

**The Influence Of Profitability, Leverage, Capital Intensity And Audit Committee On  
Tax Avoidance  
(Study of Universitas Andalas Accounting Students)**

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**ABSTRACT**

*This research aims to test and prove the influence of profitability, leverage, capital intensity and audit committee on tax avoidance. The research was conducted using quantitative methods involving 10 companies listed on the Indonesian Stock Exchange (BEI) for the period 2019 to 2022. The results of this study show that partially, profitability, leverage, capital intensity and audit committees have no effect on tax avoidance. Likewise, simultaneously, profitability, leverage, capital intensity and audit committee have no effect on tax avoidance. These findings imply that there are no other variables that can influence tax avoidance in producing company financial reports. This research contributes as a means of broadening horizons and increasing knowledge about tax avoidance, as well as producing additional information and becoming a reference for further research related to tax avoidance, especially those that use the same variables.*

**Keywords:** *profitability; leverage; capital intensity; audit committee*

**INTRODUCTION**

Tax is a mandatory contribution to the state owed by an individual or entity that is coercive based on law, without receiving direct compensation and is used for state needs for the greatest prosperity of the people. (Law on General Provisions and Tax Procedures (UUKUP) number 28 of 2007 Article 1 paragraph 1). Tax payments are a manifestation of state obligations and the role of taxpayers to directly and jointly carry out tax obligations for state financing and national development. In accordance with the philosophy of tax law, paying taxes is not only an obligation, but is the right of every citizen to participate in the form of participation in state financing and national development. (Saputra and Fun, 2017).

One of the phenomena of tax avoidance in Indonesia was carried out by PT. Adaro Energy Tbk. In a Global Witness report in 2019, PT. Adaro Energy Tbk, as one of the largest mining companies in Indonesia, has circumvented taxes. This company transferred its business profits mined in Indonesia to other countries through its subsidiary Coaltrade Service International in Singapore from 2009-2017, by selling the coal at low prices to be resold at high prices. This company is known to divert funds to tax-free places, thereby reducing the tax burden paid to the Indonesian government. Adaro pays taxes amounting to US\$125 million less than what it should pay in Indonesia and Adaro reduces the tax bill in Indonesia by almost US\$14 million per year which means reducing income for the country which should be used for the common good in national development, from this case it can be seen that PT. Adaro Energy Tbk takes advantage of countries that have lower tax rates, such as Singapore, which is its affiliated company, in terms of its source of income coming from Indonesia. Companies prefer to shift income to countries

with lower tax rates to reduce the tax burden owed. This is detrimental to the country because the tax rate paid is lower and is more profitable for companies.

Purbowati (2021) tax avoidance is a way to reduce a company's tax burden by exploiting the weaknesses of the applicable tax laws, so that this method cannot be considered illegal. The practice of tax avoidance will open up opportunities for company managers to act opportunistically for short-term profit purposes which will most likely be detrimental to shareholders in the long term (Yunus, 2021). In essence, the practice of tax avoidance is permissible but not desirable. It is permissible because this practice does not violate the law, on the other hand there are differences in interests between the government and taxpayers. In this case, the government wants maximum tax revenue from each taxpayer. On the other hand, companies see that tax avoidance can provide economic benefits to the company (Vidiyanna & Bella, 2016).

The profitability ratio is a ratio to assess a company's ability to make a profit. This ratio also provides a measure of the level of effectiveness of a company's management. This is shown by the profits generated from sales and investment income. The point is that the use of this ratio shows the company's efficiency (Kasmir, 2015). Research conducted by Saputra and Asyik (2017), and Amanda Dhinari Permata, et al (2018) stated that the profitability variable has no effect on tax avoidance. A high ROA value does not indicate tax avoidance. Companies with high ROA values are able to pay all company expenses including tax burdens, so companies prefer to pay taxes rather than having to take tax avoidance actions.

The next factor that influences tax avoidance is leverage. Leverage is the level of debt used by a company in carrying out financing. Leverage is measured by comparing the company's total liabilities with the total assets owned by the company. Research conducted by Amanda Dhinari Permata, et al (2018) and Ida Ayu Rosa Dewinta and Putu Ery Setiawan (2016) found that leverage has no effect on tax avoidance, companies use debt not solely to create income, there is a possibility that debt is used to invest long term, so that interest expenses do not appear periodically in the financial statements, so they cannot be used as a reduction in the tax burden that the company must pay.

The next factor that influences tax avoidance is capital intensity. Capital intensity is a transfer of auditors that occurs due to regulations that require (mandatory) or voluntarily optional (voluntary) from the auditor and based on management decisions (Davidson et al., 2005). According to regulations from the Financial Services Authority (OJK), stated in OJK Regulation Number 13/POJK.03/2017 concerning the use of Public Accountant and Public Accounting Firm (KAP) services. In this case, OJK regulations state that the use of audit services for annual historical financial information from the same Public Accountant is a maximum of 3 (three) consecutive financial years. From research conducted by Hartadi (2012) it was concluded that auditor rotation does not have a significant effect on audit quality. Meanwhile, research conducted by Kurniasih and Rohman (2014) produced different research results, namely that audit rotation had a significant positive effect on audit quality.

The final factor that influences tax avoidance is the audit committee. According to Rachyu Purbowati (2021), an audit committee is a committee formed by the company's board of commissioners whose members are appointed and dismissed by the board of commissioners. The audit committee in this study is measured by the number of audit committees in the company. The audit committee's aim is to supervise and ensure that the company's reporting and activities

are carried out according to the right corridors.

Mining companies have an important role in a country's economy because of their ability to produce products that can be traded and create employment opportunities. Researchers chose mining companies as research objects because based on data from the Ministry of Finance, in 2016 the tax ratio originating from the mineral and coal mining sector (minerba) was only 3.9%, while the national tax ratio was 10.4%. This condition is caused by tax avoidance practices carried out by coal mining industry players (katadata.co.id 2019). Apart from that, in Price Waterhouse Coopers (PwC) Indonesia's latest publication entitled Mine 2021: Great Expectation, Seizing Tomorrow stated that tax transparency reporting in 2020 for mining companies was only adopted by 30% of the 40 large companies. This shows that a number of large mining companies do not fully comply with the tax provisions set by the government (Ekonomi.bisnis.com, 2021). Another reason researchers want to use mining companies is because mining companies are companies that utilize the results of natural resources in carrying out their business activities, therefore the company must provide a balanced tax contribution to the state.

## **1. LITERATURE REVIEW AND HYPOTHESIS FORMULATION**

### **Agency Theory**

Agency theory is the relationship or contact between the principal and the agent. The principal employs agents to carry out tasks in the interests of the principal, including delegating decision-making authorization from the principal to the agent. In companies whose capital consists of shares, shareholders act as principals, and the CEO as their agent. Shareholders employ the CEO to act in accordance with the interests of the principal (Siagian, 2011).

The relationship between agency theory and this research can be linked to the interests of company profits between tax collectors (fiscus) and tax payments (company management). The Fiscus hopes for as much income as possible from tax collection, while management is of the view that the company must generate significant profits with a low tax burden. These two different points of view cause conflict between the tax authorities as tax collectors and company management as tax payers (Saputra and Aren, 2017).

### **The Effect of Leverage on Tax Avoidance**

The leverage ratio in a company can influence the amount of tax paid by the company. Based on agency theory, managers can reduce the company's tax burden by utilizing debt. This is because debt can incur interest costs, large debts can incur large interest costs, so this can reduce company profits and the tax burden paid will automatically be smaller than it should be.

According to research by Andalenta and Ismawati (2022), leverage has an effect on tax avoidance. This is in line with research conducted (Saputra and Asyik, 2017) that leverage projected using the Debt to Equity Ratio (DER) measuring tool has a significant influence with a positive influence on Tax Avoidance. The higher the DER value in a company, the higher the possibility that the company will take tax avoidance. So, based on the description above, the following formula can be produced:

H1: Leverage has an effect on tax avoidance

### **The Effect of Profitability on Tax Avoidance**

*Return on Assets*(ROA) is a profitability ratio used to measure a company's ability to generate profits based on the assets owned. Agency theory will encourage agents to increase company profits. In research conducted by Yulistia Devi, et al (2022) which states that

profitability has a significant effect on tax avoidance.

Research conducted by Andalenta and Ismawati (2022) also shows the same results, which show that the higher a company generates profits, the more likely it is to increase tax avoidance. So, based on the description above, the following formula can be produced:

H2: Profitability influences tax avoidance

### **The Effect of Capital Intensity on Tax Avoidance**

*Capital intensity* is an investment activity carried out by a company that is associated with investment in the form of fixed assets (capital intensity). The capital intensity ratio uses agency theory, this is because in agency theory more emphasis is placed on the company's tax burden, idle funds in the company by managers which will be invested in the form of fixed asset investment, with the aim of obtaining profits in the form of depreciation charges which can be used as a deduction. taxes so that taxable profits are low.

According to research conducted by Budianti and Curry (2018), capital intensity results have an effect on tax avoidance. This is in line with research conducted by Dimas, et al (2018) which states that capital intensity has an effect on tax avoidance. because companies that have fixed assets will have depreciation charges or depreciation charges which can reduce profit before tax. So, the company will utilize fixed assets to minimize the tax burden by investing fixed assets in the company.

H3: Capital Intensity influences tax avoidance

### **The Influence of the Audit Committee on Tax Avoidance**

The existence of an audit committee, as stated in agency theory by Jensen and Meckling (1976), has a separate task in assisting the board of commissioners to fulfill its responsibilities in providing overall supervision, so as to reduce the occurrence of agency conflicts. The audit committee is a corporate governance mechanism that can avoid tax avoidance.

According to research conducted by Tahilia, et al (2022), the results showed that the audit committee had a significant effect on Tax Avoidance. This is expressed through an increase in the number of audit committees in companies so that the company's tendency to practice tax avoidance is likely to be lower. This is because more than one audit committee in a company allows for effective control of financial reports to support the creation of good corporate governance.

H4: The audit committee has an effect on tax avoidance

## **2. RESEARCH METHODS**

This research uses a quantitative approach by conducting hypothesis testing. Hypothesis testing is related to certain characteristics and relationships, determining differences between groups and the independence of two or more factors in situations and conditions. This quantitative research is used to analyze the relationship between variables in calculations in the form of numbers and statistical analysis for each variable to be studied.

### **Population and Sample**

This research uses a population of all companies listed on the BEI in for the period 2019 to 2022, totaling 63 companies. Next a sample will be taken from the entire population using a purposive sampling technique *sampling. The sample selection criteria are as follows*

## List of Criteria and Sample Selection Results

Criteria	Total
All mining sector companies registered in Indonesian Stock Exchange (BEI) in 2019-2022	168
Mining sector companies that do not publish financial reports for 2019-2022 in Rupiah	(16)
Incomplete annual reports published by mining sector companies listed on the Indonesia Stock Exchange (BEI) during 2019-2022	(4)
Manufacturing companies that do not present financial reports in rupiah (Rp)	(27)
Sample financial reports experience losses during 2019-2022	33
Number of companies used for research	10
Total sample for 4 years (2019-2022)	40

**Data collection technique**

The data collection technique used in this research is a documentary collection technique which is collected through the website addresses of the Indonesian Stock Exchange (BEI) and the official websites of each company.

**Operational Definition and Measurement****Tax Avoidance(Y)**

According to Pohan (2013), tax avoidance is an effort to avoid taxes that is carried out legally and safely for taxpayers without conflicting with applicable tax provisions where the methods and techniques used tend to take advantage of the weaknesses contained in the tax laws and regulations themselves. to reduce the amount of tax payable.

**Profitability (X1)**

$$CETR = \frac{\text{Pembayaran Pajak}}{\text{Laba Sebelum Pajak}}$$

Profitability is a company's ability to earn profits for a certain period. Company profitability

$$ROA = \frac{\text{Laba Setelah Pajak}}{\text{Total Aktiva}}$$

can be measured using the Return on Assets (ROA) ratio. ROA is a ratio used to assess the percentage of profit generated by a company in relation to the total assets of a company (Susanti, 2018).

**Leverage(X2)**

*Leverage* is a financial ratio that describes the relationship between company debt and capital and assets (Deddy Dyas Cahyono, 2016). The greater the use of debt by the company, the greater the amount of interest burden suffered by the company, so that it can reduce the company's pre-tax profits which in turn will reduce the amount of tax that the company will have to pay (Surbakti, 2012). In this research leverage is measured using the debt to equity ratio.

**Capital Intensity(X3)**

$$DER = \frac{\text{Total Utang}}{\text{Total Ekuitas}}$$

*Capital Intensity* is an investment activity carried out by a company in the form of fixed assets (Marlinda et al, 2020). As one of the company's assets, fixed assets have an impact that can reduce the company's income where all fixed assets can experience depreciation which will later become a cost for the company itself. So the greater the costs incurred due to depreciation of fixed

$$CIR = \frac{\text{Total Aset Tetap}}{\text{Total Aset}}$$

assets, the smaller the tax burden that must be paid (Budianti and Curry, 2018). In this research capital intensity is measured using the formula:

**Audit Committee (X4)**

The main duties of the audit committee include examination and oversight of the financial reporting process and internal controls. Audit committee members must be appointed from members of the board of commissioners who do not carry out executive duties and consist of at least three people and the majority must be independent. The audit committee calculation is measured using the number of company audit committees (Hidayati and Fidiana, 2017).

**Data analysis method**

Data analysis methods used in this research include descriptive statistical analysis, classical assumption tests (normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test), and hypothesis testing (multiple linear regression analysis, coefficient of determination (R<sup>2</sup>), test T, and F test). Data is classified and processed using tools in the form of statistical software SPSS version 25.

### 3. RESULTS AND DISCUSSION

#### RESEARCH RESULT

##### Classic assumption test

##### a. Normality test

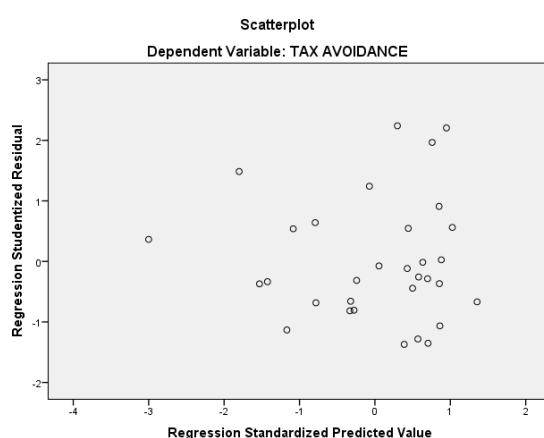
Testing with data processed using SPSS obtained probability plot (PP Plot) results which showed that the points on the graph were around the diagonal line and followed the direction of the diagonal line, so it could be concluded that the data was normally distributed. And the Kolmogorov-Smirnov Test result is 0.146 (sig 0.082) for all variables above 0.05. So it can be concluded that this research data is normally distributed and suitable for use for analysis in further research.

**b. Multicollinearity Test**

Testing with data processed using SPSS obtained tolerance results for the profitability variable of 0.927, leverage of 0.877, capital intensity of 0.956, and audit committee of 0.924. Meanwhile, the VIF results for profitability were 1.078, leverage was 1.140, capital intensity was 1.046, and audit committee was 1.082. So it can be concluded that all tolerance values are greater than 0.1 and all VIF values are smaller than 10, so it can be said that there is no multicollinearity between variables in the study.

**c. Heteroscedasticity Test**

Heteroscedasticity Test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. If the variance from the residual from one observation to another is constant, it is called homoscedasticity and if it is different it is called heteroscedasticity. A good regression model is homoscedasticity or heteroscedasticity does not occur.



From the graph above, it can be seen that the dots no longer follow a straight pattern following the number zero, but are more spread out randomly, do not form a clear pattern, and are spread above and below the number zero. Therefore, it can be concluded that the regression model in this study is free from heteroscedasticity.

**d. Autocorrelation Test**

Testing with data processed using SPSS obtained a Durbin-Watson value of 1.635, where this value is between -2 and 2. Thus, it was concluded that there were no symptoms of autocorrelation in the model based on time sequence and it met the autocorrelation test.

**Hypothesis test**

**a. Multiple Linear Regression Analysis**

**Table 4.1**  
**Multiple Linear Regression Model**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	39,308	26,311		1,494	,147
PROFITABILITY	-.366	,313	-.245	-1,172	,252
LEVERAGE	-.051	,065	-.175	-.786	,439
CAPITAL INTENSITY	-.059	,173	-.071	-.345	,733
AUDIT COMMITTEE	,849	6,483	.026	.131	,897

(Source: Secondary data processed using SPSS version 25)

From table 4.1, the following regression equation is obtained:

$$Y_{it} = 39.308 - 0.366 X_1 - 0.051X_2 - 0.059X_3 + 0.849X_4$$

Based on the regression equation above, the following analysis is obtained:

1. The constant value in the table is 39.308. This means that profitability, leverage, capital intensity, and audit committee have a value of zero (0), so the tax avoidance value will increase by 39.308.
  2. Profitability has a regression coefficient value of -0.366. This can be interpreted as meaning that for every one unit increase in the profitability value, there will be a decrease in the tax avoidance value of 0.366 with the assumption that other variables are constant.
  3. *Leverage* has a regression coefficient value of -0.051. This means that for every one unit increase in the leverage value, there will be a decrease in the tax avoidance value of 0.051, assuming that other variables are constant.
  4. *Capital Intensity* has a regression coefficient of -0.059. This means that every time there is an increase of one unit in the capital intensity value, there will be a decrease in the tax avoidance value of 0.059 with the assumption that the values of the other variables are constant.
  5. The Audit Committee has a regression coefficient of 0.849. This means that every time there is an increase of one unit in the audit committee value, it will increase the tax avoidance value by 0.849 with the assumption that the values of the other variables are constant.
- b. Determination Coefficient Test (R<sup>2</sup>)**

**Table 4.2**  
**Results of the coefficient of determination (R<sup>2</sup>)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.277a	,077	-.029	41.77242

(Source: Secondary data processed using SPSS version 25)



Table 4.2 shows that the adjusted R-square value is 0.227. This can be interpreted as meaning that 7.7% of the diversity of the dependent variable (tax avoidance)

can be explained by four independent variables (profitability, leverage, capital intensity and audit committee). Meanwhile, the remainder (100% - 7.7% = 92.3%) is explained by factors outside the research model. So it can be concluded that the influence of the profitability, leverage, capital intensity and audit committee variables is weak.

**c. Partial Regression Test (t Test)**

**Table 4.3**  
**Partial Regression Test Results (t)**

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	Std. Error	Beta		
1 (Constant)	39,308	26,311		1,494	,147
PROFITABILITY	-.366	,313	-.245	-1,172	,252
LEVERAGE	-.051	,065	-.175	-.786	,439
CAPITAL INTENSITY	-.059	,173	-.071	-.345	,733
AUDIT COMMITTEE	,849	6,483	.026	.131	,897

(Source: Secondary data processed using SPSS version 25)

Based on table 4.3, the following results are obtained:

1. Profitability (X1)  $0.252 > 0.05$ , so profitability does not have a significant influence on CETR.
2. *Leverage*(X2)  $0.439 > 0.05$ , then leverage does not have a significant influence on CETR.
3. *Capital Intensity*(X3)  $0.733 > 0.05$ , then capital intensity does not have a significant influence on CETR.
4. Audit Committee (X4)  $0.897 > 0.05$ , so the audit committee does not have a significant influence on CETR.

**d. Simultaneous Regression Test (F Test)**

**Table 4.4**  
**Simultaneous Regression Test Results (F)**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	741,420	4	185,355	,429	.786 <sup>b</sup>
	Residual	11655.455	27	431,684		
	Total	12396.875	31			

a. Dependent Variable: TAX AVOIDANCE

b. Predictors: (Constant), AUDIT COMMITTEE, PROFITABILITY, CAPITAL INTENSITY, LEVERAGE

(Source: Secondary data processed using SPSS version 25)

The data test results which can be seen in table 4.4 show that the calculated F value is 0.429 with a sig value. of 0.786. This indicates that the regression model can be used to predict the dependent variable because the sig value. greater than 0.05. So it can be concluded that there is no significant simultaneous influence between profitability, leverage, capital intensity and audit committee on tax avoidance.

## DISCUSSION

### The Effect of Profitability on Tax Avoidance

The first hypothesis in this study states that profitability does not have a significant influence on CETR. Based on the results of the t test, it can be seen that the calculated t value is -1.172 with a significant value of 0.252 which is greater than 0.05 so it can be concluded that H1 is rejected. Thus, profitability has no significant effect on CETR. The results of this research also show that the profitability coefficient ( $\beta_1$ ) value of -0.366 has a negative sign, which means that if there is an increase in the proportion of profitability it will have an impact on decreasing CETR. The results of this research are supported by research conducted by Saputra and Asyik (2017), as well as Amanda Dhinari Permata, et al (2018) which states that the profitability variable has no effect on tax avoidance. A high ROA value does not indicate tax avoidance. Companies with high ROA values are able to pay all company expenses including tax burdens, so companies prefer to pay taxes rather than having to take tax avoidance actions.

### The Effect of Leverage on Tax Avoidance

The results of hypothesis testing on leverage obtained a regression coefficient value of -0.786 with a significance probability of 0.439 which is greater than 0.05 so it can be concluded that H2 is rejected. Thus, leverage does not have a significant effect on CETR and leverage is not a determinant of the rise and fall of tax avoidance in the companies studied, so that if the company will take on debt it has nothing to do with the tax avoidance policy.

The results of this research are not in line with agency theory that the higher the value of the leverage ratio, the higher the amount of funding from third party debt used by the company and the higher the interest costs arising from that debt. Higher interest costs will have the effect of reducing the company's tax burden. The higher the value of the company's debt, the lower the company's tax burden will be.

In this research, leverage has no effect on tax avoidance. This could be because mining companies in this case do not use debt as a tax avoidance strategy. Companies with high leverage have high risks so companies are more conservative in managing their expenses.

The results of this research are in line with research conducted by Amanda Dhinari Permata, et al (2018) and Ida Ayu Rosa Dewinta and Putu Ery Setiawan (2016), companies use debt not solely to create income, there is a possibility that debt is used for long-term investments, so that interest expense does not arise per period in the financial statements, so it cannot be used as a reduction in the tax burden that the company must pay.

### **The Effect of Capital Intensity on Tax Avoidance**

The third hypothesis in this research states that capital intensity does not have a significant influence on CETR. Based on the results of the t test, it can be seen that the calculated t value is -0.345 with a significant value of 0.733 which is greater than 0.05 so it can be concluded that H4 is rejected. Thus, capital intensity does not have a significant effect on CETR. The results of this research also show that the capital intensity coefficient ( $\beta_3$ ) value of -0.59 has a negative sign, which means that if there is an increase in the proportion of capital intensity it will have an impact on decreasing CETR.

The results of this research are in line with research conducted by Dian Eva Marlinda, et al (2020) and Wiguna (2017), companies that have large fixed assets are not used by companies as tax deductions because of the depreciation costs attached to fixed assets, but rather to support operational activities. company.

### **The Influence of the Audit Committee on Tax Avoidance**

The audit committee does not have a significant effect on tax avoidance. Proven by the significance value of 0.131 which is greater than 0.05 so it can be interpreted that the audit committee has no effect on tax avoidance. The regression coefficient of the audit committee variable is 0.849 on tax avoidance. The results of this research state that the audit committee has a positive direction and has no significant effect. The bigger the audit committee, the higher the level of tax avoidance, in other words the company's tax avoidance is lower.

This condition occurs because the audit committee does not influence company management regarding tax burden policies related to tax avoidance activities. The results of this research do not support the agency theory which states that the fewer audit committees a company has, the less control over financial policies carried out by the audit committee, so this will increase management's actions in carrying out aggressive taxes, and vice versa if there are more audit committees in the company. a company, then management control in financial reports becomes very strict so that it will reduce tax avoidance.

These results support research conducted by Damayanti and Susanto (2015) and Rachyu Purbowati (2021), that the large number of audit committees in a company does not have any influence on tax avoidance efforts. The company's tendency to avoid taxes does not depend on the number of audit committees but on the quality of work carried out by the audit committee members themselves.

## **5. CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS**

Based on the research results, it can be concluded that the results of this study show that partially, profitability, leverage, capital intensity and the audit committee have no effect on tax avoidance. Likewise, simultaneously, profitability, leverage, capital intensity and audit committee have no effect on tax avoidance.

Limitations obtained during the research consisted of the following:

1. Of the existing samples, there were 63 companies, but only 10 companies could be used for research because some companies did not meet the research criteria, such as companies that did not publish financial reports consistently, and companies that experienced losses in their financial reports so they did not get maximum results. .
2. This research limits the observation years to 4 years starting from 2019-2022. This sample is only a small part of the many companies listed on the IDX, so it can be said that the results of this research do not provide an overall picture of the population of companies listed on the IDX during the research year.
3. This research only uses 4 independent variables, namely profitability ownership, leverage, capital intensity, and audit committee.

### **Suggestion**

The suggestions recommended by the author based on the results and discussions that have been explained include the following:

1. It is hoped that further research can increase the scope of the research object, so that research results can be compared, and add other independent variables with the aim of finding out other variables that can influence the dependent variable.
2. Future researchers can expand the research sample not only to mining sector companies that use the rupiah currency, but also to all mining companies that use the rupiah and dollar currency to research tax avoidance.

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