim, and Su'un 2018). The Self Assessment System is one of the tax systems used in Indonesia where taxpayers are given full power to calculate, pay, and report their own taxes, which is expected to increase public contributions to state tax revenues (Masrullah et al. 2018). The Directorate General of Taxes (DGT) continues to strive to improve its administrative system in order to achieve the set target (Hendri and Boru Hotang 2020).

The Directorate General of Taxes (DGT) as of December 26, 2021, recorded a net tax revenue of IDR 1,231.87 trillion; thus, tax revenue has met the target mandated in the 2021 State Budget of IDR 1,229.6 trillion (DGT 2021). The realization of tax revenue sourced from tax revenue has reached 11.88 percent of the 2021 state budget target. The realization of taxation is nominally supported mainly by non-oil and gas income tax (PPH) and value-added tax/sales tax on luxury goods (PPN/PPnBM) (Kemenkeu 2021). The realization of provisional state revenue in 2021 is dominated by tax revenue.

The detailed realization of state revenue from taxes was recorded at IDR 1,277.5 trillion in 2021, an increase of 19.2% compared to 2020, which amounted to IDR 1,072.1 trillion. This proves that the contribution of taxation is very influential for state development (Annur, 2022).

Taxes for the state are one of the largest sources of income in state development, while on the other hand, for companies, taxes are costs that must be incurred so that they can reduce net income (Setia, 2015) in the journal (Tebiono & Sukadana, 2021). In the practice of implementing tax revenue, companies and the government have conflicting objectives related to tax payments (Safii et al., 2019). The difference in interests between the state, which expects large tax revenues, and the company is far from the company's desire to pay the minimum tax possible (Setia 2015) in the journal (Tebiono & Sukadana, 2021). This motivation will trigger company management to try to carry out tax management to minimize the company's tax burden (Trianti, 2018).

Tax management is an activity carried out by taxpayers to manage taxation elements so that they can run properly, economically, effectively, and efficiently. So that taxpayers can minimize the tax burden (Karina, 2021). Tax management is carried out through two events, namely, tax avoidance and tax evasion (Suhardjo & Anggraeni, 2018). Tax evasion is a way for companies to minimize their tax obligations by violating tax law regulations, while tax

avoidance is a way for taxpayers to avoid paying taxes legally by reducing the amount of tax due without violating tax regulations or by looking for regulatory weaknesses (Mahdiana & Amin, 2020). Although tax avoidance does not violate the law, all parties agree that the practice of tax avoidance is not justified because it will have an impact on reducing the tax base, which leads to a lack of tax revenue (Jusman & Novita, 2020) in the journal (Patricia & Wibowo, 2019). This causes the issue of tax avoidance for the benefit of taxpayers themselves (Masrullah et al., 2018).

The amount of tax avoidance carried out by corporate and individual taxpayers reached 1.09 million medical personnel salaries. If referred to the health stimulus included in the National Economic Recovery or PEN program, IDR 68.7 trillion of tax evasion can cover 70.5 percent of the total health ceiling of IDR 97.26 trillion. According to the report *The State of Tax Justice 2020: Tax Justice in the Time of COVID-19*, it is stated that Indonesia's position in the case of tax evasion by corporate and individual taxpayers is ranked fourth in Asia after China, India, and Japan (Fatimah, 2020).

Tax avoidance is a complicated and unique issue. On the one hand, tax avoidance is allowed, but on the other hand, tax avoidance is undesirable. Companies can carry out tax management, whose purpose is to reduce their tax obligations as much as possible. Tax management must be done as well as possible so as not to lead to violations of tax regulations or tax evasion. Companies can also take aggressive taxation actions, namely by utilizing the smallest possible loopholes in tax regulations to reduce their tax costs (Putra and Merkusiwati 2017). One of the tax avoidance phenomena that occurred was carried out by Adaro Energy Tbk., which is a large coal mining company in Indonesia that received the title of golden taxpayer from the Director General of Taxes. Adaro utilizes a transfer pricing scheme through a subsidiary in Singapore to avoid taxes in Indonesia (Tirto.id, 2019) in the journal (Rima and Destriana, 2021). Based on a Global Witness report entitled *Taxing Times for Adaro*, PT Adaro is rumored to have diverted profits from coal mined in Indonesia by diverting more funds through countries with lower tax rates. This is to avoid taxes in Indonesia. Adaro may have reduced Indonesia's tax bill and the money available to the Indonesian government for essential public services by almost USD 14 million per year (Nurrahmi and Rahayu 2020). In this case, it is important to have a corporate governance system (Safii et al. 2019).

Corporate governance is an administrative mechanism that regulates the relationships between company management, commissioners, directors, shareholders, and other interest groups (stakeholders) (K.H. Syahdan 2019). The audit committee is one of the components of corporate governance that plays an important role in the company's internal policies. The responsibility of the audit committee in Corporate Governance (CG) is to assist the board of commissioners with the responsibility of ensuring that the company runs in accordance with applicable regulations, ensuring that there is no fraud committed by employees against the company's interests, and overseeing the company's ethics in carrying out its business activities (Safii et al. 2019). Many audit committees formed in companies in many countries are a feature of

corporate governance that is starting to form well (Fadhilah, 2014) in the journal (Sari and Somoprawiro, 2020). The existence of an audit committee is expected to prevent tax avoidance. The journal Safii et al. (2019) states that if in one company the number of committee members is less than 3 or not in accordance with IDX regulations, then management actions in minimizing profits for tax purposes will increase. Research conducted by the audit committee (Nugraheni and Pratomo 2018) affects tax avoidance. This is in line with Safii et al.'s 2019 statement that the audit committee has an effect on tax avoidance. However, in contrast to the research conducted (Mita Dewi 2019), it states that the Audit Committee has no effect on tax avoidance. This is in line with research conducted (Hapsari Ardianti 2019), which states that the audit committee has no significant effect on tax avoidance. In addition to the audit committee factor, the fixed asset intensity factor also affects the company's ability to pay its taxes. Fixed asset intensity is often associated with the amount of company capital embedded in the form of fixed assets and inventories owned by the company. Rodriguez and Arias (2012) in the journal (Dewi and Merkusiwati 2018) state that the fixed assets owned by the company allow the company to deduct taxes due to the depreciation of fixed assets each year. This shows that companies with high levels of fixed assets have a lower tax burden than companies with low levels of fixed assets (Jamaludin 2020). Research conducted (Suryadi and Afridayani, 2021) states that fixed asset intensity has a positive effect on tax avoidance. In line with Dharma and Noviani's 2017 statement, the intensity of fixed assets affects tax avoidance.

However, it is different from the research conducted (Ningsih et al. 2020) that the intensity of fixed assets has no significant effect on tax avoidance. In line with research (Jamaludin 2020), which states that the intensity of fixed assets has no significant effect on tax avoidance, this means that this variable does not have a significant effect on tax avoidance practices. In addition, profitability is a comparison that can be used to see the development of financial performance by companies in generating profits (Koming and Praditasari 2017). Profitability is the company's ability to generate profits. Large companies will usually generate high profits, which will affect profitability (Darmayanti and Lely Aryani Merkusiwati 2019). Profitability can be calculated using several ratios, one of which is return on assets (ROA). ROA is closely related to the company's net profit and the income tax imposed on the company. The higher the profit that can be generated by the company, the higher the corporate tax burden (Koming and Praditasari 2017). Research conducted (Mahdiana and Amin 2020) states that profitability has a significant positive effect on tax avoidance. This is in line with Sholekah and Oktaviani's (2022) that profitability has a significant positive effect on tax avoidance. However, in contrast to research (Darmayanti and Lely Aryani Merkusiwati 2019), profitability has no effect on tax avoidance. The phenomenon of tax avoidance continues to increase, thus attracting the attention of both academics and policymakers to conduct research on the factors that influence taxpayers in carrying out tax avoidance or tax avoidance activities. However, there are still many that

produce different findings, causing a gap between one study and another. Exposure to the problem of the relationship between the influence of the audit committee, fixed asset intensity, and profitability encourages researchers to further test the influence of the audit committee, fixed asset intensity, and profitability on tax avoidance.

THEORETICAL REVIEW

The Effect of the Audit Committee on Tax Avoidance

The audit committee is a committee formed by the company with the aim of carrying out the supervisory process regarding the financial statements prepared by the company and suppressing fraud by company management. Tax avoidance actions taken by management can be reduced by the presence of audit committee members in the company as a component of good corporate governance (Koming and Praditasari 2017). The higher quality of good corporate governance shows the importance of the existence of an audit committee in the company so that it will minimize tax avoidance. Related research was also conducted by Nugraheni and Pratomo (2018), which shows that the number of audit committees has a significant effect on tax avoidance. It can be interpreted that the greater the number of audit committees in accordance with Bei regulations, the more tax avoidance actions can be minimized by the company (Safii et al. 2019).

This is supported by research conducted by Safii et al. proving that the audit committee has a negative effect on tax avoidance.

H1: The Audit Committee has a negative effect on tax avoidance.

The Effect of Fixed Asset Intensity on Tax Avoidance

The company's fixed asset intensity describes the amount of the company's investment in fixed assets. Fixed assets in this case include buildings, factories, equipment, machinery, and various other properties (Sundari & Aprilia, 2017). Almost all fixed assets experience depreciation, which will become depreciation costs in the company's financial statements. The depreciation expense is a cost that can be deducted from income in the calculation of corporate tax. The amount of depreciation expense deducted from income will affect taxable income, which is then used to calculate the amount of corporate income tax payable. The greater the intensity of fixed assets invested in fixed assets, the greater the depreciation expense that is deducted so that the basis for calculating taxes is getting smaller. The small tax calculation is the company's opportunity to avoid tax avoidance. So, the higher the intensity of fixed assets in the company, the higher the level of tax avoidance carried out by the company (Ningsih et al. 2020).

This is supported by research conducted by Dharma and Noviani (2017), which states that fixed asset intensity has a positive effect on tax avoidance.

H2: Fixed asset intensity has a positive effect on tax avoidance.

Effect of Profitability on Tax Avoidance

Return on assets (ROA) is one of the profitability ratios. This ratio is most often highlighted in financial statement analysis because it is able to show the company's success in generating profits. Profitability ratios can be used to determine the company's ability to generate profits from revenue related to sales, assets, and equity based on certain measurement bases. Profitability ratios are required to provide financial information to interested parties such as investors, creditors, debtors, etc. Companies that can manage their assets well will have the potential to avoid taxes because they will benefit from tax incentives and other tax concessions (Sari and Somoprawiro 2020). This is supported by research conducted (Mahdiana and Amin 2020), which states that profitability has a positive effect on tax avoidance.

H3: Profitability has a positive effect on tax avoidance.

Effect of Audit Committee, Fixed Asset Intensity, and Profitability on Tax Avoidance

The audit committee has a negative effect on tax avoidance. The more the audit committee is in accordance with the regulations, the more it can minimize the tax avoidance actions taken by the company. Tax avoidance actions taken by management can be reduced by the presence of audit committee members in the company as a component of good corporate governance. The higher quality of good corporate governance indicates the importance of the existence of an audit committee in the company so that it will minimize tax avoidance (Koming and Praditasari 2017).

Fixed asset intensity has a positive influence on tax avoidance. The greater the intensity of a company's fixed assets, the greater the practice of corporate tax avoidance. The company's fixed assets have different ages, and almost all fixed assets will experience depreciation, which will become depreciation costs in the company's financial statements. While depreciation costs are costs that can be deducted from income in the calculation of corporate tax, The greater the depreciation expense, the smaller the level of tax that the company must pay (Suryadi and Afridayani, 2021).

Apart from the audit committee, fixed asset intensity and profitability also have a positive influence on tax avoidance. The profitability ratio is used to assess management performance in managing company assets. This is indicated by how much profit the company makes. Measurement of this profitability ratio can be done using return on assets (ROA). When the profit earned is increased, the income tax will increase according to the company's profit, so the tendency to do tax avoidance by the company is getting bigger (Darmayanti and Lely Aryani Merkusawati 2019). This is supported by research (Mahdiana and Amin 2020) showing that the influence of the audit committee, fixed asset intensity, and profitability have a positive effect on tax avoidance.

H4: Audit Committee, Fixed Asset Intensity, and Profitability have a positive effect on tax avoidance.

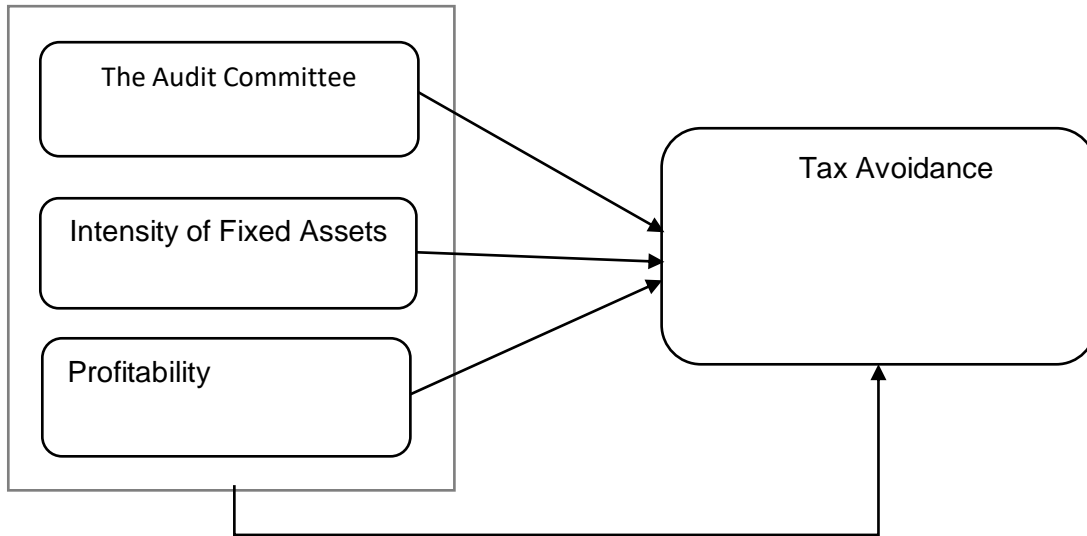


Figure 1. Conceptual Framework

METHODOLOGY

Research Type and Design

The research used in this study is quantitative research conducted through hypothesis testing. Quantitative data in this study are the numbers of financial statements of manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange in 2019–2021. This study uses external secondary data. External secondary data is data obtained by researchers indirectly through intermediaries, such as other people or documents (Sugiyono, 2018; Praptidewi and Sukartha, 2016). External secondary data in this study are the financial statements of manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange in 2019–2021, obtained through the IDX website, namely (www.idx.co.id).

The study aims to analyze the effect of audit committee, fixed asset intensity, and profitability on tax avoidance (in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange in 2019–2021).

Data Collection Method

Population

According to Sugiyono (2007: 115) in Praptidewi and Sukartha (2016), population is a generalization area consisting of objects or subjects that have certain qualities and characteristics set by researchers to study and then draw conclusions.

The population in this study is all food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange in 2019–2021. The selection of this five-year period has the aim of being able to compare the condition of the company for these five years and get the latest data so as to obtain results that can explain the problems in this study.

Sample

The sample is part of the number and characteristics possessed by the population, Sugiyono (2007: 116) in Praptidewi and Sukartha (2016). The sample in this study was all food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange (IDX) that published annual reports in the 2019–2021 period. The determination of the sample in this study is based on the nonprobability sampling method with the purposive sampling technique, namely that the sample is selected with certain considerations or certain criteria (Sugiyono, 2007: 122) in Praptidewi and Sukartha, 2016). The purpose of using purposive sampling is to obtain a representative sample, and some of the criteria used in this sampling include:

1. Companies listed on the Indonesia Stock Exchange in 2019–2021
2. Companies that are not listed or left the Indonesia Stock Exchange during the research period
3. Has complete company data in the form of annual reports in accordance with the variables to be studied
4. Companies that experienced profits during the study period

Data Types, Sources, and Collection Techniques

Types and Sources of Data

According to Turban (2010) and Siadari (2015), data is a basic description of objects, events, activities, and transactions that are recorded, grouped, and stored but not yet organized to convey certain meanings. Meanwhile, according to Ridwan (2003) in Siadari (2015), data is raw material that needs to be processed so as to produce information, both qualitative and quantitative, which shows facts. The type of data in this study is quantitative data, namely the type of data where it is presented in the form of numbers. This type of quantitative data uses a type of ratio measurement scale, namely data that can be done with arithmetic calculations and uses the same distance in the form of numbers.

The data source in this study is secondary data, namely the data obtained is processed data from the agency concerned, and the data used to support the research results comes from literature, articles, and various other sources related to the research. Secondary data sources are sources that do not directly provide data to data collectors, for example, through other people or through documents (Sugiyono (2007) in Siadari 2015). This data uses time series data or uses periodic time series, namely data whose data describes something from time to time or over a period of time historically. Secondary data in this study were obtained from financial reports and annual reports of manufacturing companies in the food and beverage sub-sector listed on the Indonesia Stock Exchange in 2019–2021.

Data Collection Method

To obtain the data needed in this study, the authors used documentation observation techniques by looking at the financial statements of sample companies. With this technique, the authors collect company financial report data from 2019 to 2021 regarding the variables to be studied, namely the audit

committee, fixed asset intensity, and profitability. Data is obtained through the official website of the Indonesia Stock Exchange and other related websites and by studying literature related to research problems in both print and electronic media.

Analysis Method

The purpose of data analysis is to control the data so that it is systematic and in accordance with the problem formulation. Data analysis in research is carried out through a process. So, the implementation of data analysis began when data collection was also carried out intensively, namely when it left the field. Conducting analysis requires an effort to focus attention and exert energy, as well as the mind of the researcher. Thus, in addition to analyzing, the researchers must also explore the literature, which aims to confirm the theory and justify the new theory found (Asturi & Aryani, 2016) in Praptidewi and Sukartha (2016). In this study, the analytical technique used is multiple linear regression analysis because the independent variables are more than one. Multiple linear regression analysis is a test used to determine the effect of the independent variable on the dependent variable. This analysis was carried out with the help of the IBM Statistical Package for Social Science (SPSS) computer program.

RESULTS

Hypothesis Test

1. Multiple Linear Regression Analysis

Multiple linear regression analysis is used to determine the effect of two or more independent variables with one dependent variable displayed in the form of a regression equation. The results of the multiple linear regression test are as follows:

Table 1. Multiple Linear Analysis
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	,261	,039		6,762	,000
	Audit Committee	-,002	,010	-,027	-,202	,841
	Fixed Asset Intensity	,013	,026	,070	,515	,609
	Profitability	-,246	,085	-,394	-2,905	,006

a. Dependent Variable: TAX AVOIDANCE

From the table above, a multiple linear regression equation model can be prepared based on column B. The multiple linear regression equation model of the research results is as follows:

$$Y = 0.261 - 0.002 X_1 + 0.013 X_2 - 0.246 X_3 + e$$

The multiple linear regression equation model from the analysis can be interpreted as follows:

1. The constant value (a) has a positive value of 0.261. The positive sign means that it shows a unidirectional influence between the independent variable

and the dependent variable. This shows that if all independent variables, including the Audit Committee (X1), Fixed Asset Intensity (X2), and Profitability (X3), are worth 0 percent or have no change, then the value of the Audit Committee is 0.261

2. The regression coefficient value for the Audit Committee variable (X1) has a negative value of 0.002. This value indicates a negative influence (in the opposite direction) between the audit committee variable and tax avoidance. This means that if the audit committee variable increases by 1%, the tax avoidance variable will decrease by 0.002. Assuming that other variables are considered constant.
3. The regression coefficient value for the fixed asset intensity variable (X2) has a positive value of 0.13. This shows that if the intensity of fixed assets increases by 1%, then tax avoidance will increase by 0.13, assuming other independent variables are considered constant. The positive sign means that it shows a unidirectional influence between the independent variable and the dependent variable.
4. The regression coefficient value for the profitability variable (X3) has a negative value of 0.246. This value indicates a negative influence (in the opposite direction) between the profitability variable and tax avoidance. This means that if the audit committee variable increases by 1%, the tax avoidance variable will decrease by 0.246. Assuming that other variables are considered constant.

2. Partial Test (T Test)

The T test on multiple linear regression is used to determine the effect of the independent variable partially on the dependent variable. The T test results are as follows:

Table 2. Partial Test (T Test)
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,261	,039		6,762	,000
	Audit Committee	-,002	,010	-,027	-,202	,841
	Fixed Asset Intensity	,013	,026	,070	,515	,609
	Profitability	-,246	,085	-,394	-2,905	,006

a. Dependent Variable: TAX AVOIDANCE

From the data above, the following results can be obtained:

1. Audit Committee (X1) Against Tax Avoidance (Y)

From the table above, it is known that the t value is -0.202 and the t table is 2.010. With a significant value of 0.481. So the obtained t count < t table (-0.202 < 2.010) and sig > alpha (0.481 > 0.05) means Ho1 is accepted and H1 is rejected. So it can be concluded that there is no effect of the audit committee on tax avoidance.

2. Fixed Asset Intensity (X2) Against Tax Avoidance (Y)

From the table above, it is known that the t value is 0.515 and the t table is 2.010. With a significant value of 0.609. So the obtained t count < t table (0.515 < 2.010)

and $\text{sig} > \alpha$ ($0.609 > 0.05$) means H_0 is accepted and H_1 is rejected. So it can be concluded that there is no effect of fixed asset intensity on tax avoidance.

3. Profitability (X3) Against Tax Avoidance (Y)

From the table above, it is known that the t value is -2.905 and the t table is 2.010. With a significant value of 0.006. So the obtained t count $<$ t table ($-2.905 < 2.010$) and $\text{sig} < \alpha$ ($0.006 < 0.05$) mean H_0 is rejected and H_1 is accepted. So it can be concluded that there is a significant effect of profitability on tax avoidance.

3. Simultaneous Test (F Test)

The F test is used to determine whether the independent variables together have an effect on the dependent variable or not. The F test results are as follows:

Table 3. Simultaneous Test (F Test)

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	,012	3	,004	3,351	,027 ^b
	Residual	,056	48	,001		
	Total	,068	51			

Based on the table above, it is known that the sign value is $0.027 < 0.05$ and the calculated F value is $3.3351 > 2.79$, so it can be concluded that Hypothesis 4 (H_4) is accepted and H_{04} is rejected. So simultaneously or together, the audit committee (X1), fixed asset intensity (X2), and profitability (X3) variables have a significant influence on tax avoidance (Y).

4. Test Coefficient of Determination (R^2)

Determination analysis is used to determine the percentage contribution of the influence of the independent variables together on the dependent variable. The results of the coefficient of determination analysis are as follows:

Table 4. Coefficient of Determination (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,416 ^a	,173	,121	,03424

From the table, the R square value, or the coefficient of determination, is 0.173, or 17.3%, which shows that the audit committee (X1), fixed asset intensity (X2), and profitability (X3) variables together affect tax avoidance (Y) by 17.3%. While the remaining 82.7% ($100 - 17.3 = 82.7$) is influenced by other variables outside the study.

DISCUSSION

Effect of the Audit Committee on Tax Avoidance

Based on the results of the calculation of the regression coefficient, the t value is -0.202 and the t table is 2.010. With a significant value of 0.481. Obtained t count $<$ t table ($-0.202 < 2.010$) and $\text{sig} > \alpha$ ($0.481 > 0.05$). So it can be concluded that the first hypothesis, which states the influence of the Audit Committee

variable on tax avoidance, is not proven. This is in line with research (Hapsari Ardianti 2019), which found evidence that the audit committee has no significant effect on tax avoidance.

The results of this study indicate that the audit committee has no significant effect on tax avoidance; this is in line with research (Mita Dewi 2019); in fact, the number of audit committees has not been effective in making decisions regarding corporate tax policy in Indonesia. However, research (Safii et al. 2019) states that the audit committee has an effect on tax avoidance.

Thus, the results of this study make it possible that the tendency of companies to conduct aggressive tax avoidance is not due to the number of audit committees but to the quality and independence of the audit committee itself in analyzing whether the company is doing tax avoidance.

The Effect of Fixed Asset Intensity on Tax Avoidance

Based on the results of the calculation of the regression coefficient, the t value is 0.515, and the t table is 2.010. With a significant value of 0.609. Obtained t count < t table ($0.515 < 2.010$) and sig > alpha ($0.609 > 0.05$). So it can be concluded that the second hypothesis, which states that there is an influence of the fixed asset intensity variable on tax avoidance, is not proven. This supports research conducted (Jamaludin 2020) finding evidence that fixed asset intensity has no significant effect on tax avoidance.

The results of this study indicate that fixed asset intensity has no significant effect on tax avoidance; this is in line with research (Dewi and Oktaviani 2021), and fixed assets that have passed the age limit will not be depreciated and will not result in a reduction in pre-tax profit. In this case, capital intensity is not used in an effort to avoid taxes but only to finance the company's operating activities. In contrast to research (Sulistiyanti and Nugraha 2019), which states that fixed asset intensity affects tax avoidance.

Thus, capital intensity will be a tool to boost company profits, but if it cannot maximize depreciation, it cannot be used for tax avoidance.

Effect of Profitability on Tax Avoidance

Based on the calculation of the regression coefficient, the t value is -2.905, and the t table is 2.010. With a significant value of 0.006. So we obtained t count < t table ($-2.905 < 2.010$) and sig < alpha ($0.006 < 0.05$). So it can be concluded that the third hypothesis, which states that there is an effect of the profitability variable on tax avoidance, is proven. This supports research conducted (Mahdiana and Amin 2020), which finds evidence that profitability has a significant effect on tax avoidance.

The results of this study indicate that profitability has a significant effect on tax avoidance; this is in line with research (Koming and Praditasari 2017). Profitability can be defined as a reflection of the company's financial growth rate related to profit generation. However, research (Darmayanti and Lely Aryani Merkusyawati 2019) states that profitability has no effect on tax avoidance. Measurement of the company's profitability level can be done using one of the ratios, namely return on assets (ROA). ROA is related to the profit generated by the company and the amount of income tax that can be imposed on the company.

A high ROA value indicates a high level of profit generated by the company and a high level of company profitability.

CONCLUSIONS AND RECOMMENDATIONS

1. Based on the results of the calculation of the regression coefficient, the t value of the Audit Committee variable (X1) is negative (-0.202), and the t table is 2.010 with a significant value of 0.481. Judging from the results of the t count $< t$ table and a significance value of $0.481 > 0.05$, it can be concluded that the audit committee has no effect on tax avoidance. This means that with an increase or decrease in the audit committee, tax avoidance will not increase or decrease.
2. Based on the results of the calculation of the regression coefficient, the t value of the fixed asset intensity variable (X2) is 0.515, and the t table is 2.010 with a significant value of 0.609. Judging from the results of the t count $< t$ table and a significance value of $0.609 > 0.05$, it can be concluded that fixed asset intensity has no effect on tax avoidance. This means that if the intensity of fixed assets decreases or increases, then tax avoidance will not decrease or increase.
3. Based on the results of the calculation of the regression coefficient, the t value of the profitability variable (X3) is negatively marked at -2.905, and the t table is 2.010 with a significant value of 0.006. Judging from the results of the t count $< t$ table and a significance value of $0.006 < 0.05$, it can be concluded that profitability has a negative effect on tax avoidance. This means that if profitability decreases, tax avoidance will increase; otherwise, if profitability increases, tax avoidance will decrease.
4. Based on the fact that the value of f count is 3.3351 when compared with f table at a significance level of 5%, which is 2.79, and that the value of f count is greater than f table $3.3351 > 2.79$ with a significance value of Alpha, namely $0.027 < 0.05$, it can be concluded that the audit committee, fixed asset intensity, and profitability simultaneously have a significant effect on tax avoidance. This means that if the audit committee, fixed asset intensity, and profitability increase, tax avoidance will also increase.

FURTHER STUDY

1. Future research is expected to expand the research sample so that it can provide a greater possibility of obtaining actual conditions. Then, further research can use other objects as research samples.
2. Further research, it can add independent variables related to tax avoidance, and it is advisable to increase the time span of the research year in order to see more clearly the company's behavior related to tax avoidance activities.

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